

The role of economic growth in cultural development during the period of accelerated industrialization and modernization - the case of Ho Chi Minh City, Vietnam

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Abstract: During the period of accelerated industrialization and modernization, with the combination of talent and relentless efforts from the Party Committee, the Government, and the people, Ho Chi Minh City has become a key economic region in the South and across the country. However, alongside the remarkable successes in economic growth, many challenges have also arisen concerning cultural, environmental, and social issues. Therefore, managing economic growth in a balanced, sustainable, and harmonious manner with cultural development has become an urgent task during the phase of intensified industrialization and modernization in Ho Chi Minh City. This article will analyze the current role of economic growth in cultural development during the period of accelerated industrialization and modernization in Ho Chi Minh City. From there, the article will propose several orientations and solutions to enhance the role of economic growth in cultural development, aiming to ensure balance and comprehensive development for Ho Chi Minh City.

Keywords: *Cultural development, Economic growth, Ho Chi Minh City, Industrialization, Modernization, Vietnam.*

1. Introduction

In the context of Ho Chi Minh City entering the phase of accelerated industrialization and modernization, the role of economic growth in cultural development has become increasingly important and urgent. Ho Chi Minh City is not only the leading economic hub of the country but also a convergence and interaction point for many cultural values, from traditional to modern. However, the rapid economic growth has posed significant challenges to cultural life, including the infiltration of foreign cultural elements, the imbalance in development between regions, and the risk of the city's traditional cultural values fading away. While economic growth brings many opportunities, the question arises of how to ensure that the cultural values of Ho Chi Minh City are not only preserved but also promoted and sustainably developed in parallel with the modernization process. Therefore, research on the role of economic growth in cultural development in the current context is essential to finding solutions to balance the two areas, contributing to a sustainable development strategy for the city.

1.1. Research Questions

In light of the observed phenomena and identified research gaps, this study seeks to address the following questions:

- What are the accomplishments and challenges associated with the impact of economic growth on cultural development in Ho Chi Minh City during its phase of rapid industrialization and modernization?

- What strategies can be implemented to better leverage economic growth for advancing cultural development in Ho Chi Minh City amidst its accelerated industrialization and modernization?

2. Literature Review

Economy and culture are both important fields that attract widespread attention from scientific researchers, industries, and political-social organizations. The relationship between economic growth and cultural development, especially during the process of accelerating industrialization and modernization, is a crucial topic that is gaining attention during a nation's development. This issue is not only the focus of many researchers but also deeply studied by many experts and scholars in the scientific community. The work "Economic Growth" by Cambridge, 2nd edition, first published in 1995 by MIT Press, is primarily focused on economic growth. It presents and analyzes the factors and principles behind the economic growth process of nations. The work also discusses the role of products and countries in growth, how economic policies can influence growth, and compares the growth performance of different countries. The author uses both empirical data and theory to present perspectives on how factors such as capital, labor, and technological progress contribute to economic growth [1].

Another work, "The Economics of Growth", studies the factors affecting economic development and growth in the contemporary period. It also explores aspects of innovation, reform, and factors that create sustainable development in the economy [2]. Christiaan De Beukelaer (2015) in "Cultural Development in a Globalized World: The UNESCO Convention on Cultural Diversity" focuses on studying UNESCO's Convention on Cultural Diversity and its potential impact in the context of a globalized world [3].

In Vietnam, the study "Economic Growth and Sustainable Development, Social Progress, and Equity in Vietnam – Theoretical and Practical Issues" presents theories on the relationship between economic growth and sustainable development, as well as social progress and equity. It evaluates the current state of economic growth, sustainable development, and social progress and equity in Vietnam from the reform period until now. Part 3 presents a system of policies to address the relationship between economic growth, sustainable development, social progress, and equity, and offers perspectives and solutions for resolving these issues [4]. Additionally, the study "Three Giants in Economics" comprises six chapters focusing on three main aspects of economic development: economic growth, sustainable development, and related evaluation factors. The content includes performance indicators and progress in economic growth, as well as models and methods of measuring economic development. The work also discusses economic structures, the resources influencing economic development, social equity, and its importance in the economic development process. Finally, the book forecasts economic growth and development, providing an outlook on future development and expectations based on current information and trends. All of these aspects are presented in detail and systematically, helping readers better understand their relevance and influence on economic development [5].

The work *"The Relationship Between Economic Growth and Cultural Development, Social Progress, and Equity in Vietnam"* provides a scientific exploration of how economic growth intersects with cultural development, social progress, and equity. Rooted in theoretical frameworks and an analysis of Vietnam's situation from 2001 to 2018, this study seeks to elucidate and address the dynamics between economic growth and cultural development while fostering social progress and equity. Building on this foundation, the authors propose perspectives, directions, and solutions aimed at enhancing the interplay between economic growth and cultural development and advancing social progress and equity in Vietnam by 2030 [6]. The work *"The Relationship Between Economy and Culture – Theoretical and Practical Issues in Vietnam Today"* has confirmed the close connection between the two fields of economy and culture, clarifying the content in both theoretical and practical terms. The basic relationship between economy and culture plays an important role in the socio-economic development process, contributing significantly to maintaining stability and ensuring sustainable development in

Vietnam. Based on this, the authors have proposed several solutions to ensure harmony in the relationship between economy and culture during Vietnam's development process [7]

In summary, the studies on the relationship between economic growth and cultural development during the period of accelerated industrialization and modernization have not yet reached a comprehensive and complete level in terms of survey and analysis. However, these works provide a foundation for us to continue inheriting, refining, and writing into a specialized topic in our research.

3. Methodology

This article employs the worldview and methodology of dialectical and historical materialism, providing a comprehensive framework for analyzing the relationship between economic growth and cultural development. It integrates the intellectual legacy of Ho Chi Minh and the doctrinal perspectives of the Communist Party of Vietnam, offering a nuanced exploration of how these factors interact and influence one another. By grounding the research in these theoretical and philosophical traditions, the article ensures a thorough examination of the subject matter from a social philosophy perspective, thus enriching the understanding of the complex dynamics at play [8].

During the period of promoting industrialization and modernization, clearly defining the role of each field in the relationship between economic growth and cultural development is extremely important. This serves as a principle, a necessary law of social development. Economic growth is the foundation and prerequisite for cultural development, while cultural development is the foundation and driving force for economic growth. Therefore, if either one is lacking, it will cause an imbalance and negatively impact the development and prosperity of society. This relationship does not only manifest in the development process but also creates contradictions and struggles, leading to progress and change in society. However, in this article, the author only discusses and analyzes the role of economic growth in cultural development. In this relationship, economic growth plays a decisive role because (i) In terms of theory, the material determines consciousness; the economic base determines the superstructure; social existence determines social consciousness. Therefore, in the final analysis, the economy determines politics, culture, and society; (ii) In practical terms, in the history of human development, the first activity to appear was the production of material wealth. Unlike animals, when humans consume what is naturally available, they create products that resemble nature to meet their own living needs. Once they have food and clothing, humans begin to think about spiritual activities to satisfy their needs in material production. Hence, material production is an important step, the first in practice, creating the basic conditions and material resources that play a decisive role in the existence and progress of human society.

Therefore, the key role of economic growth in cultural development is undeniable in the process of social progress. Economic growth is not only the foundation but also the prerequisite for cultural development, contributing to the sustainable development of Ho Chi Minh City.

At the same time, the research is conducted according to the methodological principles of dialectical materialism, such as objectivity, comprehensiveness, and historical and specific analysis. It also applies specific methods such as analysis and synthesis, generalization and abstraction, the unity of history and logic, comparison and contrast, and induction and deduction, among others, for the study [9]

4. Results and Discussion

4.1. *The Results of the Role of Economic Growth in Cultural Development in Ho Chi Minh City During the Period of Industrialization and Modernization*

Economic growth is pivotal in fostering and advancing cultural development, significantly enhancing the spiritual well-being of the people in Ho Chi Minh City. The city's economic progress is notably reflected in the following achievements:

Ho Chi Minh City has demonstrated remarkable GDP growth, particularly during the period of intensive economic development from 2011 to 2020. During this time, the city's economic growth rate averaged 6.86% per year, exceeding both the national average growth rate of 5.96% and the growth rate

of the Southern Key Economic Region, which stood at 6.31%. By 2020, the city's local GDP, adjusted to 2010 prices, constituted 25.79% of the national total and 51.11% of the Southern Key Economic Region's GDP. Additionally, Ho Chi Minh City leads the nation in enterprise density, with 27.6 businesses per 1,000 residents, substantially surpassing the national average of 8.3 businesses per 1,000 residents in 2020 [10].

Additionally, Ho Chi Minh City has attracted significant foreign investment and capital inflows. The city has drawn a large amount of foreign direct investment (FDI). In 2017, FDI projects granted licenses numbered 7,333, with a total investment of USD 43,879.3 million. By 2020, the city had 9,942 projects with a total investment of USD 48,222.5 million. Regarding capital attraction, the number of newly registered enterprises in Ho Chi Minh City has increased sharply over the years: 41,686 companies in 2017, and 45,425 companies in 2022. The number of businesses currently operating in Ho Chi Minh City continues to grow.

Table 1.
Number of businesses operating in Ho Chi Minh City from 2017 - 2022 [11].

Year	Number of businesses
2017	204.918
2018	228.267
2019	239.623
2020	254.699
2021	268.465
2022	274.067

Economic growth provides a foundation for fostering and developing culture, creating conditions for the enhancement of the spiritual life of Ho Chi Minh City's residents. With the resources generated from economic growth, numerous projects aimed at preserving historical and cultural sites have been implemented, including the restoration of ancient architectural works and heritage areas within the city. This helps to preserve and transmit traditional cultural values to future generations. Furthermore, economic growth has allowed for significant investments in cultural infrastructure. Ho Chi Minh City has invested in constructing and developing many modern cultural and arts centers, such as the French Institute in Ho Chi Minh City (IF HCMV), the Institute of Cultural Exchange with France (IDECAF), the American Center, and the Japan Cultural Exchange Center. In addition, the city has undertaken active steps to preserve and maintain historical and cultural landmarks, such as the Independence Palace, the War Remnants Museum, the Ho Chi Minh City History Museum, the Ho Chi Minh City Fine Arts Museum, the Dragon Wharf, Notre-Dame Cathedral Basilica of Saigon, the Opera House, Tran Huu Trang Cai Luong Theatre, and many other sites. As a result, the material and spiritual lives of the people in Ho Chi Minh City have been elevated, and the city's brand has been elevated to a new level. [12]

Economic growth has also provided a solid foundation for the flourishing of cultural industries such as cinema, music, and fashion, meeting the increasingly high demands of society. New sectors have emerged, such as cultural tourism, where Ho Chi Minh City has become an attractive cultural destination. Tourists can explore historical sites, participate in artistic activities, and enjoy the city's distinctive cuisine. For example, Decision No. 4117/KH-UBND dated August 25, 2023, of the Ho Chi Minh City People's Committee outlines the plan for visiting National Architectural Art Monuments at the Headquarters of the City People's Council and People's Committee in 2023. Cultural districts such as Bui Vien's Western Quarter and the Japanese Quarter also attract international tourists. The development of cultural tourism has contributed to the city's economy and created job opportunities for residents.

In the field of media and entertainment, Ho Chi Minh City has established itself as a leading center in Vietnam. Broadcasting, television, film production, music, and media companies have thrived, offering

opportunities for filmmakers, musicians, actors, and media professionals to showcase their talents and contribute to the city's cultural development. Social media and entertainment industries have also witnessed significant growth, including platforms like social networks, blogs, and vlogs. Creative works on these platforms have enriched the city's cultural landscape, showcasing a wide variety of values and expressions unique to Ho Chi Minh City. This development has provided opportunities for artists, content creators, and media personalities to share ideas and connect with audiences on social media and other digital platforms.

Other cultural industries that have grown include the arts and entertainment sector, theater and performance industries, fine arts and design industries, the film industry, the gaming, and digital media industry, the fashion and beauty industry, contemporary art centers, painting and sculpture centers, and the promotion of street culture and artistic events.

Not only does economic growth facilitate the preservation and promotion of traditional cultural values, but it also expands international cultural exchange. Ho Chi Minh City has actively participated in international cultural events while enthusiastically organizing international cultural events. This has fostered cultural exchange between the city and other nations, helping to integrate the city's culture with the global community through activities such as cultural events, academic and artistic exchanges, and the development of a diverse urban culture. Some of the international cultural events in Ho Chi Minh City include the HOZO International Music Festival, Gaming Vietnam 2023, the Ho Chi Minh City – Gyeongsangbuk Cultural and Tourism Festival 2023, and the 17th International Travel Expo (ITE HCMC 2023). Additionally, in the field of cultural development, Ho Chi Minh City takes pride in preserving and promoting its unique cultural heritage. The city organizes traditional cultural events to introduce and protect Vietnam's cultural heritage on the global stage. Notable examples include the Ao Dai Festival, an annual event celebrating the traditional Vietnamese dress; the Nghinh Ong Festival in Can Gio; and the Vietnamese Folk Culture and Art Festival, which takes place a week before the Hung Kings' death anniversary on the 10th of the third lunar month every year.

With its rich history and traditions, Ho Chi Minh City has fostered a creative artistic and cultural environment. Cultural events, exhibitions, and artistic activities encourage creativity and cultural exchange within the community. Economic growth also goes hand in hand with improvements in the education system in Ho Chi Minh City. The number of lecturers at universities in the city has steadily increased over the years, from 1,667 in 2015 to 19,126 in 2020 [13]. This rise is driven by the expanding education system, which seeks to meet the growing demand for quality education across the city. As the economy grows, more financial resources are allocated to education, improving both teaching quality and school infrastructure. A high-quality education system produces a skilled, creative, and competent workforce, contributing positively to the city's sustainable development. This creates a virtuous cycle where both the economy and education flourish, leading to long-term benefits for the entire society in Ho Chi Minh City.

4.2. Limitations on the Role of Economic Growth in Cultural Development in Ho Chi Minh City During the Period of Industrialization and Modernization

Although economic growth has brought many benefits to cultural development in Ho Chi Minh City, there are also notable limitations and challenges. For example, disparities in economic growth, social conditions, and income during the period of accelerated industrialization and modernization have caused imbalances and inequalities in some areas. Certain areas and social classes benefit more from the development process, while districts and rural areas still face economic and developmental difficulties. This disparity not only exacerbates social inequality but also creates barriers to achieving sustainable economic growth and cultural development. The data on the income distribution inequality coefficient (GINI coefficient) in Ho Chi Minh City is as follows:

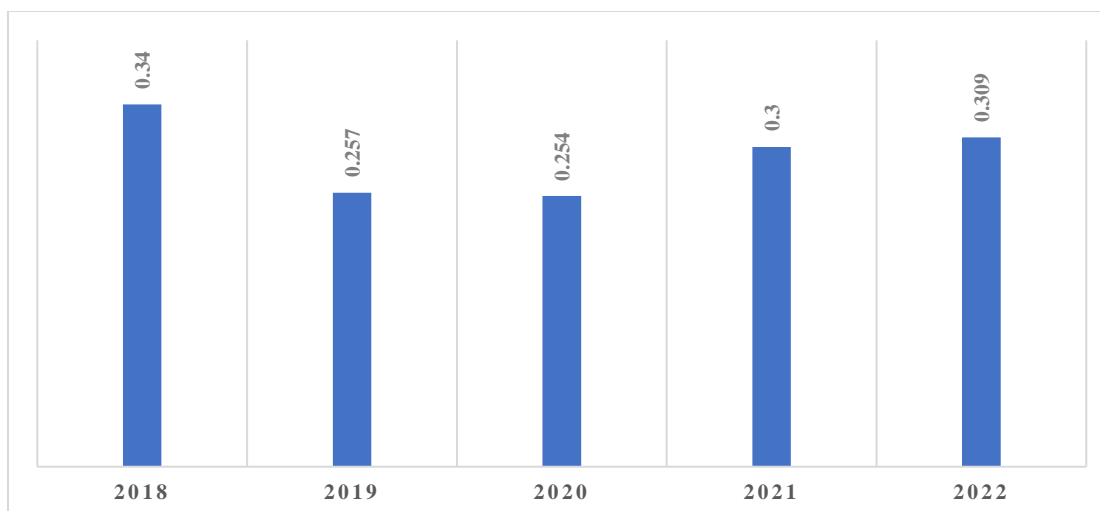


Figure 1.
Income inequality coefficient (GINI coefficient) in Ho Chi Minh City from 2018 – 2022 [14].

This leads to significant disparities in cultural access among different social strata. High-income individuals have more opportunities to engage in high-quality cultural activities, while those with lower incomes may be marginalized in this development process.

In Ho Chi Minh City, opportunities for cultural access and enjoyment are unevenly distributed among social classes. While central districts such as Districts 1, 3, and 5 are home to many art centers, libraries, and cultural events, districts on the outskirts or areas with lower incomes often face difficulties accessing diverse cultural experiences. Although there has been significant cultural development in Ho Chi Minh City, not all residents have the chance to engage in cultural activities. Additionally, rapid growth and income disparity can make cultural and artistic activities less accessible to everyone, creating a gap in cultural and entertainment access. Moreover, economic growth in Ho Chi Minh City may lead to a lack of discipline and an imbalance in cultural development. The focus on economic growth can limit investment and support for culture, causing imbalances and uneven development in the cultural sector. Many areas, such as District 1, District 3, and District 5, which have rich cultural and historical backgrounds, are facing significant changes due to urbanization projects. The construction of high-rise buildings and new shopping centers can result in the loss of traditional architecture, old streets, and historical sites. Rapid economic growth also leads to homogenization in architecture and lifestyle, reducing the distinctiveness and cultural diversity of the city's districts.

Furthermore, rapid economic growth accelerates urbanization in Ho Chi Minh City, leading to traffic congestion and overload. The city manages 8.7 million vehicles, including over 850,000 cars and nearly 7.8 million motorcycles. This results in increasingly complex traffic conditions within the city [15]. Traffic congestion in Ho Chi Minh City causes serious consequences. Firstly, it wastes time and increases travel costs, negatively impacting labor productivity and residents' quality of life. Additionally, congestion contributes to air pollution, harming public health and deteriorating the living environment. Prolonged traffic jams also place significant pressure on transportation infrastructure, making urban planning and development more challenging.

In practice, the rapid transformation of Ho Chi Minh City presents notable challenges. This rapid change leads to the loss of traditional living environments and communities, affecting social cohesion and consensus. Therefore, thoughtful consideration and intelligent management are crucial to balancing economic growth and cultural development in Ho Chi Minh City. Carefully balancing economic progress with the preservation of traditional culture is key to building a prosperous city while maintaining Ho Chi Minh City's distinctive cultural identity.

4.3. The Solutions to Enhance the Role of Economic Growth in Cultural Development in Ho Chi Minh City During the Period of Accelerated Industrialization and Modernization

Based on the analysis of economic growth and its influence on cultural development in Ho Chi Minh City amid accelerated industrialization and modernization, several strategies should be prioritized to strengthen this relationship moving forward:

First, there must be a deep and comprehensive understanding of the critical role that economic growth plays in cultural development in Ho Chi Minh City during this transformative period. Without a thorough appreciation of this significance, effective programs, actions, solutions, and methods to enhance the impact of economic growth on cultural development will be lacking. As articulated in the statement: "Economic and social development is central; party building is key; cultural development is the spiritual foundation; ensuring national defense and security is crucial and ongoing" [16]. This understanding will serve as the foundation for devising and implementing strategies that align economic growth with cultural enrichment and development.

Second, establish leadership guidelines, policies, and strategies to enhance the role of economic growth in cultural development in Ho Chi Minh City during the period of accelerated industrialization and modernization. To enhance the role of economic growth in cultural development in Ho Chi Minh City during this period, establishing leadership guidelines, policies, and strategies is crucial. Decisive leadership from city management levels is needed to promote policies and measures that support cultural development through economic growth. Additionally, policies must be adjusted and refined to create a positive business and creative environment for the cultural sector. This includes creating appropriate tax, financial, and investment support policies, as well as promoting public-private partnerships in the cultural field [17]

Third, the Party Committee, government, and citizens of Ho Chi Minh City should embrace "innovation" as a primary catalyst for advancing the city's socio-economic development. It is crucial to leverage the active involvement of residents by encouraging their contributions, creative ideas, and social critiques in the formulation of projects and policy drafts. By harnessing the collective potential of the city's population of 14 million individuals, each representing a unique source of creativity Ho Chi Minh City can effectively utilize its human capital to drive forward its development goals. This approach will maximize the role of innovation in shaping a dynamic and prosperous future for the city [18].

Fourth, Ho Chi Minh City must focus on training and developing cultural human resources to enhance management and production capabilities in the cultural sector, thus creating high-quality and competitive cultural products in the market. Combining specialized knowledge with creativity will help Ho Chi Minh City build a unique cultural identity and attract attention from both domestic and international audiences.

Fifth, identify the roles and responsibilities of stakeholders in enhancing the role of economic growth in cultural development in Ho Chi Minh City during the period of accelerated industrialization and modernization. The Party Committee and city government lead in guiding policies and strategies for economic and cultural development, as well as overseeing and coordinating related activities. Businesses are a key driver of economic growth, contributing to cultural development through investments in cultural projects, sponsoring cultural events, and contributing to the city's budget. City residents are the direct beneficiaries of and participants in economic and cultural activities. Their active participation is crucial in building a diverse and rich cultural environment. Artists, creators, and cultural workers are directly involved in producing cultural products, enriching the city's cultural life, and more.

5. Conclusions

In the ongoing process of accelerating industrialization and modernization, economic growth has become a pivotal and decisive force in Ho Chi Minh City. This growth plays a fundamental role not just in driving economic progress but also in influencing various other social domains, including cultural development. The city's advancement in this area reflects a deliberate effort to leverage economic

growth as a tool for enhancing cultural development through targeted policies and measures. Ho Chi Minh City has made notable strides in this regard, implementing specific strategies designed to integrate economic growth with cultural progress. These efforts include formulating policies that encourage investment in cultural infrastructure, supporting cultural events, and fostering a vibrant cultural sector. By aligning economic strategies with cultural objectives, the city aims to create a more dynamic and enriched cultural landscape [19].

However, for this integration to be effective and sustainable, a collaborative approach is essential. The enhancement of the relationship between economic growth and cultural development requires active cooperation from multiple stakeholders, including government bodies, cultural organizations, businesses, and the broader community. Each of these groups plays a crucial role in ensuring that economic growth translates into tangible cultural benefits. The responsibility of fostering this connection does not rest solely with the government. Instead, it demands a collective effort from all sectors of society. Government agencies must lead and coordinate efforts, but cultural organizations and businesses need to contribute through their initiatives and investments. The community's involvement is also vital, as public support and participation are crucial for the success of cultural projects and programs.

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