

Economic performance of vietnam essay sample

[Countries](#), [Vietnam](#)



Question: to what extent does the Sachs and Gallup analysis (1998) explain the economic performance of Vietnam?

According to the Sachs and Gallup survey (1998), the economic performance is heavily affected by three factors. The three mentioned factors are location in the northern hemisphere, a temperate climate and access to a seaport. In this essay, I will examine the economic performance of Vietnam in which related to Sachs and Gallup theory, then analyze the other possible contributory factors. Finally, I'll sum up the ideas of this essay.

First of all, to define the economic performance of Vietnam, I will use GDP or gross domestic product as a basic to evaluate its effectiveness. According to a research of World Bank (2012), Vietnam was ranked 42nd over 178 countries with GDP (PPP) of \$320. 879 billion. Meanwhile, according to IMF (2012), Vietnam was ranked 51st over 178 with nominal GDP of \$141. 463 billion. These statistics already show a briefly look about the economic performance of Vietnam, in which can tell that, Vietnam still has a long way to achieve its ambition of becoming a strongly developed country. However, its accomplishment is remarkable.

Back to the Sachs and Gallup theory, Vietnam meets two over three criteria for economic success given by the research. Firstly, Vietnam is located in the northern hemisphere. Secondly, with a long coastline of 3, 260 km with many important seaports in the SEA area, it is undoubtedly fits to Sachs and Gallup survey. However, because of the location near the Equator, Vietnam has tropical climate with temperature ranges from 5 to 37oC and annual rainfall is substantial in all regions and torrential in some, ranging from 1, 200 to 3,

000 millimeter per year. For this criteria, Vietnam does not meet the final pattern of the survey.

Nevertheless, there are other possible contributory factors that affect Vietnam economic performance. On the one hand, Vietnam has many valuable natural resources such as coal, offshore oil, bauxite, gold etc. Another advantage to mention is that, with over 90 million people in population and the labour force is approximate 50 million people, Vietnam has a huge labour market to contribute to the economic.

On the other hand, lacking of infrastructure and being suffered from natural hazards such as occasional typhoons with extensive flooding are some main obstacles to the advance of Vietnam economic performance. Last but not least, although having a huge labour market, majority of Vietnamese workers are still being considered as low quality. This problem has become a burden to the economic performance so far.

In conclusion, according to Sachs and Gallup survey (1998), Vietnam fits two over three of the criteria in the research. However, there are many other factors that can be considered to affect the economic performance of Vietnam such as natural resources, labour market, labour skills and level of infrastructure.