

FINANCIAL RESOURCES FOR INVESTMENT IN EDUCATION IN VIETNAM

RECURSOS FINANCEIROS PARA INVESTIMENTO EM EDUCAÇÃO NO VIETNÃ

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Abstract. Currently, the education system in Vietnam is quite diverse from the levels of education to the participants in organizing training education activities. In particular, the public education system is facing fierce competition with the education system established by the private sector. Competition not only comes from infrastructure, training programs, and lecturers... but also from financial resources to organize and maintain activities. Therefore, because a training institution wants to have good infrastructure and highly qualified lecturers, it is very necessary to have abundant financial resources to carry out the plans in the middle and long term. The problem of creating and using financial resources to invest in education is always a painful and complicated issue for training institutions in Vietnam today. Stemming from outstanding practical problems, the article studies the financial sources of investment in education in Vietnam. On that basis, some solutions are proposed to contribute to the improvement of the education legal system, improve the quality of education, and efficient use of financial resources for the education system.

Keywords: Financial resources. Education. Education Law. Vietnam.

Resumo. Atualmente, o sistema educacional no Vietnã é bastante diversificado, desde os níveis de ensino até os participantes na organização de atividades de educação formativa. Em particular, o sistema de ensino público enfrenta uma concorrência feroz com o sistema de ensino estabelecido pelo setor privado. A competição não vem apenas da infraestrutura, dos programas de treinamento e dos professores... mas também dos recursos financeiros para organizar e manter as atividades. Portanto, porque uma instituição de formação quer ter uma boa infra-estrutura e professores altamente qualificados, é muito necessário ter recursos financeiros abundantes para executar os planos a médio e longo prazo. O problema da criação e utilização de recursos financeiros para investir na educação é hoje sempre uma questão dolorosa e complicada para as instituições de formação no Vietnã. Partindo de problemas práticos pendentes, o artigo estuda as fontes financeiras de investimento na educação no Vietnã. Nesta base, são propostas algumas soluções para contribuir para a melhoria do sistema jurídico educativo, melhorar a qualidade da educação e a utilização eficiente dos recursos financeiros para o sistema educativo.

Palavras-chave: Recursos financeiros. educação. Direito Educacional. Vietnã.

1. INTRODUCTION

As a country that values education, right from the feudal period, feudal states have always focused on people's education and exam. People like to take part in the contest "'Huong exam", "Hoi exam", and "Dinh exam"' (TUOI TRE ONLINE, 2012). Feudal states select talented people from these exams. Vietnamese people's studious spirit has continued to persist till date, especially since the birth of the Democratic Republic of Vietnam (now the Socialist Republic of Vietnam). Education is highly promoted and focused on more. Improving the quality of human resources, and focusing on developing high-quality human resources has been the focus of different countries of the world today, including Vietnam (TRAN THE LU, 2018, P. 01). Of course, improving the quality of human resources can only be achieved with an advanced, modern, and scientific education and training system.

The current education and training system in Vietnam is quite methodical and diverse, from all levels of education to the learning environment. Right before school age, learners are involved from the preschool level. Through elementary school, middle school, high school,



learners have many opportunities to choose to study at all levels from middle school, college, university, and graduate school. Not only that, in recent years, the policy of socializing education and training has been very strong. Not only are there educational institutions established by the State (public education), the private sector (private education) also invests in all levels of education. This has positively improved the whole education and training system in Vietnam to be advanced, modern, and professional. “As educational institutions are competing with each other to survive, it is imperative to constantly strive to further improve the quality of training” (NGUYEN VINH HUNG, 2023, P. 54). From the results achieved in recent years, it shows that the policy of socialization of education and training is completely right and suitable for the conditions in Vietnam.

However, to be able to compete and improve the quality of education and training, first of all, training institutions must have financial resources. In other words, finance is one of the decisive factors in the viability and development of education and training institutions. Therefore, in order to have students, educational institutions are forced to find ways to attract them, such as lowering entrance standards, loudly advertising their programs and learning environments and using scholarship policies.

In order to ensure fair competition and long-term stability for the education system, the Education Law 2019 was promulgated by the National Assembly and it was effective in 1/7/2020. In particular, unlike the Education Law of 1998 and the Education Law of 2005, the Education Law of 2019 has quite detailed, strict, and clear regulations on financial investment for education.

However, from practical implementation, it shows that the regulations on financial investment for education in Vietnam still have some limitations and shortcomings, so they are not really suitable for the actual operation of the education system of today. Therefore, studying the financial investment for education in Vietnam is very important and urgent.

2. LITERATURE REVIEW

Research on financial investment for education in Vietnam is a topic that has attracted the attention of many scientists in many different fields. In the fields of educational science, and economic science, there have been many studies related to finance in education in the past time.

However, the legal science field of Vietnam has not really focused on the issue of financial investment for the education system. Perhaps, Vietnamese jurists believe that financial resources are a matter of economic or educational sciences. Even the Education Law of 2019 rarely receives the attention and research of jurisprudence. Therefore, within the scope directly related to the topic, a few research works are found: Nguyen Vinh Hung (2011) with “*Culture, education functions of the State of the Socialist Republic of Vietnam today*”; Dan tri electronic newspaper (2016) with “*Doctoral salary is lower than Osin: Doctor's talk truth*”; Nguyen Vinh Hung (2017) with “*Culture, education management function of Vietnamese State in the phase of international integration*”; Tran The Lu (2018) with “*Mobilizing financial resources at public vocational education institutions in Vietnam today*”; Trinh Ngoc Thach (2019) with “*Vietnam's policy of prioritizing financial investment in education from the point of view of "education and training development is the top national policy"*”; Vietnam National University, Hanoi (2020) with “*World Bank grants credit to build VNU in Hoa Lac*”; Tran Huyen (2022) with “*State finance has prioritized investment in education*”; Tuoi Tre Online (2022) with “*Financial investment in higher education is only 0.27% of GDP, how to improve quality?*”; Ministry of Finance (2023) with “*Renovating the state budget allocation mechanism for the education sector in Vietnam*”; Tuoi Tre Online (2023) with “*International school fees in Ho Chi Minh city exceed VND 900 million per year*” etc.

On the other hand, the important legal documents directly related to the financial sources of investment in education in Vietnam today are included State Budget Law 2015, and Education Law 2019.

Basically, the above studies initially provide some important content. This is a useful reference base for the authors to inherit and develop in the process of researching this topic.

3. METHODS

To research financial resources for investment in education in Vietnam, the authors have used a combination of traditional research methods of the social sciences and legal sciences such as the legal analysis method, the legal efficiency evaluation method, the legal comparative method, and the sociological investigation method.

In general, the above research methods are used in close and harmonious combination by the authors to achieve the research objectives of this article.

4. RESULTS AND DISCUSSION

4.1. Regulations on financial sources for investment in education and shortcomings and limitations

Financing is very important for any educational institution of any kind. This is because whether the educational institution is established by the State or by the private sector, finance is always a decisive factor in the existence and quality of training of an educational institution. Therefore, the issue of determining financial resources is one of the key contents of the Education Law 2019.

The Education Law 2019 has dedicated Chapter VII – Investment and finance in education to nine Articles to regulate all matters related to finance in education in Vietnam. Directly related to the financial investment for education, the Education Law 2019 has very detailed, strict, and clear provisions in Article 95. The detailed content of the Law and the limitations and shortcomings of development was born during the implementation process. According to the provisions of Article 95 of the Education Law 2019, Vietnam's financial investment in education comes from 06 different sources¹:

First, the state budget

In Vietnam, the state budget is conceived as “an estimate of a country's monetary revenues and expenditures, decided by a competent state agency to be implemented within a certain period of time, usually one year” (NGUYEN MINH HANG, 2011, p. 28). The state budget can also be understood as the “centralized monetary fund of the State” (FACULTY OF LAW - VNU, 2022, p. 58). According to the provisions of the 2015 Law on State Budget, “State budget is all revenues and expenditures of the State that are estimated and implemented within a certain period of time decided by a competent state agency to ensure the performance of the functions and tasks of the State”.² Legally, the state budget is considered “a special law promulgated by the National Assembly to allow the Government to implement within a definite period” (Hanoi Law University, 2018, p. 14).

The Education Law 2019 identifies the state budget as the first source of finance for the education system because “education is the top national policy. This is why the education sector receives investment resources (education has always been focused on and guaranteed by the State in recent years)” (MINISTRY OF FINANCE, 2023). Also, the implementation

¹ Article 95 of Education Law 2019.

² Clause 14, Article 4 of State Budget Law 2015.

of investment in the development of the education and training system is also one of the contents of “the State's function of cultural and educational management” (NGUYEN VINH HUNG, 2011, p. 28). “The organization and implementation of policies and laws regarding cultural and educational management are obligatory state activities” (NGUYEN VINH HUNG, 2017, p. 17).

In this context, all socio-economic management activities in general, and educational management and training in particular, rely on financial resources available within the state budget. Therefore, the state budget is the primary and most crucial source for the Vietnamese education system. Annually, the National Assembly determines the budget allocation for education and training, providing the foundation for the existence and development of the nationwide education system.

However, as introduced, the current education system in Vietnam is mainly composed of public educational institutions. Besides, private educational institutions have also existed for several decades and made contributions to the development of education and training in Vietnam. Essentially, private educational institutions are established and maintained by private owners, this represents the involvement of private entities in the field of education and training. Public educational institutions, on the other hand, are established by the state with various objectives, missions, and roles.

The majority of public educational institutions do not prioritize generating revenue from tuition fees paid by students. Therefore, the support from the state budget is a crucial factor determining the existence of public educational institutions. As a result, the state budget cannot be used to support private educational institutions, but only public ones. This is reasonable and aligns with the goals and missions of these educational establishments.

Nevertheless, currently, due to limited state budget resources and the government's policy to promote educational socialization, the state is gradually delegating financial autonomy to public educational institutions, particularly in large universities. Many public educational institutions have started to independently manage their finances and no longer rely on state budget support. This move signifies a push for greater self-initiative and efforts to enhance the quality of education and training in order to compete with other educational institutions. However, the downside of the financial autonomy approach in universities is that many institutions are compelled to find various ways to generate revenue.

As a result, some universities may lower their entrance exam scores, introduce programs with high tuition fees, and take other measures to increase their income. This can contribute to a decline in the quality of university admissions and create less academic pressure on students. In reality, post-graduation outcomes demonstrate that a considerable number of individuals, despite holding degrees ranging from Bachelor's to Doctorate, do not possess knowledge commensurate with their credentials. Furthermore, the quality of many programs labeled as “high quality” in certain universities today does not significantly differ from the quality of regular programs.

This is because the instructors for these programs are essentially the same, and the amount of knowledge imparted to students is not markedly different. Perhaps, if public universities were not so focused on financial pressures they could exert more academic rigor, compelling students to put in more effort and training. As a result, when students enter the workforce, they will likely have a higher level of competence. Therefore, it can be affirmed that the financial resources from the state budget have a significant impact on the quality of education in public universities in Vietnam.

Secondly, legal investment capital is sourced from domestic and foreign organizations as well as individuals

In the above section, there was a brief introduction to the policy of socializing education in Vietnam. This means that instead of the state solely organizing and maintaining the entire education and training system, it allows various organizations and individuals to participate.

If organizations or individuals meet the necessary criteria and have a desire to engage in the field of education and training, they can register with the state. After a thorough examination and evaluation by the Ministry of Education and Training or local Departments of Education, if the application meets all the requirements, the organization or individual can organize educational and training activities. The qualifications awarded by educational institutions established by these organizations or individuals are officially recognized by the state.

Furthermore, not only domestic organizations and individuals but also foreign organizations and individuals can participate in the field of education and training in Vietnam thanks to an open and cooperative mechanism. This is because, “together with the flow of the global economy, Vietnam has been a member of organizations such as ASEAN, APEC, ASEM, WTO, CPTPP, EVFTA, etc” (HUNG, N.V. ET AL, 2022_1, p. 01). Due to the impact of the widespread trend of international integration and the presence of a "strongly developed information and communication network" (Quang, P. D., 2023, p. 08) foreign organizations and individuals are increasingly showing interest in education and training in Vietnam.

On the other hand, the Vietnamese government also seizes every opportunity to promote and create conditions for the education system in Vietnam to develop on par with international standards. It can be said that this is a prudent and astute policy by the Vietnamese government, as it mobilizes various financial resources to serve the development of the education and training system while also sharing some of the financial burdens in education with the state budget.

However, up until now, in Vietnam, there has not yet been an educational institution with both state and private funding. In other words, there is no mixed financial organization between the state and private sector within an educational institution.

From the practical operations of educational institutions established by domestic and foreign organizations and individuals, it is evident that due to the profit-oriented nature of their investments in the education and training sector, many privately-owned educational institutions do not prioritize the quality of education. This is reflected in the fact that the students' grades are often relatively high, but the overall quality of education is lower compared to public educational institutions.

Furthermore, the tuition fees in private schools are currently very high compared to the average income of Vietnamese citizens (TUOI TRE ONLINE, 2023). If we consider the “average annual income” (URBAN ECONOMY ELECTRONIC NEWSPAPER, 2023) of a Vietnamese person, the high school tuition fees at an international school are 16 times the average income.

This is indeed an irrational situation and contributes to inflation in Vietnam. Additionally, due to favorable policies, the establishment of private educational institutions and the application for licenses for undergraduate and master's training programs is quite easy. This has led to a situation where many private educational institutions provide subpar education, and in some cases, engage in the practice of acquiring and selling educational institutions.

Moreover, there have been cases of “private universities providing degrees that do not comply with regulations for students and have been dealt with very strictly according to the law” (TUOI TRE ONLINE, 2021). These are significant loopholes in the assessment and licensing process for private educational institutions and the management of the implementation of training programs in private educational institutions.

Thirdly, the sources of revenue include income from education, training, science, and technology services; services supporting and assisting educational activities of educational institutions; revenue from production and business activities; interest from bank deposits; and other lawful sources as prescribed by law

Maintaining the operations of an educational institution is always costly. Both public and private educational institutions have to cover various expenses such as paying salaries to teachers and staff, electricity, water, internet bills, rent for premises, maintenance and upkeep of classrooms and learning materials, rewards for high-achieving students, and corporate income tax payments.

In addition to funding from the state budget and contributions from organizations and individuals, one of the crucial sources of revenue is derived from education, training, scientific, and technological services. The amount of revenue generated from tuition fees is directly proportional to the number of students. Furthermore, educational institutions can also generate additional income through research projects, technology transfers to client partners, and by providing services that support and assist educational activities.

They may also seek revenue from production and business activities to secure additional funding. Moreover, educational institutions can also make use of surplus funds by depositing them in banks to earn interest. Additionally, reputable institutions or those with strong relationships can receive sponsorships from individuals and organizations both domestically and internationally.

These are all significant financial resources that contribute to supporting and sustaining the operations of educational institutions.

Fourthly, funds allocated by the state for specific projects and tasks

Educational institutions often have high-quality labor and leading scientists and experts in their fields. This is an advantage that allows educational institutions to attract the attention of businesses and the state when there is a need for activities related to research, creativity, and innovation.

Therefore, in order to meet the demands and support educational institutions, in addition to regular support from the state budget, the government can also assign certain national-level or ministry-level research tasks to educational institutions for implementation. This not only encourages scientists but also makes a significant contribution to economic and social development.

However, in practice, even reputable educational institutions rarely receive commissioned projects from the state. This could be attributed to the limited annual budget allocation for education and training, or it may be dependent on the specific needs of the state. Nevertheless, the infrequency of receiving large-scale research projects from the state also hinders the development of scientists working in educational institutions. Indeed, in reality, the income of scientists in public educational institutions in Vietnam is still relatively low.

Research indicates that the salary levels set by the state for a “doctor working in leading universities and research institutes in Vietnam are not even equivalent to that of a household helper” (DAN TRI ELECTRONIC NEWSPAPER, 2016). Having additional large-scale research projects from the state not only contributes to driving efforts, striving for innovation and creativity but also helps researchers develop a deeper and more long-term commitment to their work.

Therefore, even though according to current regulations, “expenditure for education and training”³ is identified as the third most important priority in regular spending (following expenditures for national defense and ensuring social order, and safety), in essence, the state budget support for scientific research activities remains relatively low.

Fifthly, sources of borrowed capital

Given Vietnam's status as a developing nation, it can easily receive support from international organizations or other countries in the form of low-interest loans for development investments.

Therefore, tapping into opportunities for borrowing funds is quite suitable for the requirements and conditions of educational and training institutions. Consequently, these institutions can obtain loans from domestic banks or, with approval from the relevant state authorities, they may also secure loans from foreign sources. For instance, the project to relocate one of the largest universities in Vietnam, Hanoi National University, from the urban center to the suburban area of Hoa Lac, serves as evidence of utilizing foreign loans.

Constructing a university with a campus spanning over 1000 hectares and accommodating tens of thousands of students and staff is a substantial investment. Therefore, Hanoi National University collaborated with the World Bank to jointly develop this project. “The Hanoi National University project had a total budget of 125.18 million USD, with funding of 100.87 million USD from the World Bank and a counterpart fund of 24.31 million USD from the Vietnamese Government” (VIETNAM NATIONAL UNIVERSITY, 2020).

Collaborating with international organizations to secure additional loans for funding educational activities and development investments is a sensible and well-suited solution given the conditions and circumstances of educational institutions in Vietnam.

As analyzed, the state budget can only provide partial support for large-scale projects. Therefore, securing loans from external sources is necessary to execute educational and training projects effectively.

Sixthly, funding, assistance, and gifts from domestic and foreign organizations and individuals

In addition to the main sources of funding mentioned above, educational institutions can also receive financial support from donations, grants, or contributions from organizations and individuals both within and outside the country.

Although these additional sources of support may not be substantial, they still provide some financial assistance to educational institutions. Absolutely, receiving support, grants, and donations also demonstrate the collaboration and credibility of educational institutions. It affirms the long-term relationships and partnerships between educational institutions and their partners.

Typically, educational institutions in Vietnam are always concerned with building networks and communication with former students, and collaborating with international educational institutions and organizations.

4.2. Some solutions to improve the legal framework and enhance the effectiveness of financial resources utilization for the education system

Currently, “in the context of judicial reform in Vietnam, the issue of perfecting the legal system has always been of special concern to the Party and State of Vietnam” (HUNG, N.V. ET AL, 2022_2, p. 01). Therefore, from the limitations and inadequacies in regulations on

³ Clause 3, Article 36, State Budget Law 2015.

financial resources and the practical implementation process at educational institutions in Vietnam today, the group of authors proposes the following solutions:

First, it is necessary to continue using the state budget to support public educational institutions and improve remuneration regimes for cadres and public employees in the field of education

As mentioned, the policy of financial autonomy at public universities is causing many difficulties and pressure on educational institutions. Because, for a long time, public educational institutions, mainly at the undergraduate and postgraduate levels, have been accustomed to receiving state budget support. In addition, the monthly salary payment for teaching staff and staff is increasingly burdensome.

Partly because inflation is rising, salaries and bonuses of faculty and staff in universities are constantly adjusting in an upward direction. Having to be self-sufficient in all financial resources puts enormous pressure on universities. Therefore, public universities also gradually have to get used to being as self-reliant as private schools. The revenue of public universities will also be mainly based on learners. Therefore, many public universities have to find ways to lower university entrance benchmarks, continuously enroll students, and recruit for various training programs to attract students.

Even learners' learning is supported not only in terms of educational conditions and quality but also through testing and assessment. This is because learners are getting more and more support. That is reflected in the increasing scores and the pressure of difficulties when studying and exams is decreasing. However, as analyzed and it needs to be emphasized, the quality of graduates today is somewhat lower than the period when public universities still received support from the state budget.

In reality, many students who graduate from reputable public universities still face significant difficulties in their professional work due to their relatively low levels of competency. As previously analyzed, competitive pressure and economic difficulties have led to a reduced emphasis on rigorous academic performance among students in many public universities.

Consequently, students might have degrees but lack the practical competence required for their jobs. Although many university leaders are aware of this issue, economic pressures drive these institutions to continually seek ways to attract students.

Therefore, according to the author's group, it is necessary to reconsider university autonomy in Vietnam today. Because, education and training are not the same as commercial activities. The task of education and training is to foster and develop understanding, personality and wisdom for generations of learners. Therefore, appropriate financial support from the state is necessary for educational institutions to operate effectively. Furthermore, the lesson from the "hospital autonomy" (PEOPLE'S ELECTRONIC NEWSPAPER, 2022) in Vietnam has shown that not every public institution can survive by managing its own finances.

The group of authors suggests that the state should continue to use the state budget to support public educational institutions for at least a few years from the time they start managing their own finances. In addition, for special and important fields to society, such as medicine, pharmacy, law, and education, there should be special policies for educational institutions and learners. Because if students don't have to worry about financial burdens during their studies, their personality and professional qualifications will be better after graduation. According to the group of authors, tuition fees for the entire curriculum should be waived for these fields, and the state budget should continue to provide sufficient financial resources for universities to operate these programs stably.

Furthermore, the living standards and income of lecturers, teachers, and those working in the field of education also need to be taken care of and improved. As mentioned, the income according to the state salary scale is almost not enough for those who are currently working or have worked in the field of education to feel secure and committed to the profession. Low income can also lead to phenomena such as bribery, forcing students to take extra classes, among some educators.

Therefore, it is necessary to review and increase the income levels of lecturers, teachers, and those working in the field of education. Special attention should be paid to supporting and caring for those involved in education and training in remote, border, and island areas. This is because those working in education in these particularly challenging areas always face great difficulties and must have a strong passion for their profession in order to stay and work there.

For this reason, they urgently need greater support from the state. According to the group of authors, in order to have additional financial resources for the education and training sector, the state should reduce some activities that are not truly essential, such as sports, organizing entertainment, and festivals. In doing so, it will both satisfy the needs and desires of the majority of the population and contribute more effectively to the development of education and training in Vietnam.

Secondly, it is crucial to closely monitor the admissions process and the organization of education and training at private universities and institutions with foreign investment:

As mentioned, many private educational institutions or those with foreign investment set very high tuition fees. Alongside this, there are doubts about the quality of education provided by these institutions, as students often achieve high grades despite having relatively low entry requirements. On the other hand, from practical experience in teaching at some private educational institutions, it is evident that the training programs of these institutions are advertised as reputable and high-quality, but the actual learning process does not always reflect this.

Some educational institutions conduct their teaching activities rather loosely, with exams being merely a formality. The majority of these institutions do not employ long-term lecturers but rather hire them from public institutions. The examination process is quite relaxed, as students only need to fulfill minimal requirements, and there are numerous cases of misconduct during exams.

As a result, according to the group of authors, the Ministry of Education and Training and local Departments of Education should carefully review and scrutinize applications for the establishment of new educational institutions. Specifically, if the newly proposed educational institution does not have a sufficient number of contractual lecturers and the necessary learning conditions, it should be strictly prohibited from being established. In reality, there have been cases of establishing and subsequently buying educational institutions.

Therefore, for educational institutions that do not have a sufficient number of contractual lecturers and do not meet the training requirements, even those that are already operational should have their operating licenses revoked. This is also a solution that contributes to improving the quality of education and training. Furthermore, it is essential to strengthen the inspection and supervision of private educational institutions and those with foreign investment.

The inspection and supervision activities should focus on the results of the admission process and the implementation of the training activities. Additionally, there should be a maximum fee cap for each level of education to limit the ability of private educational institutions and those with foreign investment to arbitrarily raise tuition fees to very high

levels, which can lead to dissatisfaction and issues within society. The authors also suggest that, in the pursuit of quantity or the desire to quickly achieve the goals of educational innovation, foreign organizations or individuals should not be allowed to invest in establishing educational institutions in Vietnam if they cannot manage and supervise these institutions rigorously.

This is because educational activities must provide real benefits to learners and be reflected in their ability to work afterward, which is the decisive factor for the quality of education. If foreign individuals or organizations are solely focused on the business aspect of education in Vietnam, then they should not be permitted to operate.

Thirdly, the State needs to enhance support for scientific research activities at universities and research institutes:

Although the budget for education is ranked third in the regular budget allocation of the state, as mentioned above, the number of projects commissioned by the State is still quite limited. Furthermore, the way of announcing and the mechanism for approving research topics are not yet truly reasonable. In most cases, researchers who win State-funded research projects not only need to have scientific prestige but also require a wide network of connections. In reality, many scientists who have worked for a long time in large research institutions still do not have access to information about State-funded scientific projects.

According to the group of authors, encouraging scientific research at universities and research institutes holds great importance and brings significant value. This not only attracts creative potential but also contributes to the economic livelihood of scientists. As mentioned, the income level of intellectual workers in Vietnam is still relatively low compared to countries in the region, and even in relation to the inflation rate in Vietnam, it is not proportional.

Therefore, the state needs to change the process of announcing scientific research topics and the mechanism for evaluating applications for these topics. This is to prevent situations where some individuals have multiple research topics while others may go their entire lives without knowing about State-funded research projects. In addition, the funding allocation for scientific research projects should also be reasonably considered to encourage scientists to dedicate themselves to serving the country's economic and social development. Despite the fact that “in recent years, within the overall allocation of state financial resources, including the state budget for national development, education and training has been one of the largest priority areas” (TRAN HUYEN, 2022).

As analyzed, the budget allocated for scientific research is still relatively small, which does not effectively encourage the promotion of scientific research in universities and research institutes. Recent research indicates that “financial investment in higher education accounts for only 0.27% of GDP” (TUOI TRE ONLINE, 2022). In reality, “most countries have been increasing public spending on education” (TRINH NGOC THACH, 2019). Therefore, the Vietnamese government should consider and continue to increase the level of expenditure allocated to the field of education and training.

These are necessary and vital actions to contribute to the stability and development of the education system in Vietnam.

5. CONCLUSION

Financial sources are a top priority issue for any educational institution in Vietnam. It is crucial to correctly identify financial sources for education. Although the 2015 State Budget Law provides relatively clear and precise guidelines on financial sources to support education, the practical implementation reveals several limitations and drawbacks. This can negatively impact the quality of education and create difficulties and challenges for

educational institutions. From that, the group of authors believes that it is necessary to implement a comprehensive set of solutions such as: Continually using the state budget to support public educational institutions and improve the remuneration system for public employees and civil servants working in the field of education, closely monitor the admission process and the organization of training at private universities and institutions with foreign investment; and the state should enhance support for scientific research activities at universities and research institutes.

6. LIMITATIONS

The financial resources for investment in education in Vietnam are very poor. The University has no long-term plans for the education budget. Education Law 2019 in Vietnam has not fully realized the importance of the financial resources for investment in education. Because these are important bases to contribute further enhancing the stability and safety of the Vietnamese education system.

7. FUTURE SCOPE

Many areas are not covered in this research article such as: History of education budget, actual annual education budget data, number of University or Institutions operating from state budget, etc. Therefore, the above discussed uncovered area of this article is known as the future scope.

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