



Renewing Vietnam's economic growth model: from policy to practice

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Abstract

This article analyzes the process of developing the Communist Party of Vietnam (CPV)'s theoretical thinking on renewing the economic growth model over nearly 40 years of Doi Moi (Renovation process initiated in late 1986), clearly pointing out its achievements and limitations. From there, it proposes viewpoints, principles, and solutions for innovation in Vietnam's economic growth model in the coming years. The CPV's theoretical thinking on the renewal of the economic growth model has been formed and developed in association with the comprehensive national renovation process from 1986 to the present. This development is a process of continuous movement, both originating from the internal requirements of the economy and adapting to the international context, reflecting the creativity in applying and developing Marxism-Leninism and Ho Chi Minh's thought in Vietnam's reality. Nearly 40 years of Doi Moi have proven the CPV's correctness and creativity in economic development orientation. Vietnam's economic growth model has shifted from dependence on cheap labor and resource exploitation to one that relies more on science, technology, and innovation. However, limitations in productivity, quality, and competitiveness indicate that renewal of the growth model remains an inevitable and urgent requirement.

Keywords: Communist Party of Vietnam, economic growth model, theoretical thinking, policy, practice.

JEL classification: O11, O25, O43, O47, P21.

1. Development of the CPV's theoretical thinking on Vietnam's economic growth model renewing

An economic growth model explains how an economy's development paths and patterns are shaped through specific economic variables. Each model offers a distinct interpretation of the sources of growth and corresponds to the particular conditions of an economy at a given stage of development. Renewing the growth model means transforming the way the economy functions toward greater progress. This transformation is achieved by establishing a socialist-oriented market framework that optimizes national resources within a rational, efficient, and modern structure to achieve rapid and sustainable growth.

In seeking development pathways, nations adopt different approaches to aligning economic growth with broader development objectives. Each growth model has distinct features, and every nation pursues one suited to its practical capacities and strategic priorities.

The CPV's policy of comprehensive economic reform was first articulated at its Sixth National Congress in December 1986. Before that, the CPV had not recognized the role of commodity production or the market mechanism, instead considering central planning as the defining feature of a socialist economy. Accordingly, resources were allocated primarily through administrative plans, while the market was either denied or regarded merely as a secondary instrument. During the transitional period, the multi-sectoral economy was not acknowledged. The state-owned and collective sectors were viewed as the main pillars. This policy led to the rapid elimination of individual ownership and the private economy. The economy operated as a closed system, resulting in stagnation, crisis, and severe macroeconomic imbalances.

From that reality, the Sixth National CPV Congress candidly acknowledged that the long-standing centrally planned, bureaucratic, and subsidized management mechanism had failed to create development momentum. It had weakened the socialist economy and constrained the utilization and transformation of other sectors of the economy. It also curtailed production and reduced productivity, quality, and efficiency. It also disrupted distribution and circulation and gave rise to numerous adverse social phenomena (CPV, 2006, vol. 47, pp. 395-396). Accordingly, the CPV emphasized that economic restructuring must go hand in hand with reforming the economic management mechanism.

The CPV's viewpoint on renewing the economic growth model, first articulated at the Sixth National CPV Congress, was further elaborated in subsequent congresses. At the Seventh National CPV Congress in June 1991, the CPV reaffirmed the need for comprehensive and synchronous renovation. This renovation included pursuing reform in greater depth and with steady progress, developing a multi-sectoral commodity economy, and reforming economic management. It also emphasized strengthening all sectors through both competition and cooperation within the national economy. After a decade of renovation, the Eighth National CPV Congress in June 1996 identified the central objective of economic development as accelerating industrialization and modernization, while reaffirming and emphasizing the establishment of a socialist-oriented market economy.

After more than 30 years of all-round reform, the Eleventh National CPV Congress in January 2011 responded to new circumstances. It adopted policies aimed at stabilizing the macroeconomy, reforming the growth model and economic structure, improving efficiency and quality, and ensuring sustainable development (CPV, 2011, p. 188). The growth model was to shift from an extensive pattern to a balanced combination of comprehensive and intensive development - expanding scale while enhancing quality, efficiency, and sustainability (CPV, 2011, p. 191).

The Twelfth National CPV Congress in January 2016 further specified the orientations and solutions for renewing the growth model and restructuring the economy. It emphasized the effective integration of extensive and intensive development, with priority given to the latter. The focus was on improving growth quality and competitiveness through higher labor productivity, scientific and technological advancement, innovation, and high-quality human resources. It also emphasized enhancing comparative advantage and promoting proactive international integration to achieve rapid and sustainable development (CPV, 2016a, p. 87).

To realize these goals, the Twelfth Congress underscored that growth should not rely solely on exports and investment but also on the domestic market. It emphasized the need to strengthen internal resources while efficiently attracting and utilizing external ones. It also noted the need to fully and properly promote the roles of state-owned, private, and foreign-invested enterprises, as well as the agricultural sector (CPV, 2016a, pp. 87-88). The Congress also identified the driving forces and conditions for renewing the growth model. These include: intensifying research, applying science and technology, and fostering innovation to enhance labor productivity; promoting R&D and importing new technologies; developing

modern management; and unleashing human potential and entrepreneurial spirit to fully harness competitive advantages, increase national value, and more effectively participate in global value chains (CPV, 2016a, p. 88).

Adopting the Congress's orientations, the Fourth Plenum of the Twelfth CPV Central Committee issued Resolution No. 05-NQ/TW dated 1 November 2016 on several major guidelines and policies to continue renewing the growth model, improving growth quality, labor productivity, and competitiveness of the economy (CPV, 2016b, pp. 55-57). The Resolution stated:

(i) The renewal of the economic growth model seeks to enhance the quality of growth, labor productivity, and the competitiveness of the economy, thereby ensuring rapid and sustainable development across economic, social, and environmental dimensions. Growth must not be pursued at all costs. It must not undermine macroeconomic stability, national defense and security, social progress and equity, or ecological sustainability.

(ii) The renewing of the growth model should focus on and increasingly rely on factors that drive productivity growth and efficient resource use. These factors include the patriotic spirit, national pride, and creativity of the Vietnamese people. They also include achievements in global science and technology, as well as the potential and advantages across sectors, industries, localities, and the nation as a whole. Depending on the specific circumstances of each sector and locality, there should be a rational combination between extensive and intensive growth, with the latter serving as the principal driver. The model should gradually shift from growth driven primarily by investment and exports to one based on investment, exports, and the domestic market. It should also change from reliance on quantitative increases in production inputs to reliance on improved productivity, labor quality, and the application of science, technology, and innovation. Internal resources must be fully mobilized and optimized in conjunction with the effective attraction and utilization of external resources.

(iii) The renewal of the growth model must be closely associated with the implementation of the three strategic breakthroughs and the restructuring of the economy. Key priorities include: perfecting the institutional framework of the socialist-oriented market economy; maintaining macroeconomic stability and key economic balances; improving the investment and business environment to be attractive and conducive to entrepreneurship, innovation, research, and the application of science and technology; and enhancing the quality of human

resources and nurturing talent. The restructuring tasks focus on several key areas. These include agriculture in association with new-style rural development, public investment, state-owned enterprises, the system of credit institutions, the state budget and public debt, and public service institutions.

(iv) Renewing the growth model, improving growth quality, labor productivity, and the competitiveness of the economy are key tasks decisive to achieving the goal of rapid and sustainable national development in the current period. CPV committees and governments at all levels must persistently and resolutely lead, direct, and organize implementation. The entire political system and the people, especially intellectuals, entrepreneurs, and enterprises, should take the initiative, be creative, and make significant contributions to the realization of these tasks.

During the 2016 - 2020 period, Vietnam's renewed orientation for its economic growth model focused on redefining the relationship between capital and other factors of production - such as labor and natural resources - while highlighting technological innovation and scientific advancement as key drivers of growth. At the same time, the country implemented policies to foster the development of both the agricultural and industrial sectors.

Based on an assessment of the implementation of the CPV's viewpoints and orientations on renewing the growth model, the Thirteenth National CPV Congress in January 2021 recognized significant achievements in this process. The growth model has gradually shifted from extensive to intensive development, marked by notable improvements in labor productivity. Economic growth has become less dependent on natural resource exploitation, raw material exports, cheap labor, and credit expansion and is increasingly driven by science, technology, and innovation. The share of manufacturing and processing industries has steadily risen, while that of the mining sector has declined (CPV, 2021, vol. 2, pp. 17-18). Together with economic restructuring and the implementation of the three strategic breakthroughs, the economy's productivity, efficiency, and competitiveness have improved, achieving a more harmonious balance between economic growth, social progress and equity, and the protection of natural resources and the environment.

However, alongside these achievements, the Thirteenth Congress also candidly acknowledged certain limitations and weaknesses. The process of institutional reform, transformation of the growth model, economic restructuring, industrialization, and modernization has progressed slowly and has yet to produce truly significant outcomes.

Productivity, quality, efficiency, and competitiveness remain relatively low (CPV, 2021, vol. 2, p. 320). In light of this reality, the Congress outlined orientations for renewing the growth model and restructuring the economy; accelerating industrialization and modernization; and boosting national development rapidly and sustainably (CPV, 2021, vol. 1, p. 120). This orientation represents the CPV's strategic vision for renewing Vietnam's economic growth model - one that emphasizes sustainable development, green growth, the digital economy, and both extensive and intensive international integration.

Building on the achievements and experiences of previous periods, the draft documents (developed in 2025) for the Fourteenth National Congress further clarify the CPV's viewpoint on renewing the economic growth model. The new model focuses on enhancing productivity, quality, efficiency, added value, and the economy's competitiveness. Science and technology, innovation, and digital transformation serve as the main driving forces. It aims to generate new productive capacities, new modes and domains of production and business, and higher quality outcomes. The draft also emphasizes accelerating digital, green, and energy transformations in close association with the development of high-quality human resources (CPV, 2025, p. 30).

It can therefore be observed that the CPV's theoretical thinking has evolved from an emphasis on quantitative growth toward a vision of comprehensive, sustainable, and modern development, grounded in three new pillars: (1) science, technology, and innovation; (2) education and training; and (3) digital and green transformation. This evolution represents an important addition. It reflects the objective requirements of a new stage of development, as Vietnam aims to become a developing country with a modern industry and upper-middle-income status by 2030, and a developed, high-income nation by 2045.

A review of nearly forty years of the Communist CPV of Vietnam's theoretical development on renewing the economic growth model reveals three prominent characteristics:

Continuity and evolution: from the CPV's early understanding of the socialist-oriented market economy to the establishment of a growth model based on quality, efficiency, and sustainability.

High adaptability: theoretical thinking continuously in close connection with domestic and international contexts - from periods of economic crisis and WTO integration to the era of the Fourth Industrial Revolution.

Strategic orientation: the concept of renewing the growth model has increasingly become a central pillar of the CPV's development guidelines, closely linked with the three strategic breakthroughs and the national development targets set for the mid-twenty-first century.

The evolution of the CPV's theoretical thinking on renewing Vietnam's economic growth model vividly reflects its capacity for innovation in leading the nation's development cause. This evolutionary process forms a fundamental political and theoretical foundation for Vietnam to enter a new stage of development. It supports the aspiration to become a developed, high-income nation by 2045.

2. Assessment of Vietnam's economic growth model renewal

After nearly forty years of Doi Moi, Vietnam's economic growth model has undergone a fundamental transformation, adopting new mechanisms, drivers, and a new structure, thereby steadily advancing toward the goals of industrialization and modernization. Overall, the process of renewing the growth model has achieved several key accomplishments:

First, the economy has maintained a relatively high and consistent growth rate, with its overall scale continuously expanding.

During the early period of Doi Moi (1986-1990), the average annual GDP growth rate was only 4.4%. Between 1996 and 2000, it rose to 7%. Since the beginning of the Twelfth CPV Congress term (2016-2020), under the decisive and determined direction of the Government, Vietnam has progressively renewed its growth model and improved the quality and efficiency of economic development. As a result, average GDP growth during 2016-2020 reached approximately 6%, placing Vietnam among the fastest-growing economies in ASEAN and the world. In 2020 and 2021, despite severe impacts from the COVID-19 pandemic, the economy still achieved favorable growth rates of 2.91% and 2.58% respectively, making Vietnam one of the few countries in the region and the world to sustain positive growth during that period. In 2022, GDP growth reached 8.02%, and in 2023, 5.05%, compared to the corresponding global averages of 3.5% and 3.1% (Xuan Thanh, 2024). In 2024, GDP expanded by 7.09%, surpassing the official target range of 6.5-7%.

In particular, Vietnam has transformed from a poor, underdeveloped agricultural country with a small economic scale - its GDP amounting to only USD26.3 billion in the early years of the Doi Moi process - into one of the region's emerging economies. After nearly 40 years

of Doi Moi, by 2024, GDP reached USD476.3 billion. This economic growth makes Vietnam the fourth-largest economy in Southeast Asia and the 34th-largest in the world (Thach Lam, 2025). Per capita GDP stood at USD4,700, while the multidimensional poverty rate declined to 4.06%, a reduction of 1.65% from 2023 (PV, 2025).

Second, the quality of growth has improved, and labor productivity has significantly increased.

Both theory and practice confirm that a nation's economic growth largely depends on three key factors: expansion of development investment capital, the size of the employed labor force, and total factor productivity (TFP). Among these, TFP plays a decisive role in driving economic restructuring and achieving the objectives of renewing Vietnam's growth model.

In Vietnam, the contribution of TFP to economic growth has risen steadily, accounting for 33.5% during 2011-2015, 45.7% during 2016-2020, and approximately 47% during 2021-2025. The average annual growth in labor productivity reached 4.8% in 2011-2024, and is projected to rise to 6% in 2025 (CPV, 2025, p. 264).

Vietnam is recognized as one of the countries with positive TFP growth and among the highest TFP growth performers within the Asian Productivity Organization (APO) (Loi and Ha, 2022). In addition, the country has continued to maintain and improve major balances in the state budget, trade, investment, energy, and food security.

On this foundation, the draft documents for the Fourteenth National CPV Congress reaffirm that industrialization and modernization have driven economic restructuring, in close association with the renewal of the growth model toward green growth and sustainable development. The economy has begun to be restructured toward digitalization, greening, diversification, enhanced resilience, and value chain upgrading. This restructuring is based on science, technology, and innovation (CPV, 2025, p. 265). These achievements have therefore been acknowledged by the CPV in its official documents, setting the course for the next stage of development.

Third, the economic structure has shifted in a positive, progressive direction, with a declining share of enterprises in agriculture, forestry, and fisheries and a corresponding increase in industry, construction, and services.

As of 31 December 2023, Vietnam had 921,372 active enterprises, including 628,036 in the services sector (68.16% of the total), 281,177 in industry and construction (30.52%), and 12,159 in agro-forestry and fisheries (1.32%) (GSO, 2024).

By 31 December 2024, Vietnam had 940,078 active enterprises, a 2% year-on-year increase. During 2024, 233,419 enterprises entered or re-entered the market. The services sector accommodated 103,127 enterprises (75.8%), up 2.73% from the previous year. The industry and construction sectors saw 31,585 new enterprises (23.2%), a 0.53% decrease. The agro-forestry and fisheries sector recorded 1,373 new enterprises (1%), down 5.24% year-on-year. The average capital scale of enterprises has expanded rapidly; however, small and medium-sized enterprises (SMEs) still dominate, accounting for 97.2% of the total. SMEs employ 5.5 million workers, compared with 9.8 million employed by large enterprises (Khanh Linh, 2025).

Significantly, Vietnam's industrial and sectoral structure has evolved positively, strengthening the competitiveness of industries in which the country has comparative advantages in regional and global value chains. The industrial sector is shifting toward high-tech production. This shift has fostered the growth of several large-scale industries, including electronics, food processing, and information technology. Renewable energy has become an increasingly dynamic field, attracting rising investment with numerous wind and solar power projects launched and brought into operation. Supporting industries have also taken shape and expanded, contributing to higher localization rates and stronger value chains across the economy.

Such positive structural transformation has generated new momentum for economic growth while fostering sustainable, high-quality development and enhancing the economy's competitiveness and adaptability in a rapidly changing global environment.

Fourth, deepened international integration and enhanced Vietnam's global economic standing have been remarkable achievements.

The renewal of the economic growth model, closely associated with international integration, has significantly expanded Vietnam's development space. The country has established trade relations with more than 230 countries and territories and signed 17 free trade agreements (FTAs) with over 60 economies worldwide. This integration has created new opportunities for exports, foreign direct investment (FDI), and technology transfer from major global partners, significantly contributing to economic growth and restructuring.

In 2024, Vietnam's total trade turnover reached USD786 billion, with registered FDI approaching USD502.8 billion and implemented capital amounting to nearly USD322.5 billion (Minh Ngoc, 2025). Vietnam remains among the world's top 20 economies in trade and foreign investment attraction.

The stock market, established in 2000, reached a market capitalization of USD328.5 billion and more than 10 million trading accounts as of 21 July 2025 (Anh Minh, 2025). It has facilitated capital mobilization for enterprises and the government. It has also improved investment liquidity and promoted corporate transparency and governance.

Fifth, a mechanism for resource allocation and output distribution has been established in line with the country's level of development.

Beyond promoting long-term economic growth, Vietnam's reformed growth model has fostered a more balanced mechanism for resource allocation and distribution, aligned with the country's level of development and contributing to social progress on multiple fronts. Incomes and living standards have risen across social strata. Poverty reduction recorded encouraging results, and the Human Development Index (HDI) improved steadily. Healthcare services and public health have advanced significantly, while investment in education has increased, helping enhance the quality of human resources. Job creation has kept pace with labor force growth, reducing unemployment to a low level.

Undoubtedly, Vietnam's economic growth model has undergone a positive transformation in recent years, earning broad international recognition. Notably, the country's global competitiveness has continued to improve, as reflected in the steady rise of its Global Competitiveness Index (GCI) scores over the years.

Remarkably, Vietnam recorded the most significant increase in both score and ranking in the GCI 4.0, released by the World Economic Forum in 2019 (WEF, 2019). This notable advancement demonstrates that Vietnam's global competitiveness has improved substantially compared with previous assessments.

However, alongside the remarkable achievements, Vietnam's process of renewing its economic growth model still reveals several limitations and shortcomings:

First, the overall efficiency of the economy remains low.

In recent years, Vietnam's economic growth has relied mainly on increases in investment capital and the utilization of existing resources - reflecting static rather than dynamic

advantages. Such dependence on capital accumulation to sustain high growth means that maintaining momentum requires a continuous rise in investment. However, given the country's relatively modest economic base and low domestic savings rate, expanding internal capital formation remains a significant challenge. As a result, Vietnam has become increasingly dependent on external financing, but in the current global economic environment, both FDI and other capital inflows remain limited and volatile.

These challenges are clearly highlighted in the draft documents of the Fourteenth National CPV Congress, which state: "Industrialization and modernization, in association with renewing the growth model and restructuring the economy, have fallen short of expectations. The growth model has not yet been grounded in science, technology, and innovation. Economic restructuring has been slow and lacks breakthroughs; the economy's internal strength remains weak; and productivity, quality, efficiency, and competitiveness are still low" (CPV, 2025, pp. 148-149). These are structural constraints that reveal a close correspondence between theoretical analysis and practical implementation.

Second, economic restructuring has proceeded slowly and unevenly, with limited alignment with the renewal of the growth model and broader national priorities. Investment restructuring remains insufficiently linked to fiscal and budgetary reforms. This weak linkage leaves public debt sustainability at risk. The reform, reorganization, and equitization of state-owned enterprises have fallen short of expectations, and their corporate governance remains significantly weak.

Third, the overall competitiveness of the economy remains limited, and the productivity, quality, and efficiency of growth are still modest. In 2020, TFP's contribution to Vietnam's economic growth reached 48.95%, more than 2.3 times the 2011 level, and averaged 39.3% during 2011-2020, exceeding the target range of 30-35%. However, Vietnam's TFP contribution remains significantly lower than that of several leading economies in the Asia-Pacific region, such as Japan, the Republic of Korea, China, and Thailand during their respective high-growth periods (Nguyen, 2021). This gap reflects the consequences of an economic growth pattern driven mainly by capital expansion, reliance on low-cost, low-skilled labor, and the limited added value of export goods.

Fourth, during the renewal of the growth model, several factors have adversely affected the objectives and requirements of sustainable development. Corruption and negative practices have shown signs of increasing complexity; many social problems remain

unresolved; and inequality - particularly disparities in income, wealth, and regional development - has yet to be effectively addressed. In several areas, poverty reduction has slowed, and employment remains a significant challenge. The healthcare and education systems have not fully kept pace with the demands of intensive economic growth. Of particular concern are the worsening environmental pollution, the growing risk of ecological imbalance, and the depletion of natural resources across urban areas, industrial zones, and rural regions.

Fifth, despite Vietnam's orientation toward deeper international economic integration, the economy remains vulnerable, and many growth policies remain only partially aligned with the requirements of integration. While global economic integration has brought positive outcomes - most notably the expansion of exports and the surge in FDI - signs of macroeconomic instability have emerged. In recent years, Vietnam has faced the compounded impacts of multiple external shocks, including the global financial crisis, the COVID-19 pandemic, the Russia-Ukraine conflict, and the worldwide economic slowdown. These shocks have made the weaknesses and passivity of Vietnam's economy and enterprises increasingly evident, particularly in their response to adverse shocks in the international economic environment.

3. Viewpoints, principles, and solutions for renewing Vietnam's economic growth model in the forthcoming period

The draft documents for the Fourteenth National CPV Congress build upon and further elaborate the CPV's theoretical thinking on the renewal of the economic growth model. In particular, they emphasize the need for comprehensiveness, modernity, sustainability, and international integration. They identify science and technology, innovation, digital transformation, green transition, and high-quality human resources as the core driving forces. The overarching viewpoint is that a new growth model should aim to enhance productivity, quality, efficiency, added value, and overall economic competitiveness.

To implement the orientations on growth model renewing as set out in the draft documents for the Fourteenth National CPV Congress, five fundamental principles should be upheld: (1) Balancing extensive and intensive development; (2) Promoting equality among all economic sectors and balanced development across regions and localities; (3) Maintaining a proper balance between the roles of the State and the market in allocating growth resources;

(4) Linking economic growth with social progress, equity, and environmental protection; and (5) Pursuing comprehensive, coordinated, and systematic renewing of the growth model.

Building on this foundation, the following key solutions should be implemented effectively.

First, continue to improve the institutions for economic development. This institutional improvement is a breakthrough solution that lays the foundation for renewing the economic growth model.

To date, Vietnam's market economy has been essentially established and has played a positive role in promoting socio-economic development. However, it remains incomplete and not yet fully comprehensive. Therefore, it is essential to address the relationship among the State, the market, and enterprises in a fundamental manner. It is also necessary to further develop and ensure the effective functioning of a complete and coherent market system.

The three strategic breakthroughs should be further implemented.

(i) Improving the institutions of the socialist-oriented market economy

It is necessary to overcome subsidy dependence, the negotiation-based allocation mechanism, and the soft budgetary mindset. The financial market should be developed in a balanced manner. The public investment management system should be improved to ensure efficiency, transparency, and compliance with international standards and practices.

Strong, coherent policies should be adopted to mobilize social resources, accelerate administrative reform, and enhance the business environment to attract domestic and international capital. In parallel, it is essential to foster entrepreneurship and innovation and support the growth of enterprises. It is also vital to selectively attract FDI projects that strengthen linkages and generate spillover effects across the domestic economy.

(ii) Developing a modern and synchronized socio-economic infrastructure system

Efforts should focus on advancing the implementation of public-private partnership (PPP) projects, ensuring transparency, accountability, and effective oversight throughout the process. Public investment capital, in combination with other financial sources, needs to be concentrated on key infrastructure works and economic regions. Priority should also be given to developing special administrative-economic zones and smart cities.

(iii) Developing human resources in line with the development and integration requirements

A fundamental and comprehensive reform of the education and training system should be undertaken to meet the requirements of the new growth model. Mechanisms, policies, and legal frameworks related to education, training, and science and technology must be effectively implemented.

Rapid and substantive progress should be achieved in human resource development, particularly in cultivating high-quality human capital for potential sectors. It is also necessary to strengthen state management and corporate governance capacity, promote the socialization and autonomy of public universities, colleges, and vocational institutions, and encourage greater enterprise participation in vocational and technical training.

Second, a rapid, comprehensive, and rational structural transformation must be pursued in close alignment with the ongoing economic restructuring. To foster intensive growth, it is crucial to leverage the country's comparative advantages. Special attention should be given to agriculture - not only to increase productivity and improve product quality but also to promote the export-oriented development of high-value agricultural products. It is essential to identify and prioritize strategic industrial sectors while avoiding investment in industries that do not offer competitive advantages. At the same time, efforts should focus on increasing the services sector's contribution to GDP, for example, by expanding tourism revenue. Regarding the restructuring of economic sectors, the equitization of state-owned enterprises (SOEs) should be accelerated to reduce their dominance and enhance the role of non-state economic actors.

Third, economic growth must be closely linked with the efficient use of natural resources and environmental protection. It is necessary to refine and supplement the legal regulations governing environmental protection and pollution control. Effective implementation should continue for key laws, including the Law on Environmental Protection, the Law on Biodiversity, the Law on Water Resources, the Law on Minerals, the Land Law, and the Law on Forest Protection and Development, among others. At the same time, greater attention should be given to integrating sustainable development goals and tasks into all environmental protection activities.

The system of laws and policies on natural resources and the environment should be further improved. International cooperation and inter-sectoral coordination need to be strengthened through joint projects, conferences, and technical exchanges. Ministries and agencies should regularly assess progress on their assigned targets under the national environmental protection strategy, in line with their respective mandates.

Environmental protection and the efficient use of natural resources must be mainstreamed into the strategies, master plans, and development plans of all sectors and territorial regions. Efforts should focus on addressing urgent issues related to natural resources and the environment.

Fourth, resources must be allocated rationally. A core element of growth model renewing lies in the efficient allocation and management of resources. Mechanisms for mobilizing and prioritizing resources should be refined to channel investment toward high-impact sectors and projects that deliver strong spillover effects, thereby laying the foundation for economic restructuring.

In the past, resource allocation was primarily concentrated in the state-owned sector, with state-owned corporations regarded as the main levers of the economy. However, this model mainly relied on capital-intensive expansion, resulting in limited efficiency and rising public debt. Moreover, technological advances, managerial capacity, and qualified human resources have not been effectively harnessed. There has yet to be full capitalization on the nation's most significant comparative advantage - an abundant labor force - nor sufficient promotion of agricultural development, both of which have undermined the overall quality of growth.

At present, promoting economic development requires bold reforms to reallocate social resources. To this end, the State must strengthen its governance capacity, foster a fair and competitive environment, formulate appropriate development orientations, and ensure equal access to resources.

Fifth, it is necessary to translate the socio-economic development model into specific policies and actions for the period of accelerated industrialization and modernization, grounded in the Fourth Industrial Revolution and international economic integration.

Renewing the growth model must go hand in hand with economic restructuring as part of a continuous, dynamic process of transformation. Restructuring should harness each sector's and locality's comparative advantages to create competitive products and establish Vietnamese brands in global value chains. Clear tasks and responsibilities should be assigned to ministries, sectors, and localities, promoting proactivity, creativity, and stronger decentralization, together with effective monitoring and supervision. The Government shall oversee and evaluate the overall progress and outcomes of restructuring across sectors and regions.

Local governments should reform mechanisms for coordination and linkages in regional economic development to ensure effective urbanization. The Government should enhance the quality, coherence, and enforceability of regional economic development planning. The functions and responsibilities of local authorities should be reviewed and adjusted in parallel with the establishment of institutional frameworks for regional economic coordination.

Sixth, priority should be given to the development and transfer of science and technology - particularly modern technologies - as a key driver for enhancing productivity, quality, and the competitiveness of the economy. The Government should accelerate the adoption of the Fourth Industrial Revolution and the digital transformation of the economy. This acceleration requires expanding digital infrastructure and improving the institutional framework for digital economic development, with appropriate mechanisms and policies for new business models. Enterprises need to strengthen their technological and innovative capacity and should be encouraged to take a more active role in research, development, and technology transfer.

It can be observed that the success of the economic growth model renewal in the coming period will directly determine the realization of Vietnam's national development goals: by 2030, to become a developing country with a modern industry and an upper-middle income level; and by 2045, to become a developed country with a high-income status.

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