

Referee report on

“Evolution of competition in Vietnam Industries over the Recent Economic Transition”

for *Economics*

This paper provides a brief overview of measures of competition (price-cost margins and profit elasticity) and argues that the degree of competitiveness, over all, has increased in Vietnam. While these measures indicated a high degree of competition already existed in retail and wholesale trade, competition in other sectors, like mining, manufacturing, transportation and real estate, increased during the 2000-2009 period. To some extent these changes are described as attributable to the Enterprise Law of 2000, the Unified Enterprise Law in 2005 and the Competition Law of 2005.

In a sense the paper is primarily descriptive since no formal hypothesis is offered or tested. If that is sufficient for publication the paper could be shortened substantially. It is somewhat redundant from one section to the next and flush with English language mistakes. It needs a substantial re-write and serious copy editing by a fluent/native speaker of English.

A more interesting, but very substantial revision, would be to test formally the hypotheses regarding the impact of the above legal changes, examine their effects across various sectors and also try to determine the causes of changes in competitiveness, pulling in other data that may be used in a standard or a panel regression framework. It seems most of the data would be available in the data set described by the author. This would also then allow a discussion of comparisons across sectors and the degree to which state control limits competition, increases sectoral profits and if that is appropriate.

Overall, understanding the competitiveness of various sectors, its determinants (including policies), and movements toward greater competition is an interesting and important question. I believe with substantial revisions, from re-specification of a formal empirical model, to more description of policies and sectoral differences this paper could contribute to our understanding; as is, not so much.