

URBANIZATION AND TOURISM DEVELOPMENT IN VIETNAM

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Urbanization is a socio-economic process in close relation with industrialization and modernization. Vietnam's urbanization includes a series of issues of orientation, pace, form, etc. which require careful studies on economics, sociology, architecture, and aesthetics. In this article we want to focus our survey on the relation between urbanization and tourism development in Vietnam in terms of political economics and share our view with whom may concern and present our opinions to government agencies in urban and tourism development with a view to utilizing national resources effectively for the country's industrialization and modernization.

1. Outline of Vietnam's urbanization

Until now, Vietnam has 569 cities and towns of various kinds, including 3 cities of first grade, 6 of second grade, 10 of third grade, above 535 towns and townships established in line with natural, political and socio-economic conditions, forming a network along North-South coast and big river basins. Regarding population, according to the census conducted by the General Department of Statistics on April 1, 1999, Vietnam's population amounted to 76.32 million; the survey also revealed the country's urbanization tempo is rather fast, urban residents currently accounts for 23.5% of the population, or 17.92 million.

After 10 years of *đổi mới*, our cities have developed rapidly in terms of quantity and quality, initially undertake the role of development centers of regions, national industries, and aspects of the social life. The municipal concept and

management in the market mechanism have been heightened, a lot of legal documents concerning urban management in different areas have been promulgated. Nevertheless, many shortcomings in planning remain, for example, the population density is uneven, the gap between cities of different grade, urban and rural areas is still great; urban infrastructure remain poor, not meeting standards of urban development in industrialization and modernization; natural resources are ineffectively and uncontrollably used and forests are seriously destroyed; many national cultural legacies are deformed; the state urban management does not match with requirements of urban development; municipal architecture is spontaneous; there are no clear-cut plans and the relation between urban planning and tourism development remains loose. The fact that houses and buildings increasingly arise along national routes have bad effects on environment and landscape, especially on transport and tourism development.

If tourists see only similar kinds of buildings, the picturesque of Vietnamese peaceful countryside with green bamboos, coconut trees, immense rice fields and orchards are hidden behind street buildings; they will feel as if the landscape was smaller and more packed. In addition, a package tour within particular schedule which faces obstacles caused by poor transport or traffic congestion will surely discourage tourists and thus making losses to the tourist industry.

According to estimates of economists, with abundant natural and cultural resources clustering around cities and international ports which are very convenient for tourists'

sightseeing and travel, the Vietnam's tourism has enough conditions favorable for developing and competing with neighboring countries like Indonesia, Malaysia and Thailand. Its growth will generate great incomes in foreign currency to the country, create many jobs, promote relevant careers including fine art handicraft and traditional occupations, and help fill the gap between economic sectors. However, besides above mentioned advantages, because of subjective and objective factors including poor infrastructures and deficient resources, Vietnam's tourism has not yet developed in accordance with its potentials; the construction of the industry's infrastructures such as tourist sites, entertainment places and hotels have not been carefully conducted in terms of planning and design, not using the national resources effectively without close combination between tourism and other industries, especially tourism development and urban planning; therefore it gave bad effects to the landscape, natural and social environment.

In the current global integration, the Vietnam's tourism faces not only opportunities and advantages to take off but also a lot of challenges which require integrated efforts of levels, branches and localities. There should be real coordination and creativity in the next stage including investments in material base and human resources for the tourism in particular and the economy in general, especially the combination of tourism planning and urban development is urgent for consideration.

2. Vietnam's trend of urban development and the relation between urbanization and tourism

In the strategy for urban development in the 1996-2020 period, the Vietnam's population may reach 103 million by 2020, including 46 million residents in cities or 45%. The strategy shows the Government's distant vision of urbanization speed and stresses trends of municipal development as follows:

- Building and distributing evenly big cities at national, regional and provincial level across the country; urban development must match with the distribution and characteristics of productive forces.

- Urban construction must be parallel to forming firm techno-economic base so that each city becomes "nucleus" or "development dynamic" spurring economic restructure of the

country and regions in the direction of industrialization and modernization.

- Municipal development must go along with setting up infrastructures and technologies for the country and provinces.

- The urban establishment and development must be stable and sustainable based on the appropriate use of natural resources, environmental protection, and ecological balance; industrial parks, residential areas and public service centers such as health care, education, sports, trade, restaurants, recreation and tourism should be allocated and organized reasonably.

- In the process of building new and modern urban architecture, the reformation and construction must be closely combined; historical values and national identity preserved. Ancient streets must be re-arranged in line with the general planning. Historical and cultural relics and valuable architecture must be classified so that they are protected, upgraded and exploited effectively with timely policies and measures.

- Building cities full of national identity, especially in new centers; and controlling the construction of buildings with permanent values.

- Paying attention to the impact of techno-scientific achievements on the urbanization process. The urbanization combined with industrialization does not imply every city is an industrial park. Along with industrial cities, service cities should take place to supply such services as tourism, health care, finance, banking, insurance, legislation, consultancy.

According to the Vietnam's urban development strategy, by 2020, there are 3 first grade cities (HCMC, Hà Nội, and Hải Phòng), 6 second grade cities (Vinh, Huế, Đà Nẵng, Nha Trang, Biên Hòa and Cần Thơ), 10 third grade cities (Thái Nguyên, Việt Trì, Hạ Long, Nam Định, Thanh Hóa, Quy Nhơn, Ban Mê Thuột, Vũng Tàu, Đà Lạt and Mỹ Tho) and 43 towns belonging to 61 provinces across the country. In addition, new towns such as Bắc Thăng Long (Hà Nội); Thủ Thiêm (HCMC), Nhơn Trạch (Đồng Nai) and Vạn Tường (Quảng Ngãi) will be set up in accordance with the plans approved by the Government. A system of big cities in plain areas, midland, and along the coast with particular characteristics of administration, economics, trade and service, tourism and culture, and scientific research will

steadily change the socio-economic situation and the population structure towards urbanization.

The relation between urbanization and tourism development

In terms of theory and practice, we can see the interaction of urbanization and tourism. Urbanization is both cause and effect of the tourism development process; in other words, economic development including tourist services development will inevitably lead to urbanization; urbanization generates infrastructures - favorable conditions for the tourist industry to develop, in contrast, developed tourism will increase revenues for the national or local budget so that the government has enough money to invest in urban construction and accelerate the urbanization.

In the country's current condition, urbanization has positive effects on social life. It contributes to speeding up the socio-economic development. Vietnam's urbanization is the result of the national construction but it is also a factor stimulating this process. As a result, we cannot wait for spontaneous urbanization but take the initiative in studying, planning and giving positive impacts to urbanization towards developed tourism for the benefits of not only the current generations but also the next ones.

The Vietnam's urban development strategy by the year 2020 expects the key industries for urban development by the year 2020 include manufacturing, service-tourism and infrastructure construction. In big cities, the economic structure is oriented towards service-tourism and manufacturing. So the urban development orientation mirrors the objective relation between tourism and urbanization, as well as suggests the Party and the Government's decision on the combination of urban and tourism development. However, there is a big gap between theory and practice, if branches, levels and localities have no proper and common concept, it is hard to reach the planned target.

The following table illustrates the close relation between tourism development, urbanization, and growth rate of selected countries in the past years. (see table next page).

We easily see urbanization is the common trend of all countries in the world. The developed countries and those having above-average per capita income face high urbanization rate. They are also top tourist

income earners.

Lessons from these countries indicate the urbanization process if closely combined with transport and tourism development will not only deal with the conflicts between urbanization and transport and promote fine art values of the city but also create tourist resources just in its architecture and master plan, and charm local and foreign visitors and finally generate revenues for the country and province.

All these above countries have famous cities with original historical and cultural relics and municipal architecture. They are their pride alluring tens of millions of foreign tourists annually. Even China has not fully developed its cities but it is just a tourist magnet with renowned cities such as Beijing, Shanghai, Guangzhou, Shenzhen... Obviously, cities play a decisive role in these countries' tourism development strategy. Those having many famous cities with many original architecture, historical and cultural relics will attract a lot of tourists. So the people's incomes will increase and local authorities will meet financial conditions to preserve, upgrade and appreciate these tourist resources.

Our people have progress-oriented mind, diligence and creativity in working, in addition the Party has lucid decisions, so we hope the national industrialization and modernization will come true. This also implies urbanization is proceeding. Whether its process is slow or fast, effective or wasteful depends on studies and wise application of the world's urban development and management, especially close relation between urbanization and tourism development with a view to harmonizing the urban planning with tourism evolution most effectively.

3. Some suggestions

To contribute to the implementation of major targets of economic development in the 21st century, and reach the target of the tourist industry receiving 8-9 million foreign visitors by 2020, the Government should take following issues into account seriously:

- Right now, in the implementation of the Vietnam's urban development strategy, central and local agencies and relevant branches should make close coordination in the planning and development of cities, transport and tourism.

- To keep away with traffic congestion, as well as to preserve

natural picturesque; urban planning should be made in the direction rectangular to the main roads; avoiding the construction of too many houses along the roads and creating green space for the environment to lure tourists.

- The construction of houses, buildings and even infrastructure involving in electricity, water supply, transport and communications in the process of urban development must pay attention to artistic characteristics in line with natural and environmental conditions. The relevant authorities should take effective measures to conserve and refurbish historical works and cultural relics to enrich the tourist resources.

- Urban development must indicate the Vietnamese originality and cultural identity in architecture

and serve the tourist industry. The whole city must become a unique resource for the tourism. Each city must have its individual style during the tourists' travel.

In short, at present tourist activities have developed in abundant forms and greatly affects social life. To take full advantage of the tourist industry, the Government should build a tourism development strategy to maximize its benefits and at the same time minimize its bad impacts on the environment. The relation between the industry with others in the economy such as transport, construction, especially between urbanization with tourism development, should be carefully considered. Relevant authorities should know that the Vietnam's urbanization process will generate

precious resources for the tourist industry. A system of cities having original architecture and national identity in harmony with the natural environment will charm a lot of tourists. This is just the highest target of the urbanization and tourism development. By doing so, we can exploit the potentials of all branches and localities to develop the national tourism and contribute to the country's industrialization and modernization.

References:

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| Nation | Urban population (%) | | Per capita GNP (US\$/year) | Receipts from tourism (US\$ mil.) | Market share (%) | Rank in 1997 | |
|-----------------|----------------------|---------|-------------------------------|--------------------------------------|---------------------|--------------|-----------------------|
| | in 1980 | in 1997 | | | | GNP | Receipts from tourism |
| The U.S. | 74 | 77 | 28,740 | 75,056 | 16.9 | 2 | 1 |
| Italy | 67 | 67 | 20,060 | 30,000 | 6.8 | 16 | 2 |
| France | 73 | 75 | 21,860 | 28,316 | 6.4 | 11 | 3 |
| Spain | 73 | 77 | 15,720 | 26,595 | 6.0 | 22 | 4 |
| The U.K. | 89 | 89 | 20,520 | 20,569 | 4.6 | 14 | 5 |
| Germany | 83 | 87 | 21,300 | 16,418 | 3.7 | 13 | 6 |
| Austria | 55 | 65 | 21,980 | 12,393 | 2.8 | 9 | 7 |
| China | 19 | 32 | 3,750 | 12,074 | 2.7 | 65 | 8 |
| Australia | 86 | 85 | 20,170 | 9,324 | 2.1 | 15 | 9 |
| Hong Kong | 92 | 95 | 24,540 | 9,242 | 2.1 | 4 | 10 |
| Canada | 76 | 77 | 21,860 | 8,928 | 2.0 | 10 | 11 |
| Thailand | 17 | 21 | 6,590 | 8,700 | 2.0 | 41 | 12 |
| Poland | 58 | 64 | 6,380 | 8,700 | 2.0 | 46 | 12 |
| Singapore | 100 | 100 | 29,000 | 7,993 | 1.8 | 1 | 13 |
| Sweden | 83 | 83 | 19,030 | 7,960 | 1.8 | 17 | 14 |
| Mexico | 66 | 74 | 8,120 | 7,593 | 1.7 | 35 | 15 |
| Turkey | 44 | 72 | 6,430 | 7,000 | 1.6 | 43 | 16 |
| Russia | 70 | 77 | 4,190 | 6,669 | 1.5 | 59 | 17 |
| Holland | 88 | 89 | 21,340 | 6,597 | 1.5 | 12 | 18 |
| Indonesia | 22 | 37 | 3,450 | 6,589 | 1.5 | 67 | 19 |
| Belgium | 95 | 97 | 22,370 | 5,997 | 1.4 | 8 | 20 |
| South Korea | 57 | 83 | 13,500 | 5,200 | 1.2 | 24 | 21 |
| Argentina | 83 | 89 | 9,950 | 5,069 | 1.1 | 30 | 22 |
| Japan | 76 | 78 | 23,400 | 4,322 | 1.0 | 6 | 23 |
| Portugal | 29 | 37 | 13,840 | 4,264 | 1.0 | 23 | 24 |
| Total | | | | 341,928 | 77.2% | | |
| The whole world | | | | 443,310 | 100% | | |

Source: WTO, World Bank (World Economic Report 1978-1998)