

On the Army of Businesspersons in the Socialism-Oriented Economy

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Businesspersons in Vietnam represent only a small percentage of the population. According to 2005 statistics by the tax authorities, there are some 200,000 concerns and some 80% of them are in operation and 20% of them are dummy ones in a population of 82 million persons while Belgium has some 700,000 companies out of a population of 10 million; China Taiwan 1.2 million companies from 22 million people; and France 2.4 million companies from 60 million people. The low proportion of businesspersons to the population is due to a very long time under the centrally-planned economy in which the private sector was suffocated. As for managers of state-owned companies, they are not real businesspersons because they are civil servants who are assigned to state owned companies and act according to instructions from their superiors. In addition, the Vietnamese traditional culture doesn't hold traders, and businesspersons as a whole, in high regard. The economic reform has helped change this attitude towards the private sector, but results aren't as high as expected.

Vietnamese businesspersons are active and dynamic, and they also want to contribute to the economic growth. Most of them are young, creative, and aware of the need for new technologies and knowledge, and have good education. But they have also shortcomings: lack of managerial skills, knowledge of law, community sense, and spirit of adventure. Many of them pay too much attention to profit instead of plans to build brand name and work ethics, and develop long-term business strategies.

A survey conducted by a group of researchers from the HCMC National University provides us with the following facts about the army of local businesspersons:

- Over 80% of businesspersons are male. High-ranking female businesspersons represent 18.8% in the public sector and 23.9% in the private one. This means that the role of women in the business circle is enhanced and their presence in companies is welcome.

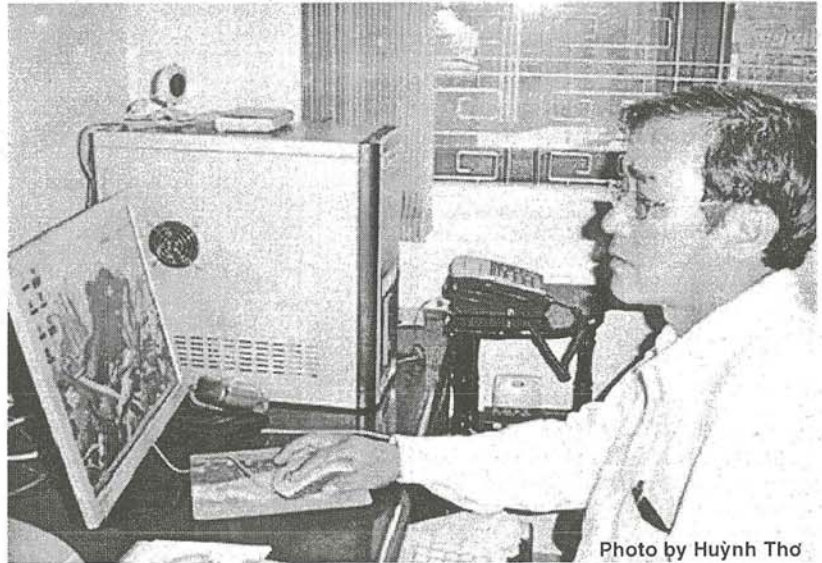


Photo by Huỳnh Thơ

- Their average age is 40: 20% of them are in their thirties; and 32% in their fifties.

- Some 77% of them have finished the higher education.

- Only 30% of them are trained in management; 44% have full knowledge of taxes and regulations; 25% master the labor code; 22% know the bankruptcy law and only 8% know something about the domestic investment law.

These data show that developing this army in preparation for the international integration is an urgent task.

In the effort to make Vietnam an industrialized country by 2010, the army of businesspersons plays an important role and they should meet the following requirements:

- Having an appropriate political viewpoint and commitment to the economic reform.

- Acquiring necessary knowledge, creativity and sense of adventure.

- Determined to improve their competitiveness, public image and brand name.

- Observing laws and customers' needs.

- Linking corporate interests with national ones for a sustainable development.

- Working out long-term business strategies.

To develop the army of businesspersons, the following measures are helpful:

- + changing the public opinion about the role and status of businesspersons: It's necessary to affirm that under the socialism-oriented mechanism, everybody has rights to get rich within the legal framework without being regarded as labor exploiters. The status of businesspersons could be enhanced by encouraging them to engage in activities for the good of community and punishing properly their violations of laws if any.

- + creating conditions for their development: The administrative and legal reform must be accelerated. Economic policies, especially tax ones, must be adjusted regularly to changes in the world economy with a view to creating a level playing field for companies from all sectors.

- + developing business information centers: Relevant authorities must develop information networks through trade and professional associations, advisory centers and trade promotion offices. The government could ask for financial support from private businesspersons but it must cover the best part of expenditures on this program. ■