

## EXPANDING OPPORTUNITIES, ENHANCING CAPACITY FOR THE POOR IN VIETNAM: THE RAISED ISSUES

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Poverty is one of the major barriers to reduce the possibility of human development in every country, every community. The poor often do not have access to adequate social services such as employment, education and health care... even self meeting the basic needs of daily life such as food, clothing, housing... they themselves have difficulties. The poor will continue to be limited opportunities for future and poverty will continue if they themselves are not expanded opportunities and enhanced capacity.

Expanding opportunities and enhancing capacity for the poor is the best way to improve the poor and help to sustainably reduce poverty. It is also the perspective of human development that UNDP launched. In which, expanding opportunities means that expanding more opportunity space for each one so they can have access to knowledge (education), nutrition (foods, foodstuffs), good health care services (public health), a stable life for livelihood (economic), are safe from crime and violence, appropriate rest, there have freedom political, cultural rights and the rights for involving, contributing, creating environments

where people live. Enhancing capacity is a necessary condition for them to turn those opportunities into reality. Firstly, enhancing capacity for people here is enhancing physical capacity (health) and mental capacity (knowledge, skills). When having capacity, the poor will have more opportunities to select in life and sometimes the ability itself creates new opportunities for the poor to choose. Thus, we can say that expanding the opportunities and enhancing the capacity for the poor is the best way to poverty reduction and sustainable human development.

In Vietnam, although the poverty reduction policy has to pay attention to expanding opportunities and enhancing the capacity for the poor, but in reality the poor still face difficulties in these.

### **I. Poverty reduction: expanding opportunities and enhancing the capacity for the poor**

Poverty reduction is always identified as one of the first important goal in the process of national development by the State and Vietnamese Communist Party. This is expressed through the policies,

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action programs and supporting projects for the poor. Calculating until now, Vietnam has more than 40 programs and projects related to poverty reduction, in which may include: Program 135 (social economic development, particularly in disadvantaged communes in ethnic minorities and mountainous areas), Program 134 (support of productive land, residential land, housing and clean water for poor people in ethnic minorities who have hard life), Program 30A (support rapid and sustainable poverty reduction for the 61 poor districts), Program 975 (socio - cultural – economic development for ethnic minorities and mountainous areas, disadvantaged areas are provided free with some kind of press). Program 143 (national objectives of poverty reduction, hunger alleviation and employment in the period 2001-2005), a comprehensive strategy for growth and poverty alleviation (this strategy was first mentioned comprehensive way for the implementing process of growth targets associated with the process of achieving the social objectives of poverty alleviation).

In general, policies, action programs and supporting projects for the poor people in Vietnam is quite comprehensive and covers most aspects of social life, from building infrastructure to improve the cultural and spiritual life. The approaches and supporting forms to reduce poverty is also quite diverse and multidimensional. The report "Overview revision of programs and projects on poverty reduction in Vietnam" (UNDP, 2009) pointed out 30 different forms of support in all poverty reduction programs in Vietnam. These support

form is concentrated in 9 key areas: 1/agriculture; 2/infrastructure; 3/education; 4/health; 5/training and capacity building; 6/access services; 7/supporting ethnic minorities; 8/subsidies; 9/house. With many forms of support, the poor have benefited from programs and poverty reduction projects to improve living conditions.

**Table 1: The poor have benefited from projects/ policies of Program 135 and Program 143 reduction projects according to the local vote**

Sources of profit	2005 (%)	2007 (%)
Benefit ratio	91.6	94.3
Preferential credit	37.3	45.1
Remission/ Free health care costs	83.9	82.4
Remission/ Free fees	62.4	64.3
Vocational training	2.1	8.2
Provide land for ethnic minorities	6.2	15.0
Encourage agro-forestry and fisheries	41.4	51.7
Help housing land	16.9	26.3
Water	26.9	31.3

In provinces under Program 135 and Program 143, most of the poor have benefited from the poverty reduction programs. The number of poor households to benefit from health care, education and agriculture/forestry/fishing is fairly high (Table 1, see: 1).

With many forms of access and support of poverty reduction programs in Vietnam in recent years, the poverty reduction has achieved encouraging results. Poverty rate fell rapidly, from 58.1% in 1990 down to 14.5% in 2008. Hunger rate also fell from 24.9% in 1993 to 6.9% in 2008 (1). With these achievements, poverty reduction target

is considered the most impressive results in implementing the Millennium Development Goals (MDGs) in Vietnam.

The success of poverty reduction, hunger alleviation policies in the past period has somewhat reduced the risks and the danger of poverty for the poor in Vietnam. The poor have more access to jobs and opportunities to improve education and health promotion. However, viewing from the perspective of human development shows that the poor still face restrictions in access to developed resources to improve the material and spiritual life.

## **II. The raised issues in expanding opportunities and enhancing capacity for the poor**

In this analysis, the article compared between living standards groups to see the challenges in expanding opportunities and enhancing capacity for the poor in Vietnam.

### *1. The difficulties in improving the material life.*

Most poor people have no qualifications, living in mountainous, remote and rural areas so they not have more opportunities to access employment opportunities. Their job is mainly associated with agriculture, so that work time and income is not high.

According to the survey results of households living standards of the General Statistics Office in 2008, in the poorest population who have ages from 15 years to older have 76.9% working in agriculture, forestry, fisheries sector, and only 9.8 % are workers, employed non-agricultural, fishery (while in the

richest group these numbers are respectively 20.7% and 48.0%). Regarding the average number of working hours of a person per week in the population aged 15 years or older also showed the poorest only work 25.7 hours per week, while the richest group are 40.5 hours per week (1). Jobs and working time like this has caused the income of the poor is limited.

Comparison of income between the poorest and richest groups showed significant differences and it tends to increase. In 2002, the average income of inhabitants per month in the poorest group is 107,000 VND, and the richest group is 872,900 VND (about 8.1 times); to 2008, the corresponding figure is 275,000 VND and 2,458,200 VND (about 8.9 times) (1).

We can see the income of the poorest group is not even enough to spend (income 275,000 VND, spending 329,700 VND). They spent 65.1% of their income for food and 34.9% is spent on other items such as clothing, health care, education, culture and entertainment (1). These figures show that the material life is so hard that the poor people actually find it harder in expanding opportunities and enhancing capacity.

### *2. Limited access to education.*

Although policies and projects to support the poor people in Vietnam has brought more opportunities to access education, but due to living conditions, the access to education of the poor remains limitations (Table 2, see: 1).

These poor families are less likely to invest in education for their children

than families who has affluent standard living. The survey results of households standard living in 2008 showed that the

account for a negligible rate (respectively 7.9%, 0.3% and 2.1%). Thus, we can see greater access to education of the poor

**Table 2: Spending for education of the population groups in 2008 (unit: VND)**

Population groups	Spending for education and training (12 months)	Proportion of spending on education in the family	Population 10 years and older is literacy
The poorest group	696,000	5.2	84.7
Groups near the poorest one	1,194,000	6.4	91.8
Medium group	1,586,000	6.6	94.1
Groups near the richest one	2,176,000	6.3	96.4
The richest group	3,787,000	6.6	98.0

primarily in lower levels due to educational universalization policy, for higher levels the poor have less opportunities to access.

In addition, most poor people live

lower standard living is, the less ability to invest in education, training and vice versa. For example, in 2008, the difference in cost of education between the richest group and the poorest is 5.44 times.

Low living standards makes the poor have little access to education, especially higher education. This is evident in the rate of schooling and education level. The rate of going to school at true age at all levels of the poorest groups is: primary 84.4%, secondary school 53.8% and high school 17.1% (2).

Education levels are similar, because the poor do not have many opportunities to access education at the higher school level of education is quite low. In 2008, the population aged 15 years or older in the poorest group who graduates of secondary school is 26.9% and primary school is 26.2%. People without qualifications and had never been to school in the poor group rather high proportion (19.1% and 17.0%), while the number of graduating high school, college and university and others level

in areas with difficult geography, sparse population so that the opportunities to access to education were affected by the difficulty in traveling from home to school. Compare the distance from home to school between the communes under Program 135 with the communes not under Program 135 shows the distance from home to schools of the communes under Program 135 is always further and the higher educational levels is, the further distance is. The average distance is: 2.8 km for primary school, secondary school 3.7 km, high school 11.5 km. Meanwhile, this distance in the communes not under Program 135 in turn is the primary school 1.9 km, 2.2 km secondary school and 5.3 km for high school (see: 1).

### *3. Limited access to health care.*

Economic difficulty is one of the biggest barriers that affect access to health and health care of the poor. According to the Vietnam Health Report in 2006, among the poor who has no treatment when being sick is 53.0% caused by economic difficulties (5).

Considering the rate of medical care, the cost and number of sick days among the groups (Table 3, see: 1) can be seen, the poorest have average sick days per year higher more than 1.8 times compared to the richest group, and the cost of medical and health care of the poorest lower than 3 times compared to the richest group.

**Table 3: Rate of medical care, the number of sick days, medical and health care costs of population groups**

Population groups	Medical care rate in 12 months	Medical and health care costs (VND)	Number of days missed due to illness
The poorest group	34.2	562,000	15.9
Groups near the poorest one	33.3	734,000	13.7
Medium group	33.9	898,000	12.7
Groups near the richest one	33.4	1,233,000	10.7
The richest group	35.4	1,678,000	9.0

With low incomes, poor people will face many difficulties in access to health services and health care, especially health care services with high quality.

Joint Report of the health sector in 2008 – Finance report for Health of Ministry of Health also indicated that, if the poor had to be hospitalized without state support, on the average with each sick time the poor had to pay an amount equivalent to 17 months of spending for the total amount of food and household products. Therefore, when being sick, if must based on direct-pocket expenses, there will have families who not using health services because they have not payment conditions (3).

Similar to the opportunities to access to education, the distance between housing and health care facilities is far, which also is barriers to accessing health

services and health care of the poor. Although calculating until 2007, 98.2% of communes have medical stations and 100% of communes have medical staff activities; 69.4% of communes have doctors; 93.7% of communes have midwives or obstetrical physicians; 84.5 of villages with medical staff activities (4), but the access to health care

facilities of people in disadvantaged areas and the poor people is still far, especially for higher health facilities.

In poor communes under

Program 135, the distance from home to health facilities are further compared to communes not under Program 135 and the distances is more farther with higher health facilities (health facilities in district, province) (1). In addition, the access to physicians, doctors, private nurses or medicine stores, pharmacies of people in communes under Program 135 is a lot farther than communes not under Program 135.

The distribution of health facilities as well as manpower in the health sector in Vietnam today still has shortcomings. Most health care facilities where have better facilities and medical staff with high professional qualifications are concentrated in the central, large cities and urban areas (number of medical staff in urban areas accounted for 51.3%, while the urban population accounts for 28.1% of the national population), while

the majority poor people in Vietnam now live in rural, mountainous and remote areas... Thus access to health and quality health care services of the poor is quite difficult.

#### 4. Little opportunity to improve the spiritual - cultural life.

Inequality in living standards between groups in society makes the differences in spiritual- cultural life. While the people, who have affluent living conditions, invest for spiritual demands better and have more opportunities to access cultural and spiritual life better, the poor groups have less conditions and opportunities.

**Table 4: Costs for sports, culture, entertainment per population in 2008**

Income groups	Costs	Percentage in costs
The poorest group	500	0.2
Groups near the poorest one	900	0.2
Medium group	2,300	0.4
Groups near the richest one	5,800	0.8
The richest group	44,600	3.2

Comparison between the poorest to the richest group showed significant differences in average expenditure of a household per month for spiritual demands (the poorest group spent an average 500 VND a month per household, and the richest group is 44,600 VND per household. The disparity in spending between the two groups is also reflected in the monthly rate of expenditure of families (the poorest group spent 0.2% for the

spiritual demand in the total household expenditure, while the richest group is 3.2%) (Table 4, see: 1).

Property assets for cultural and spiritual life such as television, video, networking computer, stereo... the poor is less possessive than the person who have affluent living conditions. This disparity is also a factor affecting access to the spiritual - cultural life of the living standard group (Table 5, see: 1).

Beside this, differences in enjoying the spiritual - cultural life between living standard groups was expressed as the number of places of cultural communities. In the underdeveloped areas and poor areas, there is usually no the cultural entertainment such as cinemas, cultural houses, libraries, parks and entertainment area... or they are little invested compared to the developed areas. This disparity also affect in expanding opportunities and enhancing capacity for the poor.

Although the policies, programs and projects to reduce poverty and hunger alleviation in Vietnam has made impressive achievements, but in reality the poor still face difficulties in accessing resources in expanding

**Table 5: Property serving for spiritual demands of the income groups in 2008**

Income groups	Property (unit/100 households)			Percentage %	
	TV	video	stereo	Computers household	Networking Computers household
The poorest group	67.5	39.9	5.5	0.6	8.6
Groups near the poorest one	84.7	46.3	9.4	1.9	16.5
Medium group	91.4	54.9	12.9	3.8	14.0
Groups near the richest one	98.2	63.0	18.5	12.9	25.4
The richest group	114.8	68.7	21.6	34.3	54.0

opportunities and enhancing capacity for the poor, strategies and policies for social economic development and hunger alleviation, poverty reduction programs should continue to invest, improve infrastructure (roads, schools, hospitals, electricity, water) in disadvantaged, less developed areas; creating equality of access to development resources and enhancing education and vocational training for poor people and strengthen the participation of the poor in developing strategies and policies for social economic development of local systems; having social security system for the poor people. In addition, to expand opportunities and enhance capacity for the poor people, there are needs to raise the subject characteristic to escape poverty.

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