

Improving the Effectiveness of Budgetary Resources in Ha Giang Province, Vietnam

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Abstract: The state budget is one of the most important tools for the State to implement the macro-economic management of any country. Vietnam is moving towards socialism with a very low starting point, while the demand for economic development and industrialization in the direction of industrialization and modernization requires a large amount of capital, quality and capital structure. To renovate the management of the state budget, the legal environment should be developed and perfected in line with the new requirements of the market economy. For Ha Giang's mountainous border provinces, the role of the state budget is more important when it is put in the context of economic, political, social, security and national defense, industrialization and modernization of the province.

Keywords: State budget, management, Ha Giang province, industrialization, modernization.

INTRODUCTION

A government budget is an annual financial statement presenting the government's proposed revenues and spending for a financial year that is often passed by the legislature, approved by the chief executive or president and presented by the Finance Minister to the nation. The budget is also known as the Annual Financial Statement of the country. This document estimates the anticipated government revenues and government expenditures for the ensuing (current) financial year. For example, only certain types of revenue may be imposed and collected. Property tax is frequently the basis for municipal and county revenues, while sales tax and/or income tax are the basis for state revenues, and income tax and corporate tax are the basis for national revenues.

In the process of the global economic comprehensive renovation of the country, carry out the industrialization and modernization, develop a multi-component economy operating under the market mechanism, the government budget must be extremely large and sustainable development. This must be followed by an advanced and suitable fiscal policy, in which budgetary resources is one of the most important tools. The state budget is for the accumulation fund, then distribute and use for industrialization and modernization process of the country, building the infrastructure for the socialism, gradual change the economic structure in the direction of a socialist production [1,6].

The government budget keeps an decisive role in the implementation of target economic - socio

development strategy, socio-economic development plans and in the financial balances of the national economy. Moreover, the government budget provides for the operation of non-material manufacturing sectors, to maintains the activities of the machinery of the state, to keeps stable the socio-economic of the country, develops the national economic toward the industrialization and modernization.

Therefore, it should be aware of the role of state budget. From that the state budget activities will be adjusted in line with the present economic conditions, to ensures the investment resources accompanying the economic development of the country.



Fig-1: Winding roads in Ha Giang province, Viet Nam

Ha Giang is one of the Northern provinces of Viet Nam, which has many potentialities. However, it is the poorest province in the country so far. This is reflected in the weakness of the economic, social, technical characteristics of the province, especially the infrastructure, productive force, labor productivity, etc. [1]. Consequently, the demand of the industrialization and modernization of the province will not be guaranteed. Simultaneously, it is difficult to improve and enhance the quality of living of the people. One of the reasons of the actual state is the leak of the resources. Hence, the management and utilization of state budget in Ha Giang province should be researched.

In this paper, the actual situation of the socio-economic of Ha Giang has been investigated as well as the management and utilization of the state budget in Ha Giang. Several solutions have also been proposed for the improving the effect of the utilization of the state budget in Ha Giang.

role of state budget in the socio-economic development of ha giang

Ha Giang is a mountainous province with border with China, low literacy levels, complex geographical conditions, difficult traffic and many ethnic groups live together [2]. After two wars against the USA and the Republic of France, the economic bases are devastated, the material and spiritual life of the people encountered many difficulties. With the helps of the Central, Ha Giang has overcome difficulties, step by step to stabilize the life, develop the production. For achieving these achievements, the role of the state budget is undeniable.

In agriculture, the state budget is spent for the implementation of the science – technology in production, investment to facilitate the restructuring of plants, animals and crop structure, etc. In social culture, the government budget has allocated an appropriate proportion for investment in the construction and development of material and technical facilities for education and training [3].

Although limited budget revenues, the health sector and population planning has also been properly concerned. In particular, the medical examination and treatment has been invested in upgrading and renovating, increase the health care of the people. Moreover, the state budget has spent for other programs including transportation, electricity, radio broadcasting and television [4,5].

The state budget acts an important role in the development of the socio – economic, especially in a mountainous province as Ha Giang. Currently the budget of the province is very small to meet the demand of the province. The research of improving the effectiveness of budgetary resources in Ha Giang is thus necessary and practically.

Proposal for improving the state management and utilization of ha giang

Solutions to raise the capital for the revenues

Maintain the border, ensuring the locality political stability, creating favorable conditions for people to produce, for businesses inside and outside the province feel free to invest in production and business.

Well implementing the policy of capital accumulation, especially saving issues in the population and society. This is an important and practical solution. The issue of saving and investing sustainably in order to thoroughly liberate the production in the direction that all people with capital are free to register production and business in accordance with the law. It is necessary to concretize and apply the State's policies to the specific conditions of the province based on the law on general state policies.

Increase investment efficiency by having a suitable investment policy which has economic foundation for the transformation industries. Step up the building of socio-economic infrastructure. Priority should be given to key projects serving socio-economic

development of the province. State enterprise must play an important role in the economy.

Enhance the management and exploitation of revenues for the State budget with the viewpoint of revenue collection in the sustainable development. That is, it is necessary to determine a reasonable level of revenue, ensuring that the state budget beneficiaries have sufficient financial resources to continue to develop.

In the state budget collection, focus should be placed on the following major measures: Improve the collection system from economic activities, focus on tax. Taxation is a major source of income, a very important macroeconomic regulation tool. Taxation contributes to ensuring equality among economic actors. In addition, taxes are leveraged to stimulate effective production and business development.

To review charge and fee collection in the province. From there, correct the inappropriate points, add charges and fees in accordance with the regulations. The disclosure of fees is necessary, through the media. This increases the efficiency of fee collection.

To enhance the State management role, properly and promptly collect and timely collect the right subjects, manage well the revenue sources, cover all sources of revenue and combat losses arising in the localities.

Improve the organizational capacity and management of the machinery of tax collection, including professional qualifications, ethical qualities of officials, investment in equipment for tax collection.

To fully exploit the advantages of border gates with China, especially Thanh Thuy border gate. This will increase the revenue for the provincial budget. The customs authorities must closely coordinate with the functional branches, including police, taxation, transportation, market management, to perform the inspection work such as coding, imposing tax rates. Timely detecting unreasonable errors in the collection work, strengthening the fight against smuggling and trade frauds and strictly control the stamping of high-tariff items.

Solution of state budget management in Ha Giang province

To strictly observe the provisions of the Budget Law, including the elaboration and settlement of the State budget. Organizing training courses to guide budget staff and accounting staff of budget beneficiaries, thereby improving the efficiency of budget management.

Set advanced and scientific norms for the assignment of budget spending plans to administrative

agencies according to regulations. Strengthen the management and administration of budget expenditure according to the budget allocated at the beginning of the year. Control of payments through the State Treasury, purchases, repairs and fundamental construction.

Carefully review the expenditures arising out of the plan, avoiding arising arbitrarily without calculating the source of expenditure. When approving annual budget expenditure estimates, immediate and long-term objectives must be taken into account. At the same time, the structure of reasonable expenditures, especially the expenditures on development investment.

It is necessary to intensify the inspection and examination of the budget-using units in order to detect and remedy in time errors in the management and spending of the State budget.

Particular attention should be paid to the improvement of the staff, which is the decisive factor for the effectiveness of work and management. On the one hand, there must be basic training in professional qualifications, management skills, organizational capacity and must be challenged in order to be qualified and skillful, to serve the functions and tasks well. On the other hand, it is necessary to regularly train and re-train staff to meet the requirements of state budget management in the province.

CONCLUSION

The state budget is one of the most important tools for the State to implement the macro-economic management of any country. Vietnam is moving towards socialism with a very low starting point, while the demand for economic development and industrialization in the direction of industrialization and modernization requires a large amount of capital, quality and capital structure. This situation requires improving the efficiency of financial and budgetary capital management. This will facilitate the financing of all socio-economic activities, effectively exploit the resources and effectively absorb external capital in various forms.

To renovate the management of the state budget, the legal environment should be developed and perfected in line with the new requirements of the market economy. At the same time, the above solutions shall be implemented well. For Ha Giang's mountainous border provinces, the role of the state budget is more important when it is put in the context of economic, political, social, security and national defense, industrialization and modernization of the province.

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