PREFACE

After a long period of struggle for independence and its eventual unification, Vietnam got a new name, Socialist Republic of Vietnam (SRV). It ushered into a new era to bring socialism for reconstruction and development. During 1975-85, it followed the Soviet model of centrally planned development. Communist Vietnam adopted three five year plans, (a) first five year plan, 1960-64, (b) the second five year plan, 1976-80 and (c) the third five year plan, 1981-85. These plans could not improve the socio-economic life of the people. The country’s economic and social problems had entered a difficult phase by mid eighties. To overcome these problems, the sixth Congress of the Vietnamese Communist Party in December 1986, recognized the need for introducing market oriented reforms in the socialist economy. These reform measures called ‘doi moi’ (renovation), gradually freed the economy from state control and government intervention.

The open economic policies for a decade since 1986 undoubtedly played a significant role in making it possible for Vietnam to achieve long term development for the first time. The positive economic gains had not promoted equal level of social development. The state gradually withdrew from the social sector, considered to be the major cause for lagging behind in the economic development. State failed to provide needful resources to social sector. As a result, health infrastructure had fallen and illiteracy had increased. Unemployment rate had increased and women lost even what they had also gained from development process in the past.

This thesis mainly focuses on the impact of market oriented reforms which were introduced between 1986-95, for economic and social development.
This study is comprised of five chapters. The first chapter analyses the results of the socialist model of economic development and goes into the causes of its failure. The second chapter is devoted to examine the nature of efforts made by the Vietnamese leaders to lift the country from its economic and social problems. Since 1986, the country has witnessed structural reforms which are designed to establish socialist-market economy. The main objective of economic reforms is to make Vietnam a partner in the globalization process. The economic liberalization is aimed to attract large scale foreign investment and aid, for exploiting resources which hitherto were left untapped.

The third chapter analyses the implications of economic reforms on economic and social development. The reforms undoubtedly played a significant role in making it possible for Vietnam to achieve for the first time a long term continuous economic development. Fourth chapter covers the role of foreign investment into different sectors for economic development. The fifth chapter, the conclusion sums up the major findings of the research.

I am taking this opportunity to express my most sincere and honest thanks to my numerous well-wishers who had provided assistance in completing this thesis. First of all I record my extreme gratitude to my revered supervisor, Dr. Ganganath Jha, who extended invaluable guidance in planning the scheme of this work and gave me full opportunity to discuss my problems with him. It was through his insights, deep affection and sincere guidance that I was able to bring my research work to completion. I am short of appropriate words to express my gratitude to him. I am also indebted to Prof. Nancy Jetly, Chairperson of the Centre, for her cooperation and kind words. I am grateful to my parents and wife, for helping me in every possible way. I am also thankful to my friends, A.Vijay
Kumar, Dr. M.N. Rajesh, Sushil, Janardhan and his wife Meena, Sidooji Rao, Kanchan, Peter, Dr. Rajendra Parehar, K. Amulaya Babu, M. Harichandra Naik, D.V. Rao, Dr. Phool Badan,

I take this as an opportunity to thank Prof. B.D. Arora, Prof. Laxman Chetty, Dr. Raja Reddy, Prof. P.K.Das for their guidance at various stages of my research work.

I would also like to thank the staff members of the JNU Library, New Delhi, Indian Institute of Foreign Trade (IIFT) Library, New Delhi, Delhi School of Economics Library, New Delhi, and Institute of Defence Studies and Analysis Library, New Delhi for helping me to trace the materials.

I owe my thanks to Mahender, Mohd. Tajuddin Akhtar for undertaking the typing of this thesis. I would like to register my sincere gratitude and thanks to the University Grants Commission, New Delhi, for providing fellowship for completing my research.