

# Urbanization in the Mekong Delta from the perspective of population and human resources

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**Abstract:** *There are various different aspects for assessing the process and degree of urbanization. The paper examines the urbanization process of the Mekong Delta provinces in terms of population and human resources, through which providing a perspective on the urbanization process in a whole, uncovering noteworthy issues the region is facing that could help policymakers address existing challenges.*

**Keywords:** Urbanization, Population, Human Resources, Mekong Delta

## 1. Introduction

In Vietnam, socio-economic development strategies and regional development strategies over different periods have shown that urbanization is necessary to realize industrialization and modernization goals. The Government of Vietnam has paid special attention to the development of urban system via investment strategies and policies on regional development, including the Mekong Delta.

The Mekong Delta is located in the southernmost part of Vietnam (in the Southwest region), with its east, south and southwest sides bordering the sea (with a coastline of 700 km), the west sharing border with Cambodia, and the north bordering the Southeast economic region. The natural area of the entire region is 39,747 km<sup>2</sup>. The Mekong Delta has 13 administrative units

including one centrally controlled city (Can Tho), and 12 provinces (Long An, Dong Thap, An Giang, Tien Giang, Ben Tre, Vinh Long, Tra Vinh, Hau Giang, Kien Giang, Soc Trang, Bac Lieu, and Ca Mau) (<https://canthopromotion.vn/index.php/dongbangongcuulong/>). The total population of the whole region is estimated to be 17.738 million people by 2017 (General Statistics Office, [gso.gov.vn](http://gso.gov.vn)). With its favorable geographical location and natural resources, Mekong Delta is of special importance for national socio-economic development. Also, it is the region with great advantages for sustainable development under the context of international economic integration. The Mekong Delta has significantly contributed to the economy of the whole country, accounting for an important part of Vietnam's economic growth from 1995

to the present. Economic development in the Mekong Delta has accelerated rapid urbanization and economic transformation in the past three decades, helping reduce poverty in both rural and urban areas. The analysis and evaluation of the process and degree of urbanization in the Mekong Delta region in terms of population and human resources helps identify trends, opportunities, and challenges; and prioritize needed policies for sustainable development of urban areas.

## **2. Urbanization process in the Mekong Delta**

### *2.1. In terms of population*

The average population in the Mekong Delta in the 1995-2005 period stayed at around 16.24 million people, representing 21.0% of the nationwide population; this figure rose to about 17.23 million people in the 2005-2015 period, and almost 17.66 million people in the 2015-2017 period, accounting for approximately 19.8% and 19.1% of the nationwide population. The population in this area has continually increased in recent years, but the regional population growth rate has been only about a half of the average population growth rate of the whole nation since 1995. In the 1995-2005 period, the national population growth rate stood at 1.3%, the figure for Mekong Delta only reached 0.8%; in the 2005-2015 period, the average national population growth rate reduced to 1.1% and the statistics for the Mekong Delta dropped to 0.5%; and in the 2015-2017 period, the national figure marginally fell to 1.0% while the equivalent figure for the Mekong Delta was 0.4% (*Statistical Yearbooks in 2001-2017*). This is an issue that needs to be studied in depth when planning development policies for this

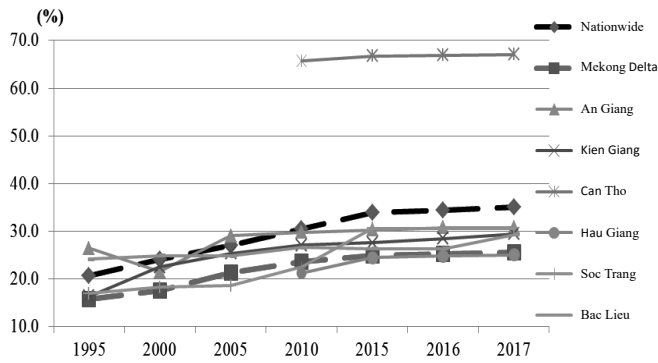
region, particularly the level of human resource responsiveness to urbanization acceleration in the coming time.

In the Mekong Delta region, Can Tho has an urban population rate of 67.1%, 2.63 times greater than the regional average rate, and 1.92 times greater than the national average rate, second rank only to Ho Chi Minh City (80.8%), and followed by Hanoi (58.9%). In addition, provinces in the region with higher rates of urban population than the regional average rate include An Giang (30.7%), Soc Trang (30.6%), Kien Giang (29.5%), Bac Lieu (29.3%) and Hau Giang (25.8%) (*Statistical yearbook 2017*).

In the 1995-2010 period, rapid urbanization took place in An Giang, Kien Giang, Can Tho, Hau Giang, Soc Trang, Bac Lieu (group1). Particularly, Can Tho witnessed the greatest urbanization rate in the whole region after the separation from Hau Giang (from 14% of urban population in 1995 jumping to 49.3% in 2005 and 65.8% in 2010); followed by Kien Giang (increasing from 16.4% in 1995 to 25.4% in 2010). These two provinces/ cities achieved an average annual growth rate of over 1 percentage point, larger than the average annual national growth rate (0.9 percentage point per annum) and the figure for the whole Mekong Delta region (0.7 percentage point per annum). The rapid urbanization rate seen in these two provinces/ cities is due to the decision to upgrade urban areas, which led to a series of urban development projects implemented in these localities. Soc Trang is also a province with high level of urbanization in this period (with 0.5% per annum) (See Figure 1).

Among provinces with low urban population of the 1995-2017 period (group 2), Ca Mau

**Figure 1. Changes in urban populations in Mekong Delta provinces with high proportion of urban population 1995-2017**



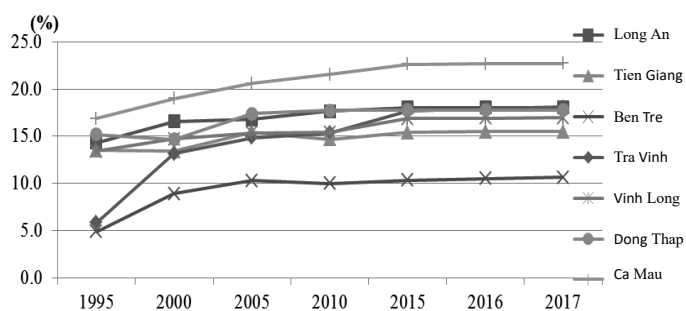
Source: Statistical Yearbooks in 1995, 2000, 2010, 2017.

is the province with the greatest urbanization level (rising from 16.9% of urban population in 1995 to 22.7% of urban population in 2017). Ben Tre is still considered a purely agricultural-based province (starting at 4.9% of urban population in 1995 and reaching 10.7% of urban population in 2017). In the 1995-2010 period, almost all provinces in the Mekong Delta saw a rise in urban population rate, of which 2 provinces [in group 2] reached the greatest urban population rate included Tra Vinh (jumping from 5.9% in 1995 to 15.4% in 2010, with an average increase of 0.9 percentage point per year), and Ben Tre (with an average increase of 0.5 percentage point per year). During the 2010-2017 period, most provinces in group 2 saw a relatively low urban population growth rate (0.1 percentage point/ year), or no change at all (Figure 2). In general, the level of industrial production in these areas remains low, these provinces are mainly engaged in agricultural production. The total regional population in the 1995-2017 period rose by approximately 2.2 million

people, i.e., an average population growth rate of 0.617% per annum. Meanwhile, the natural population growth rate remained at about 1.017% per annum, which indicates a large proportion of emigration from the region. The average emigration proportion was around 6.7% per annum. Between 2005 and 2017, the total number of immigrants to the Mekong Delta was about 250 thousand people while about 1.2 million people migrated from the Mekong Delta to Southeast region and Ho Chi Minh City (Statistical Yearbooks in 1995, 2000, 2010, 2017).

The above analysis shows a clear differentiation in the level of urbanization between the two groups of provinces/ cities in the Mekong Delta region. Provinces in group 2 (excluding Ca Mau, which achieved the average urbanization rate due to large investment from nitrogenous gas projects of the oil and gas industry) lack investment in infrastructure for urbanization. Particularly, Ben Tre is the province that substantially lags behind any other provinces in terms of urbanization. This is an issue that needs to be considered

**Figure 2. Changes in urban populations in Mekong Delta provinces with low proportion of urban population 1995-2017**



Source: Statistical Yearbooks in 1995, 2000, 2010, 2017.

when planning development policies in the Mekong Delta.

Large migration took place in parallel with the transformation of agricultural economy and rural areas in the Mekong Delta. A large number of farmers lose their land, resulting in seasonal surplus of labor. Therefore, they shift to other sectors that require less labor; for example, shifting from rice production to fisheries. 13 provinces/ cities witness emigration, including Hau Giang, Ca Mau, Bac Lieu, Ben Tre, An Giang, Tra Vinh, and Soc Trang, which have large emigration rate. According to a recent study of Prof. Alex Chapman (University of Southampton, the UK), and Prof. Van Pham Dang Tri (Can Tho University), the rising wave of migration over a decade has resulted in a loss of 1 million people over a total regional population of approximately 17.7 million people. Specifically, 1.7 million people have emigrated out of the Mekong Delta; meanwhile, only approximately 700 thousand people have immigrated in the region. This large proportion of emigration is two times greater than the national average figure (*Mekong Delta climate change report - The Conversation, 2016*). Poverty is another cause of emigration, leading to the big gap between urbanization in the region, and a surge in emigration over the years. There has been improvement in poverty reduction in urban and rural areas of the Mekong Delta from 2010 to 2015, the regional average poverty rate reduced from 14.0% to 5.1%, marking a 9.1 percentage point reduction. However, the regional poverty rate suddenly jumped to 8.8% in 2016, a rise of 3.7 percentage point against the figure for 2010. (*Statistical Yearbooks in 2010, 2015, 2017*). The explanation for this situation is due to the saline intrusion

into fields and urban areas along the river, which adversely affected cultivation and aquaculture. This showcases that provinces in the Mekong Delta are highly prone to climate change and falling back too poverty, especially in riparian areas.

## 2.2. In terms of human resources

According to the General Statistics Office, labor force of the Mekong Delta in 2017 was about 10.6 million people, accounting for 19.35% of the national total labor force. Total number of workers in urban areas in the Mekong Delta was 2.75 million (*Statistical Yearbook 2017*).

The regional labor force increased by 468 thousand people in 2017 compared with 2010, a increase of about 4.6%, much lower than the national average labor growth rate of 8.8%. In 2017, provinces with high proportion of labor force included An Giang (11.6%), Dong Thap (10.6%), Tien Giang (10.5%), Kien Giang (9.5%) and Long An (8.5%). Compared with 2010, the largest labor growth rate was seen in Dong Thap (13.3%), followed by Tien Giang (10.1%). Provinces with negative labor growth rate included Soc Trang (down 5.1%, equivalent to 39 thousand people) and An Giang (down 1.7%, equivalent to 21 thousand people) (Author's calculations in Table 1).

In terms of unemployment and underemployment of the labor force by age and locality, the figure for the Mekong Delta was 5.3%, equivalent to 145 thousand people, far larger than the figures for other regions and nationwide (4.0%) in 2017. This figure is approximately close to the figures for the North Central region and Central Coastal region (5.2%) (Table 2). This may lead to the continuation of worker emigration from the Mekong Delta to the Southeast region in the future.

**Table 1. Labor force aged 15 and over by province***(Unit: Thousands of people)*

Year	2010	2014	2015	2016	2017	Proportion 2017 (%)
Nationwide	50,393	53,748	53,984	54,445	54,824	-
Mekong Delta	10,129	10,289	10,335	10,519	10,597	100
Long An	854	891	893	899	901	8.5
Tien Giang	1,012	1,051	1,081	1,102	1,113	10.5
Ben Tre	793	809	809	807	810	7.6
Tra Vinh	584	610	611	616	619	5.8
Vinh Long	613	628	628	630	636	6.0
Dong Thap	989	1,017	1,018	1,112	1,121	10.6
An Giang	1,255	1,218	1,219	1,228	1,234	11.6
Kien Giang	966	1,007	1,005	1,006	1,008	9.5
Can Tho	681	700	693	713	727	6.9
Hau Giang	456	453	463	472	480	4.5
Soc Trang	762	700	704	712	723	6.8
Bac Lieu	488	506	507	513	516	4.9
Ca Mau	677	700	704	709	710	6.7

Source: Statistics Yearbook of 2017.

**Table 2. Unemployment and Underemployment rate of labor force by region***(Unit: %)*

Region	2010			2015			2017		
	Un employment	Under employment	Total	Un employment	Under employment	Total	Un employment	Under employment	Total
Nationwide	4.3	1.8	6.1	3.4	0.8	4.2	3.2	0.8	4.0
Mekong Delta	4.1	2.8	6.9	3.2	1.6	4.8	3.6	1.7	5.3
Southeast Region	4.7	0.6	5.3	3.1	0.3	3.4	2.8	0.5	3.3
Red River Delta	3.7	1.6	5.3	3.4	0.8	4.2	3.2	0.6	3.8
North Central region and Central coastal region	5.0	2.9	7.9	4.5	1.4	5.9	4.0	1.2	5.2

Source: Statistical Yearbook 2017.

Regarding the quality of human resources, from 7.9% in 2010 to 10.4% in 2015, and the proportion of trained labor in the Mekong Delta saw a growth of nearly 2 times during 2.5 and 4.3 percentage point. Those with 15 years from 5.8% in 2000 to 10.4% in 2015. This growth rate has increased fast

from 7.9% in 2010 to 10.4% in 2015, and 12.2% in 2016, marking an increase of 2.5 and 4.3 percentage point. Those with university degree rose from 1.8% in 2000 to 2.9% in 2010 and 5.5% in 2016, a 3

times and 1.9 times growth compared with 2010. Meanwhile, the proportion of labor with post-secondary school and vocational training degrees witnessed significantly lower growth rate, with 1.6 and 1.3 times respectively (Table 3).

There was a big difference in the proportion of young labor in terms of sexes, with 61.1% of males and 55.1% of females participating in the workforce. This difference was also evident among areas, particularly in rural areas where the difference was much larger than in urban areas with 16.8%. Groups by sexes also

witnessed big differences between labor in urban and that in rural areas. However, the difference in male group (18.8%) was much greater than that in female group (14.4%) (*Statistical Yearbook 2017*).

Provinces/cities in the Mekong Delta experienced a rise in the proportion of trained labor from 2010 to 2017. The growth rates of trained labor (compared with 2010) were 9.2% in Can Tho, 8.8% in Dong Thap, much greater than the national average rate of 6.8% and regional average rate of 4.2%; followed by Vinh Long (5.5%), Long An (4.7%), An Giang (4.4%) (Table 4).

**Table 3. Trained labor growth rate in Mekong Delta region**

(Unit: %)

Year	2000	2005	2010	2015	2016
Total	5.8	6.6	7.9	10.4	12.2
Vocational training	1.2	1.4	1.8	2.4	2.6
Post-secondary school	2.0	2.2	2.1	2.3	2.6
College	0.8	0.9	1.1	1.2	1.5
University or higher	1.8	2.1	2.9	4.5	5.5

Source: Labor and Employment Survey report in 2009, 2014; Statistical Yearbook 2017.

**Table 4. Proportion of trained workers aged 15 and over currently employed by province**

(Unit: %)

Year	2010	2014	2015	2016	2017	2017 compared with 2010
Nationwide	14.6	18.2	19.9	20.6	21.4	6.8
Mekong Delta	7.9	10.3	11.4	12.0	12.1	4.2
Long An	9.7	10.9	11.8	12.6	14.4	4.7
Tien Giang	8.9	8.9	13.0	11.7	10.2	1.3
Ben Tre	9.0	9.4	12.5	12.2	12.8	3.8
Tra Vinh	8.1	13.0	10.3	11.7	11.7	3.6
Vinh Long	7.8	12.0	13.7	14.4	13.3	5.5
Dong Thap	6.0	8.7	10.8	11.6	14.8	8.8
An Giang	7.2	9.8	8.5	10.1	11.6	4.4
Kien Giang	9.4	9.3	10.5	12.3	10.6	1.2
Can Tho	11.8	16.9	18.5	19.9	21.0	9.2
Hau Giang	5.7	9.7	11.4	9.8	8.8	3.1
Soc Trang	5.7	10.4	9.9	9.8	9.8	4.1
Bac Lieu	6.7	9.6	8.6	9.9	8.2	1.5
Ca Mau	5.8	7.1	9.7	10.2	9.6	3.8

Source: Statistical Yearbook 2017.

The above analysis reveals that although the Mekong Delta has an abundant labor force, the trained labor accounts for a very little rate. Urbanization leads to increasing demand for human resource training in the region. Currently, there are 42 universities and colleges, and 30 specializing post-secondary schools (including schools that have recently received establishment decisions). Despite a number of human resource training facilities, the quantity and quality of these facilities have not met the local need. Besides, the state budget for education and vocational training investment remains relatively lower compared with the actual demand as well as the national average figure, which means that it is not commensurate with the scale and position of the Mekong Delta.

### **3. Some recommendations for urban development in the Mekong Delta**

In order to develop urban areas in provinces of the Mekong Delta in relation to urban population and human resources for urban development, practical mechanism and policies should be in place. Some specific proposals are set as below:

#### *3.1. In terms of mechanism and policies for urban development*

- The government needs to finance urban development in the Mekong Delta with a rational and advanced mechanism, including public-private partnership. For example, private enterprises have well undertaken electricity and water supply systems in the region due to their light organizational structure, which helps reduce costs.
- Localities with better infrastructure (particularly those with economic advantages) should be connected with neighboring localities to help boost local

development. For example, Can Tho, Ca Mau and Kien Giang are to be taken as the leaders in promoting regional urbanization.

- Transportation network and electricity grid network should be well linked in smaller cities to attract industries from big cities where land, service and labor costs are relatively high. Industries of smaller cities should be developed as the basis for providing products to big cities. Also, infrastructure services in big cities should be developed to be the basis for connecting small cities.

#### *3.2. Human resource development for urban areas*

- The Mekong Delta has established and developed a number of universities for the past 10 years. These universities are the foundation for the development of urban human resources in the region. However, the education and training quality needs regular verification. Some provinces in the region primarily rely on education facilities in Can Tho city for quality human resource.
- It is necessary to improve the school network and implement solidification and standardization of school and classroom network. It is required to improve the education and training to develop human resources for urbanization of rural areas.
- Provinces and education and training establishments in the region should develop its own plan to develop quality and sufficient teachers and lecturers. Training of highly qualified lecturers should be promoted to keep up with the urbanization in provinces.
- It is necessary to link the training facility network with the urbanization characteristics of each province. Training facility networks need to be invested in, upgraded and expanded to diversify

training forms and promote bridge training to create learning opportunities for a large number of people.

#### 4. Conclusion

Economic growth in the Mekong Delta is primarily driven by two core city/province of Can Tho and Kien Giang along with the surrounding economic regions. Industrial zones, especially manufacturing sector, concentrate in large cities of the neighboring regions, or in provinces adjacent to the sea. These are areas of strong economic activities, attracting highly skilled workers, strengthening and enhancing economic concentration. Can Tho and its surrounding areas play a pivotal role in maximizing the benefits of economic concentration and enhancing economic competitiveness of the Mekong Delta.

The provision of infrastructure and services in densely populated urban areas is usually cheaper than in rural areas. However, rapid population growth is the major challenges to a number of urban areas in provinces and cities in general, and in the Mekong Delta in particular. These challenges are primarily related to housing shortage, lack of infrastructure and services, and various types of bottlenecks in terms of drainage and transportation. Migration also creates shortage of human resources, especially skilled ones for urbanization process of each province in the Mekong Delta. However, limiting migration, including skilled human resources, is not a solution.

The problem that needs addressing is not rapid urban population growth, but the strategies, but policies and proactive plan (and political will) to adapt to urbanization are things that matter □

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