



# Leaving no one behind in a growing Vietnam:

The story from Young Lives

## Introduction

The Young Lives Vietnam Country Report presents results from a longitudinal study following two cohorts of children in various situations from remote rural and mountainous areas to urban communities, as a component of a larger multi-country project. The study relates conditions early in the lives of children to later outcomes, and so improves understanding of the effects of poverty on children's life trajectories. It also provides information on changes taking place in the lives of children, and offers evidence-based guidance for policies to improve children's chances of developing into integrated and productive members of society.

The report first outlines the Young Lives research project and the global and national contexts in which the study took place. It presents key findings on the main areas of study: improvements in wealth and nutrition, but with stunting remaining a problem among ethnic minority children; progress in education with challenges still to meet; and the long-term impacts of poverty. The report considers challenges relating to the revolution in technology, and concludes with implications of the findings for policy.

This summary is based on the Young Lives Country Report *Leaving no one behind in a growing Vietnam: The story from Young Lives*, highlighting the context in which this research was conducted, key findings, and implications for policy and practice. The full report in Vietnamese and English is available on the Young Lives website, detailing acknowledgements, photo credits and references.



### **Highlights**

- Young Lives children from all population groups enjoyed improved wealth levels. The disadvantaged groups (ethnic minority households and households with poorly educated caregivers) made the most progress, resulting in a narrowing of the poverty gap between the advantaged and disadvantaged. Nevertheless, the gap remains substantial.
- Compared to the Older Cohort (born seven years earlier), the Younger Cohort enjoyed significant improvement in their nutritional indicators at age eight, 12, and 15. Their stunting rate at these ages was more than ten percentage points lower than those of the Older Cohort at the same ages. In addition, post-infancy physical recovery was observed at all these ages.
- The school enrolment rate among the Young Lives children has been high. However, as children progressed through to higher grades, more of the disadvantaged groups would drop out of school, with girls less likely to drop out of school than boys. Encouragingly, we found evidence of educational 'catch up' by fifth graders from the most disadvantaged groups in both maths and Vietnamese reading.
- Parental physical status and education level, as well as household socioeconomic status (represented by the wealth index), consistently played an important role in the development of the child over the long-term. Being from an ethnic minority was frequently associated with a caregiver's low level of education and low wealth index.
- Technological progress and the rapid diffusion of the internet have profoundly altered the nature of the skills needed by children and young people. In addition to cognitive skills, other soft and transferable skills, including critical thinking and problem-solving, play an increasingly important role. Young Lives evidence shows that many children in Vietnam are not well equipped with the skills required for the 21st century (critical thinking, problem solving, and English). On the other hand, early childhood development is an important factor in shaping both cognitive and psychosocial skills for children in early adulthood. The implication of this is for stronger attention to be paid to early childhood development to set strong equitable foundations and help children better prepare for the future.
- There is a huge gap in terms of access to computers and the internet between ethnic majority and the ethnic minority groups. This "digital divide" creates new types of inequality and needs to be addressed so as not to leave anyone behind in a digital age.

## Young Lives

Young Lives is a unique longitudinal study of child poverty conducted in Ethiopia, India, Peru, and Vietnam over 15 years, since 2002. In each country, the sample consists of two cohorts, a Younger Cohort of 2,000 children born in 2001-2 and an Older Cohort of 1,000 children born in 1994-5. The research followed one cohort as they grew from infancy to adolescence (aged one to 15), and the second as they grew from early childhood to early adulthood (aged eight to 22). The Vietnam sample came from a range of sites in five provinces representing the country's regional and geographical diversity, and with a deliberate bias towards poverty. Data came from five rounds of surveys covering both children and their households, the last conducted in 2016. After 2007, qualitative data was collected from a smaller sample of the children, collecting information from the children themselves, their parents, teachers, friends and local staff, to create nested case studies of how children's lives have changed and how the living environment and policies have affected their lives. The qualitative data complement the quantitative survey data, providing insight into, and explanation of, quantitative findings. In addition to the regular rounds of data collection, a school survey collected data on school outcomes among 3,284 grade 5 pupils in 2011-12 and 8,740 grade 10 pupils in 2016-17.

## The Vietnamese context

The 1986 comprehensive reform program (known as Doi Moi) shifted Vietnam's economic system from planned into market-oriented, bringing globalization, technological development, and economic growth, completely transforming the country. Poverty has been radically reduced in this process: in 1993, more than half of the Vietnamese population lived under 1.90 US\$ per day<sup>\*</sup>; today, such extreme poverty has almost been eliminated. However, pockets of poverty remain, particularly among ethnic minorities, and there is concern that children growing up in poor households are frequently stunted and leave school early, which in turn undermines their later development outcomes. It is a challenge that remaining poverty is less likely to respond to economic growth than in the past.

A number of policies have targeted children specifically, providing free healthcare for children under six years of age, various forms of protection, and education from pre-primary to lower secondary for virtually all children. Challenges remain in the provision of pre-primary teachers and infrastructure, and in developing skills appropriate for the technological age.

## Findings

# Changes in the lives of children born seven years apart

*Household wealth.* Over the 15 years of the study, across all populations there was a steady increase in household wealth measured across several dimensions, with the most



disadvantaged groups (ethnic minorities and children whose caregivers had no education) increasing most. The wealth gap between the ethnic majority and minority groups was narrowed in the Younger Cohort. Nevertheless, disparities between communities remain: in 2016, 84 per cent of ethnic minority households were among the lowest third in wealth, and 59 per cent of them had been in this bottom third for all five survey rounds. Households with persistent poverty are from the Northern Uplands, the Mekong Delta, and the Central Costal region - none from the Red River Delta. Poorer areas remained poorer, with occasional exceptions resulting from development projects such as a hydroelectric scheme and a sugar factory.

*Nutrition and health.* Indicators on nutrition for children showed significant improvement in the seven years between the cohorts at ages eight, 12, and 15. The Younger Cohort in particular showed a significant drop in rates of stunting between the ages of 12 and 15. However, the geographic pattern of stunting remained unchanged and concentrated among ethnic minorities in the Northern Uplands and Central Coastal rural regions.

Although Young Lives longitudinal data reinforce the evidence that the first 1,000 days are crucial for development, it also provides evidence of recovery from stunting, with about half those Younger Cohort children stunted in infancy recovered by age eight (and with a smaller number faltering). Further, such early childhood growth correlated with cognitive outcomes. Between the ages of eight and 15 lies a further window for physical recovery from stunting, in a growth spurt linked to puberty.

*Education.* Enrolment in primary school at age eight was high for both cohorts and showed little change in the seven years between them. At ages 12 and 15, the Younger Cohort shows improved enrolment for girls (who at 15 were more likely to be enrolled than boys), and for ethnic minority groups (particularly marked at age 15). The performance in maths tests at age 12 showed improvement, especially marked for children whose caregivers had no education and for those in minority groups, indicating that the learning gap between them and the majority group is beginning to close. However, at age 15, the improvement was minimal except for those with uneducated caregivers.

In the first school survey of Grade 5 children, tests at the beginning and end of the school year showed significant catch-up by ethnic minority groups in both maths and Vietnamese language. However, the second survey on Grade 10 pupils showed a significant gap in learning levels related to ethnicity, and the gap widened slightly during the school year, suggesting that learning inequality remains a problem at the lower secondary level.

### Intergenerational transmission of poverty

*Human capital.* Throughout the survey rounds, human capital characteristics, including status and the educational level of parents (especially the mother) and household wealth, are linked with a consistent impact on children's physical growth and learning outcomes. Stunting at ages eight, 12 and 15 for

both cohorts is highly concentrated in poor households and among children whose mothers have low education. Being a member of an ethnic minority is frequently associated with both poverty and low education, not least given that many minority groups live in mountainous areas with historically lower education levels. Household poverty, low education of parents, and ethnic minority status are all related to poorer performance in cognitive tests and lower likelihood of completing lower secondary schooling. Children in such households also have less access to computers and to the internet. All of these factors decrease the chances of acquiring well-paid employment later, and increase the chances of remaining poor.

Long-term impact on labour market outcomes. At the time of the last survey round in 2016, the Older Cohort was aged around 22 years. 80 per cent were employed, mostly in low-paid work, with some still studying and some neither in school nor employed. But many were newly employed, making it too early to establish definitive judgements about long-term labour market outcomes. At age 19 (2013), about half the Older Cohort had left education, and two-thirds of these with lower secondary education or lower. Leaving school early and starting to work was related (though not strongly) with wealth levels (40 per cent were from the lowest wealth tercile and only 25 per cent from the top terciles) and caregivers' education (with a dramatic drop when caregivers had more than nine years of schooling). Qualitative data suggest that more important for long-term employment outcomes is the opening up locally of opportunities in factories or other projects.

### Skills for the 21st century labour market

**Determinants for skills development.** Young Lives data confirmed that undernutrition in the child's first year is linked with impacts on cognitive skills at age eight. Later, height at age eight and subsequent growth both correlated with cognitive skills at age 15. Mainly through its effect on cognitive skills, nutrition affects psychosocial skills, which are also related to other investments in children, such as attention by parents, study outside school, and consumption. The development of skills tends to be cumulative: higher early skills predict higher skills later in childhood, and cognitive and psychosocial skills appear to support one another.

*Skills for the 21st century.* The fourth industrial revolution is bringing about fundamental changes in the labour market, demanding new skills. Employers look for skills in problem solving and, for white-collar jobs, in creative and critical thinking. Foreign language skills are needed for work in supply services and in information and computer technology. The second round of the school survey revealed weaknesses among children in Grade 10. Only around 40 per cent of Grade 10 students have English proficiency at levels likely to satisfy requirements of the labour market, only about 15 per cent of students were competent problem-solvers, and 36 per cent were competent critical thinkers.

In addition, computer and internet skills are becoming critical. In 2016, more than 60 per cent of children from both cohorts had used computers many times, but more than 10 per cent had never used one. Children of the Younger Cohort 3

had started to use computers at age 11 on average, three years younger than the Older Cohort. Rate of internet use was high, although many parents believed that the internet presents a threat to children. Rates for ethnic minorities use of technology, however, were low: just over 5 per cent had used computers many times in their lives.

## **Conclusion and Policy Implications**

The 15 years of study showed considerable improvements in the socio-economic lives of children, their education, and their physical growth. More importantly, there was catch-up by disadvantaged children in all these spheres. Nevertheless, gaps between the advantaged and disadvantaged groups remain large, with disadvantages being linked to ethnic minorities, remote and rural areas, and lack of education of caregivers. Early childhood nutrition, parents' education, wealth level, and ethnicity remain related to the impeded development and prospects of children, particularly in remote and rural settings. Moreover, with the rapidly changing labour market and high concentration of the poor in remote areas, economic growth is less likely to have the same effect on poverty as it has had in past decades.

The data show how children's capacities are shaped by early circumstances. Physical growth is related to cognitive and psychosocial development. This suggests current government policy to increase the average height of the population would have wider beneficial consequences. Apart from the importance of early childhood nutrition, the data show that recovery from or faltering into stunting can occur right through to adolescence, suggesting the importance of attending to nutrition right through childhood.

Current pre-school and primary school strategies have resulted in narrowing the gap between advantaged and disadvantaged in primary education. However, the gap appears to widen in lower secondary school, and children from disadvantaged groups frequently end their schooling early and enter poorly paid employment, suggesting the importance of strategies to reduce inequalities at this level of schooling.

Today employment has changed fundamentally under the impact of technological progress. Some skills are likely to be critical for people to be successful in the future, such as critical thinking and problem solving as well as foreign language skills. Our evidence from the second school survey suggests that there is a deficit in these skills among Vietnamese children. One strategy to overcome this is to provide a sound start with early nutrition and pre-school preparation for learning. Teaching curricula and teaching method must also be adapted to accommodate new trends in the labour market.

To adapt to the labour market in the current technological aid, computer and internet skills are necessary. Although there is growing access to these among advantaged groups, children in disadvantaged groups – and particularly in ethnic minorities – suffer from severe shortage of access to this technology, creating a new kind of inequality. This needs urgent redress in the education system.

What, then, are the implications for policy development? Vietnam has achieved a huge amount in a short deal of time. The strategies that have achieved past success now need to adapt to technological change, globalisation and towards industrialisation. The flexible and low cost labour market has helped Vietnam build a strong manufacturing base but human capital is increasingly important. The experiences of the Young Lives children highlight three key implications for policy aiming to maximise human capital for inclusive development.

First, early childhood is foundational. Maximising quality conditions and services in the early years is vital. Such services include nutrition, health and early learning. Good early child development is important for the effectiveness and equity of everything that comes after.

Second, early to mid-adolescence is a time where poor children, ethnic minorities and boys begin to fall behind and leave school . This is also the time when external pressures, such as the need to work, increase. Ensuring good opportunities to learn includes efforts to tackle poverty, and creating positive learning environments at school are important to ensuring children stay on in school longer.

Third, Vietnam has done well on many indicators in managing growth with equity. But the circumstances of minority groups show that some Vietnamese children remain disadvantaged from the start. And the rise of new technologies tells of a future where digital skills are increasingly important. Policymakers should be watching the digital divide with care, and focusing attention to ensure all children have the 21st century skills needed to take up and to create 21st century opportunities.

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