

CHAPTER 1

Introduction and Summary

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After twenty years of reform, Vietnam has changed significantly. From a backward, centrally-planned and subsidized economy, it is now in the process of becoming an open, active, and market economy. Grasping the golden opportunity of global integration, Vietnam is trying to use its advantages and resources to develop and make further reforms. Currently, Vietnam is regarded as one of the best performers among developing countries.

However, fast growth and integration have also intensified certain social problems and created new ones. Some problems have become more visible, especially in rapidly urbanizing areas. The problems of street children, prostitution, and HIV/AIDS epidemic transmission are just some of the examples. At the national level, problems in the education system and social welfare, rising inequality, and problems in the life of the elderly population are all pressing questions. With a relatively young population, Vietnam also has to secure job opportunities and quality of labor for the youth. Apart from these, like any other country in socio-economic transformation, Vietnam has to cope with increasing corruption, environmental pollution, a land bubble, and the decline of cultural and spiritual values.

It can be said that Vietnam would not grow and develop sustainably if it did not squarely address these issues which emerge as a consequence of economic development and social reforms. In this context, conducting studies and proposing policy actions for these social issues is a very urgent task. This book, among many others in Vietnam, is published for these purposes. It contains six papers or chapters, each addressing a different topic on the social issues in Vietnam under economic transformation and integration. These papers were revised in light of comments made at numerous workshops and conferences held inside and outside Vietnam. It is the hope of the editors that the contents of this book will extend beyond those directly involved in the related field of research, and that the book will provide crucial information about the current development of Vietnam's social sector. Following are summaries of these chapters.

The contribution by Duong Kim Hong and Kenichi Ohno in Chapter 2 aims to analyze the problem of street children in Vietnam, which arises from both traditional causes such as the loss and divorce of parents, as well as new causes such as economic incentives. The paper first reviews the existing studies with different definitions and classifications of street children. Then, it uses data collected from different sources, including the surveys by Terre des hommes Foundation in 1992 and 2002 in Hanoi and Ho Chi Minh City, the survey by Nguyen Van Buom and Jonathan Caseley in 1995 in Hanoi, and the survey by the Vietnam Development Forum in 2004 in Hanoi, to compare street children in both cities over time in terms of number, hometown, and types of work.

Going further to see the root causes for such situations, the authors propose a new typology of street children based on causes (broken family, mindset problem, and economic migration) and situations (current protection and future investment). The results indicate that the broken family group is most difficult to assist, while the economic migration group often shows strong desire for study and better life. Moreover, street children are not a homogenous group, and their aspiration is frequently interrupted by various setbacks. It is thus suggested that intervention policies be diversified according to the needs of each type of children. To illustrate in detail, six

case studies are presented to show how these causes and situations interact with each other. Although it is admitted that the reality of street children is far more complex than the current analysis, the authors suggest that it is necessary to provide counseling and continuous support to guide children to the right path, and help them to apply their acquired knowledge from education and training to the real situation. Moreover, incentive and assistance to secure a stable job and build a family for each child are much more important tools in policy consideration.

Chapter 3 of the book, written by Nguyen Thi Minh Tam and Le Thi Ha, focuses on one of the most popular and hidden channels for the expanding HIV/AIDS problem in Vietnam—sex workers and waitresses at high risk for prostitution—to analyze their awareness of HIV/AIDS risk, and to propose an intervention model of HIV/AIDS protection for these workers, which in turn helps to mitigate the problem. The paper uses data from a survey in 2005 with 150 sex workers and waitresses, 12 local authority officers, and 18 managers or owners of restaurants and hotels in Quang Ninh province, where the HIV/AIDS problem is extremely serious, and where the highest number of HIV/AIDS-infected people in the country has been recorded. The characteristics of these workers are investigated in terms of age, educational level, hometown, and marital status. It is shown that these workers are young; the majority of them are from rural areas and have only secondary or high school education.

Though HIV/AIDS causes and consequences seem to be well-understood by the respondents, the results ironically reveal that sex workers and waitresses at high risk for prostitution are not well aware of methods to prevent HIV, and managers or owners of restaurants and hotels as well as local authority officers do not pay enough attention to the transmission of the dangerous virus that causes AIDS. For instance, about 70 percent of the workers do not want or like to use condom, though most of them know that it is an effective tool of safe sex to prevent HIV/AIDS transmission. Exploring in detail with age and educational level, the paper shows that activities outside working hours and priorities in lives of these workers vary significantly. Also, they have several choices when facing difficulties, but relying on family is difficult as they feel ashamed to talk about their job.

From these analyses, the authors suggest that peer clubs, skill-training classes, and personal counseling are crucial to change attitudes and create good habits and behaviors of safe sex for sex workers. For the policy implications, it is recommended that improvements be made in the health care service network, the condom providing network, and the consulting network for women in difficulties, especially for those who are sex workers and waitresses working at high-risk locations. Equally important, local government officials must have the right attitude towards HIV/AIDS prevention and protection, in which they should apply a more realistic plan to apply HIV/AIDS prevention methods for waitresses and sex workers, and also work closely with managers and owners of tourism services and entertainment centers.

Also addressing the economic and social problems of the young population, Chapter 4 by Dang Nguyen Anh analyzes one of the most important issues for the youth in rapid economic transition: work and employment. This paper utilizes the data from the Survey Assessment of Vietnamese Youth (SAVY) in 2003, which was the first nationwide baseline survey of youth undertaken by the Ministry of Health, Vietnam in collaboration with the General Statistics Office of Vietnam, the World Health Organization, and the United Nations Children's Fund. Exploring various characteristics of youth work and employment, the paper shows that different individual and family conditions lead to different work and health-related outcomes among Vietnamese youth.

Gender, age, education, and ethnicity are some of the strong determinants of youth employment. Of greater importance, family characteristics, including paternal occupation, parental availability, and family economic status, serve as crucial factors in determining the youth employment experience. Detailed bivariate and multivariate analyses also indicate that

risk-taking behavior of young people is also associated closely with their work status. For instance, out-of-school youth, migrant youth, and those who are unemployed or are job-seekers are most likely to be exposed to health risk behaviors, including smoking and alcoholic drinking. One of the most striking findings of the paper is that about one-third of youth with college/university degrees were looking for employment at the time of SAVY. Among numerous possible factors causing this situation, the author comments that skills taught and knowledge learned are mismatched with those needed by employers in the labor market; in other words, there is weak linkage between the education system and the labor market. Based on these analyses, the author asserts that the conventional understanding of youth as a homogenous group is no longer relevant because the youth is a diverse social demographic group with different characteristics; thus, it is required that policy makers avoid making their decisions on such a misunderstanding, and that policies be specific enough to meet the needs of each of these groups.

Among many policy implications for improving work and employability for the Vietnamese youth, the author emphasizes that policy efforts aimed at poverty reduction, employment promotion, and income generation for families are a need. More importantly, strengthening the linkages between the education system and the labor market to minimize skill mismatches and to match skills to demand are key conditions to improve youth employability. As such, it is necessary to build capacity and accountability of employment services and job counseling. In addition to work and employment, it is also necessary to deal with the issues related to vulnerability and health of unemployed, migrant, or out-of-school youth. As well as family supports, other specific supports from the whole society are essential for such disadvantaged groups.

The striking finding from the previous paper about limited employability of the youth with college/university degree indicates that comprehensive reforms the tertiary education are a must, and several tasks need to be implemented in order to accomplish these reforms. Dealing with one of the most important issues in reforming the tertiary education, i.e., training of trainers, Nguyen Thi Phuong Hoa presents her analysis in the Chapter 5 of the book. Beginning with an overview of the role of education under globalization and scientific development as a crucial task in developing tertiary education, the author discusses the current situation of the education system in Vietnam in general and tertiary education in particular under different reforms over time.

The statistical data show that the whole system has been significantly diversified; achievements are remarkable, given several difficulties that Vietnam has faced in economic transition. However, the author also points out some serious weaknesses of the system, especially in tertiary education. The drawbacks, including poor research and studying conditions, relatively low qualifications of university teaching staff, low education quality, and weak research capacity, are posing serious social and economic problems as many young people, who compose of an important part of the country's labor force, are unemployed due to the above mentioned mismatches between their acquired knowledge from tertiary education and the required skills of the labor market. For instance, 80 percent of the graduates are working in professions different from the subjects they studied at university (Ho Chi Minh City [HCMC] National University, 2006).

To contend with this situation, the author presents the theory of action research for sustainable reform of the education system, in which six steps need to be exercised thoroughly in different designs of the education system and policy-making processes. More particularly, the author also proposes six steps to reform teaching and learning methods in teacher training, in which the quality of teaching and research is frequently evaluated and adjusted with new objectives.

Along with the economic transformation and integration process of the country, the Vietnamese households have also been influenced by rapid changes in social and economic

structure. A research topic of interest for many researchers is to analyze the impact of such changes on poverty, inequality, and welfare of the households. Chapter 6 in the book, contributed by Tran Duy Dong, responds to this research need by utilizing the data from the Vietnam Living Standard Surveys in 1992/93 and 1997/98 and the Vietnam Household Living Standards Survey in 2002 to identify the micro-determinants of household welfare and inequality in Vietnam. In this paper, the author uses the data on per capita real expenditure and per capita real income to pursue his analysis. For the former set of data, the paper applies the methodology of Wodon (1999) to identify the determinants of changes in per capita real expenditure. Six possible factors are examined, including gender and education of household head and region.

The estimated results show that poverty incidence is diverse, depending on household characteristics. For example, communal facilities, such as market availability and electricity, are important in determining living standards of poor households, but they are not determinants of living standards of rich households. Using panel data to explore who gains from economic growth, the author finds that both rural and urban households particularly gained from trade liberalization during the last decade, though their benefits varied by their own characteristics. For the latter data set, the author examines income distribution in Vietnam through growth of real income by constructing ordinary Lorenz and generalized Lorenz curves. The findings indicate that social welfare absolutely increased during 1993–2002 despite the fact that inequality, measured by Gini coefficient, increased in 1993–1998 and decreased in 1998–2002. Going further with the sources of welfare changes, the paper finds that income increase during 1993–1998 outpaced that of 1998–2002, but negative impact of higher inequality in the former period led to an increase in total social welfare only relatively the same as that of the latter period. From these investigations, the author suggests some policy directions in which improvement of communal facilities, building professional skills, and employment services will help Vietnamese people, particularly the poor, get out of poverty, and will mitigate inequality between regions and areas.

Focusing on another part of the population, Chapter 7 by Giang Thanh Long and Wade Donald Pfau provides general information about the Vietnamese elderly with different aspects on age, gender, marital status, living arrangements, and poverty status. This paper uses the data from the Vietnam Living Standard Surveys in 1992/93, 1997/98 and the Vietnam Household Living Standards Survey in 2002 and 2004 to show the trend of these indicators over time. The estimated results show that the aging of the Vietnamese population could be observed, as the percentage of the elderly people (who are 60 years old and older) in the total population increased during the past decade. The rate was even higher than the projected rate of the United Nations (2005).

The data also show that the urbanization process in Vietnam has continued: the proportion of rural people decreased from more than 80 percent in 1992/93 to about 73 percent in 2004. More importantly, most of the elderly are living in the Red River Delta and Mekong River Delta. In terms of educational level, the estimates show that females of all age ranges generally have disadvantages in comparison with males, and this situation can be seen clearly with decomposition of area (urban and rural) or marital status. Going further with detailed analysis on the elderly households' living arrangements, the paper shows that the traditional (or multi-generational) family structure has been strongly maintained in Vietnam. Elderly people play important role in the households as many of them are heads of the households. This comment is also supported by fact that many elderly people are still working and doing housework for the households. Among elderly dependents of the households, many are living with their married son, and this situation is prevalent in rural areas. One concern pointed out in the paper is that the percentage of elderly living as dependents declined by about 10 percentage points, while the corresponding elderly living in only elderly households increased at the same rate during 1992/93–2004; particularly the percentage of one-elderly households also increased by 3

percentage points in this period. The data of the surveys also indicate that housing conditions, particularly lighting and hygiene, of the elderly households have improved significantly over time.

The last part of this paper presents the estimates of poverty rates across the population by gender and age. In agreement with information indicated elsewhere in the book, the results show that the overall poverty rate in Vietnam decreased rapidly during the past decade, from about 58 percent in 1992/93 to about 19 percent in 2004. Poverty rates are then decomposed by gender and age in order to see the detailed poverty incidence of different groups of the population. Although it is admitted that the estimates might be biased due to several possibilities, they still indicate that the hardship tends to occur mostly at very later ages. Based on these general results, the authors recommend that social welfare policies need to be specific enough with careful consideration of social and economic factors, so as to protect the elderly from risks under swift economic transformation and integration.

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