
Editorial

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Biographical notes: Lam D. Nguyen is a tenured Full Professor and Director of the Global Business Institute at Bloomsburg University. He is also a Research Fellow at the University of Economics, Ho Chi Minh City. He has served on the editorial board of refereed journals and as an international Visiting Professor. As an award-winning scholar, he has published numerous articles in *Leadership & Organizational Development Journal*, *International Journal of Public Administration*, and many others. He possesses a solid practitioner experience including various managerial and leadership positions. His areas of interest are leadership, ethics, strategic management, and cross-cultural management.

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In this special issue, we publish five significant papers that focus on a wide variety of topics related to business and globalisation in Vietnam, from macroeconomic issues such as monetary policy, economic growth, inflation, foreign direct investment and urbanisation, 'zombie firms', to broad general public's entrepreneurial intention, to firm-level related issues such as corporate governance and financial statement. This Special Issue is of utmost importance for a wide range of readers, from students, researchers and scholars in business and globalisation fields, to policy makers, government agencies, and

especially global managers and entrepreneurs. Below is a short summary of these five studies and some highlights of the significant findings they provide.

First, the study by Thanh Tung Hoang and Thi Van Anh Nguyen investigated the impact of monetary policy in Vietnam in a crucial economic period from the first quarter of 2005 to the fourth quarter of 2017 when the Vietnamese economy was challenged by the 2008 financial crisis in the US and by the 2010 European public debt crisis. By using the vector autoregression (VAR) Model, the authors examined the impact of the money supply by State Bank, the short-term interest rates, the inter-bank average, and the credit for the economy which is represented by three channels of interest rates, exchange rates, and credit on inflation and economic growth. The results indicate that when Vietnamese government applied broad monetary policy, it caused the interest rates to drop and the currency to devaluate in the first quarter. Consumer Price Index (CPI) remained unchanged in the first quarter then rose in the next quarter and reversed and fluctuated slightly after that. The model results also confirm the role of monetary policy as a key driver in inflation control in Vietnam. Moreover, the results show the impact of past inflation on current inflation in Vietnam. The authors suggest that the country's monetary policy in the coming time continue to pursue the goal of inflation control at a moderate level to ensure macroeconomic stability along with keeping interest rates in the economy at a low level thereby supporting businesses in the economy and allowing them to gain access to cheap capital and increase the output level. They also suggest that the scale of credit growth in the economy needs to be controlled in accordance with the guideline and policy makers need to continue the guideline of credit extension in parallel with system safety in order to enhance policy effectiveness and efficiency. This study provides great insights for policy makers in Vietnam, especially the Governor of the State Bank of Vietnam, that to fight high inflation, they first must keep inflation at a minimum for a quarter to gain the public confidence of a price-controlled environment and reduce expectations of inflation in the future. They need to maintain the target of inflation control and credit growth control so they can contribute to macroeconomic stability and growth.

Second, the study by Ho Thuy Ngoc and his colleagues examined the impact of foreign direct investment (FDI) and urbanisation on CO₂ emissions in Vietnam between 1985 and 2016 when Vietnam has been seen one of the fastest growing economies that ranked among the top FDI recipients in ASEAN but also experienced the fastest urbanisation rate in the region. By applying the Autoregressive Distributed Lag (ARDL) Model, the authors find that the relation between urbanisation and CO₂ emissions has changed from U-shaped in short term with the optimal lag 2 into inverse U-shape in long term. What is worth noting is the indication of optimal lag 2 in the short term, i.e. urbanisation firstly reduces CO₂ emissions and when it crosses a threshold, it then makes the emissions increase. The threshold in Vietnam is two years. After two years, higher consumption of fossil fuels and growth of petrol-driven vehicles in the projects soar CO₂ emissions. In line with the findings of previous studies in the literature, the authors confirm that FDI is positively related to CO₂ emission in the short run while there is no such effect in the long run. It shows that FDI inflows were better positioned to improve and upheld higher environmental standards in Vietnam's economy because of stricter environmental protection regulations, higher incentives for the application of technology improvement among FDI companies, and stronger social pressure on environment protection in Vietnam. The authors suggest policy makers in the country develop policies and regulations to promote green growth investment and/or sustainable development,

soar the urbanisation process at faster pace to bring positive effect in the long run, encourage public transport projects that absorb energy-saving technologies, and finally create legal framework for CO₂ trading. This study provides great insights for policy makers in Vietnam in order to balance out the benefits of FDI and urbanisation and the negative impacts they impose on the environment and the society.

Third, the study by Nguyen Thi Tuong Anh and her colleagues, grounded in the theory of national systems of entrepreneurship, looked into how to deal with ‘zombie firms’, which are identified as firms having had non-positive profit for a certain number of continuous years in a transition economy. Using longitudinal data extracted from enterprise census surveys annually conducted from 2004 to 2012 by the General Statistics Office of Vietnam, the authors examined the impact of entry costs on the persistence of zombie firms in Vietnam. The results demonstrate that reducing entry costs to facilitate competition in the market is a key to drive out the persistence of being zombies. The findings also confirm that the strategy to remove persistence of zombie firms by lowering entry costs in the market is effective for enterprises in manufacturing industries, while it is not in non-manufacturing industries. The state-owned and the foreign invested firms are found to have higher persistence of being zombies than the private firms in the manufacturing industries. The authors suggest that it is more effective for governments to use market-based instruments such as improving business environment, simplifying administrative procedures and easing access to resources, and lowering entry costs, to reduce the persistence of being zombies instead of subsidizing to bailout zombie firms. Given the significant negative impacts zombie firms can cause such as congesting the market and preventing new productive firms to enter, this study provides great insights and strategies for Vietnamese government to minimise the persistence of being zombies and thus promote new effective entries and investment that serve the sustainable economic development need of the country.

Fourth, the study by Long Q. Tran and Quan H.M. Tran examined the impacts of entrepreneurial attitudes on entrepreneurial intention of Vietnamese working adults. It also investigated the moderating role of sources of capital on the relationship between entrepreneurial attitudes and entrepreneurial intention. The authors provided a literature review on the personality traits and demographic approaches to entrepreneurship to show a need for a new approach: the attitude approach to entrepreneurship, which believes that the intention to act depends on the attitude toward that behaviour. They concluded that entrepreneurial attitudes including achievement, self-esteem, innovation, and personal control, have significant impacts on the entrepreneurial intention of working adults in Vietnam. People who have a high need for achievement, i.e., strong desire to do well and strong feeling of personal accomplishment, are more likely to possess a high intention to pursue entrepreneurial opportunities. Those who have high self-esteem and internal locus of control tend to have high entrepreneurial intention. People with innovative mindsets appear to be more willing to take on entrepreneurial opportunities that may present to them. The authors went further by examining the role of sources of capital, including savings, borrowings and capital sharing, and confirming a moderating effect of these sources on the relationship between entrepreneurial attitudes and entrepreneurial intention. One of the unique findings of this study is that people who have high attitude toward achievement are more likely to use their own source of capital, either savings or borrowings, instead of sharing with others. On the other hand, people who want to use capital sharing method tend to high self-esteem and personal control. Given the positive

impact of sources of capital on the entrepreneurial intention, the authors suggest Vietnamese lawmakers create policies that support the availability of sources of capital to encourage more Vietnamese adults to embark on the entrepreneurial journeys. Managers of financial institutions, investment funds, and entrepreneurial support centres should encourage entrepreneurial intention by providing attractive loans with easy access to people who want to start their business. This study could not be done at a better time since Vietnam, an emerging economy with abundant natural resources and hard-working, entrepreneurial mind-set people, needs to boost up entrepreneurial projects and activities in order to grow its economy steadily in the long run.

Finally, the study by Kien Cao and his colleagues investigated the influence of corporate governance on the likelihood of financial misstatement in Vietnam. Using data from Hanoi Stock Exchange (HNX) and Ho Chi Minh Stock Exchange (HOSE), the two major stock exchange markets in Vietnam, the authors examined the impact of ownership structure, boardroom characteristics, and auditor quality on financial misstatement possibility. The results indicate that foreign investors with higher standard of corporate governance are valuable in providing oversight of a firm's financial reporting practices. They also have experience and strong incentives to supervise managers' activities to protect their portfolios. On the contrary, leaders of state owned enterprise are more likely to announce false financial information given the fact that they are under pressure of making profit for their enterprises. The authors point out that foreign ownership plays a key role in increasing transparency in the Vietnamese financial market and partially helps improve corporate governance mechanisms in Vietnam. They also suggest that Vietnamese government further mitigate the government control in state-owned enterprises in order to increase transparency and efficiency.

In summary, these studies offer valuable insights that help not only scholars in business and globalisation fields but also policy makers, government agencies, and global managers and entrepreneurs to better understand the Vietnam's culture, physical environment, business practices, and especially the impact of business and globalisation on its society and economy. From macroeconomics issues to firm-level related issues, these studies have shed lights and provided great insights on the current economic and business issues in Vietnam, an emerging economy in this global world economy. We would like to express our deep gratitude and appreciation to these and many excellent scholars who have submitted their research papers to this Special Issue. The quality of the five studies published in this Special Issue speaks volume and we look forward to many more in the future.