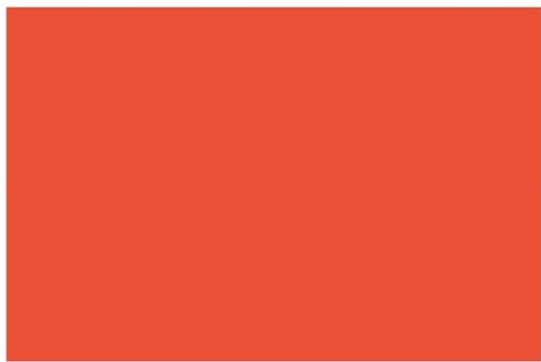




**ROSA
LUXEMBURG
STIFTUNG**
SOUTHEAST ASIA
HANOI OFFICE

SOUTHEASTERN PERSPECTIVES

Vol. 1 No. 01/2025

Nguyen Van Tung

Reform or Revolution?

Vietnam's ambitious restructuring of its political and administrative system

In late 2024, the General Secretary the Communist Party of Vietnam, Tô Lâm, announced an unprecedented overhaul of the country's political and administrative system. The measure intends to reduce the number of civil servants and optimize government structures at all levels by the end of 2025. If successful, it could transform Vietnam's political landscape and the governance approach to transform the nation into a socialist high-income economy by 2045. However, there are also challenges ahead.

Vietnam's General Secretary Tô Lâm gets down to business. Following his spectacular rise to the highest office of the Communist Party of Vietnam (CPV) in August 2024, he swiftly called for an ambitious reform in November 2024, aiming to overhaul the Socialist Republic of Vietnam's political system, which he described as "bureaucratic, overlapped, ineffective, and inefficient", according to an official press release. He calls this reform a "Streamlining Revolution" (Cuộc cách mạng tinh gọn bộ máy), which is supposed to be a prerequisite for the so-called New Era that he wants to lead Vietnam into.

So far, stakeholders at the central, provincial and local levels are implementing the process promptly. It is Vietnam's most ambitious restructuring

effort since the 1986 Doi Moi reform, with comprehensive plans to streamline or merge the government's ministries, the National Assembly's committees, and the party structure on an unprecedented scale.

According to reports by Vietnamese state media, the overall aim and strategic goal of the reform is to build a "slim, strong, efficient, and effective political system". This reformed system should then meet the requirements of the strategic goal of turning Vietnam into "a developing country with modern industry and upper-middle income by 2030 and a developed socialist country with high income by 2045". Quite simply, the reform is designed to enhance the efficiency and effectiveness of the political system, creating new momentum for the

Socialist Republic to escape the middle-income trap and other challenges mentioned in the documents of the Thirteenth National Congress of the CPV held in 2021.

Initial Results

On the long run, the reform seeks to reduce the workforce in the state sector by at least 20 percent of the approximately 2.8 million civil servants and public employees who receive salaries and allowances from the state budget. Until August 2025, an estimated 100,000 public workers will be made redundant or enter early retirement following the merging and streamlining reform.

The Ministry of Home Affairs estimates a budget of 130,000 billion Vietnamese dong (roughly 5.3 billion US dollars) to implement compensation or support policies for civil servants and public employees affected by this restructuring reform. Compared to the total reduction of 82,295 public workers over seven years from 2016 to 2023, this staff downsizing effort reflects a strong political will on the part of top leaders, surprising political observers and even people within the political system itself.

In terms of scale, the reform targets the executive and legislative branches as well as the CPV apparatus with an ambitious timeline. At the central level, government ministries and institutions from the National Assembly and Communist Party were enjoined to submit their respective reorganization or reduction plans in January 2025 and implement the approved plans in the first quarter of 2025.

In January, the CPV's Central Committee held an extraordinary plenum to approve the streamlining plans and personnel changes. In February, the members of Vietnam's National Assembly assembled in an extraordinary

session to ratify these changes. This session reviewed and revised nearly 300 laws related to reorganizing and streamlining the political system.

Within the government itself, the number of ministries and ministerial-level agencies is being reduced from 22 to 17 — a major task. For instance, the Ministry of Planning and Investment will merge into the Ministry of Finance. The Ministry of Transport becomes part of the Ministry of Construction. The tasks of the Ministry of Labour, Invalids and Social Affairs will primarily be integrated into the Ministry of Home Affairs. The Ministry of Information and Communications merges into the Ministry of Science and Technology, and the Ministry of Natural Resources and Environment becomes part of the Ministry of Agriculture and Rural Development. Moreover, the former Committee for Ethnic Minority Affairs will receive an upgrade and become the Ministry of Ethnic and Religious Affairs.

For the National Assembly, the reform reduces the number of committees from nine to seven. This includes the merger of the Law Committee with the Judiciary Committee, the Economic Committee with the Finance and Budget Committee as well as the Social Affairs Committee with the Committee for Culture, Education, Youth, Adolescents, and Children. The Foreign Affairs Committee will be dissolved and two new committees will be established: the Petition and Supervision Committee and the Delegation Work Committee.

In parallel, the CPV apparatus will also undergo fundamental restructuring by merging the Commission for Propaganda with the Commission for Mass Mobilization. The External Affairs Commission, nodal point for party-to-party relations all over world, the Central Health Protection Commission, the Party Committee of Central Agencies, and the Party Committee of the Central State-

Owned Enterprises will cease to exist. The Central Economic Commission will be also transformed and become the Central Commission for Policy and Strategy.

Chances and Challenges

Although it surprised the public and other lower-ranking functionaries in the political system itself, this streamlining revolution is not General Secretary Tô Lâm's newly coined agenda. Rather, represents an acceleration of the ongoing administrative reform outlined during the Twelfth National Congress of the CPV in 2016. At that time, six strategic tasks for the years 2016 to 2020 were set, such as making the political system slimmer, more effective and efficient, and strengthening the fight against corruption.

Over the last seven years, from 2016 to 2023, the late General Secretary Nguyen Phu Trong attached more importance to the anti-corruption campaign. In late 2017, the CPV Central Committee concretized the task of "building a slim, effective, and efficient political system" by issuing Resolution 18-NQ/TW on "Continuation of political system restructuring towards compact, efficient and effective operation" with the target of reducing permanent staff in the state sector and completing the restructuring process. Now, Tô Lâm as the new Party Chief surprised the public and even his comrades with the pace and scale that he set for the reform.

In terms of magnitude, the current reform targets the overhauling of all branches such as executive, legislative, and party system from central to all lower levels. From 2016 to 2023, the ongoing administration reform only made some 100,000 positions redundant, equating to the number of civil servants that would now be reduced. The leadership also proposed eliminating district-level

administration nationwide, numbering 705 units, and merging 63 provinces and centrally managed cities to around 40. If implemented, Vietnam's current four-tier administrative structure — central, provincial, or city under central management, district or city under provincial management, commune, and ward levels — will be reduced to a three-level structure.

The CPV Politburo greenlighted this approach with the Conclusion 126-KL/TW, dated 14 February 2025. The Party Chief set an ambitious timeline for this reform as he is expecting the apparatus to be reorganized and streamlined before the Fourteenth National Congress of the CPV scheduled to take place early 2026.

That said, the changes and human resource downsizing arising from streamlining the political system's apparatus may lead to internal unwillingness, bureaucratic slowdowns, and disruptions in the short term. In the end, however, it may offer long-term benefits regarding state budget savings, efficiency, and effectiveness of the political system. Nonetheless, the ongoing reform requires a strong political will from the top level and public support to implement all the tasks within an ambitious timeframe in 2025. If executed well, this reform would reshape Vietnam's political system and governance approach, further realizing the country's aspiration of becoming a high-income economy by 2045.

Mr. Nguyen Van Tung is Project Manager at Rosa-Luxemburg-Stiftung's Southeast Asia Office in Hanoi.

First published on March 6, 2025 at www.rosalux.de

Imprint

South Eastern Perspectives

Rosa-Luxemburg-Stiftung Hanoi Office
Hanoi, Vietnam

E-Mail: hanoi@rosalux.org

Website: <http://www.rosaluxhanoi.org>