



RESEARCH ARTICLE

Research on Local Governance in Vietnam

Tran Thi Huyen Trang^{1*}, Bui Thanh Binh², Le Hong Hanh³

^{1,3} Academy of Policy and Development, Hanoi City, Vietnam

² Vietnam Women's Academy, Hanoi City, Vietnam

ARTICLE INFO

Received: Nov 25, 2024

Accepted: Jan 18, 2025

Keywords

Local Authority

Local Governance

Vietnam

***Corresponding Author:**

trantrang@apd.edu.vn

ABSTRACT

The interaction between government agencies and people is a typical feature of local governance, which differentiates between local governance and local state management. Accordingly, people can participate in the process of social development governance in the locality where they reside; The government mobilizes people's participation in the process of local social development management in terms of the people's statutory rights. People, to a certain extent, directly and indirectly involve in government activities, based on the political, cultural and social characteristics of each country and locality. This study is aimed to develop a theoretical framework on people's direct and indirect participation in government activities and its influence on local governance results, standing with political, cultural and social features of Vietnam. A survey was conducted with 210 people and 210 managers from commune-level government agencies of 3 localities representing three regions of Vietnam, including: Lang Son province (Northern region), Quang Ngai province (Central region) and Long An province (Southern region). The survey results show that people mainly exercise their participation right in local authorities' activities in the indirect form. Their direct participation is expressed to a more limited extent. The findings suggest expanding people's participation rights as an innovation to improve the effectiveness of local governance in Vietnam.

1. INTRODUCTION

Compared to countries in Southeast Asia, Vietnam's local authority system is organized on a large scale, including provincial, district, and commune levels: 63 provincial units; 705 district units; and 10,599 commune-level units [GSO, 2023]. Local authorities at each level are organized according to law, including two bodies: The People's Council - elected by local voters; and the People's Committee - the executive body, established by the People's Council at the same level [VNA, 2015].

Local governance activities in Vietnam are carried out by statutory regulation, demonstrating the democratic nature in the organization and operation of authorities at different levels; The authorities perform management tasks according to decentralization, decentralization, and authorization [VNA, 2013]; People are mobilized to take part in management activities of local authorities in both direct and indirect forms through election activities [VNA, 2015], in discussions and decision-making process on a self-governance tasks of residential communities [VNA, 2022]. In the current social context, local governance is also changing with increasing accountability of local authorities and people's increasing participation in local government activities.

It is the fact that the higher intellectual level and digital technology application with utilities to support people's access to information are in Vietnam, the more directly people participate in local governance activities so that people's supervision of government agencies' activities, their democratic rights and their interests are guaranteed. This issue is also main concern in this study.

2. LITERATURE REVIEW

The term "local governance" has been mentioned in state management activities around the world for more than half a century, firstly in the 1960s studied by Phuong, N.M. (2015). However, this term has not been familiar to, even not ever officially mentioned in legal documents in many countries, including Vietnam. In recent studies, local governance is discussed and compared with local - level state management: (1) State management has the nature of centralized power and legal coercion to perform social management tasks; (2) local governance is self-governing, demonstrating the interaction between authorities and the people and social organizations - the participation of different social entities in community and local affairs.

According to Jacques, M. (2009), local governance is associated with the process of decentralization in countries around the world, becoming one of the basic principles of regional and local management policies. This decentralization is clearly shown with the self-governing nature of local authorities. Ann O'M.B. et al. (2011) defines that local governance refers to the self-governing activities of local authorities and the participation of different social entities in community affairs. For further explanation, Ngoc, D.B. (2013) affirms that self-governing activities of local authorities include the adoption and implementation of regulations and procedures that allow the people (organizations and individuals) to express their concerns and exercise their rights to participate in local development. Similarly, Phuong, N.T. (2018) emphasizes the self-governing principle is that people can decide for themselves on common affairs of the community and locality on the basis of laws and common benefit - the benefit of both the state and the people.

Overall, the research perspectives emphasize that local governance goes hand in hand with the self-governance and social organizations' involvement in localities. This means, in addition to administration and management of local authorities, local governance refers to active participation of citizens in contributing to the economic, cultural and social development of the locality. Hence, the responsibility of local authorities is to mobilize various local resources (including the participation of citizens and social organizations) to develop the economy, maintain social order, and ensure security within the area. Furthermore, policies and decisions made by local authorities regarding community development need to be democratized, with a broad involvement of citizens and social organizations to ensure the common good for both the government and the people. In agreement with the research perspectives, the scale of "Local Governance" has been developed with the main characteristics relating to the governance and administration of local authorities and the participation of people and social organizations in the process of building, promulgating and implementing local decisions and policies. The research scale "Local Governance" (LG) is interpreted by main observations/contents, representing criteria for evaluating the effectiveness of local governance, which are: Local authorities execute their power of state management according to legal decentralization and mobilize the active participation of people in the process of developing, promulgating and implementing local decisions and policies (LG1); People have the right /are encouraged to take part in the process of building, promulgating and implementing local decisions and policies to contribute to the growth of the local economy, culture and society (LG2); Local decisions and policies are democratized, promoting interaction between the state and people common good for both parties (LG3).

Based on the typical features, which are self-governance and the people's participation in the process of building, promulgating, and implementing local decisions and policies, the study emphasizes that: In local governance activities, in addition to the nature of state administration and management, the active participation of the people and the positive interaction between the people and the local authorities are the criteria for evaluating the results and effectiveness of local governance. In both theoretical and practical aspects, the people's participation is expressed in direct and indirect forms. According to Trung, N.S. (2019) and Trang, T.T.T. (2024), the direct participation emphasizes the right of people to directly discuss and decide on self-governance tasks of the community and locality; Indirect participation addresses the right of people to participate in local governance by making recommendations and feedback to government agencies through elected representatives, usually at conferences to contact voters; People's opinions and recommendations are mainly compiled by elected representatives and reported to government agencies for concern. This study based on the perspective research to build the scale "Forms of direct participation" (FDP), the scale "forms of indirect participation" (FIP) and a research model on the impact/influence of the people's direct and indirect

participation on local governance effectiveness. The survey to evaluate practice and draw research conclusion on local governance activities in Vietnam were successively performed.

- Forms of direct participation (FDP) is shown with the main contents, including: People can directly discuss and decide on local decisions and policies related to community development on the basis of the mobilization of resources from the people that the local authorities offer (FDP1); People have the right to proactively propose initiatives, programs and projects related to the economic, cultural and social development of the community on the basis of promoting resources from the people (FDP2); People are encouraged/supported by the local authorities to research and propose initiatives, programs, and projects for economic, cultural, and social development; local authorities are responsibilities to review, evaluate, approve and implement the people’s proposals in case of feasibility (FDP3).
- Forms of indirect participation (FIP) is shown with the main contents: People have the right to proactively express their aspirations and give opinions to elected representatives on economic, cultural and social issues related to ensuring people's needs and local development (FIP1); People are invited to participate in conferences to contact voters to democratically reflect their aspirations and give opinions to elected representatives and government agencies on economic, cultural and social issues related to ensuring people's needs and local development (FIP2); People are fully/satisfied with responses from local authorities for their inquiries, recommendations and aspirations expressed through elected representatives or in voter contact conferences (FIP3).

Despite the fact that people's participation in direct and indirect forms and the extent of participation depends on the characteristics of political regime, these are two factors that reflect the nature of democracy and the effectiveness of local governance in each country. Therefore, this study emphasizes the impact/influence of these two participation forms of people on local governance. Accordingly, the research hypothesis is: *Forms of direct participation (H1), forms of indirect participation (H2) of people have an impact/influence on local governance; show the nature of democracy and local governance effectiveness.*

The literature review allows the study to develop a theoretical framework on local governance with a 3-scale model to evaluate the influence of direct and indirect forms of people’s participation to the local governance effectiveness. The designed scales include: 02 scales - independent variables, including "Forms of direct participation" (FDP) and "forms of indirect participation" (FIP); 01 scale - dependent variable "Local governance" (LG). The above scales include 9 observed variables, designed into 9 questions in the survey questionnaire and measured using a 5-level Likert scale: 1 - Strongly disagree; 2 - Disagree; 3 - No opinion; 4 - Agree; 5 - Strongly agree (Table 1, Figure 1).

Table 1: Theoretical framework

No	Scales	Encode	Rating levels				
			1	2	3	4	5
I	Forms of direct participation	FDP					
1	People can directly discuss and decide on local decisions and policies related to community development on the basis of the mobilization of resources from the people that the local authorities offer.	FDP1					
2	People have the right to proactively propose initiatives, programs and projects related to the economic, cultural and social development of the community on the basis of promoting resources from the people.	FDP2					
3	People are encouraged/supported by the local authorities to research and propose initiatives, programs, and projects for economic, cultural, and social development; local authorities are responsibilities to review, evaluate, approve and implement the people’s proposals in case of feasibility.	FDP3					
II	Forms of indirect participation	FIP					

No	Scales	Encode	Rating levels				
			1	2	3	4	5
4	People have the right to proactively express their aspirations and give opinions to elected representatives on economic, cultural and social issues related to ensuring people's needs and local development.	FIP1					
5	People are invited to participate in conferences to contact voters to democratically reflect their aspirations and give opinions to elected representatives and government agencies on economic, cultural and social issues related to ensuring people's needs and local development.	FIP2					
6	People are fully/satisfied with responses from local authorities for their inquiries, recommendations and aspirations expressed through elected representatives or in voter contact conferences.	FIP3					
III	Local Governance	LG					
7	Local authorities execute their power of state management according to legal decentralization and mobilize the active participation of people in the process of developing, promulgating and implementing local decisions and policies.	LG1					
8	People have the right /are encouraged to take part in the process of building, promulgating and implementing local decisions and policies to contribute to the growth of the local economy, culture and society.	LG2					
9	Local decisions and policies are democratized, promoting interaction between the state and people common good for both parties.	LG3					

Source: Compiled by the author through the review

Research model

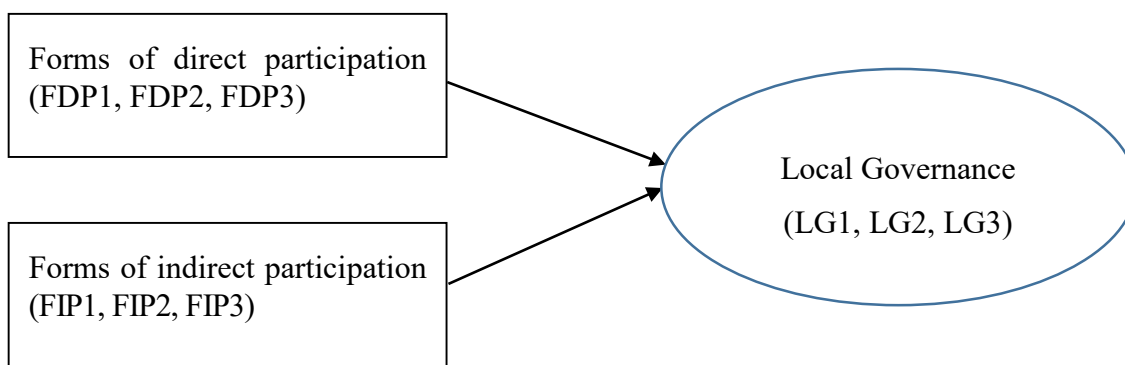


Figure 1: Research model

3. METHODOLOGY

The study employs the method of collecting and analyzing secondary data through published documents; The method of collecting and analyzing primary data through direct surveys of the opinions of 210 people and 210 commune-level managers. The survey to collect primary data is conducted in two steps: Preliminary survey and official survey.

a) Preliminary survey

From the theoretical framework, a 3-scale model with a total of 9 observed variables, a survey is designed with 9 questions as 9 observed variables, measured using a 5-level Likert scale (Table 1). With the collected data, the reliability of the scale and observed variables were tested; regression analysis were performed to test research the correlation of the scales in the research model.

According to Hai, D.H. (2019), the minimum sample size needed when doing regression analysis for the 3-scale research model with 9 observed variables of this study is $N = 9 \times 5 = 45$. In fact, the preliminary survey was performed with a sample size of $N = 210$ people ($N > 45$) and $N = 210$ commune-level managers ($N > 45$), showing high reliability for the survey to be conducted.

After the survey questionnaire was completely designed, the preliminary survey in the research area - Lang Son province with a sample size of $N = 70$ people and $N = 70$ commune-level manager. Preliminary survey results in Lang Son province show that the measurement scales and observed variables are reliable enough to be used in official surveys on a wider scale.

b) Official survey

The official survey was carried out in 3 localities representing three regions of Vietnam, including: Lang Son province (Northern region), Quang Ngai province (Central region), Long An province (Southern region). The survey was conducted selectively with survey respondents. For citizens, they graduated from high schools or higher educational levels and have had at least 4 times requested administrative records - communicating with the commune-level authority where they reside for last 2 years. For commune-level managers, they have been managers of commune-level managers for at least 3 years.

The preliminary interviews were performed to collect information about the participants, then the survey questionnaires were distributed based on their agreement to answer. The survey results received 210/210 valid votes from local citizens and 210/210 valid votes from local authority managers, achieving a 100% response rate from survey respondents. With the collected data, the scale testing and regression analysis were carried out to test the relationship of the scales and draw research conclusions.

4. FINDINGS

4.1. Results of analyzing the current status of people's participation in local governance activities under the current Vietnamese law

The participation of different entities in social governance activities (government, people, social organizations) is typical feature of local governance. This means, in addition to governance and administration of local issues in localities, it is an important responsibility of local authorities needs to stimulate the participation of people and social organizations so that the local resources for local development could be optimally exploited. Then, Vietnamese managers have also legislated the participation of people and social organizations (hereinafter referred to as people) in the governance activities of local authorities at all levels, especially at the grassroots - commune level, in accordance with the political, cultural and ethnic characteristics of the country and localities. In fact, stimulation of people's participation in local governance activities is currently carried out in direct and indirect forms in Vietnam.

- According to the law [VNA, 2022], direct participation refers to the fact that people can promote their right to mastery through taking part in direct discussions and deciding on self-governance tasks of the community. Specifically, (1) people can directly discuss and decide on policies and levels of contribution to the construction of infrastructure and public welfare works within the scope of the project contributed by people in the village or commune; (2) people can directly discuss and decide on village regulations and conventions; elect, and remove the Village Head, members of the People's Inspection Board and the Community Investment Supervision Board; (3) the above discussed issues are under local authorities' supervision and agreed by more than 50% of the total number of voters or voters representing households in the village or commune to be valid for implementation.
- According to the law [VNA, 2022], direct participation refers to the fact that people can promote their right to mastery by making their voice heard through opinions and recommendations to People's Council delegates (elected representatives), normally at voter contact conferences, annually organizes by commune-level authorities before and after the People's Council session. At the conferences, voters give their opinions and make recommendations to People's Council delegates on much – being concerned issues that need to have solutions in the community; People's Council delegates listen to people's words, synthesize, analyze, and report to the People's Council; Subsequent implementation of people's

recommendations belongs to the responsibility of local authorities, mainly of the state administrative agency - the People's Committee.

In practice, local governance activities in Vietnam shows both pros and cons in terms of local people's participation in government activities. That people have rights to participate in direct discussions and decide on self-management tasks of their community means they directly participate in the local authority's governance and administration activities - forms of direct participation; The nature of direct democracy, the interaction between the local authority and the citizens is demonstrated. This is a typical feature of local governance and has significance for building a rule of law state. However, people are allowed to decide on local governance in a narrow scope: they can decide on infrastructure construction and public welfare works with their own contributions. Meanwhile, the content of regulations on the matter that people can develop their own programs and projects and propose to their local authority for concern, approval and implementation has been not mentioned in details yet. This is also an issue that requires further discussion so that innovation can be brought out to promote more people's participation, in a broader sense, in local governance activities; at the same time, help local authorities mobilize more resources for local development. That is because of the fact that, in the community, there are still other people's livelihood issues that need to have people's autonomy, empower people for discussion and directly making decision such as production and business activities associated with community connections and the indigenous culture of the locality.

4.2. Survey results of people's participation in local governance activities under the current Vietnamese law

With the theoretical framework, a survey was conducted with sample size of N = 420 (210 commune-level managers and 210 people) in 3 localities representing three regions of Vietnam, including: province Lang Son (Northern region), Quang Ngai province (Central region), Long An province (Southern region). From the data of 420 collected survey questionnaires, Cronbach' Alpha was tested to identify the reliability of the scales and observed variables in the research model.

According to Hai, D.H. (2019), the scales are reliable when they meet the Cronbach' alpha standard > 0.6; Observed variables are reliable when they meet the standard condition of Corrected Item-Total Correlation > 0.3. The test results show that all 3 scales and 9 observed variables in the initial research model are reliable for further analysis [Table 2].

Table 2: Statistical results and testing results of the scale

Scales	Observed variables	N	Min	Max	Mean	Std. Deviation	Cronbach' Alpha	Corrected Item-Total Correlation
1. Forms of direct participation (FDP)	FDP1	420	3	5	4.12	.612	.601	FDP1 = .436
	FDP2	420	1	5	3.28	.762		FDP2 = .317
	FDP3	420	1	5	3.31	.789		FDP3 = .322
2. Forms of indirect participation (FIP)	FIP1	420	2	5	4.08	.609	.633	FIP1 = .505
	FIP2	420	3	5	4.32	.598		FIP2 = .518
	FIP3	420	2	5	3.71	.647		FIP3 = .429
3. Local Governance (LG)	LG1	420	3	5	4.03	.633	.641	LG1 = .559
	LG2	420	1	5	3.72	.629		LG2 = .534
	LG3	420	1	5	3.69	.615		LG3 = .516
Valid N (listwise)		420						

Source: Author's survey results

The data in Table 2 shows that observations on the scales "forms of direct participation" (FDP), "forms of indirect participation" (FIP), "Local governance" (LG) are all evaluated on average Mean > 3.28, statistically significant according to the defined Likert scale (1-5).

However, the observed variables of the scale "forms of direct participation" (FDP) are evaluated at a lower level than "form of indirect participation" (FIP): Mean (FDP1) = 4.12, Mean (FDP2) = 3.28, Mean (FDP3) = 3.31, showing that people rarely participate directly in local governance activities. Of these, the lowest are Mean (FDP2) = 3.28 and Mean (FDP3) = 3.31, confirming that people have limited rights to proactively propose initiatives, programs and projects related to economic

development, culture and society of the community on the basis of promoting resources from the people for the government to concern and deploy; The local authorities rarely encourages/supports people to research and propose initiatives, programs, and projects for economic, cultural, and social development for the local authorities' evaluation, approval, and implementation.

This also proves that people have limited rights to directly take part in the governance and management activities of local government agencies; People's interaction with government agencies is largely performed indirectly, through elected representatives mainly at voter contact conferences. The survey results also reveal the practice of people's participation in local governance activities in Vietnam, quite similar to the aforementioned results (section 4.1.) of analyzing the current state of people's participation in local governance activities under current Vietnamese law.

With the scale test value and the observed variables meeting the standards, the regression analysis was performed to examine the relationship of the independent variables "Forms of direct participation" (FDP), "Forms of indirect participation" (FIP) with the dependent variable "Local governance" (LG) [Table 3].

Table 3: Multivariate regression results

Coefficients ^a								
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1. Managers R ² = .639 Durbin-Watson = 2.102	(Constant)	.708	.355		3.916	.000		
	FDP	.350	.086	.303	3.485	.000	.442	1.821
	FIP	.467	.082	.379	3.156	.000	.518	1.821
2. People R ² = .642 Durbin-Watson = 2.001	(Constant)	.725	.354		3.707	.000		
	FDP	.299	.068	.211	3.365	.000	.622	1.694
	FIP	.395	.062	.264	3.413	.000	.764	1.694

a. Dependent Variable: Local governance (LG)

Source: Author's survey results

The regression analysis results from table 3 show that in both models (for the regression model of local managers' survey opinions and the regression model of local people's survey opinions) there is a correlation and impact of the factors "Forms of direct participation" (FDP) and "Forms of indirect participation" (FIP) to "Local governance" (LG), specifically:

- Firstly, R Square > 0 [R² = .639 (regression model 1) and R² = .642 (regression model 2)], confirming the independent scales/variables "Forms of direct participation" (FDP) and "Forms of indirect participation" (FIP) explain 63.9% (in case of the regression model of local managers' survey opinions) and 64.2% (in case of the regression model of local people's survey opinions) variation of the scale/dependent variable "Local governance" (LG).
- Secondly, 1 < VIF < 2 [VIF = 1.821 (regression model 1) and VIF = 1.694 (regression model 2)], showing that both regression models do not have multicollinearity; Durbin-Watson = 2.102 (regression model 1) and Durbin-Watson = 2.001 (regression model 2) reach the standard level (1 < d < 3), confirming the scales/independent variables "forms of direct participation" (FDP) and "forms of indirect participation" (FIP) are independent and have the same impact on the scale/dependent variable "Local Governance" (LG).
- -Thirdly, the regression coefficient (B) of the independent scales/variables "forms of direct participation" (FDP) and "forms of indirect participation" (FIP) in both regression models

have positive value ($B > 0$) [$B(\text{FDP}) = .350$; $B(\text{FIP}) = .467$ (regression model 1) and $B(\text{FDP}) = .299$; $B(\text{FIP}) = .395$ (regression model 2)] and statistically significant with $\text{Sig.} < 0.05$, confirming the positive relationship between the independent scales/variables "forms of direct participation" (FDP) and "forms of indirect participation" (FIP) with the dependent scale/variables "Local governance" (LG); Hypotheses H1 and H2 are accepted.

On the basis of the generalized regression model $Y = B_0 + B_1 \cdot X_1 + B_2 \cdot X_2 + \dots + B_i \cdot X_i$ (Hai, D.H., 2019), the multivariate regression model of this study can be determined:

Regression model 1: Regression results of local managers' survey opinions

$$\text{LG} = 0.708 + 0.350 \cdot \text{FDP} + 0.467 \cdot \text{FIP}.$$

Regression model 1: Regression results of local people' survey opinions

$$\text{LG} = 0.725 + 0.299 \cdot \text{FDP} + 0.395 \cdot \text{FIP}.$$

In the two regression models above, the regression coefficient shows the degree of correlation of the independent variables with the dependent variable in ascending order: "Forms of direct participation" (FDP), "Forms of indirect participation" (FIP). The research conclusion is confirmed, that local people participate directly and indirectly in local governance activities, but are limited to a certain extent, specifically:

1. People can themselves decide the tasks of local development management in a limited scope: Decide on infrastructure construction and public welfare works with their own contributions; meanwhile, in practice, in the community, there are still other people's livelihood issues that need to have people's autonomy, empower people for discussion and directly making decision such as production and business activities associated with community connections and the indigenous culture of the locality.
2. People have limited rights to proactively propose initiatives, programs and projects related to the economic, cultural and social development of their community on the basis of promoting local resources from the people for the local authorities' concern, approval and implementation; Local authorities rarely encourages/supports local people to research and propose initiatives, programs, and projects for economic, cultural, and social development for local authorities' evaluation, approval, and implementation.

Thus, people's rights to directly participate in the governance and management activities of local government agencies are limited at a certain extent; People's interaction with government agencies is largely indirect participation, through elected representatives and often at voter contact conferences. The survey results also demonstrate the current state of people's participation in local governance activities in Vietnam, relatively similar to the analysis of the current state of people's participation in governance activities in localities regulated by current Vietnamese law. Hence, it is extension of people's rights to participate in local governance activities that should be suggested. Accordingly, it is necessary to establish a mechanism to encourage/empower people to research, propose and recommend their local authorities of initiatives, programs, and projects, implementation plans to for local development, which helps to bring the benefits of the state and the interests of the people.

After all, the goal of building a government closer to the people, serving the people better is that the study suggests. This both promotes the mobilization of resources from the people, increase local authorities' responsibility to create favor conditions for people to more participate in local affairs and realizes the goal of decentralizing state management activities with a responsible and scientific method on the basis of ensuring the interests of the state and the people. When people have more rights and are encouraged to participate in local governance activities in an extensive and substantive way, they will pay more attention to social development governance issues and, together with local authorities, contribute to implement local development goals local development goals. Therefore, democracy at the grassroots is promoted; Local authorities enable to mobilize various resources for local development; People are satisfied when their rights and interests are guaranteed and promoted.

REFERENCES

Ann O'M.B.; Richard, C.K. (2011). *State and local government, 8th edition*. Boston, MA: Wadsworth.

- GSO - General Statistics Office (2023). *Administrative Unit*. General Statistics Office Website, address <https://www.gso.gov.vn/phuong-phap-thong-ke/danh-muc/don-vi-hanh-chinh/>
- Hai, D.H. (2019). *Econometrics*. National Economics University Press.
- Jacques, M. (2009). "Gouvernance et territoire". Avignon, address <http://www.univ-avignon.fr>.
- Ngoc, D.B. (2013). "The Local Governance Model of Some European Countries". *Journal of European Studies*, issue 159.
- Phuong, N.M. (2015). *Management and social development of grassroots governments in some countries around the world*. Labor - Social Publisher.
- Phuong, N.T. (2018). *Local governance: From theory to practice*. Social Science Publisher.
- Trang, T.T.T. (2024). "Vietnamese Citizen Participation in Local Governance". *Journal of Ecohumanism*, Vol.3 No.4, 725–731. <https://doi.org/10.62754/joe.v3i4.3541>
- Trung, N.S. (2019). *Local Governance*. Vietnam National University Press, Hanoi.
- VNA - Vietnam National Assembly (2013). *The Constitution of the Socialist Republic of Vietnam*. National Political Publisher.
- VNA - Vietnam National Assembly (2015). *Law on Organization of Local Government, No.77/2015/QH13*. National Political Publisher.
- VNA - Vietnam National Assembly (2022). *Law on the implementation of democracy at the grassroots level, No.10/2022/QH15*.