



# Research on Economic Inequality in Vietnam's Urban Residents: Export-Oriented Economy, Urbanization and Corruption

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**Abstract.** As one of the fastest growing countries in the world and a typical emerging market developing country, Vietnam has an economic miracle based on an export-oriented economy. While the influx of investment and foreign exchange into income opportunities in Vietnam, the economic gap in income and wealth has also widened due to corruption fueled by rapid urbanization and a boom in foreign trade exports. Therefore, studies on Vietnam's export-oriented economy, corruption, urbanization, and inequality have a good role in showing social problems in developing countries. At the same time, Vietnam can be used as an example to find solutions to similar social problems in similar countries. Based on the data of the World Bank and other authoritative databases, this study uses the Excel correlation test to study the degree of export-oriented economy, corruption, urbanization, and income inequality of urban residents in Vietnam, and finally determines the main factors of income inequality of urban residents in Vietnam. The reason is the low degree of urbanization and export-oriented economy, followed by corruption. With the social and economic development of Vietnam, Vietnam's urbanization and export-oriented economic development will continue to improve the standardization and legalization of social governance in Vietnam, reduce corruption, and improve economic inequality among urban residents in Vietnam.

**Keywords:** Inequity · Vietnam · Export-orient economy · Corruption · Urbanization

## 1 Introduction

Vietnam's export-oriented economy has created an economic miracle. Rapid economic growth has brought dividends to the population. However, behind the prosperity there are

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also some intra-city economic problems. One of the most influential but also overlooked problems is the growing economic inequality of urban residents in Vietnam.

Corruption in Vietnam has been a chronic disease of Vietnamese society [1]. As a country that also experienced a history of communist revolution and communist planned economic domination, Vietnam's bureaucracy and party and government elites have traditionally been accustomed to exchanging power for wealth [2]. Even if they do not directly operate Vietnam's emerging processing and export industries, the infrastructure construction, basic raw materials, and energy required by the processing and export industries still rely on the Vietnamese bureaucratic capital group, and the approval of the processing and export industry projects itself is inseparable from the approval of the Vietnamese bureaucracy [3]. At the same time, the impact of rapid urbanization in Vietnam on the urban wealth gap is also worthy of attention [4]. Like many cities throughout history that have rapidly expanded due to industrialization, Vietnam's cities have rapidly formed communities of extremely poor migrant workers and wealthy locals, and the inequality between these two communities constitutes the current lack of urbanization in Vietnam. But on the other hand, after Vietnam joined the WTO in 2006, the urbanization of Vietnam also means that the urban bottom-level residents have more job opportunities and opportunities to integrate into the city, which may also narrow the gap between the rich and the poor [5].

This study mainly focuses on how the export-oriented economy, corruption and urbanization influence the inequity of Vietnam urban citizens.

This study aims to sort out the causes of economic inequality among Vietnamese urban residents through the study of different indicators that affect the economic inequality of urban residents in Vietnam. Based on its prediction of the future economic inequality of urban residents in Vietnam, it is expected to provide reference for research and policy formulation of similar social issues in export-oriented developing countries like Vietnam's situation.

Previous studies have confirmed that an export-oriented economy will lead to an imbalance in the distribution of wealth in the short term, but the export-oriented economy of developing countries is also conducive to developing countries to obtain sufficient transformation of economic resources to realize the national governance model will also promote the economic development of cities in developing countries in the long run, thereby narrowing the gap between the rich and the poor within cities [4, 6]. The economic inequality of urban residents in developing countries is often closely related to industrialization. In the early stage of industrialization, the entrepreneurial class and the general working class will have a rapid polarization between the rich and the poor. A related discussion has been made [7]. However, the rapid growth and industrialization of cities will create a growing urban middle class - who may not be able to engage in intellectual work in the early stages of industrialization and export-oriented economic development, but who have already relied on industry and exports to provide them with jobs became city dwellers [1]. Regarding the relationship between corruption and economic inequality in Vietnam, previous scholars generally believed that corruption in Vietnam was an important source of economic inequality [8]. Power corruption in Vietnam has become the norm under the power structure in which the Communist Party of Vietnam (CPV) authority controls all affairs of Vietnamese society: unchecked power is

very likely to be realized by the owner. Regarding the relationship between urbanization and the gap between the rich and the poor in Vietnam, scholars generally believe that urbanization in Vietnam may increase the gap between the rich and the poor in the short term, but urbanization also brings new urban residents. More income and employment opportunities have also generally improved the economic situation of Vietnamese urban residents [8]. Therefore, urbanization may play a positive role in narrowing the gap between rich and poor within Vietnamese cities in the long run. In conclusion, three main factors affecting the economic inequality of urban residents in Vietnam have been identified: export-oriented economy, corruption, and urbanization.

Most of the above studies only focus on a simple qualitative study or logical deduction on one factor affecting the gap between the rich and the poor in Vietnam and lack causal correlation studies in terms of data. This study aims to demonstrate the impact of various factors on the economic inequality of urban residents in Vietnam through Excel's correlation test.

## 2 Methods

This research collected historical official economic data from 2006 to 2020: Vietnam's Export, Vietnam's GDP, Corruption Perception Index, Urbanization Rate, Lowest Hour Salary of Vietnam, and Per Capita GDP of Vietnam.

### 2.1 Variables

#### 2.1.1 Vietnam's Dependence on Export-Oriented Economy

Regarding the degree of Vietnam's export-oriented economy, this study adopts Vietnam's GDP and total exports to represent Vietnam's total economic activity and total export activity respectively and reveals the export-oriented economy of Vietnam after its entry into the WTO through the ratio of the latter to the former [8]. Changes in the degree of type and the status quo.

As shown in Table 1 and Fig. 1, except for the impact of the world economic crisis in 2008, the proportion of total exports to GDP has gradually increased since 2006. In recent years, total exports have even exceeded GDP, which is a very high number, meaning that Vietnam's annual exports are higher than the country's GDP. GDP usually includes consumption, capital formation and net exports.

To reflect the export-oriented degree of Vietnam's economy, this study calculates the ratio of Vietnam's total exports to GDP, which can reflect the relative status of exports in Vietnam's economic activities, to measure the dependence of Vietnam's economy on the international market by quantitative means.

#### 2.1.2 Vietnam's Corruption

Regarding the long-standing corruption problem in Vietnam, this study uses Transparency International's Corruption Perception Index to indicate the degree of corruption in Vietnamese society. Since the Corruption Perception Index cannot directly represent



**Fig. 1.** Dependence of Vietnam’s economy on exports (2006–2020): Figure shows the Vietnam’s Export/GDP after Vietnam joined WTO. **Note.** World Integrated Trade Solution, World Integrated Trade Solution, 2022, permitted by World Integrated Trade Solution. <https://wits.worldbank.org/CountryProfile/en/Country/VNM/StartYear/2006/EndYear/2020/Indicator/NE-EXP-GNFS-ZS#>; World Bank, GDP (current US\$) – Vietnam, 2022, permitted by World Bank. <https://data.worldbank.org/indicator/NE.EXP.GNFS.CD?locations=VN>

**Table 1.** Dependence of Vietnam’s economy on exports (2012–2020) [9, 10]

Year	Vietnam’s Export (Billion\$)	Vietnam’s GDP (Billion\$)	Export/GDP of Vietnam (%)
2012	124.701	155.820	0.800
2013	143.186	171.222	0.836
2014	160.890	186.205	0.864
2015	173.490	193.241	0.897
2016	192.188	205.276	0.936
2017	227.346	223.780	1.015
2018	259.514	245.214	1.058
2019	279.720	261.921	1.067
2020	286.207	271.158	1.055

**Note.** World Integrated Trade Solution, World Integrated Trade Solution, 2022, permitted by World Integrated Trade Solution. <https://wits.worldbank.org/CountryProfile/en/Country/VNM/StartYear/2006/EndYear/2020/Indicator/NE-EXP-GNFS-ZS#>; World Bank, GDP (current US\$) – Vietnam, 2022, permitted by World Bank. <https://data.worldbank.org/indicator/NE.EXP.GNFS.CD?locations=VN>

the degree of corruption, this study uses the full score of 100 on the Corruption Perception Index minus the original data in the database to quantify corruption in Vietnam.

**Table 2.** Corruption perception index & corruption index (2012–2020) [13]

Year	Corruption Perception Index	Corruption Index
2012	31	69
2013	31	69
2014	31	69
2015	31	69
2016	33	67
2017	35	65
2018	33	67
2019	37	63
2020	36	64

**Note.** International Transparency, Corruption Perceptions Index, 2022, permitted by International Transparency. <https://www.transparency.org/en/cpi/2021/index/vnm>

As a country that has experienced the communist system, although Vietnam has carried out a certain degree of market-oriented reform, there are still many planned and politically distributed behaviors in its economic operation [11]. For example, the common behavior of political elites in Vietnamese society is to cooperate with large enterprises to share the spoils [12].

Corruption is a relatively general concept. To quantify the degree of domestic corruption in Vietnam, we use Transparency International’s perception index of corruption in Vietnam.

As Table 2 shown, transparency International’s corruption perception index is based on 100 as a perfect score. The data is formed by opinions of businessmen who participating in market activities in various countries and scholars who conduct research on the economic environment. Therefore, the higher the data, the cleaner the political environment of the country. To quantify the degree of corruption in Vietnam in recent years, this study subtracts the existing corruption perception index from the full score of 100 to obtain the corruption index data.

### 2.1.3 Urbanization of Vietnam

Regarding the degree of urbanization in Vietnam, this study directly cites the urbanization rate of Vietnam to show the urbanization speed of the rapidly developing Vietnam.

As Table 3 shown, the urbanization rate is an important factor affecting the economic inequality of urban residents in Vietnam. Measuring the degree of urbanization in Vietnam is relatively simple, and the data on the urbanization rate in Vietnam can be directly taken.

**Table 3.** Urbanization of Vietnam (2012–2020) [14]

Year	Urbanization Rate (%)
2012	0.317
2013	0.324
2014	0.331
2015	0.338
2016	0.345
2017	0.351
2018	0.359
2019	0.366
2020	0.373

**Note.** World Bank Data, World Bank, 2022, permitted by World Bank. <https://data.worldbank.org/indicator/SP.URB.TOTL.IN.ZS?locations=VN>

#### 2.1.4 Inequality of Cities' Residents of Vietnam

Regarding the economic inequality among urban residents in Vietnamese society, this study uses the ratio of the annual minimum wage under the standard working hours of urban residents to per capita GDP to show the dividends that the bottom of Vietnamese society has gained from economic development, thereby showing the degree of economic inequality of urban residents in Vietnam.

To quantify inequality, the Gini coefficient is conventionally used. However, the Gini coefficient's measurement of intra-urban inequality in Vietnam is distorted: firstly, Vietnam's Gini coefficient calculation process includes a large amount of data on rural areas, which are not directly related to internal economic inequality in Vietnam; Low government transparency has led to the fact that the distribution of income and wealth on the surface in Vietnam cannot fully reflect the original appearance. For example, the Vietnamese government has an incentive to conceal the poverty of the urban bottom and a lot of huge assets be covered by financial tricks, such as offshore assets. Moreover, Vietnam's national system determines that the Vietnamese leadership can only acquiesce to the gap between the rich and the poor caused by the increasingly rampant illegal operations. Because only the bureaucracy can profit from the rule, they will not go against the political leaders of Vietnam or even overthrow them directly. The pressure from the system forced the Vietnamese authorities to help the powerful to cover up the huge inequality between them and ordinary Vietnamese, and to use various propaganda methods to create the illusion of social harmony and relative equality.

For the economic inequality in Vietnam's cities, this paper first take Vietnam's minimum wage multiplied by the number of working hours per year (250 working days, 8 h per working day) as a measure of Vietnam's urban economic inequality: the reality of this data Meaning is the real quality of life at the bottom of Vietnamese cities. This data is then used as a ratio with Vietnam's per capita GDP, and the obtained data reflects the

**Table 4.** Quantification of economic equality in Vietnam (2012–2020) [15, 16]

Year	Lowest Hour Salary*8*250/Per Capita GDP (%)
2012	0.110
2013	0.119
2014	0.125
2015	0.137
2016	0.145
2017	0.141
2018	0.137
2019	0.133
2020	0.136

**Note.** Trading Economies, Trading Economies Data, 2022, permitted by Trading Economies. <https://tradingeconomics.com/vietnam/minimum-wages>; World Bank, World Bank Data, 2022 <https://data.worldbank.org/indicator/NY.GDP.PCAP.CD?locations=VN>

dividends that the bottom of Vietnam's cities has gained in Vietnam's development, and then reflects the real economic inequality in Vietnam. This is more in line with the spirit of research on social justice issues than current research on inequality in Vietnam: that is, it is not hatred of those who have the advantage in inequality but improving the living conditions of the disadvantaged. Moreover, these data are relatively difficult to falsify, and Vietnamese officials do not have much incentive to whitewash such data. The data shown the inequality of Vietnamese city dwellers as Table 4.

### 2.1.5 The Relationship Between Export-Oriented Economy, Corruption, Urbanization, and Urban Economic Inequality in Vietnam

Regarding the effects of Vietnam's degree of export-oriented economy, corruption, and urbanization on the economic inequality of urban residents in Vietnam, this study uses Excel software to conduct correlation analysis on these four factors, to show the inner logic of inequality of the economy of urban residents in Vietnam through black-box research. Experiment elements as Table 5 shown.

## 2.2 Model

According to the literacy review, this study has preliminarily identified three major factors affecting the economic inequality of urban residents in Vietnam: export-oriented economy, urbanization, and corruption. Based on this, the following model is established:

$$E_{inequa} = \alpha E_{expori} + \beta E_{urbat} + \gamma E_{corrup} + O$$

**Table 5.** Experiment elements: List of corruption perception index, urbanization rate, export/GDP and lowest hour salary\*8\*250/per capita GDP of Vietnam. (2012–2020) [9, 10, 13–16]

Year	Corruption Perception Index	Urbanization Rate (%)	Export/GDP of Vietnam (%)	Lowest Hour Salary*8*250/Per Capita GDP(%)
2012	69	0.317	0.800	0.110
2013	69	0.324	0.836	0.119
2014	69	0.331	0.864	0.125
2015	69	0.338	0.897	0.137
2016	67	0.345	0.936	0.145
2017	65	0.351	1.015	0.141
2018	67	0.359	1.058	0.137
2019	63	0.366	1.067	0.133
2020	64	0.373	1.055	0.136

**Note.** World Integrated Trade Solution, World Integrated Trade Solution, 2022, permitted by World Integrated Trade Solution. <https://wits.worldbank.org/CountryProfile/en/Country/VNM/StartYear/2006/EndYear/2020/Indicator/NE-EXP-GNFS-CD>; World Bank, GDP (current US\$) – Vietnam, 2022, permitted by World Bank. <https://data.worldbank.org/indicator/NE.EXP.GNFS.CD?locations=VN>; International Transparency, Corruption Perceptions Index, 2022, permitted by International Transparency. <https://www.transparency.org/en/cpi/2021/index/vnm>; World Bank Data, World Bank, 2022, permitted by World Bank. <https://data.worldbank.org/indicator/SP.URB.TOTL.IN.ZS?locations=VN>; Trading Economies, Trading Economies Data, 2022, permitted by Trading Economies. <https://tradingeconomics.com/vietnam/minimum-wages>; World Bank, World Bank Data, 2022 <https://data.worldbank.org/indicator/NY.GDP.PCAP.CD?locations=VN>.

The model reflects the causes of economic inequality among urban residents in export-oriented developing countries: where  $\alpha$ ,  $\beta$  and  $\gamma$  are proportional coefficients,  $E_{inequa}$  represents the degree of economic inequality of urban residents,  $E_{expori}$  represents the degree of export-oriented economy,  $E_{urbrat}$  represents the degree of urbanization,  $E_{corrup}$  represents the level of corruption and other factors that may exist that affect economic inequality among urban residents.

### 2.3 Data Sources

The data used in this study come from World Bank Data, Trading Economies Data and International Transparency as Table 6 shown. The data of Vietnam's GDP and Vietnam's total exports from World Bank Data can reflect Vietnam's economic development and degree of export-oriented economy; Vietnam's urbanization rate data can directly reflect Vietnam's The degree of urbanization in Vietnam; Vietnam's minimum hourly wage from Trading Economies Data and Vietnam's per capita GDP data from World Bank can reflect Vietnam's economic inequality.



**Table 6.** Summary of variables and resources

Data	Meaning in the research	Source
Vietnam's Export [9]	The total export of Vietnam, including goods and services.	World Integrated Trade Solution-Vietnam Exports of goods and services, in current US\$, World Integrated Trade Solution, 2006–2020, <a href="https://wits.worldbank.org/CountryProfile/en/Country/VNM/StartYear/2006/EndYear/2020/Indicator/NE-EXP-GNFS-ZS#">https://wits.worldbank.org/CountryProfile/en/Country/VNM/StartYear/2006/EndYear/2020/Indicator/NE-EXP-GNFS-ZS#</a>
Vietnam's GDP [10]	To configure the total quantity of Vietnam's economy activities.	World Bank Data, World Bank, 2006–2020, <a href="https://data.worldbank.org/indicator/NY.GDP.MKTP.CD?locations=VN">https://data.worldbank.org/indicator/NY.GDP.MKTP.CD?locations=VN</a>
Corruption Perception Index [13]	This index calculated by businessmen and scholars, show the extent of incorruption, this indicator higher means the extent of corruption lower.	Corruption Perception Index, International Transparency, 2012–2020, <a href="https://www.transparency.org/en/cpi/2021/index/vnm">https://www.transparency.org/en/cpi/2021/index/vnm</a>
Urbanization Rate [14]	To calculate the urbanization level of Vietnam.	World Bank Data, World Bank, 2006–2020, <a href="https://data.worldbank.org/indicator/SP.URB.TOTL.IN.ZS?locations=VN">https://data.worldbank.org/indicator/SP.URB.TOTL.IN.ZS?locations=VN</a>
Lowest Hour Salary of Vietnam [15]	To show the most bottom Vietnamese's income condition.	Trading Economies Data, Trading Economies, 2012–2020, <a href="https://tradingeconomics.com/vietnam/minimum-wages">https://tradingeconomics.com/vietnam/minimum-wages</a>
Per Capita GDP of Vietnam [16]	Show the per capita share of economic benefits, lifted by wealthy people.	World Bank Data, World Bank, 2006–2020, <a href="https://data.worldbank.org/indicator/NY.GDP.PCAP.CD?locations=VN">https://data.worldbank.org/indicator/NY.GDP.PCAP.CD?locations=VN</a>

### 3 Results

From the current black box experiment results shown in Table 6 and Table 7, the annual minimum wage, and the degree of corruption in Vietnam have a negative correlation with a correlation coefficient of -0.5083 (but this correlation is not statistically significant, and all “significant” in results of this study means “statistically significant”), a significant positive correlation with the urbanization rate at the level of the correlation coefficient of 0.7007, and a significant positive correlation with export/GDP based on a correlation coefficient of 0.7028. The urbanization rate and corruption are significantly and highly negatively correlated with the correlation coefficient of -0.8831 and have a significant

**Table 7.** Correlation test results: The data in this table is aligned as a correlation index; p-value

	Corruption Index	Urbanization Rate	Export/GDP of Vietnam	Lowest Hour Salary*8*250/Per Capita GDP
Corruption Index	1.0000			
Urbanization Rate	-0.8831;0.0016	1.0000		
Export/GDP of Vietnam	-0.8739;0.0021	0.9723	1.0000;0.0000	
Lowest Hour Salary*8*250/Per Capita GDP	-0.5083;0.1624	0.7007;0.0355	0.7028;0.0347	1.0000

high negative correlation with the export/GDP correlation coefficient of -0.8739, and the urbanization and export/GDP are significant highly positively correlated based on the correlation coefficient of 0.9719.

## 4 Discussions

### 4.1 About Correlation Test Indicators and Results

Data on Vietnam's GDP and total exports are shown in Table 1 and Fig. 1. Except for the impact of the world economic crisis in 2008, the proportion of total exports to GDP has gradually increased since 2006. In recent years, total exports have even exceeded GDP, which is a very high level. The numbers mean that Vietnam's annual exports are higher than the country's GDP. GDP usually includes consumption, capital formation and net exports. A high proportion of exports means that the main source of income for a country's economy is exports rather than the domestic market.

The data on Vietnam's urbanization rate shows that after Vietnam's accession to the WTO, Vietnam's urbanization has risen rapidly: from the general experience of developing countries, industrialization will inevitably lead to urbanization: cities are areas where processing and export industries are concentrated, The development of these industries must be accompanied by the concentration of capital, technology, and manpower in large cities, thereby accelerating the transformation of rural residents into urban residents.

Data on corruption in Vietnam shows that after 2012, the level of corruption in Vietnam has gradually declined.

Data on the degree of economic fairness of urban residents in Vietnam shows that with Vietnam's economic development, opening to the outside world and social progress, Vietnam's economic fairness continues to improve.

From the correlation test results, the economic income equity of urban residents in Vietnam is positively correlated with export-oriented economic development and urbanization, and inversely correlated with corruption. With the development of Vietnam's export-oriented economy and the improvement of urbanization in recent years,

the governing style of the Vietnamese government has gradually become legalized and standardized, so the degree of corruption has been reduced to a certain extent.

To sum up, the black-box study on the economic inequality of urban residents in Vietnam shows that the economic equality within Vietnam's cities has been continuously improved along with Vietnam's economic growth in recent years, opening to the outside world, social legalization, and urbanization.

## 4.2 How Corruption in Vietnam Exacerbating the Poverty of the Urban Bottom

Corruption in Vietnam is sometimes a lubricant for economic activity: businessmen can by that do business and carry out projects faster [17, 18]. However, any corruption will inevitably undermine social equality [17]. Historically and culturally, Vietnam has also experienced a history of Confucian despotism, communist revolution, and communist planned economic rule, where bureaucrats and party and government elites have traditionally been accustomed to monetizing power [19]. Under the bureaucratic system, without the effective supervision of the bureaucracy, it is difficult to curb the direct use of public property for personal gain, or even become a bureaucratic planning system [20].

But from Table 2, we can see that after Vietnam joined the WTO, the level of corruption is in a downward trend year by year, although the rate of decline is slow, and Vietnam is still a relatively corrupt country. However, compared with before, the level of corruption in Vietnam has been significantly improved. This may be since Vietnam's opening to the outside world has promoted the legalization of its domestic construction and the standardization of business practices, thereby enhancing the cleanliness of the social and business environment.

The correlations test also proves that the corruption index is inversely correlated with the ratio of the lowest annual income to per capita GDP, although the p-value corresponding to this correlation coefficient is greater than 0.05, that is, the correlation coefficient is not statistically significant. These together suggest that the reduction of corruption in Vietnam may have a positive effect on the health of social equity, although this positive effect is not as significant as other factors.

## 4.3 Urbanization and Economic Inequality

Although some previous studies have shown that rapid urbanization in developing countries may exacerbate income inequality among urban residents in the short term [21]. However, the results of the black-box experiment in this study show that this effect is not significant in Vietnam, and the gap between the rich and the poor within Vietnam's cities has been improving with urbanization. From Table 3, after 2012, Vietnam's urbanization rate accelerated, increasing by 6 percentage points in 8 years: this technically means the migration of millions of people in Vietnam's total population of 100 million. Urbanization itself is a product of industrialization and rapid economic development. Urbanization at this speed itself means that enormous job opportunities have been created in the cities. These job opportunities provide the original rural residents with opportunities to change their poverty status, but also for the urban bottom. Provides opportunities to increase income. Especially in the context of an export-oriented economy, Vietnam,

as one of the countries with the fastest GDP growth in the world, can take advantage of this stage to gain more room for development, better eliminate the country's current inequality, and take measures to make steady progress. Urbanization [22]. This point has been verified in the process of correlation test, and there is a very significant and strong positive correlation between the income equality of urban residents and the urbanization rate.

However, from the results shown in Table 4, the minimum annual income of urban residents in Vietnam is only equivalent to less than 20% of GDP per capita, which means that Vietnam still faces serious social inequality, which many economists believe may Damage to the long-term healthy development of Vietnamese society[23–25]: The economic crisis has plunged a large number of urban population into extreme poverty, coupled with the strong social control of the Vietnamese authoritarian authorities[26, 27], the dissatisfaction and survival pressure of the Vietnamese bottom society can only be transferred to other urban dwellers [28, 29], which in turn lead to rampant violence and crime, as in the slums of other developing country cities [30, 31]. Therefore, the Vietnamese authorities still need to pay attention to the problem of the gap between the rich and the poor in the city.

## 5 Conclusion

Based on the data processing and analysis of Vietnam's economy, this research preliminarily clarifies the relationship between the serious economic inequality of urban residents in Vietnam and the export-oriented economy, corruption, and urbanization. The degree of economic inequality among residents is gradually improving in recent years. The export-oriented economy and urbanization have made Vietnam's social ecology, social atmosphere, and government governance style gradually internationalized. To a certain extent, the inequality within Vietnam's cities has been alleviated. However, the chronic corruption in Vietnam is still seriously jeopardizing the quality of life of the urban residents in Vietnam with poor economic conditions, and the serious gap between the rich and the poor within the city is still one of the most important social problems in Vietnam.

This study also analyzes the negative impact of corruption on social equality in Vietnam from the political system level, explores the historical basis and social mentality that led to corruption in Vietnam from historical and cultural perspectives, and analyzes the benefits of urbanization in Vietnam to new urban residents. The long-term role of urbanization was discussed, and it was pointed out that "corruption is an indispensable lubricant for Vietnam's economy" and "urbanization exacerbates the gap between rich and poor within Vietnam's cities". The development of Vietnam cannot be stable in the long term, whether in the long term or in the short term, the positive effect of Vietnam's urbanization on economic equality within the city is greater than the negative effect.

Economic inequality among urban residents in Vietnam has improved in recent years. However, from the perspective of the long-term and healthy development of Vietnam's economy and society, the Vietnamese government still needs to adhere to opening, regulate urbanization, strengthen legal construction, and fight corruption, to eliminate the serious gap between the rich and the poor in the city - because this is a threat to Vietnam's long-term stability Potential strategic risks for development.

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**Authors' Contributions.** Yuancheng Wang in charge of abstract, research methods and results, Yijia Wang in charge of discussions, Lewen Qin in charge of conclusion.

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