



Analyzing the role of provincial governance and public administration performance on local economic development in Vietnam

Nguyen Quynh Huy

Hanoi School of Business and Management, Vietnam National University, 144 Xuan Thuy Street, Cau Giay, Hanoi, Vietnam

Abstract

This article analyzes the correlation between provincial governance and public administration performance (PAPI) and the local economic development in Vietnam. Empirical results show that the PAPI positively correlates with per capita income and reduces poverty. Analysis of PAPI's components also indicates that the control of corruption, participation of the people at the grassroots, the level of accountability and transparency, and improvement of public administrative procedures significantly impact local poverty reduction. From the above research results, if local governance's effectiveness increases, the per capita income will grow and the poverty rate will decrease.

Keywords: PAPI, GRDP, poverty reduction, income per capita, public administrative services.

JEL classification: D73, H83, I32, I38, O12.

1. Introduction

In recent years, the relationship between local governance and economic development has emerged as a focal point for scholars, researchers, and policymakers (Schiavo and Sundaram, 2003; Khan, 2007; Acemoglu and Robinson, 2012). However, the relationship between these two domains remains complex and yields varied findings. With the view that economic growth will contribute to improving governance, Friedman (2005) demonstrates that a higher standard of living leads to greater societal openness, accountability and good governance. Meanwhile, the majority of studies support the view that good governance will promote a country's growth. Using the rule of law, institutional quality and corruption control, Chong and Calderon (2000) argue that good governance has a relationship with economic growth and vice versa. Furthermore, other studies underscore that promoting institutional reform will create a premise to maintain growth. As a result, people will benefit from the fruits of growth (Chong and Calderon, 2000; Ohno, 2009). Different research findings highlight that the relationship between public governance and development is highly contingent upon the specific context of each country and the data used in measuring governance.

With the objective of achieving developed country status by 2045, Vietnam strategically emphasizes industrial development and attracting foreign direct investment (FDI) to overcome the middle-income trap and advance towards becoming a country proficient in high technology (CPV, 2021). The Resolution of the 13th National Congress of the Communist Party of Vietnam has set a target that by 2030, Vietnam will be a "developing country with modern industry and high average income". The resolution also underscores the critical importance of improving the quality of local governance to foster development (CPV, 2021). Despite implementing various systems to improve local governance, such as the Provincial Competitiveness Index (PCI) or the Provincial Public Administration and Governance Performance Index (PAPI), the precise impact of local governance reforms on local economic development remains a significant issue that requires further investigation.

In this paper, PAPI, launched in 2009, is used to measure local governance. It is a research program on governance designed to measure and compare public experiences and perceptions regarding local governments' effectiveness and quality of policy implementation and public service delivery. PAPI is implemented by the Center for Research and Development and Community Support (CECODES) under the Vietnam Union of Science

and Technology Associations, the Center for Staff Training and Scientific Research of the Vietnam Fatherland Front, and the United Nations Development Program (UNDP) in Vietnam. Following its pilot phase from 2009 to 2010, PAPI has officially been deployed to 63/63 provinces and municipalities in Vietnam since 2011. PAPI is considered a reliable index for analyzing the effectiveness of institutions and state governance in Vietnam in general and each province and city in particular. PAPI data offers insights into the operational quality of government “service delivery” at all levels. It is one of the valuable quantitative tools for local governments to review and assess their performance annually. Additionally, PAPI fosters a competitive environment among provinces and municipalities nationwide, contributing to improved governance practices (World Bank, 2016).

This paper aims to clarify whether and how PAPI contributes to local economic development using provincial-level panel data. This study will make a contribution to the overview of the relationship between governance and development with many different results based on the context at the local level in Vietnam. Although previous research has examined the role of PAPI in economic growth in Vietnam (Nguyen, 2017; Pham, 2017), these studies have not fully explored the impact of individual components of local governance such as openness, transparency, accountability, corruption control in the public sector, public administrative reform, citizen participation at the grassroots, hunger eradication and poverty reduction, and improvement of living standards. Whether the results of improving local governance impact provinces’ development remains an empirical question that needs to be answered.

The paper is structured into four main parts. In addition to the introduction, section 2 introduces theory and literature review. Section 3 elaborates on the research model and methodologies employed in the study. The subsequent section is dedicated to the presentation and discussion of research findings. The final section offers conclusions and policy recommendations based on the study’s results.

2. Overview of theory and related research

Research on the role of public governance in economic development is relatively complex due to the multiple factors influencing income and growth through various socio-economic aspects. The term public governance has been used since the 1990s when countries worldwide carried out public sector reform and applied new management models

(Pham, 2017; UNDP, 1997; Fukuyama, 2011). Huther and Shah (1996) defines public governance as “the aspects of exercising power through formal or informal institutions to governance all resources assigned to the state”. Kaufmann (1997 and 2009) believes that public governance is the institutions that exercise power in a country including how to choose the country’s leaders, monitor and replace them, the role of the government in policy formulation and implementation, and the interaction between citizens and the state regarding economic regulatory institutions.

The relationship between public governance and economic growth has been a longstanding area of interest in research. Key factors such as citizen participation, high transparency in national policies, public services and governance, and the accountability of public officials significantly influence economic growth (Huther, 1996; Strömberg, 2004; Lassen, 2005; Nguyen, 2017). Clear tax policies and transparent legal frameworks are associated with enhanced efficiency in economy and market operations (Stiglitz, 2002).

On the other hand, good governance necessitates effective mechanisms for corruption control. Gupta et al. (2002) identifies a positive correlation between corruption and economic growth. Their study indicates that a ten percent increase in corruption is associated with an 11 percentage point rise in income inequality and a reduction of approximately five percentage points in the income growth of the poor per year. Corruption distorts markets and deters both private and foreign direct investment. Without corruption, public investment will be more efficient and better aligned with the needs of citizens. However, Rock and Bennett (2004) argues that on a large scale, in emerging industrial economies such as China, Indonesia, Republic of Korea, and Thailand, controlling the level of corruption positively impacts economic growth. Good governance also results in better public investment and enhanced public services, especially education and health. Efficient public administration can reduce the cost associated with public service implementation, thereby increasing local benefits and stimulating economic activity (Khan, 2007).

In examining the relationship between public governance and economic development, various studies have employed different groups of factors to empirically estimate this relationship. Kaufmann et al. (2009) measures governance quality using six factors including “voice and quality of accountability”, “level of political stability and absence of violence and terrorism”, “government effectiveness”, “policy quality”, “rule of law”, and “corruption control”. To obtain these composite indices, researchers gathered data from more than 400

indicators from 35 different sources around the world, thereby identifying a positive relationship between good governance and economic growth. However, good governance is not always the determining factor in the linear relationship with economic growth. According to Barro (2000), a good level of governance leads to a greater level of investment in social programs, reducing investment and production resources. World Bank (2016) underscores the existence of a positive relationship between the country governance index (WGI) and economic development.

The impact of public administration on economic growth and income inequality, as measured by Nguyen (2017), shows that more effective public administration fosters economic growth and reduces inequality between provinces. On the other hand, while economic growth can improve the efficiency of public administration, it may exacerbate inequality between localities. Pham (2017) studies the correlation between PAPI governance and public administration quality with economic growth in provinces. By analyzing the relationship between economic growth of provinces and municipalities with PAPI data from 2011 to 2015 using the growth model of Pham (2017), the study concludes that local growth is primarily driven by capital and labor, with no significant correlation between the composite PAPI index and economic growth. Although there has been research on the role of PAPI in economic growth in Vietnam, evidence is lacking on the impact of specific components of local governance such as openness, transparency, and accountability to the public, controlling corruption in the public sector, public administrative reform, and citizen participation at the grassroots level, on hunger eradication and poverty reduction and the improvement of living standards. This article aims to provide empirical evidence on this relationship.

3. Proposed research model

Based on the theoretical framework and related research on the relationship between public governance and development, this paper proposes to develop a research model with indicators representing public governance's impact on local economy¹. Measuring the quality of local governance is analyzed in detail to clarify the impact of each variable (such as assessing corruption control on development outcomes; the role of improved accountability in

¹Inheriting the research of Barro (2000) on factors affecting growth and poverty reduction; Bourguignon (2004) on the model of factors leading to poverty reduction; Gupta et al. (2002) on the role of corruption control in development.

reducing inequality and poverty risks; and transparency towards poverty alleviation). The specific models are as follows:

$$\ln(Y_{i,t}) = \alpha + \beta \ln(\text{Governance}_{i,t-1}) + \alpha \text{year}_t X_{i,t} \pi + u_1 + v_{i,t}$$

In which:

(1) Variables representing economic development Y_i include:

- Y_1 : GRDP at constant prices of province i in year t (*billion VND*); Variables are used in logarithm form.

- Y_2 : Rate of poor households in province i in year t ;

- Y_3 : Per capita income at constant prices of province i in year t (*thousand VND*); Variables are used in logarithm form.

(2) Variables measuring the quality of local governance (G_i) include:

- G_1 : Index of “people’s participation at the grassroots level” of province i in year t ;

- G_2 : “openness and transparency” index of province i in year t ;

- G_3 : Index of “accountability to the people” of province i in year t ;

- G_4 : Index of “corruption control in the public sector” of province i in year t ;

- G_5 : Index of “improvement in efficiency of public administrative procedures” of province i in year t ;

- G_6 : Index of “quality of public service provision” of province i in year t .

These variables are measured using the weighted PAPI index from 2013 to 2021 considering a lag level of $t-1$ (explained as the lag of public management policies on growth). The purpose of using the lagged variable PAPI is justified by the following factors: The survey is conducted from June to December each year while other relevant data, published in the previous year’s statistics, are typically released in the first quarter of the following year by the Provincial Statistics Department (CECODES, 2019). This approach helps mitigate problems of causality and endogeneity associated with the PAPI variable in the empirical model. Noticeably, any updates, edits, and introduction of new indicators or fields in the PAPI questionnaire do not affect the analysis results. Particularly, the components of “Environmental Governance” and “E-Governance”, introduced in 2018, are excluded from the analysis as they lack sufficient data to evaluate changing trends over the entire period from 2011 to 2018.

(3) Controlling variables X_i include:

- X_1 : Population density of province i in year t (*people/km²*);
- X_2 : Percentage of population living in urban areas of province i in year t ;
- X_3 : The investment capital at constant prices of province i in year t (*billions Vietnam Dong*);
- Regional variables to control for differences between the Northeastern, Northwestern, North Central, South Central Coast, Southeastern and Mekong Delta regions when compared with the Hong River Delta region.
- Variables controlling time in years.

This research employs panel data regression analysis methods, including fixed effect model (FEM) and random effect model (REM). Based on the proposed analytical model, u_1 represents the time-invariant and unobservable individual effects of each province i . If individual effects are correlated with independent variables, FEM is chosen. In contrast, the individual effects are not correlated with the selected independent, REM is selected. The Hausman test is used to determine which model is optimal prior to synthesizing and analyzing results based on the test. The Hausman test is conducted under the null hypothesis (H_0) that there are no systematic differences in the regression coefficients between the FEM and REM (Wooldridge, 2019).

4. Data sources and descriptive analysis

4.1. Data sources

The study utilizes provincial-level data from 2013 to 2021, comprising a 9-year time series corresponding to 63 provinces and municipalities, creating a panel data system with 567 observations. The use of panel data offers several advantages: (i) Providing more reliable estimation results; (ii) Overcoming the limitations of cross-sectional and temporal data; (iii) Allowing the use of methods to eliminate unobservable factors that remain constant over time and are correlated with the PAPI index in the empirical model. The provincial-level data are collected from the PAPI index and the Statistical Yearbook of 63 provinces and municipalities for the period 2013-2021.

TABLE 1: Summary of statistics

Variable	Mean	Standard deviation	Min	Max
GRDP (billion VND) (Y_1)	87888.6	154100.2	5139	1338179
Poverty rate (%) (Y_2)	11.4	9.9	0.0	53.9
Per capita income (thousand VND) (Y_3)	2731	1131.6	758	7433
Composite PAPI index (G)	37.2	3.1	31.7	47.1
Grassroots people's participation (G_1)	5.2	0.5	3.8	6.8
The level of transparency of the government (G_2)	5.6	0.5	4.4	7.2
Accountability to the people (G_3)	5.4	0.6	4.1	7.5
Level of corruption control (G_4)	6.0	0.6	4.1	7.6
Improvement in the efficiency of administrative procedures (G_5)	7.0	0.3	5.9	7.9
Quality of public service delivery (G_6)	6.9	0.4	5.7	8.0
Population density of the province (people/km ²) (X_1)	489.5	608	43.8	4385
Proportion of population living in urban areas (%) (X_2)	0.3	0.2	0.1	0.9
Implemented investment capital (billion VND) (X_3)	33581.7	55093.7	3229	470120
Percentage of workers aged 15 years and older (%) (X_4)	58.6	3.7	49.7	71.3

Source: www.papi.org.vn and Statistical Yearbook of 63 provinces and municipalities.

Table 1 presents the summary statistics of the variables used in the model. The poverty rate is used according to the poverty standards of the Ministry of Labor, Invalids and Social Affairs in the period 2013-2021, with an average of 11.38 percent. Per capita income is calculated on average for the entire period, rather than on a yearly basis, and is collected from the Statistical Yearbook of provinces and municipalities for the period 2013-2021. In addition, Table 2 provides the descriptive statistics of the variables in terms of skewness and kurtosis test values. Skewness deviation is used to measure the symmetry of a probability distribution, while

kurtosis is an index to measure the shape of a probability distribution. As can be seen in Table 2, the dependent variables in the model exhibit positive deviations. With the normal distribution test results, the values are in a normal distribution with a statistical significance level of five percent. All other remaining variables, from Y1 to Y3, have skewness values equal to 0, indicating a symmetric distribution.

TABLE 2: Skewness and kurtois tests

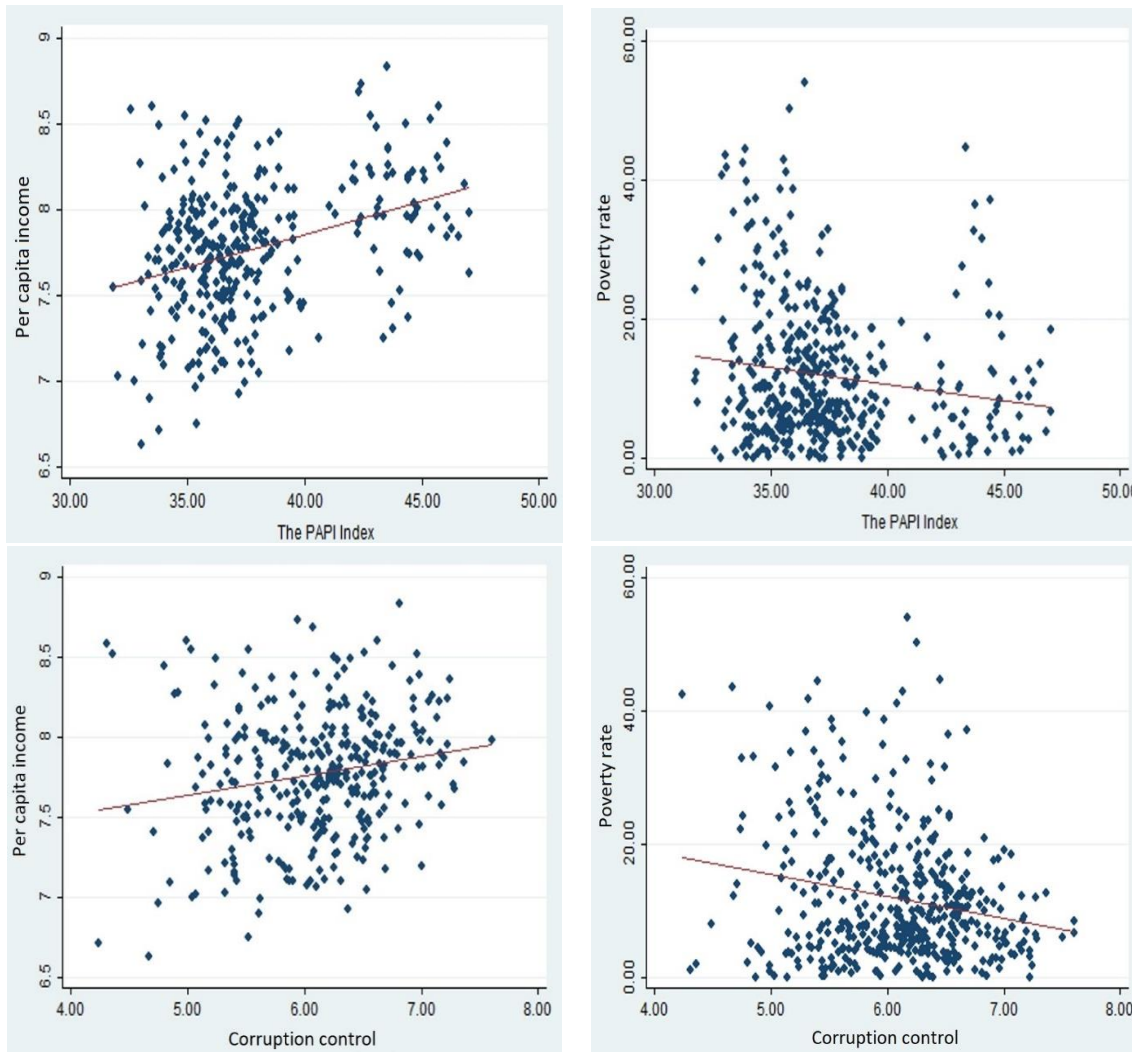
Variables	Skewness	Kurtosis	Chi2(2)	Prob>Chi2
Grassroots people's participation (G ₁)	0.458	0.929	0.56	0.754
The level of transparency of the government (G ₂)	0.139	0.109	4.76	0.093
Accountability to the people (G ₃)	0.001	0.306	10.72	0.005
Level of corruption control (G ₄)	0.043	0.277	5.29	0.071
Improvement in the efficiency of administrative procedures (G ₅)	0.175	0.323	2.82	0.244
Quality of public service delivery (G ₆)	0.544	0.254	1.68	0.433

Source: Author's analysis results.

4.2. Descriptive analysis

The results presented in Figure 1 show a positive correlation between improvements in the PAPI index and reductions in poverty and increases in per capita income. The improvement in PAPI contributes to a reduction in the poverty rate for the entire time series of the study data. Besides, corruption control plays a critical role in both state and local governance systems. Corruption control in PAPI encompasses aspects such as controlling corruption in tasks execution at all levels of government; controlling corruption in the provision of public services; ensuring fairness in the recruitment of civil servants and public employees; and demonstrating a commitment to combating corruption. Figure 1 illustrates a positive correlation between corruption control and per capita income. Specifically, effective corruption control at local level promotes economic growth by enabling more efficient use of resources, attracting talent to the public sector, and reducing unofficial costs for businesses during the implementation of investment and business projects.

FIGURE 1: Relationship between PAPI and per capita income and poverty rate



Source: Author’s analysis results.

5. Empirical results and discussion

5.1. Impact of the composite PAPI index

The regression results of the composite PAPI index are shown in the tables below with three dependent variables, including GRDP, poverty rate, and per capita income. The composite PAPI index is calculated in log form. Similarly, the independent variables controlled in the model are also calculated in log form. Regional variables are measured as dummy variables and compared with the Hong River Delta region. The results of the Hausman test, as shown in Table 3, are as follows:

TABLE 3: Model selection results for the composite PAPI index

Dependent variable	Hausman test: H_0 is that the differences in the regression coefficients of FEM and REM are not systematic	Decision
GRDP	Chi2(5) = 132.76; Prob>chi2=0.000	FEM
Proportion of poor households	Chi2(5) = 8.43; Prob>chi2=0.134	REM
Per capita income	Chi2(5) = 336.96; Prob>chi2=0.000	FEM

Source: Author’s analysis results.

TABLE 4: Results of the impact of the composite index on the dependent variables

Independent variables	GRDP	The rate of poor households	Average income
	FEM	REM	FEM
	Coefficient	Coefficient	Coefficient
Log of lagged G	0.352***	-0.800***	0.438***
Log of X ₁	0.825***	-0.519***	0.071***
Log of X ₂	0.329**	-0.459***	0.533***
Log of X ₃	0.401***	-0.292***	0.390***
Log of X ₄	-0.205***	0.275	-0.271
Mekong Delta		-0.022	
Southeastern		0.148	
Northeastern		0.242	
Northwestern		-0.159	
North Central		-0.190***	
South Central Coast		-0.003	
_cons	-10.810	9.125***	-13.245***
Sigma_u	3.510	0.307	3.119
Sigma_e	0.132	0.282	0.129
Rho	0.998	0.543	0.998
F_statistics	44.21	700.91	10.65
R ²	0.742	0.224	0.741

Note: *p<0.1; **p<0.05; ***p<0.01.

Source: Author’s analysis results.

Table 4 shows that the main coefficients of the PAPI composite index of interest are all statistically significant. Specifically, a ten percent increase in the PAPI index is associated with approximately 3.52 percent increase in the GRDP of provinces and municipalities, suggesting that the effectiveness of provincial public administration has a positive influence on the GRDP of the provinces. With the current method of calculating GRDP applying the

production approach, strong governance capacity at provincial level enhances the effectiveness and efficiency of government operations and societal management. Based on the results of the previous year's PAPI survey, provinces and municipalities will identify and address existing limitations, thereby developing plans for improvement in the following year, with the goal of promoting local socio-economic development.

The research results show that governance and public administration efficiency have the most significant impact on the poverty rate. Accordingly, a ten percent increase in the PAPI index is translated into an approximately eight percent reduction in the poverty rate. In addition, PAPI also has a proportional relationship with per capita income; a ten percent increase in PAPI corresponds to a 4.38 percent improvement in per capita income. These findings underscore the substantial role of governance and public administration in economic development, poverty reduction, and improvements in people's livelihoods. Policies on poverty reduction have been developed and implemented in an increasingly synchronous manner, yielding positive results. These outcomes reflect the strong efforts and commitment of the entire political system, including the consolidation and improvement of governance and public administration effectiveness. An effective, people-oriented public administration enables citizens to access more information and social resources, creating opportunities to improve living, working conditions and personal development, thereby contributing to higher living standards.

5.2. Testing the impact model selection of PAPI component indices

This section will explore the relationship between the component indices and the dependent variables. The control variables remain unchanged. The main variables of interest include²:

- Grassroots people's participation (G1);
- Level of transparency of the province (G2);
- Accountability to the people (G3);
- Level of corruption control (G4);
- Improve the efficiency of public administrative procedures (G5);
- Quality of public service provision (G6).

²The component variables of the PAPI index (from G1 to G6) are measured and estimated in the form of log of lagged G1 to log of lagged G6. This approach applies to all models that use component indices.

TABLE 5: Model selection results for the component PAPI index

Dependent variable	Hausman test: H_0 is that the differences in the regression coefficients of FEM and REM are not systematic	Decision
GRDP	Chi2(5) = 81.49; Prob>chi2=0.000	FEM
The rate of poor households	Chi2(5) = 14.24; Prob>chi2=0.1139	REM
Per capita income	Chi2(5) = 154.12; Prob>chi2 = 0.000	FEM

Source: Author’s analysis results.

TABLE 6: Results of the impact of the component index on the dependent variables

Independent variables	GRDP	The rate of poor households	Average income
	FEM	REM	FEM
	Coefficient	Coefficient	Coefficient
Log of lagged G_1	0.019	-0.662***	0.267***
Log of lagged G_2	0.220**	-0.690***	0.187
Log of lagged G_3	0.447***	-0.084	0.462***
Log of lagged G_4	0.248***	-0.840***	0.249**
Log of lagged G_5	0.553***	-0.656*	0.080***
Log of lagged G_6	0.683***	-0.784***	0.788***
Log of X_1	0.373***	-0.558***	0.663***
Log of X_2	0.252**	-0.455***	0.454***
Log of X_3	0.345***	-0.263***	0.327***
Log of X_4	-0.691**	0.142	0.258
Mekong Delta		-0.002	
Southeastern		0.183	
Northeastern		0.181	
Northwestern		-0.076	
South Central Coast		-0.110***	
North Central		0.223	
_cons	-8.980***	7.012***	-12.019***
Sigma_u	3.008	0.293	2.649
Sigma_e	0.125	0.276	0.119
Rho	0.998	0.529	0.998
F_statistics	46.85	776.71	9.83
R^2	0.77	0.258	0.784

Note: *p<0.1; **p<0.05; ***p<0.01.

Source: Author’s analysis results.

The level of corruption control (G_4) has the most substantial impact on reducing the poverty rate. A ten percent improvement in corruption control corresponds to an 8.4 percent reduction in the poverty rate. Except for the level of public accountability, the remaining component indexes displays a significant negative impact on poverty reduction, specifically people's participation at the grassroots level, the degree of openness and transparency in provincial governance, the efficiency of public administrative procedures, and the quality of public service provision. These findings underscore the critical role of improving governance and public administration efficiency in local poverty reduction. The province's responsibility for transparency and publicity, along with citizens' participation, highlights the growing role of the public in state governance. Regarding the quality of public services, a ten percent increase in this index is translated into a 7.84 percent reduction in the poverty rate, indicating improvements in the quality of essential services such as public health care and primary education for citizens.

In terms of improving per capita income, improving factors that support human resource development, such as health and education, and strengthening accountability to the people and external stakeholders will contribute to improving income. The estimated coefficient of accountability ranks highly among the estimated coefficients, showing the importance of this index in improving per capita income, alongside improvements in the quality of service delivery. Increasing accountability fosters more efficient resource utilization, ensures openness, transparency, and prevents the risk of group interests. Ensuring accountability also helps prevent monopoly in public spending decisions, thereby contributing to the effectiveness of local public spending programs.

6. Conclusions

The paper uses a regression analysis model with panel data to study the relationship between governance and public administration efficiency with economic development. The results show that the PAPI index is positively associated with GRDP and per capita income and is inversely proportional to the poverty rate. Accordingly, a ten percent increase in the PAPI index corresponds to a 3.52 percent increase in GRDP, a 4.38 percent increase in the per capita income, and an eight percent reduction in the poverty rate. These findings

demonstrate the positive influence of local governance and public administration efficiency on economic development. Enhancing public governance efficiency in a locality contributes to higher GRDP, increased income, and significant poverty reduction. On the contrary, poor governance quality and ineffective government operations create barriers for businesses, adversely affecting people's income and livelihoods and thereby hindering local socio-economic development.

The component indexes also show the relationship with economic development through the criteria of GRDP, poverty rate, and per capita income. It is worth noting that the "quality of public service provision" index significantly impacts all three variables representing economic development. When the quality of public services of a province or city increases by ten percent, that local GRDP increases by 6.83 percent, per capita income increases by 7.88 percent and the poverty rate decreases by 7.84 percent. Meanwhile, the results of "controlling corruption", "participation of people at the grassroots level", "level of transparency in the province" and "improving public administrative procedures" have remarkable impacts on poverty reduction of localities, in which the corruption control has the strongest negative correlation coefficient of 8.4 percent.

From the above research results, it can be seen that effective public governance in provinces and municipalities is correlated with economic development. Provinces need to build development plans to increase citizen participation at the grassroots level, and implement regulations on publicity and transparency seriously and practically. It is also crucial to identify solutions to improve accountability both within government levels and between government and the public, while continuing to promote anti-corruption efforts across all fields and levels according to the viewpoint of "no exceptions, no prohibited areas". In addition, local governments should enhance the efficiency of public administrative procedures and public service delivery to individuals and businesses, particularly focusing on popular and essential administrative procedures and public services. By promoting effective anti-corruption measures and improving public service provision, these actions will contribute to helping Vietnam overcome the middle-income trap and progress toward becoming an industrial and modern country, as outlined in the Resolution of the 13th CPV Congress.

References

- Acemoglu D. and Robinson A. (2012), *Why Nations Fail: The Origins of Power, Prosperity and Poverty*, first edition, Crown, New York.
- Barro J.R. (2000), “Inequality and growth in a panel of countries”, *Journal of Economic Growth*, vol. 5, no. 1, pp. 5-32.
- Bourguignon F. (2004), *The Poverty-Growth-Inequality Triangle*, paper presented at the Indian Council for Research on International Economic Relations, February 4, New Delhi.
- CECODES (2019), *The Vietnam Provincial Governance and Public Administration Performance Index (PAPI)*, The Fatherland Front, UNDP, Hanoi.
- Chong A. and Calderon C. (2000), “On the causality and feedback between institutional measures and economic growth”, *Economics and Politics*, vol. 12, no. 1, pp. 69-81.
- CPV, The Communist Party of Vietnam (2021), *The 13th Party Congress Resolution*, National Political Publishing House, Hanoi.
- Friedman T.L. (2005). *The World is Flat: A Brief History of the Twenty-first Century*, Farrar, Straus and Giroux.
- Fukuyama F. (2011), *Origins of Political Order: from Prehuman Times to the French Revolution*, first paperback edition, New York.
- Glaeser L., Porta R.L., Lopez-de-Silanes F. and Shleifer F. (2004), “Do institutions cause growth?”, *Journal of Economic Growth*, vol. 9, no. 3, pp. 271-303.
- Gupta S., Hamid D. and Rosa A.T. (2002), “Does corruption affect income equality and poverty?”, *Economics of Governance*, vol. 3, no. 1, pp. 23-45.
- Huther S. (1996), *A Simple Measure of Good Governance*, Policy Research Working Paper no. 1894.
- Kaufmann D. (1997), *Measuring Good Governance*, The World Bank Institute, Washington, D.C.
- Kaufmann D., Kraay A. and Mastruzzi M. (2009), *Governance Matters VIII: Aggregate and Individual Governance Indicators*, World Bank Policy Research Working Paper no. 4978. Washington, D.C.: World Bank.
- Khan M.H. (2007), *Governance, Economic Growth and Development since the 1960s*, DESA Working Paper no. 54 ST/ESA/2007/DWP/54.

- Lassen D. (2005), “The effect of information on voter turnout: evidence from a natural experiment”, *American Journal of Political Science*, vol. 49, no. 1, pp. 103-118.
- Nguyen H.T. (2017), “Nghiên cứu tác động của quản trị hành chính công đến tăng trưởng kinh tế và bất bình đẳng thu nhập [Studying on the impact of public administration on economic growth and income inequality]”, *Tạp chí Tài chính [Journal of Finance]* (online).
- Ohno K. (2009), *Avoiding the Middle-Income Trap: Renovating Industrial Policy Formulation in Vietnam*, Vietnam Development Forum (VDF), Hanoi.
- Pham T.H. (2017), “Ứng dụng quản trị tốt ở Việt Nam [The application of good governance in Vietnam]”, *Tạp chí Khoa học của VNU: Kinh tế và Kinh doanh [VNU Journal of Science: Economics and Business]*, vol. 33, no. 3, pp. 1-9.
- Rock M.T. and Bonnett H. (2004), “The comparative politics of corruption: accounting for the East Asian paradox in empirical studies of corruption, growth and investment”, *World Development*, vol. 32, no. 6, pp. 999-1017.
- Schiavo-Campo S. and Sundaram P. (2003), *To Serve and To Preserve: Improving Public Administration in a Competitive World*, Asian Development Bank, Manila.
- Stiglitz J. (2002), *Globalization and Discontent*, New York, NY: WW Norton & Company.
- Strömberg D. (2004), “Radio’s impact on public spending”, *Quarterly Journal of Economics*, vol. 119, no. 1, pp. 189-221.
- UNDP (1997), *Governance for Sustainable Human Development*, New York.
- Wooldridge M.J. (2019), *Introductory Econometrics: A Modern Approach*, seventh edition, Cengage, Boston.
- World Bank (2016), *The Development Report to 2035*, Hanoi.

Article history

Received on December 20, 2023

Revised on December 25, 2023

Accepted on December 26, 2023