



## Managing the global financial crisis 2007-2009 experience for Vietnam and Vietnamese businesses

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### Abstract

The financial crisis is one of the rules of the economy, no individual or organization can stop this. So businesses must always have a coping plan. The world financial crisis in 2007-2009 has negatively impacted the Vietnamese economy in general and overseas enterprises in Vietnam in particular. Foreign businesses operating in Vietnam actively manage credit and foreign exchange risks, using insurance measures in the foreign exchange and credit markets. In addition, they were also interested in operational risks, interested in cash flow, good asset management. These are valuable lessons learned for Vietnamese businesses.

**Keywords:** financial crisis, crisis management, foreign enterprises, vietnamese enterprises

### Introduction

Crisis management is the identification of threats to an organization and its stakeholders as well as to identify the methods used to deal with those threats. Because global events cannot be predicted, organizations must be able to deal with the drastic changes that appear in the way they conduct business. Crisis management often requires decisions that must be done in a short period of time, and often after an event has occurred. To reduce the risks and losses when there is an ongoing crisis; organizations often create a plan to manage the crisis. From the impact of the global crisis affecting the US, EU, Japan markets, the market's difficulties are also affecting Vietnam's products. At the same time, export agricultural products fell sharply compared to the time. The highest price in the year: rice has decreased by 58%, rubber by 48%, coffee by 24%, both in the early months of 2009 compared with 2008, the total export value of agricultural, forestry and fishery products of Vietnam has been 15% reduction.

The impact of the World crisis makes foreign enterprises in Vietnam face many difficulties, partly denied the contract, products consumed slowly, and inventory is increasing. The part is affected by monetary tightening policy, limiting bank credit growth, making high lending rates far beyond the business ability of enterprises (interest rates are constantly being raised and interest rates are loans also increased from 14% in 2007 (in 2007) and increased by 20% and 24% per year (in 2010). Although the state bank has raised the ceiling interest rate, they did not achieve the results due to commercial banks thorough implementation of bank bad debts tends to increase, from the reasons on difficult businesses, the more difficult it is and the number of enterprises that have voluntarily closed their doors, declared bankruptcy increased by 21.8% Compared to 2010 when workers are victims of consequences, the fact is that unemployment is getting higher and higher, retail sales and service consumption in 2011 only increased by 4% the lowest rate ever.

### 2. Theoretical Framework

Trong môi trường kinh doanh thay đổi nhanh chóng, đầy hỗn loạn và mang tính cạnh tranh cao, cứ hai đến ba tháng, bạn sẽ lại rơi vào khủng hoảng. Mọi dạng khủng hoảng về tài chính, gia đình, cá nhân hay sức khỏe đều xảy ra theo chu kỳ đó. Khủng hoảng được định nghĩa là trở ngại hay thất bại lớn xảy ra ngoài mong đợi, làm ảnh hưởng và phá hoại những gì bạn đang làm trong hiện tại. Khủng hoảng đẩy bạn vào tình trạng “báo động đỏ”. Quản trị khủng hoảng là việc xác định các mối đe dọa đến một tổ chức và các bên liên quan với tổ chức đó; cũng như xác định các phương pháp được sử dụng để đối phó với những mối đe dọa đó. Khủng hoảng là thời điểm quan trọng, nó được ví như một giai đoạn thử thách. Việc bạn chọn làm gì hay bạn làm hỏng việc gì đều có thể để lại ảnh hưởng lớn theo hướng tích cực hoặc tiêu cực cho công việc và cuộc sống tương lai của bạn. Do đó, để giảm bớt những rủi ro cũng như thiệt hại khi có một cuộc khủng hoảng, các tổ chức thường lập ra một kế hoạch để quản lý khủng hoảng.

Trong ngắn hạn, khi xảy ra khủng hoảng, cần ngay lập tức làm bốn việc sau:

- *Ngăn chặn thất thoát.* Kiểm soát tổn thất. Giảm thiểu tối đa mất mát, thua lỗ. Giữ tiền bằng mọi giá.
- *Thu thập thông tin.* Tìm kiếm sự thật. Bàn bạc với những người chủ chốt để xác định chính xác vấn đề bạn đang phải đối mặt.
- *Giải quyết vấn đề.* Tự nhắc nhở bản thân phải suy nghĩ theo hướng tìm cách giải quyết, tìm ra những gì bạn có thể làm ngay để giảm thiểu tổn thất và xử lý vấn đề.
- *Định hướng hành động.* Suy nghĩ xem bước tiếp theo bạn sẽ làm là gì. Hãy đưa ra bất kỳ quyết định nào còn hơn là không làm gì cả.

Trong dài hạn, khi xảy ra khủng hoảng cần thiết phải có cái nhìn sang suốt và dài hạn hơn, như:

*Tập cách suy nghĩ hướng về tương lai*

Chìa khóa chiến lược của thành công trong công việc và

cuộc sống là “lường trước khủng hoảng”. Chiến lược này đã được những người đứng đầu trong nhiều lĩnh vực áp dụng – điều hành, quản lý, doanh nhân và lãnh đạo, đặc biệt là các nhà lãnh đạo quân sự. Bạn có thể dự đoán khủng hoảng bằng cách nhìn vào tương lai trong ba, sáu, chín và mười hai tháng sau và tự hỏi, “Điều gì có thể xảy ra gây ảnh hưởng đến cuộc sống và công việc của mình?” Với tất cả những gì có thể xảy ra, hậu quả tồi tệ nhất sẽ là gì? Không tự đánh đổ bản thân. Không mong ước, hy vọng hay vờ rằng những chuyện đó sẽ không bao giờ xảy ra với bạn. Cách nghĩ như vậy hoàn toàn không cần thiết và có thể gây ra thảm họa. Đặt vấn đề theo kiểu “Nếu điều đó xảy ra thì sao?” Kể cả khi có rất ít khả năng thảm họa đó xảy ra, người suy nghĩ thấu đáo vẫn sẽ cân trọng xem xét mọi hậu quả và chuẩn bị đối phó với chúng.

### **Kế hoạch dự phòng**

Bạn cần có kế hoạch dự phòng cho mọi tình huống khẩn cấp và mọi khủng hoảng. Bạn sẽ làm gì nếu mọi việc trở nên tồi tệ? Bạn sẽ làm gì trước tiên? Bạn sẽ làm gì tiếp theo? Bạn sẽ phản ứng như thế nào? Đặt giả thiết – một câu chuyện hoặc một kế hoạch – rằng bạn sẽ xử lý tình huống xấu như thế nào nếu nó xảy ra. Điều này gọi là “suy nghĩ tổng quan” và là điểm mấu chốt để giải quyết vấn đề. Nhìn vào vấn đề và mừng rỡ tưởng tượng những gì có thể xảy ra, sau đó quay lại với thực tế để lên kế hoạch trước cho chúng.

### **Ngăn chặn khủng hoảng tái diễn**

Khủng hoảng, theo định nghĩa, là việc chỉ xảy ra một lần, nằm ngoài mong đợi và mang tính tiêu cực. Nếu tình trạng khủng hoảng tái diễn thường xuyên trong công ty hay cuộc sống của bạn, đặc biệt là khủng hoảng về tiền bạc, bạn đang đối diện với một vấn đề nghiêm trọng hơn, điều thường diễn ra trong các tổ chức không đủ năng lực và tiềm lực tài chính. Để đảm bảo khủng hoảng không lặp lại, sau khi giải quyết nó lần đầu tiên, bạn cần tóm tắt toàn bộ, trao đổi kỹ lưỡng lại vấn đề. Điều gì thực sự đã xảy ra? Nó diễn ra như thế nào? Chúng ta rút ra được bài học gì? Chúng ta cần làm gì để nó không tái diễn?

### **Hãy hành động**

Xác định ba điều tồi tệ nhất có thể xảy ra với công việc của bạn trong năm tới. Bạn có thể làm gì ngay từ bây giờ để giảm thiểu tổn thất từ những khủng hoảng đó? Xác định ba điều tồi tệ nhất có thể xảy ra trong cuộc sống của bạn và gia đình, sau đó chuẩn bị những gì cần thiết để đảm bảo chúng không xảy ra.

In a rapidly changing, chaotic and highly competitive business environment, you will be in crisis every two to three months. All kinds of financial, family, personal or health crises happen in that cycle. Crisis is defined as a major obstacle or failure that happens unexpectedly, affecting and destroying what you are doing in the present. Crisis pushes you into a "red alert" situation. Crisis management is the identification of threats to an organization and its stakeholders; as well as to identify the methods used to deal with those threats. Crisis is an important period of time. It is considered a challenging period. Whether you choose to do something or do something that could ruin your work can leave a big or positive impact on your future work and life. Therefore, to reduce the risks and damages when there is a crisis, organizations often create a plan to manage the crisis.

In the short term, when a crisis occurs, it is necessary to immediately do the following four things:

- Prevent loss. Control loss. Minimize loss and loss. Keep money at all costs.
- Collect information. Looking for the truth. Discuss with key people to determine exactly the problem you are facing.
- Problem solving. Remind yourself to think in a way to find a solution, find out what you can do right away to minimize losses and handle the problem.
- Action orientation. Think about what the next step you will be doing. Make any decision rather than not doing anything.

### **In the long term, when a crisis occurs, it is necessary to have a more transparent and long-term view, such as Practice thinking about the future**

The key to success in work and life is crisis anticipation. This strategy has been applied by leaders in many fields - executive, manager, entrepreneur and leader, especially military leaders. You can predict the crisis by looking into the future for the next three, six, nine and twelve months and wondering, "What can happen to affect my life and work?" What could happen, what would be the worst consequences? Do not challenge yourself. Not wanting, hoping or pretending that things will never happen to you. This way of thinking is completely unnecessary and can cause disaster. Pose the question "What if that happens?" Even if there is very little possibility of such a disaster, the thoughtful person will carefully consider all the consequences and prepare to deal with them.

### **Contingency plan**

You need a backup plan for all emergencies and every crisis. What will you do if things get worse? What will you do first? What will you do next? How will you react? Put a hypothesis - a story or a plan - that you will handle how bad the situation is if it happens. This is called "general thinking" and is the key to solving the problem. Look at the problem and visualize what might happen, then come back to reality to plan ahead for them.

### **Prevent crisis recurrence**

Crisis, by definition, is a one-time occurrence, which is unexpected and negative. If the crisis recurs frequently in your company or life, especially the crisis of money, you are facing a more serious problem, which often happens in inefficient organizations. power and financial potential. To ensure the crisis does not repeat, after resolving it for the first time, you need to summarize the whole, thoroughly discuss the problem. What really happened? How does it happen? What lesson can we draw? What do we need to do to prevent it from recurring?

### **Take action**

Identify the three worst things that can happen to your job next year. What can you do now to minimize losses from those crises? Identify the three worst things that can happen in your life and your family. Then be prepared what you need to make sure they don't happen.

### **3. Global Financial Crises 2007-2009**

The financial crisis of 2007-2009 is a crisis that took place in 2007, 2008 and 2009, including the collapse of a series of

banking systems, credit starvation, stock price depreciation and devaluation. The United States is an important import market for many countries, so when the economy is in recession, many countries suffer losses, especially in export-oriented countries in East Asia such as Japan, Taiwan, Singapore and Hong Kong. Other economies slowed down. Europe, which has a strong economic relationship with the United States, is severely impacted both financially and economically. Many financial institutions here went bankrupt to the point of becoming a financial crisis in some countries like Iceland, etc. The biggest economies in the region were Germany and Italy falling into recession, and Britain, France, and Spain. Houses together decreased growth. The euro area officially fell into the first economic recession since its founding. Latin American economies are also closely related to the US economy, so they are also negatively affected when short-term capital flows withdraw from the region and when oil prices fall sharply. Ecuador moves to the brink of a debt crisis. Economic growth in the world slowed down, causing demand for oil for production and consumption to decline as well as for oil prices. This in turn makes oil exporting countries suffer. At the same time, due to concerns about instability, food speculation broke out, contributing to rising food prices during late 2007 and early 2008, creating a wage crisis. real global. Many stock markets around the world face a serious loss of stock prices. Investors convert their portfolios to strong currencies such as US dollars, Japanese yen, Swiss francs, which make these currencies up against many other currencies, making it difficult for Exports from the US, Japan, and Switzerland and causing currency disturbances in some countries require them to seek assistance from the International Monetary Fund. South Korea fell into a currency crisis when won continuously depreciated since early 2008.

The global economic crisis is the financial epidemic that countries in the world are affected by. Vietnam is not apart from countries affected by economic growth, import and export of goods, employment for workers, including attracting investment. The last months of 2008 epidemics originated from a powerful economic country like the US, the epidemic was fast, very dangerous, so it spread over the world. Influenced by the global recession, has turned upside down and affected countries, most notably the financial and banking systems of each country. In Vietnam, most of the production activities for the export sector face many difficulties. In which major markets such as the US, EU and Japan are traditional markets of imported goods from Vietnam are in crisis, because people's living standards are turned upside down, requiring people to cut spending, belly-tightening, low purchasing level, weak payment demand. Vietnam is one of the countries seriously affected by the export of goods. This affects the economic growth rate of Vietnam is declining, from 8.48% in 2007 to 6.23% in 2008 and only 5.32% in 2009. The impact of the global crisis is not only on the US, EU, Japan markets but it also affects Vietnam's products. The impact of the world crisis has caused many small and medium enterprises in Vietnam to face a lot of difficulties, partly denied the contract, the products consumed slowly, and the inventory has increased. The part is affected by monetary tightening policy, limiting bank credit growth, making high lending rates far beyond the business ability of enterprises (interest rates are constantly being raised and interest rates are loans also increased from 14% in 2007 (in 2007) and increased by

20% and 24% per year (in 2010). Although the state bank has raised the ceiling interest rate, they did not achieve the results due to commercial banks' thorough implementation of bad debt tends to increase. In addition, the import of goods by Vietnamese enterprises is also not better than the export enterprises. The reduction in spending leads to the increased unemployment rate in the society. Exports and imports of Vietnam are reduced, making it difficult for businesses to provide services, produce auxiliary materials, and support services such as packaging and packaging, transportation are also affected in terms of decreasing, while inventory level are increased.

#### **4. Research results and discussions**

Opening up economy and international integration has brought many benefits for Vietnam but at the same time also makes it face more risks when fluctuations occur. The impact of this crisis is double-sided, including negative impacts on Vietnam's economy. Due to the deeper and broader integration into the world economy, Vietnam is also subject to certain impacts, but not directly.

##### ***For the financial and banking system***

Although not strongly affected by the US financial crisis because Vietnam's banking and financial system is only in the early stages of integration; but in the short term, due to the direct impact of the financial crisis, many banks' profits may decline, even some small banks may lose money; bad debt increased; so the Vietnamese financial banking system is at risk of being affected in a few years.

##### **For export activities**

The export growth rate in the US market decreased because consumer demand in the US market was on a slipping trend. On the other hand, competition in export to the US market was more intense because some exporters reduced their prices to enhance their products' competitiveness. The US is a major export market of Vietnam today, accounting for about 20-21% of export turnover, the growth rate of exports to the US market will decline, which will affect Vietnam's overall export growth rate. However, the level of influence depends on the nature of each item. Besides, the US financial crisis also negatively affected many other economies in the world, especially the EU and Japan - two important export markets of Vietnam. Due to the impact of the crisis, people in these markets also have to cut spending, thus the import demand for Vietnamese exports will tend to decrease. In the fourth quarter of 2008, import and export turnover in these two markets next month decreased compared to the previous month. Import and export turnover in the first quarter of 2009 tended to increase slightly. Forecast of export turnover for the whole year of 2009 only increased by 3-5%.

##### **For foreign investment (direct and indirect)**

With the current crisis situation, the cost of capital becomes more expensive and the export market is likely to be narrowed so the capital flowing into Vietnam is reduced. In addition, for most investment projects in general and FDI in particular, the loan portion usually accounts for a large proportion of the total investment capital, so when financial institutions and banks face difficulties, many The loan contract will not be signed or cannot be disbursed. With on-going FDI projects may be halted as investors have to

balance their capital resources and ensure financial security in this crisis. Newly licensed FDI projects will face difficulties if investors suffer from the crisis. In 2008 Vietnam attracted nearly 63 billion USD of foreign direct investment (registered capital) and disbursed 12 billion USD, in 2009 the situation of FDI attraction has become more difficult, many projects registered capital of tens of billions of USD foreign investors have withdrawn ... In the first 5 months of 2009, FDI capital reached only 6.3 billion USD. For overseas remittances into Vietnam, despite the amount of remittances reached in 2008 8 billion USD increased by 60% compared to 2007, but with the current world economic recession, the decrease in remittance in 2009 will be certain.

#### ***For stock market operation***

The financial crisis is more and more influential in the world financial market, whereby investors and foreign investment funds will face more difficulties in raising capital, or tend to be more cautious in deciding plan to invest when their big markets are struggling. The fact that they restructured their investment portfolios in Vietnam is a foreseeable thing. It is possible that foreign investors will withdraw their capital from the Vietnamese market to rescue their parent companies in large markets, but the ability to This is very little, on the one hand because the amount of investment capital of each investor in the Vietnamese market is not much and Vietnam is still considered a safe and reliable investment location. Vietnam stock market is a place with investment advantages when Vietnam's macroeconomic situation is getting better. In case foreign investors sell out their stocks, withdraw all investment capital from Vietnam stock market, Vietnam still has enough foreign currency reserves to "pump out" to stabilize the market. Vietnam trade balance in 2008 forecasted a deficit of 18 billion USD (about 30% of GDP) in 2009 forecasting that the trade deficit will fluctuate in the range of 12 billion - 15 billion USD or 12-15% of GDP, down 20% On the other hand, it is also necessary to see that the financial crisis affects a number of areas of Vietnam such as: export, short-term debt of banks, operations of financial and credit institutions. Therefore, listed companies on the stock market will inevitably be exposed to negative impacts, especially the export enterprises, whereby stock prices may decline. Some other issues that need to be considered are the financial crisis which strongly affects the psychology of Vietnamese securities investors, and the stock market is immediately adversely affected by investors' concerns. Psychological factors are quite important, so Vietnam needs solutions, especially information and propaganda to strengthen confidence for investors; limiting excessive concerns that adversely affected the stock market. Recently, the stock market has shown better signs but with unpredictable movements of the world economic recession, the stability of the stock market will be difficult to avoid.

#### ***For real estate market***

The real estate market has a close relationship with the capital and financial markets. Investment in real estate business requires a huge amount of capital. Currently, the financial capacity of most real estate businesses in Vietnam is quite limited, largely dependent on external capital sources, mainly loans from banks and credit institutions. This is a difficulty of real estate business in the current

financial crisis. In the end of 2007, real estate speculation pushed up real estate prices in Vietnam too high compared to the real value. The market has a virtual fever, virtual demand has risen. Entering 2008 and 2009, Vietnam's economy still faces difficulties due to the impact of the economic crisis, forcing people to reduce spending, frozen real estate market, real estate prices have dropped by 40%. , real estate enterprises that fall into difficulties, cannot sell products will have to bear high interest rates due to the tightening monetary policy, leading to high interest rates, especially at the end of 2008. Real estate prices decreasing will lead to a decline in bank assets as well as an increase in bad debt, which makes the investment bank's capital structure fall into a disadvantage. Recently, FDI poured into Vietnam increased rapidly, of which nearly 50% invested in real estate. The impact of the financial crisis will be detrimental to the disbursement of FDI in Vietnam, especially FDI in the real estate sector. The subprime debt crisis in the US, whose roots are from the current real estate crisis, does not directly affect the real estate market in Vietnam but it will indirectly affect the impact on the financial, money, stock market and psychological factors of people. However, the real estate lending of banks in Vietnam is far different than in the US so it is difficult for a crisis in the real estate market in Vietnam. According to the report of the State Bank of Vietnam, real estate lending accounts for about 9.5% of the total outstanding loans of banks and credit institutions. Even though indirect impact on the Vietnamese real estate market as mentioned above is possible, Vietnam has anticipated this situation and the Government has effective solutions to prevent bad effects

#### ***Market of goods and services***

Demand decreases both in production and consumption. In the context of the global economic downturn, Vietnam's macroeconomic situation has improved, although still in general difficult. Many businesses have cut production and business plans, narrowed the scale due to increased production costs, especially bank loan interest. In 2008, banks raised interest rates to serve monetary tightening, curbing inflation, and enterprises faced difficulties in obtaining bank loans with high interest rates. Entering 2009 with the loose monetary policy, the bank interest rate has decreased significantly, the Government has advocated 4% interest rate subsidy for enterprises for short-term loans, which partly helped the business to restore production and business to reduce capital costs, reduce production costs. However, the current big difficulty for enterprises is the product consumption market. As long as the world economy has not recovered, the consumer market (export) is still difficult. Meanwhile, the domestic market demand is limited because purchasing power is inadequate. Service activities will be narrowed. Especially the number of tourists will decrease. So far the tourism industry' overall situation is not bright.

The recent global economic crisis has accumulated for Vietnam experiences, which can see that Vietnam needs to: Firstly, the economic crisis follows many cyclical studies, so it is necessary to be proactive in dealing with (because it is impossible to prevent) the crisis by: (i) Studying the relationship between instability macroeconomic and banking sector instability, and identify the role of the State Bank in monetary stability, financial stability during the period of normal economic development and in the crisis

period to can be more proactive in the use of intervention tools; (ii) studying the sensitivity of investment, consumption, saving on interest rates to choose appropriate interest rates; (iii) choose how to bring down capital so that the opportunity to access capital is the most equal, most equal and most convenient and provides the most effective stimulus; (iv) develop a framework of documents, mechanisms to implement all situations, measures, methods and policies to combat economic decline and also build a mechanism for monitoring and checking the real show solution.

Secondly, when designing the stimulus plan, the Government needs to develop a data set that can be based on convincing quantitative analysis from those data affecting the economy. Required construction data include: (i) Developing 2008 Input/Output table to calculate the spreading coefficient of sectors; (ii) studying the marginal spending trend of actors in the economy in order to predict the stimulus effect.

Third, the given policy must go from reality. Research has shown that, in addition to the reasons derived from the borrowers themselves, it has not been proactive in finding sources of information even though the stimulus information has been widely published; failing to grasp the procedures and methods of making loan dossiers according to the banks' requirements; without a market, production is narrowed so it does not care about borrowing; afraid to borrow because of fear of being affected to the prestige of enterprises for loan to pay staff remuneration, there are many other reasons related to the requirements of loan regulations that borrowers must meet. In addition, fiscal policy should avoid scattering (or withdrawing investment - crowding out), ensuring public investment flows into the economy as quickly as possible to reduce the strongest recession.

Fourth, in the crisis, the domestic market has greatly supported the reduction of shock for businesses when the export market is narrowed. The domestic market has risen strongly in the context of the global economic recession. In the context of the economy being affected by the shrinking export market, export growth was negative (-14.7%), GDP still increased by 5.32% - one of a few countries with growth rates positive economic growth, total retail sales of goods and social services in 2009 still reached about VND 1,197.5 billion, up 18.6%, if excluding price factor, the growth rate reached 11%, nearly 2 times compared with 2008. In 2010, also achieved very positive achievements, the growth rate of retail sales of goods remained high despite the export market has gradually recovered, indicating the purchasing power of the market. very attractive in the country. However, in the last months of 2010 and early 2011, retail sales of goods and services have partly slowed down partly due to the impact of price increases that reduce consumption.

## 5. Conclusions and Recommendations

For Vietnam, the global economic crisis in the US in 2008 in the United States not only made exports decline, domestic and foreign investment was difficult but also caused bankruptcy for many businesses. Therefore, the government should encourage long-term capital flows that are stable and consistent with the absorption capacity of the Vietnamese economy. In order for capital to flow without rushing and

fleeing quickly, trade liberalization must take place slowly. Specifically what should be done include:

- Develop a strategy for capital transaction liberalization. This strategy is built on the basis of stability and sustainable development of the national financial and monetary system, able to regulate the market when implementing liberalization.
- Developing a legal framework based on analysis, assessing all possible reactions from the application of liberalization policies leading to capital withdrawal or capital control.
- Building a system of indirect tools and technical barriers to control capital flow. This makes capital transactions more costly, thus limiting these transactions, such as high taxation on short-term capital flows, associated with tax exemptions for long-term capital flows. That requires financial institutions that want to borrow or issue shares to have a credit rating.
- Correctly identify the shortcomings of the financial system to strengthen the system: implement restructuring in a way that does not rely on the Government's support to avoid risks but must mobilize itself to adapt to the market. Especially modern financial transactions can prevent risks such as options, swaps, futures, futures.
- Develop a system of inspection and supervision, in which inspection – monitoring step by step applies international financial supervision standards such as Basel agreement on capital safety, principles of IOSCO securities management, OECD corporate monitoring standards along with international standards for financial, accounting and auditing publicity.
- Building a strong financial system and complying with the mandatory obligations in GATS regulations, the system of domestic commercial banks must meet the requirements for transparency and application of safety standards in the operation of credit institutions such as minimum capital adequacy ratio, risk provisioning and debt classification criteria.
- Develop a complete and based database to recognize the role of indirect investment flows as well as risks that may arise from this source of capital.

For Vietnam, the country is less seriously affected by this crisis. Therefore, in the future, the Vietnamese market will be a stable mayor, attracting domestic and foreign investors. Therefore, the Government of Vietnam and businesses need to have policies and measures to stimulate domestic investment and attract foreign investment. It will be a great advantage for Vietnam to develop more in the future.

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