

# *A Human* **ECONOMY**



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A Human Economy  
2022

# FOREWORD

Inequality is growing rapidly around the world. In doing so, it is threatening global stability and sustainable development. Global inequalities in income, access to healthcare and education, and in citizens' voices and participation in decision-making, have all worsened during the COVID-19 pandemic.

Levels of inequality in Vietnam are similar to those in other countries with comparable levels of development. The key drivers of Vietnam's socio-economic growth and its success in tackling inequality over the past three decades include asset allocation at the onset of Doi Moi in 1986, as well as robust reforms and global economic integration in labour-intensive industries and services.

However, the development context in Vietnam today is fundamentally different from that of the post-Doi Moi context. The country is experiencing a reversal in globalisation, an acceleration of the 4<sup>th</sup> Industrial Revolution, new-generation trade agreements, an ageing population, and a growing middle class. These macro changes present both opportunities and risks with adverse impacts on inequality and the

environment, not only in Vietnam but also at regional and global levels.

In light of these opportunities and challenges, Oxfam proposes a Human Economy in Vietnam. With nine focal areas, this Human Economy model puts people and the Planet before profits. It forms a successful economic and social system that benefits everyone, not just the privileged few. It also avoids transgressing planetary and environmental boundaries, with a commitment to social foundations and integrity.

This photo book is a collection of seven miniature models created by Oxfam in Vietnam and Sai Gon Xua. It aims to paint a broad picture of our society today. Inarguably, these models do not aim to represent all areas in the Human Economy framework nor do we try to cover all facets of development. However, we hope these can serve as 'food for thought' to spark ideas of a Human Economy. A Human Economy, built for the many, not just the few, will end inequality and poverty for good and protect the environment for generations to come.

**OXFAM IN VIETNAM**

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# Inequality

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“I don't like to socialise with the hatmakers. They group together because they're all well-heeled. I couldn't catch up with them racing to get a new outfit, sandals, or a new hairstyle. I'm poor, so I don't want to communicate much. All I do is stay at home to look after my kids. Sometimes I go to the field and back. I work my socks off but never have enough money to go anywhere.”

*(A poor woman in Hanoi)*

“During our cash-for-work within the group, I just talk to people like myself. I'm poor so [the better-off] are not interested in what I have to say, so I rarely talk to them. Even if they don't mind me, I would still be too shy.”

*(A poor household, H'mong, Lao Cai)*

# INEQUALITY

*Simply put inequality is the disparity between, and gap in access to, benefits throughout life among individuals, families, and demographics within and across countries.*

Inequalities in access to basic public services such as healthcare and education today will reinforce intergenerational inequalities.

The wealth of the world's richest 1% is double the accumulated wealth of 6.9 billion people. The categorization of people into high and low-income brackets, or into various social strata, is commonplace. What is unusual is when extreme and inter-generational polarisation is reinforced by inequality. Inequality is reflected

in three aspects: (i) Inequality in opportunities to access public services, employment, and working conditions; (ii) inequality in outcomes, represented by large disparities in income between workers and employers; and (iii) inequality in representation and status between employers and workers and between social, ethnic, and gender groups.

Studies show that inequality can impede economic growth and increase poverty, which is a hindrance to happiness and human rights. The COVID-19 pandemic has led to an increase in the spread and severity of inequality. Pivotal measures to reduce inequality in the future include imposing progressive wealth and income taxes with a proper roadmap and engaging citizens in transparent policy processes.







*Studies show that inequality can impede economic growth and increase poverty, which is a hindrance to happiness and human rights.*







A diorama of a human community on a small island. The island is surrounded by a blue river. On the island, there are several figures: a farmer in a purple shirt holding a basket of green vegetables, a worker in an orange shirt and yellow hard hat, a businessman in a grey suit, a woman in a yellow shirt, a man in a black suit, and a family consisting of a woman in a yellow shirt, a man in a grey shirt, and two children. There are also some small buildings and a red arrow pointing upwards. The background is a dark, hazy sky.

# A Human Economy

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**A Human Economy puts people and the Planet before profits.**

# A HUMAN ECONOMY

Globally, the way we run our economies needs to change. Our current economic model, known as neoliberalism, is exacerbating inequality. The COVID-19 pandemic further revealed gaps in social protection and the sustainability of the current economic system.

The current measure of economic progress – Gross Domestic Product (GDP) – is outdated and unfit for the purpose. It overlooks the things that matter to human happiness and ignores the distribution of growth between rich and poor people. We need a broader measure of well-being, multidimensional poverty, and factors that can damage environmental sustainability. We also need to acknowledge and redistribute countless hours of unpaid care work being performed by millions of women every day. Measuring what matters is vital to planning for a more progressive and equal economy.

A Human Economy will put people and the Planet before profits and measure what really matters.

This model will build successful economies and societies where people are at the centre of economic thinking; where industry and the market are made to benefit the majority, not simply a rich few; and where planetary and environmental boundaries are not transgressed while social foundations are met and economic prosperity attained.

## Nine essential ingredients for a Human Economy in Vietnam

- Getting beyond GDP, consider multidimensional poverty and inequality, unpaid care work, and the environment
- Manage markets rather than be managed by them
- End the extreme concentration of wealth
- Progressive taxation
- Quality and universal public services
- Fair wages
- Gender equality, including unpaid carework
- New business models
- Citizen's participation

The next part of this book will introduce several areas of a Human Economy.





# Gender Equality

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Ms. Le Thi V., a 35-year-old garment worker, confided: “My day starts at 5.30 am and ends at 10 pm. At 5.30 am, I try to make the most of my time doing laundry and dropping the kids off at school. At 7.30 am, I go to the garment factory and at 5 pm, I pick up my kids, go to the market, cook and clean. While I’m coddling the younger one, I help my older kid with homework, then pack their bags for school tomorrow. I have to do every single task in my household. My husband never does any of these chores. After his shift, he comes home to eat, then strolls around the neighbourhood. He says that housework and childcare are a woman’s responsibility.”



# GENDER EQUALITY

*Economic development does not automatically translate into equality of opportunity, especially when gender stereotypes and unpaid care work are in place.*

Care work includes looking after children, elderly people, and those with physical and mental illnesses and disabilities. It also includes daily domestic work like cooking, cleaning, washing, mending, and fetching water and chopping wood. These tasks are crucial to families, society, and the economy. It is calculated that women's unpaid care work alone adds value to the economy to the tune of at least US\$ 10.8 trillion a year – a figure three times larger than the entire tech industry.

A large portion of care work is done by women. Without someone investing time, effort, and resources in these essential daily tasks; communities, workplaces, and entire economies would grind to a halt.







# GENDER EQUALITY

Vietnam has made great advances both in gender policies and practices. Indeed, the Gender Equality Law 2005 is one of the most progressive pieces of legislation of its kind in Asia. However, social stereotypes and prejudices persist. These leave many women with unequal opportunities, outcomes, voices, and status. Female leaders are expected to first fulfil the roles of mothers, wives, and caretakers before doing their jobs.

In addition to social movements challenging gender stereotypes and prejudices for women's liberation, unpaid care work needs

to be acknowledged as a component of GDP to fully recognise women's contribution to Vietnam's development. Public services such as kindergartens, schools, or nursing homes will allow family members to unload their housework responsibilities and set time for other meaningful social contributions.

Recognising unpaid care work and changing gender stereotypes are prerequisites to creating conditions for achieving gender equality in which all genders have fair and proportionate voices, opportunities, welfare, and income.







# Free Universal Public Services

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Oanh is a 27-year-old kidney dialysis patient. She moved to Hanoi from rural Me Linh district so that she can receive the hospital treatment she needs three times a week. Public health insurance covers the cost of her dialysis, but Oanh pays for the cost of her daily medication. She cannot afford an artificial kidney transplant. “I feel sad when I see the prescriptions I cannot afford. People who can afford medicine are healthier. I feel stuck in this difficult life.

It is really unfair.”



# FREE UNIVERSAL PUBLIC SERVICES

*Fair and transparent public services such as healthcare, education, or administration will ensure citizens' basic rights. It is also a mechanism to redistribute income and social welfare and to promote individual development.*

The cost of healthcare and education is a burden for many Vietnamese. To tackle this, tax revenues need to be redistributed to universal education and healthcare systems for the people. A free universal healthcare system will lift a significant weight off people's shoulders when they are sick.

Investing in a good-quality education system means that people will not have to pay for private schools. Meanwhile, children from poor families will have the same opportunities as those from well-off backgrounds.

By equipping people with convenient information technology tools to assess public services, and encouraging them to use these tools, state agencies will create an objective and reliable feedback mechanism on the quality of public services. In doing so, they will strengthen the mutual trust between the people and the government.





# Quality Education

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“We have three school-age children. Early in the school year, we already contributed more than seven million Dong, not to mention the money we spent on stationery, coaching fees, and hundreds of other things. So, we farmer-parents can never improve our living standards, not to mention enrich ourselves.”

*(A poor person in Hanoi)*

“Where do we get the money for school? Finishing lower secondary school is good enough for my kids. It costs a fortune to enroll in the district’s higher secondary school schools. It would be much better if it’s a boarding school, otherwise, they’re better off staying home”.

*(A Co ethnic person in Quang Nam)*



# QUALITY EDUCATION

*Education is the foundation of children's future. Inequality in access to and the quality of education today will lead to inequalities in their employment and social status in the future.*

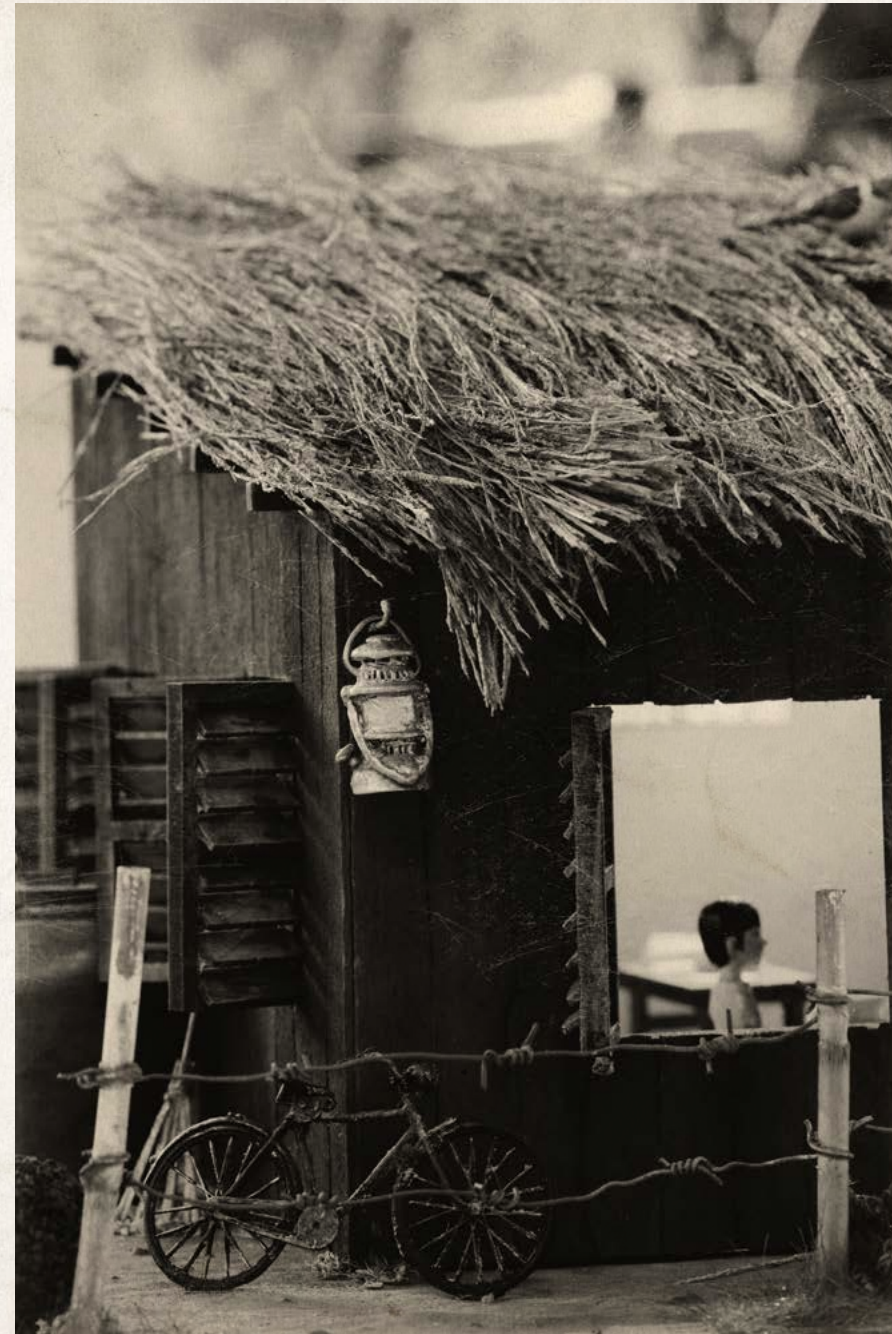
In big cities and metropolitan areas, private and international schools are booming, offering bilingual or foreign-language programmes with high tuition fees that only high-income families can afford. Many poor and ethnic minority children have fewer opportunities to continue their education at higher levels while some have to work to support their families.

Children from low-income families, those in less developed areas, and those with disabilities will have limited learning opportunities, access to education, and quality of schooling.

Differences in the access to and quality of education received by students will lead to unequal opportunities and widening gaps in income and living standards for future generations. This means that the goals of narrowing the rich-poor gap and leaving no one behind will be increasingly challenging to achieve.

A high-quality universal education will help narrow the gap for future generations.





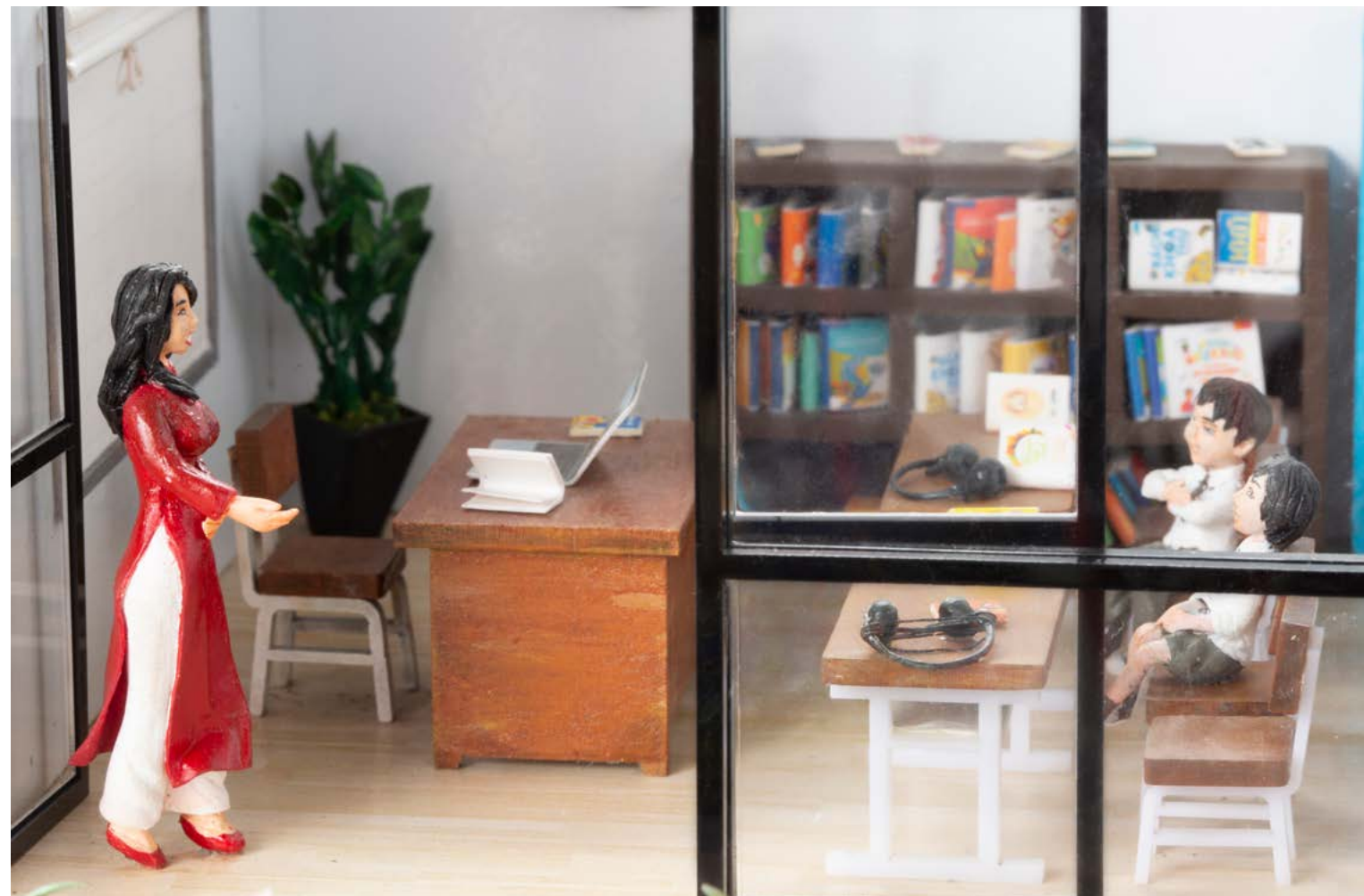
*Inequality in access to and quality of education for students will lead to inequality of opportunity.*



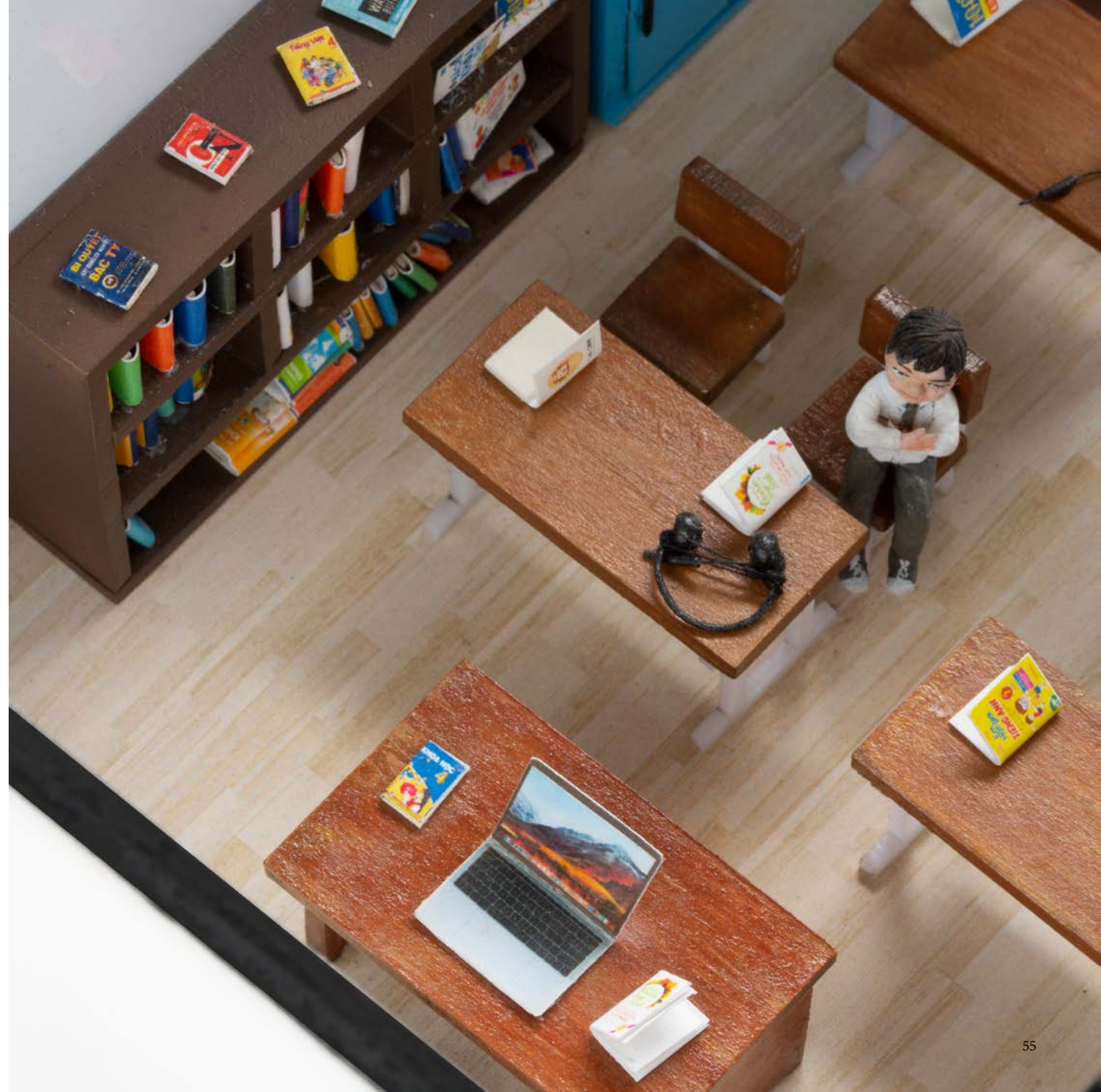




# QUALITY EDUCATION







# Future Business Models

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DACE specialises in the production and commercialisation of organic spices. They have developed a value chain engaging people in Cao Bang since 2015. DACE has decided that this area will be their sustainable supplier of ingredients. Consequently, they decided to switch to organic farming to meet the requirements and demands of the global market.

For their farmers, DACE conducts training on farming, supports production, and purchases produces at a higher price. After five years of cooperation with DACE, the poverty rate in the Luc Khu area of Ha Quang district has decreased from 96% to 66%. Meanwhile, the income of people working with the company has increased six-fold.

Through business activities and working with ethnic minorities, the company has contributed to creating more sustainable livelihoods and stable income for local communities.



# FUTURE BUSINESS MODELS

*It is crucial to develop a new ethos and business model for economic growth that does not exhaust natural resources or exploit human labour.*

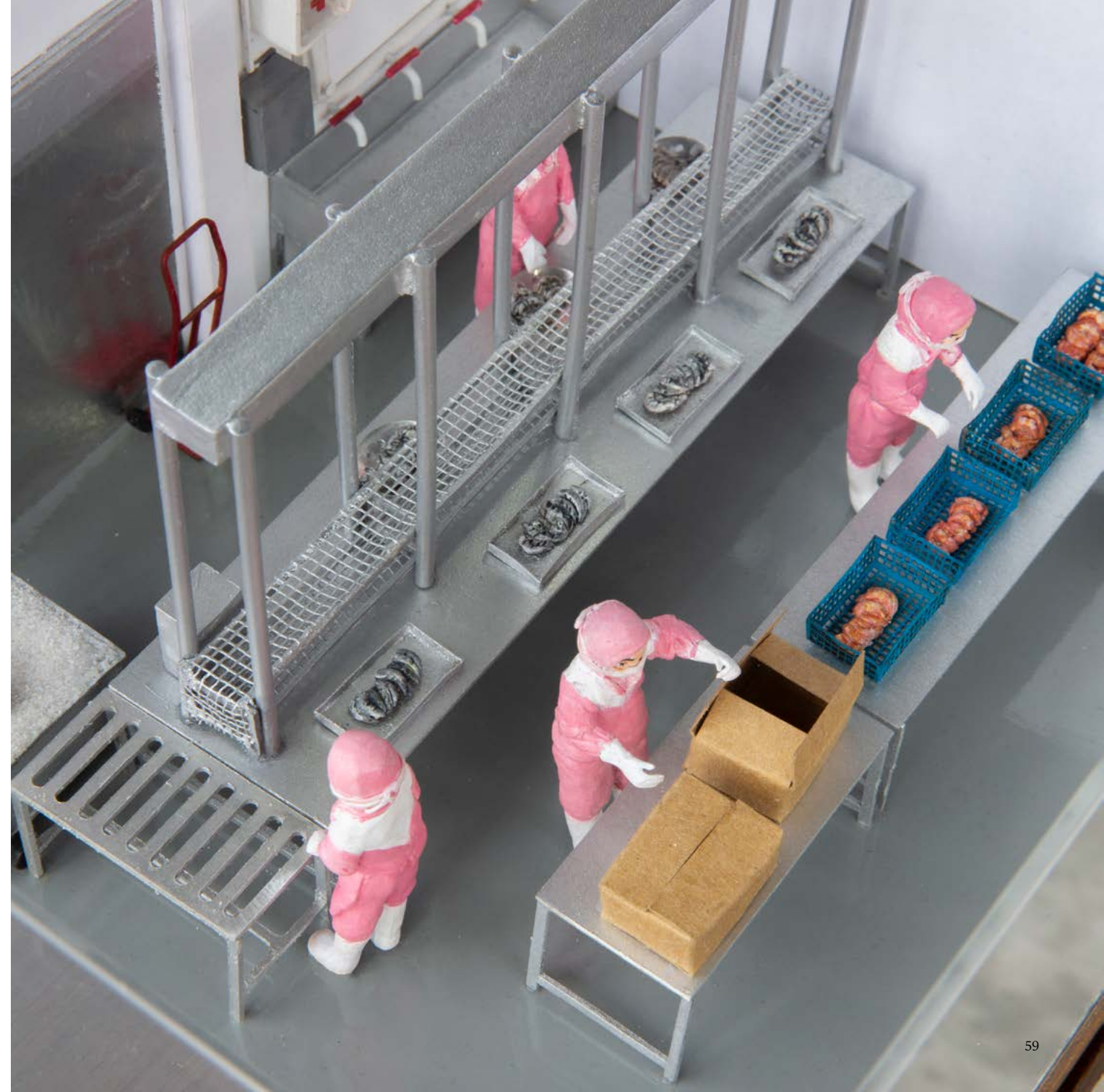
Building an enterprise based on a responsible business model is highly significant in promoting human rights and environmental responsibility while also creating sustainable value chains and commercial success for businesses.

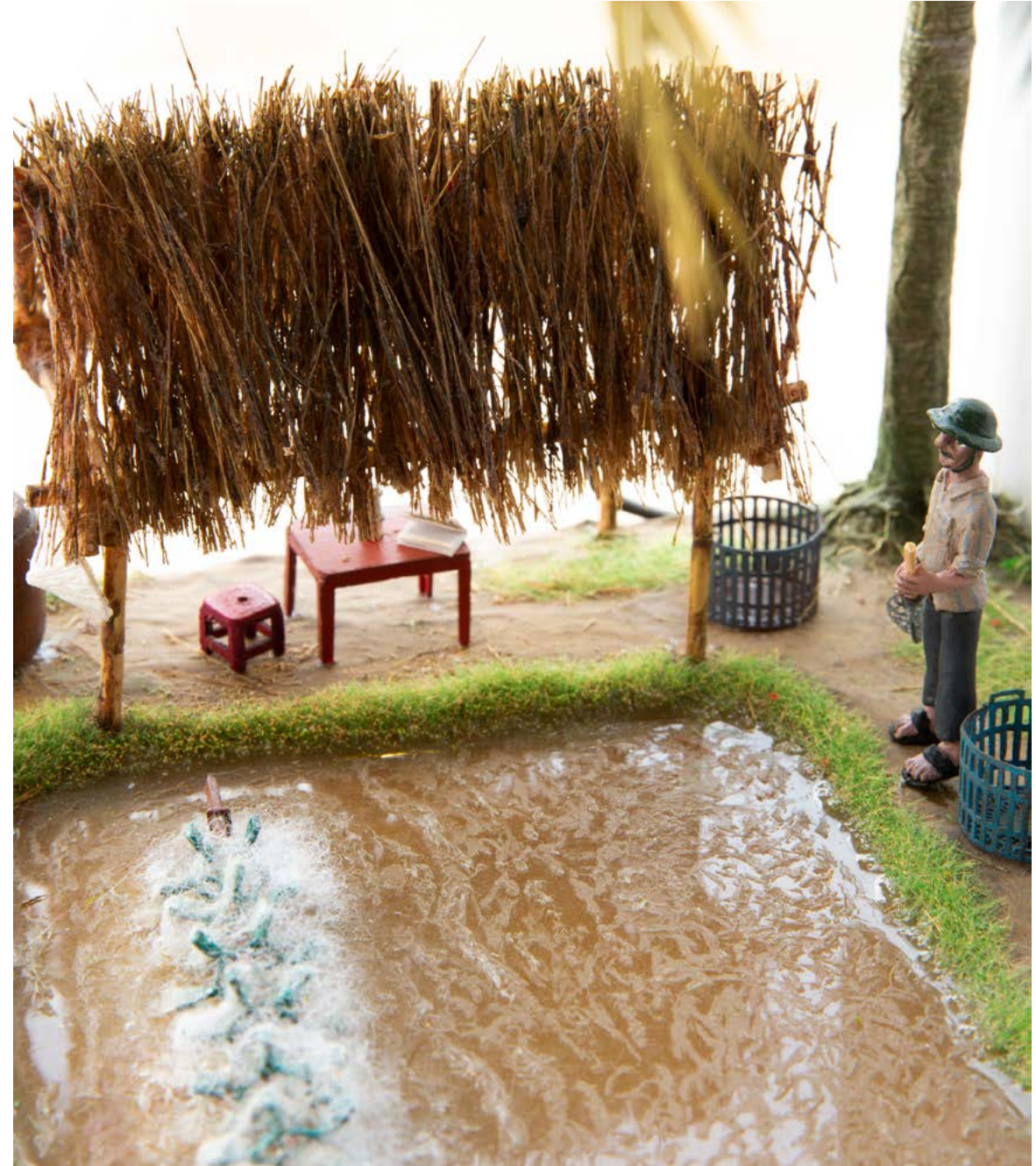
When the entire value chain of an industry is based on sustainability, benefits and risks in production and business are equally divided among all parties. This is what it means to be an inclusive and responsible enterprise, whose

practice is sustainable both for the business itself and the environment.

Future business models need to focus on three responsibilities: (i) Basic responsibility – respecting human rights by paying decent wages; (ii) Social responsibility – corporate citizenship through ethical practices, minimising damage to society and the environment, and cooperation with disadvantaged communities in the value chain; and (iii) Enlightenment responsibility – shared values through identifying areas where business and society can benefit each other.

Pursuing the dual goals of financial sustainability and social contribution liberates businesses from being overly focused on valuing profit over people and the planet.





*Building an enterprise on a foundation of a responsible business model is highly significant in promoting human rights and environmental responsibility while also creating sustainable value chains and commercial success for businesses.*

# Public Spaces





# PUBLIC SPACES IN THE PAST

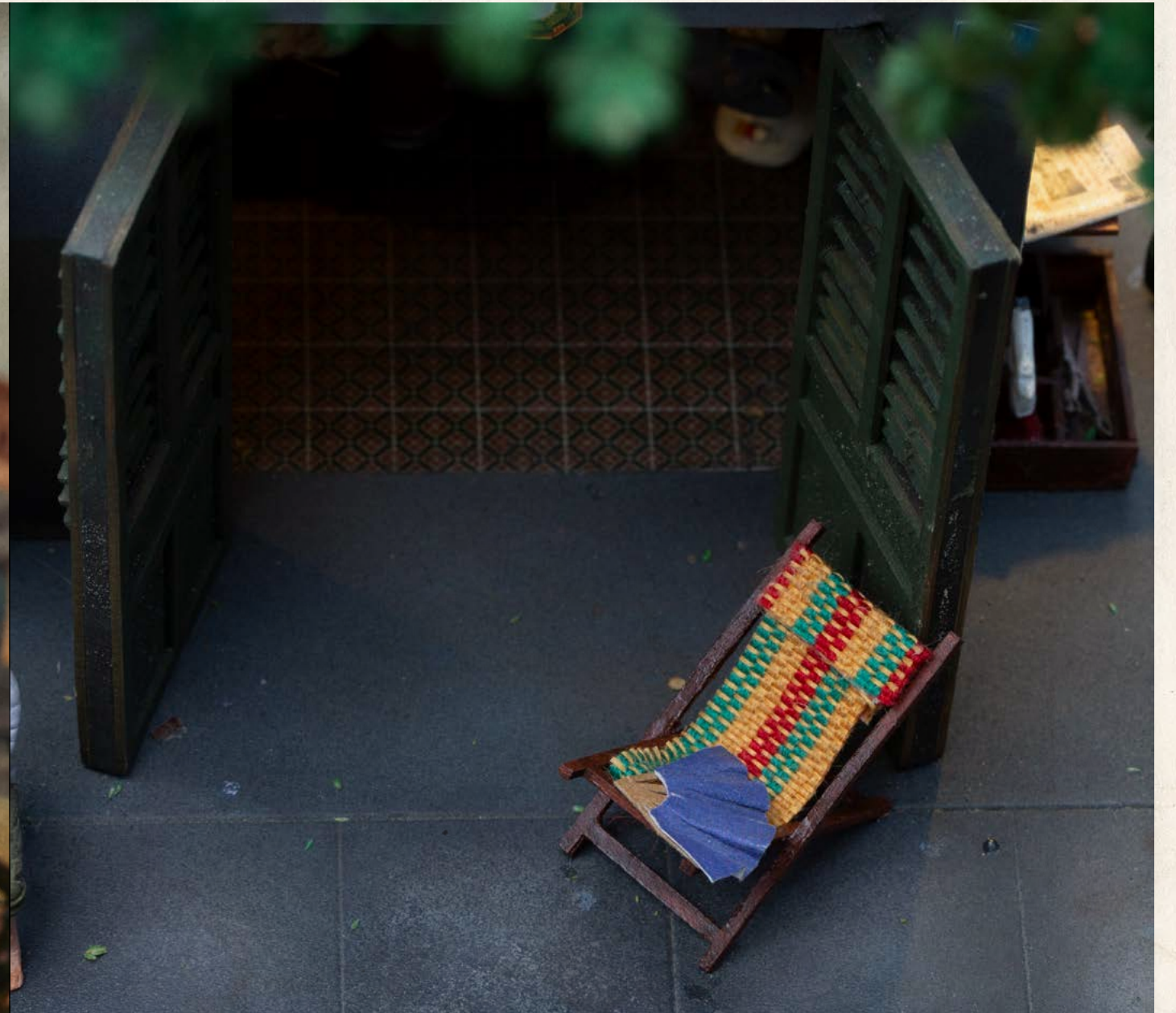
Public spaces encompass dynamic community relationships and social bonds. They forge 'community-based intimate connection' which is strengthened through daily communication and interactions.

In the absence of the hustle and bustle - all too often seen today in metropolitan cities, Vietnamese people once were able to immerse themselves in vast green public spaces and enjoy the fresh air. People socialised and communicated more often while sharing each other's sense of belonging.









# MODERN PUBLIC SPACES

Today, public spaces have been transformed into commercialised or quasi commercial spaces. They have taken on a new urban look with various eateries, shops, and amenities that respond to modern urban life. The transformational process of the functions of public spaces offers undeniable benefits. However, it also disrupts the relationships and social interactions of residential communities.

In high-rise apartment buildings, previously unbreakable bonds are gradually fraying and falling apart as life becomes ever-more fast-paced with technology slowly replacing real-life social connections. Children playing freely on the

sidewalk is a sight to long for when the abundance of street vendors, cars and motorbikes, and plastic waste blocks the street. Green space is lessened while pedestrians become one with their masks because of the polluted air.

To restore the inherent functions of public spaces, we need to encourage the integration of new public spaces in urban areas and develop satellite towns in densely populated areas with improved quality of life, basic services, and connections. Proper spatial planning will help promote economic prosperity, a more equitable society, and a more sustainable future.





*Proper spatial planning will help promote economic prosperity, a more equitable society, and a more sustainable future.*



Oxfam recommends that governments and policymakers work towards building a ‘Human Economy’. This is a model that puts people and the Planet at its center instead of a for-profit economy that is breaking social cohesion in many countries. A Human Economy built for the many – not just the few – will end inequality and poverty for good. It will also protect the environment for generations to come.

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The models shown in this photobook are the ideas and products of Oxfam in Vietnam and Sai Gon Xua. Sai Gon Xua is a team of young people who are passionate about portraying the culture and development of Vietnam by making detailed models and crafts.



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