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In Search of a Post-Socialist Mode of Governmentality

*The Double Movement of Accommodating
and Resisting Neo-Liberalism in Vietnam*

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Abstract

This paper examines the mode of governmentality applicable as an analytical framework in socialist states committed to market socialism. The successes of socialist states like China and Vietnam over the past few decades since their market-based reforms are attributable to this diversifying mode of governmentality and have challenged the binary dichotomy between socialism and neoliberalism. The party-states in China and Vietnam have begun to search for a post-socialist mode of governmentality, which resonates with the departure from neoliberalism towards post-neoliberalism in various capitalist countries. In Vietnam, there are signs of reconfiguration and restructuring of the party-states in such a highly complicated and fluid context to adapt themselves to a more sustainable governmentality. This results in the amorphous and ambivalent situation of a double movement of accommodating and resisting neoliberalism. That, in turn, reveals significant implications for a transformative potential for political change.

Keywords

Vietnam's party-state – post-socialist – governmentality – neoliberalism

Introduction

Since the global economic crisis in 2008, efforts for rethinking alternative modes of governance beyond neoliberalism have gained new currency. In Asia, the emerging forms of post-neoliberal governmentality have been subject to critical scrutiny to theorise the new developments. Meanwhile, within the

broad Asian context, a small quarter of countries but holding significant influences economically, politically and strategically, notably China and Vietnam, continue to mount considerable challenges to conventional understanding of their mode of governance. While the debates about the influence of neoliberalism over these socialist states during the past few decades since they opened up their economy to global capitalism have not produced conclusive results, new challenging questions have arisen with regards to signals of the changing forms of governance in these countries. While neoliberalism has never achieved a full swing despite extensive engagement with neoliberal policy and practices in these countries, it has managed to carve out certain constituencies due to convergence of elite interests. China and Vietnam both continue to rhetorically assert their allegiance to the socialist mode of governance. The market-based reforms in both China and Vietnam indicate a search for a new type of socialist developmental state. However, except for the persisting monopoly of political power by the communist parties in China and Vietnam, it is still unclear what this kind of governance entails and excludes. At first, as a survival strategy in their acute crisis, these socialist states embark on market-based reforms and embrace neoliberalism as both a complementary and competing form of governmentality as they emphasise diversification. As a result, a number of programmes associated with neoliberal logics have been deployed by socialist states towards diversifying the economy, education, healthcare and welfare to allow private participation.

In Vietnam, the East Asian model of state-led developmentalism has great appeal to the party-state when embarking on the market-based reforms. The activist and interventionist role of the state in directing the course of development corresponds with the desire of the party-state to maintain control as the commander-in-chief. However, the Vietnamese party-state embraced this model when neoliberalism had already taken a strong hold. Amid the advent of neoliberalism, a number of services traditionally monopolised by the socialist state have been transferred partly to private control and ownership, deregulation and decentralisation have taken some ground. In this phase, the techniques of governance are seen in the co-existence and juxtaposition of both neoliberal and socialist forms of governmentality, which was once deemed unthinkable. Upon embracing market economy and neoliberal elements, their mode of governance has been transformed and adapted in such a radical way that understanding governance in terms of institutions and ideologies might be insufficient. Thus far, Vietnam has started to enter post-developmentalism in which the declining capacity and willingness of the party-state to intervene in the way it used to do have become more evident. In this period, various complex factors beyond developmentalist and materialist ones are in

place to reconfigure the role and practices of the party-state. Hence, the post-developmental approach would be less useful than neoliberal governmentality to understand the unfolding dynamics of governance in Vietnam.

In this paper, I will argue that the recent global economic crisis coupled with inherent governance problems has given rise to a grand rupture in the political vision of socialist states about the sustainability of this model. The party-states in China and Vietnam have begun to search for a post-socialist mode of governmentality, which resonates with the departure from neoliberalism towards post-neoliberalism in various capitalist countries. There are signs of reconfiguration and restructuring of the socialist states in such a highly complicated and fluid context to adapt themselves to a more sustainable governmentality. It has come to a time to rethink both socialism and neoliberalism and their incompatibility. The post-socialist processes in these countries are amorphous and ambivalent at this stage. As such, they represent the dynamics of hybrid and syncretic systems drawing on diverse sources, a cacophony of socialist and neoliberal governmentality. As a result, a double movement of accommodating and resisting neoliberalism can be seen in motion. The paper will investigate two cases of the developmental state and the surveillance state in Vietnam respectively to illustrate these points. The cases demonstrate basic characteristics of the emergent trend of post-socialist processes and illuminate the changing power relations in this society.

Analytical Framework: Foucauldian Concept of Governmentality

The Foucauldian concept of governmentality is useful in shedding some clearer light on neoliberalism and after in such a post-socialist country like Vietnam. It promises to provide an analytical toolbox to make sense of governance as “an eminent practical activity” beyond the confinement of “formal apparatuses of politics and government” and points to a powerful current in social and political research to understand “profound transformation and uncertainty” (Walters, 2012: 2). As the political change is evolutionary, quiet and subtle, emerging governmentalities are characterised by both change and continuity. It should be noted that the literature on governmentality traditionally focuses on Western liberal capitalist societies. However, it does not mean that the concept is not applicable to Asian societies with communist party regimes. It is well suited to make sense of the broad uncertainties overshadowing governance, ideology and values in various Asian transitioning societies like Vietnam.

Although most of them embark on the same point of entry, which is Foucault’s usage of the term, different authors have different readings and inter-

pretations, indicating broad meanings of the concept. Walters clarifies the haziness in understanding this term by drawing attention to three levels of meanings of governmentality from the more specific to the more general (2012: 11–13). In this paper, I take the position to understand governmentality in its broadest sense that encompasses various forms of power relations. This is in line with a salient approach to the term from the baseline of government as “conduct of conduct” (Li, 2007: 275; Dean, 2010: 17; Walters, 2012: 11). It investigates the practices, techniques and rationalities that are utilised to “shape human conduct by calculated means” in definite contexts (Li, 2007: 275). Only in its broadest sense, governmentality can be usefully applicable to make sense of the governance problematique in the post-socialist countries. For instance, governmentality serves as a sharp line of inquiry into the changing models of legitimacy by the authoritarian state in Vietnam since Doi Moi (Renewal) in 1986. The party-state used to rely on moral and intellectual leadership, whether it is personality cult of charismatic leaders or collective leadership, based on the socialist ideological unity as the main source of legitimacy (Vasavakul, 1995: 263–264). This type of legitimation model had taken advantage of nationalism that is cast in the form of traditional Vietnamese patriotic spirit against foreign aggressors, arguably accounting for the victories of Vietnamese people over a series of wars against the French, Japanese, Americans and Chinese. However, this main source has been in a crisis for the past few decades. As market-based reforms have significantly undermined socialist egalitarianism once promoted by the party-state, the main source of legitimacy was running low in late 1980s. Thus, it needs to gear towards diversifying the sources. In this context, the party-state had found the rational-legal sources useful with performance as an important aspect (Thayer, 2009: 48; Abuza, 2001: 21–22). In order to reproduce consent of the population, the party-state, hence, has broadened its fundamental corporate interests to forge new national popular interests with the model of performance-based legitimacy or a developmental state. This source of legitimacy has favourably resonated with neoliberalism to rework the socialist form of governance towards an emerging governmentality in Vietnam since 1990s.

Obviously, the party-state of Vietnam has quietly shifted the focus of legitimacy to rule from abstract socialist ideals and historical legacies to a more distinct governmental rationality. The traditional mode of governance by a communist party regime is further reinforced to a large extent by coercive forms of rule and surveillance as the main form of political control (Kornai, 1992). In the post-reform era, the party-state has been producing and reproducing popular consent over its performance-based legitimacy or the regime's efficacy by pointing to relative successes during the past few decades in bringing about progress and improvements in various areas of governance, particu-

larly impressive successes in economy and poverty reduction. The party-state's willingness to govern has now been closely associated with the concern with the "welfare of the population, the improvement of its conditions, the increase of its wealth, longevity, health, etc." (Foucault, 1991: 100). Thus, the willingness to govern is no longer an axiomatic absolute truth, but conditional on "the will to improve" by means of applying calculated programmes and techniques based on rational and scientific principles of management (Li, 2007: 275). With an explicit aim to follow the developmental state, the party-state has employed a number of such programmes with neoliberal elements in managing and disciplining the population. However, evidence suggests that although technical practices were based on the neoliberal standards of compliance such as assessment, transparency and accountability, they were substantially reconfigured and reworked within the Vietnamese contexts (Truitt, 2012; Pashigian, 2012; Schwenkel, 2012). As a result, the influence of neoliberalism in Vietnam has been found "not powerful" (Gainsborough, 2010), despite of its significant implications.

A Marriage of Convenience: Socialist Governance and Neoliberal Governmentality

The conspicuous departure of China and Vietnam in late 1970s and 1980s respectively from the orthodox socialist governance to embrace market-based reforms and elements of global capitalism has been widely studied (Kerkveliet et al., 1999). These reforms were in response to acute crises that placed these countries on the verge of collapse and gave the socialist states renewed vitality to be resilient. Both China and Vietnam have consistently recorded impressive economic growth for decades¹ and managed to navigate through two economic crises at regional and global level within a decade, i.e., the Asian economic crisis in 1997–1998 and the global economic crisis in 2008–2009. Both countries have been hailed by the international community for lifting a large proportion of the population out of poverty. Economic successes in these countries are highly credited with market-based reforms that unleash tremendous power from inside, which is sometimes dubbed as "market socialism" or "autocratic capitalism". Nevertheless, there remains an important set

1 The average GDP growth rate of China and Vietnam between 1997–2011 is 9.8% and 7%, respectively, according to the World Bank (<http://data.worldbank.org/indicator/NY.GDP.MKTP.KD.ZG?page=3>, accessed 22 May 2013).

of questions about how the reforms and transformation have been governed and what are the institutions, the ideological forces at work and practical activity that have shaped and reshaped the mode of governance in these countries.

When China and Vietnam embarked on market reforms for the economy, they held tight to socialist statism or a Leninist political system with the communist party monopolising political power. Despite strong resistance to political reforms, these party-states have started rationalising their political activity, which implicitly undermines various absolute single truths in the socialist mode of governance beyond the economy. The claims by socialist states about their superiority in providing free and quality healthcare and education, a better environment and welfare system have faded away and have been replaced by new survival strategies. While sanctioning against political pluralism, the party-states have adopted various programmes as an aspect of governmental rationality that emphasise “diversification” strategies ranging from the economy, foreign affairs and healthcare, to education, welfare and the environment. In a way, these programmes can be understood as “explicit, planned attempts to reform or transform regimes of practices by reorienting them to specific ends or investing them with particular purposes” (Dean, 2010: 268). Due to exposure to global capitalism where neoliberalism has been riding the waves in various economic and social fields, the programmes are inevitably influenced by neoliberal logic.

In Vietnam, during the 1990s and 2000s, the presence of neoliberalism was felt in a number of programmes across different areas of governance. A number of services traditionally monopolised by socialist states were transferred partly to private control and ownership. Remarkably, the “socialisation” programmes by the party-state in healthcare and education have produced a mixed picture of governance in these areas. Despite high investment from the party-state in education and health services, which amounts up to 17% of the GDP, so many epidemic problems seem incurable and the quality remains so poor that it has long been public frustration.² Basically, “socialisation” in the Vietnamese context denotes the policy attempts by the party-state to improve the public services for the population by diversifying the resources providers. On the one hand, as the “socialisation” programmes are designed to overcome the constraints of public finance, they have diversified and widened the accessibility of these services, thus contributing to improvements in the living standards

² The media reports on different kinds of problems plaguing education and health service as frequently as almost daily.

of the people. On the other hand, its application over the past two decades has produced a dismal picture painted as “a chaotic and inefficient system which deepens inequalities, slows poverty reduction, and threatens to retard the country’s future economic growth” (London, 2013). The widespread implementation of these programmes has generated a superficial impression about the retreat of the party-state, as neoliberalism would suggest. However, a closer examination of their implications reveals a more complex and confusing picture.

While being placed under the authoritarian control by the party-state, the programmes, such as in education and healthcare, have, in one way or another, indiscriminately taken on some elements of neoliberalism, which credits free-market capitalism as the most rational and efficient way of social and economic organisation. At face value, it seems to lead to an inevitable crash with socialist ideology claimed by the party-state. However, as argued by Schwenkel and Leshkovich, the ambivalence of the term “neoliberalism” and its ramifications mean “enduring socialist interpretive frameworks, relations of power, and modes of socioeconomic organisation contest and rework neoliberalism and its global techniques and technologies of regulation” (2012: 381). Whatever the results of programmes in various functional areas of governance are, there are significant implications in place. The programmes were initially designed as interventions in “survival strategies” once scoring some successes, albeit limitations and problems accompanied, would manufacture new kind of pressures for rationalised performance upon the regime. Part of neoliberal logics have been in operation and tied in the socialist mode of governance as the practices of the regime are now frequently measured against the neoliberal standards of “good governance”. The party-state has to respond at different degrees to the neoliberal logics of accountability, transparency, enumeration and quality in which rationalities are embedded. Hence, the techniques of governance can now be seen in the co-existence and juxtaposition of both neoliberal and socialist forms of governmentality, which were once deemed unthinkable.

The emergence of neoliberal governmentality in Vietnam has added to a complex web of interests evidenced by corporatism and the rise of powerful interest groups with rent-seeking activity. This phenomenon had been noted earlier in China (Ding, 1998). It has deepened the inequality and exploitation in development and repression in politics. Meanwhile, inherent structural problems of the economy after a period of euphoria without a carefully thought-out development strategy have now acutely surfaced. The global economic crisis in 2008–2009 marked the downward spiral of economic growth and various governance problems. Economic mismanagement resulting in high inflation, mas-

sive bad debts and economic slowdown³ for the past few years has undermined the confidence of the population in the performance-based legitimacy. In fact, the requirements in the practice of neoliberal governmentality have raised insurmountable challenges for the party-state in Vietnam. As it is unlikely for them to return to the past of orthodox socialist mode of governance, the Vietnamese party-state is now facing a dilemma. If they choose to invest more in the rational-legal sources of legitimacy, they have to make bolder steps towards neoliberalism, thus becoming more dependent on the liberal order for survival. This requires immediate political reforms and it is unlikely for the authoritarian one-party state to sustain. Otherwise, they need to search for new approach of governmentality, the one that can release them from the pressure of popular consent where the rationality-based performance prevails.

Post-Socialist and Neoliberal Governmentality: Same Bed, Different Dreams

Although Vietnam and China maintain the authoritarian control by the communist parties, both have now moved to a post-socialist era. Their path to follow the developmental state model has increased exponentially their dependence on the liberal world order in which neoliberal governmentality has been a distinct feature for the last few decades. It means they have been engaging with “a political project that is justified on philosophical grounds and seeks to extend competitive market forces, consolidate a market-friendly constitution and promote individual freedom” (Jessop, 2013: 70). Their exposure to global capitalism in a neoliberal era has left its imprints in various areas of governance with neoliberal logics. Now that there is a harbinger of a transition to post-neoliberalism in some quarters of the world and Asia, and a grand rupture in the political vision of the post-socialist states, the latter need to think of alternative forms of governance for their own survival. Their post-socialist projects of governance with a recombination with neoliberal elements are likely to offer both distinct and similar characteristics.

Before discussing the features of post-socialist mode of governmentality in Vietnam, it is useful to clarify my understanding about post-neoliberalism. First, post-neoliberalism is not distinctly different from neoliberalism. Although it emerges in part as a response to many of the problems and short-

3 Economic growth rate of Vietnam in 2011 and 2012 was 5.9% and 5%, respectively, according to the World Bank.

comings of neoliberalism, it is built on both discontinuity and continuity of neoliberal form of governance where “neoliberal practices are at the same time preserved and overcome” (Macdonald and Ruckert, 2009: 7). Second, post-neoliberalism emphasises a particular type of state in a more invasive form that can shore up capitalist development. In this kind of project, the state prioritises correcting market failures with robust intervention and addressing social inequalities.

While there is an overly focus on economic realm in neoliberal project with anticipated spill-over effects on other spheres, post-neoliberalism seeks to bring the social back to the centre of the state’s agenda. The state is tasked with activating more capacities from the society and engineer wider political space for civic participation to reap benefits from the market. However, while doing so, it needs to employ more sophisticated technocratic regulation to keep the society in check and police the population. Thus, my understanding and usage of the term “post-neoliberalism” bear resemblance to that of Macdonald and Ruckert (2009: 8), which highlights the rejection of (post-)Washington Consensus era policy homogeneity and states’ conduct of “different ways of reconnecting the social with the market sphere”. Beyond these points, it might not be helpful to narrowly define the term, as it will not be capable of capturing all sorts of practices and discourse by the state and society. It is also important to note that the timing of selective adoption of neoliberal policy across Asia is different from other parts of the world, and thus the widespread discrediting of Washington consensus policies will shape the likelihood that Asian states will adopt neoliberal policies, at least in an orthodox manner.⁴ With that in mind, I will now turn to discussion on the case of post-neoliberalism in Vietnam.

Since the 2008–2009 global economic crisis, the critical question about the political legitimacy of the party-state has consistently re-emerged. It has become an imperative to search for a refined mode of governmentality. While the rational-legal source needs overhaul, the traditional source with legitimate claim to nationalism is also seriously challenged. As China becomes more aggressive in its claims over the South China Sea and is widely seen as a threat to Vietnam’s territorial integrity, the close ties between the two party-states of Vietnam and China have weakened the former’s position to exploit nationalism to its advantage. Furthermore, the lack of a coherent and consistent political vision for a grand governance project has been evidenced by the dominance of a rent-seeking state, indicating an imminent crisis of the party-state (Vuving, 2013). Overall, it is now struggling in search of a kind of governmentality that

4 I am grateful to an anonymous reviewer for this point.

can reverse the downward trend of popular support by reconfiguring the way the consent of the population is understood.

The post-socialist governmentality is being developed in the form of recombining and rearranging different elements of neoliberalism and statist socialism in a highly complex and fluid context. While the convergent point for these governmentalities is to reclaim and revitalise the role of the state, their objectives might be very different. The post-socialist form of governmentality aims to strengthen and sustain the monopoly of political power of the communist party. It seeks to deliver more social and political inclusion and better welfare policies with an emphasis on the moral responsibility of the state towards its citizenry (Grugel and Ruggirozzi, 2012: 3–4). It is argued that the emerging form of governmentality is not characterised by something totally novel and revolutionary, but rather that there is a great deal of continuities that need to be appreciated despite neoliberal strictures being recognised. Thus, the post-socialist processes taking place in a country like Vietnam are amorphous and ambivalent at this stage. What is more certain is that the party-state must adopt such a form of governmentality that can better accommodate the ever increasingly diverse aspirations of the population and more effectively respond to the more widespread resistance from quarters of the society. This is a new form of governmentality that comes along with post-neoliberalism. As a result of state spatialisation in the forms of verticality and encompassment, the claims traditionally monopolised and long depended on by the state have been challenged and undermined (Ferguson and Gupta, 2002: 995). By so doing, they are mostly like to use a “new bottle, old wine” approach to deal with the governance problematic. Whatever efforts are in place to rebuild and reclaim the party-state in a post-neoliberal era, it is highly unlikely that they could abandon the commitment and promise to lead the country to modernisation. This is a critical aspect of the grand new legitimacy (Brocheux, 2012: 91) that the post-socialist governmentality can be tenable.

In light of the above-mentioned analytical framework, the following sections will address the two important features of such an amorphous and ambivalent form of governmentality in Vietnam. The governmentality is examined in two broad categories of governance, i.e., the economy and politics. It is demonstrated that the party-state has been trying to apply various techniques and practices based on both “inclusions and exclusions of particular knowledge” (Schwenkel and Leshkovich, 2012: 394) to improve its governance capacity and the welfare of the population. At the same time, the party-state starts to take steps towards governing people from a distance more than direct repression so that “people are not necessarily aware of how their conduct is being conducted or why” (Li, 2007: 275). The two themes that I will delve deeper into analysis

to highlight the ambivalence of a post-socialist governmentality are the new developmental state and the surveillance state in Vietnam. As they are broad themes, they can encompass different sub-sets of issue-areas within.

Accommodating Neoliberal Governmentality: The Developmental State in Vietnam

Like all typical socialist states, Vietnam has a strong role for the state, or more accurately the party-state, over the economy and development. The economic success over the two decades after the market-based reforms in 1986 is arguably attributable to the developmental state model that Vietnam has been following in line with that of East Asian countries. While the developmental state itself is a loosely-defined concept denoting institutional, relational and ideational aspects of an activist and interventionist state in directing the course of development (Stubbs, 2009: 5–6), some of these characteristics have been playing out in the case of Vietnam (Beeson and Pham, 2012). However, as demonstrated below, the inherent limitations of this model exposed in late 1990s, particularly after the 1997–1998 Asian financial crisis, coupled with acute internal problems and contradictions in Vietnam's governance mode have taken the practices of state-led developmentalism far away from its original form. The benefits from trade liberalisation and an emphasis on export-led growth had turned Vietnam into an economic tiger in Southeast Asian by the mid-2000s. The performance in poverty reduction is also impressive, reducing the rate from 60% to 20% within 20 years. Vietnam has become a favourite destination for the flows of foreign direct investment (FDI) and official development assistance (ODA) and international donors have consistently hailed the country as a success story by pointing to how the logics of neoliberalism work in a particular socialist context. Overall, the role of such a developmental state is widely recognised as the party-state and its agencies have clearly been proponents or facilitators of certain policies, strategies and knowledge that contribute to such performance. However, the role of the socialist states is being subject to a more critical scrutiny by recent studies. Evaluating the roles of the party-states of China and Vietnam in their developmental successes, Malensky and London (2014) argue that their most robust growth was in periods of state withdrawal from the economy and their current economic difficulties stem from the scale and character of the party-state's role in the economy. Furthermore, the focus on the role of the party-state might come at the expense of obscuring other complex factors and the interplay of different forces at the societal level and global level.

The relative success of Vietnam over the past few decades is significantly attributable to a developmental structure from which capacities of the party-state derive. According to Tuong Vu (2010: 4), a developmental state requires such a structure as “cohesive internal organisations and alliance with capital at the expense of workers and peasants.” While the socialist states like Vietnam and China demonstrate certain attributes of the developmental structure like stable and centralised government, cohesive institutions and effective coercive institutions, they differ significantly from capitalist developmental states. They do not rely on private ownership and market mechanism but “draw power from direct control of productive organisations” (Vu, 2010: 6). In Vietnam, this kind of developmental structure embraced by the party-state has borne detrimental effects on the long-term wellbeing of its people. It has placed too much emphasis on increasing economic growth and material prosperity at the expense of social justice mechanisms.

It is also important to factor in the influences of global institutions, including inter-governmental organisations (IGOs), non-governmental organisations (NGOs), multinational corporations (MNCs), domestic social organisations at the grassroots and national levels that “cut across familiar top-down and bottom up spatial imaginings of statehood” (Schwenkel and Leshkovich, 2012: 388). Clearly, just like China, Vietnam has benefited greatly from the liberal order outside and has been locked into that order for the foreseeable future (Lee, 2012). For the past few decades, Vietnam has integrated into that order so extensively and deeply that they are now bound by the various rules and norms produced within the order. It does not mean that the party-state is strictly and rigidly imposed by these rules and norms, but there exists a certain room for the party-state to swing by reworking them in their local contexts as suggested earlier. However, the agents of neoliberal governance, such as the United Nations Development Program (UNDP), the World Bank (WB), the International Monetary Fund (IMF), the World Trade Organization (WTO) and a number of aid agencies from the capitalist countries, have exerted unfettered pressure on the party-state for neoliberal restructuring of the economy through expansive knowledge systems and expertise as well as capital investments.

The dilemma that Vietnam is facing raises an intriguing question about whether Vietnam will choose to continue increased integration into the liberal rules-based order. For some, this question might be irrelevant because Vietnam has already been so closely tied into that order that it cannot escape and it is inevitable for the country to open up new reforms to follow that line. However, there is also significant merit in the question because it is argued that Vietnam is actually not dependent on such a liberal world outside for survival, but rather

communist China (Vuving, 2013: 325–326). This crucial question is still left without a conclusive answer. It has added up to the amorphous and ambivalent form of governmentality that is going to play out in Vietnam. For the past few years, Vietnam has been struggling with an economic downturn and embattled in the task of fundamental economic restructuring. Criticisms have been levelled at economic mismanagement by the government and the slow pace of reforms. The economy's high vulnerabilities have been exposed through the indication of depleting foreign exchange reserves, massive bad debts, and a large number of enterprises' closures and liquidations.⁵ After dragging debates about the solutions to the economy, the Communist Party of Vietnam (CPV) Central Committee issued a resolution identifying three areas for restructuring, i.e., state-owned enterprises (SOEs), public investment and financial-credit institutions.⁶ Although a version of the socialist economy based on "public ownership of main means of production" supported by the CPV General Secretary Nguyen Phu Trong was vetoed at the 11th CPV National Congress in January 2011, the state-owned sector of the economy is still given the pivotal role. Despite notorious scandals of major state conglomerates, i.e., Vinashin (Vietnam Shipbuilding Industry Group) and Vinalines (Vietnam National Shipping Lines),⁷ large state-owned corporations continue to be regarded as "red iron fists" of the economy. It is the firm belief of the party-state that restructuring SOEs will make them work more effectively and buttress the new form of economic governance.

The first important point to note about the reform of SOEs in Vietnam is its contextual origin, which is a key difference from that in China. Vietnam initiated market-based reforms about a decade later than China by first addressing the SOEs to save the economy from a looming collapse, while China's economic reforms started in the rural sector to reinvigorate the stagnating economy (Fforde, 1999). The reform on the SOEs in Vietnam was planned as early as the late 1980s with "equitisation" schemes and efforts to reduce the number of SOEs. However, the number remained large by 2010, with more than

5 In 2012, Vietnam's foreign exchange reserves were sufficient for only 2.3 months of import, public debts in 2011 accounted for 106% of GDP, according to international standards, and the number of closures and liquidations between 2011–2012 amounted to 104,000, making up half the total number over the past 20 years (Vuving, 2013; Vu Quang Viet, 2013).

6 The resolution of the 3rd Plenum of the 11th Tenure Central Committee of the CPV in October 2011.

7 Vinashin was on the verge of a bankruptcy with debts totalling US\$ 4 billion in 2010; Vinalines had a debt of US\$2 billion and defaulted on five loans worth US\$1.1 billion by 2012 due to mismanagement (Vuving, 2013: 328).

3200 SOEs.⁸ On surface, the number of SOEs seems a small fraction of the total number of 475,700 enterprises active by the end of 2012. However, these SOEs dominates the most important and lucrative sectors of the economy, including banking and finance, insurance, minerals, natural resources, construction, infrastructure, shipping, civil aviation and telecommunications. These are the core sectors of the economy and considered as so politically and strategically sensitive that both foreign investment and private domestic enterprises are either discouraged or disadvantaged in terms of market access, loans and land use.

The explicit objectives of the restructuring of SOEs are to strengthen and revitalise the role of the SOEs in the core sectors by gradual divestment in non-core business and to take the commanding heights of the economy. The aim clearly stated is to sharpen the role of SOEs as macroeconomic regulatory tools. It echoes exactly the official attitudes towards SOEs in China focusing on how to maintain control of “the commanding heights of the economy while allowing small-scale enterprises to survive in an increasingly market-driven economic environment” (Beeson, 2007: 176). Indeed, the underlying goal behind the restructuring programmes is to maintain Leninist political control over the economy through SOEs as the CPV can continue to command the allegiance of the elites and partly the middle class through the revenues generated by SOEs. As the socialist dogmas have failed to produce and maintain the loyalty of the elites in ideological terms with plenty of evidence throughout the 11th CPV National Congress and recent 6th and 7th Plenum of the CPV Central Committee, the party-state has turned to rationalise a complex web of interests where all privileges and opportunities are closely tied to the Party’s discretionary power. In this sense, the structure of political economy of Vietnam strikes a similar note to that of China where the Party “remains the dominant dispenser of commercial, business, professional and even social opportunity” (Lee, 2012). The Vietnamese party-state’s capacity to effectively direct the development course has been seriously compromised by its self-fulfilling and rent-seeking patterns.

The designed political economy of Vietnam has become a fertile ground for clientelism and rent-seeking activities with the ethos “to create barriers and extract rents from society” (Vuving, 2013: 325). The patronage system resulting from such a political economy is promoting exclusion, rather than inclusion. In terms of personnel, there is a strong link between SOEs and the CPV. All SOEs

8 Among them, eight economic groups and 96 corporations have about US\$ 20 billion in capital and hold 75% of national fixed assets.

executives are CPV members. Most important positions of central economic groups and corporations are nominated and appointed directly by the Prime Minister upon the approval by the CPV Secretariat and Central Organization Commission. However, the near collapse of large corporations like Vinashin and Vinalines, as well as the continuous loss-making by various SOEs, has exposed corruption and poor competence of many SOEs executives. Moreover, investigative reports from the National Assembly of Vietnam reveal the weak and insecure governance structure of the SOEs, especially the large economic groups. All these factors have significantly blunted their competitive edge at the regional and international level despite their great advantages in access to market, capital and land. Even at the domestic level, their poor performance compared to private and FDI enterprises is striking (Vu Quang Viet, 2009: 404–405).

While the SOEs reform plans imply exclusive programmes and technical practices to maintain the political control of the party-state, there are certain aspects indicating a trend towards more social inclusion in the governmentality. During the debates for the amendments of the 1992 Constitution, there had been polemical attacks on the idea of the state-owned economic sector as the mainstay of the economy (Nguyen Quang A, 2010). However, the party-state resolutely sticks to the idea that is strongly entrenched in the new Constitution passed by the National Assembly in November 2013. Article 51 (1) of the 2013 Constitution reads: “The Vietnamese economy is a socialist-oriented market economy with multi-forms of ownership and multi-sectors of economic structure; the state economic sector plays the leading role.” Interestingly, the Constitution indicates some ambivalent attitude of the party-state over the treatment with all non-state economic sectors. On the one hand, it clearly prioritises the state-owned economic sector. On the other hand, the Constitution places an emphasis on the equal treatment to all economic sectors, regardless of state-owned, private or foreign-owned sectors. Article 51 (2) of the Constitution reads: “All economic sectors are important constituents of the national economy. Actors of different economic sectors are equal, cooperate, and compete in accordance with the law.” This highly ambivalent attitude towards the economic sectors produces a compromising effect. Thus, such a contradiction could be mediated by practical policy making of the party-state.

The party-state has been making various efforts to restore the confidence of the public and investors in its path for state-led development. The grand plan for economic restructuring, despite all its flaws and criticisms, is designed as intervention programmes to present a more socially-inclusive development and better welfare policies to solicit public consent. Some initial results of sta-

bilisation measures over the past few years have been produced. For the first time since 1993, there has been a foreign trade surplus and, in 2012, Vietnam posted a record surplus of 2.7% in the current account balance. The government has consistently implemented the roadmap for minimum wage increases and announced plans for wage reform despite resources constraints. The measures taken by the party-state are to demonstrate the commitment to the developmental state, rather than a rent-seeking state. However, there is increasing evidence pointing to an imminent comprehensive crisis that economic restructuring alone is no longer sufficient. The longer political reforms are delayed, the closer such a crisis will approach.

Resisting Neoliberal Governmentality: The Surveillance State in Vietnam

A crucial question for any state is how to manage and discipline its population. The post-socialist governmentality tends to focus on the delicate dimension of governing from a distance and develops even more sophisticated interventions. The rise of a surveillance state in resisting neoliberal governmentality has become a notable phenomenon (Balkin, 2008). It has become of significant interest to the authoritarian states to forge a new form of governmentality to reconfigure the question of public consent or political legitimacy due to their permanent fear of losing control and domination. Nowadays, autocratic regimes have to rely more on economic performance to accommodate the aspirations of the population for survival. However, it is highly unlikely that they can sustain good performance permanently and hard times will come at some stage. It is widely recognised that “economic malperformance should pose severe threats to autocratic regimes whose lack of democratic feedback mechanisms such as free and fair elections is their defining characteristic” (Tanneberg et al., 2013: 115). However, whether this serious threat can result in the collapse of the regime depends to a large extent on a number of other factors. An important issue is the way in which the regime represses and co-opts the resistance. The more resilient autocratic regimes tend to walk a finer line between repressive and responsive states. The surveillance state is a powerful instrument to mitigate the adverse effects of economic mal-performance and public frustration.

The surveillance state has a great utility in encompassing three important aspects of governance: repression, responsiveness and co-optation and transforms the way the state conducts these activities. How can it do that? According to Balkin (2008: 3), it “uses surveillance, data collection, collation, and analysis

to identify problems, to head off potential threats, to govern populations, and to deliver valuable services.” The revolutionary development of information technology has enabled the surveillance state and equipped it with unparalleled capabilities. The surveillance state is now active in both the virtual cyber space and the physical spatial space to manage and discipline its population. Authoritarian states are keenly interested in such functions as “information gluttons and information misers” as they can maximise their power and control over the population in a highly sophisticated way. An authoritarian surveillance state will take in as much information as possible with indiscriminate access to all information it wants, in any place and at any time (Konczal, 2013). For a communist party regime, surveillance has always been a major aspect of governmentality and effectively employed. However, the party-state faces great challenges to continue making forms of surveillance function due to the more open economy, larger size population and the boom of social activity by citizens facilitated by communication technologies via social media and networks. The increasing size of the security apparatus is still lagging behind the party-state’s desire to exercise surveillance capacity for managing the population. Various techniques of government have been employed by the party-state to increase its surveillance capacity via governance by a distance and instrument of uncertainty.

An intimidating aspect of an authoritarian surveillance state lies in its capacity to circumvent the neoliberal logic of transparency and accountability. It explains the paradox of increasing state secrets amid the era of the Internet and information transparency. States, especially authoritarian states, are producing and reproducing more and more state secrets by keeping the information they collect and process from the public and even from other parts and agents of the state. As argued by Balkin (2008: 17–18), the states “try to treat everything that might embarrass them or undermine their authority as state secrets, and they multiply secret rules and regulations, which lets them claim to obey the law without having to account for what they do.” Clearly, the surveillance state has much more useful techniques of government than ever, which has grown beyond the fear of Foucault about the states’ measures of watching and/or threatening to watch in order to control the population (Foucault, 1977, cited in Balkin, 2008).

Surveillance activities have been proliferating over the networked cyberspace in the forms of various interactive devices and platforms leading to ubiquitous, expanding and accelerating data collection on all aspect of society and life. The states now can make use of various ways to collect information ranging from mobile phone metadata, mining data from Internet companies to big data from population censuses to make surveillance ubiquitous and people unaware

of how they are managed and disciplined. The party-state of Vietnam is a case in point.

An important aspect of surveillance for the party-state is to collect the meta-data on the population and make it readily available for management purposes. In June 2013, the Vietnamese Prime Minister approved a master plan on national database for population management and administrative procedures between 2013 and 2020. Starting from 2016, every Vietnamese citizen will be provided with a personal identification number, which will serve as a credible replacement for many other personal documents like identity card, birth certificate, marriage certificate, household register, passport, etc. in transactions with administrative bodies of the state. It is estimated by the Vietnamese government that every day there are about 600,000 administrative transactions while the population is 90 million (Ministry of Justice, 2013). All information collected by the state about an individual will be stored in a national database and can be extracted through the personal identification number at any time for particular purposes. At face value, it seems an effective measure for reducing the pressure on administrative procedures. However, this move represents a deliberate and carefully planned attempt by the state to more effectively control the population. Without a democratic check on the usage of the information by the government and its security apparatus, there is an increasing threat to individual freedoms and rights by the intentional intrusion by the state into privacy of individuals for domination purposes. A recent example highlights the danger of information abuse by the authorities. In September 2012, the Ministry of Public Security announced and produced a new format of the identity card that publicises the information about the ID holder's parents. It immediately raised a heated controversy about the act of the Ministry of Security that intrudes the privacy of individual citizens, while the Ministry of Public Security persistently defended its position. In response to strong protests from the public throughout the media, the Prime Minister finally requested the Ministry of Public Security to abolish the new format of ID in April 2013.

By the end of 1997, the Internet began to go commercial in Vietnam with limited users from state agencies at first. Within 15 years, the number of Internet users exploded. According to statistics from the Ministry of Information and Communication, the number of Internet users reached 31.3 million by November 2012, accounting for 35.58% of the population. Parallel developments are also seen in telecommunications. By 2010, Vietnam had more than 140 million mobile phone subscribers, nearly double the population. The Internet and mobile phone data services have provided a fertile ground for the blossoming blogosphere and cyber activism that challenge the mainstream press owned by the state in many significant ways. More than 700 newspapers, magazines or

media outlet in Vietnam are all party-state owned. They are supposed to serve as the instrument of generating and disseminating particular kind of knowledge and narratives in the interests of the party-state. There are clear indications that they are falling behind on the information front and giving way to the citizen journalists or free bloggers who are more interested in the production and dissemination of critical knowledge, which frequently embarrass or undermine the authority of the party-state. The situation raises grave concerns by the party-state about regime security on the virtual cyber space.

The Vietnamese party-state has been applying numerous techniques and considering more for tightening security on the cyber space. The state has requested the cooperation and assistance of Internet and telecommunications companies, which are all either partly or wholly owned by the state or structurally tied to the state. The communications technologies and service providers are required to provide the state competent agencies with information they need and facilitate state surveillance through data mining and information analysis on individuals' background, history, preferences, tastes, habits and so on. New measures of restrictions on civil and political liberties are being considered as a kind of soft repression. In April 2012, the Ministry of Information and Communication introduced a draft Decree on the Management, Provision, Use of Internet Services and Information Content Online that would force foreign content providers to increase cooperation with Vietnamese authorities by removing content deemed illegal and potentially housing data centres within the country. In fact, hard repressive measures are also employed to punish those bloggers who "misuse their democratic freedom to infringe on the interests of the state" or "conduct propaganda against the state." In July 2013, the Official Decree No. 72 was promulgated and caused an immediate outcry from human rights defending groups like Reports Without Borders, Freedom Online Coalition and Vietnamese bloggers who considered that it has alarmingly vague language and contains chilling proscriptions that can severely restrict free speech (Brown, 2013). It prohibits bloggers and users of social media from "providing aggregated news" and imposes a number of restrictions on sharing and providing information. Most concerns focus on the attempt of the state to exercise massive and constant surveillance over cyberspace to police the online population, together with its vague language that gives almost blanket authority to punish any netizens at the state's discretion. In the same vein, a decision by the Prime Minister issued in May 2013 requires foreign news channels like BBC and CNN to translate all their content into the Vietnamese language for the purpose of broadcasting. Some cable service providers in Vietnam have suspended the broadcasting of CNN and BBC on their channels.

Overall, the state can easily identify and punish those who cross the line and are deemed as a threat to the regime security due to their tremendous capacity of surveillance. The party-state can employ numerous of techniques of governance to discourage certain types of behaviour and knowledge that they deem virulent or subversive and encourage those that are beneficial or non-politically sensitive.

Conclusion

The neoliberal project in Vietnam has been characterised as uneven, exceptional, novel and problematic. It has reflected the development path the country under the reign of the Leninist state has travelled for the past two decades. Taken at face value, this development path seems to be expressive of a move towards neoliberalism from a socialist system. However, at closer scrutiny, as the paper has demonstrated, there are inherent limits and contradictions of neoliberal advances in the domestic sphere that it could not go far. Now that the country stands at a critical juncture with an imminent crisis: Its entrenched socialist political vision needs to move beyond both socialist and neoliberal projects. The post-socialist state in Vietnam is not to embark upon a complete new vision, but retains various elements of the past in novel recombinations and rearrangements. In the final analysis, the emergent mode of governmentality in Vietnam involves evolutionary continuity more than revolutionary change. By analysing the evolution of the development state and surveillance state, the paper seeks to demonstrate how the double movement of accommodating and resisting neoliberalism is playing out in such a cacophony of ideas and practices. It should also be noted that while the paper invariably draws on some parallels between Vietnam and China on a number of issues, it does not mean at all to overlook the differences between them. While both countries might face similar problems, they differ substantially in size, scope and origin. While both have to chart a new terrain of governance in a similar transitional direction, they're doing so separately.

The post-socialist countries are now in search of new forms of governmentality after neoliberalism. This seems a difficult task, not least because of the haziness of the very concept of post-neoliberalism and the potential incompatibility with the post-socialist form of governmentality, which aims to strengthen and revitalise the role of the single party-state. In this context, the emerging governmentality in post-socialist countries like Vietnam remains highly amorphous and ambivalent. As demonstrated in the areas of a developmental state and a surveillance state, there have been important governmental interven-

tions with different effects. However, the deliberate attempts do not always conform to the initial plans due to the complex interplay of various forces of resistance and co-optation. The post-socialist and post-neoliberal processes are neither totalising, nor distinct as they embrace both old and new elements recast in an amorphous form. These processes are characterised by uncertainties. The concept of governmentality provides some analytical utility to work through both the changes and continuities in the mode of governance in such a post-socialist country like Vietnam, although it should be employed with a certain degree of caution and due attention to political, social, historical and cultural underpinnings of the system. However, it is important to critically reflect on some of its limitations.

Using the concept of governmentality as a line of inquiry into post-socialist mode of governance has become somewhat of a meta-theoretical tool that can encompass a vast range of different complementary and contradictory elements. It can present a trap that there seems to be little limit to its analytical power. One should always be attentive to the caveat that the analytical framework is originally intended for liberal Western societies and states. In fact, examining the post-socialist and post-neoliberal governmentality draws focus to rationalities, techniques of government, knowledge systems, and strategies associated with a neoliberal art of governing. Although the concept of governmentality in its broadest sense is not limited to liberal tradition of thought, its actual application tends to eschew political prescription at the expense of other ideological forces at work. Indeed, it offers little room for making political change possible with an emancipatory dimension. In the case of Vietnam, the concept is useful in clearing some haziness in the mode of governance in place but, at the same time, presents new uncertainties about the democratic political change.

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