

Conflicts of interest in public service activities in Vietnam: Current situation, causes, and solutions

Do Duc Minh

Associate Professor, Faculty of Constitutional and Administrative Law, University of Law - Vietnam National University,
Hanoi, Vietnam

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Abstract

Conflicts of interest in public service activities refer to conflicts (contradictions) between private interests (individual/group, etc.) and the common/public interest, in which personal interests run counter to, hinder, and harm the public good. Conflicts of interest are latent and serve as a precursor to corruption, as they undermine the impartiality, fairness, and integrity of public officials. Therefore, controlling conflicts of interest in public service is considered one of the core measures in preventing and combating corruption, and at the same time an objective requirement of governance to maintain stability, social integrity, and harmonious, sustainable development. In recent years, situations involving conflicts of interest in Vietnam in the performance of duties by public officials and civil servants have been quite common, occurring across all areas of state management with diverse manifestations. This situation stems from cultural-ideological, socio-economic, and human nature-related causes. Based on analysis and clarification of the current situation and causes of conflicts of interest in public service activities, this article proposes solutions to help control and prevent conflicts of interest, corruption, and other negative practices.

Keywords: Conflicts of interest in public service activities, current situation, causes, solutions

Introduction

In the context of building a socialist rule-of-law state and intensifying anti-corruption efforts in Viet Nam, controlling conflicts of interest in public service has become an urgent requirement for ensuring integrity, impartiality, and transparency in the exercise of state power. Although a conflict of interest is not equivalent to corruption, it creates circumstances that increase the risk of public officials abusing public authority for private gain, thereby facilitating corrupt practices and undermining public trust in state institutions. Consequently, many countries and international organizations, including the United Nations Convention against Corruption, the Organisation for Economic Co-operation and Development, and the World Bank, regard conflict-of-interest control as an essential component of modern public governance and the development of an integrity-based public administration.

In Viet Nam, the Law on Anti-Corruption of 2018 officially introduced the concept of conflict of interest and established legal measures for controlling conflicts of interest in the public sector for the first time, marking a significant milestone in the development of the country's anti-corruption legal framework. However, the implementation of these legal provisions has remained limited in practice. Awareness of conflicts of interest has not yet been fully consistent; many conflict-of-interest situations have not been promptly identified or appropriately addressed; and existing control mechanisms remain fragmented and insufficient to meet the practical demands of public administration. These challenges highlight the need for a more systematic examination of both the theoretical and practical dimensions of conflict-of-interest control in order to propose legal reforms and improve the effectiveness of conflict-of-interest regulation in public service.

Over the past decades, numerous domestic and international studies have examined conflicts of interest from various perspectives, including public governance, public service

ethics, anti-corruption, and public administration. Nevertheless, most existing studies have focused primarily on clarifying the concept of conflict of interest, examining its relationship with corruption, or introducing international experiences and standards. Comprehensive studies addressing the current legal framework, the underlying causes of conflicts of interest, and appropriate legal solutions for strengthening conflict-of-interest control in the Vietnamese context remain relatively limited.

Against this background, this article examines the theoretical foundations of conflicts of interest in public service, evaluates the current legal framework and practical implementation of conflict-of-interest control in Viet Nam, identifies the principal causes of conflicts of interest, and proposes recommendations for improving the legal framework and enhancing the effectiveness of conflict-of-interest control. Ultimately, the study aims to contribute to the development of an integrity-based, transparent, and accountable public administration while supporting Viet Nam's implementation of its international commitments on anti-corruption.

Methodology

This study employs a qualitative research approach, primarily based on doctrinal legal research, combined with policy analysis and comparative legal research. This methodological approach enables a comprehensive examination of the theoretical foundations of conflict-of-interest control, an evaluation of the current legal framework governing conflicts of interest in public service, and the formulation of recommendations that are appropriate to the Vietnamese legal and administrative context.

The research draws upon a wide range of primary and secondary sources. Primary legal materials include Vietnamese legal documents, particularly the Law on Cadres and Civil Servants of 2008, the Law on Anti-

Corruption of 2018, and relevant implementing regulations. International legal instruments, especially the United Nations Convention against Corruption, are also examined. In addition, the study reviews reports, guidelines, and publications issued by the Organisation for Economic Co-operation and Development, the World Bank, and Transparency International, together with relevant domestic and international academic literature concerning conflict-of-interest control, public service ethics, anti-corruption, and public governance.

To achieve the research objectives, several complementary research methods are employed. The methods of analysis and synthesis are used throughout the study to systematize theoretical perspectives, legal provisions, and previous research findings on conflicts of interest. Doctrinal legal analysis is applied to examine the content, significance, and limitations of the current legal framework governing conflict-of-interest control in public service. Comparative legal analysis is used to compare Vietnamese legislation with international standards and selected foreign experiences, thereby identifying valuable lessons for improving the domestic legal framework. Furthermore, practical analysis is conducted to assess the occurrence of conflicts of interest in Vietnamese public service, identify the underlying causes and practical challenges in implementing relevant legal provisions, and formulate recommendations for enhancing the effectiveness of conflict-of-interest control.

The combination of these research methods ensures the scientific rigor, objectivity, and comprehensiveness of the study. It also provides a solid analytical foundation for proposing legal and institutional reforms aimed at improving the effectiveness of conflict-of-interest control and strengthening integrity in public service in Viet Nam.

Results and Discussion

1. An Overview of Conflicts of Interest in Public Service

Definition of Conflict of Interest in Public Service

The term conflict of interest has been widely used in many countries around the world. However, in Viet Nam, there is still no consensus regarding its definition and interpretation [7]. From the perspectives of legal studies and political science, various definitions of conflict of interest have been proposed. For example, the Dictionary of Sino-Vietnamese Words and Expressions defines "conflict" as "a clash or profound contradiction between opposing parties" [13, p. 798]. Marxist philosophy considers conflict as a process of intense struggle between opposing forces, emphasizing that opposing elements coexist in unity while simultaneously engaging in continuous struggle, with such struggle being absolute.

Several legal dictionaries define a conflict of interest as "an actual or potential incompatibility between an individual's private interests and his or her public duties or fiduciary responsibilities" [4, p. 341]; as "a contradiction between official responsibilities and personal interests, in which a public office is used to pursue private benefits" [21, p. 318]; or as "a state of opposition or contradiction among competing interests within a particular relationship of interests" [18].

In society, different individuals or organizations may pursue similar interests; however, they do not always achieve those interests equally. Whenever different actors participate in the same social relationship, conflicts of interest may arise

because of competing expectations and the diversity of interests involved. Consequently, situations involving conflicting interests are common, particularly among parties whose interests are fundamentally opposed. In essence, conflict of interest is a specific form of social conflict that has existed since the emergence of organized society and continues to occur at varying levels of intensity.

In practice, conflicts of interest exist in the public service systems of every country. They commonly arise in the management and operation of public institutions through a wide range of circumstances. Every public official inevitably maintains social relationships and possesses various material and non-material interests that may influence decision-making. Therefore, conflicts of interest are pervasive in social life and are regulated by numerous branches of law.

Several representative definitions of conflict of interest in public service have been proposed.

According to the Organisation for Economic Co-operation and Development, a conflict of interest refers to "a conflict between the public duties and the private interests of a public official, in which the public official has private-capacity interests that could improperly influence the performance of his or her official duties and responsibilities" [14]. Similarly, another study defines it as a conflict between public duty and the private interests of a public official, where those private interests may improperly affect the performance of official responsibilities [15].

The Independent Commission Against Corruption of New South Wales defines a conflict of interest as a situation in which an individual, or the organization for which the individual works, whether a government agency, business enterprise, media organization, or civil society organization, faces a choice between responsibilities arising from his or her official position and personal interests. A conflict of interest occurs when a public official is, or appears to be, influenced by personal interests while performing official duties [6].

According to the Model Code of Conduct for Public Officials adopted by the United Nations, a conflict of interest exists whenever a public official's personal interests influence, or appear capable of influencing, the objective performance of official duties.

The World Bank defines a conflict of interest as "a situation in which a public official, while exercising official authority, makes or is required to make decisions or take actions that may affect his or her own personal interests" [5, p. 23].

Under the Law on Anti-Corruption of 2018 of Viet Nam, a conflict of interest is defined as "a situation in which the interests of a person holding a position or authority, or those of his or her relatives, improperly influence or are likely to improperly influence the performance of official duties or responsibilities" [12, Article 3(8)].

Based on the foregoing perspectives, a conflict of interest in public service may be understood as a situation in which a conflict arises between the public duties and private interests of public officials, civil servants, or public employees, whereby their own interests or those of their relatives improperly influence, or are likely to influence, the performance of official duties. It also refers to circumstances in which the exercise of state management responsibilities prescribed by law is adversely affected, or is likely to be adversely affected, by the personal interests of those exercising public authority.

Although these definitions differ in wording, they all recognize that a conflict of interest in public service represents an objective situation in which a decision-maker possesses private interests that are sufficiently significant to improperly influence the exercise of official authority or discretion. Fundamentally, a conflict of interest reflects a conflict between private interests, whether individual or collective, and the public interest, in which private interests interfere with, undermine, or harm the public interest.

Unlike horizontal conflicts that arise between individuals or organizations within civil legal relationships, conflicts of interest in public service are vertical in nature because they occur within hierarchical administrative relationships between the State and individuals exercising public authority. They are closely associated with the abuse of public power. Since the emergence of the State, public authority has been entrusted to a limited number of individuals who may be tempted to use that authority to advance their own private interests. Consequently, conflicts of interest have become an inherent challenge in public administration.

In modern democratic societies, state power is recognized as originating from the people. Accordingly, individuals entrusted with the exercise of public authority are expected to place the public interest above their own private interests and to perform their official duties impartially, objectively, and with integrity. As democratic governance continues to develop, greater emphasis has been placed on maintaining a clear distinction between public responsibilities and private interests. Citizens legitimately expect public institutions to serve the public interest faithfully and that every decision and action taken by public officials will be based on fairness, integrity, and objectivity, free from improper personal influence. Public officials are therefore expected to prioritize the interests of the State and society over their own personal interests when exercising public authority.

For these reasons, establishing effective mechanisms for controlling conflicts of interest is essential to maintaining integrity in public administration, safeguarding public trust, preventing the abuse of public power, and promoting sustainable and harmonious social development.

Characteristics and Classification of Conflicts of Interest in Public Service

Based on the foregoing conceptual perspectives, several key characteristics of conflicts of interest in public service can be identified.

First, regarding the subjects of conflicts of interest, such situations involve individuals, namely public officials, civil servants, and public employees, who are entrusted by law with public authority and official powers in the performance of public duties.

Second, regarding the determinants of conflicts of interest, two essential elements give rise to conflicts of interest in public service.

The first element is private interest, which may consist of either material benefits, such as money, property, or other financial assets, or non-material benefits, including personal relationships, gratitude, prestige, career advancement, or other intangible advantages. These interests may belong to the individual concerned or, in certain circumstances, to an organization with which that individual is affiliated. In the context of public service, however, the existence of a conflict of interest does not necessarily imply an intention to

obtain illicit personal gain. Rather, it refers to a situation in which personal interests conflict, or are capable of conflicting, with the public interest during the exercise of official authority and decision-making.

The second element is the exercise of officially entrusted authority. This constitutes the decisive factor in the emergence of a conflict of interest. Personal interests alone do not create a conflict of interest unless the individual concerned also possesses the legal authority to make or influence official decisions. Accordingly, a conflict of interest arises only when private interests intersect with the exercise of public power.

Third, regarding its scope, conflicts of interest may arise in any setting in which public authority is exercised. Since public service involves the continuous exercise of state authority in performing governmental functions and public duties, conflicts of interest may occur across virtually every sector of public administration and every area of social life.

Fourth, regarding its nature, conflicts of interest in public service differ from ordinary conflicts between individuals or organizations, such as disputes among interest groups, employers and employees, government agencies and enterprises, government agencies and citizens, or enterprises and consumers. Instead, they involve a conflict between the private interests of a person holding public office and the public interest that he or she is legally obligated to protect while performing official duties. In other words, conflicts of interest arise within the subjective decision-making process of the public official, civil servant, or public employee when personal interests have the potential to influence the impartial exercise of public authority.

From the perspective of their legal nature, conflicts of interest in public service may be classified into two principal categories.

The first category is actual conflicts of interest. This refers to situations in which the personal interests of public officials, civil servants, or public employees directly influence the performance of their official responsibilities or where there are reasonable grounds to conclude that such interests are capable of improperly affecting the performance of public duties, regardless of whether the improper influence has already materialized in practice [6, p. 10]. Two conditions generally characterize an actual conflict of interest. First, the subject must be an individual entrusted with state authority. Second, the exercise of that authority must already conflict with the public interest entrusted to the individual, either through an existing direct conflict or where there is convincing evidence that such a conflict has already arisen or is inevitably occurring.

The second category is potential conflicts of interest. These refer to situations in which the personal interests of public officials, civil servants, or public employees are likely to conflict with their official duties in the future [6, p. 10]. In such cases, although the individuals concerned have already been entrusted with and are exercising public authority, their personal interests do not presently interfere with the performance of their official responsibilities. Nevertheless, changes in future circumstances may cause those interests to conflict with their statutory duties and responsibilities. Consequently, a potential conflict of interest represents a latent risk that has not yet materialized but may readily arise once the necessary conditions exist. Given the dynamic nature of public administration and the frequent changes in official responsibilities and personal relationships, such

conditions commonly emerge during the performance of public service.

Overall, distinguishing between actual and potential conflicts of interest is of considerable practical significance. It enables competent authorities not only to identify situations in which private interests have already compromised the impartial exercise of public authority but also to recognize latent risks at an early stage. Such early identification provides the basis for adopting preventive measures before conflicts of interest develop into misconduct, abuse of public power, or corrupt practices.

The Relationship between Conflicts of Interest and Corruption

Corruption is generally understood as the abuse of public power to obtain material or non-material benefits for private gain. Fundamentally, corruption involves the abuse of entrusted authority for personal benefit, whereby public assets, including state or organizational resources, are misused to advance private interests in violation of the law. From a legal perspective, the Law on Anti-Corruption of Viet Nam defines corruption as "an act committed by a person holding a position or authority who abuses that position or authority for personal gain" [12, Article 3(1)].

A conflict of interest, by contrast, is an objective situation or circumstance in which an individual's decisions or actions are, or are likely to be, improperly influenced by his or her personal interests, thereby compromising the objectivity and impartiality of those decisions or actions. Although a conflict of interest is not itself an act of corruption, it may create conditions that facilitate corrupt conduct. In a particular conflict-of-interest situation, if a person holding public authority decides to act, or deliberately refrains from acting, contrary to his or her official duties in order to obtain benefits for himself or herself or for related persons, the situation may develop into corruption.

Therefore, a conflict of interest should not be equated with corruption; however, the two concepts are closely related. Virtually every corrupt act is preceded or facilitated by a conflict of interest, making conflicts of interest an important gateway to corruption. Because conflicts of interest arise in connection with the exercise of public authority and the performance of governmental functions, they are inherently linked to corruption. Existing studies on conflicts of interest, together with the incorporation of conflict-of-interest provisions into the Law on Anti-Corruption of 2018, demonstrate the close relationship between these two phenomena. Some scholars have even argued that conflicts of interest in public service constitute a form of grey corruption, one of the recognized categories of corruption.

Similarities and Differences between Conflicts of Interest and Corruption

Although some scholars regard conflicts of interest in public service as a form of corruption, the two concepts are fundamentally distinct. Conflicts of interest may exist in the absence of corruption, and corruption may occur without an identifiable conflict of interest. Distinguishing between these two concepts is therefore essential for determining appropriate legal responses, regulatory approaches, and public management policies.

First, regarding the subjects involved, conflicts of interest and corruption share an important similarity. Both primarily involve public officials, civil servants, and public employees who exercise public authority. In both situations, personal

interests are present. However, corruption necessarily requires an intention to obtain improper personal gain, whereas a conflict of interest merely involves the existence of competing private interests that may influence official decision-making. Consequently, not every conflict of interest results in corruption. A conflict of interest develops into corruption only when the public official chooses to act, or intentionally fails to act, in order to advance personal interests or those of related persons at the expense of the public interest. Conversely, when the official places the interests of the State and society above private interests, the conflict of interest does not result in corrupt conduct.

Second, regarding their nature, conflicts of interest are objective situations because they arise from the interaction between official responsibilities and personal interests within an existing legal and institutional framework. Corruption, on the other hand, is a subjective and intentional act committed by an individual. A conflict of interest becomes corruption only when the official deliberately chooses to prioritize private interests over official duties.

Third, regarding their constituent elements, corruption generally consists of three essential components: (i) a person holding a position or authority; (ii) the abuse of that position or authority; and (iii) the intention to obtain improper personal gain. By contrast, a conflict of interest consists primarily of two elements: (i) the private interests of a public official; and (ii) the official authority or decision-making power entrusted to that individual.

Fourth, regarding their legal status, a conflict of interest is a situation or condition, whereas corruption is an unlawful act. A conflict of interest is not, in itself, illegal; rather, it represents a risk factor or precondition that may lead to corruption. During the performance of public duties, conflicts between the private interests of public officials and the interests of the State may naturally arise. In such situations, some individuals may exploit their official positions to obtain benefits for themselves or for their relatives. Once public authority is abused for private gain, personal interests have effectively displaced the public interest, and the conduct becomes corruption.

The Relationship between Conflicts of Interest and Corruption

Although conflicts of interest are objective situations and do not themselves constitute corruption, conflicts between the private interests of public officials and their official duties may evolve into corruption if they are not effectively identified and controlled. For this reason, accurately identifying conflicts of interest has become an essential component of contemporary anti-corruption policy.

Failure to recognize and properly manage conflicts of interest may undermine the integrity of public administration and increase the likelihood of corruption in both the public and private sectors. Likewise, unresolved conflicts of interest create opportunities for public officials to misuse their positions because of personal relationships or private interests, thereby increasing the risk of corrupt practices. Numerous cases uncovered in recent years demonstrate that conflicts of interest are pervasive in the provision of public services. If left uncontrolled, they erode integrity in public administration and create favourable conditions for corruption to occur.

For this reason, the Organisation for Economic Co-operation and Development has warned that the increasing commercialization of relationships between the public and

private sectors makes public institutions more vulnerable to conflicts of interest, representing a new form of tension between the private interests of individual public officials and the performance of their official duties. When conflicts of interest are not properly identified and managed, government decisions may lose transparency and become influenced by private interests. The inefficient allocation of public resources weakens the effectiveness of public governance and undermines the integrity of the public sector. In the worst-case scenario, it may result in corruption, erode public confidence in government, and generate social instability^[5, p. 16].

Accordingly, the Organisation for Economic Co-operation and Development considers the prevention of conflicts of interest to be an integral component of anti-corruption policy. Recognizing and regulating conflicts of interest is therefore an indispensable element of the broader fight against corruption, despite the important conceptual distinction between conflict-of-interest situations and corrupt acts. As noted by Armo Durosier, "Most forms of corruption originate from conflicts between an individual's professional responsibilities and his or her personal interests"^[3].

In contemporary anti-corruption strategies, preventive measures are widely regarded as the cornerstone of effective governance. Among these measures, controlling conflicts of interest occupies a central position because it enables competent authorities to eliminate corruption risks at an early stage, before they evolve from potential or latent conflicts into actual corrupt conduct and produce harmful consequences. By identifying and managing conflicts of interest proactively, governments can strengthen public integrity, enhance transparency and accountability, and reinforce public confidence in the exercise of state authority.

2. Current Situation of Conflicts of Interest in Public Service in Viet Nam

In recent years, conflicts of interest in the Vietnamese public sector have become increasingly visible across various areas of public administration. These conflicts arise during the performance of official duties by public officials, civil servants, and public employees, ranging from potential conflicts of interest to actual conflicts of interest. In practice, private interests capable of influencing public decision-making take many different forms, including financial benefits, personal relationships, career advancement, and institutional interests. The most common manifestations are discussed below.

Conflicts of Interest in the Formulation and Issuance of Administrative Decisions

Potential conflicts of interest frequently arise during the process of formulating and issuing public policies. Government ministries and state management agencies are responsible not only for designing development policies but also for implementing and supervising them. Such institutional arrangements may create incentives for policymakers to favor policies that benefit their own ministries, sectors, or affiliated organizations rather than serving the broader public interest. In addition, senior executives of large state-owned enterprises are often appointed to leadership positions within ministries or other central government agencies. This personnel mobility increases the risk that previous professional relationships or institutional interests may continue to influence official

decision-making, thereby creating potential conflicts of interest.

Actual conflicts of interest occur more directly during the exercise of administrative discretion. In practice, some regulatory authorities have been criticized for intervening excessively in economic and social activities through administrative directives, instructions, or official notices that exceed their statutory authority. Such interventions may create advantages for particular organizations or individuals while disadvantaging others, suggesting that personal or institutional interests may improperly influence official decisions.

Conflicts of Interest in the Exercise of State Management Functions

Potential conflicts of interest are also embedded in certain mechanisms governing state administrative activities. For example, under existing financial regulations, some government agencies are permitted to retain a percentage of the monetary value recovered from inspections, audits, or law enforcement activities. Similarly, several local governments are authorized to retain a proportion of revenues generated through administrative enforcement under regulations issued by the Ministry of Finance. Although these mechanisms are intended to encourage effective enforcement, they may inadvertently create incentives for agencies or officials to prioritize revenue generation over impartial law enforcement, thereby giving rise to institutional conflicts of interest.

Actual conflicts of interest are particularly evident in the practice of giving gifts to public officials. Gift-giving is most commonly observed in sectors involving public service delivery, inspections, supervision, licensing, taxation, customs administration, and other regulatory functions. Gifts are typically offered by businesses or citizens seeking administrative services or by individuals subject to inspection or investigation. The purpose may be to obtain preferential treatment, reduce administrative penalties, expedite procedures, or simply establish favorable personal relationships with officials. In recent years, both the forms and value of gifts have become increasingly diverse, while the range of recipients has expanded. In some instances, gift-giving has become relatively open and socially tolerated despite legal restrictions, creating significant risks to the integrity and impartiality of public administration.

Conflicts of Interest in Public Service Delivery

Public service delivery represents one of the sectors most vulnerable to conflicts of interest because it directly affects the rights and legitimate interests of citizens and businesses. Potential conflicts of interest arise whenever public officials responsible for providing services possess personal relationships or private interests that may influence decisions concerning licensing, permits, approvals, inspections, recruitment, or the allocation of public resources. The appointment of officials to positions involving substantial discretionary authority may therefore create circumstances in which personal considerations conflict with official responsibilities.

Actual conflicts of interest are particularly common in everyday interactions between citizens and public authorities. In practice, individuals and businesses frequently attempt to rely on personal connections to expedite administrative procedures or secure favorable

outcomes. Such relationships are often accompanied by gifts or other benefits offered to officials responsible for resolving administrative matters. These situations constitute actual conflicts of interest because personal relationships have the potential to affect the impartial exercise of official authority. Whenever public officials find themselves in such circumstances, they are expected to recognize the existence of a conflict of interest and take appropriate measures, including disclosure, recusal, or reassignment, in accordance with applicable legal requirements.

Conflicts of interest may arise across virtually every area of public service delivery. Nevertheless, they are particularly prevalent in interactions between businesses and government agencies, financial institutions, and regulatory authorities, especially in licensing, investment approval, land administration, taxation, customs, and public procurement. In these contexts, public officials may receive offers of gifts, hospitality, or other personal benefits in exchange for favorable administrative decisions or preferential treatment.

Another widespread manifestation involves the misuse of confidential information obtained through official positions for private gain. Public officials may exploit privileged information to benefit themselves or related persons, while others have family members engaged in businesses operating within sectors that they regulate. In more serious cases, officials establish or maintain "backyard companies" that secretly benefit from governmental decisions made by the officials themselves. Similar risks are frequently observed in project approval and licensing processes, where officials abuse their positions to secure improper personal advantages through administrative discretion [5, pp. 47–48].

Public procurement and government contracting have become particularly vulnerable areas for conflicts of interest in recent years. Numerous cases indicate that tender outcomes may be predetermined before the formal bidding process takes place, rendering competitive procurement merely procedural rather than genuinely competitive. Collusion between public officials and private contractors remains a persistent problem, creating an environment in which conflicts of interest flourish and, in many instances, evolve into serious acts of corruption. These practices undermine transparency, distort market competition, reduce the efficiency of public spending, and erode public confidence in government institutions.

Conflicts of Interest in the Performance of Official Duties by Public Officials, Civil Servants, and Public Employees

Potential conflicts of interest are inherent in the performance of public duties because public officials, civil servants, and public employees exercise state authority on behalf of the State in managing various aspects of social and economic life. The exercise of public power inevitably creates situations in which officials' private interests, personal relationships, or family connections may conflict with their official responsibilities, particularly when effective oversight mechanisms are absent. Since administrative decisions directly affect the rights and legitimate interests of citizens, businesses, and organizations, the broader the scope of an official's authority, the greater the likelihood that conflicts of interest may arise. In practice, potential conflicts of interest frequently originate from personal relationships, kinship

networks, and the individual interests of public officials themselves, all of which may compromise impartial decision-making if not properly regulated and monitored [8]. Actual conflicts of interest have attracted considerable public attention in recent years as numerous irregularities in the conduct of public officials have been exposed. These situations generally manifest in two major forms.

First, favoritism in the performance of official duties has become increasingly common across many areas of public administration. Favoritism refers to the preferential treatment given to relatives, friends, acquaintances, or individuals with personal connections when public officials perform their official responsibilities. In public service delivery, this may involve expediting administrative procedures, granting priority access to public services, or resolving applications more quickly for individuals with personal relationships to officials. Similar practices have also been observed in investment approval, project selection, licensing, and public procurement, where personal relationships rather than objective legal criteria influence official decisions. Such practices undermine the principles of equality, impartiality, and fairness that should govern the exercise of public authority.

Second, the phenomenon commonly described as "family-based appointments" or "nepotism" has become one of the most visible manifestations of conflicts of interest in public personnel management. This term is widely used in Viet Nam to describe situations in which relatives of senior officials—including spouses, children, siblings, and extended family members—are appointed to key positions within the same government agency or local authority. Although many of these appointments are formally justified as having complied with existing recruitment and promotion procedures, they nevertheless raise serious concerns regarding the impartiality, transparency, and integrity of public administration.

From a legal and governance perspective, nepotistic appointments constitute a typical conflict-of-interest situation because personal and family relationships may improperly influence decisions concerning recruitment, promotion, appointment, evaluation, and personnel management. The concentration of family members within the same administrative hierarchy creates significant risks of favoritism, mutual protection, and group interests, thereby weakening objective supervision and internal accountability. More importantly, the widespread perception of nepotism has contributed to declining public confidence in the integrity and fairness of the civil service. Consequently, preventing and effectively controlling conflicts of interest in personnel management has become an essential requirement for promoting merit-based recruitment, strengthening public sector integrity, and enhancing public trust in government institutions.

3. Causes and Proposed Solutions

Causes of Conflicts of Interest in Public Service in Viet Nam

Conflicts of interest in the Vietnamese public sector arise from a combination of cultural, institutional, legal, economic, and human factors. These causes interact with one another and collectively create conditions under which private interests may improperly influence the exercise of public authority.

First, from a cultural and ideological perspective, conflicts of interest are deeply influenced by traditional East Asian values and Confucian philosophy, which emphasize family loyalty, kinship, personal relationships, and moral obligations over strict adherence to legal rules. Confucius famously stated that "The father conceals misconduct for the son, and the son conceals misconduct for the father; therein lies righteousness," reflecting the traditional belief that familial loyalty may take precedence over legal impartiality [2]. Likewise, long-standing cultural practices such as "when one family member becomes an official, the entire family benefits," reciprocity, gratitude, and the preference for personal relationships over legal principles have historically played positive social roles. However, within contemporary public administration these traditions may be exploited to justify favoritism, nepotism, preferential treatment, or the concealment of misconduct, thereby increasing the likelihood of conflicts of interest.

Second, economic, social, and institutional factors have significantly contributed to the emergence of conflicts of interest. Viet Nam's transition from a centrally planned economy to a socialist-oriented market economy has generated increasingly diverse and complex economic interests involving both public and private actors. At the same time, many public officials continue to possess only limited understanding of the nature, risks, and legal consequences of conflicts of interest, resulting in numerous situations remaining unidentified or inadequately managed. Furthermore, although the Law on Anti-Corruption of 2018 introduced a legal framework for controlling conflicts of interest, significant gaps remain in both legislation and implementation. Responsibilities among government agencies are sometimes overlapping, accountability mechanisms remain insufficiently defined, and administrative procedures in certain sectors continue to be unnecessarily complex, creating opportunities for the abuse of public authority for private benefit [20].

Third, conflicts of interest also originate from the inherent pursuit of personal interests. Both Eastern and Western political and philosophical traditions recognize that individuals naturally seek to maximize their own interests, particularly when entrusted with public power. Bertrand Russell argued that the human desire for power and personal advantage is virtually unlimited and that, without effective institutional checks and balances, the abuse of public authority for private benefit is almost inevitable [17]. Consequently, contemporary public governance theories emphasize transparency, accountability, institutional oversight, and effective control mechanisms rather than relying solely upon the personal morality or ethical character of public officials.

In summary, conflicts of interest in public service result from the combined influence of cultural traditions, socio-economic transformation, institutional weaknesses, legal shortcomings, and human self-interest. Effective control therefore requires comprehensive reforms, including improvements to the legal framework, stronger public service ethics, greater transparency and accountability, and full implementation of international anti-corruption standards established under the United Nations Convention against Corruption [20].

Proposed Solutions

Based on the current situation of conflicts of interest in the Vietnamese public sector, improving the effectiveness of

conflict-of-interest control requires the implementation of comprehensive and mutually reinforcing measures.

First, awareness of conflicts of interest should be enhanced among public officials, civil servants, public employees, and society as a whole. Proper identification of conflict-of-interest situations constitutes the foundation for effective prevention and management. Government agencies should strengthen legal education, organize specialized training programs on conflicts of interest, and improve professional capacity among public officials. Public awareness should likewise be increased so that citizens and businesses understand their rights and responsibilities in supervising public administration. In addition, consideration should be given to establishing a specialized authority or coordinating body responsible for providing guidance, issuing interpretations, reviewing practical experiences, and advising on future improvements to conflict-of-interest legislation and policy, thereby promoting a professional, impartial, and integrity-based civil service [5], [12].

Second, the legal and institutional framework governing conflicts of interest should be further strengthened. Although the Law on Anti-Corruption of 2018 established the first comprehensive legal basis for conflict-of-interest regulation in Viet Nam, many provisions remain general in nature and lack effective enforcement mechanisms. Future legislative reforms should amend the Law on Cadres and Civil Servants, the Law on Anti-Corruption, and related legislation to provide clearer definitions of conflict-of-interest situations, mandatory disclosure obligations, reporting requirements, recusal procedures, and the responsibilities of agency leaders. Legal reforms should also strengthen regulations concerning asset and income declarations, gift acceptance, outside employment, relationships with relatives, and post-employment restrictions. In doing so, Viet Nam should continue harmonizing its legislation with the standards established by the United Nations Convention against Corruption and the best practices recommended by the Organisation for Economic Co-operation and Development, thereby ensuring greater consistency, transparency, and enforceability [1], [5], [14].

Third, transparency and accountability in public administration should be significantly enhanced. Openness is among the most effective preventive measures against both conflicts of interest and corruption because transparent decision-making limits opportunities for officials to misuse public authority for private benefit. Government agencies should fully implement transparency requirements, particularly in sectors highly vulnerable to conflicts of interest, including land administration, public investment, procurement, recruitment, personnel appointments, and public asset management. At the same time, mechanisms requiring public institutions and officials to explain and justify their decisions should be strengthened [9]. Effective systems for monitoring assets and income should also be improved while expanding opportunities for citizens, the media, and civil society organizations to oversee public administration [20].

Fourth, an integrity-based public service culture should be cultivated. Legal regulations alone cannot effectively control conflicts of interest unless public officials voluntarily adhere to professional ethical standards. Accordingly, public administration should promote core values such as integrity, honesty, impartiality, objectivity, professionalism, and commitment to serving the public

interest. Codes of ethics and codes of conduct should be further refined, while integrity education should become an integral component of public service training programs. Strengthening ethical awareness will help public officials develop appropriate professional behavior and reduce the influence of personal interests in administrative decision-making. These approaches are widely recommended by international organizations as essential elements of modern public governance ^{[10], [16], [19]}.

Fifth, inspection, supervision, and enforcement mechanisms should be reinforced. Inspectorates, auditing agencies, disciplinary authorities, and personnel management bodies should regularly identify, review, and address conflict-of-interest situations while imposing appropriate sanctions on officials who violate legal requirements or fail to fulfill their supervisory responsibilities. Enhanced oversight should focus particularly on sectors presenting elevated corruption risks, including public procurement, public investment, personnel appointments, management of public assets, and public service delivery. Beyond internal administrative supervision, greater participation by the Viet Nam Fatherland Front, socio-political organizations, the press, and citizens should be encouraged to strengthen democratic oversight of public power and improve the effectiveness of conflict-of-interest control ^{[5], [11], [12], [20]}.

Sixth, digital transformation and administrative reform should be accelerated. The development of digital government, integrated national databases, electronic administrative records, and interconnected government information systems can substantially reduce direct personal interactions between public officials and citizens, thereby limiting opportunities for conflicts of interest. The expansion of cashless payment systems, digital monitoring of assets and income, electronic supervision of public transactions, and simplified administrative procedures will further enhance transparency, accountability, efficiency, and the quality of public service delivery ^[5].

In conclusion, controlling conflicts of interest constitutes an essential component of building a professional, transparent, and integrity-based public administration in Viet Nam. The coordinated implementation of legal reform, capacity building, enhanced transparency, ethical governance, effective oversight, and digital transformation will significantly improve the prevention of conflicts of interest, strengthen the control of public power, and support Viet Nam's fulfillment of its obligations under the United Nations Convention against Corruption ^{[13], [20]}.

Conclusion

In the context of developing a socialist-oriented market economy, promoting openness, and deepening international integration in Viet Nam, conflict of interest in public service has become an increasingly significant challenge to public governance. Conflict of interest may arise in the management and operation of any public authority, agency, or organization through a wide range of situations. In practice, these situations are commonly associated with four major categories: (i) the giving and receiving of gifts by public officials and public employees; (ii) administrative decision-making or the exercise of influence from an official position to benefit oneself or related persons; (iii) investment activities and the sharing of business interests; and (iv) the misuse of information obtained through an official position for private gain. These areas represent the

circumstances in which the exercise of public power is most vulnerable to conflicts of interest and, consequently, where the risks of corruption and misconduct are greatest.

The personal interests that may conflict with the official duties of public officials and public employees are increasingly diverse and, in some cases, risk becoming accepted as informal practices or even a new "culture of conduct" in public administration. Survey findings published by the Government Inspectorate of Viet Nam and the World Bank indicate a worrying trend in which certain forms of conflict of interest have gradually come to be regarded as an unwritten "rule of the game" by citizens and businesses when interacting with public authorities and public officials. Such a situation undermines integrity, impartiality, and public confidence in the state administration and creates favorable conditions for corruption to develop.

Although the Law on Anti-Corruption 2018 has established an important legal framework for controlling conflict of interest, the implementation of conflict of interest control in public service in Viet Nam continues to face numerous shortcomings. Legal provisions remain incomplete, enforcement mechanisms are not sufficiently effective, institutional coordination is limited, and awareness among public officials regarding the identification and management of conflict of interest situations remains uneven. Consequently, improving the effectiveness of conflict of interest control should remain a priority in the ongoing reform of public administration and anti-corruption efforts.

Effective management of conflict of interest in public service requires a comprehensive and integrated approach. Legal measures should be combined with political, administrative, managerial, and educational instruments. Internal supervision and accountability mechanisms must be strengthened while external oversight by representative institutions, the media, social organizations, and citizens should be further promoted. At the same time, public governance should continue to evolve in accordance with the principles of good governance, emphasizing transparency, accountability, integrity, participation, and the rule of law. The coordinated implementation of these measures will contribute to preventing conflicts of interest, controlling the abuse of public power, strengthening public integrity, and supporting the development of a socialist rule-of-law state that effectively safeguards the lawful rights and interests of organizations and citizens.

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