

**Title:** From the Doi Moi to the WTO: Economic Liberalization and the Growth of the Vietnamese Law Market

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**Abstract:**

In 2007, The World Bank predicted that foreign direct investment (“FDI”) flowing into Vietnam would reach \$5.5 billion dollars, a figure roughly double that of the prior year. In October 2008, Prime Minister Nguyen Tan Dung shattered the World Bank figures by predicting that FDI would likely reach \$11 billion dollars. By all accounts, the Vietnamese economy is thriving, thanks in no small part to the billions of dollars that arrive the form of FDI. In recent years, Vietnam has competed for the role of Asia’s fastest growing economy, trailing behind only China. Roughly three decades ago, the Vietnamese economy was centrally-planned, foreign direct investment was non-existent, and Vietnam’s GDP oscillated erratically.

This paper will use Tiebout modeling to examine how Vietnam’s economic liberalization and subsequent growth can be understood in the context of a “law market” – an economic model characterizing the Vietnamese government as a “supplier” of law and potential foreign investors as “consumers” of law. Beginning with the earliest legislative reforms and ending with Vietnam’s recent accession to the World Trade Organization, the country has undergone a roundabout journey toward a thoroughly responsive “market” for law. The paper will focus almost exclusively on the laws and policies enacted to entice foreign entry into the Vietnamese law market, including provisions pertaining to choice-of-law, choice-ofcourt, the enforcement and recognitions of foreign judgments and arbitral awards, bilateral investment instruments, and multilateral investment regimes. It will argue that Vietnam has engaged in three necessary phases of legal development: (1) Primary Overhaul, (2) Customization, and (3) Redrafting and Multilateral Accession. Finally, it will measure the extent to which Vietnam has reacted to market forces by positioning itself alongside other nations in the global market for law and frame Vietnam’s legal growth in terms of traditional Tiebout migration theory.