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I. GENERAL OVERVIEW

The socio-economic development depends on the following factors:

- Natural resources.
- Labor.
- Capital.
- Technology.

Of these factors, the labor force has an important and decisive role. The human being is not only the subject of production but also the leading active and decisive factor of productive forces.

Human being is also the biggest resource of Vietnam, because it is one of the biggest population in the world. But in this aspect, there's not much difference between Vietnam and surrounding countries. The density of Vietnam population is ranked between Taiwan and Thailand. Vietnam's birth rate is still high, but not much higher than Thailand and Taiwan at the time when these two countries carried out export-oriented strategy. The birth rate in Vietnam's rural areas, however, is much higher than Taiwan and China.

Population indicators	Taiwan (25-30 years before)	Thailand (15-20 years before)	China (15-20 years before)	Vietnam in recent years
Population (million)	11	41	916	66
Density (persons/km ²)	300	108	96	195
Birth rate (%)	3.1	2.7	1.8	2.4
in cities	5.7	5.2	2.3	3.9
in rural areas	1.5	2.2	-6.0	2.6
Dependant population (%)	0.92	0.92	0.78	0.79

The health and education indicators of Vietnam are similar to Taiwan and Thailand at the time of their taking off. Vietnam's death rate of newborn baby is somewhat lower

and its life expectancy is somewhat higher than Thailand and China 15 years before, or Taiwan 30 years before. Vietnam's per capita calorie consumption (2,233 cal per day/ person) is not much higher than the minimum degree and equivalent to those indicators of Taiwan and Thailand at the time. Adult literacy rate and pupil rate of Vietnam are higher than "little tigers" at the period of their taking off.

Health and education indicators	Taiwan 25-30 years before	Thailand 15-20 years before	China 15-20 years before	Vietnam in recent years
Death of newborn baby (%), rate		55	46	42
Life expectancy (years)	63	60	65	67
Per capita calorie consumption (cal)	2,390	2,285	2,070	2,233
Pupil rate (*)				
Middle school	97	83	135	102
High school	30	26	47	42
University	3	12		
Illiteracy rate (**)	30	7	27	16

Notes: (*) percentage of children at school age

(**) percentage of illiterates in population aged above 15

Source: IRDB

Obviously, the quality of Vietnam human resources has lagged far behind surrounding countries for two or three decades. According to the government's statistics in 1993, be-

sides disguised unemployment, there is a large number of the unemployed. Most of them are young people coming of age. They have no job and even no skill. The unemployed in Vietnam topped 1 million mark now. Labor efficiency in Vietnam is very low, so the per capita income barely topped US\$200, compared with US\$835 in the Philippines, 1,666 in Thailand, 15,033 in Singapore, 15,570 in Hong Kong 27,326 in Japan...

The causes of this situation are as follows:

- Most of our equipment is obsolescent.
- We are slow to apply new technology.
- Our structure of industry is backward and underdeveloped.
- Way of economic management, or labor management to be precise, is unreasonable.
- Vietnam birth rate is high, it's three times as high as the average birth rate of the world.

II. MEASURES TO DEVELOP THE HUMAN RESOURCES**1. Investing more in education**

Vietnam has abundant natural resources, but the human being is the

decisive factor in exploiting and restoring them. Science and technology have great effects on the economic development. In order to apply techno-scientific achievements to industry, we need not only capital, but also experienced and highly-qualified managers, well-trained laborers and superb scientists.

According to many experts in education, outlay on education accounted for less than 12 per cent of the public expenditure in Vietnam. We should invest more in education and training in order to increase both quantity and quality of graduates.

The Philippines is a poor nation, but its government has spent 40 per cent of its public expenditure on education and training. Calculations of many

foreign researchers showed that: in the US, one dollar invested in education makes a profit of US\$4; one rouble in the USSR brings back Rub4; in Japan, they can make a profit of US\$10 from one dollar invested in education.

Thus, increasing investment in education is an urgent task, especially in Vietnam. We should orient our educational reforms towards:

- Connecting education and training with production and scientific research.

- Diversifying forms and methods of technical training.

- Making plan to train and employ skilled laborers.

- Adjusting and perfecting curricula used in business schools, and supplying diversified forms of training and re-training to various kinds of learners.

- Finding access to educational system of Vietnam's trading partners such as having our student educated and trained in management in foreign countries.

- Encouraging and helping international educational institutions to open schools in Vietnam or to co-operate with the government in organizing courses and workshops in Vietnam.

- Paying full attention to connecting practice with theory. Open university and distant learning are forms appropriate to this task.

- The school staff should be trained, retrained and selected carefully. They should be favorably treated. Their position in the society should be respected. We can't develop the economy and the danger of falling behind will become the inevitable if the physical labor is treated more favorably than the mental labor.

2. Renovating and developing the socio-economic life in rural areas

In our country, 80 per cent of population and nearly 80 per cent of labor force live in rural area. Creating jobs and employing this labor force effectively mean a lot not only to rural development but also to the development of national economy.

The following are some ways of developing human resources in rural areas:

- a. Developing manufacturing and service occupations, and reducing percentage of primary sector in the structure of industry in rural areas by introducing techno-scientific achievements to rural economy: by doing so, a part of labor force in rural areas could go into non-agricultural activities (handicraft, processing agricultural products, manufacturing consumer goods, supplying services...).

- b. Encouraging every economic sector to develop rural areas: the government had better take measures to attract investment (including foreign investment) to agricultural development, or forming new economic zones...

- c. Supplying public services to rural areas: the government should pay attention to programs of reducing illiteracy rate in rural areas, encouraging agriculture and raising educational level of rural inhabitants, because we can't apply new technology to agriculture if educational standard of peasants isn't improved.

On the other hand, a lot of other problems should be solved, such as renovating infrastructure, controlling birth rate, supplying electricity, telecommunications, health care services...

3. Developing multi-sectorial market economy under socialist orientation

For a long time, we didn't see, or didn't want to see, the role and influence of other economic sectors (non-state sectors) in developing the productive forces and creating jobs, and we have limited, hampered, or even eradicated the non-public sectors whereas the public sector was overdeveloped. The long lasting subsidized mechanism and the centrally planned economy have prevented our economy from development. The productivity of non-public sector was hamstrung whereas the public and collective sector suffered loss after loss.

Developing multi-sectorial economy is a realistic requirement. This will help us liberalize the productive forces and tap the human resources, supply new jobs and develop the economy.

4. Orientating the economy towards export-oriented strategy

Although Vietnam has abundant natural resources, but they are potentialities only. We have to secure enough capital and technology to exploit and employ them effectively. On the other hand, we can't get rich depending solely on exploitation of these natural resources.

Our natural resources are not enough for us to make easy money. In the world, there's no country whose per capita income reaches US\$1,000 mark depending only on agriculture. That is why we should industrialize the economy. Realizing three programs on producing foodstuff, consumer goods and export goods is one important step towards alteration of the structure of industry. This alteration, along with development of multi-sectorial

economy, has had good effect on raising level of labor employment.

For the time being, in order to carry out the strategy for export-oriented industrialization, we should make the best use of our comparative advantages. Basing on an abundant labor force, we can specialize in developing labor-intensive industries producing goods for export. The source of foreign exchange from exportation can be used for technical renovation.

A South Korean economist said that: "Vietnam has big human resources and it's situated in Asia-Pacific Rim, one of the most active zone in the world. Taking the right policy, especially policy on human resources, Vietnam could become a developed economy in the next 20, or 30 years at most".

Another economist, from Sweden, said that "Vietnam economic development can't depend solely on the natural resources. The very source of Vietnam is labor force, whereas foreign investment and technology are important factorst".

III. CONCLUSION

Experience from the world economic development showed that any country which knows how to develop and employ the human resources can reach a high economic growth rate, even if it has poor natural resources or it is destroyed by war. Japan, West Germany, South Korea, Taiwan, Singapore justified this notion. The roaring success of developed countries and NICs was based on developing and employing the human resources.

Population and labor force are always both economic and social problems. Developing and employing the human resources effectively not only create great force to accelerate the growth rate, but also increase per capita income, create new jobs and improve the living standard. Contrarily, badly-developed labor force not only damages the economic growth, but also leads to a lot of social evils (unemployment, illiteracy, poverty...). Both laborers and the society will pay the penalty for such a situation.

In short, in order to defeat poverty and backwardness, and develop the economy, we should exploit, employ and restore all resources of our country, and of which human resources are the most important and decisive ones ♣