

THE ROLE OF CULTURE IN NATIONAL DEVELOPMENT

Do Thong Minh
(Tokyo, Japan)

Mankind has evolved from the musclemen of the dawn of civilization to today when it has become clearer than ever that what matters in the development of a nation is precisely the persons building it—how educated they are, how creative, how organized, how disciplined etc. It seems that more and more it's the spirit that rules and when seen in a broad frame of reference, it's the culture of a nation that informs that nation's development.

It is not always easy to separate the concrete from the abstract when one talks about culture, but for the purpose of my talk today I will concentrate on the question of economic development so that we can have measurable yardsticks with which to rate various nations' progress. In modern language, one can compare the economy of a nation to the hardware of a computer and its culture as the software that runs that computer. One can also consider the economy as some fixed assets that can be moved or traded whereas the culture of a nation is mobile, not easy to grasp let alone transfer. To give an example, with the same capital and given the same technology and resources, a person or a nation might well decide to do different things and not necessarily the same things. Hence the broad division of the world into East and West, East meaning the nations of East Asia (China, Japan, Korea, Vietnam...) and West Western Europe and America. Broadly speaking, the East tends to emphasize the humanities, patience while developing a regulated collective economy so as to reach a certain balanced development whereas the West pushes for the natural sciences, plays up creativity and individual talents, dares go into new directions, is strong in management and production, has vision and a global, international outlook. This contrast in outlook, like Einstein's relativity theory, has strangely enough resulted in a North-South (instead of East-West) economic divide, based on different approaches to modernization.

Thus one can see the preeminent role of culture in development. In other words, one can say that culture is the determinant factor in economic development.

The Rise of the Dragons and Tigers

The eighties and nineties saw the spectacular rise of a number of economies concentrated on the oriental fringe of Asia, and people started wondering as to what secret lies behind this phenomenon. Lee Kwan Yew, who was consulted as a supreme advisor to Vietnam, came up with the "Asian values" theory behind this phoenix-like rising from the ashes. But the Asian financial crisis of 1997 punctured the bubble economy of a number of East Asian nations and Lee's "Asian values" theory has lost some of its luster.

However, comparatively speaking, the United States economy, with all the risks that it takes (in terms of vast deficits in trade and a multi-trillion dollar national debt), and

Japan, which still enjoys a favorable trade situation where exports vastly exceed the imports but nonetheless has incurred a national debt of some six trillion, now register only modest growth rates (at 1 or 2 percent) as compared to China (whose GDP grows at rates of 8-9 percent) or even little Vietnam (6-7 percent). Much of this difference is of course ascribable to the stages of development of the economies we are talking about, the U.S. and Japan being mature economies, which tend to register low growth rates, and China or Vietnam being still in the takeoff stages of development. However, the relative immunity of the Chinese and Vietnamese economies during the financial crisis of 1997-98 is said by some to be due also to deliberate economic policies that kept these countries essentially outside the mainstream of international financial speculation. The case of Malaysia is also instructive: Mahathir Mohamad refused the IMF's "bitter pill" remedy and chose to control and therefore restrain the financial market.

The examples of Germany and Japan after World War II show that, with help from the United States, countries that already have the brainpower could recover rapidly despite the vast destruction that was visited on them due to that catastrophic war. But receiving help, i.e. financial aid from other countries or the world community, alone does not guarantee development. The failures of Africa clearly show that much depends on the culture of the receiving nations, and without enlightened policies that are enforceable and strictly implemented, outside aid can easily be squandered resulting in vast corruption and ineptitude. What results from such a situation is usually a huge and increasingly gaping gap between rich and poor, a vast unbridgeable gulf that cannot guarantee the continued stability of the nation. In other words, that kind of growth, even if it happens, is not sustainable.

Collusion, corruption and nepotism, of course, are not limited to just some special kinds of societies. The cases of Thailand, Indonesia, and Vietnam are all instructive in this regard. And a quick look at some of the nations of the East should tell us a bit about some of the pitfalls that one might encounter on the way to development:

Japan, which has served as a model for the East well over a century's time since the Meiji Restoration (1868), did spectacularly well before and after the Second World War, but nonetheless has suffered stagnation since the early 90's because it has long slept on its laurel allowing for a crisis of major proportion due to untransparent banking practices. Japan now needs a thorough reappraisal from the bottom up.

China, which has known many splendid periods in history, also suffered from subjective assessments that ranged from the self-centered outlook of the neo-Confucians in particular to the deranged visions of Mao. China recovered in recent years only since the arrival of Deng Xiaoping to the helm: Had he been in power earlier, the Chinese people could have been spared decades of bloody revolution, punctured by famines and irrational conduct.

Taiwan, despite the harsh rule of the Guomintang, did transition into a full-fledged democracy with a strong economy. Its problem may be that its strong economy is still beset by unsettled political issues of major proportions.

Another miracle economy is that South Korea which had seen some instability but which has risen owed to the incredible will of its people to make it and even surpass its model, Japan.

In stark contrast stands North Korea with its famished population, its military discipline and adventurous policies. A police state in the purest sense, North Korea has

half the population of South Korea but with a GDP, after 50 years of isolation, worth only one-twentieth that of the South.

Hong Kong and Singapore are more like city-states whose experiences are not necessarily replicable by a country like Vietnam. However, the lesson here is that with a free, transparent and disciplined economy, supported in Hong Kong by a democratic government, a nation stands a good chance to forge ahead in stability with a sustainable growth rate.

The Case of Vietnam

Vietnam joined the world in 1986 with its Doi Moi policy but with a heavy baggage from the past. It came out of one of the most murderous wars in twentieth-century history, the 30-year Vietnam War, not so long ago it had a vastly destructive border war with China, its erstwhile ally, and was only on its way extricating itself from the Cambodian quagmire (1979-89). In that year Vietnam finally recognized its mistaken policies of the past: no reconciliation with the defeated southern population, its catastrophic collectivized agricultural programs, its equally debilitating campaigns going after the so-called capitalists. Only by reversing gear and turning its back on Marxism-Leninism (after 40 years of application) by adopting the “market economy,” albeit “with socialist orientation” (whatever that means), did Vietnam avoid regime collapse in the nick of time. (“Doi Moi or Death,” said Truong Chinh, the supreme ideologue of Hanoi.)

Since then, however, Vietnam has progressed only erratically towards a more open society. Hanoi still prefers the Chinese model, which can be said to be: “Economic development, yes, but no political loosening of the regime.” The end result is a bagful of contradictions that is dragging the society down and eventually will exhaust it:

Is “Doi Moi” really “a transformation for the new” (literal translation of Doi Moi) or is it actually “a transformation toward the old ways” (“Doi Cu”) with all its drawbacks—corruption, nepotism, heavy bureaucracy, feudalistic ways of doing things? No wonder one finds a population that feels totally alienated from the regime, a population whose moral bearings are in shreds.

The “socialist orientation” means that the government does its best to keep an inefficient state sector that by definition must be larger than the private sector, that must decide the orientation of the society. However, inefficient and corrupt as that sector is, it must be kept afloat because it is the one that feeds the Communist Party as a parallel, behind-the-scene apparatus “leading” the state and government. To get rid of that sector or minimize it means starving out the Communist Party, which is of course unthinkable.

Not all the blame can be put on the Communist Party since remnants of the old ways in Vietnam (like feudalism and paternalism, the “peasant outlook” mentioned by Nguyen Huy Thiep that only knows the village and not much beyond it) are also contributing factors to pulling the society backwards.

It is a combination of all the above factors which make it so difficult for foreign investments to really prosper and stay in Vietnam. When a regime loses the trust of its people and is no longer trusted by foreign investors, it is clearly in trouble.

What we see in Vietnam now is an improving infrastructure financed with donor countries and World Bank money but this is not accompanied by a truly rational and visionary development outlook. It seems that many people, including Vietnamese, see

the paraphernalia of modernism in Vietnam (the cell phone, the Internet, the digital cameras, the satellite dishes, the fuzzi washing machines, even the manufacturing of 10,000-ton ships and rail wagons) and think that Vietnam is well on its way to becoming an industrialized nation. What people do not realize is that most of this work is assembly work, which comes to Vietnam because labor is cheap, not a true index of industrialized production. What this means is that the whole GDP of 80 million Vietnamese inside Vietnam comes to only the equivalent of what over 2 million overseas Vietnamese make in one year, or the equivalent of what 70,000 Toyota workers produce in a year.

What many nations accomplished to become dragons and tigers was the work of 20-30 years of deliberate and concerted policy, after which they kept the pace with the outside world. In the case of Vietnam, 28 years have gone by since the end of the war in 1975 and Vietnam is nowhere catching up with its neighbors, let alone with the outside world.

The recovery of Japan and Germany after World War II shows the importance of a trained population. Yet education is one of the most neglected aspects of development in Vietnam at the present time. This spells catastrophe for the very near future.

A Vietnamese Spirit?

Some people talk about a “Vietnamese spirit” that can possibly pull Vietnam out of its current doldrums. But what is this spirit?

If it is true that the Vietnamese as a whole are a highly patriotic nation, they still need to overcome some bad traits such as: overreliance on the family (as compared to the nation), overreliance on friends (which easily leads to bias and favoritism), compatriotism has yet to transform itself into true solidarity on a national scale, serendipity which helps pull us out of binds but makes us ignore long-term considerations and planning, our so-called love of learning is too often just love of a diploma and not real knowledge, our creativity and entrepreneurial spirit are still too timid, our optimism (and love of laughter) makes everything—even serious stuff—become insignificant, we need to get out of the habit of talking too much and not doing enough or doing things on the spur of the moment (without consideration of consequences), we also need to get away from being too easily satisfied with minor projects and engage in bigger ones involving organization and coordination, etc. Most of all, we should get rid entirely of the mindset that tends to blame failure on others and start taking responsibility for our acts.

In conclusion, we should refrain from being mere copiers of others and start thinking for ourselves, come up with solutions that are feasible in the Vietnamese context and in that way, truly celebrate the “Vietnamese spirit.”

Summarized by
Nguyen Ngoc Bich
November 12, 2003