



**TOWARDS
TRANSPARENCY**



**FORMS AND EFFECTS
OF CORRUPTION
ON THE EDUCATION
SECTOR IN VIETNAM**

Transparency International (TI) is the global civil society organisation leading the fight against corruption. Through more than 90 chapters worldwide and an international secretariat in Berlin, Germany, TI raises awareness of the damaging effects of corruption and works with partners in government, business and civil society to develop and implement effective measures to tackle it.

www.transparency.org

Towards Transparency has been the TI national contact in Vietnam since March 2009.

www.towardstransparency.vn

This report was made possible by the financial support of the TI Vietnam Programme, which is funded by the UK Department for International Development (DFID), the Embassy of Finland, IrishAid and the Embassy of Sweden.

The research team for this report was comprised of Vu Xuan Nguyet Hong (team leader) and Ngo Minh Tuan, assisted by Ta Minh Thao and Nguyen Minh Thao. The researchers are from the Central Economic Management Institute (CIEM); they worked on this report as independent consultants.

The report was finalised by TI and TT, which are solely responsible for its content. The viewpoints and analysis presented here do not necessarily reflect those of the research team or the CIEM.

Every effort has been made to verify the accuracy of the information contained in this report. All information was believed to be correct as of May 2011. Nevertheless, Transparency International cannot accept responsibility for the consequences of its use for other purposes or in other contexts.

Cover Photo: © Andrea Fitrianto

ISBN: 978-3-935711-73-9

©2011 Transparency International. All rights reserved.

CONTENTS

List of Tables	iii
List of Boxes	iii
Abbreviations	iv
1. INTRODUCTION	1
1.1. Background	1
1.2. Research methodology and limitations	4
2. CORRUPTION IN THE EDUCATION SECTOR: AN OVERVIEW	6
2.1. Corruption in the education sector in developing countries: some international references	6
2.2. Corruption in the education sector in Vietnam	9
3. MAIN FINDINGS	13
3.1. Forms of corruption in the education sector	13
3.2. Understanding the causes of corruption and their effects on education	27
4. SOME POLICY SUGGESTIONS AND DIRECTIONS FOR FUTURE RESEARCH	34
4.1. Some policy suggestions	34
4.2. Orientation for future research	40
SELECTED BIBLIOGRAPHY	41
APPENDIX I: THE DECENTRALISED MANAGEMENT MECHANISM IN PUBLIC SCHOOLS	43
APPENDIX 2: ALLOCATION OF FUNDS FOR INVESTMENT IN CAPITAL CONSTRUCTION IN THE EDUCATION SECTOR	46
APPENDIX 3: ALLOCATION OF THE EDUCATION BUDGET	47

List of tables

Table 1: Key Education Indicators	2
Table 2: Satisfaction with education services	10
Table 3: Prevalent forms of corruption in education identified in international contexts and in Vietnam	24
Table 4: Synthesis of opinions of interviewees regarding the effects of corruption on the quality of education in Vietnam	33

List of boxes

Box 1: Wrongdoing in the construction of school buildings	14
Box 2: Wrongdoing in procuring teaching equipment and supplies worth more than VND 63 billion	15
Box 3: Departments of Education and Training in provinces and cities hold a textbook monopoly	16
Box 4: A case of illegally improving academic marks in return for bribes- the Department of Education and Training of Bac Lieu Province	19
Box 5: The story of a student: victimised by teachers for denouncing their extra teaching?	20
Box 6: Corruption at Ten Tan Primary School	21
Box 7: Raking-off the food rations of day-boarding school children	21
Box 8: Shocking figures regarding the settlement of accounts of receipts-expenses of one class	22
Box 9: Reforming the textbook monopoly in China	37

Abbreviations

ACD	Anti-Corruption Dialogue
DoET	Department of Training and Education
GD-ĐT	Education/training
HDI	Human Development Index
ODA	Overseas development assistance
MoET	Ministry of Education and Training
NSNN	State budget
ODA	Official Development Assistance
SGK	Textbooks
THCS	Lower secondary education
THPT	Upper secondary education
TI	Transparency International
UNCAC	United Nations Convention against Corruption
UNDP	United Nations Development Programme
VDR	Vietnam Development Report
WB	World Bank

1. INTRODUCTION

1.1. Background

Stories about non-transparent and corrupt practices in education are regularly reported in the Vietnamese press: from a principal extorting money from teachers in Thanh Hoa province, and school administration staff embezzling money intended for poor students in Dong Nai province, to parents forced to pay illegal fees in Da Nang province, and systematic corruption related to improving students' marks in the Department of Education and Training of Bac Lieu Province. Corruption in education seems to be a familiar topic for the Vietnamese population.

Although Vietnam has been recognised and praised by the international community for its strong record on literacy and basic education, the main debate about education in the country now seems to be focused on issues of education quality and financing, as well as the fight against non-transparent and corrupt practices. Media reports denouncing such cases and discussing these issues seem to be mushrooming. In May 2010 corruption in the education sector was the topic of the Anti-Corruption Dialogue between the Vietnamese government and the international donor community.¹ Even though these issues must still be more thoroughly documented, the placing of the debate onto the political agenda only confirms the seriousness of the situation. Though education was not identified among the 10 most corrupt areas in the 2005 Diagnostic Study by the Communist Party Central Commission for Internal Affairs, 'quality of education' was ranked 4th among the list of topics of citizen interest in this study. The findings of the 2010 TI's Global Corruption Barometer for Vietnam showed that education is perceived as the 2nd most corrupt sectors listed (after the police); with 67% of interviewees perceiving education as corrupt. Education

also ranked 2nd from the questions related to experiences of corruption, with 36% of interviewees who had contact with the education services answering that they paid bribes in the past year.²

Corruption issues seem to be of special concern for Vietnamese authorities, since education has always been highly valued in Vietnamese society and culture, and because the Vietnamese education system has shown concrete achievements in recent decades. Issues of corruption in the education sector echo strongly in Vietnam, where literacy rates have risen significantly since the 1950s, thanks to successive campaigns of 'mass education'. At that time, fighting illiteracy was considered one of the impediments to the development of the Vietnamese nation. Currently, developing education and training, together with science and technology, are among the main national priorities (as shown in successive SEDPs – Socio-Economic Development Plans – adopted every five years by Vietnam's government).³ It is clear that for the Vietnamese government, investing in education is seen as an investment in development, providing the conditions to optimise the potential of the greatest resource a country has: its people. An efficient education system is seen as an essential element for the development of a society, as well as rapid and sustainable economic growth.

Accordingly, despite a limited state budget, Vietnamese authorities allocate a considerable portion of the national budget to the education and training sector, which currently accounts for approximately 20 per cent of the budget and is its largest expenditure item.⁴

1. In 2007 Prime Minister Nguyen Tan Dung assigned the Government Inspectorate (GI) to regularly organise a biannual Anti-Corruption Dialogue (ACD) in Vietnam with the international donors community. ACDs have become a strategic entry point where interested donors, Vietnamese institutions and other stakeholders can discuss corruption issues of concern to all sides, as well as how the international community can cooperate with Vietnam to combat corruption effectively and in a coordinated manner. Sweden acts as the donors' coordinator to organise the ACDs with the GI. Seven ACDs have been organised and have addressed various issues, including the role of the media, and the construction, health and education sectors.

2. TI's Global Corruption Barometer 2010, report on specific findings for Vietnam (forthcoming). 1,000 Vietnamese urban citizens were interviewed for this survey.

3. The current SEDP covers the period 2011-2015.

4. Ministry of Planning and Investment, 'Vietnam continues to achieve the Millennium Development Goals', Hanoi, 2008.

Vietnam has achieved considerable improvement in some educational quality indicators, such as school enrollment and adult literacy rates, as well as the Human Development Index (HDI).⁵ In this sense, it can be said that corruption in the education sector is not only jeopardising specifically education successes, one of the main achievements by Vietnamese authorities in recent decades, but also the overall development of the country.

Indeed, despite these achievements, the education sector currently seems to face many hurdles that have become major challenges for the cause of the development of Vietnamese society in general, and human resources and capacities in particular. Many of these challenges have been cited by public opinion as well as responsible state agencies – such as inequality in access to education (with the poor being excluded from top schools because they cannot afford the costs and cannot meet entrance requirements); uneven quality of education among schools (including the issue of public vs. private schools); geographic inequalities (the urban/rural gap, with an excess of demand in

urban areas); and the changing perception and conception of teachers and education in society (with the blossoming of the market economy and changes of behaviours from different stakeholders, many people tend to think that “everything can be bought by money”).

Challenges related to a lack of transparency and corruption include leakages in state budget funds allocated to education, waste in the production and procurement of textbooks, bribe-paying related to admittance to favoured schools and awarding academic grades, extra-classes to cover the official curriculum and ‘secure’ good marks in school, and extra teaching and extra learning, which have become quite controversial issues and are seen by the public as serious problems. This report will explore such challenges and issues in further details.

Based on international standards and TI’s definition- ‘Corruption is the abuse of entrusted power for private gain’⁶ - most of these cases should be considered as corrupt practices. However, in Vietnamese society they are not

Table 1: Key education indicators

PRIMARY EDUCATION	2005-06	2006-07	2007-08	2008-09
Net enrollment rate (%)	95	96	96.1	97
Completion rate (%)	92.4	85.6	87.9	88.5
Student-per-teacher ratio	20.5	20.1	19.5	19.1
Teacher-per-class ratio	1.28	1.29	1.3	1.31
Student-per-class ratio	26.4	26.0	25.5	25.3

5. Vietnam’s HDI has steadily improved over the past two decades, rising from 0.62 in 1990 to 0.73 in 2007, ranking 116 out of 182 countries. Source: UNDP, Human Development Report, 2009.

6. See: www.transparency.org/news_room/faq/corruption_faq, and Transparency International, ‘Africa Education Watch: Good Governance Lessons for Primary Education’, 2010. It should be noted that there is no universally recognised definition of corruption that is used by all national and international stakeholders. However, major efforts are being made to clarify this concept. In Vietnam, the Law on Preventing and Combating Corruption of 2005 states: ‘Corruption is the abuse of public position for private gain’ (Article 1). TI’s definition is broader than most the other definitions used by international organisations. This definition is broader than Vietnam’s, which is similar to TI’s, though it only focuses on the public sector. Moreover, in the context of Vietnam, the research team holds that the notion of ‘gains’ in TI’s definition may not necessarily refer only to gains of a particular individual but also to gains of a group of people. This is because, according to the research team, corruption in Vietnam does not only stem from individual interests, but, in many cases, it also linked to the interests of a particular group of people.

always explicitly called ‘corruption’, but are still often labelled more broadly as ‘negative phenomena’ in education,⁷ which is a much softer criticism compared to corrupt practices. On the other hand, certain practices are sometimes denounced as corrupt when in fact they are only the consequences of bad planning, inefficiency or waste of resources. Accordingly, in anti-corruption discussions, different forms of corruption do not necessarily receive the appropriate level of attention. This clearly shows that better analysis is needed to enhance understanding on what corruption really means in the education sector. This also demonstrates that Vietnamese society still seems to accept corrupt practices relatively easily, and that awareness-raising efforts must be significantly strengthened.

As demonstrated by research on corruption and the public debate already underway, non-transparent and corrupt practices in the education sector seem to be urgent issues in contemporary Vietnam. Apart from the 2005 Diagnostic Study by the Communist Party Central Commission for Internal Affairs and the 2010 TI’s Global Corruption Barometer mentioned above, such research includes a 2007 report by Nguyen Dinh Cu from the Institute of Population and Social Studies, Hanoi National Economics University (initiated by the UK Department for International Development) and the 2010 Vietnam Development Report

(VDR) by the World Bank. Though these research examples do not cover all forms of corruption in the sector, they clearly show the existence of numerous concerns related to corruption in education and some of the effects of corruption on the quality of human development and society in general. The research by Nguyen Dinh Cu, based on documents and reports from the National Assembly, the government and the Government Inspectorate, gives an overall picture of various forms of corruption in general education. It also cites cases of corruption detected by the media to provide additional analyses on the causes and forms of corruption (for details, see section 2.2). In the 2010 VDR, chapter 4 is devoted to analysing the level of citizen satisfaction in accessing social services, including education. These results are primarily based on data and information from the nationwide Vietnam Household Living Standards Survey (VHLSS) during 2002-08, and smaller-scale surveys conducted in certain provinces and cities, such as the ‘Report Card Survey’ in Ho Chi Minh City. Surveys show that although most respondents believe that the number of overall corruption cases has decreased in recent years, they also believe that the overall level of corruption in education has not gone down.⁸ However, despite informative data there is still a general lack of evidence-based analysis on the issue of corruption in Vietnam’s education sector.

7. Article 3 of the 2005 Law on Preventing and Combating Corruption defines corrupt behaviours or acts as: (1) embezzlement and/or misappropriation of public assets; (2) acceptance of bribes; (3) taking advantage of given positions and/or authority to appropriate assets; (4) taking advantage of given positions and/or authority in the performance of public functions and responsibilities for personal gain; (5) abusing given authority and power in the performance of public functions and responsibilities for personal gain; (6) taking advantage of given positions and/or authority to influence other people for personal gain; (7) malfeasance in the performance of public functions and responsibilities for personal gain; (8) giving bribes or acting as a go-between for bribes by people holding positions and having authority/powers in handling business of agencies, organisations, units or local authorities for personal gain; (9) taking advantage of given positions and/or authority to illegally use state assets for personal gain; (10) harassment for personal gain; (11) non-performance of given functions or responsibilities for personal gain; and (12) taking advantage of given positions and/or authority to shield those people who have committed illegal acts for personal gain; impeding or interfering illegally with examination, inspections, audits, investigations, prosecutions, court trials or the execution of court sentences or verdicts for personal gain.

8. World Bank, Vietnam Development Report 2010: Modern institutions, Joint Donor Report to the Vietnam Consultative Group Meeting, Hanoi, 3-4 December 2009.

1.2. Research methodology and limitations

Based on TI's definition of corruption, this report uses traditional qualitative research according to the following methodology:

- A desk review of existing literature was conducted, including international literature; legal documents promulgated by the government of Vietnam and related ministries and sectoral agencies in recent years; reports and documents published by the Ministry of Education and Training (MoET) concerning the operation of the education sector, as well as current and past anti-corruption activities implemented in the sector. The research also includes information and documents published in domestic newspapers, the mass media and research studies.

In-depth interviews were conducted by the research team to collect an appropriate amount of qualitative information. Based on baseline information from the desk review of available literature, the research team selected three schools in Hanoi⁹ where 46 in-depth interviews with targeted persons, including two leaders of upper-secondary schools in Hanoi, eight teachers (including retired and active teachers), and 24 parents whose children are studying at those schools were conducted. Twelve other targeted persons were also interviewed by the research team in Hanoi, including education administrators/managers, corruption specialists, researchers, NGO representatives, members of the National Assembly and citizens. The interviews focused on four main areas according to the objectives of the research:

- (i) existing forms of corruption/'negative phenomena' in education;
- (ii) the effects of corruption on education quality;
- (iii) the causes of corruption in education; and
- (iv) policy recommendations to reduce corruption in education.

The purpose of the interviews was to gauge the individuals' awareness of the identified forms

Research objectives

This research was initiated by Transparency International (TI) and Towards Transparency (TT) following these main objectives:

1. To assess citizen awareness and understanding of manifestations and forms of corruption and their effects on the quality of education;
2. To enhance awareness, knowledge, understanding and analysis of current manifestations and forms of corruption in the education system;
3. To bring forward policy suggestions related to anti-corruption efforts in the education system; and
4. Based on the results and findings, to provide recommendations on the direction of in-depth, quantitative, follow-up research to be conducted by TI and TT.

of corruption, the causes of corruption and its effects on Vietnam's education sector, as well as their ideas on necessary anti-corruption work.

Because of time and resource constraints, this research focused on highlighting phenomena and forms of corruption in the general education and in public schools, where most public resources for education are devoted. Field work and in-depth interviews focused on a few upper-secondary schools in Hanoi and its suburbs.

Therefore, although Hanoi province now comprises of more than 6 millions inhabitants (out of a total of more than 85 millions nationwide), this research should not be considered as representative of nationwide corruption issues in Vietnam's education sector, but rather a snapshot of these issues. The limited research scope – only collecting qualitative data, as well as selecting only

9. The research team selected three schools located in Hanoi City for interviews. One school is a poor school located in the suburbs of Hanoi, in a rural area. The two others are well-known schools, located in the downtown area of the city.

a number of case studies from urban and peri-urban areas where levels and forms of corruption may differ from rural and lower portions of the education system – does not allow conclusions to be drawn in terms of an overall picture of the corruption situation in Vietnam's education sector. Despite these limitations, the findings presented are meaningful for developing a deeper understanding of education related corruption issues in Vietnam.

Moreover, because of the complexity and sensitivity of corruption issues, it should be emphasised that, in some cases, the persons interviewed were at the same time both 'victimised' by and 'guilty' of corruption; this must be kept in mind when analysing the data. The research does not aim to assess the nationwide level, scope and prevalence of the forms and effects of corruption in education. In addition, due to the limited research scope, some forms of corruption may have been missed.

Although this report only seeks to identify the current forms and effects of corruption in education, and despite its limitations, TI and TT strongly believe it can be informative and be used as a basis for more in-depth research in the foreseeable future.

This research was commissioned by TI to an independent team of researchers from the Central Economic Management Institute (CIEM), who received guidance from TI and TT. The desk review, field work and report writing were conducted from March to June 2010. Initial findings were reported and discussed at the roundtable on corruption in education organised by TI, TT and the Swedish Embassy on 20 May 2010 in Hanoi, ahead of the 7th Anti-Corruption Dialogue (ACD) on 28 May. The research team submitted its final draft report in July. The report was finalised by TI and TT based on this final draft, and TI and TT are solely responsible for its content.

2. CORRUPTION IN THE EDUCATION SECTOR: AN OVERVIEW

2.1. Corruption in the education sector in developing countries: some international references

Phenomena and forms of corruption in education

Presented here is an overview of selected publications, from within and outside the TI movement, in order to make comparisons with the situation in Vietnam. From 2007-10 the TI movement conducted research on accountability and transparency in the management of education, and on public awareness and understanding of corruption in education in certain countries in Africa, Eastern Europe and Asia.¹⁰ The findings and results show that the following phenomena and forms of corruption exist around the world.

COLLECTION OF ILLEGAL, EXTRA SCHOOL FEES/CHARGES:

Many schools collected illegal, extra school fees in order to compensate for budget deficits. In other words, parents are forced to pay fees when the service is supposed to be free, or pay more than the official cost. In some African countries, despite an exemption of school fees at the primary education level, as many as 44 per cent of parents of primary school children said they still had to pay extra amounts.

EMBEZZLEMENT AND MISAPPROPRIATION OF BUDGETS ALLOCATED FOR EDUCATION:

In most countries surveyed, the education sector is centrally administered by the state. Although the level of corruption in the field of education management is low, leakages of financial resources caused by corruption are

considerable simply because resources and funds allocated to education can be huge (often 20-30 per cent of national budgets).¹¹ Moreover, decentralisation of financial management to local authorities increases corruption risks, especially when this is not accompanied by effective control mechanisms. Actual cases show that the more people and levels that participate in education budget management, the more opportunities and risks there are for malfeasance and corruption. Forms of corruption include leakage in the construction of school buildings; procurement of textbooks, school equipment and supplies; kickbacks; bribery; close relationships and falsification of school enrollment.¹²

FRAUD IN ACADEMIC PERFORMANCE:

At the upper secondary education level, fraud in academic performance, and buying and selling academic marks/scores and academic degrees can occur, particularly in southern Europe and Russia. For example, the amount of bribes paid in order for students to be admitted to Russian universities was estimated at US \$1 billion in 2003.¹³ Corruption in academic performance occurs when students or parents bribe teachers in order to obtain good academic marks/scores, or to teachers by taking extra lessons in order to please them or to cover curricula that teachers do not cover in regular classes. Other forms of corruption such as selling exam papers or students taking exams for other students, are reportedly common practice in China and Bosnia.¹⁴

Findings also suggest that the privatisation of educational establishments and the increased number of distance-learning courses and study

10. Transparency International, Africa Education Watch, 2010; Corruption in Education in Sri Lanka, 2009; Corruption in the Education Sector, 2009.

11. Transparency International, Corruption in the Education Sector, 2009.

12. Ibid.

13. Ibid.

14. Ibid.

15. Ibid.

programmes abroad contribute somewhat to increased fraud opportunities.¹⁵ The quality of education also fails to meet requirements in many situations. Thanks to these alternative options, students who fail to meet academic requirements can still be awarded academic degrees by enrolling or even bribing alternative establishments that have lower quality requirements and/or are managed less carefully. Corruption in academic performance, combined with fraud in accreditation by academic authorities, leads to poorly educated students who are awarded academic degrees by schools that do not deliver proper education and training services.

EXTRA-CLASSES:

The organisation by teachers of extra-classes can be an act of corruption when, in many cases, teachers teach only half of the official curriculum in school and then 'force' their students to pay for private courses to cover the remaining curriculum, or they pressure students to take extra-classes to secure good grades. In both cases this can be detrimental to students as without taking these extra lessons, they might end up with poor grades.¹⁶ While France, Australia and Singapore forbid this practice, it is a phenomenon common in Bangladesh, Cambodia and other countries.¹⁷

CORRUPTION IN ROTATING AND TRANSFERRING TEACHERS:

It goes without saying that teachers play a crucial role in education by imparting values and knowledge to their students. This role can be adversely affected due to corruption in managing teachers, which can take the form of bias, close relationships, friendship and bribery in appointment, rotation/transfer and promotion. In Sri Lanka, for example, teachers without patronage must teach in rural, remote areas without the opportunity to transfer to urban areas.¹⁸

'GHOST' TEACHING SESSIONS:

This phenomenon, which is common in India, occurs when teachers do not teach their classes but are still registered in time-keeping books and receive their full salary.¹⁹

PAYING BRIBES FOR ADMITTANCE TO FAVOURED SCHOOLS:

A principal of a school in a poor area of Sri Lanka wondered: 'How do principals in popular schools maintain private vehicles and live in luxury houses? We all get the same salaries'.²⁰ School management is the most controversial educational issue in Sri Lanka, where newspapers have published cases in which families found ways – by hook or by crook, including bribery and taking advantage of relationships – to make sure their children were admitted to favoured schools. Research there also indicates that the residency criterion for school admittance (i.e the fact that a family must be officially registered in the relevant administrative unit – owned a 'Residency Book' (Ho Khau in Vietnamese) – to be allowed to send their children to the school of this area) and the increasing pressure to enter high-quality schools seem to open up opportunities for more corruption. Many parents must take necessary steps long before their children actually go to school. To meet the residency criterion of registered household, parents had to rent or buy houses near prestigious schools. All this increases the pressure on good schools and widens the enrollment gap amongst schools.²¹

TURNING A DEAF EAR TO CORRUPTION:

One of the most important elements of good governance is an effective mechanism to handle complaints and denunciations by victims of corruption. Research by TI in Sri Lanka, however, showed that 78 per cent of parents, 62 per cent teachers and 45 per cent of education officials did not complain about being corruption victims.²² This illustrates that, in many cases, most people decide to do nothing to fight corruption. The rights of citizens are not exercised to tackle incidents of corruption, and victims of corruption seem to be cautious and frightened. There are many reasons why people choose not to denounce corrupt acts, including a lack of awareness of complaint mechanisms, ineffective complaint mechanisms and the fear of retribution. A low number of complaints and denunciations clearly illustrates a reluctance by society and a lack of confidence in state governance mechanisms. It also provides a pretext for policy-makers and civil servants, including teachers, to continue to be a part of the corruption phenomenon and remain passive in dealing with corruption.

16. Transparency International, Africa Education Watch, 2010.

17. Transparency International, Corruption in the Education Sector, 2009.

18. Transparency International, Corruption in Education in Sri Lanka, 2009.

19. Hallak and Poisson, 2007.

20. Transparency International, Corruption in Education in Sri Lanka, 2009.

21. Ibid.

22. Ibid.

23. See: tuoitre.vn/Giao-duc/181357/%E2%80%9CTham-nhung-trong-giao-duc%E2%80%9D-la-gi.html

In summary, according to the International Institute for Educational Planning, corruption in education currently exists in two forms:²³

- Major corruption involves officials who hold strategic positions in the education management apparatus, especially those involved in allocating and distributing education budgets.
- Petty corruption involves individuals with limited influence or power, especially those directly involved in service delivery (primarily teachers).

Consequences of corruption in education

Most consequences of corruption in education are obvious. There is a strong consensus amongst international researchers that it negatively affects economic development (productivity), hunger elimination and poverty reduction (HEPR), and social justice. Specific effects include-

ECONOMIC DEVELOPMENT:

A country's overall growth and economic development is threatened by corruption in education, affecting productivity in particular.²⁴ Research shows that an effective mechanism of selection of talents (meritocracy where people's success is based on individual merit, competency and talent, not on relationships or money) has a strong influence on political, social and economic development, and that developing countries can improve their per capita GNP by 5 per cent if their leaders are selected on the basis of merit, competency and talent.²⁵

QUALITY OF PUBLIC SERVICE DELIVERY:

Corruption affects 'the returns to education' (i.e the fact that students do not miss schools

and attend classes continuously) in general, and especially equality/equity in access to education.²⁶ Children lose opportunities to attend school due to corruption in the enrollment process; the high burden of illegal school fees for families, which leads to high dropout rates; corruption in management, and selecting and recruiting teachers, which leads to lower teaching quality; and corruption in procuring educational equipment and supplies, which leads to shortages of classrooms, teaching equipment and supplies, and textbooks.²⁷

SOCIAL EQUALITY:

Moreover, corruption particularly affects the poor and the most vulnerable groups, including women.²⁸ These groups rely more on public services and can hardly afford informal payments to access education (or to be protected by the law). Therefore they are more affected by high dropout rates, poor teaching quality and vulnerability to outside-of-school influences (politics, religion and ethnicity).²⁹ Corruption in education, then, widens the gap between rich and poor, and increases poverty. Research conducted in Mali shows that the completion rate in primary education was just 40 per cent, and that the main causes identified were insufficient textbook supplies and poor quality assurance mechanism. Here again, the poor are more affected by corrupt practices.³⁰

THE OVERALL VALUES OF SOCIETY AND ITS FUTURE:

Corruption in education directly threatens the integrity and accountability of the entire society by bringing skepticism and doubt about the fairness of social success. This is especially true for academic fraud, as academic performance is an important tool for selecting leaders. In other words, corruption in education deteriorates young generations' values of integrity and social justice by demonstrating that corruption and fraud can easily buy academic diploma, then promotions and advancements, and careers.

24. Ararat L. Osipian, 'Education Corruption, Reform, and Growth: Case of Post-Soviet Russia', MPRA Paper 17447, University Library of Munich, 2009.

25. Hallak and Poisson, 2007.

26. Cuong Le Van và Mathilde Maurel, 'Education, Corruption and Growth in developing countries', 2006.

27. Hallak and Poisson, 2007.

28. Marie Chêne, 'Gender, Corruption and Education', U4 Expert Answer, 2009

29. www.u4.no/themes/education/educationmainpoints.cfm

30. www.u4.no/helpdesk/helpdesk/query.cfm?id=93

2.2. Corruption in the education sector in Vietnam

The current situation of corruption in education according to recent research

Available research on corruption in the education sector in Vietnam is limited, and is primarily focused only on assessing forms of corruption and the level of corruption in education compared to other sectors. As stated in the introduction, corruption in education was not ranked on the list of the 10 most corrupt sectors in the 2005 Diagnostic Study by the Communist Party Central Commission for Internal Affairs, but 'quality of education' was ranked fourth on the list of topics of interest for citizens. The fact that education was not ranked among the 10 most corrupt sectors does not necessarily mean it is corruption-free. Instead, the fact that the topic seems to have risen on the political agenda recently seems to demonstrate that the situation is worsening. In a 2008 study on Vietnamese media coverage of corruption, corruption in education was ranked sixth amongst surveyed sectors in terms of press coverage. It followed land management, transportation, public administration, construction and infrastructure, and trade, and alongside sectors that, according to other research, seem more prone to corruption, such as taxation, customs and health.³¹

According to Nguyen Dinh Cu's report, the main causes of such practices are bureaucratic red-tape, an 'asking-giving' mechanism (resulted from the centrally-managed planning system that has been practiced in Vietnam), poor living and working standards and conditions for teachers, and decadent ethics for some teachers.

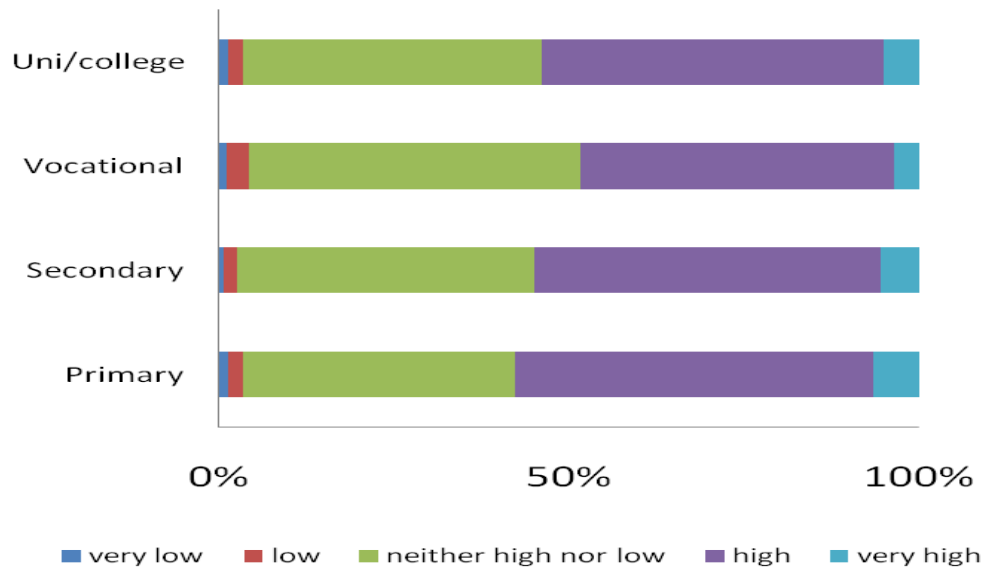
According to the World Bank's 2010 Vietnam Development Report – Modern Institutions – some important findings regarding corruption in

Research by Nguyen Dinh Cu in 2007 identified nine basic forms of corruption in Vietnam's education sector:

1. paying bribes for admittance to a favoured school
2. paying bribes for obtaining higher academic marks/scores
3. some cases of offering extra-classes
4. some cases of informal education fees and charges
5. some cases related to the monopolies in textbook publishing
6. some cases related to teacher selection, recruitment, promotion and rotation/transfer
7. stealing from construction projects
8. stealing or receiving kick-backs from procuring teaching equipment and supplies
9. stealing or receiving kick-backs from education budgets

education can be gleaned. These findings arise from the 2008 VHLSS Governance Module, a nationwide survey by the General Office of Statistics. Overall, a short majority of citizens said they were satisfied with the education system (with differences among education school levels). Less than 5 per cent said they were dissatisfied with education services (see table 2 on the next page).

31. For a more detailed table, see: Catherine McKinley, 'Report on media coverage on corruption for Anti-Corruption Dialogue', November 2008. This reference is also used in Martin Gainsbrough, Dang Ngoc Dinh and Tran Thanh Phuong, Corruption, Public Administration Reform and Development, 2009. This latter report is included in: UNDP: Public Administration in Vietnam: Current Status and Solutions, National Administrative Publishing House, 2009.

Table 2: Satisfaction with education services

Source: Estimates, based on the 2008 VHLSS Governance Module, included in World Bank, Vietnam Development Report 2010, Modern Institutions; www.worldbank.org/vietnam/baocaophattrien. Note: Based on the perceptions of those who used the services.

It should be noted that 40 per cent of respondents said their satisfaction was ‘neither high nor low’ or said ‘don’t know’. The report also demonstrates that the education sector is perceived by citizens as relatively less corrupt compared to other sectors, such as the courts, the police, land management institutions and health services. However, data shows that only 20 to 40 per cent of citizens (depending on levels of education) consider education to be free from corruption. Finally, though the report shows that most people believe educational services are improving, more than 10 per cent said corruption in education is worsening – though about 60 per cent said there was ‘no change’ or ‘don’t know’.³²

Finally, initial findings of a quantitative study commissioned by the Government Inspectorate to the Vietnamese consulting firm T&C (in the framework of the GI’s ‘UNCAC project’ supported by UNDP/EU) were presented at the 7th ACD in May 2010.

The research focused on three issues: irregular enrollment, private tutoring (extra-classes), and formal and informal fees. Following desk and media research, the team surveyed about

600 parents and 200 teachers from the three most important Vietnamese cities – Hanoi, Ho Chi Minh City and Da Nang. The initial findings showed the complexity of the issues and emphasised the acceptance of a huge ‘grey zone’ between legal practices and obvious corrupt acts. For example, about 40 per cent of parents said they paid money to enroll their children in a school outside the area where they live. But this phenomenon is also seen as ‘normal’ by about 70 per cent of people, because the goal is to enroll their children in ‘better’ schools. Another example is that most respondents worry about extra-classes and fees, even though they are seen as ‘normal and acceptable’ most of the time. An important finding is that more than 15 per cent of urban parents interviewed said they pay 20 per cent or more of their income for private tutoring for each child.³³

Though there have been different assessments and evaluations of the level of corruption in education in Vietnam, researchers³⁴ point out that corruption will have serious consequences on achievements by the education system because the phenomenon affects ‘the thinking’ and ‘the quality’ of generations of students.

32. World Bank, Vietnam Development Report 2010: Modern institutions, p. 63-80.

33. Presentation from T&C consultancy, ‘A study of corruption risks behaviors in education. Preliminary results’, Hanoi, 19 May 2010 (donors roundtable to prepare the 7th ACD), and presentation by GI at the 7th ACD. This report is being finalized by GI.

34. For example, the report conducted by Nguyen Dinh Cu (2007) and the Diagnostic Study made by the Communist Party Central Commission for Internal Affairs (2005).

Because some of these students will become Vietnam's future leaders, corruption may severely impact the level and quality of national development. Indeed, corruption in education adversely affects the goals and objectives of education and training of a generation of people who may lack the integrity and talents to serve the process of national development. This can be particularly harmful because it deteriorates individuals' values beginning with childhood. Appointing such individuals to management and leadership positions increases the risks of unsustainable development.³⁵

The current legal and policy framework to fight corruption in education

Recognising the existence and risks of corruption, the state of Vietnam since the 1990s has promulgated many legal documents and policies to frame the overall policy of preventing and fighting corruption.

In 1998 the Ordinance on Anti-corruption was promulgated, demonstrating the acknowledgement of the issue and the commitment by authorities to tackle it. The Grassroots Democracy decree was also adopted the same year, to strengthen the transparency and accountability of local authorities participating in the fight against corruption. These regulations officially opened a new period of strengthened anti-corruption efforts. The Criminal Proceedings Law was amended in 2000 and a new law was adopted in 2003, incorporating new references about corruption and articles dealing with corrupt acts.

In 2005 the 11th National Assembly passed the Law on Preventing and Combating Corruption, becoming the most important milestone in building the anti-corruption framework; Article 23, Chapter 1 being specific focused on transparency in the education sector. It was amended in 2008, and action plans to implement it have been adopted at the ministerial level. In order to implement the law, the government issued Resolution No. 21/2009/NQ-CP (12 May

2009), which laid out 'The National Strategy for Preventing and Combating Corruption Towards 2020'. This strategy stipulates the participation of all sectors of society and local government in the fight against corruption, including the education sector. Finally, in June 2009, Vietnam ratified the UN Convention against Corruption (UNCAC), which it had signed in 2003.

In recent years, state-run agencies have begun to take various steps to prevent and fight corruption in the education sector, including a series of legal documents that seek to implement the Law on Preventing and Combating Corruption:

- Directive No. 33/2006/CT-TTg of the Prime Minister, dealing with combating negativities and overcoming the scourge of counterfeit achievements in education, was issued on 8 September 2006. It calls for close collaboration of the Ministry of Education and Training (MoET) and other stakeholders – including state agencies/ministries, local authorities/DoET, social and political-social organisations, schools and parents – in implementing measures to fight corruption and the 'results bias' plague in education. It also requires the MoET to formulate an action plan with concrete measures for overcoming identified challenges for 2006-10.

- Starting with the 2006-07 school year, the MoET launched the campaign 'Say no to negativities in exams and no to the disease of artificial achievements in education' (also known as the Campaign of the 'Two No'). This campaign was considered a breakthrough to re-establish order and discipline in teaching and learning, a precondition for implementing other solutions to overcome weaknesses and problems in the sector, and a step to improve the quality and effectiveness of education. At the beginning of the 2007-08 school year, the MoET instructed all local Departments of Education and Training and schools to continue to strongly implement the Campaign of the 'Two No'. At the same time it added two new elements: 'Say no to sitting in the wrong class and say no to violation of teacher's ethics'.

- Decision No. 03/QĐ-BGDĐT, adopted on 31 January 2007 by the MoET, addresses the

35. vietbao.vn/Giao-duc/Tham-nhung-trong-giao-duc-Mat-niem-tin-Cai-gia-dat-nhat/65114547/202/

issue of extra-classes ('extra teaching and extra learning'). It clearly establishes a principle that forbids teachers from forcing students to pay for and take extra-classes with them (a sort of blackmail in order to obtain good grades or to cover the complete official curriculum). The decision clearly identifies the types of extra-classes that are not permitted.

- Directive No. 8077/CT-BGDĐT, issued by the MoET on 21 December 2007, concentrates efforts on examining and correcting violations of teacher ethics. Under the directive, the MoET requires the Departments of Education and Training in provinces and cities to coordinate with concerned agencies to take timely action to deal with violations of teacher ethics. It also pinpoints the joint responsibility of school principals if teachers under their jurisdiction violate ethics rules. Following this directive, the MoET issued Decision No.16/QĐ-BGDĐT on 16 April 2008, which more precisely defines 'teachers' ethics' – requiring teachers to ensure 'justice in teaching and education, evaluating in good faith the true ability and performance of learners; practicing thriftiness, combating the disease of artificial achievements, combating corruption and wastages' (Article 4).

- Decision No.5076/QĐ-BGDĐT, adopted 12 August 2009, defines the complete set of administrative procedures under the MoET's jurisdiction. It includes 67 sequential administrative procedures at the ministerial level. It is hoped that a management mechanism that is open and transparent for all citizens will be operationalised for these procedures, contributing to the reduction of corruption. Accordingly, regarding sensitive areas such as granting permits and licenses for establishing schools and/or new academic disciplines, the MoET has openly established conditions, procedures and timeframes for a transparent consideration of applications. The decision clearly defines specific MoET units to take the lead responsibility in granting permits and licenses for the information of citizens and investors concerned.

- Circular No. 09/2009/TT-BGDĐT, regarding the regulation on transparency of educational establishments from the public educational system, was issued on 7 May 2009 by the MoET. Accordingly, all schools in the education

system must release their results regarding 'quality of education', specific enrollment figures, infrastructure condition and financial statements, including revenues and expenditures. This information must be published on the Internet or school notice boards before and after the school year. Schools must also create favourable conditions for all citizens to access such information when requested.

- Decision No. 137/QĐ-TTg, adopted by the Prime Minister on 2 December 2009, approved a project to include the topic of anti-corruption in curricula, and training and education programmes. Students in the upper secondary education levels will learn about concepts of corruption, the causes and harm of corruption, and the attitude and behaviour of students toward corrupt acts.

- Government Decree No. 49/ND-CP, dated 14 May 2010, governs the exemption and reduction of school fees, support to education costs, and mechanisms for collecting and utilising school fees applied to educational establishments that are a part of the national education system (from school years 2010-11 to 2014-15). It also reviewed the framework of official fee collection defined by Decision No. 70/QĐ-TTg of the prime minister in 1998. Accordingly, the fee framework for early childhood and universal education levels is defined for the three regions – mountainous, rural and urban – with a range of VND 5,000-200,000 per month per student, depending on specific regions. For consecutive school years, fees will be revised according to changes in the annual Consumer Price Index (CPI).

These legal documents, currently being introduced for implementation by schools, have created a strong and comprehensive legal basis for anti-corruption activities in Vietnam's education sector. If coordinated and implemented well, corruption in education could be significantly reduced, though it is premature to assess any concrete results. Time will tell whether these policies are effective and, as a follow-up to them, whether it will be necessary to conduct serious and independent studies and evaluations of their impacts on anti-corruption. Meanwhile, the mass media should continue to cover evidence of cases of corruption and negative practices in the education sector in some localities.

3. MAIN FINDINGS

3.1. Forms of corruption in the education sector

The main findings of this study are based primarily on in-depth interviews with related, target individuals conducted by the research team (see methodology, above).

These findings are supported by information collated from national and international surveys and research, and press reports in Vietnam.

While the research does not aim to assess the nationwide level, scope and prevalence of the forms and effects of corruption in education, it confirms that such corruption assumes many diverse forms. Because of the complexity and sensitivity of the issue, it is difficult to identify these forms definitively, as is gathering specific evidence of these forms. Overall, however, a strong consensus has emerged from this qualitative research: interviewees agreed that they hear, read and know about (if not all experience directly) the forms of corruption suggested for discussion by the research team based on current research. This research confirms that the following are the main forms of corruption in Vietnam today, as perceived by public opinion and society:

A. PUBLIC INVESTMENT PROJECTS

Corruption in public investment projects is perceived to exist on a large scale, not only in education but also in other sectors. Collecting specific evidence, however, is very difficult. For example, according to the 2005 Diagnostic Study of the Central Commission for Internal Affairs, when mechanisms of supervision and monitoring are not efficient, the capital construction sector is characterised by the highest levels of corruption.³⁶ Recently, the media and public opinion have cited a situation in which schools and classrooms were built with the funds from the Project of Solidification of School Buildings and Classrooms and Civil Service Houses for Teachers that failed to meet quality requirements and standards, and that were seriously deteriorating shortly after being put into service (see Box 1 on the next page). The government plans to earmark VND 24.9 trillion (approximately US \$1.3 billion) for this project for 2008-12, with the objective of building high-quality schools throughout the country.³⁷ If

36. Diagnostic Study by the Communist Party Central Commission for Internal Affairs (2005).

37. According to Decision No. 2186/QĐ-TTg dated 24 December 2009 by the Prime Minister.

corruption occurs even at a very small scale with each individual project, a huge amount of state budget leakage from the entire project could result.

Other cases have been discovered recently, including corruption in an investment project at a primary school in Hanoi.³⁸

According to current rules and regulations, the request for infrastructure investment projects funded by the state school budget normally must go through rather time-consuming procedures. First, schools must submit proposals to relevant authorities (i.e. local Departments of Education and Training) in order to request that projects be included in investment plans of these localities. Proposals must then be approved by local Departments of Planning and Investment and local People's Committees, which have the last word on such investments. Because investment resources from the state budget are limited and scarce, and because schools often fail to meet all of the investment requirements, schools must 'maneuver' relevant authorities to obtain project approvals.⁴⁰ Apart from this, corruption in the bidding and construction of school infrastructure can occur through fraudulent reports on the quantity and quality of projects in order to siphon government funds.⁴¹ Such corruption – along with loose and lax management, monitoring

Box 1: Wrongdoing in the construction of school buildings

In May this year (2006), the Government Inspectorate reported to the prime minister the results of school construction inspections in 50 provinces and cities. A series of improper actions was discovered, such as fraudulent final settlements of revenues and expenditures, construction that deviated from approved designs, and awarding of tenders in violation of rules and regulations. As a result, school buildings have begun to sink and badly degrade. Wrongdoing and leakages were estimated at VND 28 billion.³⁹

Source: VNExpress online newspaper: vnexpress.net/GL/Xa-hoi/2006/07/3B9EC177/

and supervision of investments – seem to be the main cause of construction that fails to meet quality requirements and standards. In the end, the safety of teachers and students is threatened by unsafe structures.

B. PUBLIC PROCUREMENT PROJECTS

Similar to capital construction projects, hundreds of billions of VND from the state budget are allocated each year to procure teaching equipment and supplies. In this arena, corruption occurs primarily at the planning phase, with fake or manipulated budget estimates, appraisal of prices not made by the authority which is normally responsible for it, equipment and supplies procured being inappropriate with the contents of the teaching work at schools (as they are either unnecessary or inadequate) (see Box 2 opposite).

One citizen who was interviewed said other such manifestations of corruption have occurred and could occur, including: bribes in order to win projects for the provision of teaching, learning equipment and other supplies, and to benefit from liquidated, outdated teaching and learning equipment and devices (even though schools already have sufficient equipment and supplies that make procuring new ones unnecessary); a monopoly in procuring teaching and learning equipment and devices (by management levels) to benefit from discounts awarded by suppliers; and corruption in procurement bidding (such as procuring equipment and devices with specifications and quality not in accordance with invoices or payments).⁴²

C. PRINTING AND PUBLISHING TEXTBOOKS

According to a review of available literature, press coverage and interviews, this type of corruption seems takes different forms: (i) monopolies in publishing and printing textbooks; and (ii) kickbacks and commissions related to collusion between textbook publishing companies and schools.

(i) According to Article 29 of the Education Law adopted in 2005, the MoET – based on an appraisal by a specific National Committee – is the only agency with the authority to approve textbooks for official and unified use in teaching and learning in all schools and at all levels

38. vnexpress.net/GL/Phap-luat/2010/10/3BA21978/

39. For reference, in the beginning of 2011, the exchange rate between US\$ and VND was: 1 US\$ = almost 20,000 VND. In the begin

40. Interview with Mr. Nguyen Van B. NB. In this report all names are abbreviated to protect the confidentiality of the persons interviewed. ning of 2008 it was: 1 US\$ = almost 16,000 VND.

41. Ibid.

42. Interview with Mrs. Nguyen Thi D.

throughout Vietnam. Moreover, the Education Publishing House, under the MoET, is the only agency authorised to edit and publish textbooks. This publishing house is also responsible for printing and distributing textbooks nationwide. Accordingly, there is a closed monopolistic mechanism that covers both the publishing and distributing phases. Of the total 300 million books published each year in Vietnam, textbooks account for 70–80 per cent.⁴³ Even though the MoET has its own publishing house, it does not have sufficient capacity to undertake the entire workload. Therefore, it organises bids for printing projects and signs subcontracts with many publishing houses throughout the country. Within such a mechanism of bidding and subcontracting, the risk of ‘asking-giving’ corruption is very high.⁴⁴

Based on interviews with school principals, teachers, parents and education managers, those who were ‘key’ persons in textbook production all recognised that the monopoly in printing and publishing textbooks was rather common and increased corruption risks. However, when asked whether this could harm the quality of education (due to textbook issues), they said they were not significantly concerned.

(ii) A retired education manager told the research

team that according to the current organisational setting, the Education Publishing House has its joint-stock company to publish textbooks and produce teaching equipment companies in 63 provinces and cities.⁴⁵ These companies constitute a network that helps the Education Publishing House distribute textbooks from central to local authorities. These companies generally maintain very close relationships with the DoET in their provinces and cities, because they are all placed under the common MoET umbrella. This leads to a situation in which textbook distribution companies and local DoET collude to require schools to act as intermediary agents to sell textbooks to students. School administrative staff and/or teachers can then receive kickbacks or commissions derived from textbook sales as a reward for playing this role (read between the lines the article in Box 3 on the next page).

However, in-depth interviews with parents seem to indicate that most do not buy textbooks from schools, but rather from outside shops. Moreover, though some parents indicated that they bought textbooks from schools, they said in a few cases that this was at the request of schools. On the other side, most education managers and teachers interviewed said ‘schools sell textbooks primarily to serve the

Box 2: Wrongdoing in procuring teaching equipment and supplies worth more than VND 63 billion

Results of inspections in 41 provinces and cities show that large amounts of procured teaching and learning equipment and supplies were of poor quality – including science equipment such as imprecise thermometers and ampere meters, thus affecting the quality of teaching and learning.

According to Government Inspectorate reports on the procurement and use of teaching and learning equipment and supplies, wrongdoing valued at more than VND 63 billion was detected, of which nearly VND 26 billion have been clearly misused. The agency proposed recovering nearly VND 8 billion, and cited 48 individuals for responsibility and one person for criminal liability. The wrongdoing was caused primarily by the fact that many local governments did not establish expenditure plans or developed unrealistic planned expenditures, appraisal of prices by the wrong authority. Inspections found many teaching devices and gadgets to be of poor quality, such as brittle glass and fragile, thin plastic. Many devices even did not match up with the contents of textbooks.

Source: VNExpress online newspaper: vnexpress.net/GL/Xa-hoi/2008/01/3B9FE4BA/

43. tuoitre.vn/Giao-duc/151827/Doc-quyen-xuat-ban-sach-giao-khoa.html

44. vietbao.vn/Giao-duc/Moi-nam-hoc-sinh-thiet-hai-bao-nhieu-ti-dong/40151828/202/

45. Interview with Mr. Nguyen Van A (former school principal).

46. Interviews with two principals and six teachers from selected surveyed schools.

needs of students', and that they do not pay attention to 'commissions' generated by schools from textbook sales.⁴⁶ This implies, however, that they implicitly recognised the existence of commissions. In any case, this phenomenon is complicated, as perceptions seem to differ among different stakeholders. As this form of corruption is rather sophisticated, parents may not be sensitised enough to be on the lookout for it.

The research only confirms that this form of corruption exists; additional large-scale research is needed to assess its incidence and level. What is clear, however, is that resources are being wasted and the system permits such 'rent'. This waste is symbolised by the fact that most textbooks and exercise books are used for only one year. This waste is directly linked to rent,

as minor changes are frequently introduced to textbooks in order to make parents buy new editions. This rent system benefits not only the publishing house, but also the all education system, subcontractors, school managers and teachers. All of these groups have incentives to maintain the system. This is a clear phenomenon in which individuals and groups abuse entrusted power for private gain.

D. CORRUPTION REGARDING FALSE ACHIEVEMENTS, AWARDS AND TITLES – FOR SCHOOLS, TEACHERS AND STUDENTS

The public has identified additional forms of corruption between schools and institutions in charge of managing the education system, such as paying bribes for awarding desired titles including 'schools meeting the required

Box 3: Departments of Education and Training in provinces and cities hold a textbook monopoly

Each March, the MoET announces the topics for upper secondary graduation exams. Prior to this, schools in the outskirts of Hanoi receive a document from the Hanoi Department of Education and Training 'propagandising' for schools to register students to purchase the document that provides guidance to students for upper secondary graduation exams, including for the 2009-10 school year.

One school principal said this practice is simply 'propagandising so that school students would buy such a document.' Though not forced, nearly all 500 students in the 12th grade bloc registered to buy this document through their respective schools, according to the principal. At the private upper secondary school of Bac Ha (Dong Da District), many parents were indignant over the fact that their children were 'forced' to buy such a document from the school even though it was also available at outside bookstores. The principal of this school said that 'because of the official document sent from the Hanoi Department of Education and Training', it was virtually compulsory to buy it.

Additionally, the Hanoi DoET Department of Education and Training (DoET) issued another official document announcing the publication of the book- *The Structure of the Exam Questions 2010*, published by the Bureau for Testing and Quality Assurance (under the MoET). Regarding this, the principal of Bac Ha High School said: '[t]he publication of these two documents made my school ponder very much. The Hanoi Department of Education and Training made it a de facto requirement to purchase both documents. If students did not buy them, then they would not have the necessary documents for their studies. If graduation exams are actually given with contents covered by such exam guidance, and students did not have a chance to study them, would it be the fault of the school?' The principal of Ngo Thi Nham High School said that although the school did 'introduce' the two books, students seemed to not choose *The Structure of the Exam Questions 2010* because the contents of the two books were similar in many cases.

Source: VNExpress online newspaper: vnexpress.net/GL/Xa-hoi/2008/01/3B9FE4BA/

standards' and 'mobilisation for excellence banners.' According to a retired education official who was interviewed, there is a 'disease' of claiming false achievements in the education sector, and this 'disease' has been strongly denounced by the public in recent years.⁴⁷ The retired official said that 'award of titles of schools meeting required standards or aptitude schools normally would help those schools to be in a better position to request and receive more budgets invested, hence there are even more chances for corruption.'⁴⁸ In reality, being recognised as a 'school meeting required standards or aptitude school' will convince more parents to send their children there, hence creating a phenomenon of issuing bribes for admittance to favoured schools – another form of corruption to be discussed later in this report. This phenomenon of corruption in (fake) recognition of achievements and awarding of titles or degrees also exist at the teachers' and parents' levels. Teachers who are falsely awarded the title "Teacher of excellence" (*Giao vien day gioi*) can indeed have better opportunities of earning extra income by giving extra classes; and consequently the schools where they teach will use the argument of having many "teachers of excellence" to attract more students and etc. Parents are, on their side, willing to pay for securing false scores/degrees/diploma for their children's future – related to students and parents paying bribes to teachers (see G opposite). This phenomenon seems to function as an inflating "speculative bubble" of fake achievements, awards and titles.

E. CORRUPTION REGARDING CLASS TEACHING HOURS TO RECEIVE TEACHING ALLOWANCES

According to current regulations, secondary school principals must teach in class at least two hours per week. But one former principal of a secondary school interviewed explained that 'due to the fact that managerial work occupies too much of their time, and in many cases due to the specific characteristics of individual subjects, school principals do not have the time to teach in class.'⁴⁹ To cope with this problem, many principals ask their teachers to take their place or hire substitute teachers. Although they do

not teach, these principals still receive teaching financial allowances to which they are entitled according to regulations. This phenomenon was confirmed by other interviewees.

F. CHEATING IN TEACHER SELECTION EXAMS

According to the current principle of decentralised management, schools and DoETs in districts, provinces and cities are responsible for organising teacher selection exams, according to staffing norms and quotas.⁵⁰ However, according to a 2006 report by the Central Economic Management Institute (CIEM), when selecting and recruiting teachers, local authorities do not always balance teaching staff with school demands. Thus, there is a surplus of such staff as sports teachers and librarians, and a shortage of teachers for main essential subjects.⁵¹ According to interviews with education managers, 'whether selection and recruitment of teachers were based on true competitive and merit-based exams or not all depends on the will of the boards for teacher selection exams, who do their jobs seriously in certain places and just for form's sake in other places.'⁵² It is noteworthy that the media recently reported on a problem within the MoET regarding the selection and recruitment of civil servants in the education sector,⁵³ and forged application documents for recruitment as civil servants in Minh Hoa District, Quang Binh Province.⁵⁴

One former education official said in their interview that 'there are situations where school teachers have to solicit their school principals in order to be allowed to teach in class so that they could receive their teaching allowances; because if they are on probation and kept on reserve, they do not receive any teaching allowances and do not have the necessary conditions to enhance and improve their professional skills and competencies or to meet with students' parents. In addition, teachers also solicit and bribe responsible and authoritative officials in order to be assigned to teach in "desired" classes, because teachers of the "best" classes are normally better taken care of by students' parents, with more gifts.'⁵⁵

These situations apparently are not limited to the education sector. Similar phenomena have

47. Interview with Mrs. Nguyen Thi D.

48. Ibid.

49. Interview with Mr Nguyen Van A.

50. Calculated on the basis of the teacher/student ratio.

51. Central Economic Management Institute, 'Survey Report on the Role of the Private Sector and Decentralized Management of the Education Sector and the Health Sector', 2006.

52. Interview with Mr Nguyen Van B.; also interview with Mr Nguyen Van P.

53. For details, see: vnexpress.net/GL/Xa-hoi/2006/09/3B9EE334/

54. For details, see: dantri.com.vn/c25/s25-161848/hang-loat-sai-phang-o-phong-giao-duc-huyen-minh-hoa.htm

55. Interview with Mrs Nguyen Thi B.

56. See: Matthieu Salomon, Anti-Corruption Advisor for Sida, 'The issue of corruption in recruitment, appointment and promotion of civil servants', note for the 3rd Anti-Corruption Dialogue, Hanoi, June 2008.

been witnessed in other civil service branches. It can be argued that there is a real ‘job market’ for civil servant positions. Some people are indeed willing to ‘buy’ positions as an investment, because they know these positions can guarantee them a good return.⁵⁶

G. STUDENTS AND PARENTS PAYING BRIBES TO TEACHERS

Corrupt and harmful practices regarding exams have occurred recently in diverse forms, ranging from abuse of authority to improve academic marks/scores of children of relatives of officials, allowing students to cheat in exams, and parents ‘brokering’ with teachers to improve marks/scores in their children’s transcripts. Recently, a case of ‘sex purchase’ from school girls by a principal occurred in Ha Giang Province, causing public concern and indignance.⁵⁷ Such corrupt acts and practices can occur in individual cases between principals and students, or between teachers and their students – such as the case of changing a mark from a 0 (the lowest) to a 10 (the highest) in Pham Hong Thai High School⁵⁸ – or ‘collective cases’ in which corruption to obtain good marks is committed systematically on a large-scale, as in Bac Lieu Province (see Box 4 on the next page). In this case 26 people, most of them education officials, were prosecuted and sent to prison.⁵⁹

All education managers, teachers and parents interviewed by the research team admitted there is a phenomenon of soliciting and brokering to obtain desired academic marks/scores. However, their viewpoints on the perceived levels of this phenomenon varied. While parents seem to consider it to be ‘prevalent’, teachers and education managers said it occurs rarely or infrequently. However, all three interviewee groups agreed it negatively affects the quality of education. Specifically, it makes students rely on others and does not promote their capacity, and teachers lose their professional conscientiousness. In their opinion, this phenomenon leads students to lose their motivation to work hard on their studies; they do not acquire knowledge and subsequently jeopardise their future. Teachers also lose motivation to teach and do not take the initiative to improve and update their methods.

Overall, these phenomena clearly allow poor-performing students to move up to higher classes.⁶⁰ More fundamentally, they erode and in some cases destroy the trust of students and parents in the fairness of the education system, as well as their motivation to play by the rules. They threaten and jeopardise the quality of education, while strengthening the ‘job market’.

H. ENROLLMENT IN DESIRED SCHOOLS AND CLASSES

Also rather rampant is the practice of bribing in order to be enrolled in desired schools and classes. This occurs not only in lower levels of education, but also at the very beginning levels when children begin attending early childhood education establishments. Many bribery cases have been disclosed in the media and discussed in studies on corruption in education (such as the 2007 study by Nguyen Dinh Cu). Although the MoET has taken certain measures to reduce such condemned practices,⁶¹ they appear to be continuing. In fact, according to a citizen interviewed by the research team, a sort of well-organised system arranges enrollment in desired schools and classes. The citizen said that ‘six out of the 20 urban and rural districts of Ho Chi Minh City, due to their remote and disadvantaged geographical locations, are places where no such “practices of corruption in enrollment into desired schools and classes” have been reported.’⁶² School managers explain that current legislation still allow schools to enroll ‘geographically ineligible’ students (who do not fulfil the residency criterion), as long as they respect their given enrollment norms and quotas. However, criteria for screening ‘geographical ineligible’ candidates are not clear enough, which easily leads to the ‘dubious phenomena’ of applying such rules and regulations in practice.

School managers, teachers and parents interviewed by the research team all agreed that corruption in enrollment in desired schools and classes is rather rampant. There seems to be a difference, however, in the views of teachers from inner and outer Hanoi schools regarding the prevalence of this. Teachers in outer Hanoi schools said it appears rarely, while those in inner Hanoi said it is rather common, illustrating that such practices occur less in rural areas.

57. For details, see: vnexpress.net/GL/Topic/?ID=5958

58. Tien Phong, ‘To allow bad students to advance to the next higher class: 0 becomes 10?!’, 2 April 2010; www.tienphong.vn/Khoa-Giao/Giao-Duc/190524/Cho-hoc-sinh-kem-len-lop-Diem-0-thanh-diem-10.html

59. www.tienphong.vn/Tiayon/Index.aspx?ArticleID=112855&ChannelID=12

60. Tien Phong, 2010.

61. Decision No. 12/2006/QĐ-BGDĐT dated 5 April 2006 by MoET issuing the Regulation on Enrollment of Lower and Upper Secondary School Students; Official Document No. 4555/SGD&DT-QLT of the Department of Education and Training of Hanoi regarding guidance on enrollment of pupils in early childhood establishments, the 1st grade and the 6th grade for school year 2010-11.

62. Interview with Mrs Nguyen Thi D.

Possible explanations include:

(i) in rural areas, each commune or district has only one or two schools for each educational level, so students do not have as many choices compared students in urban areas, and distances between schools and residential areas are considerable; and

(ii) living standards of rural households normally are relatively low, and many of them cannot afford all the costs of their children attending school, so they do not have the ability to 'run' for desired schools and classes, in comparison to households in urban areas.⁶³

I. CORRUPTION IN EXTRA-CLASSES ('EXTRA-TEACHING AND EXTRA-LEARNING')⁶⁴

The phenomenon of 'extra-classes' seems to be expanding throughout the country, especially in urban areas and large cities. It is also a popular media topic. The 2006 VHLSS⁶⁵ shows that nearly half of school-age children took extra lessons during their education years at school.

Among students who took extra lessons, 68 per cent had them at school and 28 per cent in teachers' homes.

All parents interviewed said they had arranged for their children to take extra-classes. Most were at school, while one-third said they arranged for lessons given both by teachers from their school as well as those organised outside of school (i.e. from private tutors at home or elsewhere). One mother said she let her child take extra lessons both at school and elsewhere in order to 'ensure harmonisation of both sides, between teachers and parents of students'. She said she paid for extra lessons at school in order 'to support the incomes of the teacher' (even though she knew the teacher did not teach well and that her child did not learn much in extra classes). According to her, the extra lessons outside school were to give her child 'better skills and better mastery of knowledge.'⁶⁶

According to interviewees' opinions, extra-classes are not a corrupt practice if parents and students freely choose them – without pressure or insistence from their teachers. Very

Box 4: A case of illegally improving academic marks in return for bribes – the Department of Education and Training of Bac Lieu Province

More than 1,300 cases of illegally replacing low academic marks with higher grades have been detected in connection with the 2005-06 Graduation Exams for Formal High Schools and Continuation High Schools, administered by the DoET of Bac Lieu Province. It appears that 74 people, of whom 38 were education officials and teachers, were directly involved in soliciting, brokering, giving and taking bribes valued at hundreds of millions of VND, according to the Bac Lieu Provincial Police.

Because exam results were deemed to be too low in comparison with other provinces and cities in the region – and in order to 'keep up with the Joneses', Mr. Nguyen Van Tan and Mr. Ngo Doan Nguyen (the DoET Director and Deputy Director, respectively), gave direct instructions to raise the grades, of which 57 to 79 per cent were for the Formal High Schools, and 9 to 50 per cent were for the Continuation High Schools. An average of 7 marks was raised for each case, and up to more than 20 marks in certain cases. As a result, many students who scored only an aggregated 5 to 7 marks for their six graduation exams, of which they scored 0 for certain exam papers, were still eligible to have successfully 'survived' their high school graduation exams. In addition to instructing the marks to be raised, Mr. Nguyen Van Tan confessed to personally requesting the Marking Board of Exam Papers to 'help' raise marks for 21 students who were related to him and other provincial officials in order to 'please them'.

Source: VietnamNet online newspaper: vietnamnet.vn/xahoi/phapluat/2007/01/651083/

63. According to data from 2008 VHLSS, average per capita income in urban areas was 2.1 times higher than rural areas (General Statistics Office).

64. The phenomenon of 'extra-classes' ('extra-teaching and extra-learning') refers to teachers offering extra teaching sessions to students (to supplement their incomes) and parents arranging for their children to attend these extra sessions (to improve their grades or prepare for exams). The corruption dimension of 'extra-classes' refers to some teachers pressuring or forcing students or parents to enroll in these extra-classes – for them to ensure that their children will cover the entire programme, but also to 'facilitate' good results. However, some parents also use this system to try to ensure good results for their children by indirectly bribing ("showing their understanding" is the words usually used) to teachers' conditions.

65. According to data from VHLSS 2006, General Statistics Office.

66. Interview with Mrs Nguyen Thi T.

few parents said their children attend them in response to teacher suggestions. A large majority said their children attend them in order to learn more.

Sharing the opinions of parents, teachers and school managers also explained that extra teachings are organised at the request of parents. In reality, it is very difficult to definitively differentiate between corruption in extra-classes and parents' desire for their children to enrich their knowledge. In most cases, parents seem to be asked to submit their 'requests for their children's extra learning' to their teachers. However, whether this is truly voluntary and due to the need to enrich students' knowledge is a different story. Pressure on teachers and schools, as well as social pressure, certainly play an important role, though they are difficult to assess. In any case, teachers sometimes disclose exam questions in advance in extra-classes so that students can pre-take the exams, giving them a clear advantage over others. This provides an incentive to enroll students in extra-classes, as it 'discriminates' against students who do not attend them. Extra-classes clearly corrupt the fair and true appraisal of students' performance (see Box 5 below) – especially when 'subjects of exams' are given to students in advance.

J. MISAPPROPRIATION OF MONEY INTENDED FOR STUDENTS

The corrupt act of misappropriating or embezzling money intended for students can occur in diverse forms, such as taking a rake-off from money allocated by the government to support poor students,⁶⁷ collecting money for textbooks allocated for free by the government, and cutting back food portions intended for students. Such practices have been put under the spotlight recently by newspapers (see Boxes 6 and 7). Moreover, despite hard evidence and public outcry, relevant authorities have not dealt with some cases resolutely (see Box 7 opposite). In certain cases, whistleblowers were victimised. This clearly cuts into community confidence and the effectiveness of future anti-corruption work.

Some parents interviewed said they knew about misappropriation of students' money through such forms of corruption. A parent and an education official added that 'some schools still enjoy commissions from some catering companies.'⁶⁸ In their opinion, this kind of corruption is an issue of concern as it adversely affects not only educational quality but also the physical and nutritional condition of school children, who families and society must ensure are in good health.

Box 5: The story of a student: victimised by teachers for denouncing their extra-teaching?

This is an excerpt from a letter from a student:

'When the issue of extra learning at school was mentioned by the head teachers, all of the teachers said extra learning was not compulsory. But I noticed one thing: all of my friends who did not attend the extra classes were given worse marks, and were asked more often to go to the blackboard to say their lessons. However, the story was quite different with those friends of mine who did attend extra classes. In fact, all of us understand that our learning at school is not very fruitful, but we have to clench our teeth to study hard for fear of being victimised. I am truly very sad and discontented. I am one of the few students who dared to stand up and speak out about my expectations and aspirations. But this does not change things, because I am alone in opposing this.

Now, going to school is real torture for us. When in class, we are not in good condition to learn; we are anxious and fear that today our teachers will ask those friends of mine who do not attend their extra classes to go to the blackboard to say their lessons, and ask them difficult questions and then give them bad marks...'

Source: People's Knowledge online newspaper: dantri.com.vn/c25/s25-141666/to-cao-chuyen-day-them-bi-thay-co-tru-dap.htm

67. For details, see: Tien Phong, 'A school principal taking a rake-off on the money allocated by the government to support poor students', 31 March 2010.
68. Interviews with Mrs Nguyen Thi T. and Nguyen L. At present, at the early childhood and primary education levels, school children normally are day-boarders and have their lunches at school, which are paid for by their parents to the school. On its part, to provide lunches and drinking water to school children, the school normally signs a contract with a catering company. In order to win such contracts, some companies extract a certain percentage of the total value in the contract to pay kickbacks to school officials.

Box 6: Corruption at Ten Tan Primary School

In order to end the tolerance and overlooking of corruption and ethical wrongdoing, a group of teachers at Ten Tan Primary School compiled full supporting evidence of wrongdoing and submitted a letter of denunciation to the Department of Education and Training in Muong Lat District, Thanh Hoa Province. In response, the District Inspectorate conducted an inspection to verify the claims and draw its own conclusion. Twenty of the 28 charges filed against school principal, Mr. Le Xuan Vien, were confirmed, including failure to pay for annual mobilisation activities, commendation and reward entitlements; arbitrarily cutting salaries of teachers to procure assets; forcing 4th and 5th graders to buy textbooks provided free of charge through Program 135; and producing fraudulent invoices to illegally collect money for personal gain. The District Inspectorate ordered Vien to pay back the VND 83 million that he had embezzled and wrongly obtained, of which VND 40 million was returned to his victims and VND 43 million to the state budget.

Source: Ethnic minorities and development online newspaper: cema.gov.vn/modules.php?name=Content&op=details&mid=10155#ixzz0IEVWj7ag

Box 7: Raking-off the food rations of day-boarding school children

Ms. Luu Ngoc Dan Phuong, who was assigned by the Boarding School for Children of Ethnic Minorities of Dong Nai Province to supervise the school's kitchen, reported to school principal Mr. Nguyen Phi Phuc – along with many kitchen employees – wrongdoing committed by the chief cook. In response, however, she was stigmatised and victimised.

Ms. Phuong said that over 16 years, the kitchen, being operating by chief cook Mr. Phan Xuan Nghieu, received monthly payments to buy food and drinks for school children. Working alone and without supervision, Nghieu bought food and drinks from markets, registered the items into the kitchen store, acted as the storekeeper, and directed all cooking operations. The annual budget was about VND 200 million. Food rations for 400 school children continuously shrank, and some food went stale and failed to meet safety requirements.

Beginning 13 January 2009, Ms. Phuong was assigned to supervise the school kitchen. She discovered that prices and quantities of many food items, rice and fuel were being fraudulently increased. Chicken eggs rose from the actual market price of VND 10,000 per dozen to VND 12,000; duck eggs rose from VND 10,000-15,000 per dozen to VND 18,000; firewood went from VND 140,000 per cubic meter to VND 170,000; and the price of rice increased VND 200,000 per ton.

Source: The Worker online newspaper: nld.com.vn/20100104112458260P1042C1110/bot-xen-khau-phan-an-cua-hoc-sinh-noi-tru.htm

K. COLLECTING MONEY FROM STUDENTS NOT AUTHORISED BY RULES AND REGULATIONS

Most parents interviewed said that, on top of school fees, they had to pay additional funds for learning equipment and devices, or for electricity and water supplies – even though these items are subsidised by the school. Such illegal, informal payments receive extensive media coverage and were a research topic of the Government Inspectorate ahead of the 7th Anti-Corruption Dialogue. According to one parent, a primary school also requested that parents pay for a new projector for teaching their children.⁶⁹

According to school managers, schools must collect additional funds from parents because the state budget is insufficient for their operations. Many parents say that families do not have full knowledge or understanding of government rules and regulations regarding which payments are legal and which are not, or they simply forget about the regulations. Parents listed up to 14 fees they had to pay to schools, which can be grouped into three main categories: (i) legal fees regulated by the MoET (e.g. school fees); (ii) fees collected for and on behalf of other authorities (e.g. health insurance, personal accident insurance); and (iii) ‘voluntary’ contributions or contributions not defined in official rules and regulations (e.g. school fund, class fund, charitable contributions, contributions

for procuring education equipment and devices).⁷⁰ Issues of non-transparency and potential corruption apply to the third group, and likely, to a lesser extent, the second group.

In interviews, parents confirmed they do not receive receipts from schools or teachers for most ‘voluntary’ fees and contributions that they pay.⁷¹ Such payments appear to be collected by the representative board of parents and are then passed on to schools; they are only published through the representative board of parents. Asked about paying unauthorised fees and contributions, most parents said they are normal and common costs that everyone must pay. However, there are concerns because parents usually do not receive official receipts for these transactions, and because schools are responsible for releasing all information to parents. The same holds true regarding how these funds are used. Thus, there are transparency concerns both for collecting and utilising these fees and funds.

Another prevalent phenomenon discussed by parents in interviews was the fact that the election of the representative board of parents most of the time is only a formality. In fact, such boards often seem to be nominated by head teachers. Some schools then collect unauthorised fees and contributions under the patronage of these boards. Accordingly, these funds are not subject to the final settlement of accounts or balance sheets, as the law below).

Box 8: Shocking figures regarding the settlement of accounts of receipts- expenses of one class

This case concerns class 1/11 of the Phu Dong Primary School, Hai Chau District, Da Nang City. The class had 52 students – 100 per cent of whom achieved an excellence rating. The end-of-year review showed that each student had to pay as much as VND 1.5 million to purchase air conditioners and televisions for the class, and portable computers and even mobile telephone SIM cards for teachers. The total amount paid by parents for the 2009-10 school year was as much as VND 77.33 million. The total expenditures were recorded at VND 74.233 million, with an average burden for each parent of about VND 1.5 million. This amount was labelled as ‘support the class with education equipment and devices.’ These figures were published by the representative board of parents for the class at the end-of-year review meeting on 24 May (2010), which was held to provide information to parents.

Source: People’s Knowledge online newspaper: dantri.com.vn/c25/s25-398590/choang-voi-con-so-ket-so-thuchi-cua-mot-lop-hoc.htm

69. Interview with Nguyen Thi T.

70. The 14 listed fees include: school fees, extra learning fees, school fund, class fund, fees for an attendant to monitor bicycles and motorcycles, medical insurance, enrollment fees, textbooks, school uniforms, learning equipment and devices, extra-activities fees, learning extension and promotion fund, charitable contributions and school building fees.

71. It is very difficult to clearly define which fees and contributions were collected according to the rules and regulations and which were not ‘illegal’. Fees and contributions that were not legally allowed were normally disguised as ‘voluntary contributions’, or contributions agreed upon, and collected by the representative board of parents.

To summarise, based on a synthesis of available documents and interviews with related targeted persons, this report makes the following preliminary observations:

First, corruption in Vietnam's education sector is quite similar to forms of corruption observed in other developing countries. The titles, categories and manifestations of these practices may vary, but they are similar in nature. Table 3 (on the next page) provides a comparative description of corrupt practices identified in Vietnam (through this research, including literature review and 46 in-depth interviews) and elsewhere in the world (reported in the literature).

Second, because of limitations on the scale and number of interviews, corrupt practices detected through this research may not fully reflect absolutely all manifestations of corruption currently being practiced in Vietnam's education sector. However, the results of the research – confirmed by the literature and by press reviews – appear meaningful and valid.

Third, there were varying assessments by interviewed targeted groups regarding the prevalence of each type of corruption, such as 'dubious' practices to enroll in desired schools and classes. While parents assess this prevalence as 'high', teachers perceive it as 'medium'. This is understandable, as the perpetrators of corruption find it difficult to acknowledge corrupt practices committed by their group (if not themselves). In any case, this report does not purport to assess the levels and prevalence of different forms of corruption.

Table 3: Prevalent forms of corruption in education identified in international contexts and in Vietnam

AREAS	INTERNATIONAL CONTEXTS	VIETNAM
Budget & finance	<ul style="list-style-type: none"> • Violation of regulations and procedures • Fraudulently increased prices and costs in invoices and receipts • Embezzlement • Delayed disbursements • No clear criteria for budget allocations 	<ul style="list-style-type: none"> • Violation of regulations and procedures • Fraudulently increased prices and costs in invoices and receipts • Embezzlement
Allocation of allowances (e.g. grants, scholarships, allowances)	<ul style="list-style-type: none"> • Biased allocation of allowances for a particular target group • Bribery • Ignoring/neglecting established criteria for selection and approval 	<ul style="list-style-type: none"> • Taking a rake-off from allowance money of pupils • Bribery (to win projects) • Illegally soliciting for educational equipment and device procurement
Construction, maintenance & repair of schools	<ul style="list-style-type: none"> • Fraud and biased treatment in bidding • Collusion with suppliers • Embezzlement • Falsified and non-transparent information (regarding construction plans) 	<ul style="list-style-type: none"> • Illegally soliciting for investment projects • Fraud and biased treatment in bidding • Collusion with construction agencies/companies • Embezzlement
Distribution of educational equipment and devices (e.g. for transportation of pupils, textbooks, school catering)	<ul style="list-style-type: none"> • Fraud in distribution • Collusion with suppliers • Procurement of unnecessary educational equipment and devices • Manipulated figures • Distribution of educational equipment and devices that exceed requirements 	<ul style="list-style-type: none"> • Commissions due to monopoly in procurement • Procuring unnecessary educational equipment and devices • Raking-off food rations of pupils • Corrupt practices due to a monopoly in printing and distributing textbooks
Compiling, printing & distributing textbooks	<ul style="list-style-type: none"> • Fraud in selecting and compiling textbooks • Copyright piracy • Pupils forced by teachers to buy unnecessary textbooks/documents • Delayed distribution of textbooks 	<ul style="list-style-type: none"> • Corrupt practices made possible by a monopoly in printing and distributing textbooks • Copyright piracy • Pupils forced by teachers to buy unnecessary textbooks/documents

Appointment, selection & recruitment of teachers (transfer & rotation of teachers), payment of salaries, training	<ul style="list-style-type: none"> • Fraud in selecting, recruiting and appointing teachers • Forgery or fraud in school achievements; forged degrees • Discriminatory treatment of certain teachers 	<ul style="list-style-type: none"> • Fraud in selecting, recruiting and appointing teachers • Forgery or fraud in school achievements; forged degrees • Discriminatory treatment of certain teachers
Wrongdoing by teachers	<ul style="list-style-type: none"> • Subcontracting classes • Absentism (without good reason) • Collecting illegal fees (school enrollment fees, exams, performance appraisal, extra teaching and extra learning) • Accepting bribes to provide preferential treatment to certain pupils • Personal extra teaching (using classrooms for personal extra teaching) • Sexual harassment • Bribery, soliciting favours from inspectors 	<ul style="list-style-type: none"> • Hiring teachers to teach for oneself in order to receive teaching hour allowances • Extra teaching • Accepting bribes to provide preferential treatment to certain pupils • Collecting fees not in compliance with rules and regulations • Arbitrarily increasing and modifying pupils' marks • Sexual harassment
Information system	<ul style="list-style-type: none"> • Modifying transcripts • Keeping information secret • Failing to publish information regularly, as required • Selling information that should be provided for free 	<ul style="list-style-type: none"> • Modifying transcripts • Keeping information secret • Failing to disclose 'informal' receipts-expenses
Exams, degrees	<ul style="list-style-type: none"> • Selling information on exams • Cheating in exams (e.g. cribbing, copying) • Bribery (in return for awarding high marks, admission to certain schools and classes, degrees, or moving up to higher classes) • Fraud in research work; plagiarism 	<ul style="list-style-type: none"> • Textbook piracy • Cheating in exams (e.g. cribbing, copying) • Lax monitoring of exams • Bribery (in return for awarding high marks, admission to certain schools and classes, degrees, or moving up to higher classes) • Leakage of exam questions during extra-classes
Institutional framework	<ul style="list-style-type: none"> • Fraud in the process of making policies and issuing legal documents • Lack of accountability • Lack of complaint systems 	<ul style="list-style-type: none"> • Lack of transparency in administrative rules and regulations • Lack of accountability • Ineffective institutions for handling complaints and denunciations of corruption

Source: Synthesis of reference documents from TI (2010) and findings of this report.

Fourth, to summarise from a different perspective, the forms of corruption detected in this research can be divided into two main groups:

i) Grand corruption⁷² is characterised by large sums of money and occurs at higher levels. Forms of grand corruption are observed not only in education but also in other economic areas and fields – such as public investment projects (funded by the state budget, ODA funds), public procurement projects and key specific programmes targeting poor areas, ethnic minorities and etc. Bribing in order to secure contracts is a common cross-sectoral type of corruption. Fighting this phenomenon requires macro-level measures by the government, and coordination and cooperation from relevant sectoral agencies and ministries, not only efforts by the MoET.

ii) Petty corruption, characterised by small amounts of money occurring at lower and middle levels, is common to the education sector, as seen in this report. Individuals interviewed for this report strongly agree that these corrupt acts can seriously affect the daily life of citizens, public opinion and society, as well as the long-term development of the country. The MoET must take necessary proactive measures to deal with these forms of corruption, and, if necessary, coordinate and cooperate with relevant ministries and sectoral agencies on effective measures to effectively deter and prevent them.

Fifth, actors and perpetrators involved in corruption include education management agencies at all levels, schools (including principals, managers and teachers), parents and pupils.⁷³ It should be noted that there is often no clear division between perpetrators and victims of corruption. Moreover, in reality, victims in one case may be perpetrators in other cases. For example, teachers may drive corruption in teacher-parent relationships, but at the same time they may be victims of corruption in teacher-manager relationships (e.g. soliciting to teach in good and/or small classes; bribing or engaging in intrigue to obtain the title of ‘teacher of excellence’). This dynamic should be kept in mind and carefully analysed when considering the causes and patterns of corruption in order to identify and implement effective anti-corruption solutions.

72 According TI's definition, grand corruption is 'breaches at high levels on the part of the government distorting policies, activities at the central level of a nation, enabling leaders to benefit from expenditures on procurement of public good'. Petty corruption is the 'abuse of given authority by middle managers or junior managers, on a daily basis, when contacting ordinary citizens and seeking the use of basic goods or services in such places as hospitals, schools, police stations or other agencies'.

73. They may be the perpetrators or victims of corruption.

3.2. Understanding the causes of corruption and their effects on education

Causes of corruption in education

Through literature and press reviews, and targeted in-depth interviews, the research team collected varied viewpoints regarding the main causes of corruption in education.

Causes can be divided into two main groups:

1. Causes related to existing mechanisms of education management:

Despite progress by authorities in strengthening education management mechanisms during the past two decades, these reforms still face many ongoing and emerging shortcomings and challenges. This creates loopholes and a lucrative environment favouring corrupt acts and practices. Characteristics of this system include:

WEAK INSTITUTIONAL ACCOUNTABILITY:

An 'asking-giving' mechanism and culture, associated with poor management and loose supervision by regulatory agencies, and a lack of transparency in allocating funds, and appraising and approving investment projects, are among the most important structural causes of corruption in education. Weak institutional accountability, fully recognised by Vietnamese authorities, impacts investments, allocation of funds for public procurement, and allocation of teachers. It should be noted that such a situation also exists in other areas with regard to budget management and the utilisation of financial resources. Therefore, the responsibility for solving these problems concerns not only the education sector, but other sectors in which central state agencies and local authorities play a fundamental role.

WEAK STAFF OVERSIGHT:

The issue of weak management capacity of officials at all levels – from the central down to the local level – is also clearly acknowledged by Vietnamese authorities. Unfortunately this limited capacity is often coupled with failure by these civil servants to fulfill their official functions and duties in accordance with established procedures, processes, rules and regulations.

The lack of robust and strict monitoring and supervision of programme implementation creates opportunities for corruption and waste, especially in the areas of investment and public procurement, as previously discussed (see Box 2). Inspection and supervision activities are still stifled due to many shortcomings and challenges. They primarily take place after incidents have occurred, also demonstrating that developing and implementing preventive measures is also very limited. Delays in (public) serious handling of cases of corruption – such as taking a rake-off from student food rations (see Box 7) or victimising whistleblowers while promoting corrupt staffers, as with Ten Tan Primary School⁷⁴ – also make tools of inspection and supervision ineffective and inefficient. These negatively affect the general public's confidence in the efficiency of these mechanisms; even if sometime cases are handled by relevant authorities, but discretely, not publicly and transparently.

INSUFFICIENT LEGAL SYSTEM:

The system of laws and legal documents is still stifled due to loopholes and contradictions, enabling certain individuals to abuse and take advantage of situations to commit corrupt acts and practices. These weaknesses, some of which have been officially noted by authorities, include many ineffective and cumbersome procedures, and unrealistic and/or monopoly-encouraging regulations related to the provision of public services (such as monopolies in publishing textbooks, as mentioned previously). For example, according to Circular No. 09/2009/TT-BGDĐT, all schools within the education system must release their results on the Internet or school notice boards for 90 days in terms of 'quality of education', specific enrollment figures, infrastructure conditions and financial statements, including revenues and expenditures. This circular, however, is very weakly implemented; a few schools implement it faithfully, and even the well-known Le Quy Don upper secondary school does not follow on this regulation.⁷⁵ Because of this, there is a strong willingness among education policy-makers to centralise education management in order to improve control. For example, for investments in capital construction, there are 12 different steps between investment planning and the check-and-handover of the completed project.⁷⁶ One official

who was interviewed said: 'Due to the fact that criteria for the very first procedure of investment planning to the final procedure are not clearly defined, chances for corruption to take place at each and every step are very high.'⁷⁷

A LACK OF TRANSPARENCY:

There is a clear lack of transparency in allocating and utilising resources, and in selecting, recruiting and promoting educational officials and staff. This seems to constitute one of the most fundamental causes of corruption in education, as in many other sectors. This seems to particularly affect the process of selecting investment projects from local education authorities to higher authorities. Even if there seems to be an official willingness by authorities to try to improve transparency, as demonstrated by new legislation, implementing regulations related to transparency remains limited (see example of Circular No. 09/2009/TT-BGDĐT above).

LIMITED PUBLIC PARTICIPATION:

Another significant cause of corruption in education is the lack of participation in monitoring, supervision and management – from the first phase of planning and implementing public investments and procurement – by direct stakeholders, especially the direct beneficiaries of budget allocations (e.g. school administration, teachers, parents, pupils). The involvement of teachers and parents in implementing, monitoring and overseeing investment projects managed by educational authorities is normally very passive.⁷⁸ Conditions are not favourable for strong public participation. Because budgets are allocated at higher levels, direct stakeholders may be fearful of jeopardising projects by challenging the authorities who are in decision-making and management positions.

WRONG PERFORMANCE INCENTIVES:

The existence of counter-productive performance incentives and indicators in management and motivation of schools confirm the 'illness' of manipulating achievement indicators and awarding fake degrees, thus creating more opportunities for corrupt practices. Example include targeted performance indicators for schools' achievements, performance appraisals

74. cema.gov.vn/modules.php?name=Content&op=details&mid=10155#ixzz0IEVWj7ag

75. Dan Tri, 18 April 2010; dantri.com.vn/c202/s202-391211/hieu-truong-truong-thpt-le-quy-don-bi-to-nhieu-sai-pham.htm

76. The 12 steps are: (1) preparing and submitting the proposal; -> (2) the Department of Education and Training of the province/city; -> (3) appraisal and approval by the Department of Planning and Investment; -> (4) the People's Committee of the province/city – investment decision-making; -> (5) design budget expenditure estimation; -> (6) approval by the Department of Education and Training of the province/city; ->(7) invitation of bidders; -> (8) the bidding process; -> (9) construction works; -> (10) check before acceptance of the completed construction works; -> (11) final settlement of accounts; -> (12) hand-over of the completed construction works.

77. Interview with Mrs Nguyen L.

78. Interview with an NGO staff working on community participation in education projects.

of pupils primarily based on marks and exam scores, as well as criteria for teacher selection and recruitment mechanism. The overemphasis on appraising student performance with exam marks and scores has led to a situation in which students only learn by rote and focus on subjects that are likely to be on exams. Additionally, parents 'run around' to solicit favours for their children to be given good marks/scores, and extra-classes expand in order for students to secure good grades. Parents interviewed for this report said the trend by employers and society in general to attach great importance to degrees clearly puts pressure on parents to try their best to secure a degree for their children, regardless of their true capacity.

POOR PAY FOR TEACHERS:

Another cause of corruption in education is poor compensation and rewards for teachers. Despite many state reforms to establish preferential salaries, teachers do not seem to earn enough to ensure a decent life if they only rely on their official salaries. This is also the case in other public services, such as health, culture and state management. The situation is more pronounced in urban areas, where the cost of living is increasing rapidly. In such areas teachers and other educational staff can also be more easily 'frustrated' by an environment where wealth and new temptations are more and more exposed – and physically 'accessible' (if not financially). Based on general discussions about corruption and interviews conducted for this report, low pay seems to be one of the main causes of petty corruption in Vietnam, and in education in particular. Solving this problem will require a long-term effort by a state apparatus that remains cumbersome, unwieldy, inefficient and ineffective.

ii) Causes related to stakeholder groups such as schools, teachers and parents

WRONG INCENTIVES FOR TEACHERS:

Due to factors such as low pay and the blossoming of market mechanisms through politics of socialization and privatization of education, some teachers pay more attention

to earning more money, offering extra classes or taking additional jobs than to their official teaching duties. Their commitment tends to follow the 'market rule' and not the standard of public service. In looking for other sources of income, some teachers focus on offering extra-classes and taking money from parents willing to manipulate officials in order to enroll their children in desired schools or classes, or obtain good marks/scores. However, when asked why they need to offer extra-classes, many teachers interviewed said they not only provide them with extra income, but that parents also request extra classes to help their children. Teachers also say these extra-classes help them to improve their professionalism, which is a better option than finding other jobs to earn a living. In any case, this tends to downgrade the ethical values of such teachers, who are perceived as 'corrupt' by many citizens.⁷⁹ As a result, they do not embody a 'role model' for students and parents, who are likely to respect them less.

WIN-WIN SITUATIONS:

The collusion in corruption from both perpetrators and victims makes anti-corruption work in the education sector very difficult. Covering up corrupt acts and practices is widespread, because in most cases corruption benefits both the perpetrator and the victim. For example, it cannot be denied that the system of 'market prices' related to enrollment in desired schools and classes, and obtaining high marks/scores, also benefits parents, who obviously wish their children to attend high-quality, prestigious schools, to be taught by talented teachers, and most importantly to perform well at school. At the same time, this explains why education managers and teachers focus too much on performance achievements of their schools and classes. Good performance indicators tempt parents to give gifts to teachers and principals in order to help their children succeed. Consequently, education managers and teachers tend to think of helping students by increasing their marks/scores in order to please parents. Thus, a win-win situation is achieved. Similarly, dubious practices and manipulation to secure investment projects not only benefits corrupt individuals (i.e. officials in authority), but also schools that receive state-funded projects, and ultimately parents and students.

79. As mentioned by many participants during the roundtable, 'Corruption perceptions and impacts on quality of education in Viet Nam: How to improve transparency and accountability?', held 20 May 2010 by TI and the Swedish Embassy, Hanoi, with support from Towards Transparency, TI national contact in Vietnam.

LACK OF A WHISTLEBLOWING CULTURE:

There clearly appears to be fear and apprehension in the society when it comes to whistleblowing or denouncing corruption in general, and education in particular. While life and death is at stake in the health sector, the future of children is at stake in the education sector. There is a strong acceptance of corruption, or even resignation. People interviewed for this report said many parents believe that regularly giving gifts to teachers will positively influence their children's performance at school. Most parents, however, do not seem to consider this to be corruption, but rather a normal act to show their proper respect to teachers and the education of their children. This perception can be considered an outward sign of 'Asian values' that strongly characterise Vietnamese society. However, there is a fragile borderline between giving gifts to show proper respect to teachers, and sending a message of 'please help and pay special attention to my child' (and more and expensive gifts will follow). This latter message is an invitation to engage in corrupt behaviour. Even though the meaning of a

gift can be decoded by its nature, value and the circumstances of how it was given to a teacher, it often remains difficult to draw clear distinctions between the culture of gifts and the culture of corruption. What is clear is that the culture of gifts can easily be used as a cast-iron alibi for parents and teachers to flirt with and engage in corrupt practices while easing their conscience.

Overall, however, victims of corruption tend to hesitate to report or denounce corruption for fear of adverse reactions, revenge, negative consequences or further victimisation that may affect their family members or their children's education. Based on all interviews with parents, teachers and anti-corruption officials, there appears to be strong consensus around this assumption. A testament to this is the fact that people interviewed for this report did not want to provide their names or the names of their children, schools or classes. People are willing to talk about these issues but prefer to remain anonymous.

3.2. Understanding the causes of corruption and their effects on education

Effects of corruption on the quality of education

Through a literature and media review, and interviews, there appears to be unanimous agreement that corruption can adversely affect the quality of education in general and the quality of secondary education in particular. However, it also seems clear that assessments of these negative effects vary to a certain extent, depending on the forms of corruption and the person providing input. That said, here are some general assessments of these negative effects:

RISING COSTS AND INEQUALITY:

First, corruption in education threatens to increase educational costs for households and worsen the risks of inequality in accessing educational services. According to the 2008 VHLSS,⁸⁰ the average annual cost per student is VND 1.844 million, of which school fees and extra-class costs are the highest – 29 and 12.4 per cent, respectively. Not surprisingly, total costs are higher in urban than in rural areas. Similarly, interviews conducted at three schools in Hanoi confirm that parents in suburban Hanoi seem to pay less for corrupt practices than those downtown, especially those studying at prestigious schools. However, considering the costs relative to total household budgets, poor families rural areas are hit most severely. As is the case with many social issues, it appears that most of this burden falls on urban poor and middle-class households. It is only logical that because corruption threatens to increase education costs for families, corruption increases the dropout risk among families that cannot afford these extra costs. Hence, corruption directly increases the inequality in access to educational services.

DECREASE IN QUALITY?

No consensus emerged from interviews regarding the direct impacts of corruption on

educational quality. Such perceptions differ, depending on the viewpoints of different stakeholder groups (see Table 2 above). For instance, some citizens and parents said extra-classes, the costs of children studying in desired classes and high-quality schools, buying textbooks from schools, and paying unauthorised fees in no way negatively affect the quality of education. However, according to other interviews, corruption seems to seriously affect the overall quality of education, a view that apparently has been confirmed by some press coverage.⁸¹ In particular, corruption impacts the commitment of teachers and the earnestness of children. Because it significantly impacts fairness, it also creates a poor atmosphere of study and work that demotivates various players and discredits the entire system.

EROSION OF ETHICAL NORMS:

As already mentioned, corruption contributes to the downgrading of teachers' and pupils' ethical values. According to media reports, school violence has been on the rise recently. Problems such as students engaged in gambling, crimes against elderly people and teachers,⁸² teachers selling grades or seducing female students, occur not only at some secondary schools but throughout the country. These phenomena are partly rooted in the forms of corruption discussed in this report. They erode the confidence of society and communities in Vietnam's education system, leading many well-to-do families to have their children study abroad or attend international schools instead of Vietnamese schools.

In any case, as also demonstrated by international experiences, it seems difficult to argue that corruption is not likely to not reduce the quality of education of Vietnam in the long-run. Interviews conducted for this report reveal that actions by parents to do everything

80. VHLSS 2002, 2004, 2006, 2008, General Statistics Office.

81. See, for example: interview with Nguyen Lan Dung, 'Corruption in enrollment into desired schools makes the quality of education decrease, 3 September 2009; www.vannghequandoi.com.vn/index.php?option=com_content&view=article&id=4800:giao-s-nguyn-lan-dng-qchy-trngq-lam-cht-Ing-giao-dc-i-xung&catid=1:-nhanvt-vn-skin&Itemid=2; Linh Thuy, 'Ethical values of teachers', 19 September 2009, tuanvietnam.vietnamnet.vn/2009-09-19-dao-duc-thay-co-con-sau-lam-rau-noi-canh; Hoang Tuy, 'Education can not be reformed piece by piece', 8 October 2010, tuanvietnam.vietnamnet.vn/2009-10-08-giao-su-hoang-tuy-giao-duc-khong-the-doi-moi-vun-vat

82. vietnamnet.vn/giaoduc/201004/Hoc-tro-truong-Kim-Lien-danh-bac-ngay-cong-truong-904917/

to enroll their children in desired schools and extra-classes seem to be considered by key stakeholders (principals, teachers and parents) as the main corruption issues. The interviewees said that negative practices related to exams, soliciting for higher grades, and misappropriating funds from educational or school building projects – even if less prevalent – are considered to be most harmful to the quality of education, while textbook monopolies exert the least harm. However, one should be careful when considering these assessments. It has been shown that ‘perpetrators of corruption’ (people or groups who benefit from corruption and receive

bribes) tend to underestimate the prevalence of corruption, as they directly or indirectly benefit from it. On the other hand, corruption victims may overestimate the situation. In any case, the consequences of corruption negatively impact learning conditions, reduce the quality of education and lower the quality of the products of education – the students themselves. In the final analysis, corruption in education will exert long-term, serious effects because it directly bears consequences on future generations – the human resources for long-term development of a nation.

Table 4: Synthesis of opinions of interviewees regarding the effects of corruption on the quality of education in Vietnam

TARGET INTERVIEWEES	PERCEPTION OF THE EFFECTS OF CORRUPTION ON THE QUALITY OF EDUCATION
Citizens and parents of students	<ul style="list-style-type: none"> • Most parents do not seem to consider extra-classes as negative. They think they are normal and do not significantly affect the overall quality of education. • Many parents have the perception that arranging for their children to study at high-quality classes and schools, and extra-classes are not corrupt practices. Rather, they simply want their children to have the opportunity to study in a high-quality teaching and learning environment, and improve their knowledge and performance. However, some people maintain that only well-to-do families can afford to do this, thus disadvantaging children from poor families. • Giving gifts to teachers on important holidays seems to be considered by parents as a normal practice that does not significantly affect the quality of education. • Many parents attest they do not solicit higher grades for their children, and that this practice would negatively affect the quality of education (students' performance appraisals). • Parents seem to think corruption in procuring educational equipment, devices and educational projects does not directly affect education. Rather, they say the behaviour of school managers and teachers affects education directly. • Parents seem to think that paying many fees and buying textbooks (with commissions for schools) does not significantly affect the quality of education. However, citizens say that many poor households cannot afford such fees, giving rise to inequality in access to educational services.
Teachers	<ul style="list-style-type: none"> • Teachers seem to think that corruption affects the quality of education, but to a moderate extent. More importantly, the level of managerial leadership or ability of school principals does affect the quality of education. • Teachers seem to consider extra-classes normal in the current mechanism. Ethical values of teachers is the most important factor that affects the quality of education. For instance, suggesting, pressuring or forcing pupils to take extra classes will negatively impact the quality of education.
Managers	<ul style="list-style-type: none"> • At a macro level, educational managers seem to believe that reforming the current system of production of textbooks can affect the quality of education. Therefore, there is a need to conduct practical studies and surveys before starting any reforms in this regard. • Managers say current teacher transfer and rotation policies (to remote, far-reaching and mountainous areas that face difficulties) have proven ineffective. In many cases, such practices are abused for hidden discrimination of teachers who are not 'on the side' of leaders. This affects the quality of education. • Practices of 'running around' soliciting for mobilisation activities achievements and quality teachers is considered to indirectly affect the quality of education.
Other persons interviewed	<ul style="list-style-type: none"> • "Running around" soliciting enrollment in desired schools happen on a rampant scale do adversely affect the quality of education. However, this occurs primarily in urban areas and not in remote, far-reaching and mountainous areas. • In remote, far-reaching and mountainous areas, negative practices related to recruiting and transferring teachers are rampant. • Compared to other sectors, the number of major corruption cases in education is small but the cases are prominent, which considerably impacts the quality of education. • Extra-classes significantly affect the quality of education because only well-to-do families can afford them, while poor families have fewer opportunities to send their children to them. This increases inequality in education.

Source: Synthesis of reference documents from TI (2010) and findings of this report.

4. SOME POLICY SUGGESTIONS AND DIRECTIONS FOR FUTURE RESEARCH

4.1. Some policy suggestions

Combating and preventing corruption in general – and corruption in education in particular – require participation of the entire society, including the state, schools, teachers, parents, citizens and students. This is because the education sector involves all Vietnamese families whose children attend school. To effectively combat and prevent corruption, the following policy suggestions are recommended:

Regarding the perception of the society

1. CALLING CORRUPTION BY ITS NAME:

Although it is likely that the forms of corruption in education identified in this report could be considered prevalent, communities still do not perceive these actions as ‘corruption’ but rather as ‘negative phenomena’, thus rendering anti-corruption work in the education sector ineffective. Therefore, this report encourages the MoET to call these corrupt practices properly as ‘corruption’, and to make sure they are named as issues to be tackled in legal documents and anti-corruption programmes of the education sector.

2. SAYING ‘NO’ TO CORRUPTION:

In order to combat and prevent corruption, it is necessary to enhance parents’ proper awareness and perception of the effects corruption has on the quality of and access to education, and to make them understand that the ‘acceptance’ or ‘resignation’ with regard to corruption will harm their children in the future. At the same time, stakeholders such as managers, principals and teachers must resolutely say no to bribes from parents. Fairness in and respect of the education system are at stake. If corruption occurs in any form, these stakeholders must comply strictly with anti-corruption laws. Additionally, anti-corruption efforts must be undertaken on the basis of society’s enhanced perception and understanding of corruption, new achievements incentives and true performance measurement. A competitive environment must be created in which the most crucial factor is equality in terms of recruitment opportunities – instead of excessive attention and importance on degrees. If this is achieved, fraud will have no breeding ground in schools or within society at large. Society must change

its awareness and perception of the various forms of corruption and consider corruption as a significant risk that deteriorates the traditional values and the quality of Vietnam's future human resources.

Regarding the state

1. DEFINING NEW CRITERIA TO BETTER ALLOCATE STATE BUDGET FUNDS AND FIGHT IMPROPER INCENTIVES:

The mode of allocating state budget funds to schools should continue to be reviewed to remove improper incentives and opportunities for school management to abuse the current system, in addition to continued increases in expenditures for education (including increased teacher salaries according to the road-map defined by the scheme for updating the education management mechanism, 2009-14). The current mode of allocating schools funding is still too much based on the number of teachers and students, which generates a tendency to 'inflation' of students from schools management and risks of manipulated data. Budget allocation should be shifted to being based on both socio-economic situation of the area of the school (to give more support to poor schools, difficult district and etc.) and outputs and outcomes. For instance, how many students graduate each year in combination with evaluations of the quality of education provided by schools, while at the same time taking into account the socio-economic situation of the school. In other words, a new mode of budget allocation should tend towards a system of ex-post facto quality check. The reform towards establishing an ex-post facto quality-check system appears to be ongoing, generating competition among schools. The MoET already has an initiative to rank tertiary schools by their results at the end of class 12 for university entrance exams. This initiative should be at the same time supported, encouraged, strengthened and monitored.

2. DEVELOPING A STRONG AND INDEPENDENT MONITORING AND EVALUATION SYSTEM FOR QUALITY INSURANCE AND ACCREDITATION:

This report also recommends special attention be paid to developing an efficient system

of monitoring and evaluating the quality of educational services. This system may help detect dubious practices and play an indirect role as a corruption warning system. The state must establish independent agencies charged with regularly auditing and verifying quality, by assessing service-users' perceptions and experiences with the education system, in particular parents and students. Such people's assessments done by independent agencies (or an equivalent citizens' report card system) would include monitoring issues of transparency and corruption. The results would be published and accessible by citizens, thereby becoming a criteria to attract students to specific school, regardless of whether it is private or public. These results can be used as a criterion to determine school budget allocations (such as the recommendation on a new mode of budget allocation, above). The MoET already announced a new initiative to independently monitor and evaluate the quality of education.⁸³ This initiative should be at the same time supported, encouraged, strengthened and monitored.

3. STRENGTHENING WHISTLEBLOWER PROTECTION:

This report urges Vietnamese authorities to strengthen protection of people who blow the whistle on corruption in education, as in other sectors. A new regulation to ensure better protection of courageous people who stand up against corruption should be adopted as soon as possible. Institutions – ideally independent – and mechanisms to ensure efficient enforcement and monitoring of this legislation should be put in place.

Regarding education management agencies (first of all the MoET)

Strengthening the fight against corruption in education is a huge challenge. To be effective, it must be associated with a well-functioning mechanism and a combination of many synchronised solutions, guided by a new general philosophy for which the new MoET Anti-Corruption Action Plan, dated 30th July 2010, adopted after the ACD, is a good milestone:

1. 'LOCALISING' INCENTIVES FOR SCHOOLS TO ELIMINATE THE PRESSURE TO CONCOCT

83. See: <http://www.giaoduc.edu.vn/news/nhip-cau-su-pham-758/se-co-to-chuc-kiem-dinh-chat-luong-giao-duc-doc-lap--137220.aspx>

‘FAKE ACHIEVEMENTS’:

Education management agencies should reconsider the guidelines and mode of organisation of mobilisation and motivation work. The objectives of schools and mobilization activities for teachers and students and should be defined in a more concrete, bottom-up fashion based on actual capacity, instead of the current top-down, vague and formalistic approach. The current approach, far from realities, indirectly creates opportunities for corruption by defining unrealistic objectives. Schools should be given greater management autonomy to avoid the issues generated by the current mode of functioning. A good motivation system must be based on local contexts and realities to create realistic achievable objectives and incentives for schools, teachers and students.

2. STRENGTHENING INSPECTIONS, OVERSIGHTS AND MONITORING, ESPECIALLY THOSE CONDUCTED BY SERVICES USERS:

This report recommends that inspections, oversight and monitoring activities be strengthened, especially bottom-up oversight and monitoring carried out by parents and citizens. Inspections currently follow a top-down approach whose efficiency has been questioned by many stakeholders. Many people say official inspections by higher levels are seen with cynicism because they are often inefficient. Moreover, strengthening oversight and monitoring activities from the bottom is completely in line with the policy of ‘socialisation’ of education⁸⁴ and promoting Grassroots Democracy policy. Management agencies should enhance conditions for people inspections and supervision to be conducted regularly and efficiently.

3. REGULATING THE TEXTBOOK INDUSTRY TO AVOID BAD PRACTICES AND REDUCE COSTS:

The system that regulates textbook production and distribution industry should be reformed to prevent opportunities for corrupt practices. Abolishing the current monopolistic system of writing, printing, distributing and publishing textbooks should be contemplated, taking into consideration successful and effective experiences in China (see Box 9 on the next page).

4. CONTINUING THE REFORM OF CIVIL SERVANTS’ SALARIES (PARTICULARLY TEACHERS) AND STANDARDS:

This report recommends that the MoET request the government, the Ministry of Labor, Invalids and Social Affairs (MoLISA), and the Ministry of Home Affairs (MoHA) to proceed with ongoing reforms of salaries, compensation and rewards for the public sector, especially teachers. Though average salaries for education workers are not among the lowest for public services,⁸⁵ they appear to be insufficient to ensure good living conditions and household stability – especially in fast developing urban areas.

5. ESTABLISHMENT OF A TEACHERS ASSOCIATION:

In addition, the MoET should seriously consider permitting the establishment of a ‘Teachers’ Association’ (Hoi Giao Vien) to complement and strengthen the work of the existing ‘Vietnam’s Association of Former Teachers’ (Hoi Cuu giao chuc) established in 2004, and to operate as a professional organisation to protect teachers and supervise the respects of teachers’ working conditions standards (and the below mentioned code of conduct and ethics at the same time). The MoET should also develop a comprehensive set of professional codes of conduct and ethics for teachers, and publish it openly for teachers to follow and to enable citizens to monitor teachers’ behaviors.

6. ENFORCING EXISTING REGULATIONS ON SCHOOL AUTONOMY:

It is crucial to seriously and rigorously implement the government’s Decree No. 43/ND-CP (25 April 2006), which outlines provisions for the right of autonomy and self-responsibility for the performance of tasks, organisational apparatus, payroll and finance of the schools. According to interviews with school representatives, the decree does not seem to have been implemented nationwide. It is also necessary to clearly define and establish powers, authorities and responsibilities for the schools’ principals. Experience shows that implementing this decree would help schools to utilise their available budgets more effectively and efficiently; putting schools in a better position to increase teacher incomes. The state should closely monitor and enforce these policies.

84. The “socialisation” of education is the general policy allowing increasing financial contributions from society (i.e parents) to support the growing budget of functioning of the education system, including teachers’ salaries (this relies mainly on new official fees, contributions... etc).

85. According to statistics from Surveys on Household Living Standards of the General Statistics Office, monthly salaries in the education and training sector in 2008 were VND 2,679,000, which was higher than those in such sectors as state management, national security and national defence, health and social protection (VND 2,259,000), and culture and sports (VND 2,125,000); see: Results of the Survey on Household Living Standards 2008.

Box 9: Reforming the textbook monopoly in China

In 1999, after a long period of implementing centralised management of the education system with a complete set of textbooks, a collection of guidance documents for exams and a set of questions for university entrance exams, China began to completely renovate its mode of management and appraisal of textbooks to be appropriate and suitable according to the development of its society.

The 1999 reform was carefully designed and methodically implemented in two phases. In phase 1 (the interim phase), China's Ministry of Education and Training reviewed and revised textbooks for students, and teachers' books. In 2000 revised textbooks were put into use. In phase 2, efforts focused on standardising curricula according to the new textbooks, and standardising newly written and published textbooks. It should be noted that beginning in 1999, along with the content of the curricula, the ministry concurrently began reforming the process of revising, approving, printing and distributing textbooks. Initially, the monopoly of national wholesaler Xinhua in printing and distributing textbooks was phased out, with pilots conducted in some localities.

To support such efforts, China decided that at least 10 per cent of textbooks and 40 per cent of the total number of study subjects were subject to compulsory competitive bidding in printing and distribution. Post offices were encouraged to participate in the distribution system to create sufficient competition with Xinhua, thus opening the way for small service providers to enter the market. The situation has moved from being a complete monopoly, as in Vietnam, to Xinhua now facing 20 competitors. The number of publishing houses allowed to participate in printing and distributing textbooks has risen to 70. The quality of textbooks has improved and prices have dropped significantly. Because 160 million rural students of the 200 million students throughout China have benefited from such reform efforts, the option for renovation, together with standardising curricula and abolishing Xinhua's monopoly, have been considered important milestones in the history of China's education sector.

Source: tuoitre.vn/Giao-duc/151831/Chong-doc-quyen-SGK-con-kho-hon-xoa%C2%A0-doc-quyen-cua-VNPT.html

7. ENFORCING AND COMPLEMENTING EXISTING REGULATIONS ON EXTRA-CLASSES:

The effort to define and issue clear specific rules and regulations regarding extra-classes should continue. Existing regulations must be rigorously monitored and enforced. When necessary, complementary regulations must be issued to avoid loopholes and uncertainties. This effort must ensure that no teachers engage in extra teaching of students in their own classes.

8. IMPROVING TRANSPARENCY OF SCHOOLS:

There is a clear need to implement a mechanism for monitoring and supervising the implementation of the MoET's Circular No. 09/TT-BGDDT regarding the regulation on disclosure of information by schools belonging to the national

education system. As denounced in the press and confirmed by interviews conducted for this report, information disclosure in accordance with this circular seems to still be arbitrary and de facto at the discretion of schools. Some schools do not release complete information and/or when they release information, the information is only available for a very short time (too short compared to official regulations). However, guiding citizens and informing them of the available information is also extremely important to complement the education sector's efforts.

9. CLARIFYING AND MONITORING OFFICIAL AND INFORMAL SCHOOL FEES:

The MoET should continue efforts to define clearly and transparently all fees that schools are permitted or not permitted to collect (see Annex 1). These rules must be monitored effectively.

9. CLARIFYING AND MONITORING OFFICIAL AND INFORMAL SCHOOL FEES:

The MoET should continue efforts to define clearly and transparently all fees that schools are permitted or not permitted to collect (see Annex 1). These rules must be monitored effectively.

10. STRENGTHENING THE ROLE OF REPRESENTATIVE BOARD OF PARENTS:

Linked to the previous point, this report recommends that the MoET create conditions that enable representative board of parents (or any citizen) to play its role of closely monitoring school activities, and not just collecting non-official fees for schools. In particular, it is suggested that the MoET revise the Charter for Representative Board of Students' Parents (MoET Decision No. 11/QD-BGDDT, 28 March 2008) in order to increase power, authority and responsibility of this board with regard to its participation in project formulation (through participatory planning) and supervising investments in and procurement of teaching aids. With the school administration, the board could also participate in selecting providers of catering services for students. At the same time, in order to promote better understanding and objectivity about the real situation of the school, representatives of the administration should be present at periodic meetings of the school and representative board of parents.

11. STRENGTHENING ANTI-CORRUPTION EDUCATION:

Anti-corruption curricula should be strengthened, as Vietnamese authorities have committed to do ('Project 137' signed by the Prime Minister in December 2009). Such curricula being developed for tertiary and university levels should also be adapted for and introduced to the lower level (lower and upper secondary schools).

Regarding parents

Parents play a very important role in fighting corruption and promoting transparency in the education sector, first by teaching their children to pursue their studies to obtain knowledge and attain self-confidence based on their own true abilities and performance. Moreover, this report recommends:

1. SUPPORTING THE PROMOTION OF ANTI-CORRUPTION VALUES AND EDUCATION:

As role models for their children, parents should complement the general values and ethics that their children are being taught at school from the youngest age; as well as, in the near future, the specific anti-corruption education that is being developed in the framework of Project 137, for different education levels. Parents instill the respect that their children should have of the education system. It is fundamental that they exhibit positive examples by 'saying no' to corruption in education.

2. STRENGTHENING THE ROLE OF THE REPRESENTATIVE BOARD OF PARENTS:

To complement the previous recommendations to the MoET, the representative board of parents at schools and classes should promote its own role and responsibilities in monitoring and supervising educational operations at schools. In reality, based on the model of piloting investment projects for some secondary education schools in remote and mountainous areas funded by the NGO Oxfam Great Britain, it is clear that the representative board for parents can become a strong bridge between parents, schools and local authorities.⁸⁶ Parents' boards should push at the local level for revising the Charter for Representative Board of Students' Parents (MoET Decision No. 11/QD-BGDDT, 28 March 2008) in the direction described in recommendation 10 for education management agencies. Parents must also seize the opportunity to play a stronger role in monitoring school activities, first by using their prerogatives defined in existing regulations.

Regarding students

Students are clearly engaged in very unequal relationships with their parents and teachers. Still, they should play a stronger role in fighting corruption and promoting transparency in education by 'saying no' to participating in corruption-based relationships. They should be motivated to form students' groups to actively participate in national anti-corruption efforts. In many cases, students can act as agents to limit corrupt acts and practices in schools (by organising, for example, debates, forums and anti-corruption campaigns themselves and then

86. For some projects funded by Oxfam GB, the formulation of school building projects was done through a consensus of three parties: namely, local citizens whose children were studying at schools; schools; and representatives of the local administration. Oxfam GB also requested that representative board of parents participate beginning with the project formulation phase and undertake supervision of capital construction works or receipt of projects for teaching aids. According to these experiences, allowing parent participation in supervising construction works has contributed to improved effectiveness and efficiency of projects, and less wastages.

contribute to strengthening the school anti-corruption efforts), and especially to discourage their parents from giving bribes.

Regarding society and media – more general recommendations

1. STRENGTHENING THE MASS MEDIA'S ROLE IN REPORTING ON CORRUPTION:

As ongoing reforms are showing the way, this report recommends promoting further the role of the mass media in anti-corruption efforts. Experience shows that newspapers and public opinion play a very important role in detecting, blowing the whistle on and denouncing corrupt acts and practices in general, and corruption in education in particular. Concretely this includes facilitating improved access to information; this report is hopeful that a new draft law on access to information soon will be adopted. This

includes also strengthening capacities and better protection of journalists and media reporting responsibly on corruption cases.

2. PROMOTING SUCCESS STORIES AND NEW IDEAS IN THE FIGHT AGAINST CORRUPTION:

To motivate people to get involved in the anti-corruption fight in general and in education in particular, this reports recommends that anti-corruption fighters be supported and anti-corruption successes be publicised. To complement the previous recommendation, the mass media should report on such achievements. Moreover more regular mass media's forums (on newspapers, radio, television, on-line) should be promoted to facilitate people, and young people especially, to debate, discuss and give innovative ideas on how to fight corruption effectively.

4.2. Orientation for future research

This report is the result of qualitative research, thus its findings are naturally limited. It however intends to provide a basis for further in-depth and larger scale research on corruption in education. The analysis presented here should be viewed carefully, as the information and evidence brought forward may not be representative nationally due to the limited scope and scale of the research. However, it is hoped that the results and findings will be useful suggestions to undertake in-depth and more representative research projects.

Such work could focus on:

1. QUANTITATIVELY ASSESSING THE LEVELS OF DIFFERENT FORMS OF CORRUPTION IN EDUCATION NATIONWIDE:

To better assess the phenomena of corruption in education, there is a clear need to conduct large-scale, representative, nationwide research on the prevalence and scales of various forms of corruption. This report could be used as a reference, particularly to identify an approach and then develop relevant questionnaires. The survey sample should be representative of both rural and urban areas, as well as geographic variations. Targeted interviewees should include MoET officials, local authorities (especially those of district level), school staff (including principals), teachers (including retired teachers), students (ranging from upper secondary education to alumni), parents and the general public. Survey results would provide a mapping of the extent and dimensions of identified forms of corruption in education. In this regard, it is hoped that such research would help the MoET deepen its ongoing anti-corruption efforts by clearly identifying which forms of corruption are the most common and most pressing to address.

2. ASSESSING THE EFFICIENCY, ACHIEVEMENTS AND CHALLENGES OF CURRENT POLICIES:

As mentioned, the MoET has issued many policies and legal documents relating directly to fighting corruption; and indirectly through the policies on education decentralisation, education financing and “education socialisation”. Obviously, most of such policies are only in their initial phases of implementation, and time is needed to validate and verify their effectiveness and impact. However, in the near future, research assessing the implementation, results and impact of these policies by interviewing stakeholders including local authorities (especially those of district level), school administrators, teachers, parents and students would be of great use. The results could support the MoET in improving the efficiency of its anti-corruption policies.

This research likely would benefit more from a qualitative approach, including in-depth interviews and focus group discussions. Four to six provinces, representing geographic and urban/rural variations, could be selected; a total of 100-200 school administrators, teachers, parents and students should be consulted.

3. COMPARING CORRUPTION RISKS IN PUBLIC AND PRIVATE EDUCATION:

Research could compare the corruption risks in public versus private schools. Indeed, it is likely that the forms and extent of corruption differ accordingly. This research would identify the basic causes of corruption in private and public schools, and unearth important policy-making information about questions such as: do the ownership, management mechanism and parent involvement in private schools make any difference with regard to corruption? Findings could influence current policies on fighting corruption in education by improving school management mechanisms. This research could be conducted on a small scale (perhaps one or two cities, with 100-200 samples), mixing questionnaires and in-depth interviews in order to combine quantitative and qualitative data.

SELECTED BIBLIOGRAPHY

Ararat L. Osipian, Education Corruption, Reform, and Growth: Case of Post-Soviet Russia, 2009; mpra.ub.uni-muenchen.de/17447/

Central Commission on Internal Affairs, Report on the Survey of Anti-corruption in Vietnam, Hanoi, 2005.

Central Economic Management Institute, Survey Report on the Role of the Private Sector and Decentralized Management of the Education Sector and the Health Sector, Hanoi, 2006.

Marie Chêne, Gender, Corruption and Education, 2009; www.u4.no/helpdesk/helpdesk/query.cfm?id=209

Cuong Le Van and Mathilde Maurel, Education, Corruption and Growth in Developing Countries, 2006; ideas.repec.org/p/mse/wpsorb/v06080.html

General Statistics Office, Results of the survey on household living standards 2008, Statistics Publishing House, Hanoi, 2009. www.gso.gov.vn/default.aspx?tabid=512&idmid=5&ItemID=9646

Jacques Hallak and Muriel Poisson, Governance in education: transparency and accountability, 2006; www.eldis.org/go/topics/resource-guides/education/key-issues/education-and-governance/education-corruption-and-accountability&id=23567&type=Document

Jacques Hallak and Muriel Poisson, Corrupt schools, corrupt universities: What can be done?, 2007; www.unesco.org/iiep/PDF/pubs/synth_ethics.pdf.

Le Chi Mai, Reform of public services in Vietnam. National Politics Publishing House, Hanoi, 2003.

Ministry of Education and Training, The Scheme for Renovation of the Financial Mechanism in the Period 2009-2014, 2009; www.moet.gov.vn/?page=1.24&view=1242

Ministry of Planning and Investment, Vietnam continues to achieve the Millennium Development Goals, Hanoi, 2008.

Ngo Minh Tuan et al, Theoretical and practical foundations for conversion of some public service delivering units into not-for-profit organizations in the education and health sectors of Vietnam. A ministerial-level research project, 2008.

Nguyen Dinh Cu, Corruption in universal education in Vietnam, 2007.

National Assembly of the Socialist Republic of Vietnam, The Education Law, 2005.

National Assembly of the Socialist Republic of Vietnam, The Law on Preventing and Combating Corruption, 2005.

Matthieu Salomon, Anti-Corruption Advisor for Sida, 'The issue of corruption in recruitment, appointment and promotion of civil servants', Note for the 3rd Anti-Corruption Dialogue, Hanoi, 2008.

Transparency International, Africa Education Watch: Good Governance Lessons for Primary Education, 2010.

Transparency International Sri Lanka, Corruption in Education in Sri Lanka, 2009.
UNDP, Human Development Report, 2009.

UNDP, Public administration reform in Vietnam: Current status and solutions, National Politics Publishing House, 2009.

World Bank, Vietnam Development Report 2010: Modern institutions, Joint Donor Report to the Vietnam Consultative Group Meeting, Hanoi, 3-4 December 2009.

International and domestic websites:

www.dantri.com.vn

www.tienphong.vn

www.tuoiitre.com.vn

www.vnn.vn

www.vnexpress.net

www.u4.no/themes/education/educationmainpoints.cfm

APPENDIX I: THE DECENTRALISED MANAGEMENT MECHANISM IN PUBLIC SCHOOLS

Decentralised management of universal education

The system of education management is divided into three levels. At the central level, the MoET is responsible to the government for performing the function of state management of education and training, as stipulated in Decree No. 32/2008/ND-CP (19 March 2008) governing the functions, responsibilities, powers and organisational structure of the MoET. Accordingly, the MoET is the agency that performs the function of state management of education and training included in the national education system and other educational establishments in terms of goals, objectives, curricula, contents, plans, quality of education and training; criteria and standards of professionalism and ethics of teachers and education managers; rules and regulations on exams and enrollment; the system of degrees and certificates; and buildings and facilities and equipment and devices of schools. The MoET also formulates and submits to the prime minister proposals on the organisational structure and model of various types of universities, and establishes procedures and decisions to create, merge, split, dissolve or suspend the operation of universities and colleges. Detailing these functions, the MoET has issued regulations on school charters, physical conditions, regulations on exams and enrollment at all levels of education, indicative norms and quotas for the number of students and teachers per class, to ensure equality and quality of education for universal education schools throughout the country.

At the local level, People's Committees are responsible for performing state management of education in accordance with government-issued rules and regulations. In provinces and cities, provincial/city DoETs operate as professional and technical agencies that provide advice to and support People's Committees to perform their given functions of state management of education and training (except for vocational training) within their administrative boundaries. These departments are subject to direction and management in terms of organisation, staff size and tasks by the People's Committees of respective provinces and cities, though in technical and professional terms they are subject to the MoET's direction, guidance and supervision. Similarly, at the district level, district DoETs operate as technical and professional agencies under district People's Committees and support them in performing state management of education and training. At the same time, district DoETs are subject to direction, guidance and supervision by their respective provincial/city DoETs in terms of technical and professional matters.

Regarding public schools, provincial/city DoETs are responsible for management (organisational structure, staff size, finances, enrollment) of upper secondary and inter-level universal education schools, while district DoETs are responsible for managing lower secondary, primary and early childhood schools.

The financial mechanism in education

In annually implementing the State Budget Law and by-laws, the MoET is responsible for developing budget estimates for the entire education sector, and for those schools and units directly affiliated with the MoET. It submits them to the Ministry of Finance and Ministry of Planning and Investment for syntheses to be submitted to the government. After being approved by the National Assembly, the Minister of Finance allocates education budget revenues and expenditures to each province, cities, ministries and sectoral agencies that manage schools. Regarding universal education schools, budget allocations to educational establishments (training establishments, universal education schools, early childhood schools) in localities is decided by provincial/city People's Committees and People's Councils, according to the criteria and norms of localities.

In general, financial resources for public education and training establishments derive from three sources: (i) state budget; (ii) service delivery (e.g. school fees, charges, contributions); and (iii) other revenues (e.g. aid).

FINANCIAL RESOURCES FROM THE STATE BUDGET: The portion of expenditures for education and training (including current expenses and capital construction) of the total state budget increased from 15.1 per cent in 2000, to 18 per cent in 2005, to nearly 19 per cent in 2008 (MPI, 2008). Regarding universal education, provincial/city People's Committees are responsible for payments to upper secondary schools, while district People's Committees are responsible for payments to lower secondary, primary and early childhood schools.

National target programmes on education are implemented through seven projects:

- (1) strengthening and promoting the results of universalising primary education, eliminating illiteracy and implementing universalisation of lower secondary education;
- (2) reforming curricula and contents of textbooks;
- (3) training IT officers and introducing IT into schools; vigorously accelerating the teaching of foreign languages in the national education system;
- (4) training and upgrading teachers; strengthening the facilities of teacher's training schools;
- (5) supporting education in mountainous areas, ethnic minority-inhabited areas and areas facing various difficulties;
- (6) strengthening the facilities of general technical/career orientation schools and centres; developing main universities and technical secondary schools; and
- (7) strengthening the capacity of vocational training (directly managed by the Ministry of Labor, Invalids and Social Affairs).

Under the current mechanism, local authorities themselves allocate and distribute funds to projects. Local authorities therefore can be proactive, but due to the absence of specific criteria for such budget allocations in localities, direction provided by agencies in charge of managing these programmes at the central level often seems ineffective. It so happens that individual authorities do things in their own way. In fact, this budget source is often shared and distributed, failing to achieve established objectives. Because such budgets are allocated in lump sums, local authorities often make undirected investments that often lead to uncompleted projects (see Diagram 1).

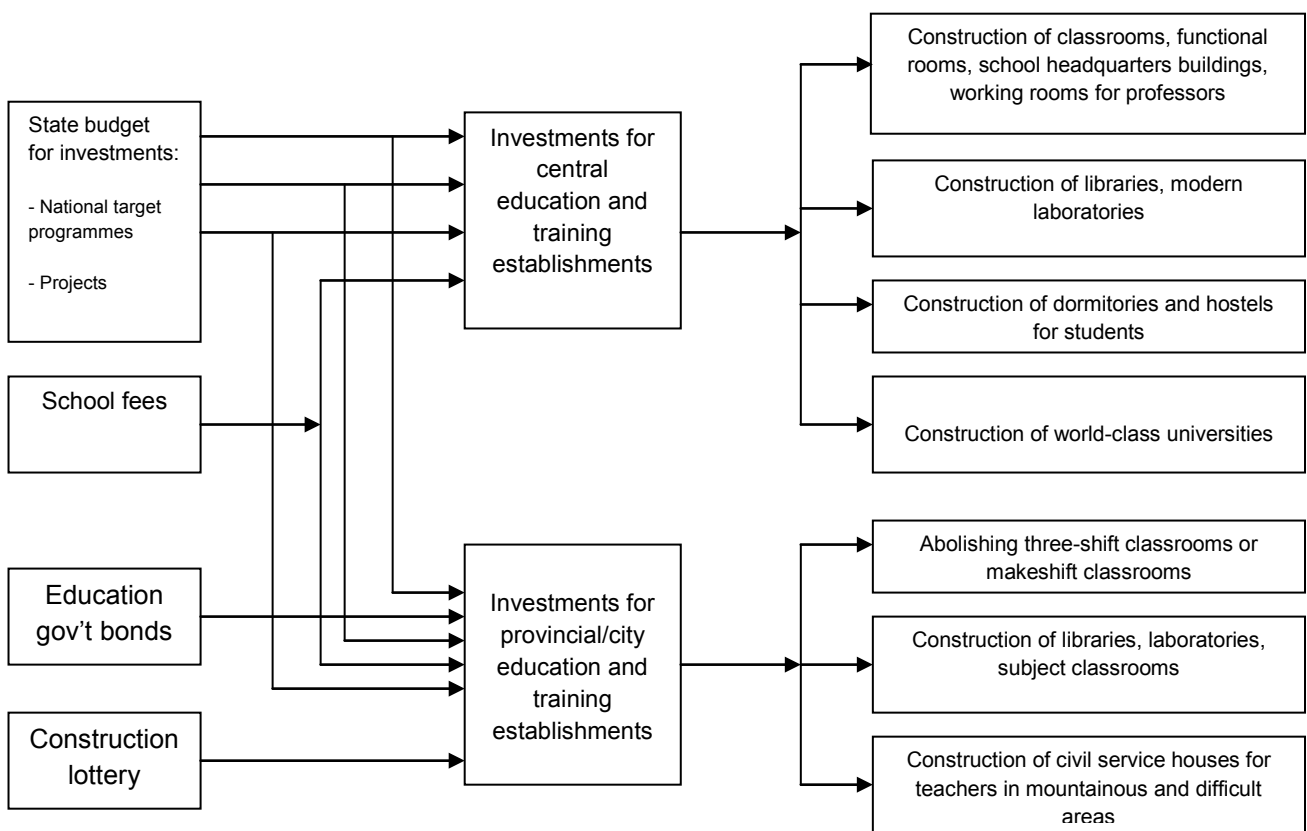
REVENUES FROM PUBLIC SERVICE DELIVERY: The biggest source of revenue from public service delivery is school fees. Implementing regulations on the collection of school fees, public schools generate additional revenues outside of the state budget. Such revenues account for 37-40 per cent as compared with the total budget currently allocated to the education sector. Although revised, school fees can only cover part of the expenditures for education and training activities. This shows that education and training in public schools are primarily subsidised by the state. Establishing region-specific school fees facilitates access to educational services by students in poor provinces, but this also creates difficulties for the education establishments in these provinces. This relates to a situation in which

schools in areas that have lower school fees receive more state subsidies, in order to sustain teaching and learning activities. Because of heavy reliance on the state budget, insufficient state allocations can mean that schools are not able to develop and grow, and enhance and improve the quality of outcomes of their educational services, thus adversely affecting their position and competitive edge. In addition, because of low official school fees, a considerable number of education establishments do not comply with state rules and regulations (related to, e.g., collection of fees for drinks, extra learning, hygiene and protection of schools, for an attendant to monitor bicycles and motorcycles, electricity, writing paper for exams, retaking exams).

From another perspective, despite different school fees, a small disparity in these fees does not necessarily benefit urban schools. Most public schools are a part of the full-day education system in urban areas, and suffer from being overcrowded and because of the high cost of education; even though enrollment is done exactly according to given indicative norms and quotas. This adversely affects the capacity of using the school's infrastructure, which will deteriorate if timely investments are not made. Meanwhile, as previously mentioned, school fees are subsidised and investments in infrastructure still depend on state budgets.

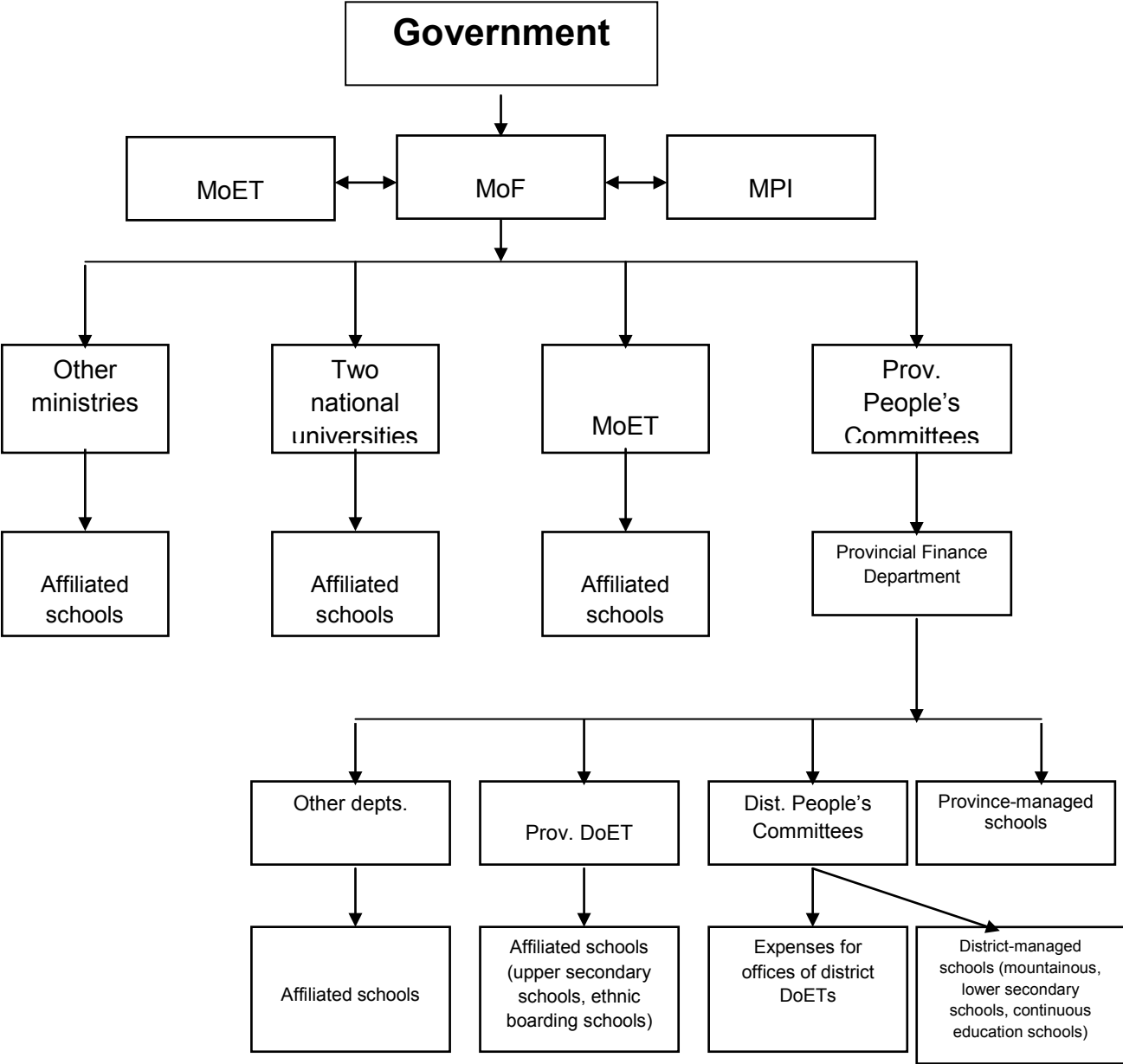
OTHER REVENUES: Contributions from parents are a common reality in primary and secondary schools, as well as the early childhood education branch. These contributions fall into two categories: compulsory and voluntary. As determined by the government, compulsory parent contributions include school fees, and exam and accreditation charges. These are considered state budget revenues, collected and kept by education establishments for their own operations. Herein lies one of the principles of the policy of 'socialisation' of education. Contributions other than these are voluntary.

APPENDIX 2: ALLOCATION OF FUNDS FOR INVESTMENT IN CAPITAL CONSTRUCTION IN THE EDUCATION SECTOR



Source: MoET, Scheme for Renovation of the Financial Mechanism for the Period of 2009-2014, 2009

APPENDIX 3: ALLOCATION OF THE EDUCATION BUDGET



Source: MoET, Scheme for Renovation of the Financial Mechanism for the Period of 2009-2014, 2009.

**Transparency International
International Secretariat**

Alt-Moabit 96
10559 Berlin
Germany

Phone: +49 30 34 38 200
Fax: +49 30 34 70 3912

ti@transparency.org
www.transparency.org

**Towards Transparency
TI National Contact in Vietnam**

51A Nguyen Khac Hieu
Ba Dinh, Hanoi
Vietnam

Phone: +84 (04) 3715 4084
Fax: +84 (04) 3715 4090

info@towardstransparency.vn
www.towardstransparency.vn