



Poverty and Intergenerational Change:

Preliminary Findings from the 2016 Young Lives Survey (Round 5): Viet Nam

This fact sheet presents findings from the fifth round of the Young Lives survey of children in Viet Nam in late 2016. Young Lives is a longitudinal study on childhood poverty that has followed two cohorts of children born seven years apart since 2002 (an Older Cohort born in 1994-95 and a Younger Cohort born in 2001-02). This fact sheet presents preliminary findings showing that the living conditions of Young Lives households have improved since 2002, especially for the most disadvantaged groups, but not for all equally. Environmental and economic vulnerability might have been a reason for certain groups to remain poor. Some important differences in education and health are presented. The mothers of the Young Lives children were born either in war time or in the decade preceding the economic renewal of Doi Moi; their children have grown up enjoying better nutrition, health care, and educational services in the post-Doi Moi era.

Key Findings

- Wealth increased for all sections of the population, with the most disadvantaged groups achieving the greatest percentage changes. The pattern of inequality, however, remains mostly unchanged.
- 14% of households have been poor in all rounds of the surveys since the first, conducted in 2002. These include over 40% of households in Northern Uplands, but none in urban or Red River households.
- Access to all services has improved, but only access to electricity was close to being universal by 2016. Nearly 30% of households in Northern Uplands and 25% in Mekong Delta have no access to safe drinking water.
- Disadvantaged groups were the most likely to experience environmental shocks. With the exception of the year 2009, the incidence of being affected by either an environmental or an economic shock decreased year on year.
- The educational attainments of the 22-year-olds (Older Cohort children in 2016) are much better than those of their parents. Urban and rural locations are more equal in 2016 with respect to schooling and in post-secondary enrolment than was the case for their parents' generation.
- 22-year-old women are on average 4cm taller than their mothers. The important factors associated with intergenerational differences in height are location, ethnicity, and the caregiver's number of years of schooling.

The policy context for poverty in Viet Nam

The Economic Reform (Doi Moi) of 1986 changed Viet Nam's economic situation dramatically and led to an impressive reduction in poverty (VASS, 2007). The National Programmes for Poverty Reduction developed basic infrastructure such as rural roads, schools, health clinics, irrigation, and electric power in the poorest communes of the country. As a result, the programmes significantly improved access to electricity and safe drinking water, especially for the most disadvantaged population groups.

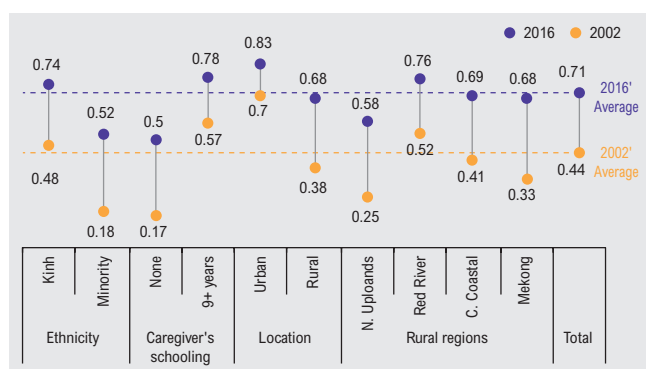
The recent target programme on sustainable poverty reduction for the period 2012-2015 aimed to improve and incrementally raise the living conditions of impoverished households, especially those in mountainous and ethnic minority areas. Specifically, the programme aimed to reduce national poverty rates by 2% each year, and by 4% in the most poorest districts and communes.

Wealth index changes

The Young Lives wealth index is a composite index that reflects the socio-economic situation of a household in terms of quality of the dwelling, access to basic services, and ownership of consumer durables.¹ The index has a value between 0 and 1, with higher values indicating higher socio-economic status.

Wealth according to the index increased for all groups, but the greatest percentage increases since 2002 have been among the most disadvantaged households (ethnic minority households and households where the primary caregivers had no schooling; Figure 1). The average increase is much less for households in urban locations, which started well above the total average in 2002.

Figure 1. Improvements in household wealth between 2002 and 2016



The five rounds of Young Lives survey allow us to map patterns of social mobility and explore whether certain households are more likely to remain in or move out of poverty over time.² For the Younger Cohort, 631 households (33.4%) were in the bottom wealth tercile (i.e. poor) in 2002. Of these households, 247 (14%) have been persistently in the bottom wealth tercile over the five rounds of data collection from 2002 to 2016

(Table 1). Notably, the ethnic minority households (59%) and households in the Northern Uplands (41%) were more likely to be in the bottom wealth tercile through all the rounds of surveys. No household from Red River Delta or in urban sites remained in the bottom tercile.

Table 1. Persistent poverty since 2002

		Households in the bottom tercile (2002)		Persistently in the bottom tercile (2002 – 2016)	
		%	number	%	number
Ethnicity	Kinh	24.9	403	6.8	102
	Minorities	84.1	228	58.5	145
Location	Urban	1.5	6	0.0	0
	Rural	40.6	626	17.5	247
Rural regions	Northern Uplands	70.1	265	41.3	140
	Red River	6.2	24	0.0	0
	Central Coastal	29.3	114	10.4	38
	Mekong Delta	57.6	223	19.7	69
Total		33.4	631	14.1	247

Access to services

Improvement in the wealth index was partly due to an improvement in access to services. Household access to electricity increased over time and has become almost universal for all groups: differences in access between advantaged and disadvantaged groups have become minimal (Table 2). Ethnic minority households made the greatest progress: having had the lowest access to electricity in 2002 (55%), their access increased to 97% by 2016.

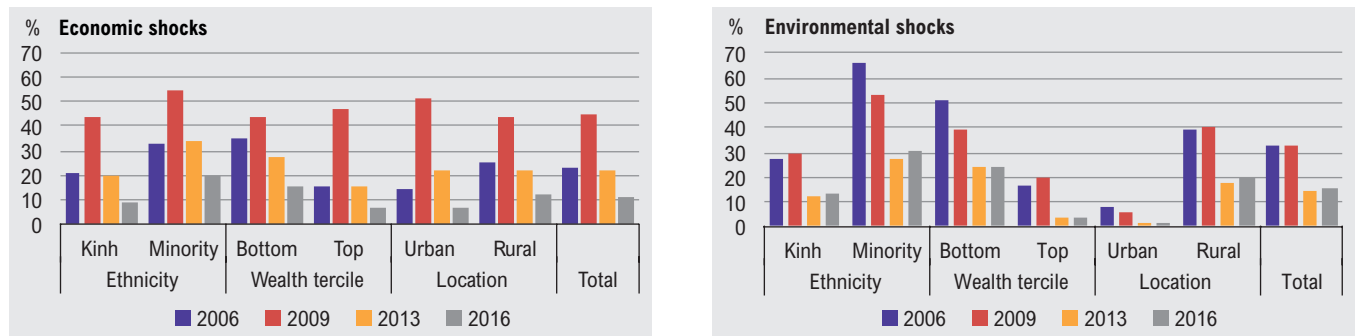
By contrast, access to safe drinking water and sanitation in 2016 lags behind. Access to sanitation for ethnic minority groups and in rural regions of Central Coastal and Mekong Delta in 2002 were as low as 20%, 23% and 11% percent respectively. By 2016, however, the rates of access to sanitation facilities for ethnic minority groups and these rural regions are all above 70%. With respect to clean water, even given the progress that has been made, in 2016 only two-thirds of ethnic minority households and three-quarters of households in the Mekong Delta had access to clean water.

Exposure to environmental and economic shocks

Particularly noteworthy is the increase in exposure to economic shocks across all groups in 2009, corresponding to the global financial crisis of 2008. The economic shock of 2009 affected not only the poor. In fact, households in the top wealth tercile as well as urban households were affected most, possibly due to the extent of households' participation in the market. With the exception of this event, the general trend has been a declining experience of economic shocks reported by households in the following survey rounds. Ethnic minority and poor households are most vulnerable to economic shocks, as well as the households of caregivers

¹ For more details on the construction of the wealth index see Briones (2017).

² Relative poverty of a household is defined as being in the bottom tercile (third) of the wealth distribution.

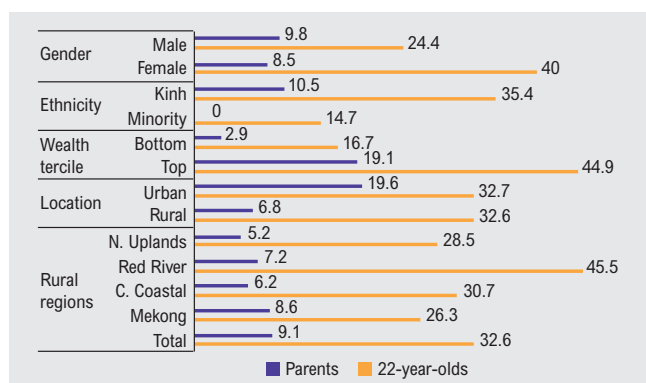
Figure 2. Percentage of households reporting economic and environmental shocks

with no schooling. Figure 2 shows the percentage of households reporting having experienced environmental and economic shocks for each survey round since 2006.³

There is a noticeable difference between the top and bottom wealth terciles in exposure to environmental shocks, as well as between households in urban and rural locations. Households in rural areas are much more likely to report being affected by changes in the environment. Among the rural regions, the Northern Uplands and Central Coastal are more likely to report having suffered from environmental shocks than the other regions. The reduction in reports of environmental shocks over the years, however, seems to indicate decreasing vulnerability over time.

Intergenerational change in education and height

22-year-olds in 2016 (the Older Cohort) were much more likely to attain some form of post-secondary education (33%) than their parents (9%) (Figure 3). Particularly notable are the improvements in the educational attainment of 22-year-old girls compared to their mothers. Even though there is a small number of 22-year-olds with no schooling at all (1%), that number is lower than the corresponding figure for their parents (5%). The groups showing the greatest improvement are the ethnic minority households (from 34% of parents with no education to 7% of their children), households in the Northern Uplands (from 20% to 5%), and the poorest households (from 14% to 3%).

Figure 3. Percentages of parents and their 22-year-old children with post-secondary education

The average height of 22-year-old girls is 156 cm, which is about 4 cm taller than their mothers.⁴ Within this generalisation, socio-economic factors affect intergenerational differences in height: daughters of mothers with nine or more years of schooling are 3.4 cm taller, while daughters of mothers with no schooling are 4.3 cm taller than their mothers. However, 22-year-olds whose mothers had nine years of schooling or more are still 2.5 cm taller than those whose mothers had no schooling. 22-year-olds from urban areas are 4.5 cm taller than their mothers and girls from ethnic minority households are 4.1 cm taller than their mothers. However, differences in height between 22-year-olds from the poorest and wealthiest terciles are not statistically significant.

Conclusions

The period from 2002 to 2016 witnessed an impressive increase in wealth for all groups. In terms of percentage growth, the poorest groups made the greatest improvement, even though they remain disadvantaged. That is why interventions such as the Programme 135 and other National Programmes on Poverty Reduction targeting the ethnic minority groups and the people in the very poor communes should be kept high on governmental agendas (Pham, 2016). Economic and environmental shocks hit the poor hardest and have contributed to persistence of poverty. Our finding of a declining trend of environmental shocks should be interpreted with great care because of Viet Nam's vulnerability to climate change, which will have a significant impact on the rural economy, and the poorest households (World Bank 2010).

The educational attainment of the Young Lives children is much better than that of their parents. For post-secondary enrolment inequality between urban and rural locations for 22-year-olds is less than for their parents, with 22-year-old girls over 30 percentage points more likely than their mothers to enrol in post-secondary institutions. With respect to height, we also find a significant difference between the generations born before and after Doi Moi. Evidence in this fact sheet suggests that poverty in middle childhood made no significant difference to the height of those young women born in the post-Doi Moi era.

³ Consistent information for a set of four economic and eight environmental shocks was collected in Vietnam only from 2006 (Round 2).

⁴ As a benchmark, the National Institute of Nutrition and UNICEF (2012) documented the average height in 2009 for women aged 20–24 years in Viet Nam as 153.4cm, while the corresponding figure in 1975 was 150cm. For international height trends, see Cole (2000).

Table 2. Households' access to services and exposure to shocks (%)

	Access to electricity					Access to clean water*					Access to sanitation					Environmental shocks				Economic shocks			
	2002	2006	2009	2013	2016	2002	2006	2009	2013	2016	2002	2006	2009	2013	2016	2006	2009	2013	2016	2006	2009	2013	2016
Ethnicity																							
Kinh	89.6	97.4	98.8	98.4	98.8	57.6	83.6	87.8	91.7	93.3	52.7	60.3	67.6	80.4	88.3	27.8	29.8	12.5	13.0	21.1	43.2	20.2	9.3
Minority	55.4	79.3	85.9	96.7	97.0	–	62.4	61.3	64.2	66.1	19.9	17.0	21.4	43.5	71.6	65.7	53.5	27.7	31.0	33.2	55.0	33.6	19.9
Caregiver years of schooling																							
None	46.8	71.9	80.2	96.6	96.5	13.3	61.1	59.6	61.6	63.5	11.3	10.3	13.3	30.0	67.0	55.2	51.7	24.6	31.0	31.0	54.2	29.1	18.2
1-4 years	70.3	95.0	97.8	97.8	99.2	34.4	66.7	73.8	83.5	83.5	28.7	31.5	40.1	62.4	76.0	40.1	32.6	12.5	15.4	25.8	44.1	23.3	10.8
5-8 years	88.8	97.1	99.1	97.9	98.8	46.5	80.2	85.3	88.5	92.4	40.6	48.0	59.2	75.9	85.6	34.0	35.5	15.6	17.1	25.2	44.5	21.4	11.7
9+ years	97.0	98.9	99.2	99.2	98.7	70.0	91.6	93.7	96.3	96.4	72.9	81.2	84.0	92.0	95.2	23.4	26.0	11.7	10.2	17.7	42.8	20.1	7.6
Location																							
Urban	99.7	99.5	99.5	99.5	98.9	87.0	99.2	99.7	99.5	100.0	85.8	94.3	96.5	96.0	99.5	8.1	6.4	1.3	0.2	13.8	51.2	21.7	6.5
Rural	81.3	93.7	96.3	97.8	98.5	41.9	76.0	80.1	84.5	86.5	39.5	44.3	52.2	69.6	82.3	39.3	39.8	18.2	19.8	25.1	43.3	22.3	12.0
Rural regions																							
Northern Uplands	70.4	85.5	90.3	98.1	97.8	–	61.3	69.4	71.6	73.0	39.7	38.2	45.2	66.8	86.6	66.7	36.6	23.5	26.0	35.5	41.7	38.6	22.3
Red River	100.0	99.7	99.2	97.8	99.2	96.7	98.7	98.7	97.8	99.7	83.5	89.2	89.4	96.5	97.6	28.3	44.1	17.9	19.3	9.5	33.5	13.3	9.8
Central Coastal	77.1	97.9	98.4	96.5	97.9	–	98.7	98.7	100.0	99.0	23.4	29.4	41.0	61.4	72.0	26.2	63.9	23.1	22.8	21.3	64.9	26.3	8.4
Mekong Delta	77.3	90.8	97.2	98.6	99.2	55.6	43.5	53.1	69.3	75.3	11.4	21.5	32.2	53.8	74.7	37.0	14.7	8.7	9.6	34.5	34.2	11.3	6.9
Household wealth terciles**																							
Bottom	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	51.4	39.2	23.7	24.1	34.9	44.0	27.1	15.5
Middle	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	32.4	40.2	15.6	18.5	18.1	43.5	23.2	10.3
Top	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	16.2	20.3	4.2	3.9	15.5	47.4	15.7	6.5
Full sample	84.6	94.8	96.9	98.1	98.6	50.2	80.5	84.0	87.7	89.4	48.0	54.1	60.9	75.1	85.9	33.2	33.2	14.7	15.6	22.9	44.9	22.1	10.8
All households	1889	1886	1886	1889	1809	1889	1889	1889	1889	1889	1889	1889	1889	1889	1889	1889	1889	1889	1889	1889	1889	1889	1889

* Data for access to safe drinking water in 2002 in the Northern Uplands and Central Coastal regions, and for minority groups are not included because of concerns that the data in these regions were under-reported.

** The figures for access to electricity, access to clean water and access to sanitation are not shown because these are part of the wealth index.

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The images throughout our publications are of children living in circumstances and communities similar to the children within our study sample © Young Lives



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