

CHUYỆN BẤT BÌNH ĐẲNG

# INEQUALITY

## matters



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OXFAM

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*Cover Photo: Tran Anh Tuan/Oxfam | Contents Photo: Pham Duy Khuong*



Dear readers,

**I**n October 2018, Oxfam launched a global ranking of 157 governments' actions to tackle the gap between rich and poor. The Commitment to Reducing Inequality index (CRI) reveals that many governments' policies are split between fighting and fuelling inequality. Vietnam is ranked 99th in the report. On the positive side, Vietnam is among the top 10 countries having increased spending on social protection in 2017, which shows evidence of stronger commitment from the Government of Vietnam. However, many challenges still remain on the path towards the vision of justice and equality for everyone.

Inequality Matters Issue 2, on the theme of Social Mobility, summarises key changes in the social status of individuals and households in Vietnam in recent years and links those changes to sustainable poverty reduction. Social mobility not only describes changes in an individual's lifetime but also shows comparative patterns across generations, revealing that education, income and occupation of parents have an important influence on their children's life changes.

In this issue, Mr. Thao A Re, Mrs. Nang, Mr. Luong Van Thang and others from their communities share how their attempts to improve their lives have been challenged by multiple barriers, which calls into question the common perceptions that "health is everything" and "determination is power". They have good health, strong determination and hope for a bright future, but their lives are far from smooth. Complementing these citizens' stories, experts from UNDP, MOLISA, VNU, ISEE, MDRI, and ISDS contribute their analysis on how Vietnam can tackle barriers to social mobility.

I hope you will enjoy this issue of Inequality Matters and stay engaged in the movement to reduce inequality.

**Babeth Ngoc Han Lefur**  
*Country Director, Oxfam in Vietnam*

**INEQUALITY MATTERS**  
issue **02**

## WHAT IS SOCIAL MOBILITY?

**Social mobility (SM)** is defined as a change over time in the social status of an individual, a household or a group in the society.

Although perceptions of social mobility vary among people, the most fundamental aspects of social mobility are centred around **education**, **occupation** and **income**.

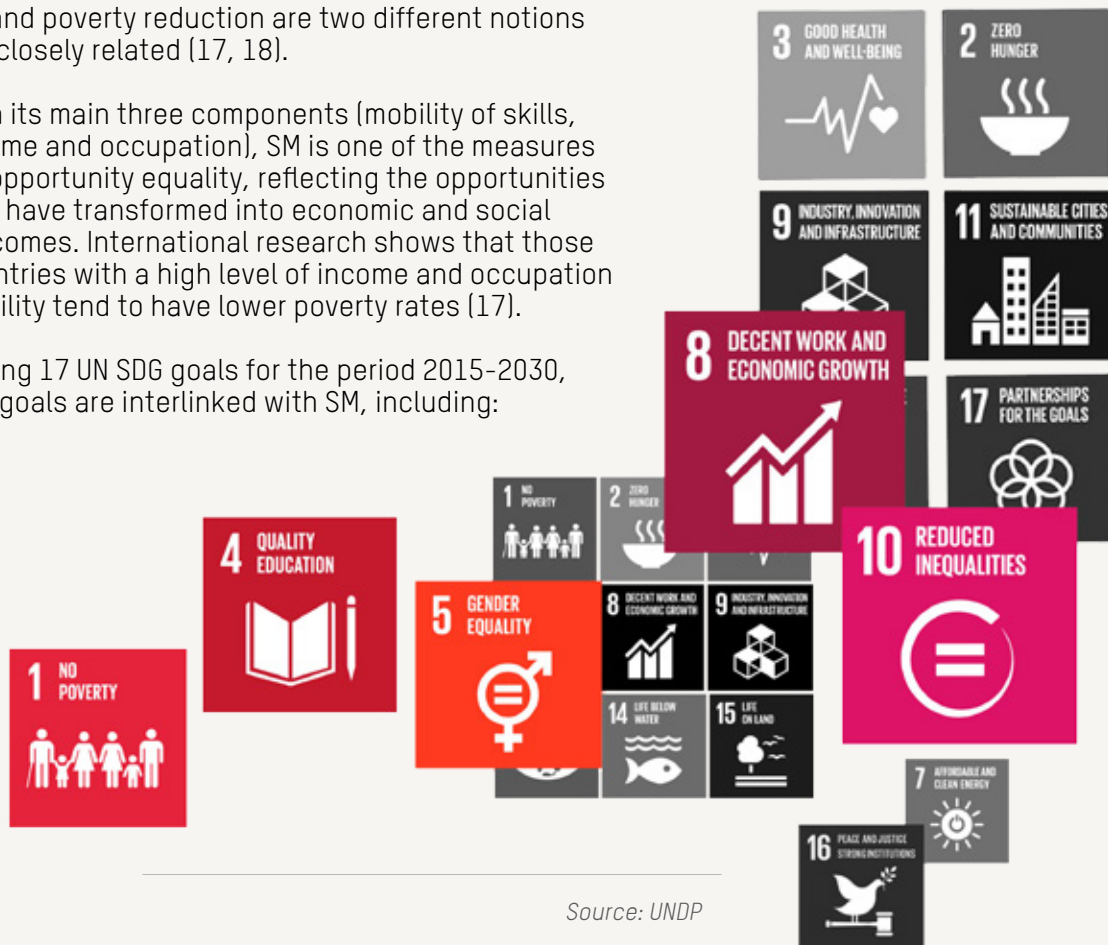
**Social mobility** can refer to a change in an adult compared to his or her parents (inter-generational social mobility) or a change over the years in a life cycle (intra-generational social mobility).

# SOCIAL MOBILITY & SUSTAINABLE POVERTY REDUCTION

SM and poverty reduction are two different notions but closely related (17, 18).

With its main three components (mobility of skills, income and occupation), SM is one of the measures for opportunity equality, reflecting the opportunities that have transformed into economic and social outcomes. International research shows that those countries with a high level of income and occupation mobility tend to have lower poverty rates (17).

Among 17 UN SDG goals for the period 2015-2030, five goals are interlinked with SM, including:



Source: UNDP

During the last decade, Vietnam has seen slow occupational mobility, slow skill shifts and intra-generational social mobility. With such a trend and in order to achieve sustainable poverty reduction, Vietnam needs to solve the following questions:

**Who is left behind?**

**What are the reasons for certain groups in society to be left behind?**

**Will the next generation have better lives than the current generation?**

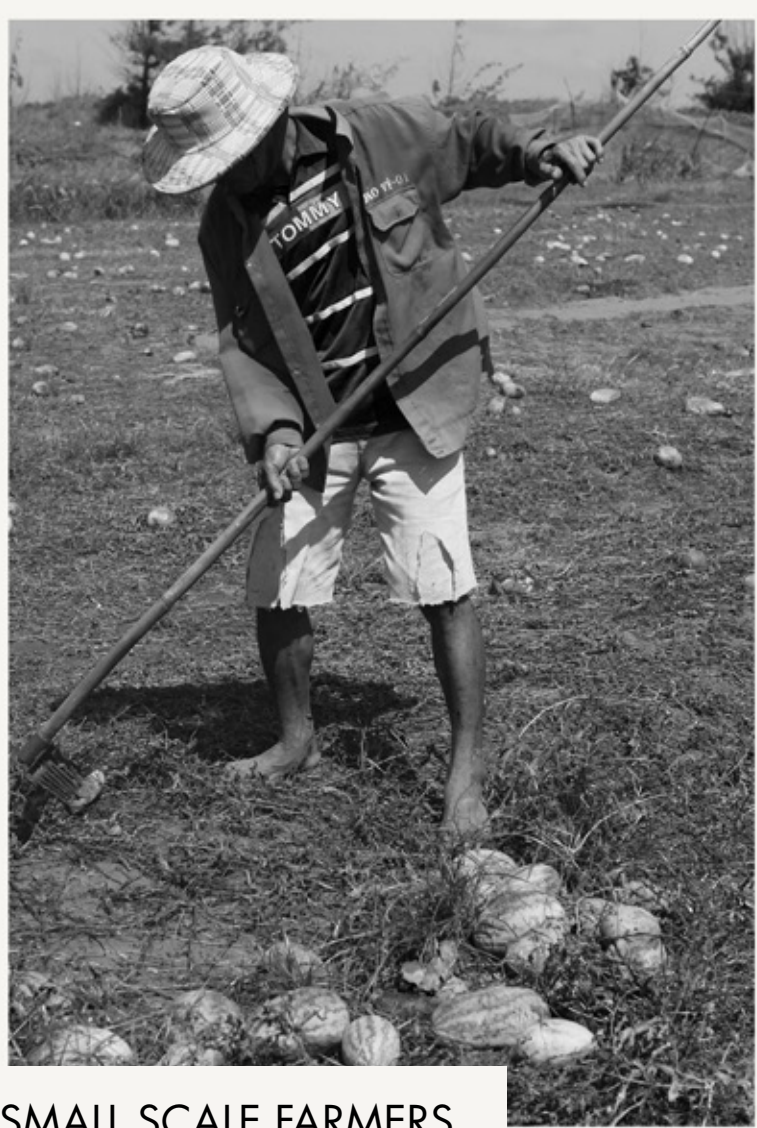
**What can be done in the next 10 years so that the lives of vulnerable people can be improved in terms of the five aspects of multidimensional poverty?**

# WHO IS BEING LEFT BEHIND?

After nearly three decades, poverty reduction efforts have helped at least 30 million Vietnamese out of poverty; but millions more are still being left behind (38). They are people from ethnic minorities, small scale farmers, migrants and poor youth.

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*Photos (left-right, up-down):  
Tran Anh Tuan/Oxfam, Xuan Truong, Oxfam, Lisa Murray*



ETHNIC MINORITIES | SMALL SCALE FARMERS  
MIGRANTS | POOR YOUTH





## ETHNIC MINORITIES

*Photo: Hanh Do/Oxfam*

**A**s of 2017, Vietnam has 12 million ethnic minority people, 15 million small scale farmers and 15 million domestic migrants (38, 39). So, we can imagine how important the issue of sustainable poverty reduction is. These three groups are still at low levels of skills, occupation and income, while the national income is increasing at a rate of 7 per cent, this is 23 per cent among ethnic minorities.

These groups are facing multi-dimensional poverty in terms of income, housing, education, health, entertainment... They are people living in deprivation and debt, and are excluded from socio-political life and from development opportunities.

### Skills

The ethnic minorities are more disadvantaged than the Kinh due to a large gap in access to education at upper secondary, college and university levels.

### Occupation

During 2010-2014, very few ethnic minority people could change jobs as compared with their parents (respective rates are around 9-10 per cent). Meanwhile, 42 per cent of people whose parents worked in the agricultural sector were themselves working in non-agricultural sectors, 10 per cent higher than in 2004-2008.

### Income

While 49 per cent of the poorest Kinh households in 2010 entered higher income groups by 2014, only 19 per cent of ethnic minority-headed households did the same.





Photo: Xuan Truong

## Having nothing but their health

*Early in 2018, I had an opportunity to visit Kien Thanh, a mountainous commune of Tran Yen district, Yen Bai province. I was happy to see they had camellia (yellow flower tea), a precious herb often worth nearly VND ten million per kilogram. That's why people call it the 'poverty escape tree' of Quang Ninh. But my joy was short-lived as I saw four Hmong men from Dong Song, the most remote commune, carrying camellia trees with long roots. They said they would sell it to a middleman.*

*Long, one of the four Hmong told me, "digging such a tea root takes several days, climbing up and down the mountains, wading across the streams to arrive at tam kham (deep forest), using spades skillfully to prevent roots breaking, hiding from forest cadres... and you can sell for between VND 5 and 10 million, depending on the size of the root. Those Hmong men were born during 1980-1985. None has completed junior secondary school, one is illiterate. They have no other job opportunities than uprooting these precious herbs and trees from tam kham, where the most terrible floods in history swept away all fields, gardens and houses. These ethnic minority people, who possess small and limited capital, have to work hard on stunted and eroded terrace hills or work as cheap labour for the Kinh. With a low level of education, they have nothing but their health. How can they find a decent job or change their life other than by destroying the watershed forest?"*

Field notes from Nguyen Thu Quynh, Tia Sang newspaper

Vietnam has approximately 15 million small scale farmers, which is equivalent to 90 per cent of the total number of farmers. They are facing many difficulties in the context of market economy, urbanisation, the 4.0 revolution and climate change.

Occupation mobility among farmers is low. Eighty per cent of farmers continue to work in agriculture; only 8 per cent agricultural labourers have moved to industrial or service sectors. The question is, "Is it necessary to push GDP growth by focusing on industrialisation and neglecting agriculture?". Effective agriculture reforms have brought about rapid growth and social equity in many countries (11). International research shows that growth originating from agriculture has a bigger impact on poverty reduction than that originating from other sectors of the economy (12).

Many families said that production support policies have not been linked to the demand for increasing income among poor people working in agriculture (1, 41). Extension service models are in fact creating more opportunities for the rich than for the poor small scale farmers. Social prejudice is also a big barrier for farmers, making it more difficult for them to seek opportunities for change. Poor farmers are often shy and feel hesitant to participate in and speak their minds in local public activities; this limits them from accessing social services, the market, programmes and interventions for improving occupation opportunities and income. Together, such factors affect their development opportunities and adaptation capacity.

*Photo: Nguyen Ngoc Hai*



## SMALL SCALE FARMERS



## MIGRANTS

*Photo: Oxfam*

It is not only people living in the mountainous and rural areas who are poor. Many people living in urban areas are also poor. According to a World Bank report in 2017, the urbanisation rate in Vietnam has increased rapidly, at 3.2 per cent annually, which is a very high level in the region and double the population growth rate nationwide (24). This is the main reason for the majority of migrants in Vietnam moving from rural areas to urban areas, seeking a job to increase their income, especially young people. The urbanisation process and policy changes have created a new layer of poor people including urban poor, migrants and informal labourers.

In 2012 alone, about one million labourers moved from the formal sector to the non-formal sector, from industrial and service sectors to traditional labour occupations on the national level (1). During both periods 2004-2008 and 2010-2014, occupation mobility among traditional labourers is low: only one-fifth of traditional labourers moved to skilled jobs. Notably, skill mobility had a 'reverse sign': about one-quarter of labourers moved from the industry sector to the agriculture sector, from skilled jobs to non-skilled jobs.

In reality, migrants are facing multiple difficulties, especially in accessing social services such as education, health care and social security.

# All doors are closed

*Mrs Nang, 47, lives in Chi Lang district, Lang Son province. She got married to her husband who was from Bac Giang province and came to her area to work as a carpenter during 2000s. From 2005 to 2010, the couple travelled frequently between Bac Giang and Lang Son. During that period she did various jobs, from rolling cigarettes to doing seasonal work for local bamboo shoot & chilli processing places. Although the income she got from those jobs was unstable and low, it is still her main source of income. In 2009, the couple decided to move to Bac Giang where her husband continued to work as a carpenter and she worked in the fields. Unfortunately, in 2010, her husband had a road accident, then died some time after that. She and her kids had to move back to Quang Lang. During her husband's hospital treatment, she didn't have money and relied on her husband's family for support.*

*Nang lacks all of the necessary capital for development: natural capital is zero as she has no land; social capital is poor as she has to move back and forth between her husband's village and her own village; human capital is nearly zero with her low level of education and weak health; financial capital is zero as she is in debt. Opportunity for mobility seems to neglect her. In Lang Son, she has some seasonal work ploughing and hoeing for other better off families in Quang Lang commune. She gets paid VND 150 000 per day, just enough to cover daily expenses. Although she is categorised as a poor householder, she does not dare to borrow money for raising livestock (pigs or cows) because she's afraid of not being able to pay back. She wants to go to urban areas to work as a housemaid with the hope of getting about VND 4 million per month, but she cannot do this since her daughter is too young to be left with relatives.*

*Nang has to cover all expenses for her daughter in school and for disease treatment (recently she has to pay VND 5 million for an ovariectomy). She had to borrow a lot of money during her husband's hospital treatment and spent all VND 30-40 million for this. Her daughter is not able to go to higher school level as she can only afford school fees until lower secondary, after that she will send her daughter to work somewhere, maybe as a factory worker. She said, "my dream is to have enough money for my daughter to continue learning but it seems impossible..."*

Photo: Tineke D'haese/Oxfam





Photo: Tineke D'haese/Oxfam

## Labour exporting: can workers

## change their life?

*Many people want to leave the country to earn a living, hoping to 'change the fate'. However, for many of them, such long trips don't bring about income mobility but rather various risks including debt for their own family.*

*Mr Luong Van Thang, 50, is head of a poor household in Thanh Chuong district, Nghe An province. The family lives on planting acacia, planting tea and working as labourers for others. In 2014, he decided to borrow VND 24 million from the bank for his son to work as a migrant labourer in Malaysia. The son worked in a steel company there. At the end of the first year, his son sent home VND 30 million (VND 10 million each time); however, for the two following years, he could not send money home because the factory cut down jobs; he only worked 10 days a month and the payment was only enough to cover food in that month.*

*His son will return to Vietnam very soon when the contract ends but it is still not clear who will pay for the travel. Mr Thang doesn't know whether his son will come back to Malaysia for another contract. He recalled, "in this village, six people went abroad as migrant workers and five of them went to Malaysia. The two sons of Mr Toan and my son worked in the same company and couldn't send money home. I have no idea about other cases. People think working overseas can bring in a lot of money but in fact it is the opposite. The family members don't want to reveal the truth to the community, so they have to lie that their son still sends money home. That way, they think they can regain their credit with the community. In fact, the first amount of money their son sent home was all spent on family needs. That's why we still have a debt of VND 24 million". Each month, Mr Thang and his family have to pay interest of VND 160,000. He now plans to sell the buffalo to pay back to the bank.*



## POOR YOUTH

Photo: Nguyen Van Thanh

**S**ustainable poverty reduction in Vietnam in the future will be closely related to social mobility among youth. However, the unemployment rate among 15-24-year-old people (7.3 per cent) is three times higher than the average rate at the national level (2.1 per cent) (37).

An ILO survey (36) shows that the majority of youth have to work in low productivity jobs, thus affecting the potential of national growth and this is a big concern.

The ILO National Survey on the school to work transition in 2013 (36) showed that low-quality jobs affected more than half of the young labour force. Out of 10 young workers, 8 were involved in informal jobs and half of them had non-regular jobs. Three in every 10 young workers aged 15-29 are overqualified for the job they are doing; therefore, their income was lower than they should have received and they could not realise their potential.

Even for young workers with higher education, the employment picture was also not clear since they could not find a suitable job. According to Oxfam's study (40), the rate of occupation mobility from agriculture to non-agriculture among youth is lower than the one among adults. This reflects the inequality in opportunity and the difficulty among young people in accessing the labour market and these are negative signs for sustainable poverty reduction in Vietnam.

Regarding income mobility, the slowdown is more clearly demonstrated among younger people as compared to the older group. 33 per cent of the poorest households headed by people aged 15-30 entered higher income groups in 2004-2008, but only 16 per cent did so between 2010-2014. In the 31-60 age group, the proportion entering higher income groups declined from 46 per cent to 39 per cent.



*Photo: Danielle Andela*

# WHY ARE THEY BEING LEFT BEHIND?

We only achieve sustainable poverty reduction when the barriers are mitigated. There are numerous barriers but research shows four main ones including education inequality, social prejudice, growth ideology and policy implementation.

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*Photo: Linh Pham*





## Barriers from Education quality

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Barriers from  
Social prejudice & Discrimination

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Barriers from  
Growth ideology

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Policy barriers

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According to Selim Jahan, UNDP Director in New York: “We focus too much on national average indicators, which often hide a huge disparity in the human life. In order to continue the development path, we need to study more deeply, not only the achievements but also the left behind and the related reasons” (10).

# Barriers from Education quality

**I**n a broad sense, education includes general education, vocational training for youth and extension services for farmers. Education plays the most important role in fostering income, occupation and skill mobility. Oxfam study (40) shows that “an increase of one year in school is equivalent to an increase of 5 per cent salary or wage”. Households headed by people with higher educational attainment are more likely to move from the low-income to higher-income groups. Specifically, 23 per cent of households headed by post-high school education graduates moved up from the 40 per cent lowest income households to higher income groups in 2010-2014. Meanwhile, this rate was only 8 per cent among households headed by primary school graduates.

*Photo: Hanh Do/Oxfam*





Photo: Lisa Murray

## Make hay while the sun shines

*Thao A Re, 26, from Sa Pa district, Lao Cai province, was born into a family of 13 people. Re is the sixth child. Throughout his childhood, Re always tried his best to study in school. He was awarded the Vu A Dinh scholarship for his excellent results after finishing 6th grade. However, his parents did not allow him to continue to higher secondary school, thus forcing him to get married and stay home instead, reasoning that his older brothers already lived separately from their parents. Re decided to attend the entrance test without telling his parents, and then he passed the test to enter the provincial boarding school. "By that time I saw few people going to school so I wanted to do it to see if my fate can change".*

*He tried his best to learn in school and then used VND 2 million (which he gained from athletic competitions) to cover for the university exam. In 2011, Re passed the exam of the University of Pedagogy. Despite the pass, his parents did not agree to let him go. Re then tried to persuade his parents. Finally, his parents had to borrow VND 6 million (with high interest) for his education journey in Hanoi. During his study in Hanoi, Re made the best use of his time working as a guard at a café shop and as a worker at a small restaurant; each month he got VND 2 million. Thanks to the introduction of a teacher, Re got a scholarship of VND 10 million per year from Sa Pa O Chau. He was lucky to have this amount of money so that he could focus his energy on learning during the following two years at the university.*

*In June 2015 he was accepted to work for Sa Pa O Chau with different functions: tourist tour designing, student management, guard and electrician. In October 2015 he was introduced via his acquaintances to work for UNICEF for 6 months, with a salary of VND 2.7 million per month. The work involved participation in social groups with different communication activities for children and young girls not to work as street vendors in order to keep Sapa a healthy tourist spot and also to prevent them from human trafficking. He rented himself a house with the cost of VND 500,000 covering water and electricity expenses, and saved more money on food by self-cooking at home.*

*"By comparison, most of my friends already got married but if I don't try... I won't be able to break the cycle. If I have a certain level of education I will make a difference upon returning to my commune. In fact, after the university study, I saw other people pay more respect to me and take me as an example for others. Thanks to this higher education, my parents feel very happy and proud of me, that is to say, they listen to me more. In my lineage, people also show respect to me and they tell me more frankly", Re recalled.*

**We admire Re's efforts in choosing to create his own path by study. But it also brings the gap between what he learnt and what he could apply in reality into question. What are we doing in terms of education in supporting people like Re to overcome poverty?**

Regarding vocational training, although there are many programmes supporting the poor such as 'the 1956 Programme', 'New Rural Vocational Training Programme', '30a Vocational Training Programme', the quality of such programmes is still low. Oxfam research shows two main issues of vocational training in Vietnam: first, the issue of using the budget inappropriately and second, the issue of curricula which are far from practical. For example, the Vocational Training Centre in Dakrong (Quang Tri province) was allocated VND 14.5 bn, and a new centre was built in May 2014, but until the time of the survey (April 2015), no training courses were organised in the centre. In many provinces, training in IT was conducted for the poor, the ethnic minorities who don't have computers and the internet; or, training in construction, but in that community people live only in wooden houses.

While many government vocational training programmes are stuck with unsatisfactory outcomes, many young people decided to take care of it for themselves, trying to find a job, to continue learning and exchange, and many among them were successful.

Photo: Linh Pham



## Creating my own path

*Lai Van Tu, 26, from Na Ri district, Bac Kan province, opened a carpentry workshop in his village in August 2014. Tu started his business from his observation that many young people in his commune were unemployed, and people from the lowland also came to his area to buy timber at very cheap prices. He borrowed VND 50 million from the district Social Policy Bank and combined this with his family's savings of VND 230 million, to establish his carpentry workshop. From the beginning, he could attract eight people to work for him. In 2016 alone, his carpentry group worked on nearly ten houses and many other products such as beds and wardrobes. With a burning desire and innovation, Tu has transferred his inspiration, secrets and experience to his group members, who in turn, tried to do well in their job. His group could earn an income of VND 60 million per month. In his group, each member earned VND 3 million per month; the skilled carpenters got a monthly income of VND 4.5-6 million.*

*In the future, his group will provide training on woodwork for the youth. At the same time, the group will continue to expand the production scope in terms of infrastructure, equipment, products and group members in order to respond better to the customers' demands. With this model, Tu's group could make use of locally exploited wood from different projects, and also bought wood from local people, thus helping them to increase their income and the value of local wood, as well as creating jobs for local youth.*

*Tu's model got the first prize at the district competition 'Youth Initiatives', and the second prize at the competition 'Initiatives for Sustainable Poverty Reduction via Community Internal Strength' at national level in December 2016.*

## The trainings transformed her!

Local people in Tam Duong district, Lai Chau province talk about Deo Thi Chon, a Thai woman, as a role model for women. She has made the most of trainings to transform her life. When her kid was only 8 years old, she began to participate in the anti-illiteracy class. Since 2006, thanks to support from Ms Nguyen Thi Thoa, an AAV project officer, Ms Chon has actively participated in a number of community activities and livelihood trainings such as Women Club, credit group, bio-chicken raising, agricultural skills building, communication, gender equality, artistic performances and study visits to good business models.

For 12 years, she has participated in different projects managed by Cisdoma, AEA, Bread for the World, AAV, EC, Irish Aid... She always tries to arrange her fieldwork effectively so as to have time for training classes. Now, she has understood how to carry out agriculture business by value chains.

Photo: Chau Doan

The women's credit fund managed by her has reached VND 94 million with 66 members, just within two years. She also encouraged the members to contribute to the trade union fund to help families with sick members. She opened a mini shop and through this shop, she helps local farmers to sell tea. During the day, she goes to work on the field, then returns home at noon, making use of the time to weigh tea and sell to tea agencies. Ms Thoa from HKI said: "Chon has changed a lot. She is transformed!". Being asked about the secret, Ms Chon said, "if someone is too laid back to start learning, fearful of hard work and not persistent to pursue the purpose, that person will never succeed."

**Agriculture extension has shown its effectiveness for farmers; however, in practice there are many issues: the state budget for extension is low and looks likely to be reduced in many provinces. Moreover, this limited budget is not effectively used, and the extension approaches appropriate to the poor and ethnic minorities have not been widely applied (41).**





Photo: Oxfam

## Barriers from Social prejudice & Discrimination

**T**he attitudes such as ‘agriculture cannot be compared with industry’ or ‘rural cannot catch up with urban’ are a sort of popular prejudice that has negatively affected the mobility of farmers, agricultural workers, and to a wider extent, sustainable development. The prejudice and discrimination of the Kinh against ethnic minorities, in particular women, youth and ethnic children is the main reason holding back the progress of ethnic minorities’: they feel hesitant to participate in community activities, in the labour market and in the policy-making process.

Prejudice against women also negatively affects sustainable poverty reduction. In general, inter-generational mobility among women is higher than it is among men. However, the opportunity to be promoted to management positions among women is lower than men; the rate of men working at management level is 10 times higher than women (ISDS, 2015).



**Dr KHUAT THU HONG**  
ISDS Director

*“That women are labelled as those who should be responsible for family care is one of the main reasons that prevent women from mobility. Research on decisive factors for gender inequality in Vietnam (ISDS 2015) shows that many women accept to work at low income jobs, with less opportunity of mobility, so that they can stay near their home and have more time for their family. The same research also shows that women are rarely elected to people’s organisations as voters think that women have to bear responsibility for their family and therefore, cannot focus their mind on social work”.*

## Barriers from Growth ideology

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**I**nternational experience shows that sustainable poverty reduction policies cannot be based merely on quantitative numbers, GDP rate, income average, but rather they should be based on the quality of development. While income average has increased, the speed has slowed down.

According to Oxfam study during 2004-2008, 45 per cent of households in the poorest group in 2004 moved to higher income groups after four years; but during 2010-2014, this proportion reduced to 37 per cent. While more than 30 million people are reported to have escaped from poverty after three decades, it is still unclear for how long these 30 million people have stayed in non-poor status. For those just above the poverty line, certain risks can make them fall immediately into the trap of poverty. A landslide, a father's death, a buffalo's death or even a flock of chicken dead from disease, can turn a family into a poor household overnight.

In order to achieve sustainable poverty reduction, it is crucial to focus not only on the percentage of growth but also on the impacts of growth ambition. In China, over the last three decades, with the ambition to maximise growth rate, the number of poor people has reduced from 942 million to 55 million. With the strategy to eliminate poverty being the main focus of the Five-Year Plan (2016-2020), China has the ambition to eliminate poverty by 2020, the final year of this Plan. Even so, economic growth has created a myriad of social and economic inequality problems, political conflicts and environment pollution (11). The income of 10 per cent richest population has increased from 27 per cent to 41 per cent during 1978-2015, meanwhile this rate among the 50 per cent poorest has reduced from 27 per cent to 15 per cent (25). Economic growth and urbanisation have pushed many eastern provinces, in particular Beijing, into serious environmental pollution. In Beijing, since the government set up the alarm system on air pollution, the AQI (air quality index) has reached 500, very close to red alert level (the highest level) three times: once in 2015 and other times in 2016 (26).







# Policy barriers

## BUDGET DISTRIBUTION

Based on the new multidimensional poverty line, the rate of the poor and the near poor is rather high, about 15 per cent (three times higher than the old standard). Therefore, the budget for multidimensional poverty reduction should increase accordingly, up to VND 46,000 billion (Resolution 100/2015/QH13). However, it does not mean that more money will make less poverty. The allocation of budget and the monitoring of spending is more important. While the budget for poverty reduction has been decentralised to provinces and thus contributing to the reduction of the poverty rate in some provinces, there is little evidence showing that this budget has contributed to the improvement in public service quality (27, 28).

## POLICY OVERLAPPING

During 10 years, from 2005 to 2014, the Government issued more than 70 legal documents including decisions, instructions, etc. on poverty reduction policies (3, 5). This is not to mention that in each province there are specific policies on poor households. Many good poverty reduction models have been recognised (4). Even so, the implementation of such policies is still challenging, leading many people to the state of “being poor, then non-poor, and poor again”. A commune officer commented “It is often targeted each year there should be some households being reported as having escaped from poverty. It looks like households have to “rotate the role” to escape poverty: poor in the previous year, non-poor this year, and poor again next year”.

Policies are numerous but overlapping (1, 5, 6). For example, Decision 134 and Decision 167 instructing Government’s support of housing for poor households define different levels of support by categorising poor households under two different programmes, the ‘Programme 30a’ and ‘Programme 135’. This leads to the fact that some poor households benefit from the same programme but at different support levels.

## ‘FREE OF CHARGE’ POLICIES

Research shows that in many provinces, people tend to rely entirely on government support policies; they don’t want to escape poverty, so they can benefit from multiple support policies. People call it “free of charge” policies.

# THE POLICY STORY



**S**ome policies are very humane in nature but not effective in practice (1, 2, 30). Currently, four ethnic groups in special difficulty including Cong, Mang, La Hu, and Co Lao benefit from nine policies at the same time, in which the most attentive one is the Programme 'Socio-economic development in the regions with four ethnic groups Mang, La Hu, Cong, and Co Lao', guided by the Prime Minister's Decision 1672 since 2011. Although these four groups are very poor and in special need of escaping poverty, the support approaches are inappropriate, bringing poor people things they don't need. For example, the Decision 1672 supports rice seeds for these ethnic groups while they need fruit varieties. Moreover, these people are not entitled to decide that issue, and as such the policy brings them something without conditions that lead to non-commitment of the poor (30).

International experience shows that poverty policies are effective when they are accompanied by certain conditions. In Brazil, the poverty reduction model entitled 'Bolsa Familia' is famous worldwide, in which cash support is attached with some conditions such as: families need to bring their children to health centres for vaccination, allow children to go to school; and the cash is transferred to women in the family not to men, with the rationale that women know better about how to use money for the sake of the family. Accordingly, Bolsa Familia has empowered women in terms of education and health care and at the same time contributed to the reduced number of poor households (29).



Photo: Hoang Bich Nhung

The main reasons for the overlapping and ineffective policies include: the lack of people's participation in the decision-making process; ii) the lack of grass roots level planning, the lack of evidence base and the weak adherence to related poverty reduction policies (8, 9). The poverty reduction policies for ethnic minorities are not rights-based and not sensitive to their knowledge, traditions and culture. Therefore, such policies have not been able to bring into full play the participation of poor people and poor communities (10, 38).

Sustainable poverty reduction also means investing for future generations, creating equal opportunities for children of both the rich and the poor. However, the current poverty reduction policies have not yet addressed this issue. In addition to the children of the poor families being left behind, there are millions of children who don't belong to poor families but are still vulnerable due to their parents' social and economic status.











## PARENTS HAVE AN IMPORTANT INFLUENCE ON THEIR CHILDREN'S MOBILITY

*Photo: Aidan Dockery/Oxfam*

### EDUCATION

Parents' levels of education also play an important role in educational attainment of children. Among fathers who did not finish primary education, only 15.5 per cent and 2.2 per cent of their children had completed upper secondary or tertiary education in 2014, respectively. Meanwhile, among fathers who graduated from college or university, 47.5 per cent of their children have also completed tertiary education.

### INCOME

If parents' income increases by 1 per cent, children's income will increase by 0.36 per cent.

### OCCUPATION

Dr Tran Quang Tuyen from the University of Economics and Business, Hanoi National University, and his colleagues conducted research on occupational opportunities and came up with an interesting finding: the father's job has a big influence on his child's ability and opportunity to choose a job. This finding was published in the Children and Youth Services Review. The research on child poverty conducted by UNICEF in 2017 also showed that the multidimensional poverty rate among children is affected by four factors: financial poverty, ethnicity, the household head having no educational certificates and households with many children. The multidimensional poverty rate among these children is above 50 per cent.

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As such, children born in families with a low level of education will have fewer opportunities; and this cycle continues in the life of their children.

# HOW SHOULD THE POLICIES CHANGE TOWARDS SUSTAINABLE POVERTY REDUCTION AND ECONOMIC EFFECTIVENESS?



**Mr HOÀNG TRỌNG THUY**  
Agronomist

*"Better access to opportunity for farmers will motivate social mobility. The progressive policies include: i) land policies that benefit people; ii) credit policies; iii) trade policies that empower small scale farmers in negotiating price, for example the Decree 80; iv) planning on infrastructure development; v) insurance policies in agriculture; vi) increasing quality for vocational training".*



**Mr NGÔ TRƯỜNG THI**  
General Director,  
National Office on Poverty  
Reduction, MOLISA

*"Experience from poverty reduction programmes over the past years shows that the policies that are effective and sustainable often have the following features: i) appropriate to people's needs (such as health care, education, credits); ii) involving people's participation, thus bringing into full play of community's internal strength (such as policies supporting livelihood for the poor); iii) policies with certain conditions, timing, going towards the elimination of 'free of charge' policies and the addition of reimbursement support policies; iv) the policies which are transparent and can be used to evaluate the outcomes of poverty reduction".*



**Ms DO THANH HUYEN**  
UNDP

*"In addition to the increasingly wider rich-poor gap, accessibility to public services such as health care and education has been divided by income and living status. Government policies should focus on increasing citizens' access to information, especially for ethnic minority people, in order to reduce multidimensional poverty. I hope the Access to Information law enforced since July 2018 will enhance government authorities at all levels to implement initiatives for every citizen to access information equally; that would require a monitor mechanism and participation of citizens and social organisations".*



**Ms LUONG MINH NGOC**  
Director, ISEE

*“Social mobility among generations might bring in economic benefits but that might not be the same about social or cultural benefits. I have opportunities to work with different ethnic communities and saw some breaking in terms of culture as well as a decline of community connections. In the long run, I think this will negatively affect each individual and community, like a tree that exists without stable roots.*

*I think instead of pushing social mobility and considering that is the only way, it is necessary to change the perception regarding the importance of each occupation in society or in a certain region as each occupation and each region has different roles and different advantages. The solutions lie in the non-discrimination in discourse, policy and practical intervention, and creating different development ways, but not in the issues of moving from agriculture to industry, from rural to urban areas”.*



**Mr NGUYEN VIET CUONG**  
Deputy Director, MDRI

*“In the short term, the State can reduce poverty by programmes and projects that support the poor. However, in order to achieve sustainable poverty reduction, it is necessary to have good economic growth and the participation of the poor in that process. Currently, the state economy and foreign investment still play a crucial role, with the contribution to GDP of 50 per cent. However, this is the area that requires highly skilled labour and therefore the poor people will not be able to take part in this area.*

*Currently, poor people mainly take part in family business and agriculture where labour productivity is very low. The development of private sector will create non-agriculture job opportunities for the poor, therefore creating favourable conditions for the private sector, in particular small and medium enterprises, for their development is the motivation for economic development and contributing to sustainable poverty reduction”.*



**Dr TRAN QUANG TUYEN**  
Vietnam National University  
University of Economics  
and Business

*“Economic analysis shows that young people who have parents working at management positions will have more opportunity to become managers or at least office staff, ten times than young people who have parents involved in manual labour such as farmers or fishermen. Therefore we recommend that: provincial authorities should strengthen the quality of vocational training, and at the same time, continuously improve the business environment, attracting investment in order to increase the density of business sites - such an approach can bring about more equal opportunity for young people in their job choice”.*

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