

'Revolution': Communist Vietnam seeks to cut 1 in 5 govt jobs

AFP – Vietnam is aiming to cut one in five public sector jobs and slash billions of dollars from government budgets, mirroring US President Donald Trump's push to take a hatchet to spending.

The drive – due to go before the rubber-stamp parliament in the coming days – is creating unease in a communist country where working for the state long meant a job for life.

Vietnam's top leader To Lam, who half a year ago became Communist Party general secretary following the death of his predecessor, has said that state agencies should not be "safe havens for weak officials".

"If we want to have a healthy body, sometimes we must take bitter medicine and endure pain to remove tumours," Lam said in December.

The reforms, described as "a revolution" by senior officials, will see the number of government ministries and agencies slashed from 30 to 22. The media, the civil service, the police and the military will all face cuts.

Almost two million people worked in the public sector as of 2022, and one in five of these jobs will go over the next five years, according to the government.

Of those cuts, 100,000 people will be made redundant or offered early retirement, but it has yet to offer clarity on how the much larger target will be reached.

Some have already been given notice, like Thanh, a pseudonym to protect his identity, who told AFP his 12-year career as a TV producer was "aggressively" terminated last month.

The state-controlled news channel where he worked was shuttered, one of five broadcasters already closed, and the father-of-two was given two weeks' notice.

"It is painful to talk about," said the 42-year-old, who has turned to driving a taxi.

– 'Bitter medicine' –

Building on stellar economic growth of 7.1 percent in 2024, Vietnam – a global manufacturing hub heavily reliant on exports – is aiming for eight percent this year.

But anxiety is mounting over the country's potential vulnerability to tariffs under the new Trump administration.

A bloated bureaucracy is also seen as a brake on growth, as is a high-profile anti-corruption campaign that has slowed everyday transactions.

Vietnam is aiming to become a middle-income country by 2030 and leap into the high-income ranks by 2045.

"They really want to achieve the goal," said Nguyen Hong Hai, Fulbright Vietnamese Scholar at American University in Washington DC.

"It's about (demonstrating) the legitimacy of the party, the power of the party."

Authorities say savings from the cuts in spending could total \$4.5 billion (113 trillion dong) over the next five years, despite costs of more than \$5 billion for retirement and severance packages.

But Vu Quynh Huong, a civil servant, said she was concerned that the most capable staff – who will have options to work elsewhere – could be the ones who leave.

"I am considering taking early retirement," the 51-year-old

told AFP. "I can work as a freelance consultant or for my family business."

– Anti-corruption drive –

Streamlining the bureaucracy has been a Communist Party policy for nearly a decade but Lam is pushing the scheme with intensity and rapidity.

Lam has also enthusiastically pursued an anti-graft campaign that has swept up dozens of business leaders and senior government figures, including two presidents and three deputy prime ministers since 2021.

Critics accuse him of targeting his rivals through the action, but the drive has proved popular with the public, and analysts say Lam may be looking to bolster his legitimacy ahead of the next Communist Party congress in early 2026.

But the turmoil threatened the country's reputation for stability and there are fears the bureaucratic reforms could also cause short-term chaos.

Vietnam ranks 83rd out of 180 countries in Transparency International's Corruption Perceptions Index, and questions have also been raised about the implementation of the drive.

Thanh said decisions about which employees to keep, and which to fire, were "not based on ability of the staff".

"I used to feel proud telling people about my job. Now I feel like I've lost my honour."

AFP