

Vietnam Data Bank: 1976–1991. Edited by Adam McCarty, Merlyne Paunlagui, and Vu Quoc Huy. Canberra: Australian National University, National Centre for Development Studies and Research School of Pacific Studies. 127 pp.

Periodically, economists rediscover the importance of information and knowledge. This topic has been widely debated within and among a broad spectrum of economic paradigms: the Chicago School, evolutionary-behavioural economics, market socialism, Austrian liberalism, among others. Competing schools of thought, nevertheless, recognize the essential role of information and knowledge to the smooth functioning of any economic system. For example, in the famous debates on socialism in the 1930s between the intellectual forefather of market socialism, Oscar Lange, and Austrian liberals such as Ludwig von Mises and Friedrich von Hayek, the resolution of the “problem of information” was a key issue. How information is obtained, processed and utilized — and above all, in the “socialist debate”, whether they are accomplished through market mechanisms or in a centralized mode by bureaucratic instruments — affects micro-economic efficiency and effectiveness and macro-economic rationality. The general, theoretical “problem of information” is, thus, a question of efficiently and effectively using information possessed by diverse and dispersed members of society. Akin to this question is a more technical and prosaic issue of collection and systematization of information, knowledge and data.

Both aspects have proven to be significant problems for Vietnam, a low-income economy, which is in transition from central management to a market-oriented system. Symptoms of the information problem at the enterprise level abound in Vietnam. For instance, there still persists a de-linking of information and incentives in the management of state-owned enterprises; and private sector behaviour is affected by weak market signals, often a consequence of imperfect information. But on a more basic level, the Vietnamese economy faces two elementary, but critical information-statistical data problems: data are of very poor quality; and they are frequently inappropriate for quantitative and qualitative analytical methodology used in much of the international economy in the past 30–40 years. Without solid and usable information and data, it is difficult for either the market or the bureaucracy to make the necessary calculations for rational decisions in both the micro- and macro-economic spheres. Moreover, for researchers, the lacuna of reliable and usable data makes theoretical or applied analysis of Vietnam’s economy exceedingly difficult.

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for Development Studies have confronted one small part of the problem — that is, a scarcity of Vietnamese statistical data — by publishing *Vietnam Data Bank: 1976–1991* in hard copy and on disk, using Excel 3.0 software. The publication's data, consisting of 60 tables of official statistical series, are categorized under eleven subject headings: general indicator; government finance and financial sector; industry; agriculture; construction; transport; trade; price; population; labour and employment; education. Wherever possible, the editors have collected data for the period 1976–91, but many series cover fewer years. In brief, *Vietnam Data Bank* addresses the need for an inexpensive and publicly available electronic database of basic Vietnamese economic indicators.

Obviously, no one publication can resolve the underlying problems of Vietnamese data: namely, poor data collection and an often non-comparable (and even unexplained) methodology used to derive these data. Nor does *Vietnam Data Bank* pretend to tackle the fundamental weaknesses of Vietnamese statistical sources and methodology. Indeed, the data of this publication originate from often used and basic sources: the official General Statistical Office, which publishes *So Lieu Thong Ke* (Statistical Data) and *Nien Giam Thong Ke* (Statistical Yearbook); and articles from newspapers and journals, notably, the *Far Eastern Economic Review*. Both sources are less than reliable: the first, because of methodological differences, reporting biases, and data collection and collation errors; the latter, because of the inherent problems of secondary sources. Another apparent shortcoming of *Vietnam Data Bank* is the lack of updating of the times series. Consequently, data in the eleven categories covered by this database now exist for 1991 and 1992, but they are not available on an updated disk (or hard-copy version).

Given these disadvantages, perhaps the most important contribution of this work is, firstly, its discussion of issues related to data collection and systematization in Vietnam and, secondly, its compilation of material that will make the Vietnamese economy more accessible to non-specialists. In particular, the three editors have written brief, but instructive essays on several problems presented by Vietnamese statistics, and they have provided supplementary information that can make Vietnamese economic research more manageable.

In a short introductory essay, Adam McCarty addresses specific difficulties in obtaining and using statistical data to analyse the Vietnamese economy, focusing on the issues of quantity and quality of Vietnamese data. Comparing the dearth of available Vietnamese data in the pre-1989 period with the following period when reforms permitted greater distribution of information, he states that “[T]he last two years have witnessed a relative boom in the publication of official statistics in Vietnam” (p. 2).

On the issue of quality, McCarty concludes that “official Vietnamese data to 1991 can only be used in an indicative manner, that is, as little more than signs of possible or probable changes in the economy” (p. 5).

Merlyne Paunlagui contributes a second essay, “Material product system” (MPS), which will be informative to research analysts unfamiliar with methodology used by the now-dissolved Council for Mutual Economic Assistance (CMEA). Contrasting the MPS with the United Nations’ system of national accounts (SNA), Paunlagui discusses the most important ways in which “the socialist concepts underlying national income accounting, both with regard to scope and valuation, are fundamentally different from those employed in a market economy” (p. 6). She examines four components of the MPS essential to understanding the system: the classification of economic activity into material and non-material spheres; the classification of the production of national income; the classification of the distribution of national income; and comparisons between the MPS and the SNA. Basing her essay on both international and Vietnamese sources, Paunlagui presents a very readable overview of the MPS, which until recently Vietnam has followed.

In a third article, Vu Quoc Huy examines “Specific problems of the Vietnamese statistical sources”. Here, he argues that although data collection in Vietnam has improved over the past few years, the quality of statistics remains poor and inadequate. This warning is well illustrated in a table comparing sources of three economic indicators of Vietnam — GDP growth rate estimates, GDP deflators, and exports. In certain years and in certain categories, the data vary significantly. For example, Vietnam’s General Statistical Office estimates growth of GDP in 1986 at 6.5 per cent, while the World Bank estimate is a little more than half of that — 3.4 per cent. Vu Quoc Huy concludes by asking — and attempting to answer — a question every analyst of the Vietnamese economy must have posed at one time or another:

How can a researcher decide whom to believe or what data to use? Obviously, this is not an easy task, hence it is suggested that the researcher should have his or her own additional information flows. And here every method, survey or interview, expertise or intuition is worthwhile (p. 20).

In addition to the introductory essays, the editors have compiled a glossary of socialist economic terms, which researchers unacquainted with the intricacies of centrally-planned economies will appreciate. Also included in this collection is a selected bibliography on Vietnam, which unfortunately is out-of-date and omits some important works on the Vietnamese economy.

Since publication of *Vietnam Data Bank*, the initial results of a four-year Vietnamese project adapting and applying the system of national accounts to Vietnam have been released.* While the adaptation and application of the system have not yet been completed — and therefore, essentially a hybrid system now exists — data are being collected, collated and categorized differently compared to the system under the MPS and in closer conformity to the SNA. The modification of Vietnam's official statistical system means that for the time being, data continue to be confusing and often unusable. Moreover, in the future, times series data will not be comparable before and after 1991–92 without converting them to one system or another. However, the ongoing shift to the SNA and the greater attention given to statistics in general may bode well for the establishment of better methods of collection, collation and systematization of Vietnamese data.

The editors of *Vietnam Data Bank: 1976–1991* have made an important initial attempt to “fill-in the gap” of publicly available Vietnamese economic data. This endeavour, however, does not approach the larger problems presented by Vietnam's statistical system. Because of the many constraints already mentioned, however, the task of upgrading data in Vietnam is an extensive, long-term, and often “trial and error” process. Undoubtedly, major efforts of statisticians, researchers and analysts in Vietnam and elsewhere are required to improve the overall quality of Vietnamese data and statistical methodology. Such changes will address one technical facet of the “problem of information”, thereby facilitating complex analysis of, and decision-making in, an economy undergoing rapid transformation.

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* For an introduction to the new system, see Dr. Le Van Toan, ed., *Vietnam Economy 1986–1991. Based on the System of National Accounts* (Hanoi: Statistical Publishing House, 1992).