

*Full Length Research Paper*

# Geographical barriers impacts on the efficiency of poverty alleviation policy in Vietnam

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**After the 20 years of economic innovation in Vietnam, government policies of poverty alleviation have brought encouraging results, lessening from 60% in the early 1990s of the 20<sup>th</sup> century to 10% currently. In urban areas and regions with good geography for agricultural activity and economic development, this rate is very low. In contrast, poor people live mostly in rural areas with geographical challenges such as lack of land for agricultural production and conditions to develop goods market. Poverty and hunger in such areas is a challenge for the effort of implementing government policies of poverty reduction at the present. This article reflects that geography is the factor obstructing the efficiency of policies of poverty alleviation in Vietnam for the past years. This will be a contribution to provide scientific foundations in making programs and projects of impoverishment reduction for the target objects in priority fit for these specific areas to basically resolve poverty issue in Vietnam in the next decades.**

**Key words:** poverty alleviation, geographical barrier, geographically unfavorable regions.

## STUDY BACKGROUND

### Geography, land and policies of poverty alleviation in general

Population: The average population in 2011 was about 87,84 million people, including 43,47 million male, making up 49,5% of all and 44,37 million female, making up 50,5%. Urban population was 26,88 million people (30,6% of all) and rural population was 60,96 million (69,4%)

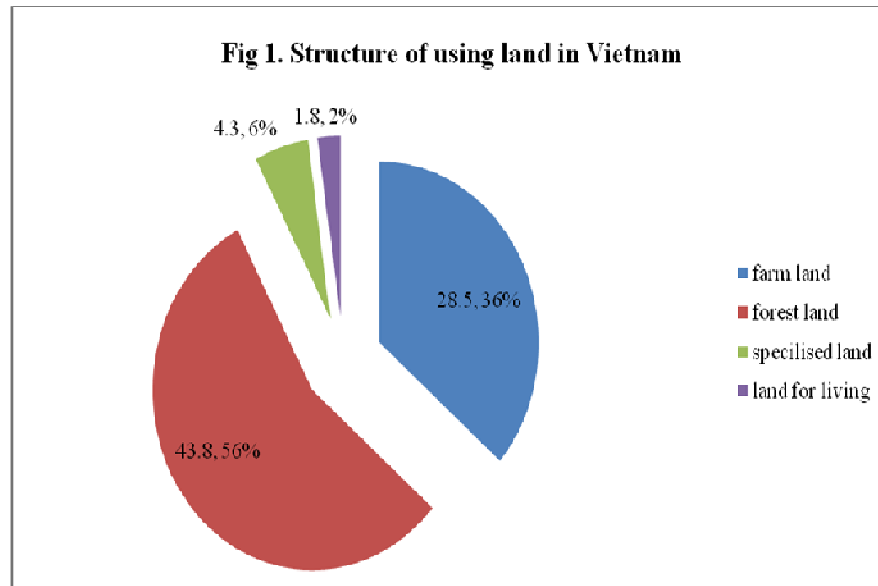
Geography: Vietnam is a country located in the Southeast Asian region with the diversity of terrain and climate. Vietnam territory is S-shaped and the terrain includes deltas, midlands, highlands and plateaus; there is the East Sea surrounding the length of 3200 km and thickly interlacing systems of rivers, lakes, canals and ditches in deltas. Climate is monsoon tropical but there is climate and soil like temperate zone in highlands. At the same time, climate is in contrast in different regions and areas: snow in North West and East West while in Southern regions the temperature is 37°C.

According to Statistics in 2007, Vietnam's surface was 33.121,2 thousand ha including 24.696,0 thousand ha of farm land, making up 74,56%; non-agricultural land

3.309,1 thousand ha (nearly 10%); unused land 5.116,0 thousand ha (15,46%). Land for delivery and for rent is 23.763,8 thousand ha in the total land now, making up 71,75%. Structure of using land as followed: 43,8% of forest land, 28,5% of farm land, 4,3% of specialized land and only 1,8% of land for living.

The structure of using land divided according to local areas. Farm land centralises in 3 regions: Red River Delta (50,9%), Southeast region (46,2%), Mekong Delta (63,3%); forest land is mostly in: Northeast (55,9%), Northwest (48,6%), North of the central part (55,9%), South central coast (43,7%) and Highland (55,8%); specialized land (4,36%) and land for living makes up a very small (1,8%).

Social welfare and poverty alleviation between 1993 and 2011 was cared by the Government through policy combinations: (i) Overall strategy of growth and poverty alleviation, in 2002. (ii) National target program of poverty reduction in the phrase 2010-2020 (iii) National target program of constructing new rural areas in the phrase



Source: Vietnam's General Statistics Office (2008), General Statistics Directory 2007

2010-2020 (iv) Program of poverty reduction 2011-2020.  
 (v) Career training for rural laborers until 2020, in 2009  
 (vi) Program called 135 with the purpose of assisting extremely poor communes (vii) Program called 134 in the aim of helping regions of ethnic minorities.

In 2011, Government allocated approximately 140 million USD of capital of developmental investment and 27 million USD of administrative capital for 62 poor suburban districts nationwide. In addition, there were 40 economic corporations, state-owned general company and enterprises pledged to help these poor districts in the phrase 2009-2020 with the total sum of money of 100 million USD. Thanks to the Resolution 80 of Government on May 19, 2011 about orienting sustainable poverty reduction in the stage between 2011-2020, there have been over 500 poor households who have been allowed to make favorable loans; 300 thousand turns of poor people have been guided how to make a living through 800 performing models and 5000 classes of technical training; 14 million poor people granted medical insurance cards; 2,5 million poor students learning free or paying very low tuition fees in the year 2010-2011 and 20 thousand of people helped with houses. (Vietnam's General Statistics Office, 2012)

### Poverty in geographically unfavorable regions for agricultural production and commercial development in Vietnam

Vietnam is among the countries with high rate of poor households for instance, as at 1993 (58,1%) was reported but due to the determination of implementing governmental policies of poverty alleviation and the

stable achievements of growth about 7% in the phrase 2000-2011, impoverishment fell remarkably by 10% in 2011 (Vietnam's General Statistics Office, 2012); however the exact number of poor people was about 8,5 million, which was great and considered equivalent to the population of other nations: Austria: 8,3 million, Benin: 8,849 million, South Sudan: 8,079 million in 2010 (World Databank, 2012).

There are 2 noticeable problems of the structure of poor people in Vietnam currently.

Firstly, the rate of poor households in the countryside is much higher than in the urban areas: In rural areas in 1998 it was 44.9% and urban areas 9%; in 2002, it was 35.6% and 6.6%; in 2009 17.4% and 6.9%. The higher rate in the country than in the urban areas has made the overall rate nationwide keep on fairly high. Moreover, rural population makes up nearly 70% of national population; hence the focus of poverty alleviation in the countryside.

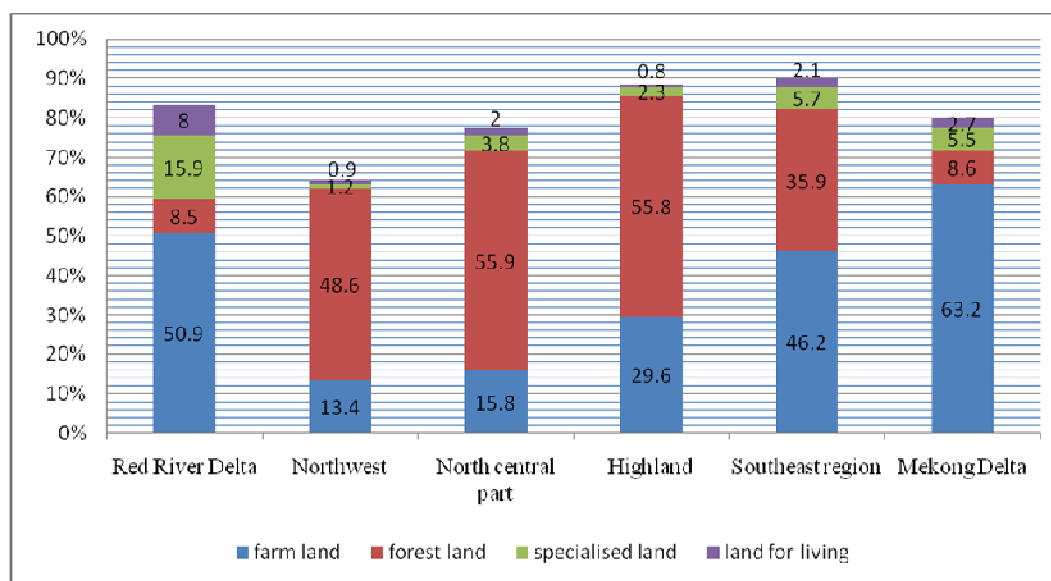
Second, there is a very big disproportion of these rates among different regions in the whole nation. (1) Regions with low rates like Southeast region (2.3% in 2009), Red River Delta (8.3% in 2009) and Mekong Delta (12.6% in 2009). (2) Regions with high rates for a long time like midland and mountainous region in North (64.5% in 1998 and 29.4% in 2009), Highland (52,4% in 1998 and 22.2% in 2009), North of central part and central coast (42.5% in 1998 and 20.4% in 2009).

According to the author's qualitative research, the rates in regions rich in farm land are lower than in those with a lot of forest land or in mountainous areas. In Vietnam geography between areas is extremely different, particularly problems of land for agricultural activity. Regions full of this kind of land like Red River Delta,

**Table 1.** The rate of poor households divided into urban, rural areas and different regions in Vietnam

	1998	2002	2004	2006	2008	2009	2010
<b>WHOLE COUNTRY</b>							
<b>Overall rate of poverty</b>	<b>37.4</b>	<b>28.9</b>	<b>18.1</b>	<b>15.5</b>	<b>13.4</b>	<b>14.2</b>	<b>10,6</b>
<b>Divided into urban &amp; rural</b>							
Urban areas	9.0	6.6	8.6	7.7	6.7	6.9	
Rural areas	44.9	35.6	21.2	18.0	16.1	17.4	
<b>Divided into regions</b>							
Red River Delta	30.7	21.5	12.7	10.0	8.6	8.3	
Midland and mountainous regions in North	64.5	47.9	29.4	27.5	25.1	29.4	
North of Central part and South central Coast	42.5	35.7	25.3	22.2	19.2	20.4	
Highland	52.4	51.8	29.2	24.0	21.0	22.2	
Southeast region	7.6	8.2	4.6	3.1	2.5	2.3	
Mekong Delta	36.9	23.4	15.3	13.0	11.4	12.6	

Source: Vietnam's General Statistics Office (2012), education, public health, life and culture, rate of poverty in general divided into urban, rural areas and regions.

**Figure 2.** Land structure in regions in Vietnam

Source: Vietnam's General Statistics Office (2008), General Statistics Directory 2007

Mekong Delta and Southeast area have less poor households than others such as mountainous areas and midland in North like Northwest, Northeast; highland; North of central part and southern central Coast, in which there are lots of forests, rock mountains and temperate climate, etc. Furthermore, communities of ethnic minorities densely populate, so language barriers, manners and customs of shifting cultivation of wandering hilltribes are problems affecting programs and projects of poverty alleviation.

Beside farm land, regions with good locations for commerce (home and foreign trade) to develop economy such as good transportation systems like roads, seaports, airports and with the focus of clues of education, finance, politics and culture like the 2 Deltas have lower rates of poor households: Red River Delta: 8,3% and Mekong Delta: 12,6% in 2009

Such the above geographical factors prevent policy measures from boosting growth of goods economy to better incomes owing to lack of land for agricultural

production so it is impossible to produce goods. Measures of small credits and micro finance enable to work well as there are no markets and communities of ethnic minorities live here and there so it lacks factors to form economic-related communities.

Vietnamese Government has had many programs and projects for poverty reduction. There are specific programs for regions with unfavorable geography. For example, (1) Program 135 to help especially difficult communes such as investing electricity, roads, small irrigations and public health. (2) Program 134 to build houses, providing food, crop plants and domestic animals for areas with ethnic minorities. In addition, policies of education, public health and labor export are in priority in such places. The result is not as expected, though.

Geographical factors are brick wall to enable Vietnam to facilitate efforts of hunger elimination and poverty reduction. Hence, how to reduce impoverishment for prioritized objects in these geographically unfavorable regions is one of the challenges and obstacles for designing policies of poverty alleviation currently and in the future of Vietnamese Government as well as international communities.

### **Solutions of poverty alleviation for geographically unfavorable regions in Vietnam**

Policies of poverty reduction should focus on rural and agricultural sector in priority. There should be more investment in this sector. For example, systems of economic and technical infrastructure must be improved such as linking rural roads and interprovincial road lines, upgrading systems of electricity and irrigation, and investing technology and agricultural encouragement in rural agriculture. Network of social infrastructure like schools, public health, systems of goods division should be perfected. Production and business enterprises connecting with rural agriculture should be given assistance and encouragement to create more jobs and make a change in thought of production of farmers, particularly poor households.

It will be a good idea for these policies to be suitably designed for regions in which there has little farm land but a lot of forest land and mountains such as mountainous areas in North (Northwest and Northeast), Highland, North central part and Southern Central Coast because they are places fit for means of production

depending on forest land. The 2 typical examples are as followed: 1200 poor households in Tram forest, U Minh Ha area, Ca Mau province are allowed by the government to be in charge of watching and guarding natural growth of bee nets and later harvesting them to improve their lives. This is the place with perfect geographical conditions for raising bees with high quality of honey bees. Some localities in Highland and Northwest encouraged enterprises' investment in afforestation and animal husbandry, making more jobs and frequent incomes for ethnic minorities and leading to habits of cultivation with goods-production style. The 2 above lessons shows that improvement of immediate conditions of impoverishment can still be made and later can have an impact on the second generation out of poverty more effectively.

### **CONCLUSION**

Last but not least, experience of poverty alleviation in Vietnam has indicated that there is a big difference between regions. To lower the rate of impoverishment, Geographical factor is regarded as an agent that can boost or block and slowdown the efficiency of programs and policies of poverty reduction. It is an evidence that in the last 20 years of performing these policies in Vietnam, this rate has still stood higher in geographically unfavorable locations with little farm land or lack of conditions to develop goods economy. Therefore, it is advisable to propose policies designed for these special areas as a priority in the effort of poverty alleviation in the coming years.

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