

Newsletter FSPPM Fall 2023

Inside this Issue

- From Editorial Board
- Highlights
- News and Updates
- Upcoming Events

Dear Readers,

As we find ourselves in the third quarter of the year, how quickly time has passed! Fall, often regarded as the season of new beginnings and the most beautiful and comfortable season of the year, it's our pleasure to bring you the FSPPM Fall Newsletter for 2023. This quarter has been filled with remarkable events, insightful seminars, academic achievements, and enriching experiences.

As we look back on the exciting happenings of the past quarter, we're thrilled to share the vibrant journey of the FSPPM community with you. Our standout moment was the participation of our delegation in the Vietnam Socio-Economic Forum 2023, where our experts made invaluable contributions to national matters.

In the realm of education, our "Greener Together Workshop" and MPP2023 Commencement Ceremony were noteworthy events, emphasizing the power of knowledge and innovation

in overcoming challenges. We also celebrated our students' academic excellence with the Best Master's Thesis Awards.

Guest speakers continued to enrich our learning experience, and the Fulbright Review of Economics and Policy (FREP) is working on exciting publications that delve into economic theory and policy. Our faculty's research contributions covered diverse topics, including water resources, electricity subsidies, and the energy sector in Vietnam, driving sustainable development. And, our students continue to shine as change-makers, with two MPP24 students winning the Temasek Community Change-maker Scholarship for their commitment to community service.

Join us on this journey of knowledge, wisdom sharing, and contributing to a better world. Here's to a quarter filled with joy and enlightenment!

Warm regards,

Editorial Board

Highlights

The most highlighted event in this quarter was FSPPM delegation, consisting of Dr. Vu Thanh Tu Anh – Dean, Mr. Nguyen Xuan Thanh – senior lecturer and Dr. Jonathan Pincus – senior lecturer, participated in the Vietnam Socio-Economic Forum 2023. This annual event, themed "Reinforcing Internal Capacity, Generating Drivers for Growth and Sustainable Development" was hosted on 19/09 by National Assembly (NA)'s Economic Committee, the Party Central Committee's Economic Commission, the Ho Chi Minh National Academy of Politics, and the Vietnam Academy of Social Sciences.

The forum serves as a vital platform for gathering and widely promoting the insights, enthusiasm, and responsibility of various stakeholders, including National Assembly deputies, citizens, voters, experts, scientists, as well as domestic and international businesses and entrepreneurs. Its primary aim is to facilitate contributions to crucial national matters and decisions made by the National Assembly.



Among the notable contributions made by the FSPPM delegation, (i) Dr. Jonathan Pincus provided valuable international insights during a roundtable discussion centered on "Enhancing Labor Productivity and Ensuring Social Security in the New Context", (ii) Mr. Nguyen Xuan Thanh delivered a presentation focused on the "Green Transition" and the challenges it presents within the framework of medium-term economic growth; (iii) Dr. Vu Thanh Tu Anh actively engaged in the Plenary session, where discussions revolved around the topic of "Strengthening Endogenous Capacity and Fostering Motivation for Sustainable Growth and Development".

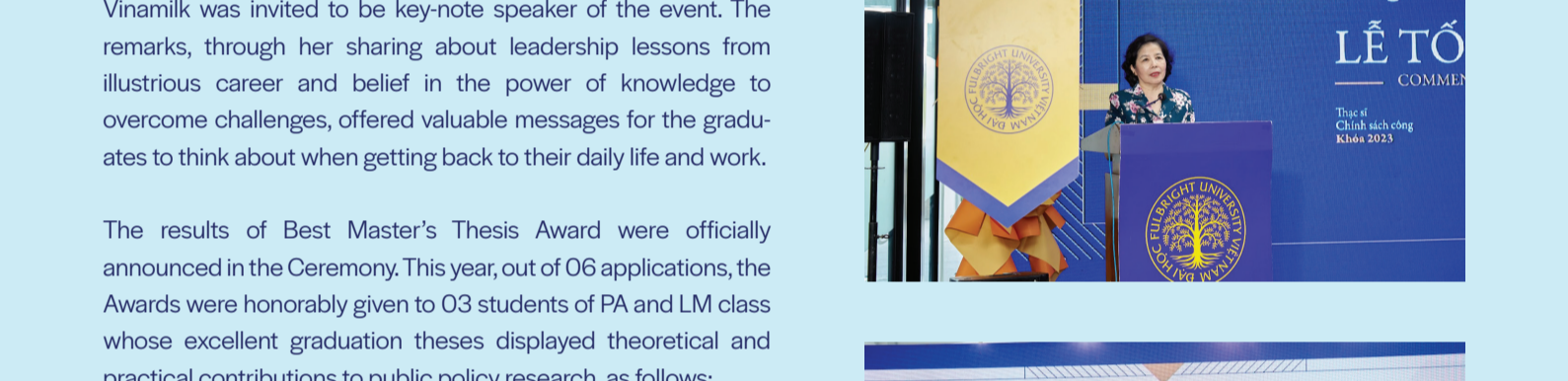
News and Updates



Events, Seminars & Workshops

Greener Together Workshop

On 20 July, under the Natural Capital Management (NCM) project, the workshop, was organized in collaboration with the Mansfield Foundation. This workshop focused on Evaluating the Clean Energy Transition Roadmap of Vietnam; Achievements of the Vietnamese government in managing, operating and reforming energy market; Integration of renewable energy into the infrastructure (the need for investment in transmission & battery storage); Energy Mix – what role will wind energy play in the emerging green energy mechanism? Energy market reforms – How a market-oriented approach will help accelerate Vietnam's green energy transition.



MPP2023 Commencement

The Commencement Ceremony was held on 26 August 2023 to celebrate 75 MPP students (28 PA and 47 LM). As a tradition in the ceremony, a distinguished speaker, Ms. Mai Kieu Lien, CEO of Vinamilk was invited to be key-note speaker of the event. The remarks, through her sharing about leadership lessons from illustrious career and belief in the power of knowledge to overcome challenges, offered valuable messages for the graduates to think about when getting back to their daily life and work.

The results of Best Master's Thesis Award were officially announced in the Ceremony. This year, out of 06 applications, the Awards were honorably given to 03 students of PA and LM class whose excellent graduation theses displayed theoretical and practical contributions to public policy research, as follows:



- 1. Truong Hue Doan – the first prize
- 2. Nguyen Hoang Khanh Tien – the second prize
- 3. Nguyen Minh Hieu – the third prize

Guest Speakers

The guest lecture program is an essential component of FSPPM's approach to public policy education. Guest lecturers expose students to a wide range of perspectives on policy issues in Viet Nam.



PROFESSOR LE VAN CUONG

In this quarter, *Fulbright Review of Economics and Policy (FREP)*, the academic journal of the Fulbright School of Public Policy and Management, organized the guest lecture "Are Maths useful for Economists?" on 24 July. This lecture, delivered by Professor Cuong Le-Van, aims to explain fundamental economics concepts by mathematical models. More specifically, this lecture provides answers to the questions (i) Why do people accept that a price of some goods is positive? (ii) Is it true that the demand curve is always decreasing with respect to prices? (iii) What is the foundation of the supply curve? (iv) Does market economy imply balance between supply and demand of goods? (v) Is the well-known claim that an increase of supply decrease equilibrium prices always true? (vi) Why is it beneficial to have many oligopolies?

The journal members are also working on manuscripts that will be published in a special issue "From Economic Theory to Economic Policy: Contributions of Ngo Van Long". This issue is expected to be published in Quarter 4/2023.



On 16 August, at the invitation of Dr. Tran Thi Que Giang, lecturer of Public Budgeting and Financial Management, the lecture "Risk Management" by Mr. Pham Phu Khoi (former Deputy CEO of the Vietnam Prosperity Bank) discussed definition of risk and methods to manage risk. Regarding financial markets, he pointed out 6 types of risks, including interest rate risk, credit risk, counterparty risk, foreign exchange risk, liquidity risk and government policy risk. At each kind of risk, he also illustrated relevant case such as the Pha Lai Electric Power JPY financing, Chinese Property sector USD bonds – Evergrande, or Silicon Valley Bank. Also, he introduced tools to manage the above risks, such as using interest rate swaps to prevent interest rate risk; using forward, option, cross currency swap and so on to respond to foreign exchange risk. During the Q&A session, the speaker and students discussed various topics including risk management in SMEs, banks, or specific projects. They also discussed specific cases of Vietnamese enterprises.

Research and Policy Dialogue

In this quarter, Dr. Le Viet Phu, FSPPM Senior Lecturer had a sole article accepted on Water Resources and Economics (<https://doi.org/10.1016/j.jwre.2023.100229>, 43, 100229) about "Water value, irrigation policy, and implementation hazards in Vietnam's rural economy".



The abstract

Irrigation plays a critical role in Vietnam's rural economy and the national food security priority. The Vietnamese government has developed an extensive irrigation system and waived irrigation costs for farmers to reduce rural poverty. However, excessive use of water in agriculture has become a major concern. It is important to evaluate the value of water in order to encourage economical use. We use a multi-model approach and plot-level data to indirectly estimate the value of irrigation water and address a majority of issues related to causal identification. Our results indicate that farmlands with access

to irrigation have significantly higher productivity and land values. The high value of irrigation water in agricultural production is a premise for compulsory payment for irrigation water. We then investigate the design of Vietnam's irrigation policy and the hazards that have arose from the fee waiver policy. Finally, we explain why the current policy has failed to promote a sustainable long-term solution.



The abstract

Purpose – This research investigates how subsidy programs in Vietnam's residential electricity market affect consumers' well-being.
Design/methodology/approach – Two perspectives are employed: cash transfer and quantity-based subsidy. The effectiveness of cash transfer is measured in three ways: benefit incidence, beneficiary incidence and materiality. The quantity-based subsidy is established under the increasing block rate pricing, with the first two block rates being lower than the marginal cost. To improve the quantity-based subsidy, the research examines the consumer surplus under four proposals. Findings – The

results show that both types of subsidies are ineffective in supporting the poor. Research limitations/implications – In order to achieve a more equal distribution among households, the subsidy program should remove all subsidized blocks and reflect the full marginal cost. Research should be made to the price structure regarding both marginal price and intervals. Practical implications – To mitigate the impact of the quantity-based subsidy, the government should improve the cash transfer by reducing extortion and improving targeting efficiency, especially for poor households living in rented houses. Originality/value – This paper is the first to discuss the welfare effect of the electricity subsidy in Vietnam. First, it comprehensively evaluates the cash transfer subsidy in Vietnam. Second, it suggests a modification in the residential electricity tariff.

Mr. Nguyen Quy Tam had a book chapter publication on "Energy for Peace" 2023, Chapter 3 "Coal Dilemma in Vietnam's Power Sector", Academic Press.

Dr. Le Viet Phu and Do Truong Phuong Lam completed an op-ed article on "Rice, irrigation policy and the need for improved water management in Vietnam" Global Water Forum (Rice, irrigation policy and the need for improved water management in Vietnam)

Student & Alumni Activities



Two MPP24 students – Vo Thi Xuan Quyen (LM) and Nguyen Thanh Hai (PA) have been chosen as the recipients of the Temasek Community Change-maker Scholarship for the 2023-2024 academic year with the scholarship award of VND 50,000,000. This scholarship is made possible through the generosity of Temasek - a global investment company



headquartered in Singapore. The aim of this scholarship is serving Vietnam society, and contributing to betterment of the broader community. Hence, the criteria selections were based on both the merit of the applicant and the strength of their Project Proposal. Students from disadvantaged backgrounds or whose projects support disadvantaged communities are prioritized.

Upcoming Events

October

- The Inauguration Ceremony for the Master in Public Policy Class of 2025
- World Bank workshop "Leading public asset governance in digital era"
- FSPPM Management team to attend NASPAA Annual Conference in Pittsburgh, US.

November

- FSA Homecoming

December

- MPP2026 Admission Recruitment
- Early Action Period: 12 Dec 2023 – 17 Feb 2024

