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Right Time, Right Place: The Role of Context in the Making of a Successful Project in Vietnam

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Abstract: *This paper analyses the success of UNDP-financed project titled "Strengthening Economic Management in Vietnam" which was launched end-1990 and implemented in two phases over a period of six years. It has been considered as one of the most successful projects in Vietnam and several assessments lauded its success, attributing it to structural factors. In this paper, the authors argue that contextual factors such as the state of the economy in the 1980s, the position of UNDP in Vietnam, the role of Economic Development Institute, and the leadership of Vietnam Office contributed to the success of the project.*

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1. Introduction

In October 1990, the first phase of a UNDP-financed project titled "Strengthening Economic Management in Vietnam" (no. VIE/88/543) was launched and implemented over a period of three years. Although not the first of such UNDP-financed project in Vietnam, it differed from other projects in that it was larger and more comprehensive than its predecessors, characterised by an intersectoral approach to development issues and challenges facing Vietnam at the time. This approach meant the participation of a large number of government agencies and officials. A second phase, Project VIE/93/004, ended in 1996.

Both Phase I and Phase II of the Project were implemented in a period when Vietnam, having made the decision to move from central economic planning towards greater reliance on the market, was faced with tremendous challenges, both domestic and external. Domestically, headwinds were

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encountered as the leadership sought to diminish economic controls and allow a greater role for market-determined prices.[1] This was because the economic model that the Democratic Republic of Vietnam adopted post-unification in 1975 lacked an institutional foundation and an effective legal system, the foundations of a market economy (Fforde & Vylder, 1996). Nor did the country have a sound statistical system to inform economic planning. Arguably, the most severe challenge was the loss of external markets and foreign assistance from the former Council for Mutual Economic Assistance (CMEA or Comecon) countries led by the Soviet Union which collapsed in 1991, the consequent repatriation of Vietnamese workers from the former Soviet Union and the Gulf and the continued US trade embargo against Vietnam.

The success of the Project depended on its ability to leverage the opportunities while mitigating challenges. An independent impact assessment was conducted at the conclusion of Project VIE/88/543 in 1992 which concluded: 'close Government involvement in the design of the structure and content of the training courses, and Government commitment to making those courses a success, has been an essential element in the overall success of the project.' (Nixson, 1992). In endorsing this assessment, a subsequent impact assessment for both phases concluded (Shutt, 1999):

> Given the historical and political background at its outset, the Project had a vital role in pioneering many of the most valuable approaches to capacity building and institutional reform during the early period of Vietnam's transition to a market economy… Its success paved the way for many other crucial programmes to support legal and public administration reforms in Vietnam.

Given their mandates, these assessments focused on the Project and its stakeholders in explaining project success and drawing lessons. This paper argues that success as defined by these assessments was not only the result of good governance, institutional support and collaboration but also a confluence of contextual factors that had a favourable impact on the project. The latter relate to the Vietnamese economy and leadership, the role of UNDP and the Economic Development Institute/World Bank. Bringing these factors to the fore is the first objective of this paper. A second objective is to demonstrate that recognition of these factors should lead to a more balanced narrative of the lessons to be learnt from this project.

The definition of 'success' as used in this paper refers to the project having met its objectives. This is a 'narrow' definition; a broader definition would also cover the impact of the project on Vietnam's development. The latter, however, has not been attempted for this and other Vietnam projects of the time. Still, since the project, unlike many others, was designed by the

Vietnamese government which is the primary beneficiary, even the narrow definition of success took on particular significance.

This paper is organised as follows: In the next section, the Project, Strengthening Economic Management in Vietnam" is described as well as its impact assessments and lessons learnt. The third section looks at the situation in Vietnam in the 1980s and 1990s that generated the huge unmet demand for learning about the market economy. In Section 4 the role of UNDP in Vietnam at the beginning of the country's transition is examined while Section 5 describes the role of the Economic Development Institute (within the World Bank establishment) in Vietnam in the 1980s and early 1990s. Section 6 discusses the leadership in Vietnam's Office of the Government which contributed to the success of the Project while Section 7 summarises and concludes the paper.

2. The Capacity-Building Project "Strengthening Economic Management in Vietnam"

Given the daunting challenges facing Vietnam as it began its transformation – "*doi moi"*, or renovation, as the initiative was officially labelled – the Project Formulation Mission selected three key areas considered as high priority by the government – strengthening economic management, improving public administration, and establishing a legal foundation. During this period, Vietnam faced a slowdown in agricultural output in addition to rampant inflation and trade losses. These threatened to undermine reform.[2] Unlike in countries subscribing to the "big bang" approach, institutional stability was maintained while market institutions were gradually added to the structure (Van Arkadie & Mallon, 2003).

Project VIE/88/543 was launched in October 1990 and ended in October 1993. Its medium-term objective was to support the Government's efforts to effectively manage the transition to a market economy and achieve sustainable growth. The immediate objective however, was to equip Vietnamese policy makers, analysts and managers with the knowledge and tools to manage the economic reform process needed to move towards a market economy.

The objectives were to be achieved through: (1) high level exchange of information and experience with other countries; (2) senior level seminars and study tours related to policy making; (3) initiatives to strengthen policy analysis and training capacities of key institutions, including training courses and training materials for key government personnel; and (4) provision of high-level consultancy advice.

The second phase began immediately after the end of the first phase and ended in April 1997. This phase replicated Phase I activities that were considered highly successful (Nixson, 1992); in the second phase, provincial officials and enterprise managers were recruited in addition to capacity-building measures through training of trainers.

Shutt (1999) in his evaluation of both phases of the Project listed the activities as: (1) senior policy seminars, (2) short-term in-country training courses to central and provincial government officials, enterprise managers, and academics, (3) innovative training courses for English interpreters for economics, (4) overseas long-term fellowships leading to postgraduate degrees, (5) short-term internships in Malaysia and Thailand, (6) technical seminars, and (7) study tours (Table 1). He noted all the activities to have had the intended impact, endorsing Nixson's (1992) view that 'policy makers and advisors are now more aware of the experiences of other countries, the role of the government in the market economy and broad issues of macro-economic management.'

Shutt added: 'a particularly valuable contribution of the Project … has been its ability to act as a catalyst for funding of capacity building activities by other donors.' A third retrospective assessment by the Vietnamese government (Duoc, 2015) reached the same conclusions as these earlier evaluations. The success was measured by the (1) multisectoral coverage of the project and beneficiaries, (2) variety of activities, (3) coordination and implementation by the highest level of government (the Prime Minister's Office), (4) strong buy-in to project activities, and (5) substantial co-financing. That World Bank lending benefitted from cofinancing immediately after the Project ended shows that the lesson of its experience had been quickly learned.

Table 1: Output and impact of activities under project phases VIE/88/543 and VIE/93/004

Activity	Output	Impact
In-country short training courses, • On economic management and business • Training of trainers	• 20 courses for 1,575 participants consisting of officials, academics and enterprise managers • 3 courses for 119 academics	Officials understood concepts related to market economics. Courses with practical content also helped managers. Academics used course materials in their own work.

Table 1: (Continued).

Activity	Output	Impact
Training of economics English language interpreters	85 interpreters trained, 79 by the ESP Training Centre, Hanoi	Facilitated delivery of other project activities; many interpreters took up key positions in government and industry; ESP Training Centre strengthened
In country seminars: • Senior policy seminar Technical seminar	2 held: 1 for 64 ministerial level participants, 1 for 35 senior officials 3 held: 150 provincial officials	Many recommendations were adopted by government in its policies
Study tours, each preceded by a preparatory seminar	8 conducted: 10 Asian countries, 97 officials; key macroeconomic themes; report for each tour to government.	Individual officials benefited from learning; some findings led to policy changes
Overseas long-term training	39 fellowships awarded of which 33 co-financed by bilateral donors and private sector companies	All returned to Vietnam, and most held key positions in government or academia. Even those in the private sector were involved in capacity building.
Overseas short-term training, internships	33 officials in 4 internships to Malaysia and Thai government agencies	Lessons from internships used in restructuring of OOG
Laying groundwork for legal and public administration reform	Resident Legal Advisor with Ministry of Justice.6 long-term fellowships for this purpose. 3-day seminar on public administration reform.	Officials considered activities useful as "ice-breaking" exercise for both areas of reform
Compilation, publication of training materials	2 textbooks translated, training materials printed and distributed to officials and selected academics.	Could have larger impact if more widely circulated.

Source: Shutt (1999)

Arguably, the greatest impact of the project has been to change the mindset of the Vietnamese leadership towards the market economy. There is no better illustration of this than an incident reported in Duoc (2015). A year and a half into the implementation of the first phase of the Project, Do Muoi, then Chairman of the Council of Ministers and a staunch communist, requested Dang The Truyen, then Project Secretary, to translate and summarise important economics documents for him weekly. This represented a remarkable turnaround because he was initially hostile to the Project (see later).

Beyond strong government commitment and adoption of an intersectoral approach (Nixson, 1992), the success of the Project was related to specific activities and not separately spelt out in either evaluation. Major players in the Project summarised it in a report (Cheong et al, 1993).[3] They were political commitment to training at the highest levels of government, strong institutional support from all parties involved in implementation, careful project design, close collaboration among the parties involved, meticulous preparation for each activity, effective monitoring of each activity and of the project as a whole, and cost-effectiveness. However, with no discussion as to why the Project was 'well-timed' (Cheong et al., 1993), contextual factors that contributed to its success were left unexplored.

3. Setting the Stage for Change - Vietnam in the 1980s and early 1990s

What motivated the government to accept training in an area long considered anathema by the leadership? It is the prevailing conditions in Vietnam at the time the Project was conceived. The launch of *doi moi* loomed large, it being commonly argued that this event marked a break with the past in terms of economic strategy and policy.

Van Arkadie and Mallon (2003) argued that *doi moi* was as much a response to the failure of policies associated with central planning as a reflection of a visionary leadership. In the years before *doi moi* was announced at the 6th Party Congress in December 1986, the Vietnamese economy was facing major challenges from efforts to impose central planning on the entire country after unification in 1975. This model was inconsistent with the country's economic structure that was dominated by the agricultural sector. Efforts at collectivisation of agriculture in southern Vietnam were also unsuccessful because of the refusal of farmers to cooperate (McCarty and Burke, 2005). Economic challenges approached crisis proportions by the mid-1980s. Agricultural output, the most important contributor to national GDP, stagnated, hostage to unfavourable weather conditions. Despite state price controls, the market inflation rate soared to 100% or more in 1981, peaking at 700% in 1986 (McCarty & Burke, 2005,

Figure 2). Total exports at about US$500 million were less than half the total value of imports (US$1,221 million). Government revenues were low, the fiscal deficit was persistently large, and some areas were on the verge of famine (Van Arkadie & Mallon, 2003).

'Pull' factors could also have been in play. Many scholars are of the view that it was Deng Xiaoping's liberalisation of China in 1978 and its aftermath that influenced Vietnamese policy-thinking (Dorsh & Vuving, 2008; Guo, 2006; Szalontai, 2008; Vu, 2009).[4] China, like Vietnam, was largely agrarian, and liberalisation was prompted by destructive economic policies, while Vietnam also pursued a gradualist reform policy like China, in sharp contrast to the disastrous 'big bang' approach adopted by the Soviet Union.

Implementation of *doi moi* saw comprehensive reforms in 1988/89 that brought down inflation, doubled hard currency exports, and boosted national savings. Unfortunately, threats to the economy did not cease with these reforms. Domestically, reforms badly hurt state enterprises and workers were laid off. Adverse weather conditions contributed to the stagnation of agricultural output. Externally, the impending collapse of the Soviet Union saw CMEA aid declined from 1989 and Vietnamese workers from the Soviet Union repatriated. The Gulf War also led to repatriation of Vietnamese workers from the Middle East (Ebashi, 1997).

Vietnam's leaders also could not be unaware of the fact that the country's woes were set against a region experiencing rapid growth, nor that these countries achieved high growth through development models in which the state played a major role. And at the same time, the Southeast Asian economies were growing rapidly and despite they being private sector-led, Vietnam's leaders must believe lessons from these countries' experiences were more relevant than the models pedalled by the neoliberal West.

The Vietnamese leadership was also aware of the changing stance of ASEAN, which had morphed from an institution of the Cold War into one with ambitions to embrace the entire Southeast Asia. And that the organization had adopted the stance that new members were welcomed as long as they renounced the use of force against other member nations (Beresford, 2008; Probert, 1992).

The need to overcome these difficulties and to learn from Vietnam's neighbours drove demand for learning, and the leadership's commitment to learn, about Western economic management and integration into the regional economy. However, there were constraints with respect to trainers. First, though a generation of academics and administrators had been trained in the economics of central planning, particularly in the tradition of the Soviet Union and also Eastern Europe they were completely unfamiliar with Western theories and practices of economics. This was not helped by an education system that, as recently as 2008, was described by Vallely and Wilkinson (2008) as "Vietnam lacks even a single university of recognized quality. No Vietnamese institution appears in any of the widely used (if problematic) league tables of leading Asian universities" (p. 2).

To add to the above, self-imposed isolation and suspicion of foreign influence saw Vietnam prohibiting its citizens from speaking or making contact with foreigners, a regulation that was only rescinded around 1990 (Van Arkadie & Mallon, 2003). Another self-imposed obstacle was the ban on 'programme assistance' (as opposed to 'project assistance') by the government (Duoc, 2015). In short, the domestic supply of persons with expertise to mount a rescue of the economy using mainstream Western economic management tools did not exist.

Any training to be undertaken could only be from external sources. However, the US had imposed an embargo on Vietnam that Probert (1992) noted was 'ruthlessly effective in isolating the Vietnamese economy from world capital markets just when the country is struggling to escape from the inertia of a centrally-planned economy', This embargo had the effect of keeping major multilateral organisations such as the World Bank, International Monetary Fund and the Asian Development Bank out of Vietnam (Fallows, 1991). This has left Vietnam with few options in its search for training programmes and trainers.

4. The UNDP and Vietnam

The one alternative Vietnam found was the United Nations Development Program (UNDP). The UNDP has been in Vietnam since 1977, the year the country became a member of the United Nations and just two years after its unification. During the 1980s, the UN provided 60% of Vietnam's foreign aid, making it the country's most important donor (Nhan Dan, 2013). The UNDP's role became particularly important for Vietnam in the absence of major donors at the time it needed aid most to undertake major reforms in the aftermath of *doi moi* (Wolff, 1999). The UNDP's important role could be traced to the fact that from the late 1980s, any contact the World Bank had to go through the UNDP due to the US embargo on Vietnam (Wolff, 1999).

Only Sweden, the first Western country to establish diplomatic relations with Vietnam in 1969, Finland and the Soviet Union provided substantive assistance besides UNDP (Thaarup & Villadsen, 2010). Swedish aid through the Swedish International Development Cooperation Agency (SIDA) totalled USD$570 million for the 1980s, just over USD$50 million a year (Thaarup & Villadsen, 2010). Soviet aid tapered off in the second half of the 1980s. Some NGOs and the Harvard Institute for International Development (HIID) had provided small scale assistance.

These players, however, were active only in specific areas – for instance, the Finns in infrastructure (Finnconsult, 2001), and HIID in education, research and policy dialogue (Rosenburg, 2014). As for international NGOs, these "are largely engaged in implementing development programmes at the level of the commune/district and piloting innovative development interventions for poverty reduction." (Sabharwal & Than, 2005). None of these could however match the breadth of coverage the UNDP project was to deliver at the government's request. [5] There may have been Vietnamese in southern Vietnam trained in western economics who could have provided policy advice. But with the exception of those who were Communist party leaders (see below), South Vietnamese were not generally entrusted by Hanoi with major government assignments.[6]

In addition to its advantageous position, UNDP was important in its own right. Under William Draper III, considered the most visionary of all UNDP Administrators, UNDP moved in a direction away from what the leading multilaterals the World Bank and IMF were espousing, an approach that consisted of "structural adjustment" programmes with policy conditionalities. The neoliberal principles that underlay this Consensus had divided the development community into two camps – the economic and the social (Browne, 2011). Under Draper, the UNDP chose the "social" camp, with the publication in 1990 of the first Human Development Report, a position also espoused by the rest of the UN system, especially UNICEF.[10] In standing for a development paradigm that was an alternative to the World Bank and IMF's neoliberal agenda, the UNDP was attractive to a country like Vietnam which had endured prolonged human suffering and to whom capitalism was anathema. In documenting the role of UNDP in Vietnam, Murphy (2006) opined: 'The government saw UNDP as only interested in helping the country, unlike the bilateral donors and the development banks, and as a friend who had been with them during the bloody, traumatic days of the war when nobody really liked Vietnam.' This also gave UNDP better access to Vietnam's leadership.

This access was put to good use by Roy Morey, who arrived in Hanoi as the UNDP Resident Representative in 1992. Murphy (2006) reported that it was to Morey that Prime Minister Vo Van Kiet turned for advice when needed. A veteran of the UNDP, which he joined in 1978, his arrival was most opportune. His prior appointment was as Resident Representative in China. There, he worked well with its leadership, helping China strengthen civil service management, establish a new economic legal system, assisted with social security reforms, provided study tours and training for senior officials, and partnered with the World Bank in some of the latter's activities (Kent, 2015). According to Morey, in China's eyes 'the UNDP was a reliable and politically neutral partner capable of mobilizing first-rate foreign advisers and providing training opportunities' (Morey, 2013).

Morey was aware that although Vietnam has historically viewed China with great suspicion, it had at the same time watched China's reforms very closely for clues to its own transition. In Vietnam, he was able to put his China experience to good use, aided by his firm belief that development projects worked best when the government took full ownership, 'the larger context which defines possibilities and the importance of timing and sequencing to achieving sustainable change.' (England, 2014). These beliefs clearly underlined his strong support for the Project. His working relationship with the World Bank in China was also helpful in his dealings with the Bank's Economic Development institute in this Project.

Both Morey and his predecessor David Smith were able to leverage another strategic shift attributable to UNDP Administrator Draper, namely his support for working together with private enterprises (Browne, 2011). This break from the past, when UNDP worked exclusively with public agencies, encouraged Smith and Morey to secure cofinancing for the Project. They were eminently successful – the project's cofinancers included Smith New Court, P&O Navigation, the Swire Group, Johnson Stokes & Master, Ciba Geigy, Jardine Pacific, Carneau Metalbox, Shell, Daeha, AT&T, ABB, Cathay Pacific, Singapore Airlines, Vietnam Airlines, Orion Hanel Picture Tube Company, Coast Tootal Phong Phu, and Vietnam Brewery (Duoc, 2015).

5. The World Bank's EDI as Implementing Agency

In a sense, although not by choice, the World Bank's entry into Vietnam through its training arm the Economic Development Institute (EDI), now renamed the World Bank Institute (WBI), was a major plus, in that, the training represented a much softer and less threatening approach than the country-level economic dialogues (backed by lending) which have been the Bank's modality of choice. That this approach was forced on the Bank given the continuation of the US embargo which was not lifted until 1994 and clearly not the Bank's preferred approach was clear from the institutional dynamics within the organisation. The Bank's country department which was the major player in dealing with countries had, for the particular circumstances, to concede the limelight to EDI. An instance of this tension was demonstrated when, at the Vietnamese government's request, EDI staff met the Vietnamese Prime Minister, a great honour for the Bank, they were instead criticized by the Bank's country department for not obtaining its permission before attending the meeting.[5]

The Bank's philosophy during that period would have clashed with the government's view of a strong state and the centrality of the Communist Party of Vietnam (Vuong, 2014). The World Bank of the 1980s and even the 1990s endorsed a philosophy of free market combined with opposition to state intervention and a slew of reforms and policies collectively referred to as the "Washington Consensus". These principles were translated into "structural adjustment" loans to developing country. Although strongly endorsed by its major shareholders, especially in the US and the UK[12], the Bank's structural adjustment programmes not only resulted in significant human costs, as indicated earlier, but were themselves not particularly successful. Stein (2014) noted that Sub-Saharan Africa had been a major recipient of these loans, but during the 1980s and 1990s, 'GDP growth fell dramatically as compared to the 70's. The share of manufacturing in GDP fell ... (and) by 1999 poverty levels rose to nearly 60% of the population from roughly 53% in 1981.' This was also reflected by the fact that the Bank found it necessary to provide multiple structural adjustment loans to some countries.

Unhappiness with these neoliberal instruments of World Bank policy had been expressed both from outside (Rodrik, 2006; Stein, 2014) and within the Bank (Easterly, 2003; Stiglitz, 2000). But these policies continued into the 1990s, and it was not until Stiglitz's unhappy departure from the Bank that heralded what he called, the Post-Washington Consensus. However, Stein (2014) argued that even as the Bank abandoned structural adjustment programmes, its neoliberal credentials remained intact.

Vietnam's eventual acceptance of World Bank assistance should not be interpreted as the former's acceptance of World Bank ideology. Engel (2006) noted, "In Vietnam, confronted by a strong, coherent yet less liberal state, the Bank has ultimately adopted essentially consensus-based strategies, attempting to slowly modify the moral and intellectual terrain of debate." Indeed, it was a major challenge to even get the Project accepted by the Vietnamese leadership. Duoc (2015) recounted an incident early in the Project when Do Muoi, Chairman of the Council of Ministers, called in Vu Tat Boi, Project Director, and told him in no uncertain terms that 'bringing in the market economy to Vietnam means inviting capitalism in'. Rather, this reflected the pragmatism of the leadership and what Vuong (2014) labelled their 'entrepreneurial policy-making' that built a bridge between Vietnam and the World Bank. It also helped that Vietnam's leadership had priorities – state enterprise reform, private sector development, banking reform, and trade liberalisation – that coincided with key components of structural adjustment programmes, although 'advice' and 'conditionalities' were much less well received. The Project, in bringing about a change in the leadership's thinking, likely also contributed to this.

Like the UNDP, the EDI of the time had some value-added of its own to offer the Project. The model EDI deployed in training and knowledge transfer was 'boots on the ground' in which, while collaboration with other training providers occurred, EDI staff shouldered a considerable part of the training burden. The Institute thus had expertise not only in organising but also undertaking training. At the time of the Project, this expertise was called upon to bring the transitional economies of Russia and Eastern Europe up to speed on the market economy. While Vietnam fitted well into this grouping, the EDI's focus, and that of its director at the time, Amnon Golan, was Russia. When the Vietnam opportunity came, the responsibility was left, coincidentally, to staff seasoned in training in Southeast and East Asia. Thus, the staff with the responsibility for anchoring the first Project activities, Vinyu Vichit-Vadakan, was an experienced training administrator and trainer, having been Dean of Thailand's prestigious Thammasat University and Director of the Southeast Asian Central Banks Research and Training Center in Kuala Lumpur.

The EDI had also accumulated considerable experience in training in China, where, at the time of the Project, training was implemented through 6 training networks. EDI's role in China began in the 1980s and had been well considered by Chinese officialdom. The training coordinator for China, Kee-Cheok Cheong, appointed in 1990, also a former academic, joined Vinyu Vichit-Vadakan in 1991 and together they co-anchored both phases of the Project from the EDI side, bringing in other EDI staff and academics when the need arose. Prominent among the former was Jayanta Roy, a principal economist from India, and among the latter, Korean Ha-Joon Chang from Cambridge University. These EDI staff, Thai (Vichit-Vadakan) and Malaysian (Cheong), and India (Roy), came from countries with a record of strong growth that did not fit the neoliberal mould, and was also likely to have helped build confidence among Vietnamese officialdom.

Thus, at the time of the Project's launch, the EDI's operating style and experience fitted well with what Vietnam needed. As the project drew to a close, this training model was to change. James Wolfensohn's appointment as World Bank President in 1995 saw him engineering a reorientation of the Bank towards poverty alleviation, and, far more important for EDI, towards making the Bank a "knowledge bank" (Kramarz & Monami, 2013; Wolfensohn, 1996). Towards this end, the EDI was to have a far wider reach than the training model then in use. A new EDI director was appointed whereby it was to leverage new technology to reach a larger audience including civil society. Thus, an era had ended. The intensity of contact with clients was replaced by breadth of coverage at the expense of depth. The model that served Vietnam, and China before it, together with staff who were practitioners of the old model, were consigned to the scrapheap of World Bank history. The EDI (renamed WBI, in 1999) contact with Vietnam has never achieved the degree of intensity of the early 1990s since.

The decline in WBI's role in Vietnam can thus be traced to its refocus on a "global knowledge" role, at a time when Vietnam needed knowledge specific to its situation and financing that the country had been so starved of until 1993/1994. Also, as Vietnam expanded its contacts with countries in the region and was able to draw its own lessons from these contacts, the value of the WBI as a conduit of “global knowledge” was no longer that material.

6. Vietnam’s Office of the Government

The critical role played by Vietnam’s Office of the Government (under the purview of the Prime Minister) has been appropriately classified as a structural factor contributing to the Project’s success (Cheong et al, 1993; Nixson, 1992; Shutt, 1999). After all, the leadership displayed by its project directors Vu Tat Boi and his successor Le Si Duoc in first assembling the teams (the project secretariat and the language training group) and then to implement the Project is undisputed. The strength of these teams is reflected in many members moving on to occupy key positions in the government (From the project secretariat, Pham Minh Duc became senior economist of the World Bank in Hanoi, Nguyen Quoc Thang, Secretary to the Deputy Prime Minister, and Le Hong Lam, Director of External Relations, Ministry of Foreign Affairs. The language team directors/trainers Nguyen Xuan Vang became the rector of Hanoi University before being brought back to the Ministry of Education while his colleague Nguyen Ngoc Hong was likewise a director level appointee at the ministry.

Yet there are contextual factors also at work. The most important arguably, was the ascendancy of Vo Van Kiet, whose appointment as Prime Minister to succeed Do Muoi set the course for reform through liberalisation. Kiet had good reformist credentials before his appointment as mayor of Ho Chi Minh City and in helping push through *doi moi* at the 6th Party Congress in 1986 (Associated Press, 1991). Members of his reformist faction, had knowledge of how the market economy worked in South Vietnam. To be fair, he did not, as many commentators assumed, face a wall of opposition (Associated Press, 1991). Do Muoi had seen the need to better understand Western principles of economics and management, as already indicated. Yet, to have Kiet head of the Council of Ministers to which the Office of the Council of Ministers (OCM), later renamed the Office of the Government (OOG), reported must have been immensely helpful to the Project, and to UNDP. The decision to place the project in OOG gave the Project the authority needed ensured participation at all levels of government.

It was under Kiet that Vietnam saw a period of rapid growth, the rise in foreign investment, normalisation of ties with the US (1994) and membership in ASEAN (1995), the last two events reflecting his determination to restore normal relations with the rest of the world. All these heightened the demand for the knowledge that the Project was to provide.

It was also fortuitous that the person was midwife to the Project’s birth should be appointed as its director. Vu Tat Boi had attended the Aid

Coordination – UNDP Conference on the Asia-Pacific countries in Jakarta in May 1988 (Duoc, 2015). Deciding that the time was right for Vietnam to access the UNDP's Management Development Program launched just a year earlier, Boi dedicated himself to learning about the programme0. Shortly after returning home and after consulting UNDP New York, Boi drafted the project, sought advice and reported to the Head of OCM who then submitted it to the Standing Council of Ministers for approval. While Boi's appointment was clearly logical, there was no certainty that this would indeed happen given the political structure at the time.

7. Conclusion

The objective of this paper has never been to downplay the important achievements of the Project and the major role played by key stakeholders in its success. What it has sought to do is to argue that a confluence of major contextual factors has helped to consolidate the success of the Project. The phrases 'right time, right place' speak to the importance of context. The 'right people' also contributed to its achievements.

It was the right time because of Vietnam's desperate need for knowledge and expertise to not only emerge from crisis but also ensure sustained development thereafter when the Project was conceived and launched. Vietnam's situation was also playing out at a time when countries in the region were experiencing rapid growth, providing economic incentives to lure foreign investments which showed Vietnam in an unflattering position. It was also a time when Vietnam could hardly draw on domestic human resources to support the country's economic transition towards greater market friendliness; and at a time when even turning to foreign assistance was hobbled by the US embargo. T make matters worse, the UNDP was left almost single-handedly to fund and provide the training Vietnam so badly needed. Coincidentally and fortunately, the World Bank's EDI with its training model had the expertise the Project needed.

It was the right place because Vietnam was located in the most dynamic region of the world in the 80s and 90s. The countries in the region achieved growth based on models that entailed various degrees of state intervention that Vietnam would have found more palatable than the models from the West. They reinforced the lessons from Vietnam's northern neighbour, China, a country that had embarked upon a similar path of transition almost a decade earlier. Vietnam was the right country for securing co-financing, with its commitment to reform under the most adverse conditions convincing many companies of the country's potential. That the trainers were from the 'right' countries – countries within the region and with whom Vietnam had warm relations – were helpful to the Project.

The right people came together to contribute to the project. Morey, the UNDP Resident Representative, arrived with a wealth of experience from China and a good record of working well with the Chinese government. The EDI trainers all came with academic and training credentials and from countries in the region. They complemented a Project Management Unit which had committed and strong leadership, and staffed by a core team dedicated to the Project.

What role does context, such as described here, play in the success of the Project? Contextual factors, even if they are favourable, cannot directly contribute to the success of a project. However, a favourable context can, as shown here, increase the likelihood of success. For example, the uninterrupted presence of the UNDP in Vietnam not only ensured strong government commitment but also the former's access to the highest echelons of power. In China, where UNDP and EDI were active and had strong programmes, such access could not be secured.

Another role context can play is to set in motion the structural factors that make for the success of the project. The most obvious example of this was the situation in Vietnam which created the tremendous need for training/retraining. Another was the changes the UNDP Administrator fostered at UNDP that enhanced its credibility in Vietnam. A third example was the EDI preoccupation with the European transition states that permitted its Vietnam team considerable autonomy to work closely both with UNDP and the Project Management Office.

These successful factors notwithstanding, other contextual factors determine whether the substance of training is translated into effective policies. These include political and institutional factors that can impact outcomes adversely. While no training programme can fully overcome this impact, account must be taken of them in the design of programmes to the extent they are known.

If there is a lesson to be learned from project or programme success, it is that both contextual and structural factors are inseparable determinants. A balanced assessment would need to give both sets of factors credit. In another sense, however, there remains a need to keep these factors separate. While structural factors may be replicable, contextual factors usually are not. The lessons to be learned for other situations then come mostly from structural variables but context in these situations also cannot be ignored.

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Notes

1. To describe Vietnam as transitioning from central planning to a market economy is incorrect. As Van Arkadie and Mallon (2003) noted, "despite adapting the vocabulary of central planning, the Vietnamese economy was never effectively subjected to the same level of centralized control as the former USSR and Eastern European centrally planned economies."
2. World Bank data showed Vietnam's inflation rate was 393.8% in 1988, from an already high 231.8% in 1987, before falling to 34.7% in 1989 (Wolff, 1999).
3. Cheong and Vichit-Vadakan were EDI's core team members coordinating delivery of activities in the Project. Boi was the Vietnamese Senior Advisor and National Project Director at the Office of the Government, and Mallon was Resident Economist, UNDP, Hanoi.
4. Vietnamese focus on China's development has continued to this day. See Cheong, Lee & Lee (2011); Radchenko (2014).
5. In a conversation between one of the authors and Mr. Vu tat Boi, the project's architect and first director, the latter proclaimed that half of the 72 participants of the Project's first Senior Policy Seminar eventually became ministers or vice ministers.
6. When the most well-known Southern Vietnamese economist Nguyen Xuan Oanh passed away, the BBC in its obituary noted that he "had little impact on the economic fortunes of Vietnam" (Stowe, 2003).
7. In fact, UNICEF was among the first to sound the alarm of the human cost of structural adjustment when it published, in 1987, the report Adjustment with a Human Face (Browne, 2011).
8. It is also interesting that the Bank's assessment of its experience with aid (1998: 105-108) made reference to Vietnam, citing World Bank implementation of UNDP funded technical assistance, but made no specific mention of this very successful Project, simply concluding that "intensive staff time required little money and made a big contribution to the country's reform and development". One of the report's authors, David Dollar, was country economist for Vietnam in the country department when the Project was implemented and knew the Project well.
9. The World Bank President at the time, A.W. Clausen, was himself a conservative, while Anne Kruger, the Chief Economist, was described by Stein (2014) as a "hard-line neoliberal".
10. Stiglitz did not survive his criticism of these policies and the IMF and was let go by the World Bank (Wade, 2001). Similarly, Bill

Easterly, who was equally critical of the Bank's lending policies, was investigated by the Bank and left.

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