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## Improving the state management efficiency in the exploitation of natural resources in Vietnam today

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### Abstract

State management in the exploitation of natural resources plays an important role in the socio-economic development of each country. However In Vietnam, the management of exploitation of natural resources has seen good achievements, however, there are certain limitations. Therefore, in this article, in addition to clarifying the need to improve the efficiency of state management in the exploitation of natural resources, which is an urgent need for social development, the author raises a number of practical issues in the management of exploitation of natural resources including the bad management of the state, the inefficient exploitation; a number of officials in charge of managing natural resources are becoming fraudulent and taking their positions and powers for corruption; The legal system on management and exploitation of natural resources is inadequate and incomplete. Therefore, the author proposed a number of solutions to improve the efficiency of state management in the exploitation of natural resources in Vietnam nowadays.

### For citation

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### Keywords

Efficiency, exploitation, state, management, resources.

## **Introduction**

Natural resources are one of the important resources for socio-economic development of each country. However, such natural resources must be managed and exploited effectively, with planning and plans to contribute to improving people's lives, promoting socio-economic development. On the contrary, if managing and exploiting natural resources without planning, lack of planning, unconscious exploitation, it will lead to loss, waste, exhaustion of natural resources, environmental pollution, unemployment, increased poverty, loss of productive land, etc. all of which will affect the country's socio-economic development process. In Vietnam, in recent years, in addition to the achieved results, the management of exploitation of natural resources also raises a number of pressing issues in the public opinion, namely the management of exploitation of natural resources is ineffective, affecting the socio-economic development process of the country. Therefore, this is a problem that we need to pay attention to, to further improve the management of exploitation of natural resources for the socio-economic development process with the highest efficiency.

## **Research methods**

To achieve the goal of "improving the state management efficiency for the exploitation of natural resources in Vietnam today", the author uses research methods such as: Method of materialist dialectics; method of analysis - synthesis, comparison method, method of generalization - abstraction, using the survey results of the competent authorities in accordance with the law of Vietnam.

## **Contents**

### **1. The necessity of improving the management efficiency of exploitation of natural resources in Vietnam today**

Natural resources are one of the important resources contributing to the socio-economic development, which are material assets available in nature that humans can exploit, process, use and serve human life. "Natural Resource Management (NRM) refers to the sustainable utilization of major natural resources, such as land, water, air, minerals, forests, fisheries, and wild flora and fauna. Together, these resources provide the ecosystem services that provide better quality to human life. Natural resources provide fundamental life support, in the form of both consumptive and public-good services. Ecological processes maintain soil productivity, nutrient recycling, the cleansing of air and water, and climatic cycles".

The exploitation and use of natural resources are inevitable in the life. From birth to now and tomorrow, whether humans want or not, they must continue to exploit and use natural resources to serve their needs of survival and development. However, the exploitation of natural resources is more or less effective, depending on the management level, the level of science and technology, the people's intellectual level ... of each country.

Vietnam is a country with rich and diverse natural resources but with little reserves. Besides, with high population pressure, outdated mining technology, people's intellectual level, the improving the efficiency of management of natural resource exploitation is becoming urgent. Because:

Firstly, the efficiency of management of natural resource exploitation is one of the important resources contributing to socio-economic development. "Natural resources can bring considerable

wealth to a country, contributing to livelihoods, food security and the green economy, as well as generating trade and enterprise at local, national and international levels” [Chêne, 2017, 1]. In a poor and backward country, if natural resources are rich and diverse, managed and exploited effectively, it will contribute to improving the lives of the people. On the contrary, the loose management of exploitation will lead to indiscriminate exploitation, lack of planning, lack of calculations, the resources will be overexploited to recover, leading to depletion, thus affecting the socio-economic development process.

Secondly, the effective exploitation management will contribute to limiting the loss and waste of natural resources, especially non-renewable natural resources. Non-renewable resources are limited resources such as soil, oil and gas, coal, metal, etc. after a period of use, they will be exhausted. Therefore, it is necessary to manage effectively the use and exploit, with planning, plans and application of modern science and technology into exploitation to contribute to preventing losses, waste of non-renewable resources. However, besides, we also need to exploit and use effectively and reasonably the renewable resources such as forests, animals, plants, water sources, etc. Because, although they are renewable natural resources, if exploiting indiscriminately, exploiting exceeding the resilience, they are also quick to be exhausted.

Thirdly, effective management of natural resource exploitation will contribute to limiting unemployment and poverty. Because, natural resources, especially renewable resources are always move at their cycles, and are renewable, so we need to both exploit and restore the renewable resources to create sustainable jobs for people where the renewable resources are in. For example, planting forests for timber to produce paper, we can both exploit and plant forests to form cycles of planting and exploitation, people will not be unemployed and poor. Besides, the effective management of natural resource exploitation will limit the loss of productive land and prevent erosion. For a country whose  $\frac{3}{4}$  area is hilly, people mainly do farming, the protection of productive land is important because it helps people have arable land, develop family economy and reduce poverty.

Fourthly, effective management of natural resource exploitation will contribute to limiting environmental pollution and protecting biodiversity. We know that, in the process of exploiting natural resources, it will affect the surrounding environment such as air, water, soil, climate change, impact on biodiversity. For example, in the process of exploiting the minerals, we have to use machinery and equipment to level the soil, sand, and use chemicals to clean up, process, polluting the environment, especially the water environment, and air to be contaminated with toxic chemicals. Or in forest exploitation, if the forest management is not strict, the forest will be over-exploited, leading to a reduction in biodiversity and erosion, affecting productive land of the people. Karl Marx warned that "if cultivation was carried out spontaneously but not guided consciously ... then it would leave wasteland". Therefore, we need to improve the state management efficiency in exploiting natural resources to limit environmental pollution and protect biodiversity.

Thus, improving the efficiency of management of natural resource exploitation is essential and important for countries in the world in general and in Vietnam in particular. This is an objective requirement, consistent with the movement and socio-economic development. In the context that country is poor, economic growth is mainly based on the exploitation of natural resources, the management of effective exploitation of natural resources is extremely necessary, contributing to limiting the loss and waste of natural resources, improving people's lives, limiting environmental pollution and protecting biodiversity. However, in Vietnam today, in addition to the achieved results, the management of exploitation of natural resources also imposes a number of issues to be addressed.

## **2. Some issues raised in the management of exploitation of natural resources in Vietnam today**

Vietnam is located in Southeast Asia, the North borders China, the West borders Laos and Cambodia, the East borders the East Sea. Vietnam has a small natural area compared to other countries in the world but has relatively rich and diverse natural resources but not much reserves. In the past years, in addition to the achievements such as contributing to improving people's lives, increasing the country's GDP, etc., the management of natural resource exploitation in some localities is also poses a number of issues affecting the socio-economic development process.

Firstly, the lax management of state agencies on the exploitation of natural resources.

According to Vietnamese regulations, "resources are national assets, important resources of the country, must be fully assessed, planned in the economy, managed, protected, exploited and used in a economical, rational, effective and sustainable manner associated with the socio-economic, national defense and security objectives" [Vietnam Communist Party, 2016, 114]. To do that, the state agencies assigned to manage natural resources must strictly manage and ensure the science and planning in accordance with the rules of nature and society. However, in recent years, in addition to the certain achievements in management of exploitation, there are still some localities having lax management of exploitation, especially mineral exploitation. The granting of mineral exploration licenses is not in compliance with regulations; "Some businesses take advantage of granted licenses to exploit beyond the permitted level", v.v..

On the other hand, inventories and statistics are also completely based on the reports of businesses, but not all businesses perform the statistics, inventory and reporting honestly. This was pointed out by Major General. Le Van Cuong, former Director of the Strategy Institute, Ministry of Public Security, "only 30% of enterprises reported" [Bich, 2014]. Thus, 70% of enterprises did not participate in the report, proving that the amount of tax collected by the state is very little or even negligible. The lax management of natural resource exploitation reduces the state budget revenue, and causes many implications for the environment, unemployment and lack of productive land, etc. caused by the mining process.

Secondly, a number of managers of natural resource exploitation take advantage of positions and powers to corrupt.

In the process of managing the natural resource exploitation, a number of degraded ethical officials have taken advantage of positions and powers assigned to corrupt natural resources for individuals and their families or relatives. For the very large sake, the profits from the exploitation of natural resources, it becomes one of the motivations for a number of degraded ethical officials ready to support, indemnify, take advantage of policies as well as loopholes of the law, be on behalf of the common interests of the people and the country to benefit themselves and their families. Typically, in the past years, the concealment of some degraded ethical officials for illegal exploitation of natural resources took place in some localities such as: Bac Kan, Dong Thap, Dak Lak, Binh Thuan, etc. that public opinion has been reflected.

Thirdly, the legal system on management of natural resource exploitation is lacking and not tight.

The legal system on management of natural resource exploitation is lacking, not yet tight, leading to a number of individuals and businesses taking advantage to exploit and appropriate natural resources, causing loss of national assets, loss of productive land, causing environmental pollution ... but the management agencies still could not handle it. For example, the legal system does not prescribe penalties for leaders who make inefficient exploitation decisions, causing losses and waste of natural resources. So when the consequences occur, no one is responsible, for example, "PSGC and

BOGOMIN in Quang Nam province of Vietnam exploited more than 7 tons to sell abroad, causing loss of national resources, causing hundreds of billions dong in damage” [9], but we still couldn't handle the mining licensing head. In addition, the legal system for sanctioning companies that exploit natural resources that cause environmental pollution has not yet had specific sanctioning regulations. The legal system only stipulates sanctions, without detailing on how much penalties are applied, so the application is very difficult.

In general, the management of natural resource exploitation in Vietnam currently poses many pressing issues in the public opinion, the ineffective management of exploitation leads to loss of national resources, exhaustion of natural resources, environmental pollution, poverty and unemployment due to loss of production and business land, etc. which is the problem to be solved now. In order to improve the efficiency of management of natural resource exploitation for the process of socio-economic development in Vietnam, as well as limit indiscriminate exploitation and exploitation without planning and plans, we propose some solutions as follows.

### **3. Some solutions contribute to improving the efficiency of management of natural resource exploitation in Vietnam today**

Firstly, state agencies need to closely manage the exploitation of natural resources, investigate and survey resources to make plans and plan effective exploitation.

Currently, a number of officials managing exploitation of natural resources in some localities have not yet fulfilled all the roles, functions and tasks assigned, not yet checked and supervised strictly the activities of exploiting natural resources. This is partly due to the fact that natural resources are mainly located in remote areas, where the terrain is difficult to travel, while the state management officials are concentrated in the city centers, towns ... not directly managing and operating closely the exploitation activities of enterprises, leading to natural resources exploited and appropriated by individuals and enterprises but not controlled.

Therefore, we need to decentralize management for agencies and organizations from the central to local levels, which resources are managed the central, which resources are managed by the locality; and also directly assign to each cadres in charge of each area, each field of resource management. Officials who loose their management, inspection and supervision will be strictly dealt with in accordance with the law.

Next, hand over to the localities, to the people, where natural resources are available to manage and supervise the exploitation activities of enterprises. If an enterprise exploits resources in excess of the license regulations, causing environmental pollution, losing productive land, etc. then the local people have the right to decide to force the enterprise to stop the exploitation in order to protect natural resources as well as contribute to preventing negative effects left by such exploitation, etc.

Besides, the State needs to set up plans and planning to exploit natural resources, strict regulations which resources are limited to exploit, which resources to exploit in a long time, how much is the reserve to exploit per year, etc. to protect natural resources for the next generation. In addition, state agencies also need to prohibit the export of raw minerals, unprocessed minerals, and strictly manage the export of minerals to avoid loss of national resources. Experience shows: “Those countries that have an abundance of natural resources are realizing their political and economic potential. They are limiting the supply of these resources and gaining more bargaining power in the world marketplace” [Groves, Cauley, 1979, 101]. Therefore, the effective management of natural resource exploitation and the exploitation with planning and plans help Vietnam not only protect natural resources, improve people's lives and stabilize the economic, political, and social determinants, but also be proactive in the natural resources market.

Secondly, enhance the application of modern science and technology into exploitation and deep processing of natural resources, especially mineral resources. In recent years, Vietnam has exploited many natural resources, but its efficiency has not been high, due to weak processing capacity and outdated mining technology. The exploitation and export are mainly crude ore, which brings low economic value, causing huge losses and waste of natural resources, making natural resources not only exhausted quickly but also seriously polluted the environment in some localities.

Vietnam is a poor, developing country whose income is still low, so it is difficult to invest in modern science and technology to exploit natural resources. Therefore, the state needs to manage strictly the licensing, considers which enterprises have enough technology and exploitation capacity to license. On the contrary, it must be determined not to grant exploitation permits to enterprises with insufficient capacity, outdated processing technology to protect and avoid losses and waste of natural resources as well as environmental pollution, which the outdated technologies cannot solve thoroughly, creating conflicts and pressing in society.

In addition, state agencies should also have mechanisms to encourage and support enterprises in capital, technology, investment and exploration and deep processing equipment of natural resources, especially mineral resources in mines that are difficult to exploit and areas with poor ore, in order to maximize the recovery of major minerals as well as the minerals associated with mining and processing. It is necessary to have a plan to eliminate companies and enterprises applying outdated technology with low economic efficiency, causing environmental pollution. Form concentrated processing industrial parks with advanced technologies, with sizes commensurate with the potential of each kind of natural resources, thereby gradually forming leading industries of regional and world levels.

Thirdly, raise awareness for the staff managing the natural resource exploitation.

Because some officials managing natural resources have weak awareness, lax management, fail to fulfill their roles and duties, we need to improve the awareness for these officials. In order to raise awareness about natural resource exploitation management, we need to propagate about the protection of natural resources, the consequences of lax management, and the consequences of indiscriminate exploitation of natural resources. Establish training courses to improve management skills of resource exploitation. In the phase of recruiting staff, it is necessary to focus on professional ethics, taking morality as a foundation, honesty and humanity must be placed on top.

It is necessary to eliminate and punish corrupt officials who violate professional ethics, are loose in management to make mistakes with the level of error specified in the law. Promptly reward and encourage officials who successfully complete their assigned tasks and have scientific initiatives in protecting natural resources.

Fourthly, perfect the legal system on management of natural resource exploitation and environmental protection. According to Zimbabwe's experience, since 2002 they have introduced laws for strict management of natural resources and environmental protection, The Act aims to "provide for the sustainable management of natural resources and protection of the environment; the prevention of pollution and environmental degradation. The Act also provides for the establishment of an Environmental Management Agency and an Environmental Fund", the law also stipulates that everyone has the right to live in a clean environment, etc. Therefore, in Vietnam, before the real situation that management of natural resources and environment has not really brought about high efficiency for the socio-economy, it is necessary to supplement the law on management of natural resource exploitation and environmental protection, specify which resources are allowed to be exploited and how much is the reserve to exploit in one year. The penalty should be clearly defined if the exploitation causes environmental pollution, loss of productive land, etc. In addition, it is necessary to stipulate the specific

level of penalties for officials assigned to manage the exploitation of natural resources but lack the inspection and supervision, loose the management, take advantage of positions and powers to corrupt. For example, specify the level of violations that cause natural resources to be lost to the extent to which administrative sanctions are applied, the extent to which criminal penalties are applied, the extent to which the dismissal is applied, etc.

## Conclusion

The management of natural resource exploitation is a difficult and complex issue, because it takes place on a large scale and involves many management ministries and agencies. In addition, a number of officials managing the exploitation do not complete their functions and duties, are still loose in management, degenerate morality, collude with people and businesses to exploit and corrupt; mining technology is outdated; the legal system is lacking and not tight; the awareness of some people and businesses in the exploitation process is not high, etc. Therefore, it leads to the efficiency of exploiting natural resources for socio-economic development in Vietnam, which is not as high as expected. In order to contribute to improving the efficiency of management of natural resource exploitation in Vietnam in order to serve socio-economic development and improve people's lives, we propose some basic solutions such as: 1) Strictly managing the exploitation of natural resources, planning and making effective exploitation plans. 2) Enhancing the application of modern science and technology to management of exploitation. 3) Raising awareness for the management team of natural resource exploitation. 4) Completing the legal system on exploitation of natural resources and environmental protection.

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## **Повышение эффективности государственного управления эксплуатацией природных ресурсов Вьетнама сегодня**

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### **Аннотация**

Государственное управление в сфере эксплуатации природных ресурсов играет важную роль в социально-экономическом развитии каждой страны. Однако во Вьетнаме управление эксплуатацией природных ресурсов имеет хорошие достижения, однако существуют определенные ограничения. Поэтому в данной статье, помимо выяснения необходимости повышения эффективности государственного управления эксплуатацией природных ресурсов, что является насущной потребностью социального развития, автор поднимает ряд практических вопросов в управлении эксплуатацией природных ресурсов, в том числе плохое управление государством, неэффективная эксплуатация; ряд должностных лиц, ответственных за управление природными ресурсами, становятся мошенниками и берут свои должности и полномочия за коррупцию; Правовая система управления природными ресурсами и их эксплуатации является неадекватной и неполной. Поэтому автором предложен ряд решений по повышению эффективности государственного управления при эксплуатации природных ресурсов Вьетнама в настоящее время.

### **Для цитирования в научных исследованиях**

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### **Ключевые слова**

Эффективность, эксплуатация, государство, управление, ресурсы.

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