

**ANALYSIS OF POLICY ON PRIVATIZATION IN  
VIETNAMESE HIGHER EDUCATION**

by

**Nghi Thanh Pham**

B.A (Rostov on Don), Candidate of Psychology (Moscow)

This thesis submitted in partial fulfilment of the requirements for the degree of Master  
of Educational Administration with Honours in the University of New England

**February 1997**

## DECLARATION

I certify that the substance of this thesis has not already been submitted for any degree and is not currently being submitted for any other degree.

I certify that any help received in the preparation of this thesis and all sources used have been acknowledged.



Nghi Thanh Phan

## ABSTRACT

Privatization is one of the newly emerged issues in Vietnamese higher education but it has attracted little research attention. This study is undertaken in response to three questions that formed the research problem: What are the existing policies that are of critical importance to the development of the non-public sector in Vietnamese higher education? How are the existing policies on privatization in Vietnamese higher education made and implemented? To what extent have the objectives of the policies on privatization in Vietnamese higher education been achieved?

The conceptual framework for this study is based on an understanding of influence of political, cultural, economic and behavioural factors on policy process in higher education. Policy is viewed as a process in which government, political parties, interest groups and the general public influence policy and policy making in different ways. Data were obtained through three principal methods: documentary analysis, interviewing and statistical data collection, which formulate an appropriate triangulation for data collection

In response to the three research questions, data were analysed to furnish information about objectives, major contents of the policy on privatization in Vietnamese higher education and regulatory framework for non-public higher education institutions; about how policy was made and implemented; and about how effective the policy has proved to be. Based on all of these, the measures for further development of the non-public sector in Vietnamese higher education were suggested.

This study has gathered basic information about the policy on privatization in Vietnamese higher education as a recently emerging issue in Vietnamese higher education. The prospects for further research are extensive.

## TABLE OF CONTENTS

<b>ABSTRACT</b> .....	iii
<b>ACKNOWLEDGMENTS</b> .....	viii
<b>ACRONYMS USED IN THE THESIS</b> .....	ix
<b>CHAPTER 1</b>	
<b>INTRODUCTION</b>	
Background .....	1
The Statement of the Problem and Aims of Research .....	1
Scope and Limitation Imposed .....	2
Concepts Used .....	3
Conceptual Framework .....	3
Modes of Inquiry .....	6
Overview of Thesis .....	8
<b>CHAPTER 2</b>	
<b>VIETNAMESE HIGHER EDUCATION IN REFORM</b>	
Historical Background .....	10
Issues and Response .....	13
Conclusion .....	21
<b>CHAPTER 3</b>	
<b>POLICY IN HIGHER EDUCATION</b>	
Introduction .....	23
The Concept “Policy” .....	23
The General Policy Making Context .....	25
Policy Models .....	25
Policy Process .....	27
Policy Participants or Policy Actors.....	29
Conclusion .....	30
Policy on Academic Domain .....	31
Change in Goals and Objectives .....	31

Changes in Curricula .....	32
Assessment and Quality Assurance .....	33
Policy on Organisation and Governance of Higher Education .....	35
Change in Government and Higher Education Relationships .....	35
Structural Response to the Expansion of Higher Education .....	37
Policy on Staffing of Higher Education .....	42
Staffing Issues in Higher Education.....	43
Response to the Staffing Issues .....	44
Policy on Financial Provision and Allocation of Resources in Higher Education ...	47
Tuition Fee System .....	51
Student Loans .....	51
Changes in Higher Education Policy in Former Eastern Block Countries .....	53
Issues in Higher Education .....	53
Policy Changes in Higher Education .....	54
Policy on Privatization in Higher Education .....	56
Reasons for the Establishment of a Private Sector in Higher Education .....	56
Merits of Private Higher Education .....	58
Private Sector and its Relation to the Public Sector in Higher Education ....	60
Finance for Private Higher Education .....	64
Role of Governments and Policies for Development of Private Higher Education .....	66
Conclusion .....	67

## **CHAPTER 4**

### **THE POLICY ON PRIVATIZATION IN VIETNAMESE HIGHER EDUCATION**

Introduction .....	69
Data Sources .....	69
The Main Policy Changes since the <i>Doimoi</i> Policy Was Implemented .....	70
The Main Objectives of the Policy on Privatization in Education .....	72
Issues and Premises for Development of Non-public Higher Education .....	75
Regulatory Framework Governing Operations of Non-public HEIs .....	77
Conclusion .....	82

## **CHAPTER 5**

### **POLICY MAKING AND POLICY IMPLEMENTATION IN VIETNAMESE HIGHER EDUCATION.**

Introduction .....	84
Principal Policy Making Bodies in Vietnam .....	84
Data Sources .....	86
Issue Emergence .....	87
Policy Formulation and Authorisation .....	90
Policy Implementation .....	93
Thang Long University .....	99
Phuong Dong University .....	100
Evaluation and Review of Policy on Non-public Higher Education .....	102
Policy Redirection .....	103
Concluding Observations .....	104

## **CHAPTER 6**

### **POLICY OUTCOME AND MEASURES FOR FURTHER DEVELOPMENT OF NON-PUBLIC HIGHER EDUCATION IN VIETNAM**

Introduction .....	106
Data Sources .....	107
The Current Situation of Non-public Higher Education in Vietnam .....	107
Challenges for Non-public Higher Education in Vietnam .....	119
Advantages of Non-Public Higher Education in Vietnam .....	121
Shortcomings the Policy and Regulatory Framework for Operations of Non-Public HEIs .....	123
Identifying and Protecting Ownership of Non-Public HEIs .....	123
Procedure of Registration of a Non-Public HEI .....	124
Supervision and Management of a Non-Public HEI .....	124
Financial Issues .....	124
Recommendations for Further Development .....	125
Improvement of Regulatory Framework for Non-Public Education .....	126

Encouraging Investment in Non-Public Higher Education and Providing Assistance for Non-Public HEIs .....	126
Providing Financial Assistance for Students Enrolled at Non-Public .....	127
Universities and Increasing Cost Recovery in Public Higher Education ....	127
Quality Assurance and Accreditation .....	127
Increasing Responsibility of Non-Public HEIs .....	127
Concluding Observations .....	128
<b>CHAPTER 7</b>	
<b>CONCLUSION</b>	
Summary of Approach .....	130
Overview of Principal Findings .....	131
Implications for Further Research .....	138
Conclusion .....	139
<b>APPENDICES</b>	
Appendix 1 .....	140
Appendix 2 .....	143
Appendix 3 .....	146
<b>BIBLIOGRAPHY</b> .....	151

## ACKNOWLEDGMENTS

This thesis would not have been possible without precious assistance, encouragement and co-operation from many agencies and individuals. Each is remembered with gratitude. In acknowledging their contributions, I would like to thank the following agencies and individuals.

My deepest gratitude is extended to the Vietnamese and Australian Governments for granting me such a good opportunity to pursue this study. My gratitude is also extended to all AusAID staff for their hard work to make my study in Australia possible and successful. Specifically, the Department of Administration and Training of the UNE is acknowledged with my whole-hearted gratefulness. I would like to say "Thank You!" to all the staff of the Department, who have always been warm to and motivated me with their friendliness and sympathy.

I would like to offer my special thanks to my academic supervisor, Associate Professor Lynn Meek, who has always been helpful to me with expert ideas and encouragement. I am very thankful to Dr. David Sloper for his initial assistance in the selection of the research theme and his generosity to me during the time I study here in Armidale. I also would like to thank Mrs Alison Sloper for her helpful assistance in correcting grammar and spelling for my thesis. I am deeply appreciative to Prof. Vu Ngoc Hai, Assoc. Prof. Dang Ba Lam, Prof. Pham Sy Tien and Prof. Vu Van Tao for their support and concern. I am very grateful to those officials from MOET and those senior officers from non-public HEIs in Vietnam who participated in this study for their time and invaluable information.

And finally, my deepest and most special thanks are extended to my caring parents, my wife and my son for patiently waiting for my return home, and most of all, for being what they are to me.



## ACRONYMS USED IN THE THESIS

AusAID	Australian Agency for International Development
CPV	Communist Party of Vietnam
CVCP	Committee of Vice-Chancellors and Principals
FTE	Full-Time Equivalent
HCMC	Ho Chi Minh City
HECS	Higher Education Contribution Scheme
HEI(s)	Higher Education Institution(s)
MOET	Ministry of Education and Training
NA	National Assembly
OECD	Organisation for Economic Co-Operation and Development
PhD	Doctor of Philosophy
SRV	Socialist Republic of Vietnam
SY	School Year
UNDP	United Nations Development Programs
UNE	University of New England
UNESCO	United Nations Educational, Scientific and Cultural Organisation
USA	The United States of America
VND	Vietnamese Dong (a unit of Vietnam's currency)
WB	World Bank