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What is the Place of a Consumer Movement in a Transitional Economy? The Case of VINASTAS in Vietnam

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Abstract

The purpose of this paper is to identify the place open for occupation by the consumer movement in a Vietnam undergoing transition. Civic organisations in Vietnam have been strongly influenced by Party policy throughout the 20th century. Although Vietnam is now opening up to liberalism, many structures remain ideologically close to the communist state. This is true of VINASTAS, the only consumer advocacy association in Vietnam that emerged from the state sphere in the 1980s. With a limited budget and human resources, VINASTAS is now struggling to fulfil the mission it has taken on. Placed in a system of tension between the state, private enterprises and individual consumers, the structure is strongly dependent upon its action context. Its very existence suggests that VINASTAS is working to identify the civic rights of the individual, but exactly what it stands for in the nascent civil society movement is open to challenge.

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1. Introduction

The purpose of this contribution is to show the extent to which the development of a consumers' association in Vietnam illustrates the economic, political and social challenges that have confronted the country over the last 20 or so years. In other words, we will look at the way in which the emergence of a consumer protection agency provides a reading of the changes experienced in a society undergoing a substantial transformation. Indeed, the advent of a consumers' advocacy association in a Communist country is not a mere matter of course.

Pummelled by wars and with an eventful political history, Vietnam saw the Vietnam Standard and Consumers Association (VINASTAS) come on the scene in the late 1980s. The initial goal of the structure was to promote standardisation and quality control for mainstream consumer products. VINASTAS gradually inserted itself into the public sphere consumer debate and began to focus its activities on consumer advocacy.

VINASTAS, as a volunteer association in a country with a communist government that recently opened its doors to economic liberalism, purports to serve the public interest—protection of the individual consumer. There was previously no such thing as legal protection for Vietnamese consumers. Consumer advocacy was provided by the government through its exercise of control over state-owned enterprises. However, over the last twenty years, we have been seeing on one hand the development of freedom of enterprise in a context with as yet limited quality control mechanisms and on the other a boom in household consumption driven by strong economic growth. This has thrust consumer protection into the forefront of challenges facing the authorities in Vietnam.

Vietnam's official entry into the WTO in November 2006 has laid bare the macroeconomic strategy of the country. The interests of the country are becoming vested in the export of quality products. However, the need to meet the quality demands of external markets cannot be undertaken without a look at how consumer needs are being met on the home front. This paper looks at matters from that perspective in an attempt to show how the existence of a consumers' association illustrates the characteristics of a society in transition.

To achieve this, a survey was taken of various executive level staff and members of VINASTAS. This entity was selected as a study case due to the fact that it is the only organisation in Vietnam with a consumer protection mandate. Although it has a relatively small number of individual members, VINASTAS has successfully become an umbrella for some 30 consumer organisations at the regional level. We conducted semi-structured interviews with a number of members and key officers of VINASTAS and consulted documents relating to the association in order to collect the data used hereinafter.

Outline of the paper

The emergence and activity of VINASTAS are a concrete manifestation of the new direction taken by Vietnam since the late 1980s, highlighted by the economic renewal or *Doi moi* period. This paper will therefore develop the history of organisations in Vietnam in order to show the unique situation in which civil society organisations find themselves today and the place they occupy in the country's socioeconomic development.

We will then go on to analyse the organisational structure of VINASTAS wherein we will note power plays between the member organisations, as well as its low budget and the challenges facing it in the area of member recruitment. We will note for example that young people in Vietnam have a hard time identifying with this type of structure with its very particular background.

Next, we will take a look at the relationship between VINASTAS, the state authorities and major commercial enterprises of the country that are often controlled by the state. We will show how VINASTAS is confronted with pressure situations that highlight its aspiration to

defend consumer rights on the one hand and its commitment to adapt to the realities of a fledgling liberal market on the other, while being mindful of the need to comply with the direction given by a still powerful state authority. From this standpoint, VINASTAS' volunteer workers are subject to three constraints. We will then analyse the leeway that the association has regarding public policies and the market. We will discuss the commitment to self-empowerment that it is trying to fulfil through its activities and show the consequences that this is having on the consumer movement as it exists in Vietnam today.

2. Background of Civil Society Organisations in a “Developing” Vietnam

2.1. From the 1930s to the 1970s—State Communism has the Upper Hand

The background of civil society organisations in Vietnam has been shaped by the political regime in the country. Thus, one cannot speak of associations or social involvement in Vietnam without referring to state communism. A look at the background of social involvement groups provides insight on the current situation of such organisations.

“Particularly after the 1954 Geneva Agreements and the internationally recognised independence, socialist reform got underway in North Vietnam, including the introduction of a centrally planned economy and the establishment of agricultural cooperatives in rural areas and state-owned companies in the manufacturing and commercial sectors. Civil society was integrated into the Party-State” (CIVICUS, 2006b: 6). Grassroots movements were actually channelled into mass organisations under the guidance of the Communist Party: Women’s League, Farmers’ Association, Communist Youth League, War Veterans’ Association and various labour unions. These mass or socio-political organisations dominated the social space up to the mid-1980s, given that they were established in coordination with the Party and put under the aegis of the Fatherland Front.¹ For several decades, the political discourse of the Party was not in favour of organising any expression of collective identity or interests outside of the state framework. In pith and substance, this need for initiative outside of the state’s realm was not felt by the local communities, either urban or rural. Indeed, until the 1970s, an overwhelming majority of high-ranking government officials originated from rural areas and Vietnamese mandarins ended their careers by returning to their home villages where they taught classic culture to the young generations. Thus, *“thanks to the constitution of a genuine village matrix, the Vietnamese countryside in a way came under state control from the inside. Rather than result in the building up of an autonomous class of intellectuals or of what could be called a ‘civil society’ independent from central authority, quite conversely the unifying virtues of the doctrine were strongly tied to service to the state”* (Papin, 2002).

During the 1950s and 60s, the socio-economic situation of the country was particularly uncertain. The wars that pitted Vietnam against France and the United States had ravaged the country and caused the pauperisation of cities and rural areas alike. In 1975, the country was reunified politically, but the socio-economic situation was dramatic with the health system failing and the economy bled white. The country had to be rebuilt under the auspices of a strong political regime. The government had to move to impose its will on the villagers through an extensive bureaucracy and a doctrine distinct from it (the Party policy). Conditions

¹ The Fatherland Front is a mass organisation linking the Party and the people. It is under the control of the Communist Party of Vietnam and provides an umbrella for religious, cultural and non-political groups such as the Women’s League or unions. The Fatherland Front plays a major role in National Assembly elections as it puts forward and approves the appointment of the candidates.

that would be conducive to individual social awareness apart from the state, in other words the conditions for the emergence of civil society, began to come together.

2.2. A Turning Point in the 1980s—Opening up to External Markets

The socio-economic situation was starting to improve in the late 1970s, notably with economic inflows from the Soviet blocs (China and the USSR) in the mid-1980s, but Vietnam was still confronted with serious economic and political challenges. Farmers were struggling to provide for themselves. The so-called “renewal” or *đổi mới* policy with its openness to the market economy would enable the country to implement reforms and innovations in all areas of political, social and economic life. *Đổi mới* was officially approved by the Communist Party of Vietnam at its Sixth Congress in December 1986. This policy had been thought out as a transition step from a “socialist planned economy” to a “market economy with socialist orientation”. In this, Vietnam’s transition is similar to that of China where national communist parties hold a dominant political position in an economy open to competition and thereby differs from the transitions experienced in Western countries.

The reforms picked up momentum as the 1980s ended. The fall of the communist regimes in Eastern Europe pushed Vietnam to look for new allies on the international scene. The wind of liberalisation was blowing. Reforms were brewing in the cooperative sector.

2.3. The 1990s—Diversification of Volunteer Collectives

Subsequent to the *Doi moi* policy of opening up, new types of organisations began to emerge in the 1990s referred to as “charitable technology and science organisations”.² These “civic organisations” focussed on the areas of tradition, religion or development more broadly and were no longer working directly inside and on behalf of the Party. They were nevertheless given recognition by the Vietnamese government. This legitimacy is very significant in terms of the evolution of Vietnamese society because for a long while “civil” or non-state activities were quickly assumed to be anti-state, anarchistic or subversive. In the early 2000s, some 300 civic organisations could be counted.

In addition to these associations, the 1990s saw an increase in the number of informal groups caring for matters of public interest in rural areas such as credit or community water management for purposes of manufacturing or consumption. Up to the mid-1990s, such groups were tolerated by the local authorities if they were sponsored by international organisations or “official” organisations belonging to the Fatherland Front. Various regulations, decrees and ordinances have been enacted in the last ten years to provide a legal framework for such informal groups.

In 1996, a new Law on Cooperatives was enacted. Several thousand cooperatives were formed, while rural cooperation groups multiplied into the hundreds of thousands nationwide (CIVICUS, 2006b: 13).

2.4. The 2000s—A Timid Consolidation of the Organisation Movement

In 2003, Decree 88 on associations was promulgated, a major step forward for recognition of the organisation environment. The decree makes a distinction between mass organisations sponsored by the Fatherland Front and civic organisations or NGOs. As the CIVICUS project (Civil Society Index) pointed out, “*one reason is that mass organisations are considered political, whereas other organisations are seen as social organisations operating in the humanitarian sphere, with the aim of improving social welfare*” (CIVICUS, 2006b: 17) Decree 88 defines associations as “*voluntary organisations of citizens,*

² For NGOs and civil society associations, the only possible option to get legal recognition is to register under the Law on Science and Technology by showing in what way science and technology relate to their activities.

organisations of Vietnamese of the same professions, the same hobbies, the same gender for the common purposes of gathering and uniting members, regular activities, non-self-seeking, aiming to protect members' legitimate rights and interests, to support one another for efficient activities, contribute to the country's socio-economic development, which are organised and operate according to this Decree and other relevant legal documents" (Decree 88/2003, Official Gazette No. 10, 2003, in: CIVICUS, 2006a: 32).

Today, given the quantified data available, social life looks like it is *"rich, broad and diversified in Vietnam"*. A "civil society" is emerging and the Vietnamese people no longer necessarily feel intimately linked to the state. Civil society can be defined as *"the arena between the family, state and the market, where people associate to advance common interests"*, where *"the boundaries between civil society, the market and family are 'fuzzy' "* (CIVICUS, 2006b: 19). In 2005, 80 to 85 percent of Vietnamese declared that they were involved in association activities. There are 140,000 community-based organisations (CBOs), 3,000 legally recognized cooperatives and 1,000 local NGOs. On the average, a Vietnamese citizen belongs to 2.3 organisations, which is high compared to other Asian countries (World Values Survey Vietnam 2001, in: CIVICUS, 2006a: 32). Moreover, voluntary organisations cover a much broader activity spectrum than before. These include mass organisations (within or under the umbrella of the Fatherland Front), "independent" organisations (under the umbrella of the Fatherland Front), professional organisations, Vietnamese NGOs, community organisations, faith-based organisations, informal groups and international NGOs. A distinction can therefore be seen: *"On the one hand, the 'old' mass organisations and professional associations, which are broadly accepted as an integrated part of society, and on the other, a 'new type' of organisation that developed in the 1990s, but is not fully recognised by society, such as NGOs, CBOs, and other types of informal organisations"* (CIVICUS, 2006b: 10).

Indeed, not all organisations have the same political clout at the Vietnam government's decision-making levels. Some have a major say, others none. Furthermore, there is very little horizontal networking among the organisations for various reasons: history of the country, diverse nature of the organisations, their activities and scope. There is therefore limited cooperation and coordination among organisations. In terms of power, the Party and state continue to be the force in decision-making in the socio-economic sphere.³ For organisations to be influential, they have to be mindful of this subordination. Although providing material assistance to the destitute is a crucial activity for such associations, they refrain from discussion at the political level. And the non-transparency or total lack of procedures, rules and regulations for the establishment and operation of voluntary organisations also puts a restraint on their effectiveness.

The CIVICUS project mentions the fact that democratic practices are fairly weak in civil society organisations and that their financial affairs are often not transparent. We will examine this situation in the realm of consumer advocacy organisations.

Be that what it may, the government's policy for economic opening and liberalisation of a small-scale private sector has rapidly born fruit: *"Poverty has been reduced from a level of 70% in the 1980s prior to the ðôi mới reforms, to 58% in 1992, 35% in 1998, 29% in 2002, to 23% in 2004. This is based on a converted level of parity prices to 1 USD per day"* (Vietnam

³ While the State, through the government, the People's Supreme Court, the People's Public Prosecutor and more importantly the National Assembly, is in charge of administering the country, the Party, through its Central Committee and Politburo, with the strong support of its members recruited throughout the social fabric of Vietnam, has the job of defining the long-term strategy, the ideological doctrine of the country, but giving the government the task of achieving the set objectives. In practice, civil servants and elected representatives in senior government circles are also Party members.

Development Report 2003, UNDP 2005, in: CIVICUS, 2006b: 70). Nevertheless, Vietnam is still a poor country, with a GDP per capita of around 3,100 USD (Statistical Yearbook 2007).

2.5. The Birth of VINASTAS—Dealing with the Issue of Quality-assured Goods and Services Dovetailed with Consumer Protection

Vietnam's opening up to outside markets is not without its problems. Although the free market gives consumers a number of advantages such as a broader choice of goods, it also encourages abusive practices towards consumers—at both the international and national levels. This raises the issue of guaranteeing the quality of goods and products.

Unlike the centralised planning system in which trade and prices are subject to rigid state control, economic liberalisation involves fluctuating prices and significantly reduces government control over external trade. Since the 1990s, Vietnam has gradually worked through all the steps involved in this liberalisation. In 1995, Vietnam joined the AFTA (ASEAN Free Trade Area which focuses on free trade within the Association of Southeast Asian Nations). The country has been a member of APEC since 1998 and in November 2006 became a full-fledged member of the WTO. Vietnamese businesses and private persons alike are now legally free to trade on both the domestic and international market. This context is forcing the issue of consumer protection. As regards consumption, a transition is therefore taking place along the lines of need, driven by meeting essential needs and along the lines of a more individual demand. This raises the moral issues of symbolism and consumerism: To what extent do individuals actually need the goods they consume?

With regard to civil society organisations, on the proposal of the Department of Standardisation, the Vietnam General Department of Standardization, Metrology and Quality Control was established in 1988. Its mission was to contribute to standardising the quality of mainstream consumer products. The association's documents infer that it is “independent”, although it is under the umbrella of the Fatherland Front and belongs to the Vietnam Union of Science and Technology Associations (VUSTA). This association was made up of former Party leaders and senior cadres, so at least in its early stages it was directly linked to government circles.

Vietnam was then plunged into a context of shifting toward the free market wherein quality control and labelling were still limited. Conditions quickly entailed a broadening of its activities to include consumer advocacy and the facility was renamed the *Vietnam Standard and Consumers Association* (VINASTAS). Consumer protection was an entirely new field and VINASTAS had to break new ground. This was a crucial institutional change, something that did not happen as a matter of course. Production or manufacturing now had to be thought out distinctly from consumption. Contrary to established tradition, consumers were no longer producing food for their own use, making utilitarian products or providing the services they needed. Producers and consumers became distinct from each other. But consumers—like producers—were very poorly informed regarding their rights and duties. In Vietnam, the legal framework in this area is virtually nonexistent or inappropriate to the current situation of the people. There is no clear procedure for complaints to be lodged against merchant improprieties.

Moreover, one might think that opening up to international trade would prompt the Vietnamese government to try to protect consumers in the country. But as pointed out by a member of the VINASTAS standing committee, formerly vice-chairman of the structure: “Previously, when Vietnam followed a centralised economy, we didn't pay any attention to consumer advocacy.” This is explained by Đò Gia Phan in his article “The Consumer Movement in Vietnam”:

“By historical conditions, during its 30 years of war for national salvation, Vietnam applied the centralized planning system for its economy. All major businesses were in

the hands of the state. Goods and necessities were distributed through a system of coupons. Major services like electricity, water, transport, telecommunication, banking, health and education were state monopolies. At that time, there was no mention of the concept of consumers or of activities to protect consumers” (Đo Gia, 2002).

Today, the government of Vietnam is gradually coming to realise the importance of the consumer as an individual with fundamental rights. A profound “ideological transition” has occurred with the *đổi mới* policy making it open up to the free market. A legal framework for consumer protection is starting to take shape (see Figure 1).

Figure 1: Legal Framework for Consumer Protection in Vietnam

Consumer protection in Vietnam has only recently been enshrined by law.

1. Article 28 of the 1992 Constitution of Vietnam states: “*All illegal production and trading activities, all acts wrecking the national economy and damaging the interests of the State, the rights and lawful interests of collectives and individual citizens shall be dealt with severely and equitably by the law. The State shall enact policies protecting the rights and interests of the producers and the consumers.*” Chapter V, which provides for the rights and obligations of citizens, also implies consumer’s rights.
2. In May 1997, Vietnam enacted its first Law on Trade, which contains 264 articles. Various points are dealt with: The underlying principles of trade and trade policies at the national and international level, procurement and sale of goods and services, trade brokerage, selling under competitive bidding, commercial advertising, trade fairs and exhibitions, trade sanctions, settling disputes, etc. This law allows foreign businesses to set up branches in Vietnam and repatriate profits from their commercial activities. The law also recognizes “*the protection of the legitimate interests of the producer and consumer*” (Section 1, Article 9) which makes it mandatory for merchants to provide full necessary and accurate information about the goods and services they provide. This marks a first step in the process of legislating the rights of consumers in Vietnam. The merchant is under obligation to provide necessary and accurate information on the services and goods he/she supplies. It prohibits counterfeiting and misleading advertising. It also acknowledges the existence of consumer advocacy associations and complaints submission or filing for legal action against merchants in the event of abuse.
3. The Ordinance on the Protection of Consumers’ Interests was adopted by the Vietnamese National Assembly in 1999 to protect the legitimate rights and interests of the consumer. The ordinance deals with the rights and responsibilities of the consumer, the responsibilities of organisations, individuals carrying out production or business activities and state administration over the protection of consumer interests. In this ordinance, State management has a direct duty to implement policies to ensure the protection of consumers’ interests.
4. Other laws make reference to consumer protection such as the 2004 Law on Competition (Articles 4 and 117), the 1995 Civil Code (Chapter II, Chapter V, Chapter VI) and the 1997 Law on Trade, amended in 2005.

Sources: Thang Phan The, “Paper on philosophy and structure of consumer protection”, Southeast Asian Conference on Consumer Protection, 28-29 November 2005, Hilton Hotel, Kuala Lumpur, Malaysia.
Tran Ba Thai, “Legal framework and E-commerce country report: Vietnam”, APEC 2001, Vietnam Country Report.

3. VINASTAS—An Association for Vietnamese Consumer Advocacy

3.1. One Association, Two Operational Goals and One Moralising Component

As we have suggested, VINASTAS has a dual objective. The main thrust is quality standardisation, which accounts for approximately 20 percent of its activities, followed by consumer information and protection, which represents 80 percent of its activities.

VINASTAS' first objective allows association members to enjoy a close relationship with the business community dealing in consumable goods and services in either the public or private sector. This proximity to the decision-makers helps the association to fulfil its second mission, that of consumer advocacy. At this level, its role is to input legislation and policies for consumer protection by playing a pleading or supporting (advocacy) role, briefing consumers about their rights, fighting against sub-standard products and services, fake products, etc.

Although these two goals are unambiguous, a very definite moralizing tone comes through when VINASTAS members speak up. The leaders of VINASTAS openly condemn the perverse effects of the consumer society, the ostentatious wastefulness of some people living in Vietnam, as well as abuses committed by private enterprises. This moralising aspect, as we mentioned earlier, springs from Vietnam's shift from a need mentality to a demand mentality. To illustrate, the report summarising the facility's activities that was written in 1998 by the then chairman of VINASTAS, speaks of *"the lavish, luxurious trend of consumption which is not suitable to the country's socio-economic conditions. . . . In Vietnam, there are people who, though with little money, are keen to live luxuriously, spend money lavishly and wastefully, and who consider this way of life as 'trendy'. . . . A life style which consists only of playing, eating, indulgence, sensual delights, gambling, and drug abuse . . . requires a lot of money But in order to earn money quickly and easily, there must be a dishonest, illegal way, which usually leads people to commit offences"* (Tuan, 1998: 60). Then he takes at bash at the Western consumer: *"Then came the Western consumers having the taste for a new 'fashion' each year. They have a new taste each year and discard what they have after just a brief period. The cautious, durability-seeking generation of consumers had been replaced by a generation of society full of lavish spenders"* (Tuan, 1998: 61). This moral condemnation of consumption indicates that the government and corporate representatives making up VINASTAS are having a hard time coming to grips with the growth of consumption in a communist ideology, in other words overcoming the gap between consumption practices and the moral representations of the country. This was picked up by Beverley Hooper in her thesis on the consumer-citizen in China, who notes that *"in the area of consumerism, people are asserting rights not vis-à-vis the state, which is the focus of much the debate about the nascent growth of civil society in China, but vis-à-vis the market, with the endorsement and encouragement of the state."* (Hooper, 2005) The citizen has become a consumer whose rights must be protected by the government.

3.2. An Association of Civil Society Organisations and Individual Members with Little Appeal to Youth

VINASTAS is made up of private individuals and organisations such as clubs (Women's Consumer Club) or institutions (consumer research and consultancy centres). Private and public businesses have not yet joined the association, although VINASTAS is attempting to develop partnerships in the near future with businesses endorsing the criteria of "social responsibility" toward producers and consumers.

VINASTAS is made up of volunteers. It is led by a small team of 10 persons who work part-time on a voluntary basis. The association has only two salaried workers (a secretary and an accountant). VINASTAS is headquartered in Hanoi but has spawned 27 local consumer advocacy associations throughout the country. It also has a representative office in Ho Chi Minh City.

VINASTAS has the classic association structure: a standing committee made up of a chairman and five vice-chairmen, a secretary general and permanent members (9 members in all), along with an executive committee made up of the regional representatives of the organisation and representatives of the public authorities, including ministry officials (40 members). The executive committee is the operational arm of VINASTAS, whereas the standing committee is the association's political arm.

There is still quite a bit of leeway in selecting individual and corporate members of VINASTAS. Any individual who agrees with the provisions contained in the association's statutes can become a member. Although VINASTAS' membership requirements have not yet been standardised for organisations, a number of organisations have belonged to it for over 15 years. At the present time, the only requirement that VINASTAS insists on is that the activities of the applicant association are consistent with its own activities, and that in itself is open to a very broad interpretation.

VINASTAS' founding members were former Communist Party executives or officials. Routinely, chairmen and vice-chairmen of the association previously held positions in the Ministry of Science and Technology, Ministry of Agriculture, Ministry of Industry, Ministry of Commerce, Ministry of Health, in the Senate or state-owned enterprises under these institutions. VINASTAS has remained ideologically very close to the government in its values, way of operating and relationship with the stakeholders in its milieu. Given its avowed objectives, VINASTAS should be directly involved in public life. However, where the members of VINASTAS are involved, the initiative has nothing to do with advocacy for the people but rather with something the government wants to accomplish.

In terms of power, VINASTAS is tightly controlled by one of its vice-chairmen who has been on the job since the association was established. A former government official, this figurehead embodies the history of VINASTAS. In his position as unchallenged leader, he handles queries from journalists or researchers, represents VINASTAS at official meetings in Vietnam or abroad, publishes a newsletter and manages the budget of the association. Very much at the helm of the association, this protagonist now over 80 is starting to worry about the low involvement of youths in his association.

The individual members of VINASTAS are mostly retirees. The association is struggling to attract new members. This is due to the fact that there is no particular contact person in the organisations that are members of VINASTAS. The volunteers are retired senior civil servants who don't have much pizzazz as far as Vietnamese youth are concerned. The historical background of VINASTAS makes it a rallying point for former senior civil servants but it does not attract young people who do not feel ideologically close to government officials. When surveyed about this, several young Vietnamese persons said they were too busy for this type of volunteer work or they did not necessarily have confidence in VINASTAS' effectiveness to fulfil its terms of reference given the strong government presence in the organisation. They do not find the arguments put forward by VINASTAS' members very convincing and do not see anything in it for them personally if they join it. By the same token, they acknowledge that they do not know much about the structure or have any idea about what to do to become members. No particular training is provided for the association's young recruits. VINASTAS is challenged by the change in the form of commitment required, so there is no guarantee that it will find new blood. The most active group in the association is the Women's Consumer Club (WCC). The members of this group

are not on the same wavelength as the moralizing discourse of VINASTAS. At their meetings, they often feature new product presentations by a sales representative or go out to visit business establishments and come back loaded with samples. This club provides everyday consumer education by means of new product testing. But the types of goods tested generally do not capture the interest of young people. To illustrate, we attended a meeting that introduced, albeit with complementary tasting, a type of drink vaunted for its attributes to fight decalcification in the elderly.

3.3. Limited Economic Clout

VINASTAS has relatively limited material resources. The association owns a building in downtown Hanoi and some items of computer equipment in it. Its yearly operating and activities budget for project development has been VND 300 million (or approximately US\$ 19,000) for the last two years.

Funds for projects carried out by the facility (training sessions, book sales, involvement in corporate activities) account for 80 percent of the budget and 20 percent is from voluntary individual and organisation membership fees. It is managed by the central office in Hanoi. Accounting reports are then given to the financial backers. We were unable to obtain details on project funding despite the fact that we submitted several requests for them. This reveals the lack of transparency of the organisation and the lack of individual freedom, which is something characteristic of corporate and political life in Vietnam. Indeed, the independent NGO Freedom House gives the level of civil liberty in Vietnam a low ranking of 2.8 points on a scale from 0 to 7, with 7 being the highest (CIVICUS, 2006: 68).

VINASTAS receives government funds to carry out its activities from the Vietnamese Ministry of Science and Technology, the Vietnam Union of Scientific and Technical Associations as well as from national NGOs. Some of the local associations belonging to VINASTAS get funding from the Science Committee of their province in order to pursue training activities, print documents, etc. Grants from international cooperation are also allocated at the national level through partnership activities with the World Health Organisation, American Cancer Society, National Research Council of Canada, the NGO PATH Canada (now HealthBridge Foundation of Canada), with which VINASTAS is cooperating on various projects. Some funding is also ear-marked for specific projects by international NGOs such as Consumers International and the Association of Canadian Community Colleges.

VINASTAS is therefore partly tied to the government because of its operating budget. The financial independency of the facility with regard to the government therefore cannot be taken for granted, but VINASTAS' members don't see any problem with that: *"It doesn't matter if we have our own point of view even though we are funded by the government. We have our own point of view regarding consumer advocacy, but the job of government institutions has always been to protect consumers, the people; it's not incompatible"* (Interview). This allows for the complete blending of objectives between VINASTAS and the government.

All the same, the budget seems to fall short of what VINASTAS needs to fulfil its mission. Based on what its chairman and vice-chairmen say, VINASTAS does not have the staff and material resources it needs to inform consumers and stimulate a genuine awareness of consumers' rights at the national level.

3.4. Very "Top-Down" Achievements

In terms of actions, VINASTAS sponsors public awareness-raising campaigns on consumer rights (seminars, study days, exhibitions and the like), takes in complaints from dissatisfied consumers, plays the role of mediator between private consumers and the

government in the event of a conflict with a business, attends national and international events on consumer advocacy, holds briefings and instructional meetings for consumers and corporate leaders, works on various portfolios with the public authorities, state-owned businesses and the media and publishes a monthly newsletter for the public at large (*The Consumer*). The association does not do any tests or comparisons of finished items as many Western consumer advocacy associations do. VINASTAS does not have the staff and funding required for such evaluations.

Projects conducted under the umbrella of NGOs or international agencies are carried out to the extent that they comply with the statutes of the association dedicated to consumer protection and quality standardisation. This has led VINASTAS to work on projects relating to assessments of the health safeness of common food commodities, tobacco control, energy conservation, product labelling, counterfeiting, etc. The association also provided support for Consumer's Day (March 15), No Smoking Day (May 30) and International Standardization Day (October 14).

As regards legislation, VINASTAS shared directly in drafting various directives to ensure the protection of Vietnamese consumers. Đò Gia Phan, permanent member of VINASTAS, puts it this way:

“Back in 1990, only two years after its foundation, VINASTAS proposed the study and compilation of a legal paper concerning the protection of consumers in Vietnam. This initiative was approved by the government and VINASTAS was assigned to draft the paper. In early 1991, VINASTAS established a group in charge of drafting the Vietnam Ordinance on Consumer Protection with the assistance of IOCU and local and international organizations. The drafting group studied many consumer laws of various countries, especially those of countries in the region. After many sessions of study, correction and amendment, the draft Ordinance on Consumer Protection took shape and was ready to be submitted for approval. However, according to Vietnamese regulations, only a state organization can submit a legal paper; therefore, in 1995, the task was transferred to the Ministry of Science, Technology and Environment to make further amendments for submission. In the process of preparing the ordinance, VINASTAS continued to contribute ideas and suggestions for a strong and effective legal paper. After more than 20 revisions and amendments, the ordinance was finally approved by the Permanent Committee of the National Assembly (Parliament) on April 27th, 1999, after nearly 10 years of preparation. The ordinance was promulgated and took effect as of October 1st, 1999. This is the first legal paper of its kind, the fruit of nearly 10 years of the consumer movement in Vietnam. However the ordinance only mentions general principles, while more concrete problems must wait for the issuance of other legal papers at lower levels of which many have been lacking up until now. Anyway, the Ordinance on Consumer Protection has addressed the consumer issue in Vietnam, highlighted the responsibility of society as a whole in the protection of consumers and regulated the state body in charge of consumer affairs” (Gia Phan, 2002).

The project base on which VINASTAS has chosen to work is not neutral. Take counterfeiting for instance. As is true of the rest of the informal sector, counterfeiting was historically something useful when Vietnam was very poor. It responded to a strong internal demand for products that were prohibitively expensive. The authorities felt that it had the advantage of making the people happy. The government naturally lost the tax revenue that it would have been entitled to from the manufacture and distribution of such products, but it enjoyed increased social stability because the citizens' needs were met. With the opening of Vietnam to competitive international markets, the fight against counterfeiting has become something mandatory as the country seeks to demonstrate its legitimacy on the international scene. But before making anti-counterfeiting measures available for the benefit of individual consumers as a means of ensuring that their rights are respected, such measures must first of

all be seen as a battle against an informal economy that is frowned upon by the international community.

It might also be insightful to look at what themes VINASTAS does not work with. A few food scandals have erupted in recent years in Vietnam and in Hanoi, without VINASTAS expressing any great concern.⁴ Corruption in the country and the lack of freedom of expression are obstacles to the promotion of consumers' rights. VINASTAS is having a hard time coming to grips with this inescapable fact.

When it comes to handling claims, the VINASTAS headquarters receives an average of 500 complaints a year dealing with all manner of subjects: telephone costs, price of electricity, poor quality goods or services, counterfeit items, forced or dishonest selling practices, etc. The claims are handled by calling all the concerned parties to account. A consensus is sought through negotiation and conciliation. If that is unsuccessful, a complaint is submitted at the government level. A VINASTAS member proffers the following explanation:

“Each local association has a complaint office. When a complaint is received, the manufacturers can be met and a request made for the consumer to be compensated. Generally, 80 percent of manufacturers agree to compensate. The remaining 20 percent refuse. If compensation is refused, it may be the fault of the consumer. Let's say the person bought without an invoice or the fault is due to how the item was used. If the consumer still feels that the company is at fault, the complaint is forwarded to the concerned ministry. For example, if someone complains about a fan and the company says it is not at fault, and if VINASTAS feels that there is a technical problem, the complaint is forwarded to the concerned ministry. But that's rare. . . . If an affair goes to court, VINASTAS participates as a consultant. But that hardly ever happens. Generally the ministry intervenes and the ministry tows the line. There are thousands of complaints every year, but a court case is very rare, so few you can count them on the fingers of one hand. Companies want to avoid the problems of a court hearing” (Interview).

The members of VINASTAS (Phan, 1998) feel that few complaints come in at this point because consumers are not aware of their rights, one of which is to file a complaint. There is a cultural dislike of open conflicts in a society based on apparent consensus, not to mention the material challenge some consumers would face to go to the place where they can file their complaint and see that they get action on it. Vietnamese culture is strongly imbued with the thinking of Buddhism, Confucianism and Taoism and is therefore not keen on redress procedures and filing complaints. Although a consumer may be dissatisfied with his or her purchase, the person will just stop buying the product or buy somewhere else rather than filing an official complaint and causing the seller to lose face (Thi Muoi and Jolibert, 2001). But the claim for remedy is something crucial to the country's development. It is suggested that Vietnamese society work to improve on this point.

“[Complaint handling] not only can bring concrete and material interests to consumers suffering loss, but also change the behaviour, the mode of thinking, the relationship between people in society, contribute to the building of an equal, civilized society in which people are respected” (Phan, 1998).

Although the achievements are many given the staff available and budget allotted, what VINASTAS has done remains too “top down”, something that is particularly frequent in Vietnam. The general approach is condescending, paternalistic—government directives are enforced for the “benefit” of consumers. But consumers are only very rarely consulted upstream or downstream of the decisions. The association does not make sure that its messages have been clearly understood, that they are relevant and respond to a genuine social

⁴ Examples: the ice cream scandal (2004), the water morning glory scandal (2005).

demand on the part of consumers. In this regard, VINASTAS is not a pressure group but rather an association in consultation with the government, designed to keep the free market from getting out of control. In real life, VINASTAS' pattern of action remains very close to that of education of the masses. Some members are aware of this. As pointed out by the former chairman of VINASTAS when reviewing the background of the facility, the Vietnamese decision-making model is very influenced by communism and based on government centralism:

“My attention was drawn to consumer advocacy when I travelled in France with Mr Lê Phuong, director of the Science Committee of Vietnam. We visited the National Consumers Institute. At that point we grasped what an institute of this type is supposed to do. It looked like an interesting model for consumer advocacy. . . . The National Consumers Institute looks at things from the viewpoint of the consumers, the people. It's there to defend the people's interests, on their behalf. It therefore reflects what all the people are thinking and is not influenced by government institutions.⁵ In Vietnam, everything originates with the government officials. We don't have an organisation like it. So [prior to this visit] we thought that things had to originate with the government, not from the people” (Interview).

From this it is seen that the consumer is viewed as a passive being that needs to be “helped” or “educated”. He is perceived as a naïve, helpless character, very weak when confronted with the market processes. He has to “learn his rights”, that is “learn how to make smart purchases”. “Vietnamese consumers are ill-informed about their privileges and rights. We have to put out information for the consumers”, said one member during an interview. The approach is not to push for anything, but mainly to inform, raise awareness and include consumer's rights in national legislation. In *Le Courrier du Vietnam*, Đò Gia Phan, permanent member of VINASTAS, clearly explains this point:

“In reality, Vietnamese consumers are not aware of their rights, including the right to file a claim in order to receive compensation for loss or damage caused by falsified items or poor-quality products. . . . Yet, this problem has only recently come to the fore and we will only get results if a legal environment is created” (Lê Bích, 1997).

The following appears in the VINASTAS report 10 years after it went into activity:

“Since the nation began building a community-based multi-sector economy with a socialist orientation and under the leadership of the State, Vietnamese consumers have not yet been equipped with the knowledge, psychology and habits which are suitable to the current market economy and for the near future. Consumers are not yet aware of their rights and responsibilities, nor how to protect their rights” (Tuan, 1998: 23).

Thus, individuals are developing and asserting their consumer rights consciousness within government-created structures (Hooper, 2005). It is true that in Vietnam as in China, many people think that their rights are granted by the State and government rather than being given at birth.

4. Do the Constraints to which VINASTAS is Subject Send a Message about the Challenges Facing a Country in Transition?

Before posing any questions on what is illustrated by VINASTAS as to the economic, political and social changes in contemporary Vietnam, it is important to home in on the constraints that shape what the facility does and explain some of the positions it takes. This

⁵ In reality, the National Consumers Institute in France is not completely detached from the government sphere. It is neither a government department nor an association of consumers but an autonomous public institution. Its board of directors is made up in majority of consumers' associations. Its role is to train and inform consumers and to make comparative tests of products available to consumers.

section attempts to pin down the internal and external constraints experienced by a formalised group of volunteers. This will enable us to grasp to what extent the development of VINASTAS is related to the development of the country.

4.1. Major Internal and External Constraints

Several internal constraints curb VINASTAS' effectiveness. The first, as we saw, is the centralisation of power in the hands of one leader and the fact that there is no delegation of activities to keep the facility alive. This means that few new members are inclined to join it, and this does nothing to increase VINASTAS capacity to attract young militants.

And the association is struggling to get its messages out to poor regions so as to reach marginalised consumers in rural or remote areas. These people are cut off from the nascent consumer society but are not a priority focus of VINASTAS.

Although its members mean well, VINASTAS is finding it a challenge to fulfil the mission it has taken on. With its lack of volunteer staff and limited budget, plus its centralised operation and one-man-show leadership, it really does not have much impact on consumers.

Relevant here too is the way in which VINASTAS has been evolving over the last few years. Several organisations that once belonged to VINASTAS broke away from the mother structure either to function independently or simply dissolve. At one point, the Quality Club with a membership that included as many as 40 Vietnamese companies was assigned to work on quality management and provide maximum consumer protection. This club was made up of directors, deputy directors and department heads of public and private companies. It met monthly for training programs and to reach agreements on a complete range of consumer products from food to the electricity supply and from automobiles to cosmetics. In 2005, the Club folded up due to the fact that its members had retired one by one and were replaced by cadres who had no political authority in their organisations. One of VINASTAS' standing committee members explains:

“The Quality Club was around up to 2005. It was made up of directors, deputy directors and executives from private and state-owned businesses. The directors received information through the club that they could apply to their company's manufacturing processes. But these people retired. The ones who replaced them had little inkling of the role and value of this club. They sent cadres to attend the Quality Club's training sessions. The club felt that it was not worthwhile if just regular people attended the training programs but could not apply what they learned in their companies. There was no use in holding the meetings. . . . Each meeting was a briefing session and documents were printed. People learned about TQM, Total Quality Management. These TQM approaches originated in the United States, Europe, Japan and elsewhere. Information was also given about ISO 9000 or approaches to quality management adapted to the conditions companies faced in Vietnam. In other countries, companies have a very sound basis for development and handling product quality, the activity process. They have been on solid ground for decades. In Vietnam now companies have to compete with foreign companies and they are not ready for this. They cannot catch up with other companies and will lose out. We have to play 'catch-up'; otherwise it's going to be very difficult” (Interview).

Having representatives of private and state-owned enterprises in the consumer advocacy association is something that outside observers find hard to understand:

“Foreign associations can't understand our type of association and people have criticised it. I once attended a conference in the Netherlands and someone asked me why I invited business executives. They said that it wasn't objective: 'People who run businesses are out to take advantage of consumers.' If you curry the favour of the entrepreneurs, you can't defend the consumer. Vietnam is not the only place where there are Quality Clubs. We had to tell them that Vietnamese consumers are just beginning to experience the market economy. Businesses and manufacturers, with

their low level of knowledge and conscience, market counterfeit or fake products to make money to the detriment of consumer interests. Our association is in between the two, the businesses and consumer interests. We are out to control the negative effects of manufacturing—counterfeits, low-quality goods, etc. But if businesses sell good quality products, we will be on their side” (Interview).

This VINASTAS representative overlooks the fact that from a Western perspective, consumer advocacy is not just demanding good quality products, but includes making available the broadest and most impartial information possible on the choice of products, on the fairness of prices, on the long-term effects of the manufacturing process, etc. It seems proper to wonder about the conflicting objectives of businesses linked to sales and profits, and those of the consumers linked to meeting a need and the requirement for purchase guarantees. And given that joining VINASTAS is voluntary, it is easy to imagine that businesses that aren’t interested in consumer protection would never join the Quality Club.

Other organisations in VINASTAS have also left the association during the last few years, including the now defunct *Laboratory on Food Colour Additives*. This laboratory worked in cooperation with the *Dutch Consumers’ Association*, the oldest and largest Dutch organisation involved in consumer advocacy, and was active in food product quality control in Vietnam. It ran out of money, so could not stay in operation. The same is true of the *Mineral Water Quality Association* and the *Association of Testing Laboratories* that used to belong to VINASTAS.

4.2. Strategies to Deal with the External Constraints

Although VINASTAS claims to be very independent of government circles with freedom to act and the authority to regulate standardisation, the government’s control over what is done or not done for consumer rights is nevertheless very real. The government of Vietnam, through the Party Committee, the Office of the National Assembly, the Office of Government Ministries and/or institutions and local authorities, is unwilling to delegate its prerogatives to associations even if they are made up of former officials. So when women members of the VINASTAS Women’s Consumer Club do nutrition awareness-raising campaigns, they adhere to the government’s directives to the letter. Thus, VINASTAS comes across as a civil society structure that is merely a forerunner of a civil society that is truly autonomous and emanating from the will of the people. In this area, Vietnam is very much behind other continents such as Latin America.

Also, VINASTAS is attempting to make the government aware of *individual* consumer rights, to get consumer rights onto the agendas and programmes of the government to provide consumers with a legal framework protecting their interests. VINASTAS feels that the government does not do enough to inform consumers of their rights, although progress has been made with regard to information about hygiene and consumer goods safety. With *the* consumer coming on the scene, there is the problem of individuality in a traditionally community-based society. Thus far, Vietnamese organisations have been mass organisations. With the arrival of liberal capitalism and the consumerist world, the emphasis is turning to the individual—singular. For the Vietnamese government, this new feature must be fitted into the traditional structures of managing the people, which is not easy. But with VINASTAS being made up of former government officials, their familiarity with the various ministries and proximity to the political decision-makers makes things easier for them.

Nonetheless, this puts VINASTAS in an ambiguous position. Is the tie between VINASTAS and the government and to state-owned enterprises on a partnership level or is it adversarial? Standards for consumer law are dictated by the Party, but they are subject to a variety of interpretations. In reality, VINASTAS never opposes government *directives* but it

can occasionally challenge the practices of government *enterprises*⁶ or enterprises that supply public services to the nation (water, electricity, gas, transportation, mail, etc.). VINASTAS will not criticize a law enacted or a measure taken by a ministry. Rather, it will discuss the economic policy of a state-owned enterprise. Thus, where VINASTAS occasionally takes up an issue, it is in the economic sphere, not the political sphere. The only political claim of this consumer advocacy association is to make sure that provision is made for the individual consumer in legislation.

In early 2006, for instance, VINASTAS opposed the intention of the Electricity General Directorate to up the price of electricity for individual consumption as a means of improving electrical service nationwide. VINASTAS argued that the price increase was not justified for consumers. A policy for energy conservation, diversification of the supply source (such as solar cells for private homes) and staggered consumption (promoting consumption at non-peak times) could be implemented to avoid raising the price of electricity. Public utility providers were also criticised for the lack of information and transparency in electricity management in Vietnam. The position taken by VINASTAS was given broad media coverage, but the consumer advocacy association did nothing to mobilise its social base, the consumers themselves. No petition, no demonstration was organised by the structure; it simply published its positions in its monthly *Consumer* magazine.

Another example is VINASTAS's involvement in the "fresh milk" scandal that erupted in 2006. In 2005 and 2006, certain private businesses with the majority of shares held by the Vietnamese government reportedly sold as "fresh milk" milk that had actually been made from powder. The case grew as a result of complaints that consumers filed directly with government officials. The press got wind of the story. VINASTAS then submitted a recommendation to the Prime Minister and the ministers of Health, Commerce, Agriculture, Rural Development and Science and Technology. The organisation joined in consultative meetings attended by various government officials and representatives of dairy manufacturing businesses. The affair is still under advisement.

VINASTAS does not have a great many connections or alliances with other corporate structures. Where such do exist, the relationship is somewhat strained and is only revived when something special happens. The Women's League, the Youth League and a number of unions do enjoy closer ties with VINASTAS.

VINASTAS is more interested in overseas structures. It is a member of *Consumers International* and gives clout to what it does by referring to what is done abroad. For example, VINASTAS gets a lot of its inspiration to develop corporate social accountability at home from work done in Canada and the United States. Vietnam is attempting to make up for its lack of experience in consumer advocacy by having VINASTAS members attend international forums on the subject.

4.3. Do the Constraints to which VINASTAS is Subject Illustrate the Challenges Faced by a Developing Country?

In the light of this background information on civil society organisations in Vietnam and the ties that link VINASTAS to the government sphere, it is important to assess in what way the constraints facing VINASTAS illustrate the challenges facing a country in transition.

We have seen that VINASTAS' position vacillates between being in a partnership with the government and engaging in social activism. Far from being independent from the government and state-owned enterprises, VINASTAS is seeking a certain balance between

⁶ In Vietnam, most large companies are state-owned enterprises or corporations of which the majority of the capital is held by the state.

the various orders given by the stakeholders in its environment. So what VINASTAS does cannot be understood without reference to the state apparatus.

As pointed out by CIVICUS with regard to civil society, “*objective data is limited, especially because, with respect to many activities, the impacts of CSOs [civil society organisations] and of the various levels of government cannot be clearly separated*” (CIVICUS, 2006: 12).

Although the rather bureaucratic way in which VINASTAS is run, its top-down structure and its link to the government are subject to criticism, the facility has played an important role in promoting the idea of consumer protection. It would be overly simplistic to see VINASTAS is only as window dressing put up to legitimatise state action.

When the association does achieve its objectives regarding standardisation of quality and protection of consumers, it obviously increases corporate competitiveness at both the national and international levels. Thus, the country’s economic opening to foreign competition allows VINASTAS to have substantial economic impact in promoting the country’s development. The demise of VINASTAS’ Quality Club is no doubt evidence of the difficulty in getting Vietnamese corporate executives mobilised on the theme of quality goods and services, even though this is pivotal to giving these structures a future on international markets. As a member of the VINASTAS standing committee stated:

“The Vietnamese corporate milieu does not clearly understand the issue of product quality. We asked foreign experts to give us training for ISO. Companies unfurl the banner to show that they have complied with the ISO 9000 standard. And they think that they can compete with foreign companies. But they cannot sustain the competition. . . . Foreign companies that have had time to improve their product quality are now moving in the activity process. Productivity improves, the price falls and performance increases. These companies are in a position to compete successfully. We are very worried for Vietnamese companies. Vietnamese companies do not grasp this point and are only interested in what [the products] look like” (Interview).

In addition to the importance of the finished product—the intrinsic quality of goods put on the market—Vietnamese companies need to give attention to the “activity process”, that is, take into account the social, environmental and economic effects of their manufacturing process. They are seen to be lagging far behind foreign companies on this count. The interviewee went on to add:

“A number of companies give emphasis to product appearance rather than quality. Consumers are fooled by something that looks good on the outside but that isn’t so good on the inside. I’m not talking about just a few isolated manufactures, but hundreds, thousands of them. The problem is that many manufacturers do not know how to improve their products. Their knowledge base is weak. They would like training to address this. You can’t apply the model of large Western companies and the ISO 9000 standard to all companies here, only 10 percent of them, the biggest ones. Ninety percent of companies here do not know how to improve product quality. The ISO 9000 standard is of no use to them” (Interview).

From the social standpoint, we may wonder if VINASTAS is doing anything to train Vietnam’s fledgling civil society. True, the consumers’ association is not totally independent from the state’s authority (the government and Party), but it guarantees a certain freedom of movement in relation to many sources of economic influence (private companies). Somewhat paradoxically, VINASTAS has been cast into civil society at the behest of the government and Party. However, its influence on public opinion needs to be nuanced. Its magazine *The Consumer* has an average printing of 5,000 copies. Its readers are mainly senior citizens who live in the city and are relatively well to do. To the dismay of its publishers, *The Consumer* is not yet a really popular magazine, given that Vietnam has over 84 million consumers.

Nevertheless, if we can put faith in the situation described back in 1998 by the former chairman of VINASTAS, its activities cannot but have positive social effects for the people of Vietnam:

“Vietnamese consumers are constant victims of the market’s negative impacts such as counterfeit products, low quality goods, goods not hygienically safe, fraudulent commercial practices, dishonest measurements, lying, overcharging, cheating and numerous other tricks of dishonest people, causing great harm to consumers in terms of finance, assets, spiritual life, health, and even their lives” (Tuan, 1998: 23).

Thus, VINASTAS is seen as an organisation that plays a very wholesome role as far as the welfare or even survival of Vietnamese consumers is concerned. The reality is no doubt somewhat different, given the limitations under which VINASTAS labours. And the concerns of VINASTAS are closely tied in with the level of Vietnam’s socio-economic development. Hoang Manh Tuan again notes that the experience of Western consumer associations cannot be applied directly to the Vietnamese context:

“Reading a magazine published by the consumer protection association of many countries, one can find that little emphasis is put on the problem of counterfeit goods. Various instructions on goods and services are given: how to choose and use cars, child safety seats for cars, how to buy a home and other information on finance, banking, depositing, etc. Obviously there is a great difference in consumer interests between countries of different levels of socio-economic development, especially between countries who recently accepted the market economy and those having undergone decades of market economy development” (Tuan, 1998: 32).

Thus, Vietnam’s economic transition is ideologically somewhat off in the corner: The act of consumption is no longer viewed as something just for the middle class. VINASTAS claims to advocate protection of consumer rights and interests, but the matter of responsible consumption has not yet become an issue in Vietnam. Consumers do not rally to defend social causes, boycott products and companies or give vent to their frustration.

In the final analysis, it can be argued that by claiming to protect consumer interests, VINASTAS is making a direct contribution to the recognition of individual rights and is working through political avenues and, in spite of its limitations, to the economic and social welfare of the people. Thus, VINASTAS is working with the broader movement fostering the emergence of civil society despite its closeness to the government. Another way of looking at it is that VINASTAS can be said to be only a reflection of the ideological changes taking place in contemporary Vietnam—growing individualism, the emergence of consumerism, the deepening of social inequalities, etc. In this regard, VINASTAS is not giving evidence of the emergence of a civil society independent from the sphere of the Party and State, but is more of an attempt to reconcile recent social developments with the historical communist project of moralising consumption and education of the masses. In any event, it is obvious that VINASTAS is a good example of the inconsistencies rampant in Vietnamese society today.

5. Conclusion

Despite its definite economic progress, Vietnam is still considered to be a developing country. In 2003, its Human Development Index was 0.7, ranking it country 108 in the world or putting it in the “countries of average human development” category (UNDP, 2005: 233). Inequalities between cities and rural areas are increasing, although Vietnam has thus far successfully managed its opening to the market economy and the increased purchasing power of the middle and upper classes. The economic structure is still backward, relying primarily on agriculture and the development of natural resources. Industry is weak. The technological facilities used in the production sector are outdated. Both productivity and quality are low.

Thus, the action of civil society, seen as an “arena between the family, state and the market”, is necessary.

This paper has pointed out that the presence of a consumers’ association in a communist country is not something that could be taken for granted. VINASTAS claims to be an independent association but in actuality it remains closely tied to the government structure. In reality, VINASTAS is an association for consumer protection, not an association of consumers. It is born of government volition, not that of a civil society setting out demands; it is not a pressure group but a group that works in cooperation with companies and the public authorities.

This means two things. First, VINASTAS exerts a relatively strong influence over social and legal policies regarding the advocacy of consumer interests because it is directly a brainchild of the government sphere.

Second—and this is what makes the structure so ambiguous—VINASTAS claims to be independent from the government and market, and indeed it enjoys autonomy in some aspects of its operations. That is a point to be made: by the things it does, VINASTAS is sharing in the definition of the civic rights of the individual and hence is in a position to share in the emergence of a civil society.

Owing to the absence of a policy on the consumer and consumption, VINASTAS is therefore seen to be an organisation looking for its place among different contradictory poles: the consumers, the government, the market. These difficulties simply illustrate the transition in which Vietnam finds itself today. Although VINASTAS is sharing in Vietnam’s social and economic development, it is not so much through demands coming from the people as it is through political negotiation and advocacy within government structures. This political dimension is essential in a country’s development and deserves to be emphasised. It seems that Vietnam’s development is being accompanied by the emergence of associations of consumers, a testimony to freedom of expression in the country. Vietnam’s development now rests on opening up to international markets and will be achieved thanks to a relatively strong social and political fabric, a civil society that will be a both link to and a safeguard against private companies, the government and citizens.

“Vietnam has experienced periods of development in which it was insulated from the outside world, sometimes even isolated and sanctioned. The open door process has gradually taken back the balance. . . . This is a favourable opportunity for the Vietnamese people to learn and receive positive and modern elements coming from outside in order to join the orbit of development of the global community. But in order to properly seize this opportunity, Vietnam must have an internal force which should be strong enough to hold a firm foot in the development trend” (Tuan, 1998: 50).

Ultimately, Beverley Hooper’s conclusion on the Chinese consumer-citizen seems to apply to Vietnam: “*The development of consumer rights consciousness in post-Mao China has paralleled the growth of both a consumer society and general rights consciousness among the population.*” (Hooper, 2002: 16) However, in the area of consumption and consumer advocacy, three major challenges need to be met for the transition in Vietnam to go full circle. First, make consumption part of ethics, in other words overcome the gap between the communist ideology of communitarianism and sharing on the one hand, and the actual practice of individual consumption for needs and leisure on the other. The second challenge is to move from a very centralised decision-making and action mode at the government level to a more flexible mode of operation, promoting the development of civil society associations and private enterprises divorced from the government sphere. And the third challenge is to close the curtains on the omnipresent mass associations under the aegis of the Fatherland

Front and accept the arrival of autonomous, multiform associations that reflect the emergence of an informed individualism in a resolutely modern Vietnam.

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