

**Vulnerable Groups in Rural Vietnam:
Situation and Policy Response
A Report based upon the Sample survey**

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SUMMARY AND RECOMMENDATIONS

The Vietnamese rural population is generally poor. It has benefited less than those in the urban areas from the economic growth of the 1990s. This survey looks within the rural population to those defined as ‘vulnerable’ to examine their situation, aspirations and livelihood strategies.

The survey shows that around 19% of the rural population of Vietnam belongs to a “Vulnerable Group” as defined in the survey. These six Groups include those sections of the population that fall under the remit of the Ministry of Labour and its social policies. Thus they are referred to here as “Target Groups” or “Vulnerable Groups”. Disability, age, educational and household status determine their inclusion (see text for exact definitions). This has been estimated statistically to mean around 8.4 million people, since the survey implies a rural population according to the definition in the survey of 44.1 million. This measures the rural population in terms of the definitions of the survey, and is less than that reported by other sources, such as the census data. Thus, some 19% of the rural population is vulnerable, according to the definitions in the survey. In terms of incidence, ‘vulnerability’ is primarily one of under-education, secondarily one of one of old age and illness/invalidity and finally one of orphans who lack the ability to work.

The main conclusion to be reached from the survey is that Target Group households’ welfare levels are lower than the average, but not greatly so, and that there are indications of active (and on the whole beneficial) strategies that have been put in place to cope with their members ‘vulnerability’. Orphans may be the most noteworthy exception to this generalisation. There is thus no ‘crisis’ with regard to Vulnerable Groups. On the whole, existing state interventions and the efforts of households themselves are resulting in welfare levels that are acceptable. The households’ own efforts have played the major role in this outcome. For a small minority permanent state allowances are an important source of incomes; but these are not - according to the survey - a significant contributor to orphans’ household income sources. There is a striking absence of interventions from communities (such as might be expected from the Women’s Union and other mass organisations), pointing perhaps

to the effects of the ‘statisation’ of popular organisations and the resulting separation of them from the sentiments and feelings of the population.

The common view that government action is necessary to support such groups and that it should take the form of direct material intervention, is both misguided and likely to be inefficient. The state is active in a number of ways, most importantly through the supply of benefits directly to various Target Group members, but these interventions by local authorities appear weak, and fee reductions are not extended as often or as efficiently as they should be. Family support, by contrast, is reported as being of key importance and therefore research and policy interventions should focus upon the circumstances of what has been called here ‘family failure’.

The failure of the under-educated (Target Groups 2 and 3) to generate asset levels common amongst their neighbours, and the likely trend towards reduction in landholding as social differentiation occurs, suggests that these two Groups, who make up the great majority of the rural vulnerable according to the definition in this survey, will as time passes face increasing difficulties in maintaining their relative position. The low impact of vulnerability may therefore only be true in the short-term.

On the whole, isolated old people have per capita income levels, and other indicators of welfare, that are sufficient to set them at ‘average’ standards of living. They enjoy on average high levels of state allowances. On the other hand, orphans’ households show welfare levels that are well below the average. They do not receive significant levels of state allowances. This may be an area where change in state policy may improve the situation.

The survey under-sampled orphans’ families, who turn out to be the Group suffering the greatest welfare losses compared with average rural households. A rather high proportion have female heads and most orphans live with their grandparents. This suggests that the carers in these households may be multiply stressed, leading to another example of ‘family failure’. We strongly recommend more research in this area, to assist in the design of policy interventions that will support, not the orphans themselves directly, but those responsible for them.

One of the expectations of the survey was that these Vulnerable Groups would be facing severe problems. As this has not been reported by the survey, further refinement of the concept is needed. This could focus upon the notion of the capacity of the environment facing the rural population and the extent to which it helps people to improve their welfare. Here issues such as market access would be of interest and importance. The concepts of 'family failure' and 'community failure' need investigating in the context of traditional Vietnamese culture and values. Why do these institutions sometimes fail to do what the society expects of them?

Finally, the survey suggests that there are important sub-Groups within the six Target Groups. These often suffer far larger welfare losses than the average member of the Target Group. There is a need to carry the analysis further in order to investigate these sub-Groups and assess their situation. This would refine understanding of the implications of vulnerability and assist policy-makers to develop better interventions. It would generate ways of developing better operational definitions of Target Groups deserving of government and community attention.

Glossary

Agency	Any individual or social organisation (formal or informal) that takes action to offset what they see as the likely consequences of the perceived vulnerability of an individual
Carer	One of more of the people in a household whose function is to provide care for others - such as invalids, children, old people ... 'Multiple stress' can occur when the carer is themselves a member of a vulnerable group.
Civil society	Western term, typically used to refer to social activities beyond the state and usually understood as autonomous, often in an absolute sense, from the state. Often hard to apply in many Vietnamese contexts where the absolute aspects of the term translate with difficulty
Family failure	Inability of a family to carry out its normal functions, for example, in support of a vulnerable individual
Governance	Various activities carried out by government in leading to social 'order'
Intervention	Actions taken by an agency to offset what they see as the likely consequences of the perceived vulnerability of an individual
Multipally disadvantaged	An individual who belongs to more than one Target Group
Multipally stressed	A household where carers are themselves members of Target Groups
Order	One of the possible consequences of good governance, in Vietnamese, perhaps translated as 'tì nh thể'.
Target Group	One of the groups of vulnerable individuals studied in the survey reported here
Under educated	Individuals with low levels of education, as defined in the survey and reported here
Vulnerable	A. Broad meaning - the inability of an individual, for certain specified reasons, to exploit opportunities presented by society for their self-betterment B. Narrow meaning - membership of one or more of the Target Groups defined in the survey and reported here

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I. INTRODUCTION

A. The survey and the parallel study of government policy

The emergence of the Vietnamese market economy in 1989-90 marked the start of a period of rapid growth, at around 8-9% annually. The nature of the socioeconomic development that accompanied this growth rapidly became the object of concern and then research. On the whole, the rural areas have not benefited to the same extent as urban regions. The rural population remains poor, with average incomes around the US\$ 150 per capita level.¹ This is far below the average incomes experienced by the populations of Hanoi and Ho Chi Minh City. It reflects a development process that has permitted employment creation and capital accumulation to largely bypass the rural areas. As a result, most farmers are still poor. Against this background, it is natural and correct to feel great concern for those members of the rural population who are even less able than their neighbours to participate in the growth of the market economy.

As a result of the changing economic environment, questions were asked: Was the process of development fair and equitable? Were some social groups benefiting whilst others were suffering? What was happening to the weak, if the strong could be seen to be exploiting the new opportunities open to them? How should one think about the different impact upon various groups - what *categories* should be used to analyse rural society? Above all, for those who clearly did experience difficulties, what solutions existed to support them, and help them, either to escape from their plight or to ease the pain implied by it?

Many organisations working in Vietnam have been concerned with the situation facing the poor and the weak. These include Vietnamese government and social organisations, poor communities themselves, local authorities and members of the aid community. In 1996, discussion between two of these led to a decision to carry out two related research projects to attempt to illuminate the situation facing those who appeared likely to be unable to exploit the opportunities presented to them, and who risked suffering as a result. With financial and other support from the Swedish

¹ The survey reports average net incomes of 1.6 million dong per capita (see Table 5.1).

International Development Authority (SIDA) in Hanoi, the Institute of Labour Science and Social Affairs (ILSSA) at the Ministry of Labour, Invalids and Social Affairs (MOLISA) committed itself to implementing two studies. The first, *Report: An Analysis of the Impact of Policies upon 'Vulnerable Groups in Rural Vietnam'*, would examine *existing government policies aimed at supporting vulnerable groups in rural areas*;² the second, which is reported here, would *survey the socioeconomic conditions of vulnerable groups in rural areas*. This second report is based upon a nation-wide stratified sample survey. The information it contains permits an examination of:

- The incidence of Vulnerable Groups in rural Vietnam
- The pattern of incidence of vulnerable groups by geographical location, communal circumstance and other variables of interest
- The effects upon household welfare of having members who are vulnerable.
- The existence, on the ground, of interventions by the state and other agencies such as local communities, kin, local authorities.
- The impact of these interventions upon household welfare and the relative importance of each type of agency, including government

The formal objectives of the survey are as follows:

1. "To provide a scientific basis for the government of Vietnam in formulating its policies for labour and employment, and also for social policies to assist vulnerable people to become integrated into the community.
2. To provide scientific facts for improving existing social policies and labour policies where they are related to these categories of individuals.
3. By carrying out research and exchanging experiences, to improve the capability and understanding for researchers, policy-makers and for personnel implementing these policies in the localities."

² For a summary of the main implications of this report for the analysis of the survey, see Appendix A.

Thus the combination of the two reports provides a valuable opportunity to assess both the *extent* of the problem and the *reality* of government policies that aim to address the issue.

Whilst this can be simply put, in fact this presents many problems. Perhaps the most thorny is the two-sided question of ‘who addresses the problem’? That is,

- first, are we observing problems, or solutions to them?
- second, which agent or agents, possibly in combination, have taken responsibility for addressing these problems?

The thinking behind these two studies is that a core issue is the *policy impact*. This is why we refer to the various categories of vulnerable as ‘Target Groups’.

Given the problems confronting vulnerable groups, what impact is government policy having? What other agencies (families, local communities ...) are attempting to help? More fundamentally, with regard to the vulnerable members of rural society, whose problem are they? From where have solutions come? - perhaps from the individuals concerned, perhaps from their families, their communities, or through various forms of state intervention. As will be seen, material and direct support from the state through its welfare programs is a widespread fact of life in the rural areas. Yet, what impact does this have? Through the survey we attempt to gauge this.

However, it is not just ‘agencies’ that have power to influence the destiny of the vulnerable. The market economy has its own logic. The nature of the matrix of relationships that surround people has changed. This has profound implications for the ways in which they might, and do, become integrated into wider society.

The new market economy has many implications for all members of rural society in Vietnam. Markets link consumers to producers through prices and price changes, activities such as marketing, provision of information, advance of credits and attempts to organise both suppliers and purchasers so as to alter relative power in the market. Besides commodity markets, there are markets for factors of production such as land and labour. For farming households, therefore, marketisation of their environment creates for them a wide range of channels through which they can

become integrated into social activities beyond the household and its immediate environment of 'village and paddy-field'.

Participation in such channels of integration is one aspect of the increasing social division of labour that many economists have discussed. In that market economies are progressive, these processes provide positive opportunities for farming households and their members. However, for some these opportunities may be lacking, or restricted; and in other circumstances these may be simply the chance to be impoverished by the interplay of market forces - for example, the destruction by imports or new industrial producers of traditional handicrafts. The 'creative forces of destruction' often have negative as well as positive effects.

It follows that for vulnerable groups we need to examine the extent to which the increased opportunities to participate in various wide social processes affect them. Various hypotheses exist:

- Does their vulnerability tend to exclude them from opportunities? For example, do the invalided fail to engage in wage labour compared with their fit neighbours?
- Does their vulnerability expose them to greater risks as change occurs? and,
- Does their vulnerability in any way protect them, through the mechanisms they have had to create to cope with the risks facing them, leaving them better able to face the unstable environment they encounter?

The most basic notion that we use to discuss the possibility of integration into wider society is that of 'capacity'. Not all are equally capable of participation, and from this we can derive some basic ideas that are central to the analysis of rural society and the different ways in which various groups have experienced the impact of rapid economic change. Here we focus upon the notion of *vulnerability*. This study looks at the ways in which the well-being of certain well-defined categories of individuals differs from those in similar circumstances.

These categories are as follows:

Group A is defined as those ‘of working age still possessing the capacity to work’.

The three categories are:

- Group 1 - Invalids
- Group 2 - Working women who have not yet studied beyond ‘Level I’ - that is, Primary School.
- Group 3 - Young workers (14-24) who have not yet studied beyond ‘Level II’ - that is, lower secondary school.

Group B is defined as those ‘of or not of working age who lack the ability to work’. The three categories are:

- Group 4 - Invalids
- Group 5 - Old people living by themselves
- Group 6 - Young orphans

These definitions are discussed further below.

The notion of vulnerability used here is thus defined in terms of a categorisation imposed by the researchers, based on the remits of the responsibilities of their Ministry. This categorisation was used to identify certain individuals as being ‘vulnerable’, and information was then gathered about them and their situations. The results of the survey thus tell us what can be learnt based upon these preconceptions: if we define these individuals as ‘vulnerable’, then what can be learnt about them? It is quite possible that the survey could tell us that our assumptions were false, in the sense that individuals identified in this way are not, apparently, suffering from losses in welfare compared with others. It is only in this way that the survey adds to our understanding of what is meant by ‘vulnerable’: when applied in any general thinking about rural society, the notion of ‘vulnerable’ lacks a clear meaning. This survey helps reduce this lack of clarity, but it does so by assuming that there is a problem and then seeing whether that assumption is reasonable or not.

However, these assumptions are based upon other sources of information. The survey was structured so as to collect data on households containing individuals who fell into one or more of the six defined categories, which were assumed, as we have said, to be potentially 'vulnerable'. It is worth noting that the definition of 'household' is that of the population registration system. This has various implications, for example, that the members of the household are not necessarily family members. Usually, they are, however. In fact, these categories define individuals who appear to have been, for various reasons, *disadvantaged* in the current socioeconomic conditions of the rural areas. Because of their physical disabilities, their low levels of education, their gender, their age or their lack of living parents they seem to be less well placed than others. These attributes have made them more vulnerable than others. This survey permits us to examine the consequences of these characteristics in terms of various outcomes. We can assess the degree to which these groups suffer loss of welfare under Vietnamese conditions. Welfare can be defined in various ways, and we do so. We can also examine the effects of various policies and other measures taken by families, local communities and others. This raises a number of questions:

- How should welfare be defined? Income, spending, assets ... are all possible options.
- Individual welfare in this survey is largely understood to be measured by per capita welfare, measured in a variety of ways. This is an inevitable outcome of the limitations upon assessing individual welfare under Vietnamese social conditions, as almost all people live in and through households, with whom they share a wide range of assets and opportunities. What effect does this have upon the picture we get of the effects of the various forms of 'vulnerability' as defined in the survey?

Once we have assessed welfare, we ask whether their vulnerability has or has not been offset by activities by the agencies mentioned above - the individuals themselves, their families, communities etc. This raises a number of questions:

- The 'ownership' of the problems facing these vulnerable people. Which agencies' actions affect welfare?

- What are the causes of welfare differences?

Both of these issues require detailed discussion.

B. Causes of welfare differences

There are two important points to be made here:

First, the welfare of an individual cannot be gauged objectively. Any proposed criterion can be challenged for its relativity. Welfare can only be proxied. This has to be done by variables chosen by a researcher, and the results can be discussed with the individual concerned. However we can never be entirely sure that odd results may not arise.³ In this survey we tend to assume that the welfare of an individual is the same as the per capita welfare of their household. The two measures that we use are the household's per capita incomes, and their per capita spending. We supplement these with other measures, but we largely rely upon these.

Second, it is not hard to argue that the causes of an individual's welfare are extremely complex. Welfare, however measured, is the outcome of a great range of decisions and circumstances. Who can ignore the role played by the unknown? Of fate? of decisions taken by local leaders many years ago during the period of collectivisation? Of the workings of local and international markets? In the discussion below we will be presenting various ideas as to how interventions or actions by different agencies may have led to the welfare outcomes we observe. We will also discuss the impact of different environments, especially the development of markets. Yet there is a high degree of uncertainty in this, which has to be stated early on.

Variation in welfare between households also reflects household composition, and *where the household is in its reproductive cycle*. The Russian scholar Chayanov is often referred to in discussions of this,⁴ although there are many other theories of household formation and change. Young couples seek to find ways of accumulating assets and productive capacity so that they can provide for their children before the children themselves become active contributors to household income. This tends to

³ See Robert Chambers' paper cited in ADUKI Poverty in Vietnam ... SIDA 1995 - translated by NXB Chí nh trị Quốc gia, Hà nội, 1996. A rural community argued strongly against the conclusions of an outside researcher, which were that their welfare levels had declined. They based their opinion on the elimination of various forms of exploitation by landlords ... which had declined, offsetting, as far they were concerned, falls in other areas.

⁴ Đào Thế Tuấn, Kinh tế hộ nông dân, NXB Chí nh trị Quốc gia, Hà nội, 1997 (Family Economy), provides a clear exposition of these matters, which draw heavily upon the ideas of earlier scholars such

push up the per capita incomes when smaller households are surveyed. Anybody who has discussed household strategies with household decision makers is aware of the importance to them of time and gender issues, as well as the relationship the parents and their children have, and expect to have, with others - both kin of various types and other sources of support. Here we will examine the structure of Target Group members' households in terms of such variables as age, gender and occupation.

C. A core issue - whose problem? From whom solutions?

An issue of great importance regarding the treatment of the vulnerable is that of the 'ownership' of the problem, and so the responsibility for finding and implementing a solution or solutions.

The data provides information on various types of 'intervention', both by the state, local communities and families.⁵ These show the range of interventions available to a society responding to the opportunities created by the shift away from the old centrally-planned system, within which the state, and the agricultural cooperatives, were meant to be the main source of social initiatives. At that time, households and local communities lacked resources to support those seen as being both in need and deserving of assistance. Now, with the new economic system and with political change towards greater democratisation, Vietnamese society possesses a wider range of options. Whilst a recognisable 'civil society' might only as yet be emerging, in the range of measures taken to address these social problems we can see the diversity of response that is made possible by the market economy.⁶

This diversity corresponds to a situation where notions of 'governance' start to become important to policy debates. What are the sources of 'order' in Vietnamese rural society?⁷ How do these influence the structures and resources that are brought to

as Chayanov. For an accessible and readable discussion of the relationship between reproduction relations and the wider sphere ('production relations') see Alexander Robertson, *Beyond the Family*.

⁵ Đào Thế Tuấn, op. cit. pp 189 et seq provides a very interesting discussion of the effects of reductions in community sentiment in some rural areas upon development trends. He concludes that market development accompanies a reduction in collective capacity.

⁶ The concept of civil society ('Xã hội dân sự') is not widely used in Vietnam. For a valuable discussion, also relevant to the research here because it uses this concept to examine the nature of modern rural society, see Phan Đại Doãn, *Quản lý nông thôn nước ta hiện nay - một số vấn đề và giải pháp*, NXB Chính trị Quốc gia, Hà nội 1996 (*Managing rural society in our country - problems and solutions*).

⁷ Đào Thế Tuấn, op cit.

bear upon problems facing the vulnerable? Should the state, following traditional thinking, take responsibility for addressing these issues? Can national social priorities, in situations where the state either lacks resources or seeks alternative means of influencing outcomes, be met through other channels? What are the implied requirements placed upon formal community structures such as the communal People's Committees and the Mass Organisations? To what extent do other local community structures exist that can be used to meet similar goals more effectively and perhaps efficiently? To a certain extent these opportunities can be explored through this survey. The expectation is that a wide range of measures can be and are taken by local communities and households to address issues arising from the vulnerable state of many individuals. Also, the traditional view of the need for the state to take responsibility may be modified as the measures taken are seen to be somewhat inefficient. Thus, as indirect channels come to be examined, so the notion of 'governance' is explored and the term used more effectively to redefine the management role of the Vietnamese state.

This approach permits us to examine the possibilities for improving the efficiency and effectiveness of intervention - which agencies are better at doing this? It may be, for example, that after the decline of the old system of cooperatives, households once again took on various support functions that the cooperatives had previously been responsible for. However, experience may now be suggesting that some form of collective action is more efficient than the household. For instance:

- care for ill old people - this (we will see) tends to be the responsibility of immediate family members, leading to difficulties for the elderly when they are ill if there is nobody in their family who can help them. The family 'fails'.
- dealing with situations where a minority of a category of 'vulnerable' receive very large social benefits from the state, which, when they have large incomes of their own, leads to the possibility of unwanted outcomes as there is a stress upon a group already receiving major benefits, whilst poorer people receive no benefits at all. The solution, 'means testing', is one that many welfare systems grapple with. Vietnam, for historical reasons, has many 'policy families' (such as the parents of war dead) who receive considerable support from the state.

- certain categories of the vulnerable appear to be ‘invisible’ to the normal agencies that support the disadvantaged - one example seems to be that of certain sub-groups within the overall category of ‘Orphans’.
- in some instances, the vulnerable feel that the local community does not provide them with the support they need; these can be called examples of ‘community failure’, which may be related to the ‘statisation’ of popular organisations and their separation from people’s sentiments and feelings towards the vulnerable.

The discussions in the March 1998 workshop suggested that in Vietnamese policy discussions there are two rather different conceptions of what can be meant by ‘vulnerable’. One, focussing upon state activities, understood ‘vulnerable’ to mean ‘deserving of assistance’. The other, which is what is behind this survey, is one that sees ‘vulnerability’ as the possibility, rather than the actuality, of welfare loss. This second view therefore looks at interventions and tries to see what impact they may have. In this context the weakness of community efforts will be seen to be one of the most striking results of the survey, pointing to a need to examine the factors explaining why traditional cultural values are not expressed in the practical terms that many analysts would have expected.

II. THE SURVEY

A. Definitions

The survey makes a clear and straightforward categorisation of vulnerability. It defines this in terms of the attributes *of individuals*. Thus the survey does not explore vulnerability *per se*. Instead, it examines the implications for individuals, households and communes, in terms of the data collected, of the six categories given above. It is important to realise that the choice of categories reflects the concerns of the main clients of the study, that is, Vietnamese policy-makers under the Ministry of Labour. Thus we see a basic distinction made between those with, and those without, the *capacity to work*. This is the essential difference between Group A and Group B. Within the logic of the data collection process of the survey, the capacity to work is understood as essentially individual; it is therefore viewed as independent of the social and household context (which of course in reality it is not), as households and communities can and do adjust their activities to find ways of using ‘productively’ those of their members who would in normal situations be unable to work. One can think, for example, of simple tasks being devised and provided for those with physical disabilities.

The questionnaire defines these six categorisations as being ‘individuals meeting difficulties’. These questions are asked with regard to household membership characteristics, consistent with the Survey’s adoption of the household as its basic unit of data gathering.

Group A is defined as those ‘of working age still possessing the capacity to work’. The three categories are:

- Group 1 - Invalids
- Group 2 - Working women who have not yet studied beyond ‘Level I’ - that is, Primary School.
- Group 3 - Young workers (14-24) who have not yet studied ‘Level II’ - that is, lower secondary school.

Group B is defined as those ‘of or not of working age who lack the ability to work’. The three categories are:

- Group 4 - Invalids
- Group 5 - Old people living by themselves⁸
- Group 6 - Young orphans.⁹

The survey asks questions about the general situation of the household. In its final section, it asks questions of a single individual member of the household categorised as vulnerable in the above way. It is therefore in essence a *household* survey: the basic unit that is sampled and surveyed is the household, not the individual.

There is a creative tension in the way in which the six different Groups, all categorised as vulnerable, are understood. Individuals, it should be stressed, can be placed in these Groups through their definition in concrete terms to which interviewees could make simple yes or no responses. However, they combine both the reality of loss or relative welfare with the risk of that happening: these people may *either* suffer welfare losses when we survey them *or* be likely to be impoverished *should they meet new difficulties*. A combination is of course also possible. Yet we do not know, before the survey is carried out, precisely what conditions place people at risk. Thus the survey does not, and cannot, examine ‘vulnerability’ in general. It simply starts from the quite reasonable assumption that individuals in certain categories are *likely* to be at risk, and then examines their situation. But this poses a need for some rather subtle analysis, for what the survey measures is *outcomes*. If their welfare is not different from the average under similar conditions, through actions taken by their households, their communities or even themselves, then they will not appear to be suffering as a result of their vulnerable state. Thus, to analyse the situation, we will need to look at the effects of different interventions upon welfare loss. That is, to examine the ways in which various actions taken by particular

⁸ By this is meant - “men over 60 or women over 55 living alone or with one other with nobody else”.

⁹ By this is meant - “children under 15 living alone, with others ‘as a favour’ (õ nhõ) or as a live-in employee for the following reasons:

- both parents are dead, or, if one survives they have set up a new household and moved;
- the child is not accepted by father or mother and has been abandoned”

communities, households and state policies offset the risk of welfare loss implied by the vulnerability state of the people concerned.

Part of this creative tension can be seen in the rather different meanings of the two English words ‘vulnerable’ and ‘disadvantaged’. Here the distinction is between risk and actual outcomes, both influenced by the origins of offsetting actions: the individual, the household, the community and the state. For some, these terms imply an absolute lack of access to resources. For others, they imply a relative inability to confront difficulties, *which may be offset by deliberate action*. For example, a child who is physically weak may, through exercise, not only acquire a strong body, but also learn application and discipline that enhance their capacity to succeed in life. And that application and discipline may, in effect, be seen as an outside ‘intervention’ (from parents, the local community, the school). Of course, for many poor and weak people such things do not happen. However, at the core of this problem of definition is the issue of *response to adversity*. This might logically lead to outcomes that are not, in terms of welfare loss, very different from those of others who do not face such problems.

It follows that when we refer to ‘loss’ we need to be clear about two different things:

- loss relative to those individuals or households whose circumstances are similar;
- loss relative to what the individual might have enjoyed had their situation (in terms of physical capacity, for example) been different.

The survey essentially only permits an answer to the first question; however, we should be as interested in answers to the second.

Because of the important *regional* variation in Vietnam, the survey was based upon a regional sampling framework. Here it is important for the reader to realise that the basis for the regional aspect of the survey is not the socio-economic regions familiar from many other reports and used by the GSO for its regional statistics. This survey characterises the location of communes according to each of two dimensions:

First, ‘North’ , ‘Central’ and ‘South’ Vietnam.

Second, 'Mountain', 'Delta'¹⁰ and 'Coastal'.

This is explained more fully in Appendix C. However, it should be noted here that since South Vietnam has no Mountain regions, the survey contains no communes in that category. There are therefore eight regional characteristics. As will be seen, household welfare varies more according to this than it does according to whether the household has Target Group members or not.

¹⁰ Note that the survey includes the upland regions, which contain wet rice paddy fields, in the category of 'delta'.

B. The data creation process

Three sets of data were created from the survey.

- Data on living and other conditions, and the incidence of individuals in the six categories above, for a sample of communes.
- Data on living and other conditions for households with one or more members in the six categories above, with data on one individual in one of the six categories for each household.
- Matching data on living and other conditions for households in the same communes as those above, but without a member in one of the six Target Group categories.

To these were added structured interviews with officials in local bodies. The questionnaires used (in English translation) can be found in Appendix D. They were put through a number of drafts and also field tested before the survey was undertaken. Appendix C explains in detail the steps taken to create the sample, which sought to cover both the main geographical regions of Vietnam (Delta, Coastal and Mountain) as well as the North, Centre and South, with their important climatic and other variations.

The survey is essentially aimed at sampling and interviewing households. Individuals were accessed through their households. The incidence of Target Group individuals is based upon data gathered at and through the household level. This was decided upon as it offered the most effective way of obtaining information.¹¹

¹¹ The main reason for adopting a survey methodology within which the household was the basic unit of sampling was because of the overwhelming role played by the household in rural society. Most indicators of individual welfare, for example, have to be proxied by taking per capita household measures. The main disadvantage was that, since the selection of particular individuals was as a result not structured, some information gathered could not be used in the statistical analysis. For example, that relating to the non-Target members of Target Group households (ie data for non-Target Group members of the households that were part of the 80% of households surveyed who had Target Group members could not be used to calculate estimates of indicators relating to the non-Target - 'ordinary' - population). This was because the basic unit of sampling was the household, not the individual, so we do not know how these particular individuals were chosen for inclusion in the survey.

It can be seen that the six vulnerable groups can be viewed as being made up of various sub-Groups. There is the division into those with and those without the capacity to work (Groups 'A' and 'B'). There are the two categories of invalided: Target Groups 1 and 4, with the former of working age and still possessing the capacity to work and the latter either heavily invalided and so unable to work or outside working age. There are the two categories of under-educated - Groups 2 and 3, with the former made up of the more heavily under-educated, but only women, and the latter all young workers who have not finished secondary school. And finally there are the two Target Groups that arguably share a lack of 'normal' family structure within the household - the 'isolated old people' (Group 5) and the orphans (Group 6).

C. Basic data

1. Extent of the survey and of vulnerability

The survey carried out interviews in 120 communes. For non-Target Group households, 1172 individuals were interviewed, and for Target Group households, 4813. 80% of the households within each region were Target Group households. One individual from a vulnerable ('Target') Group was interviewed from each household. For 110 communes, we also have commune-level data. On average, a rural commune contains 80 Target individuals in 50 households.

a) *National Incidence*

The following text presents various generalisations from the statistical survey. Their reliability varies according to the size of the sample, and in some places the sample is rather small, so that the likely error is greater. The reader should be aware of this and read with some caution. It is important to stress that it is the proportions that are the key result of the survey rather than the absolute numbers. The numbers are based upon the Survey's own internal definitions, such as 'rural', which differed from those in other sources, such as the census.

The survey shows that around 19% of the rural population of Vietnam belongs to a vulnerable group. This means around 8.4 million people, since the survey implies a rural population according to the definition in the survey of 44.1 million (see Table 2.1).

Table 2.1 shows that it is *under-education* that is the most significant contributor to the categories of vulnerability. Groups 2 and 3 by far the most numerous - with 6.5 million, over 85% of all vulnerable individuals are in these two categories. They amount to nearly 15% of the rural population. Group 3 is slightly the more numerous at 3.8 million compared with 2.7 million for Group 2. The two Groups with 'abnormal' household structures - old people (Group 5) and orphans (Group 6) total just under 1 million, around 9% of vulnerable group members and 2% of the population. Group 5 members total 600,000, 1.4% of the rural population; Group 6, with 122,000, is 0.3 % of the population. Invalids are the most numerous, with those lacking the capacity to work (Group 4 - 688,000, 1.6% of the population) slightly

more numerous than the other Group (Group 1 - 504,000, 1.1% of the population). Groups 1 and 4 together total almost 1.2 million.¹²

In terms of incidence, 'vulnerability' is therefore primarily one of under-education, secondarily one of illness/invalidity and old age and finally one of orphans with no capacity to work.

In addition to this data, the survey also reveals the incidence of 'multipally disadvantaged' - those vulnerable group members who belong to more than one category of vulnerable, of which there are around 1 million. Table 2.5 presents data on this. They are mainly in Group 3, where there is a significant number of women who are also in Group 2 - this is hardly surprising.¹³ In addition, there are significant numbers of the disabled who cannot work (Group 4) who are under-educated (around 8% of the vulnerable individuals). Some 7% of isolated old people (Group 5) are Group 4 disabled and some 9% of orphans are either also isolated aged or under-educated.¹⁴ It should be stressed that this 'multiple disadvantage' is quite separate from the 'multiple stress' that impacts upon carers in households that are over-burdened, for example where the head is old, one or more of the children is an orphan etc.

As we can see from Table 5.6, the households of the multipally vulnerable are not significantly suffering from welfare loss compared with the other Target households. Their per capita incomes average 1.2 million dong a year compared with 1.3 million dong for all Target households. This is mainly because the main site of multiple vulnerability is the overlap between Groups 2 and 3, whose circumstances are not very different.

b) Regional incidence

There are important regional differences in the incidence of vulnerability. The most important are: first, that the under-educated (Groups 2 and 3) are relatively

¹² It should be stressed that due to the fact that the survey is household based this data refers to the incidence of Target Group households, and that the population data for individuals is derived from that. Thus the percentages rather than the absolute figures are more indicative of the true situation.

¹³ Some women in Group 2, who have not studied beyond Level I, are naturally going to be included in Group 3, young workers who have not studied beyond Level II. The data here is unweighted

¹⁴ Again note that the data here is unweighted.

concentrated in the Mountain and Southern zones; second, that invalids of both Groups 1 and 4 are relatively concentrated in the Northern Delta and Central Delta and Coastal zones (with rather few in the Southern Delta); and third, that the Mountain zones have a relatively low concentration of isolated old people and orphans (Groups 5 and 6).

Table 2.2 shows the distribution of the rural population and target population implied by the survey. Of the 44.1 million, nearly three quarters are in the Delta regions, with 8 million in the Mountains and nearly 4 million in the Coastal zones. Across these zones are spread the 8.4 million vulnerable group members, making up in total just over 19% of the population, as we have seen. Regionally, the total incidence is at its highest at just around 33% in the Coastal South, with the Delta South having the second highest rate at 29%. The least vulnerable areas are the Northern Delta and Coastal zones, with rates of near 9% and 7% respectively. These figures are shown in Table 2.3.

It is interesting that this pattern is quite different from that usually attributed to climate, where risks are greatest (resulting from typhoons and other natural calamities) in the North, especially in the Coastal regions, and least in the South. As we will see from the data below, the population of the Southern Delta tends to have far lower levels of investment in housing. However, what we may be seeing is the *consequences* of social adaptation to risk, with a more risky natural environment leading to greater household investment in human capital (eg education, support for the old and the orphaned) and also greater community involvement.

There is also variation in the composition of households with Target Group members. Table 2.4 shows that the number of Target Group members per household varies from a peak of 2.4 in the Delta South zone to a low of 1.6 in the Northern Delta zone. On average, such households have 2.0 members who are vulnerable - predominantly under-educated children.

If we examine the regional pattern of incidence according to different Target Groups, we find certain patterns. These are moderated, in their effects upon the national picture, by the unequal distribution of population between the various zones.

According to the survey, the incidence of invalidity (taking Groups 1 and 4 together) varies by a factor of over three times, between the highest rate of 3.7% of the population in the Central Coasts, which is near to the second highest of 3.5% in the Central Mountains, and the lowest rates of 1.0% and 1.3% seen in the Northern and Southern Coastal zones respectively (see Table 2.3). Thus whilst invalidity may appear to be mainly a problem facing the Central and Coastal zones, this hides the very wide variation between the Central and other Coastal zones.

Looked at regionally, there is not very much difference between the pattern of incidence of Groups 1 and 4. However, whilst viewed nationally Group 4 is larger, and this is true for most zones, it is not true for the Southern Coastal zone, where the very low numbers of Group 4 invalidated mean that there are more Group 1 people.

The incidence of under-educated (that is, of Groups 2 and 3 taken together) also varies greatly between regions, by a factor of over four times (see Table 2.3). It is at its highest in the Southern Coastal zones, at nearly 29% of the rural population, and at its lowest in the Northern Delta and Coastal zones, at just over 5%. If the latter zones had the same incidence as the Southern Coasts, there would be an additional 3 million people in this category. The South as a whole shows very high levels, as do the Mountain zones. Throughout the country the incidence of Group 3 vulnerability is usually between 1.5 and 3.0 percentage points above that of Group 2 vulnerability. The two are clearly closely related, which is not surprising.

The isolated old people, like the orphans, also show substantial variation regionally, but less than for the other Target Groups. For the old, the zone with the highest incidence, the Central Deltas, where some 1.9% of the population are in this category, compares with the Coastal North, with only 0.3% - a ratio of nearly six times. The zones with the highest incidence of isolated old people are the Central and Southern Deltas and the Central Coast, with around 1.7 to 1.9% of the population in this category. This regional pattern is slightly different for that for orphans. The zone with the highest incidence is the Central Coast, with 1.1% of the population, some nine times above that with the lowest incidence, which is again the North Coast. However, other zones with high incidences of isolated old people, such as the Central and Southern Deltas, have only average incidences of orphans.

Conclusions. There is substantial regional variation in the incidence of vulnerability, both in general and for the individual Target Groups. The relatively high numbers of the under-educated tends to ‘swamp’ the data.

2. The outcomes of vulnerability

a) *Conclusions from the data: the situation of vulnerable groups as a whole*

In terms of outcomes, the broad conclusion reached from the survey is that, in general, vulnerability is correlated with significant but not very large welfare losses. The rural population is shown by the survey to remain poor and close to subsistence. Average per capita incomes were around \$145 a year for all households, and \$120 for those with Target Group members (see below for dong values).

The survey reports data on two definitions of income. The first - net income - includes calculated values of output in kind as well as deducting various inputs (see Appendix B). The second, cash income - tells more about a household’s potential for economic growth in a market economy, by looking at cash incomes.

According to the survey, average per capita household net income (see above and Appendix B for definition) is 1.7 million dong for the household population that does not have Target Group members. It also implies an average per capita household income for all households (ie including the 19% of the population that are Target Group members with the non-Target households) of 1.6 million dong (see Table 5.1).¹⁵ Target Group households have average per capita incomes of 1.3 million dong. Per capita incomes of 1.3 million dong are not typically seen as ‘low’ by most of those who survey the rural areas.¹⁶ The result is statistically significant, as can be seen from the 95% confidence intervals. *On average the survey shows that Target Group members’ net incomes are 21% below those of non-Target households.*

A ‘loss’ of around 20% is not very great. It suggests that vulnerability, of itself, does not lead to major welfare losses. The findings do not suggest that there is a major problem of ‘vulnerability’ requiring immediate and substantial response. Statistically

¹⁵ This figure is rather higher than that reported by other Surveys. See Appendix B for a discussion of the method used to calculate household incomes.

however, this difference is significant and therefore requires analysis and explanation. As we shall see, different Target Groups do present problems, as do sub-Groups within them.

The survey shows that on average vulnerable group members live in households with per capita incomes between 1.3 and 1.4 million dong a year - the distribution of per capita income in Graph 5.1 shows that the variation in income of households with Target Group members is smaller than that of the households without Target members. Graph 5.2 showing the distribution of per capita income for each Target Group indicates that it is the elderly who are much better off and the orphans households are struggling..

The differences in the distribution of per capita income between the Target and non Target households suggests the hypothesis that the processes of differentiation that ordinarily accompany accumulation are relatively absent from the Target Group households. On the whole, Target Group households are failing to 'get on the ladder', whether as young, highly accumulatory households with none or few children, or as the richer more successful households that the market economy has allowed to emerge. They are also succeeding, though, in not 'falling off the ladder', pointing to a certain robustness in their livelihood strategies.

Cash incomes show a similar pattern. Non-Target households have average per capita cash incomes of 1.3 million dong compared with 1.0 million dong for Target households and 1.2 million for all households. Again, the variation of incomes is far higher for non-Target households. *Cash incomes of Target Groups are on average 24% below those of non-Target Groups.*

It is important to note that the data on incomes refers to average per capita incomes in households. This implies that what we are seeing is that households containing members who belong to vulnerable groups do not suffer major income losses as a result. In turn, this argues that *it is the household that is the main support to vulnerable groups.* Table 5.7 shows that, apart from the aged, vulnerable group

¹⁶ For example, definitions of 'poverty' are usually around US \$ 100 level - around 1.1 million dong.

members who live alone or in very small households suffer major welfare losses. This is discussed further in the next section.

A further indicator of current welfare levels is expenditure data. This confirms the overall result suggested by the income data - there is not a great variation in welfare, this time proxied by per capita spending. The differences are less than for the incomes measures. For Target Group members, per capita spending is 1,250,000 dong a year, compared with 1,490,000 for non-Target households. On average per capita spending is therefore about 13% less than that of non-Target Groups. Variation between Target Groups is very low (see below).

Access to two sorts of productive assets show the extent to which these Groups differ from the general population. Table 5.4 gives data on land and water surface held,¹⁷ and Table 5.5 information on per capita capital stock.

On average, Target Group members possess 1,000 sq meters of land and water surface compared with 1,200 sq meters for non-Target Groups. The difference, of around 200 sq meters, is about the same as for land and water used - 270 sq meters. If households who do not have land of their own are excluded,¹⁸ the gap stays the same, at around 200 to 200 sq meters. *On average, Target Group households' per capita land use is around 22% lower than for non-Target Groups.*

Table 5.5 shows data on capital assets. Capital assets are defined to include fixed assets as well as various cash holdings. Here we can see major differences between the Target Groups and the non-Target population. When all are included, the rural population is shown by the survey to have capital assets of 2.3 million dong per capita. For non-Target Groups, the average is 2.8 million dong; for Target Groups, 1.5 million. There is great variation between different Target Groups, however (see below). *Target Group households have per capita capital stocks around 50% below that of non-Target households.*

¹⁷ Note that this differs from land used, as we have excluded rented and borrowed land, and included land rented or lent out.

¹⁸ According to Vietnamese Law, land ownership is retained by the state; landholders, however - that is, those who have land use right certificates, have formal legal rights to dispose of these beneficially. There are frequent examples of land transfer that is outside the Law.

The survey also collected data on other assets. Tables on this data are presented in Section 4 of Appendix E. These show a similar picture to the income and spending data. Table 4.3 shows that 67% of non-Target households have permanent houses, whereas only 52% of Target households do. An only marginally lower proportion of Target households (96%) live in houses owned by them when compared with non-Target households (97%). 70% of non-Target households have electricity compared with only 59% of Target households - rather a large difference. Water access is also inferior (see Table 4.6), with 66% of non-Target households using a drilled well compared with 64% of non-Targets. 54% of non-Target households have a toilet in the house, compared with 43% of Target households. House area averages 59 sq metres for non-Target households, over 4 sq meters more than Target households.¹⁹

Across a wide range of consumer items Target Group households have lower holdings than the rest of the population: for example, whilst only 5% of the non-Target households do not have a bed or wardrobe, 10% of Target households do; 52% of non-Target households have a radio cassette compared with 38% of Target households; 34% have electric fans compared with 52%; 57% have bicycles compared with 76%; 16% have motorcycles compared with 7%; 21% have a black and white TV compared with 17%; and whilst 82% of non-Target households have a thermos flask, 70% of Target households do.

These results suggest a picture similar to that derived from the income and spending statistics, of a significantly lower level of welfare, but by no means a general impoverishment of the vulnerable groups.

Conclusions. The analysis shows that the main difference between the vulnerable and the general population is not in their current incomes, spending, land access or other assets, but in their non-land capital stock. This implies that welfare gaps, currently around 10% if measured by per capita spending, may be set to widen, as incomes from the higher capital stocks are used to generate profits that are reinvested rather than used for higher spending.

¹⁹ This average is brought down by the 31 sq meters of old people's houses, which implies for those people, whose household sizes are far smaller, a far higher per capita area.

This result implies, as a broad conclusion, that vulnerability itself is not a major factor in causing hardship. This suggests in turn that interventions offset its consequences, or that the underlying assumption of the survey - that membership of these six Target Groups should pose problems - is false, or a mixture of the two. This result is extremely interesting. It should be compared with the general conclusion reached by the parallel ILSSA Report that government interventions are on the whole inadequate and inefficient.²⁰ Two immediate hypotheses about interventions - if they are important - are that either government activities are more significant than is assumed, or that other agencies' interventions are offsetting the effects of vulnerability. We look at information related to these issues below.

This result also implies that it may be useful to think in terms of the consequences of vulnerability as being most visible in terms of a lack of accumulated 'capital' in the wider sense, including both education and working assets. We can also note that in Vietnam during the 1990s, land holdings are on the whole not so much the result of family efforts but rather the results of policies of the government - they are not the result of family accumulation strategies. The fundamental question that follows from this is why these families fail to actively make investments in human and fixed capital. One possible line of inquiry is that they are more 'risk-averse'.²¹ As we shall see, they tend to have a lower level of engagement in cash crop production and a higher participation in wage labour, which supports this idea that they are 'risk averse'.

The concern expressed by experts with a deep knowledge of the situation 'on the ground' may be that these households are getting 'stuck' at lower income levels, thus posing problems for the future. Granted that a very high proportion of the Target Group members are in Groups 2 or 3 - the under-educated - this may be the direction in which to look.

In the next section we look at the circumstances of particular Target Groups in greater detail. These general conclusions will be qualified by a more detailed look at certain Groups. Whilst the survey shows that vulnerable groups on the whole do not

²⁰ See Appendix A for a summary of that report's main findings and implications for the present study.

²¹ This suggestion comes from Denise Hare.

suffer major welfare losses, this, we will see, is not true when we look either at particular types of vulnerability or at sub-Groups within individual vulnerable groups. This leads us to deepen and elaborate our conclusions.

b) Variation between Groups at a national level

When looked at nationally, the main conclusion from the survey is that whilst the invalided and the orphans do suffer major welfare loss, the aged and the under-educated do not to anything like the same extent.

The data on net incomes shows a more worrying variation between Target Groups than that between vulnerable groups as a whole and the general population. See Charts 5.1 and 5.2 and Table 5.1.

Target Group 6 - the orphan households - is worst off, with average per capita net incomes of 1.0 million dong, 38 % below the average for non-Target households. The heavily or outside working age invalided - Group 4 - is nearly as badly off, with incomes at 1.1 million dong, followed by the invalided who can work - Group 1 - at 1.2 million dong. The best off is Target Group 5, the so-called 'isolated aged' whose per capita net incomes, at 1.5 million dong, are not statistically different from those of the population as a whole. The numerically dominant Groups 2 and 3 have very similar incomes, around 1.3 million dong, which are around 17% lower than those for the population as a whole - a statistically significant result.

The variation within Target Groups is also interesting. The numerically dominant under-educated show incomes distributions implying that most households have similar incomes levels . On the other hand the aged (Group 5) and the orphans (Group 6) show a wide variation, with significant numbers of rather poor and rather rich. It is also interesting to note that both invalided Groups have net incomes that are not statistically different from each other (see Table 5.1).

Cash incomes tell a similar story (see Table 5.2). The invalided and the orphans (Groups 1, 4 and 6) all have the lowest incomes, with similar levels around 800,000 dong a year compared with the population average of 1.2 million: that is, an implied welfare 'loss' of some 35%. The cash incomes of the aged are higher, at 1.3 million,

than those of the general population, but this is not statistically significant. We can note that old households in Target Group 5 are probably more reliant upon cash incomes than production compared with most other households. Again, it is the numerically dominant under-educated who push down the average for Target Groups as a whole, with cash incomes that are very similar and about 23% lower than the average for the population - this is statistically significant.

Within the Groups, we need again to ask whether there are sub-Groups who do not enjoy the various interventions that, arguably, are preventing their disadvantages and vulnerability from affecting welfare. A similar pattern emerges from the data on cash incomes as it does for net incomes. Table 5.1 shows that whilst the standard error of all Target Groups' per capita cash incomes is 21, it is far higher for Groups 5 and 6 - in these Groups there are more individuals whose per capita incomes are far away from the average. For Group 1 it is also rather high. This suggests that there may be sub-Groups where interventions 'fail'. We will examine this later. Note, though, that the two under-educated Groups (2 and 3) show the lowest standard errors.

Per capita spending shows far less variation. Table 5.3 shows that whilst non-Target households average 1.5 million dong a year, and all Target households 1.2, individual Target Groups range from a maximum of 1.26 (Group 2, very close to Group 3) to a minimum of 1.12 for Group 4 (the invalided without working capacity). Thus the 'spread' is only 9%.

The variation in asset holdings between the various Groups is considerable. Table 5.4 shows this. Note first that the numerically dominant under-educated Groups (2 and 3) have the highest access to land, and that this does not reflect any major difference between land used and land owned. At around 1,100 sq meters per capita, these households have land access very similar to that for the population as a whole. Note that both slightly *increase* their land access when allowance is made for land they do not possess - they are net acquirers of land through the emergent land market. This is the same pattern as for non-Target households.

Compared with the under-educated, invalids and orphan households have far lower land access, at around 850 sq meters for the invalids and 800 for orphans. The Group

1 invalided are net acquirers of land through the land market, with Group 4 invalided households net losers. This suggests that like the aged, who rent or otherwise let out an average of 400 sq meters of their gross average holdings of 900 sq meters, their relative physical incapacity encourages them to use capital instead of labour. It is interesting that orphan households have low land access and also tend to rent out part of their land, though far less than the aged. As we will see, this is probably part of a pattern where orphans often live with relatives who have stable cash incomes, probably as state employees or pensioners.

The capital stock data in Table 5.5 shows a somewhat similar pattern. The two under-educated Groups have the highest asset levels amongst Target Groups, very close to each other at around 1.6 million dong, but far lower than the non-Target average of 2.8 million dong. Again, the invalided Groups have similar asset levels (around 1.25 million dong) but, unlike in the case of land holdings, these are somewhat higher than those for the old people, whose capital stock is reported at 1.0 million dong. Since the capital stock reported here is that used for production and business, this may reflect the desire of old households to invest for income rather than for business, and also a preference for land investments. Finally, and again supporting the gathering sense that orphans' households have their own strategies reflected in their low asset holdings, Target Group 6 has the lowest result of all the Target Groups, at 880,000 dong some 70% below the non-Target Group average. Here it is perhaps worth recalling that whilst the asset data may reveal what appears to be a severe disadvantage, the various welfare indicators, especially spending and net incomes, do not do so to quite the same extent. As was pointed out above, the meaning of this data should be considered in the context of the families' situations and as the outcomes of a variety of factors, including interventions and choices made by a number of agencies.

Other assets. Whilst the exact significance of variation in other asset holdings between the different Target Groups is hard to assess, it is suggestive that there are important differences. These may be the result of correlations with other variables (see Tables 4.3 through 4.9). For example, temporary housing is a general characteristic of rural households in the Southern Delta zone. This may explain why such a low percentage of Group 2 households have permanent houses (44% compared with 52%

for all Target households), for in that region educational levels are very low. However, Group 3 households have a higher level, at 54%. Neither of these figures are very far from the average. However, it is striking that old people and orphans have low proportions of houses that are permanent (40% and 47% respectively). Whilst it is worth remarking, as in many other cases, that these numbers are not very low, given the generally better picture shown by other welfare indicators, this may imply that there are sub-Groups facing particularly severe difficulties. House status shows that most Target Groups own their houses, like the general population. The exception is the old people, where only 86% do. This general result is similar to that on land holdings and spending, suggesting that basic welfare - 'necessities' - has a rather flat distribution. This conclusion is supported by the information on food deficit strategies (see below).

Other indicators of welfare based upon other assets include - access to electricity, water source, toilet status, house area and consumer durables (see Tables 4.5 to 4.9). It is interesting to note that *invalids* have electricity access rates well above the average for Target Group households and close to the non-Target Group average, and that more than 50% of orphans and old people have electricity. Again, there is a difference between the two under-educated Groups, with Group 2 showing lower welfare levels than Group 3 (49% of the former have electricity compared with 59% of the latter). But none of the Target Groups is very far from the average for the population. The picture from water source and toilet is dissimilar, with the orphans' households having a percentage with drilled well access that is above the population average, but again Group 2 is worse off than Group 3. Note again, though, that there are not very great differences between the various Target Groups. For indoor toilets, again Group 2 is worse off than Group 3, with orphans this time showing the lowest level of welfare on this indicator. Again, though, the variation is not great. House area per capita shows very little variation. Non Target Group households and Target Group households live in households of a similar average size of nearly 14 sq meters. Old peoples' households have significantly more than this, at 24 sq meters. Interestingly, the orphans are again different from the other vulnerable groups, with the second highest area, at 12.6 sq meters (see Table 4.8).

Consumer durables reveal interesting variations between the various Target Groups. We noted above that across all of these items the Target Groups are shown to have lower welfare levels than non-Target Groups. The data has a number of implications, as follows:

1. Invalids' households are relatively well off. The proportions possessing these items are rather close to the average except for 'high value' items such as motorcycles and colour televisions. One can speculate that these households choose to buy fans to help with invalids' lack of mobility, and they show proportions with this item that are in fact well above the average for Target Group households.

2. Comparing the two under-educated Groups, Group 2 is once again shown to be less well-off than Group 3, showing lower incidences of almost all consumer durables items, with the exception of motorcycles, which are however only possessed by a small percentage of households - around 8%.

3. The old people's households show a mixed set of patterns. Their very low holdings of items such as radios and televisions may reflect a tendency to enjoy such items with neighbours and relatives. However, they also show a rather low incidence of electric fans. Very few of them possess bicycles or motorcycles. Only 50% of them possess thermos flasks compared with an average of around 70%.

4. Orphans' households have a high incidence of necessities, such as beds, radio cassettes and thermos flasks, and a low incidence of 'high value' durables such as electric fans.

Borrowing for food. This data both reveals welfare and also starts to tell us something about strategies. Other indicators also tell us about both sides of the equation, such as the structure of land holdings (ie the balance between land owned and land rented), and also land access status (ie the extent to which land held is well titled²²). We will deal with these indicators later. However, unreliability of food access can be seen as a major factor bearing on welfare, and so will be discussed here.

²² There was a concern that loss of land access could occur through failure to ensure that the head of the household was the person defined in the land use right certificate as the head of the landholding household. The agency of landholding is typically the household not the individual, with the head of the household signing as such.

On average, as for other welfare indicators, Target Groups show lower welfare levels than others. Thus (see Table 4.10) whilst 75% of non-Target households report not borrowing for food, 58% of Target households do. 17% of Target Group households report borrowing for food for three months or more, compared with 8% of non-Target households. We can note that another interpretation of the data is that around 45% of Target Group households are borrowing to obtain food, and *that only 2% of Target Group households are able to avoid doing so as a result of support from the community or relatives.*

Within the Target Groups, there is some variation, but apart from the orphans it is not very great. Invalids tend to borrow more than the under-educated, and Group 2 under-educated again seem to be worse off than Group 3, but not greatly. The old people tend to borrow rather more than others, and over 11% get support from friends or community instead of borrowing. Orphans' households show a very high percentage borrowing for food (57% compared with 25% for non-Target households), with 15% reporting eating low-grade staples compared with only 6% of non-Target households and with a high proportion - 7% - reporting support from friends or community. However, these numbers tend to suggest the existence of a sub-Group of orphans' households that face considerable problems.

Conclusions Whilst vulnerability may not appear to be of major impact when viewed from the point of view of the average conditions of the six Target Groups taken together, this is not the case when they are viewed individually. The main reason for this is that the great majority of the vulnerable in this survey are in Target Groups 2 and 3 - the under-educated who make up some 85% of the vulnerable. *It is the relative lack of 'loss' as a consequence of their under-educated state that is most striking as far as Target Groups 2 and 3 are concerned.* A key element of this must be to do with their relatively good land access since their capital assets are well below the average.

When we look at the other four Target Groups, we find that the invalided and the orphans are suffering significant losses, but the old on average are not. However, there is probably a wide variation amongst the aged and the orphans' households. This points to the probable existence of a sub-Group within the orphans, with some facing

rather severe problems and others not suffering as much: a 'wide' distribution when the mean is already low points to severe problems for the low-welfare 'tail'. It is striking that invalids' land access is well below that of the under-educated, without the evidence for 'letting-out' of land that can be found for the aged. These aspects of the nature of vulnerability will be analysed in greater detail below, with a focus upon individual Target Groups rather than upon 'vulnerability' in the sense of all Target Groups.

Since Vietnam is a country that exhibits considerable regional variation, the next section will look at how the situation facing Target Groups varies throughout different geographical zones.

c) Regional variation and the multiply vulnerable

The main conclusion from the survey is that regional variations are significant. Table 5.12 shows how per capita net incomes for Target and non-Target households vary regionally. For the rural population as a whole (that is, including non-Target and Target households), they are highest in the Southern Delta communes, at 2.4 million dong, and lowest in those situated in the Northern Mountains - 1.1 million dong and Central Delta - 1.2 million dong. For Target households, the same pattern is shown, with per capita incomes highest in the Southern Delta communes, at 2.2 million dong, and lowest in the Northern Mountains - 1.0 million dong - and Central Deltas - 1.0 million dong. Comparing the Northern and Central Mountain zones, we find that incomes are far higher for the general population in the latter (1.8 million dong compared with 1.1 million dong), and the Target Groups show the same pattern - 1.5 million dong compared with 1.0 million dong).

Regional aggregate per capita spending for each Target Group, as well as outlays on food and on community contributions, can be seen in Tables 5.14 to 5.16. Various conclusions can be drawn from this data.

When comparing regional variation for Target Groups as a whole, that is for all six Groups together, we see that there are major differences. Per capita spending in the South Coastal zone is reported as being nearly 20% higher than for non-Target Groups; whilst in the Southern Delta spending is less than 75% of non-Target Group

outlays per capita. In the two Mountain zones, spending is roughly comparable and in all others it is about 15-20% lower. There are large variations in per capita spending between regions, with non-Target Groups spending the most - 2.4 million dong - in the Southern Delta zone, and the least - 1.06 million - in the Northern Mountains. We can note that it is the reported very high level of spending by Target Group 2 households in the Southern Coastal zone that is pushing up the Target Group total for that region. At 2.2 million, granted the high incidence of this Group, this figure is very high and we cannot be sure why this is so.

If we examine Table 5.17, giving the variation in Target Group per capita spending expressed as a percentage of non-Target Group spending for each zone, we can see that the overall pattern is roughly stable. That is, there is not on the whole very much deviation from the average Target Group position vis-a-vis non-Target Groups. Most Target Groups are within a few percentage points of the average for all Target Groups. If we take 15% as a 'cut-off', then this suggests that -

- Target Group 1 experiences per capita spending levels close to the average for Target Groups, but has had a very low relative level of spending in one zone - the Southern Delta .
- Target Group 2 is also close to the average, but has low per capita spending levels in the Southern Delta and rather high per capita spending levels in the Southern Coastal zone.
- Target Group 3 is also close to the average, but has a relatively low per capita spending level in the Southern Delta zone.
- Target Group 4 is close to the average in all zones apart from the Coastal South, where spending is very high and the Southern Delta, where spending is very low.
- Target Group 5, old people, has per capita spending levels close to the average in most zones, but has very high spending in the Northern Mountain zone, and very low spending in the Southern Coastal zone.
- Target Group 6 has per capita spending levels that are very low in three zones - Central Mountains, Northern Delta and Southern Delta.

Comparisons of various indicators of welfare for the *multipally vulnerable* are particularly interesting (see Table 5.6). Whilst their per capita income is 27% lower than the average for non-Target households, they have more land and water surface. However, as for nearly all categories, their asset holdings are far less (see below).

3. Household size and household composition

Household size data derived from the survey can be found in Table 4.1. This also shows the average number of non-Target workers per household. We can see that Target and non-Target Groups are on average of the same size, with around 4.7 members. The exceptions are the numerically rather insignificant Group 5 households (the aged), which are far smaller, with an average of 1.4 members, and the orphans' households, with 4.4 members. We can also note that there is, as elsewhere, a difference between the two under educated Groups, with Group 2 households having slightly fewer non-Target workers. Also, orphans' households have significantly less non-Target workers, at 0.8. *Orphans' households tend to have well above average dependency ratios, suggesting that they are in some sense specialising in caring for non-workers, or from another perspective burdened with them: the carers within them risk becoming 'multipally stressed'*. We can note that invalids' households are not very different from other Target households in this area.

Table 5.7 and Charts 5.3 to 5.5 show the distribution of income by household size for Target and non-Target Group households. Taking into account the Chaynovian perspective discussed above, this throws light upon the possibility that Target households tend to be 'stuck' at middle levels of income, not participating in the processes of accumulation and investment that will equip them for effective transitions between different stages in the natural lifecycle of farming households. A possible key here is the level of per capita incomes for the smaller, usually younger households early in their life-cycles. If this is unusually low then that implies that these households are failing to make the investments required for household farming units, and which are marked for the mass of the population by falling per capita incomes as household size rises (see Chart 5.5). It is striking that this failure seems to be reflected both in low levels of capital assets and in human capital. They have land due to their social position as members of their villagers, rather than as a result of

their own endeavours. Household size also appears to increase for the same reasons. What is striking is that the arrival of children - the increase in the size of the household - does not lead to any major fall in per capita net incomes.

If we compare the variation in per capita net income with household size for all Target and non-Target households, we see that *it is the per capita income of the smaller households that shows a difference between the two*. Whilst per capita incomes are roughly similar for households of five and above, below that size the non-Target households have far higher per capita incomes and thus capacity for savings. For some household sizes above 5 (close to the average household size - see above), Target households in fact have higher per capita incomes. To put it in an oversimplified manner, they can increase their size, but they cannot accumulate. This may matter more in the future, but as yet the survey suggests that it as yet does not have much impact.

This pattern is true for invalids (Groups 1 and 4) and also for the under-educated (Groups 2 and 3). Again, however, we can see a difference between the two under-educated Groups. For Group 2, households with working women with uncompleted primary school education, per capita net incomes is very low at very small household size, implying a sub-Group of small households that are rather poor. Thereafter the per capita distribution is very flat. For Group 3, households with young workers without a completed secondary school education, the per capita income distribution is very similar to that for non-Target households, but without the high per capita incomes in the small households. Group 5, the aged, has very few households with more than 2 members. It is perhaps interesting that there is no real difference in the per capita incomes of old households with one and with two members; as we will see, most are living with a spouse, and living alone does not imply any significant change in net incomes. This suggests, since life expectancy for women is greater than for men, that the transfer of assets away from old people on death occurs in such a way as to stabilise incomes of the surviving partner. Otherwise, one would expect, since these old people's incomes are in fact rather high and based upon rather well-structured incomes sources (see below), that the incomes of single person households would be different from those of two-person households.

Orphans' households again show a different pattern. The per capita incomes of small households in this category are very low; they tend to rise as household size increases, which is a different pattern from others. This suggests that these households have a fundamentally different structure from others. One hypothesis may be that a rather high proportion of incomes are from wage earnings, so that the need to accumulate at early stages in the life-cycle is lower. Another is that there is a sub-Group of (often small) Target Group 6 households that faces particularly severe problems.

D. Conclusions

Whilst there are important numbers of individuals in the various vulnerable categories, they do not appear to suffer major losses in welfare. On average, there is no 'crisis'. However, this is no reason for inaction as they are still suffering significant welfare losses. This suggests that various interventions are occurring, but that they are insufficient. Certain Target Groups, and sub-Groups within them, are facing severe problems. Of particular interest here are the orphans' households (Target Group 6).

Examination of the differences between Target Groups suggests the following:

1. The vulnerable rural population is, numerically, dominated by the under-educated. These households tend to have lower per capita incomes, particularly when their households are small and thus probably early in their life-cycles. This may reflect situations where younger couples are unable to accumulate, or prevented from accumulating assets before they have many children - this shows up in the data on asset holdings. Households with Target Group 2 members tend to be worse off than those with Target Group 3 members.

2. Invalids tend to enjoy welfare levels that are not very much below the population average. These are measured through their household, using such indicators as per capita incomes. This gives a picture of their being supported by their membership of households that do not suffer greatly from their presence.

3. Old people are doing, on average, rather well. There are indications that this is based upon their ability to access resources at low cost and to their benefit, such as renting out land and obtaining community and kin support in obtaining access to food.

4. Orphans' households show systematic differences from others across a wide range of indicators. Their welfare levels are low on average, and widely varied, so that there is probably a significant sub-Group suffering real hardship. This may be due to problems in generating effective livelihood strategies and it is striking that their per capita income levels at small household sizes are low. This suggests that the decisions about where the children should go and who they should be with lead to rather different household strategies from the average. We will discuss this further below. There is some suggestion that this may involve income generation that depends less upon the typical activities of the rural community, such as farming, and more upon others, presumably wage labour. Lack of opportunities in this area, for those burdened perhaps unexpectedly with the need to care for young orphans, may be at the root of these difficulties.

The main conclusion to be reached from the survey, however, is that Target Group households' welfare levels are lower than the average, but not greatly so, and *that there are indications of various active and on the whole beneficial strategies that have been put in place to cope with their members 'vulnerability'*. These strategies have on the whole been successful. Orphans may be the most noteworthy exception to this generalisation in terms of the current situation.

But welfare is, or should be, also a lifetime concept, and a major question mark hangs over the numerically dominant under-educated Target Groups 2 and 3, whose ability to accumulate non-human capital appears to be, like their accumulation of human capital in the form of educated children, weak. The consequences of this seem at present not to be great in terms of current welfare. Whether these decisions are based upon a view that human capital is not important we can assess through examination of the responses to other questions in the survey. This we do below. The broad conclusion that the isolated aged and the invalids are doing relatively well, is however, to be welcomed, bearing in mind the realities of war and its effects, both

upon those who fight them and the parents whom they would be expected, given Vietnamese traditional culture, to look after when old.

III. WHAT TO DO? WHAT HAS BEEN DONE? VULNERABILITY AS A NATIONAL AND COMMUNITY ISSUE

A. Questions asked at a national level

1. Incidence.

As we have seen, the vulnerable groups surveyed here amount to some 19% of the rural population. However, they are not the poorest people in the countryside, viewed on average. Definitions of poverty range from per capita incomes of 0.6 million to 1.1 million (“Poverty alleviation in Viet Nam: strategies for accelerating progress”, UNDP-UNICEF-UNPF 1995:10). The average per capita incomes of the households containing vulnerable groups are, as surveyed in 1996, 1.3 million dong, with average per capita spending at 1.2 million dong.²³ This tends to confirm the conclusion of the previous section - for the vulnerable groups as a whole, welfare losses as we observe them are not great. They exist, but they are not very large. *Vulnerability, as defined here should therefore not be seen as a cause of poverty.* Member of these Groups are not, on the whole, poor people as the term is usually understood in research on rural Vietnam. This should not obscure the fact, however, that their incomes are very low, and increasingly far lower than much of the urban population.

2. Overview of poverty studies

There have been a number of important studies of poverty in Vietnam. These have been based upon a number of sources. They tend to conclude that the origins of poverty, and the state of poverty itself, are multi-fold and diverse. In terms of the present study, they are useful because they point to the main causes of low welfare in general. It is apparent that these are not exactly the same as the vulnerability criteria used here.

Earlier surveys, mainly funded without external assistance, stressed more qualitative measures and assessments. For example, reporting a 1990 survey, Nguyễn Sinh (*Sù ph^on h^aa gi^u ngh^l o ò n[«]ng th[«]n Vi^õt nam - Differentiation of rich and poor in Vietnam*, Tạp chí Cộng Sản 9/92) found three types of poor households. In general, he defined poor households as those with low and unstable incomes with food

deficits lasting for 3-5 months a year. They totalled about 10% of the rural population.

These three groups were as follows:

1. The majority, who were short of capital and labour and had enjoyed access to resources and incomes under the old cooperativised system to which they were no longer entitled.
2. A second group, basically lazy, possibly addicted to drugs.
3. A third group, mainly composed of minorities on poor land, such as the Khmer in the Mekong Delta (Nguyễn Sinh 1992:49).

These are quite different categories from the six Target Groups of this study.

By 1992, the Policy and Management Department of the Ministry of Agriculture was reporting the results of another survey (Nguyễn văn Tiêm, Giàu nghèo ở trong nông thôn hiện nay - Rich and poor in the rural areas at present, NXB Nông Nghiệp, Ban Chính sách và quản lý, Bộ nông nghiệp và công nghiệp thực phẩm, 1993), where the causes of poverty were said to be:

1. Shortage of capital
2. Short of experience in making a living
3. Short of work
4. Short of land
5. Too many dependents and short of workers

Apart from this, the survey reported a range of other causes, such as: *natural disasters, disease, and fire*. These covered only a small proportion of the rural poor (Nguyễn văn Tiêm 1993:39-41).

By 1994, and the Vietnam Living Standards survey, overseas methodologies and research interests can be seen. The World Bank (World Bank 1994) pointed to the following characteristics of the poor:

²³ See Appendix B for details of the calculation of household income.

1. Household composition - poorer households tended to be larger, with more children under 15 and fewer elderly over 60. But the differences were not very great.
2. Literacy and schooling - again, differences were not very large at low levels of educational attainment, but are far higher once years in education of more than 5 are being considered. Here also poorer households revealed far less attention to female education (World Bank 1994:17).

The analysis in the UNDP/UNICEF/UNPF 1995 study started to examine the effects of vulnerability. In examining the reasons for poverty it stressed such issues as:

1. Isolation, both physical and intellectual, in terms of lack of knowledge and education.
2. Risks and bad luck.²⁴ Mention is made of - natural disasters, illnesses, livestock risks and price risks.

It is this rather later study that starts to pose questions similar to those asked here. The ADUKI Poverty Study (ADUKI/SIDA, Poverty in Vietnam, 1995, translated by NXB Chí nh trị Quốc gia, 1996) argued that quantification of poverty was not without its disadvantages, in that it encouraged a lack of attention to various social factors that could be argued to be pushing down poor people's living standards.

3. Conclusions

It is important to accept that the Target Groups studied here have not been identified in most of the main poverty studies as elements of the rural poor. As we shall see below, their income and spending levels are on average well above those reported by commune leaders as being those of the members of the local population who are poor or hungry. First, however, let us look at some general characteristics of these rural communities.

²⁴ To quote (p. 13) - "Poor households are often those who have experienced bad luck. This could be a result of something random occurring to their household that pulled them into poverty. Often, it is due to the fact that they are poor already, and are unable to save up or otherwise prepare for misfortune, they have not reserves left to deal with it. This vulnerability to risk is one of the factors keeping them in poverty. Risk takes on many forms including natural disasters, sickness, loss of livestock due to diseases or even fluctuating prices".

B. Livelihood and context

1. Livelihoods and welfare

This section will look at the situation from the commune level. This allows us to put the welfare and livelihood strategies of the vulnerable groups into better perspective.

Livelihood remains largely based upon agriculture. Table 3.14 shows that the percentage of households in communes that are purely agricultural varies from a maximum of 94% in the Northern Mountains to 57% in the Southern Coastal regions. As we have seen, the latter zone has often seemed different from the others in the relative welfare of certain Target Groups. The relative abundance of non-agricultural activities may explain this. In general, Southern communities are more diverse. Even in the Southern Delta communities, some 31% of households are not purely agricultural, compared with 22% in the Northern Delta. Table 3.5 shows that the percentage of communes having traditional occupations is highest in the Northern Delta and the Central Coastal zones. Handicrafts, service activities and construction activities are all most evident in the Northern Delta zone (Tables 3.28 to 3.30).

The different demographic processes occurring in the regions can be seen in the wide variation in the reported proportion of the population that is of working age (see Table 3.11). This varies from its highest levels of 49% in the fast-growing population of the Southern Delta zone and 46% in the Northern Delta, to lowest levels of 38 and 39% in the Central Mountain and Delta zones and 40% in the Southern Coastal zone.²⁵ Table 3.12 shows the variation in the working age female population proportion by region. This is again at its lowest in the Southern Coastal zone.

Welfare. The communities surveyed reported average monthly per capita incomes of 120,000 (1.4 million dong a year). These are lower than the 1.7 million dong we calculate based upon the survey data. This is not surprising. Two reasons are that the commune data is based upon commune officials' impressions rather than those of households (who pay taxes based upon their output). Also, the basis for calculating

²⁵ Note again that the Southern Coastal zone is different from both other Coastal zones and other Southern zones.

income in the survey is more detailed and will therefore tend to 'prompt' inclusion of incomes otherwise omitted. It also includes a systematic valuation of that part of output that the household produces and then consumes itself.²⁶

Food. Vietnam is a country that imported food until the beginning of the 1990s. Nutritional problems are part of the life experience of large parts of the population, especially in the North. Yet despite the relative success of the Vietnamese food sector in production terms, these communities report high incidences of hunger. Table 3.13 shows data on this. According to the commune survey, some 75% of those in poverty nationwide were also reported as being hungry (see Table 3.15). This ratio was at its highest in the Southern zones (over 90%) and at its lowest in the Mountains, both Northern and Central.

Poverty. The commune leaders interviewed reported on the incidence of poverty and 'good' living standards amongst their households (see Tables 3.15 and 3.17). This data is somewhat subjective, but it suggests that poverty is perceived as being most prevalent in the Mountains and Central Deltas, and less of a problem in the Northern Coast zone. On the other hand, the highest reported incidences of the well-off are in the Northern Coastal and the Southern Delta zones. The Southern Coastal and Northern Delta zones have the highest reported incidences of 'Normal' living standards, at around 55%. Note that this suggests that around half the population are felt to be either poor or well-off, so that *from the commune leaderships' perspective*, social differentiation amongst the general population is already well-advanced. Around half of the population is either poor or well-off - not seen as 'average'. This contrasts with the data from the household Surveys, which shows that differentiation amongst the mass of Target Group households is in fact rather low - this, it can be recalled, largely reflects the low level of differentiation amongst Groups 2 and 3, the numerically dominant under-educated Groups.

The commune survey reports that the average per capita incomes of those 'in poverty' are around 600,000 a year (see Table 3.8) and that of households in hunger is around 300,00 dong a year (Table 3.9) - note that the data in these tables is monthly incomes). This implies that the vulnerable groups we are Surveying are not on average

²⁶ See Appendix B for details of the way in which income was calculated.

viewed as being amongst those in poverty - their income and spending levels are far higher than this. We can note in passing that the variation in poverty income levels is not very great between regions - it is reported highest in the Southern Delta zone, at 850,000 dong a year, and lowest in the Northern Coastal zone, at 500,000 dong a year.

Social differentiation based upon perceived living standards can be gauged by looking at the proportion of households who are reported by commune leaders as not having 'normal' living standards. This is at its highest in the Northern Mountains, where 55% of households have either 'good' or 'poor' living standards. It is at its lowest in the Southern Coastal regions, where only 37% of households are either 'good' or 'poor' (see Table 3.15). Throughout the country, however, rural communities leaders reported that roughly half of the population was neither well-off nor poor. Welfare distribution can therefore be expected to be rather flat, with a relatively egalitarian situation. However, extremes are there to be seen.

2. Interventions

As we have seen, vulnerable groups are part of a rural population that is itself on average poor and close to subsistence. Within these communities, the vulnerable of the various Target Groups show responses of various kinds to their situation. One is through their receipt of attention from agencies of various types.

The parallel Report (see Appendix A) examines the various interventions driven by official policy. At commune level, the survey supplies information about the realities of these programmes on the ground. Table 3.21 shows, for example, the extent of fee reduction for various categories. Around 50% of communes have done this for such important categories as wounded soldiers, with lower proportions (nearer 35-40%) for invalids and the orphans. Payment of permanent allowances to Target Group members are very rare (see Table 3.23), with an average of 7 isolated elderly (21,000 dong a month), 2 orphan children (17,000 dong a month) and 7 disabled (14,000 dong). Table 3.24 gives data on one-off and special payments. Again, we can see that these are infrequent and small. The data is unreliable here as there are many missing values. Table 3.27 shows that communes rarely provide direct help to the lonely elderly and orphans - this data is more reliable. It tends to confirm data from the individual questionnaire - see below. This information points to a very worrying failure of

community organisations to respect traditional Vietnamese cultural values and sentiments, which certainly require that vulnerable members of the community be cared for, both materially and spiritually. This ‘community failure’ parallels the ‘family failure’ discussed elsewhere. However, it is likely that the reasons are very different, due to the not infrequent ‘statisation’ of popular organisations, which can distance them from people’s sentiments and feelings.

Communes reported a wide range of interventions from outside, as well as their own activities (see Table 3.25). 83% of communes reported assistance from the state; 61% from their own resources; 23% from NGOs and 13% from charitable individuals. The state was clearly felt to be the main source of assistance, although the amounts donated by individuals were rather high. Data from the household questionnaire confirms this, with only 6% of households reporting financial support to non-kin, but with an average amount of 1.4 million dong in the past 12 months for those doing so.

Apart from the purely humanitarian interventions, there are also a wide range of lending programs active in these communes. Table 3.20 gives information on the percentages of households in communes receiving loans. Lending reported here is dominated by the Bank for the Poor and the Agriculture Bank. However, no more than around 20% of households are involved in these activities, on average and according to commune leaders. *This suggests that the formal credit market is weakly developed.*

Conclusions. Interventions by local authorities appear weak, and fee reductions are not extended as often as they should be but the state is active in a number of ways, most importantly through the supply of benefits directly to various Target Group members. Informal community support clearly exists, such as through food loans and family support is extremely important. Local ‘informal’ social organisations are not apparent in their effects upon vulnerable group members, but this may be a problem of survey design. However, as we shall see below, they are probably not of great significance. The key interventions thus appear to be:

1. Self help, through the build-up of assets and adjustment of income structure
2. Social benefits, from the state

3. Household support, partly through access to a share of household income and consumption and partly through access to land and other productive assets held by the household.

In general, there is little evidence that community organisations such as the Women's Union and other mass organisations are providing the emotional and material support that traditional Vietnamese values and sentiments would require. There is a 'community failure'.

3. Markets, development

About one third of these communes are reported as being 'near' to provincial towns (Table 3.3). Amongst Coastal zone communes, around one third are reported as being 'near' to tourist resorts (none of these were in the Southern Coastal zone). Few saw themselves as having 'other' economic advantages, apart from about one third of those in the Central Coastal zone (Table 3.6). The extent of market development is shown up in the income structure of the people surveyed, which we discuss in the next section.

4. Income structure

This section is based upon household level data. This shows that income structure varies greatly between Target Groups and income structure is probably the clearest indicator of their different livelihood strategies.

Table 5.8 shows the proportions of total net income coming from different sources for each Group. We can see already how this rural population has diversified away from agriculture and other primary sectors - on average, only 44 % of total income comes from agriculture, animal husbandry, fishing and forestry. 24% comes from services, 18% from employment incomes and 14% from the 'other' category, which includes social benefits, remittances, pensions and rental incomes. We will see that these ratios change to reflect the changing capacity of the household.

Target Group 5 has the clearest income structure: these old households have a very low proportion of their income coming from direct economic activity. Primary production generates only 22% of their incomes, services 7% and employment 2%.

This is replaced by 69% coming from 'other incomes', sources, which as we have seen are large enough to maintain rather high average income levels.

Target Group 6, the orphan households with their high dependency ratios, shifts income away from primary production (40%) and services (11%) and towards employment and 'other incomes'. In these households, often with 'multipally stressed' carers, employment incomes probably offset this by freeing time for caring activities in the home. These are more greatly needed, as the dependency ratios are higher, and also because the household heads are often old, and therefore probably physically weak. Although this probably reduces cash incomes, driving down material welfare, it may reflect a rational choice: increased care time may enhance non-material welfare. Additional state cash benefits to carers rather than the orphans would ease the material costs of these efforts, which respect traditional Vietnam values and sentiments.

If we examine the invalid households (Groups 1 and 4) we see that the invalided who can work (Group 1) are in fact more reliant upon primary production than the average - 51% of total incomes. They have shifted from services, as employment is roughly the same share of total income as for the population average. Their access to social benefits may help to explain a small increase in the proportion of incomes coming from 'other incomes' (see below). At root, these households are simply poorer and less diversified than others, and it is a general improvement in the position of the rural population through economic growth that will likely have the biggest effect upon their material welfare. Group 4, the non-working invalided, show by contrast a substantial increase (to 29%) in the share of incomes coming from 'other incomes', a lower proportion coming from services and a lower percentage coming from primary production. We can recall that Group 4 households had net incomes of 1.1 million dong a year, compared with 1.2 million dong for Group 1. This implies that lower incomes from primary production and services are being only partly offset by higher 'other' incomes. But the response to the reduction in labour resources and increased costs can be seen in a shift in income structure.

The under-educated households (Groups 2 and 3) differ from the average mainly in the lower share coming from 'other incomes'. The latter reflects their lack of capital and thus earnings from that source. They thus have a higher share of earnings coming

from primary production, and, interestingly, a higher proportion from employment. These households can thus be characterised as ‘capital poor’ but ‘labour rich’ households, and they show a capacity to increase their earnings from employment, pointing to a relative lack of problems for the household in getting wage employment. These households are more highly integrated into the labour market than non-Target households.

Table 5.10 reports the proportion of each Target Group that receives ‘other incomes’. This shows that whilst 55% of all households have access to these incomes, on average 60% of Target Groups do. Of the numerically dominant Target Groups 2 and 3 - the under-educated - 51% and 53% respectively receive ‘other incomes’ - this is very close to the average for non-Target Groups of 50%. The remaining Target Groups all report higher rates - 62% for Group 1 and 69% for Group 4; 91% for Group 5 and 76% for Group 6.

Table 5.11 shows the structure of ‘other incomes’ for the different categories of household. This shows important variation, and is analysed in greater detail below.

Conclusions. The income structure data shows a logical variation that reflects the characteristics of each household. ‘Other incomes’ are a key indicator of the ability to adapt. It is likely that some households are willing to reduce their material welfare in order to raise their non-material welfare, typically by permitting carers to spend time with the dependent members of the household.

5. Dependency

Vietnamese markets are weakly developed, and often, as in other countries, create relations of dependency. Vulnerable members of the rural population are subject to social pressures as well as to others. A few questions in the survey sought to address issues related to this. We have already examined the pattern of consumption loans - borrowing for food. This was extensive, especially for Group 6 households. A key unusual feature of the Vietnamese rural economy is the very flat land distribution. We have seen from the income data how various households (such as the old) have a tendency to increase their incomes from assets, including land, and we have seen also how land is rented in (rather than out) by the mass of the rural population. We will

also see (see below) how lack of land is not felt to be a constraint by more than around one quarter of the rural population. One should expect land concentration to increase, and land renting also. However, this is not happening under present circumstances and therefore a question was asked about whether formal land titles existed²⁷ and who held that title if it did exist. Table 4.12 presents this information. We can see that 34% of non-Target households have formal land title compared with 33% of Target households. The small gap is due to the fact that the under-educated (Groups 2 and 3) have rather high incidences of land title - 35% and 37% respectively. Whilst the invalid Target Group households have low rates, the lowest rates can be seen in the cases of the old people and orphans, where it is rather low, at only 22%. In the case of the orphans' households, this suggests that they may be subject to pressures of some sort. We can also note that whereas the general population almost always has the name of a member of the household on the land use right certificate, there is a group of around 5% of the orphan households who do not.

Table 5.4 gives data on the land holding and use patterns. The key result from this table is that all of these 'vulnerable' Groups farm their own land - at least around 95% of the land they farm is their own. Thus the main risk facing a poor rural community, loss of its main means of livelihood - land, is not a major issue for them. Even Target Group 6, which as we have seen has the weakest income structure and the lowest welfare levels, owns 95% of the land it farms. *This is therefore likely to be a socially robust rural population.*

6. Summary of issues

The Vietnamese rural population live and work in an environment where commodity, capital, land and labour markets have developed unevenly. Whilst commodity markets are well developed, land markets are not - leading to a situation where land access is relatively even and incomes - and costs - from land rental are not very high. Social differentiation is not very well advanced. Capital markets are not well developed. Social benefits from the state are significant income sources for important elements of the rural population. Income structures clearly adapt to the

²⁷ By this is meant, whether the households had been issued with the land-use right certificates as laid down in the Land Law and other legal documents of the state.

different types of vulnerability. As we will see from the concerns expressed by respondents, this leads to a situation where land access is not a major issue, but access to capital and ways of accessing commodity markets are.

IV. ADAPTATIONS AND RESPONSES TO DIFFERENT TYPES OF VULNERABILITY

A. Constraints and income structure

In examining the response to vulnerability, we will look at a variety of data. A central focus will be upon the structure of household incomes. However, since the nature of each type of vulnerability is different, we will go on to look at other indicators of response. We will also be examining respondents' answers to questions about their own feelings regarding their situation and what could be done about it. Finally, we will also report on various interventions, looked at from different perspective - the responses of commune leaders, household representatives and Target Group members directly.

1. Families' perceived constraints

Perhaps the most interesting information provided by the survey is the replies household respondents gave to a question about the difficulties they are experiencing. Variation between different Target Groups shows clearly what these different households are, and even more interestingly, are not, concerned with.

Table 4.14 presents the results of questions about perceived constraints. At an aggregate level, it is at once clear that although there are differences between Target and non-Target households, these are not very great: on the whole, vulnerable group members' households are not very different from their neighbours. Relatively speaking, Target Group households feel that they lack capital, labour and experience and the ability to transport their products to market. However, they feel less constrained by lack of production services and cultivated land, and also, although marginally so, by experience of natural disasters. The general sense of these rural households is that their main problem is shortage of capital, followed by lack of land, experience, labour and services support and natural disasters. Lack of demand for their products, problems with transportation, market competition and lack of electricity were far less important. A tentative conclusion that can be reached from this is that the key issue facing these households is how to exploit the market opportunities that they see open to them: to do so, they feel they need capital, know-how and services. This

of course also implies that they tend to have sufficient labour - if not surpluses, and that there is a lack of job opportunities for them in the rural areas.

However, when we examine the different Target Groups, their particular characteristics are immediately obvious.

Invalids (Groups 1 and 4) show a big difference between those with invalids who can still work and those with invalids who cannot. The former feel a lack of capital more acutely than a lack of labour, whilst the latter are the second highest reporters of problems with labour shortages compared with the isolated elderly. But it should be noted that between two thirds and three quarters of households with invalids do NOT report labour shortage as a problems they face: labour can be found within the household, for there is rather little hiring in of labour (see Table 4.16).

The under-educated report the lowest level of concern with lack of labour of all the Target Groups. Recalling that rather few rural households anyway are worried about labour shortages, these are not households that appear to have been under-educating their children as a result of labour deficits. As we will see, it tends to be the relative cost compared with the unclear benefit of education that is the main basis for their decisions. However, they also report a lack of experience, implying that the lack of applicability of the educational opportunities open to them is an issue - these opportunities do not sufficiently address their lack of experience.

Old people give a very different picture of their concerns. This suggests that their livelihood strategies are adapted to their particular conditions. Most strikingly, they do not report a lack of capital in anything like the same numbers as other households (26% compared with the average for non-Target households of near 80%). They report a far higher degree of concern with a lack of labour (49% compared with 20%), a very low concern with lack of experience (7% compared with 30%) and minimal concern with marketing issues, such as transportation, ability to meet demand and so on. As we will see from the income data, this picture is one where old households are often securing livelihood from investments of various kinds, as well as 'other' income sources such as pensions.

Orphan households also show a different set of worries. They refer rather often to high levels of concern over lack of experience, but are far less concerned about marketing issues. They are by far the least concerned about shortage of land (5% compared with a Target Group average of 27%). This points to the possibility that rather a high proportion of these households are wage earners (see below), or otherwise not directly involved in household-scale production activities.

2. Income structures

Graphs 5.6 and 5.7 show the overall structure of incomes for Target and Non-Target Groups. When the average structure for all Target Groups is compared with than for non-Target Groups, we can see that ‘Other Income’ (see below) contributes more for the vulnerable than for the others, with 17% compared with 10% of total net incomes. Interestingly, employment income is slightly higher, at 18% compared with 17%, suggesting that vulnerable groups are at least as well integrated into the labour market as others. They are less reliant upon agriculture but have less developed income from ‘Other services’. As we have seen, however, the different Target Groups have very different income structures.

It is the structure of ‘other incomes’ that are most interesting in examining the strategies of vulnerable groups and outsiders to their perceived situation. This is because, in addition to the ‘employment incomes’, they show how resources flow in from outside. Table 5.11 presents information on this.

B. Responses to vulnerability

1. Whose problem? Whose response?

The questionnaire asks questions about possible responses and support from a variety of agents:

- the Target Group members themselves
- their households
- their close relatives - children, grandchildren, ‘other close relatives’

- the local community
- local authorities
- government
- charitable agencies

These are simple structures, and there are certain omissions, such as emergent ‘civil society’ groups organised within villages, traditional organisations and local associations.²⁸ It should be emphasised that the category of ‘civil society’ is not well-understood in its application to Vietnam. It draws upon Western and Christian political and philosophical traditions that are foreign to Vietnam. However, it can be expected that, as Vietnamese society addresses similar issues, its application, and the use of the term in Vietnamese translation, will become more useful.

2. Invalids

a) *Group 1 - those capable of work*

The invalids we examine in this survey live almost entirely in households. Charts 4.1 and 4.2 show that only 2.2 % of Target Group 1 members live alone, and 5.5 % of Target Group 4. Going by their per capita net incomes, and other proxies for welfare, we have seen that they are not a severe burden to their households, which enjoy respectable levels of welfare. The invalided in Group 1 - who can work - felt that they were making a serious contribution to the household’s livelihood. 48% put this as ‘important’ and 34% ‘average’. Only 17% felt that their contribution was ‘unimportant’. For all members of Group A (those with the capacity to work) the average response was - ‘important’ - 56%, ‘average’ - 38% and ‘unimportant’ - 6%.

On the whole, invalids in Group 1 - still capable of work - expressed desire to increase their value on the labour market through training. Most - some 45% - argued that they were incapable of accessing a relevant course; the second reason presented was that the household’s economic conditions were too bad (25% - implying that for 75% of households with a Target Group 1 member this was not a problem), and 17%

²⁸ See Phan ĐạI Doãn’s work , already cited, on rural social structures.

replied that they did not want to study as their current work did not require training. As far as education was concerned, 30% gave no reason for not wanting to continue studies, 30% argued that they could not study as they were invalids and 26% argued that the household's economic difficulties precluded their studying.

28% of these Group 1 households report receiving regular social benefits, averaging 83,000 dong a year - around 7% of total net incomes (see Tables 5.20 and 5.9). Note that these are the per capita value of these benefits to their families, not the value of the individual's benefits. Those receiving regular social benefits have higher average per capita net incomes, at 1.29 million dong compared with 1.17 for those in Target Group 1 who do not receive regular social benefits.

Conclusions. This Group appears relatively well adapted. Its welfare, as we have seen, is not suffering greatly and these households can be well viewed as simply amongst the rural 'lower middle' stratum.

b) Group 4 - those incapable of work

Target Group 4 members are either the heavily invalided, who lack the capacity to work, or invalids outside working age. Given the heavy toll of many years of war, this Group deserve and receive considerable attention. However, Table 7.1.1 shows that only 13% of them are invalids as a result of the war. This figure includes both civilians and members of the armed services. The greatest cause of invalidity is disease and illness (42%), followed closely by congenital problems (40%). Very few (6 %) are the result of accidents.

The regional distribution of the causes of invalidity shows considerable variation in the proportion caused by war (Table 7.1.1). The highest level (22%) is in the Northern Coastal zone, followed by 17% in the Central Coast and 16% in the Central Delta. The Northern Delta zone has a rate of only 11%, less than the Central Mountains (17%) and the Southern Delta (13%). The lowest rates are found in the Northern Mountains (9%) and the Northern Delta (11%). This may reflect the effects of heavy US bombing upon the 'pan-handle' of North Central Vietnam, in provinces like Quang Tri. However, the low rates in the Northern and Southern Deltas are at face value rather surprising.

The survey provides information upon the use made by these Group 4 invalided people of medical services. They are ill less often than the elderly, but for longer (see below). They report being ill only 6 times a year, for an average of 59 days (compared with 8 episodes and 38 days for the elderly). They visit health care providers on average 1.7 times a year, which seems rather low. There is considerable variation in these indicators between regions (see Table 7.1.2a), with by far the greatest incidence of illness in the Central and Northern Delta zones, but by far the greatest numbers of visits to health care providers in the Southern Delta zone. The fewest number of visits was reported in the Northern Mountain, and the North and Central Coastal zones.

These people should, according to the official policies, have been granted reductions in health service fees at state institutions (see the parallel Report and Appendix A). However, only 27% reported receiving them. There was considerable variation in this by region (see Table 7.1.2a). In the Central Mountains, 60% enjoyed reductions; in no other zone did this ratio go above 33%. Very low rates were reported in - Southern Deltas (15%), Northern Deltas (20%), Northern Mountains (22%), Central Coasts (24%) and Southern Coasts (25%). Amongst those who did enjoy fee reductions, the main reason reported was their disability. The reasons actually quoted were: 'for being an invalid' - 53%, 'being a household in a region granted fee reductions' - 18%. Only 7% reported that the reason for being granted reductions was because they were the main relative of somebody sacrificed in the war.²⁹

25% of these households (a slightly lower percentages than Group 1) report receiving regular social benefits, averaging 100,000 dong a year - around 7% of total net incomes (see Tables 5.20 and 5.9). Those receiving regular social benefits have higher average per capita net incomes, at 1.15 million dong compared with 1.08 for those in Target Group 4 who do not receive regular social benefits.

Like other Target Groups in Group B (see below), these people were asked what their main sources of livelihood were. Nationally, only 14% replied that state benefits were very important, and for those that did so the average benefit was 138,000 dong a month - rather high, equivalent to 1.6 million dong a year. There was no major

regional variation in this, although the proportion replying that state benefits were very important was at its highest in the Central Delta zone (20%). If only a small minority reported that state benefits were 'very important', an even smaller proportion referred to any support from the local authority - 10%. 17% replied that they were capable of some degree of self-help - 4% 'very important', 4% 'important' and 9% 'not significant'. 26% felt that they got some help from relatives and friends; 12% reported some help from the community and 81% reported 'very important' assistance from household members (as well as 6% reporting 'important' and zero reporting 'insignificant' assistance from this source - the remainder recorded no reply to this question). This pattern of a dominant role for the members of the household was repeated throughout all zones, falling nowhere below 75%. Where it was relatively low the proportion referring to such help as 'important' was high.

That this assistance was greatly needed can be seen from replies to questions about the respondent's ability to look after themselves. 42% replied that they could do so independently; 3% that they needed some equipment; 32% that they received partial assistance from somebody; and 20% that were totally dependent upon another. These reports can be compared with the low percentages replying that they received support from the state or local authority.

Asked about the attention paid to them by the local authority and the local community, the responses point to widespread neglect: 86% reported no present at festivals or Tet; 86% reported no visits when ill; 87% reported no supply of health insurance books; 65% reported no reductions in contributions to the commune; 93% reported no other attention whatsoever. This points strongly to major problems of what we refer to as 'community failure', as such behaviour is inconsistent with traditional Vietnamese customs and sentiments. Regional variation in these replies can be found in Table 7.1.6.

These people's aspirations relating to support and care were limited: 18% wanted to be looked after in a special centre; 40% wanted allowances to be paid at home; 8%

²⁹ Questions were included in the survey about the presence of 'policy families' and levels of support to them; this permits an analysis of the situation facing, for example, invalided soldiers from the southern Army. These results are not presented here.

wanted allowances to be paid on time; only 6% wanted special equipment to be supplied to them; 30% could think of something else that they wanted.

Conclusions. Members of this Group rely heavily upon their immediate family for assistance. They regard the local community and local authorities, and indeed almost everybody apart from their immediate family, as rather unimportant to them: so far as they are concerned, the ‘community has failed’. A small minority receive very large social benefits, the reasons for which are not clear. However, this does not push their average incomes much higher than those of the rest of the Group, who do not. This may imply that such allowances are well-targeted, or that they are not so necessary; further research is needed.

3. The under-educated

As we have seen, the aggregate data tends to show that these two categories of vulnerable groups suffer rather low welfare losses, and also that there is little apparent difference between the more severely under-educated (the women in Group 2 who have not finished primary school) and those apparently less disadvantaged (the young workers in Group 3 who have completed only lower secondary school - the ‘high school drop-outs’).

A key question is the perceived contribution of these individuals to household income. As we have seen, amongst all Group A households (those with capacity to work), Target Group members report that around 56% of them feel that they make an “important” contribution to generating household livelihood. Amongst Group 2 members, this rises to 61%, with only 3% feeling that they are “unimportant” to the household’s income; for Group 3 members, however, 49% feel that they are “important” in generating income, and only 7% feel that they are “unimportant”. This suggests that the better-educated feel less valuable to their households. For regional data, see Table 6.12. This shows that these people very rarely feel value-less, with no region reporting more than 10% viewing their contribution as “unimportant”, except for Group 3 members in the Southern Delta and Northern and Central Coastal zones.

A key question is: why are these people, of both Groups, not participating in education?

Part of this, as we shall see, is to do with the problems that these households think they face in their production and business activities. For Groups 2 and 3 together, only 15% report feeling short of labour. 85% maintain that they are not short of labour, suggesting that their children are not usually kept back from school to work at home. This corresponds to the causes given for non-attendance that are given below, which stress the 'economic difficulties' facing the household, as well as the lack of a desire to study. It is not very different from the response of those households without Target Group members, of whom 80% report that they are not short of labour (see Table 6.14).

Asked which of a range of changes would contribute most to development of their production and business activities, only 11% of all households replied 'training' (both technical and management) - exactly the same as households with under-educated children *Households with under-educated children are thus very similar to their neighbours in the importance they attach to education in regard to improving their current situation: they all think it unimportant.*

It therefore appears as though the livelihoods of these households with under-educated (Groups 2 and 3) children do not see themselves as being negatively affected by their decisions not to educate their children. Perhaps a crucial issue here is that there is rather little participation in the labour market. For non-Target households, the average number of days worked a year is around 555, with 31 days hired in. This compares with about 580 days for households with Group 2 and 3 children, who hire in on average 10 days less a year - around 20 in total.

Members of both Groups were asked whether they were attending school. Almost all were not. The decision to abandon education appears to be a final one. Why were they not attending school?

For members of Target Group 2, answers can be found in Table 6.1. Nationally, 55% replied that the reasons were economic (the household faced economic difficulties), 15% did not want to study and 14% had to work for their family. Very few (less than 5%) replied that the school was too far or that they were too old. Regionally, this pattern varied (see Table 6.13). The percentages citing "economic

difficulties” were the main reason cited everywhere, but this varied from a low of 30% in the Southern Coastal zone to a peak of 65-66% in the Northern and Central Delta zones. “Not wanting to study” was reported by 15-25% of respondents in the Mountainous zones, and by a very high 40% in the Southern Coastal zone. In most other zones it was very low, at around 5-10%. And the need to “work for the family” showed great variation, being rather high in the Mountain North (16%), Central Delta (11%), Northern Delta (21%), Coastal North (23%), Central Coast (24%) and Southern Coast (15%). In the other zones (Central Mountains - 4% and Northern Delta - 8%) this reply was infrequent. Interestingly, the Mountain zones did not refer to the school being “too far” as the most important reason for not studying.

For members of Target Group 3, the reasons given for not attending school were very similar, with a stress nationally on economic difficulties (53%) followed as before with not wanting to study (23%) and having to work for the family (at 11%, slightly lower than for the female respondents in Group 2). Regionally, this pattern varied, as for Group 2. Again, economic difficulties predominated as the main reason cited in all zones, with a low of 38% in the Southern Coastal zone and a peak of 70% in the Central Delta zone. The Northern delta zone was close to the national average. “Not wanting to study” was reported at high levels of 35% in the Northern Delta and 29% in the Southern Coastal zone, with very low levels citing this reason only in the Central Coastal zone (10%). The need to “work for the family” was cited at high levels in the Southern Delta (20%) and the Central and Southern Coasts (21-23%), and at low levels in the Northern Delta (5%) zone. Again, the Mountain zones did not often cite distance from the school as a reason.

Questions were also asked about training, if the Target Group member had none. Amongst the under-educated working women (Group 2), 38% argued that economic difficulties prevented them from studying, 32% that there were no courses available and 23% that their current work did not require training. For the young workers without secondary education (Group 3), 45% replied that their households economic problems were the main reason, 24% that they did not want to study as their work did not require training, and 21% replied that there were no courses available.

In reply to the simple question - do you want training? - 82% of Group A Target Group members replied “no”. Within this, of Target Group 1 (the invalided who can still work) 92% replied “no” as did 91% of Target Group 2 but only 70% of Target Group 3. The better educated of the under-educated Group appear to value education more highly. If we look at the level of training they prefer, with Group A the preferred level is technical worker; Group 2 and Group 3 respondents tended to prefer technical worker (54% and 65% respectively) and short-term re-training (37% and 21%). Again, Target Group 3 members prefer a more focussed and presumably career-oriented training outcome.

Education is, as we have seen from the structure of household spending, costly (Table 5.21). This can also be seen from detailed data on educational expenses for those households with children in school or training. For all Group A households, the average yearly cost reported per child in school for their education is around 250,000 dong a year - 20 % of average per capita cash incomes. It varies greatly between regions (see Table 5.21), from a maximum of 360-370,000 dong in the Southern Delta and Northern Coastal zones, to the lowest levels of 127,000 dong which are seen in the Northern Mountains. The equivalent figure for all Target households is 200,000 dong - significantly lower - whilst for Target Groups 2 and 3 it is slightly but not significantly lower at 185,000 and 195,000 dong a year respectively. *The households with under-educated children do not spend less on their children’s education when they do decide to send them to school.*

8% of Group 2 households report receiving regular social benefits, averaging 21,000 dong a year - a minimal proportion of total net incomes (see Table 5.20). Those receiving regular social benefits have slightly lower average per capita net incomes, at 1.25 million dong compared with 1.32 for those in Target Group 2 who do not receive regular social benefits.

Just over 10% of Group 3 households report receiving regular social benefits, averaging 27,000 dong a year - a minimal proportion of total net incomes (see Table 5.20). Those receiving regular social benefits have identical per capita net incomes, at 1.34 million dong compared with 1.32 for those in Target Group 3 who do not receive regular social benefits.

Conclusions. In some ways the livelihood strategies of these households appears logical. Their current welfare levels are not suffering greatly, and they see little positive reason for study. It is expensive. It is hard to tell what impact their low asset levels will have in the future, but it seems likely to reduce their relative incomes, especially if they start to lose land. Further research could investigate the extent to which variation in the opportunities open to them, such as the level of development of the labour and other markets, tends to create a sense that earlier decisions not to educate their children might have been mistaken.

4. Old people

As we have seen from the aggregate data, whilst there is important variation within this Target Group, on the whole they do very well, with little apparent welfare loss. These are mainly old people living with a spouse or on their own (Table 7.2.1). The majority (54%) of these households are female-headed.

Their livelihood strategies are closely bound up with the conditions facing their children or grandchildren. For example, table 7.2.4 shows that 68% of these households do have surviving children or grandchildren, but that they are unable to look after their old people directly. Only 5% have surviving children or grandchildren but have no relationship with them whatsoever. Nearly one third (32%) report that they still have close relatives and only 6% maintain that they no longer have any close relatives. *The great majority of these old people therefore have some surviving relatives with whom they have some contact.*

Health is an important issue for these old people, and outlays on health services are substantial (see below). The average for all interviewed is nearly 8 episodes of illness in the previous twelve months, totalling 38 days ill in all. However, they report visiting health care providers on average only 1.6 times over that period. 30% report fee reductions. Of these, 37% attribute this to being the main relative of somebody lost during the war, 32% to some other unnamed reason and 21% to being categorised as being 'poor or hungry'. Very few replied that the fee reduction was due to being in a region enjoying such benefits, or that they were themselves invalids.

Their basic livelihood strategy (see Table 7.2.6) viewed their own efforts as being by far the most important, with 46% referring to this as being of great importance, compared with relatives (29% 'of great importance') and state benefits (27%). Support from the local authority, and the community was reported as 'of great importance' by very few old people. Also, by far the largest category reported as being 'unimportant' was support from relatives (20%). This can be put into perspective by the information that support from the state deemed to be 'of great importance' was 89,000 dong a month (1.1 million dong a year). This is equivalent to around 75% of average net income levels per capita for Group 5 households (1.5 million dong a year - see above). By contrast, 'unimportant' state benefits were reported at 24,000 dong a month (288,000 a year).

The income structure of Group 5 households shows the extent to which they are self-reliant. Within their total average per capita net incomes of around 1.5 million dong, 'other incomes' amounts to 1.0 million dong or around two thirds (Table 5.9). Of this, 300,000 dong a year comes from remittances from individuals outside the household (29%), 270,000 from regular state benefits (with another 40,000 dong a year in irregular benefits and 65,000 in pensions, totaling 37% of other incomes). Also, they get 270,000 from 'other sources' and 80,000 in rents.

It is important to realise that less than half of these households are receiving these benefits. That is, only 39% report receiving social benefits regularly; 32% report getting remittances from outside the household; but 52% report getting income from 'other sources'.

Naturally, the old people pointed to various difficulties in their lives. Table 7.2.7 reveals something of their perceptions of their situation. Housing is not a very great issue. As we saw, their average per capita housing area is around twice that of the general population. Nevertheless, some 26% referred to housing as a source of problems. 48% reported that they could not cope with looking after themselves; 83% reported poor health and 52% reported lack of a carer when they were ill. No other problems were reported. They felt that they received little attention or help from either the local authority or the local community (Table 7.2.7) - 63% reported receiving no visits or present at festival days and Tet; 91% reported that nobody was sent to help

them when ill; 80% reported that they received no health insurance book. Perhaps as a consequence of this, they were not very enthusiastic about the various suggestion presented to them in the questionnaire for possible aspirations: 87% did not want to live in an old people's home; 69% did not want their allowances to be brought to the house; 88% did not feel that allowances should be paid 'on time'; but 57% wanted to be cared for when ill.

Sub-groups. If we look only at the sub-Groups that receive social benefits, we find that (see above), there is a sub-Group of just over 39% of Target Group 5 households who report income from regular social benefits (see Table 5.18). These benefits are high, at 270,000 a year on average for all Target Group households; however, there is almost no difference between the per capita net incomes of this sub-Group and those households that do not report regular social benefits - 1.52 million dong compared with 1.54 million (see Table 5.19). Regionally, there are variations, but the sample is too small to generate much confidence in the results.

Conclusions. As we have seen, these households have on average rather high per capita incomes. These are about half the result of what they feel to be their own efforts, with another half coming from state benefits and support from relatives. They are far happier about the support they get from relatives than they are about the activities of the local community and administration - 'community failure' is more of a problem for them than 'family failure'. Their main concern appears to be being cared for when ill: not so much the cost of health care support, but finding somebody to help them. This would seem to be the main cost to them of their relative isolation. This suggests that further research should focus upon the reasons why such care is absent: is it 'family failure' or 'community failure', or the consequence of 'multiple stress' faced by those, typically younger women, who should, according to traditional Vietnamese values and sentiments, look after them?

Within this Group there may be important sub-Groups. However, there is no significant difference in net per capita incomes between those receiving regular state benefits and those who are not, although the benefits are high.

5. Orphans

The aggregate data suggests that this Group is different in various ways from the average. If we look at household structure (Table 4.15), we see that these households tend to have 40% of members under working age, of which 30% are Target Group members. With an average household size of 5.0, this means that they tend to have just under two children, with more than one likely to be an orphan. The burden of caring for orphans is met largely by their kin. As we can see from Table 7.3.1, 66% of orphans live with their grandparents, 13% with a brother or sister and 10% with some other relative.³⁰ Interestingly, around 35% of the households that look after orphans are headed by women - presumably mainly grandmothers of the children concerned. This compares with only 20% for female-headed households amongst the general population. It is worth noting that female-headed orphan households have per capita spending of 1.04 million dong, compared with 1.16 for male headed households. Lower welfare amongst the female-headed orphan households is also shown by the data on incomes, where female-headed households report per capita net incomes of 0.9 million dong compared with 1.1 million for their male-headed counterparts.

It appears possible that a significant proportion of these households are meeting major difficulties. The data on income distribution against household size suggested that *small* households are badly off, with per capita net incomes below 1 million dong a year. When household size rises, per capita income also does.

The income structure of orphan households shows a reliance upon employment incomes and other incomes, which total 47% of their total net incomes compared with 27% for non-Target Groups. Orphan families' other incomes (Table 5.8) average 22% of total incomes, a lower ratio than for households with non-working invalided (Group 4) members. It is interesting to compare these households 'other incomes' with those of the isolated elderly discussed in the previous section. These payments are far lower than for the elderly, as can be seen from Table 5.9, totalling 231,000 dong a year.

A rather high percentage (76%) of these households report various types of 'other incomes' (see Table 5.10 and Table 5.18). What is striking about this data is:

1. That near 40% of these households are receiving regular social benefits - these average, however, only around 80,000 dong a year and make up less than 10% of net incomes. This data is rather different from that which is reported in other official sources - in fact, significantly lower. The reliability of this conclusion is low, reflecting the small size of the sample, but is still the basic result of the survey.
2. That very few of these households receive incomes from individuals outside the household: they are far more 'on their own' than the old people discussed above. 7% of households receive incomes of this type compared with over 30% of old people.
3. Over 40% of these households report receiving incomes from 'other sources' and these average about as much as the social benefits.

If we look at the sub-Group receiving regular social benefits (38.5 % of households), we find that their per capita net incomes average 0.90 million dong a year, compared with 1.1 million for those who do not receive benefits.

Conclusions: This Target Group is the most intriguing of all, from an analytical perspective. More work is needed, but it appears that their livelihood strategies are rather different from other households, and that, with low average per capita net incomes in the Group, a high proportion of female-headed households and low levels of social benefits, this is a vulnerable group that deserves more attention. Most orphans are living with one or both grandparents, who appear often to be rather isolated. This suggests that further research should examine the precise circumstances of the main carers in these households, and so the realities of the 'family failure' that we see. Probably, additional financial support to such carers, facing 'multiple stress' if they themselves are old or single, would be very worthwhile. That is, permanent state allowances to those caring for orphans, especially if they themselves are members of an identified vulnerable group. It would appear more rational, under such conditions, to support such carers than the orphans themselves.

³⁰ By 'live with' here we refer to the relationship between the orphan and the household head.

6. The structure of responses by agencies beyond the household

a) *Government*

Analysis of the sub-Groups of Target Groups 1, 4, 5 and 6 shows that it is in fact rather a minority that receives regular social benefits but that these benefits are on average rather large. Overall, nearly 17% of Target Group households receive regular social benefits; their per capita net incomes average 1.29 million dong a year compared with 1.18 million for those who do not. This results suggests that these benefits are going to the *richer* households; and we can also note that these income levels are not 'low' by comparison with accepted poverty levels. We can also note that the reasons for state support were often not clear to the recipients. An important factor operating here are the benefits received by the 'policy families', for example the parents of war dead, as well as state pensions to retired officers and officials. Data on 'policy families' was collected as part of the survey but is not presented here.

Government support appears not to be very sensitive to the precise ways in which families and communities support and care for vulnerable group members, especially those without the capacity to work. We have noted the widespread evidence for 'community failure' and 'family failure'. The problem is probably largely cognitive - policy makers do not yet understand clearly the responses by various social agencies to the different vulnerable states of various vulnerable group members. Two main issues are:

First, the evidence that existing popular organisations such as the Women's Union and other mass organisations fail to bridge popular sentiments and traditions regarding the need to support for the vulnerable and actual concrete actions to assist in meeting those needs. The 'statisation' of some popular organisations may explain this in part. Also, there is little evidence in the survey for indirect state actions to encourage this spiritual potential. On the contrary, there are many pointers to the failure of local authorities to implement central government policy.

Second, the problem of 'family failure' appears very bound up with the ways in which human resources in certain family types are placed under stress, for example when carers, with unusually heavy burdens placed upon them, are themselves

weakened, such as by old age. A natural response to this would be to focus upon the function of 'carer', and support that, rather than to support the object of their attentions. In any case, further work is needed to understand what resources are used to support the vulnerable, and at what cost to the people - typically women - who do so. If they cannot bear that cost, then trouble can be expected to ensue. State thinking and policy does not appear to pay enough attention to this.

b) Local communities

The impact of local communities appears as a broad generalisation to be greatly limited, except in one key area - land. The rather high welfare levels of the vulnerable groups seems closely linked to even land distribution. This points to the role played by local Party and state organisations in limiting land concentration and social differentiation, which, as we have seen, is far more marked by the accumulation of capital other than land. This offsets the clear evidence of 'community failure'.

c) Other agencies

The key agency for the vulnerable is the household. This provides both resources and an environment within which choices can be made. The inter-generational nature of the livelihood choices is shown clearly by the strategies of the old; this must have as its necessary accompaniment various strategies that include their relatives, living in other households. This shows the limits of the Chayanov vision, for inter-household transfers of resources are of great importance. This was shown by the way in which single and two-member old people's households had similar per capita incomes, so that asset transfers were apparently carried out to maintain per capita incomes, rather than to maximise incomes. *It follows that the key agency is probably not 'the household', as surveyed here, but that net of kin relationships around individuals that includes those close relationships that they can count upon when they meet difficulties.* For orphans, this clearly includes grandparents. We do not know, in this survey, what this category includes for others. It is likely to be highly gendered, reflecting traditional Vietnamese views of how to realise sentiments and customs regarding various vulnerable groups.

C. Conclusions

Vulnerable Groups respond to their disadvantaged states in a variety of ways. Often, these rely upon their families and market opportunities. Far less frequently, they rely upon the local community or government. Support from the state in the form of social benefits is important but the range of policy interventions designed to support people in these categories, especially reductions in fees, often appear to have little impact upon them. These policies are, too often, not implemented effectively.

The nature of 'capacity' - khả năng. The survey as constructed assumes that there are major contrasts between Groups A and B; that is, that the capacity to work is an important source of difference compared with other factors. This relates to the assumption that it is the potential (or not) to integrate into the changing opportunities offered by the new market economy that is crucial. The vulnerable can work within their households, thus contributing to their welfare, perhaps by freeing others' time; or they can work outside the household. The analysis so far has shown how this broad assumption has some power. However, what seems a more appropriate application of the term is to the ability of Target Group households *to adjust the structure of their incomes to reflect their situation.* We can then ask to what extent their environment limits their ability to do so, and this would seem to be mainly dependent upon such issues as the land, labour and capital markets, as well as the availability of carers within the community to assist Target Group members when their household support is insufficient, especially old people when ill. We can also ask to what extent it is fair that certain old people should enjoy a far higher living standard than many others, old as well as poor, thanks in part to the state paying them high social benefits when their own assets and incomes are already significant.

It may therefore be more useful to talk, not of the capacity of vulnerable group members, but of the capacity of their environment and their relation to it. For a population that is driven by Vietnamese cultural values and family traditions, where sentiments and emotions are given great value, the relative failure of the wider family and community to support vulnerable individuals is striking. This argues that there are important issues, perhaps bound up with the stultification of popular organisations (mass organisations such as the Women's Union, Youth Union...), which require further

research. This can also be seen as a failure of the environment within which the vulnerable live. Government should operate upon that environment, and to do so needs a better understanding of the ways in which communities and families succeed, and fail, to implement traditional moral values.

V. RECOMMENDATIONS

It is clear that there is ongoing disagreement about the management role of the Vietnamese state in addressing the problems of the vulnerable. In the context of ‘family failure’ and ‘community failure’, what should be done? Why is it that traditional Vietnamese values and traditions are not being expressed in practical ways, and many of the vulnerable lack the emotional support that they feel they need? The survey shows that this support is often lacking, but it is not yet clear why. We have identified problems, but not yet analysed them in sufficient depth.

The survey looked at those Target Groups which were the most numerous in the rural areas; further work should examine other possible Target Groups, starting with a look at both this and other surveys to find out where welfare losses are significant, and where large and relatively expensive interventions have been necessary to prevent major welfare losses.

A strong conclusion from this survey is that a simple view, that government action is necessary and that it should take the form of direct material intervention, is both misguided and likely to be inefficient. The data argues that there is important variation between what we understand as ‘vulnerable’ members of rural society, that a large proportion of them are not suffering major welfare losses, but that some are. This results from a pattern of intervention by a range of agencies and actors. Some of these interventions are material and can be attributed to government action; many, however, cannot. Land access is a crucial issue, as is the capacity of people - such as the old and those responsible for orphans - to seek out ways of generating incomes that are suitable to their needs: through investing, particularly in land, and through taking stable but low income salaried jobs, usually in the state sector. This points to a ‘dynamism at the base’, supported by the emerging civil society in Vietnam’s rural areas, which has positive results. But for many, this is not enough, and this is particularly striking for invalids, especially those not in receipt of state support. The fate of the under-educated cannot be viewed only through the perspective of their current status. It is hard to predict just what will happen to those who experience the consequence of the choices made by those who cannot (or often do not wish to) educate their children.

A. 'Civil society' - its opportunities and constraints

The key issue in rethinking the management role of the Vietnamese state, and how to address the ongoing problems of the vulnerable, is to do with how official policies can address what has been called 'family failure' and 'community failure'. Not a few participants at the March 1998 Workshop identified 'vulnerable' with 'needing assistance'. This can too easily translate into direct state interventions, which we have seen denies the realities of the responses of various people interviewed.

Government actions operate both directly and indirectly upon the lives of Vietnamese citizens. Using a simple understanding of 'governance', we can look at three sources of 'order' in rural society:³¹

1. The formal structure of laws and official policies of the state. We can include here similar decisions adopted by the Party and applied through the Party's own organisation (for example, regarding land access).
2. The unofficial structures of markets and businesses activities that dominate the economy.
3. The popular structures of morals, beliefs and values that influence such areas as community decisions to support poorer members.

The government and Party can influence numbers 2 and 3 above. This can be done through such activities as:

1. Requiring state businesses to adopt a 'guiding role' in the economy, thus leading them to hold intervention stocks or to ensure delivery of inputs to distant areas at prices that require subsidies.
2. Through education and moral development designed to ensure that community values that support the poor are reinforced and strengthened.

However, these two examples are only indirect in their effects.

³¹ Phan Đạ i Doãn, op cit.

What is needed is a better understanding of the effects - both actual and possible - of official policies upon family and community capacity to intervene and support. Clearly, if the 'statisation' of popular organisations is weakening their links to community sentiments and values, then changes are needed if communities are to start being able to address the reported needs of the vulnerable groups cited above.

B. Extant policies

Policies are to date greatly slanted towards state direct interventions. Appendix A presents in summary the main results of the parallel report. This shows that there are a large range of policy interventions that should have impact upon the vulnerable. However, as we have seen the effects on the ground are very limited. Social benefits are, however, substantial in their impact for some Groups. What needs clarification is the extent to which indirect policies, that is, actions to support families and communities in their own efforts to assist the vulnerable, are inadequate. This, as we have seen, is a main weakness.

C. Research issues arising from the survey

1. The survey provides a very wide range of information, which this report has not been able, for reasons of time and resources, to exploit fully. There is a need to identify particular sub-Groups facing major difficulties, and also to investigate further the notions of 'family failure' and 'community failure'. In particular, more data is needed on orphans.
2. The income estimates are rather high; more work is needed to assess the value of these estimates compared with those from other Surveys.
3. There is a need to refine the welfare estimates, perhaps by moving away from proxies such as incomes to measures that the respondents themselves would feel happy with. Focus group work here could be useful. This could also shed light upon whether, as suggested by some participants at the March workshop, vulnerable individuals' welfare was higher or lower than that suggested by the use of household averages.

4. The categories used for the survey and the analysis appear to have been unable to directly access the activities of important agencies whose presence nevertheless shows up in responses to various questions. The focus upon the household is related to this issue. More work should be done on the kin and social relations involved in what we have referred to here as ‘family failure’ and ‘community failure’ It is important to access community values and sentiments in analysing local interventions, or their absence.
5. The survey suggests that vulnerability per se is not making vulnerable groups poor. We cannot, for example, see why the low asset levels of the undereducated are caused by their low levels of education. More work is needed to establish why the vulnerable are less well-off.
6. The choice made by the undereducated is not to educate their children. When they do, they spend as much as is normal. This suggests that they are making a rational economic calculation. Further work is needed to examine the rationality of these choices.³² This could use the existing and other Surveys, for example, by looking at the variation between household choices as their involvement with markets, and other aspects of their position, changes.
7. There is a need to refine and quantify what is meant by ‘family failure’ and ‘community failure’ in the context of traditional Vietnamese values and sentiments. If it is widely felt that it is wrong that the old and orphans should suffer, why does it still happen?

D. Conclusions and policy recommendations

1. There is no ‘crisis’ with regard to Vulnerable Groups as defined in the survey. On the whole, existing interventions and their own efforts are resulting in welfare levels that are acceptable. The rural population is poor and close to subsistence, and the vulnerable on the whole do not suffer large welfare losses by comparison with their rural neighbours. The problem is part of the general one of low rural incomes and development.

2. The main exceptions to this conclusion are possible sub-Groups within Target Group 5 (old people), and Target Group 6 (orphans), where welfare levels are almost certainly too low.
3. The failure of the under-educated (Target Groups 2 and 3) to generate asset levels common amongst their neighbours, and the likely trend towards reduction in land ownership as social differentiation occurs, suggests that these two Groups, who make up the great majority of the rural vulnerable according to the definition in this survey, will as time passes face increasing difficulties in maintaining their relative position. Their weak educational level will probably expose them to high risks as and when the labour market develops.
4. In that there appears to have been the expectation that these Vulnerable Groups would have been facing problems, and that this has not been reported by the survey, further refinement of the concept is needed. This could focus upon the notion of the capacity of the environment facing the rural population to permit it to improve its welfare in various ways. Note here interviewees' responses to questions about the difficulties they face, which focussed upon market access.
5. In that family support has been reported as being of key importance, research and policy interventions should focus upon the circumstances of what has been called here 'family failure'. The difficulties facing orphans compared with old people perhaps show this. Local communities do not provide important support, households and kin do. But indirect state actions to assist members of the wider family in giving support to their disadvantaged relatives could address this problem, perhaps by recognition of the concept of 'carer'. This could be a grandmother struggling to look after her orphaned grandchild, or a busy grand daughter struggling to find time to take her own grand mother (not her husband's) to the polyclinic. These are crucial 'tested links' in the matrix of possible support channels, and if they fail, the consequences can be, as the survey shows, severe.

³² Focus group work by Regina Abrami in 1997 near to Hanoi, and remarks by Prof Tuong Lai at the earlier Workshop in December, suggest that the common view of people is that educating their children does not make economic sense, and that they are correct.

6. The failure of community organisations to do what is expected of them points to a problem of ‘community failure’ that requires action and thought. The issue is probably to do with the relative isolation of these organisations from popular feelings and emotions, possibly their ‘statisation’. We include in these mass organisations such as the Women’s Union, Youth Union etc.

7. On the whole, isolated old people have per capita income levels, and other indicators of welfare, that are sufficient to set them at ‘average’ standards of living. They enjoy on average high levels of state allowances. On the other hand, orphans’ households show welfare levels that are well below the average. They do not receive significant levels of state allowances. This may be an area where change in state policy may improve the situation.

VI.APPENDICES

Omitted