Vietnam: a discussion of poverty, its measurement and likely causes, with special reference to agriculture

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1 Also: AF&A p/l (Chairman); Asia Institute, University of Melbourne (Principal Fellow – honorary); and School of Social Sciences, La Trobe University. http://www.latrobe.edu.au/socsci/ (Professor of International Development, part-time).
Introduction - Terms of Reference

This paper is part of ongoing work at The Centre for Strategic Economic Studies (CSES) on comparative issues of poverty and policy. The focus here is upon the Role of Agriculture in Poverty Reduction in China, India, Indonesia, South Africa and Vietnam. The principal aims of this study are:

- To document, on a regional and social class basis, the poverty experiences of these five countries in terms of both poverty line and multidimensional measures;
- To define, by a comparative empirical analysis and by specific studies of each country, the key linkages between agricultural development and poverty reduction; and
- To identify the forms of agricultural development that are most conducive to poverty alleviation, and the conditions in which that impact is most effective.

This paper will, like others, seek to address the following issues:

- Documentation of the latest status of poverty in each country measured by (a) the national/subnational official poverty lines and (b) the Multidimensional Poverty Index developed by the UNDP-Oxford Poverty and Human Development Initiative (OPDI);
- Progress (or lack thereof) in each of the above measures over the past two-three decades; and
- The role of agricultural development in that progress, highlighting the policies or instruments that have, or could have, played a decisive role.

Data sources, methods and techniques used clearly need proper discussion, including the availability of data for measuring multidimensional poverty.

There are I believe important methodological issues, which I discuss in the next section. In the section following, I present a rather general narrative of the issue of poverty in Vietnam in modern times. I then address what I feel can responsibly be said, given the state of scholarship, about the current situation in terms of quantitative data, move on to look at issues to do with agriculture, policy implications and then conclude.

Discussion of methodological issues

Implications of multi-dimensionality: ‘poverty does not rise and fall’

At its simplest the concern with poverty as an issue is easily linked to the tensions created by the question of how to construct useful measures of it. Poverty is often linked to matters of power, who has it and who does not. Such power asymmetries, when combined with diversity of values and perceptions, must be expected to lead to differences in how any given situation is evaluated and how measures taken brought to account. This includes both how a particular situation is gauged and how people form views about arguments that explain why it exists and so what should be done to change it. Therefore, we should not separate too rigidly what people think about poverty, and how to describe it, from what we believe may cause it.
As is well known, any decent development studies course will encourage students to consider the extent to which economic growth per se (increases in measured per capita GDP) can be thought so well-correlated with other plausible indicators of progress that each may be taken as a proxy for the other. Some economists take this view, thinking that ‘we should believe in economic growth’ if we believe in development [Fforde, forthcoming 2011a]. Thus we find that the first ‘Question for discussion’ in Todaro and Smith 2006 shows a familiar perspective:

Why is economics central to an understanding of the problems of development? [p.33]

Yet this view is usually contrasted with evidence that various plausible indicators of human welfare, such as infant mortality, are in some cases high in situations where per capita GDP is low, but that examples can be found where they do not fall when measured per capita GDP increases.

These issues were studied rather early in Vietnam, concluding that there was *not* a strong correlation between these various possible indicators of poverty, so that “expanding the number of dimensions used to identify chronic poverty may not lead to greater clarity about the characteristics of chronic poverty.” [Baulch and Masset 2002:1]. That is to say, that poverty is best seen as multi-dimensional and *cannot be reduced, in this way of conceiving of it, to a single ‘number’*. Thus, poverty should not be thought of as something that rises or fall. Any acceptable gauge of it, this argues, is multi-dimensional; further, the ‘dimensions’ are likely incommensurable, even before there is any attempt to evaluate them.

We thus find attempts to build other indicators that combine a range of metrics. The Millennium Development Goals are an obvious example. Yet this does not so much as solve the problems caused by diversity of views, both about how to value situations and to establish some agreed cause and effect, as seek a better consensus around a new standard, whose authority and power may also be questioned, and is. The shift towards multidimensional measures of poverty goes in this direction. But these efforts remain problematic for reasons already mentioned, and this itself is indicative of positions taken and how different rationalities combine, interact and compete.

Now, for any organisation seeking to account for its activities, it makes apparent sense to seek gauges of outcomes that appear to be as comparable across contexts as, say, physical indicators, such as temperature or mass. This permits economising on information, on monitoring and reduces risks as it makes it easier to account for actions. Results-based management appears attractive. This is particularly the case if mechanisms with adequate authority and power exist to enforce agreement between relevant parties on what indicators are to be used, and which explanatory framework is to be adopted. This is of course particularly hard if, as is the case with development work, various characteristic and disturbing factors come into play.

First, there is the problem of sovereignty: as aid operates in at least two jurisdictions, there is no simple method of establishing the truth of the matter. Similar arguments, which are not so clear or stark, operate when stakeholders include ethnic minorities, marginalised social groups and indigenous populations whose social values are somewhat evidently heterodox, and this can be made to matter.

Second, there is the evident lack of agreement on how welfare is to be compared between different people and over time. This is an old ‘result’ in development economics – the
impossibility of ‘objective’ inter-personal and inter-temporal comparisons of welfare. A classic text is Little 1957; Williams 1996 is a good introduction. It is obvious that, unless there is some authority with sufficient power to do so, discussions about just how to measure poverty do not stop. These reflect diversity, different senses of what matters, and power asymmetries. These are well-documented.²

Third, there is the lack of robust knowledge of ‘what works’ – of know stable relationships between causes and effects, between policy and outcomes, across a wide range of contexts. The seminal article here is Levine and Zervos 1993, see also Kenny and Williams 2004, linking this to ideas that this very instability is linked to the very wide underlying variation across contexts. See Hoover and Peres 2004 for an attempted rebuttal. Attempts to guide state action through advocacy of a particular rationality are of course easily made part of explanations as to who certain groups appear favoured, and others excluded (‘invest in the hard-working’).

The use of multidimensional indicators of any intended outcome is also made complicated by the very reasons why organisations tend to prefer single indicators, such as poverty lines, or, in other areas of results-based management, metrics such as profit or shareholder value. This is because of the arithmetic – how multidimensional indicators behave over time, and how these changes may be explained, and so accounts of the effects of interventions and policy be given.

Unless there is a strong correlation between the elements of a multidimensional indicator, in which case one of its components may reasonably be taken as a proxy for the rest, then there will be situations where some of them move in different directions: some may rise, whilst others may fall.³ The overall effect upon the indicator then depends upon the weights used, perhaps imputed from some observation of behaviour (as in ‘willingness-to-pay’ exercises), but as practitioners and others know, these weights are contestable. For example, whilst some people may underplay a worsening in indicators such as infant mortality, welcoming increases in GDP, others may take a different view.

This problem is intensified by the possibility that any analysis of policy impact proposed or adopted may suggest the existence of complicated linkages between policy and other ‘causes’ and the range of indicators within the overall multidimensional poverty metric.

These tensions are creative. They do not imply paralysis and concluding that justifiable interventions are impossible. It is well-known that asserted expertise runs risks of excluding important stakeholders from processes, and these tensions add power to those who stress these issues. Therefore discussion of multidimensionality, in that it pushes these problems into the discussion, tends also to push for greater attention and resources to be allocated to ensure that, since under conditions of development work it is highly difficult to find a source of authority and power that can establish ‘the truth of the matter’ (the ‘dual sovereignty issue’ discussed above), the risks created by excluding potentially important stakeholders are minimised.

² Mosse 2005 gives a good account; see also Shore and Wright 1997 and, for accounts of aid workers, Fechter and Hindman 2011.
³ For a discussion of how such correlations and other statistical relationships may be used to economise on data collection see Linh Vu and Bob Baulch 2010. Their focus is upon correlates with consumption expenditure understood as defining its poverty status [p.7]. See also Granger and Newbold 1974 and Granger 2000 for a discussion of spurious correlation.
In this sense, to return to the statement above about what is wanted, a definition, “by a comparative empirical analysis and by specific studies of each country, the key linkages between agricultural development and poverty reduction” is required to be, or is under pressure to be, something that is acceptable to the relevant stakeholders. This may not be possible, for obvious reasons, but the discussion may still be useful. Even if different parties have different evaluations of indicators, different ways of selecting and weighting components and of conceptualising different causes and effects, and their stated relationships, this does not mean that they cannot transact, cooperate and feel in their different ways comfortable with what they see as outcomes. Whether this ‘fits’ with the particular beliefs that lead to a group supporting a particular metric, is not then very necessary. What is more important is the deal-making, and the shared sense of approval.

The UNDP/OPHI Multidimensional Poverty Index

This index reveals much about the advantages and disadvantages of quantitative ‘singular perspective’ approaches.

Methodologically, the index is unexceptional. It combines a weighted vector of indicators, and adds to this a gauge of the extent to which the given individual is shown as poor by more or less components of the vector. Arbitrarily, somebody is deemed to be poor is they are measured as deprived in more than 30% of the weighted indicators. Its apparent ability to gauge the intensity of poverty presents itself as a more useful indicator for ‘economy and welfare’ approaches that conceptualise poverty in terms of the outcomes of state actions familiar from mainstream narratives – economic growth, and welfare, the latter seen mainly as health and education. As we shall see, this is problematic when, as appears to be the case in Vietnam, the remaining sites of poverty are increasingly linked by researchers to issues of exclusion and power asymmetries, where ‘economy and welfare’ approaches too easily risk being seen as inherent elements of a situation that keeps those ‘at the bottom of the food chain’ in their places: in other words, differentiation processes that are deeply rooted in the social and political structures of the mainstream.

Strikingly, as discussed below, and as one would expect, in a country like Vietnam where for various reasons social welfare indicators show relatively good results, this leads to a poverty incidence measurement far less than those given by income indicators. This is interpretable as an example of situations where economic measures contrast with wider ones: it is said, thus, that it is far better to be income-poor in Vietnam than in other countries. It could also be said that existing power asymmetries are tending to support for those ‘lower down the food chain’ reproduction activities (the production of fitter, better educated and longer-lived people) rather than income generation. In the old phrase, the rich get rich, the poor get babies. This may further be interpreted as community and state subsidy for employers of labour. This is discussed further below, where I will point to a range of analyses that stress the gathering importance of institutional issues, and problems of exclusion, in securing continued rapid development and advance in Vietnam.

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4 Akire and Santos 2010a is saturated with decisions about how things should be valued that are not thought-through either in their own terms or in terms of what they may mean in the context of decisions, such as village-level meetings (see below).
Methodologically, it is interesting to review the justification given by OPHI for their chosen techniques. To quote:

In practice, the selection of the 2010 HDR dimensions has relied on the following mechanisms:

a. The first is the literature arising from participatory exercises, which engage a representative group of participants as reflective agents in making the value judgments to select focal capabilities. All of the dimensions for the MPI have been regularly identified as important elements of ill-being by communities.

b. The second is the use of some enduring consensus, particularly surrounding human rights and the Millennium Development Goals (MDGs).

c. The third is theory based, as in the many philosophical or psychological accounts of basic needs, universal values, human rights, and so on.

d. The fourth and the binding constraint is whether the data exist. Due to data constraints (as well as, perhaps, interpretability) we have had to severely limit the dimensions. For example, we do not have sufficient data on work or on empowerment. Yet each of these dimensions should arguably be considered in a human development-based multidimensional poverty measure. [Alkire and Santos 2010 p.12]

Recall that the basic structure of the indicator is to blend gauges of health, education and living standards. Each is given a summed weighting of 1/3, with no justification or elucidation. This means that reasonable judgements about welfare changes for a given community (say, a hamlet of 100 households) are expected to give equal weights to these three components. Thus, in a participatory exercise to decide on, say, how $10,000 should be spent, the meeting is expected to want to spend it in ways that they agree will, if they are taking the exercise seriously, which is not unlikely, seek to equalise and balance trade-offs as they see them between these three areas, as measured. This seems very unlikely. But such an assumption is needed in order to construct such an index: it imposes relative values.

The focus upon health, education and living standards also, if I recall my own experience of such hamlet meetings, may confuse means and ends. I have participated in such meetings where the ability of increased incomes, say in the next 2-3 years, to then be used to pay for upgrades to the school, the local electricity grid or other local public goods, is a subject of keen debate, as common sense would accept that it should be. See Tanaka et al 2006 for research on links between subjective perceptions of risk and income levels amongst the poor.

Finally, the underlying ‘welfarism’ in terms of the broad parameters of state-society relations is also obvious. Education and health are areas where budget for both capital and current outlays from the local state are both feasible and likely to have particular implications for power asymmetries, not least as they present as often less likely to challenge them than other issues, such as efficiency gains through budget decentralisation, land reform, use of community or state power to improve the quality of local markets, and so on. Further, changes in power asymmetries may themselves be viewed by some of the local population as ends in themselves: by the powerful, as they like the status and identity it gives them, and by the less powerful as they ponder use of violence against them and their families, and other aspects of their low status. As we shall see, in the Vietnam case, where popular mobilisation for a violent liberation struggle is part of popular memory, as the market economy emerged in 1989-91 the ruling Communist Party was deeply concerned with issues of power related to poverty, and this research was then largely downgraded until its recent return to prominence, for various reasons.
My point here is that in a situation where exclusion and power asymmetries are viewed as increasingly important, it is possible to conclude from such gauges as the MPI that a rather good performance by a country or region in MPI terms, compared to simple income or spending measures, may reflect precisely the nature of local social and political realities [Rigg 1966']. Good performance in MPI terms reflects the way power is used to keep certain groups relatively poor but better educated and in better health than they would be in other situations. Further improvements in the MPI, in this sense, may be deeply conservative as they help perpetuate underlying issues of power asymmetry and exclusion - or not… It is quite impossible to know what those being measured feel about this without information that reflects these subjective issues, and this is excluded from the MPI. Here the lack of elucidation by Akire and Santos 2010a of the possible meaning of the assumptions projected into the MPI is telling: core parameters are simply stated *ex cathedra*.

One may also suspect that the statement above that through *participatory exercises*, “all of the dimensions for the MPI have been regularly identified as important elements of ill-being by communities” may sometimes simply reflect, not values, but patterns of negotiation between local people and those who come to help them, whether the local state or NGOs or official donors. How many such exercises would feel comfortable offering concrete measures to address power asymmetries and exclusion? As the OPHDI state quite clearly, they exclude measures of empowerment from their index. This is striking, as if we wish to it is easy to find in literature accounts that stress the massive importance of issues associated with empowerment in the life stories of those called poor, and the consequent risks of social unrest [Rutten 2000].

**Conclusions**

Like all good social analysis and policy work, one can learn much from understanding how indicators work within the wider historical and political contexts. Multidimensional indicators pose useful questions, which, as is not uncommon, do not lose their value by being unanswerable in the terms in which they are posed.

**The issue of poverty in Vietnam in recent historical perspective**

**Overview – causes and style of change**

Compared with experiences of social disruption and material deprivation as late as the early 1990s, conditions for most Vietnamese had by the end of the first decade of the 2000s (the ‘noughties’) greatly improved.6 Overall, popular sentiments are positive:

“A new Associated Press-GfK Poll, one of the most exhaustive surveys to date of contemporary Vietnamese attitudes, underscores how rapidly life has changed in Vietnam… Under a single-party Communist government, the country has embraced market-oriented reforms and lifted tens of millions out of poverty. Eighty-five percent said the economy is stronger than it was five years ago, and 87 percent said they expect it to be even stronger in another five years. Eighty-one percent said the country is moving in the right direction.” [Ben Stocking Associated Press Worldstream April 29, 2010]

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5 Especially his Chapter 4 - *The experience of exclusion*. Rigg is a geographer and his interpretation of empirical issues is useful for rigorous analysis.

6 Nguyen Thang et al 2007 is a lengthy and solid overview, with World Bank support; for a study that is solid but now out of date see Centre for International Economics, 2002.
The class basis of the country has of course changed radically since the emergence of a market economy in 1989-91. A recognisably capitalist society emerged through the 1990s [Fforde 2008], yet this was strongly influenced by its roots in the failed attempt, first to build a Soviet system of central-planning in the north after 1954, and then to impose this on the reunited country after 1975-76. Unlike China, the benefits emerging capitalists gained from either ‘wearing a state cap’ or having close relations with the state were rather limited, especially in the 1980s and 1990s. Accumulation as a percentage of ‘GDP’ when commercialisation started in the late 1970s was around 10%. This can be compared with China at near 35-40% [Fforde 1999]. And most of this was from aid, mainly from the Soviet bloc. A market economy had evolved in the 1980s, mainly based upon SOEs, and then residual central-planning vanished in 1989-91 as Soviet aid was lost [Fforde 2007]

Since then, for two decades GDP growth has averaged perhaps 8%. Industrial output growth has been fast, services growth not quite so fast, agricultural output growth not too slow. By 2008 (1995 in brackets) shares of GDP were – agric + - 22% (27%), ind. & constr. – 40% (29%); services – 38% (44%). Data here and below are from Nien giam Thong ke 2008 Hanoi: NXB Thong ke.

Some quantitative research based upon province-level data suggests that high initial levels of poverty are correlated with less rapid growth, whilst initial inequality is not correlated with subsequent economic growth [Hoi Quoc Le 2008]. The study concludes that concentrating on poverty alleviation does not imply a trade-off for less growth.

The absence of easily accessible rents stemming from state activities can be seen from the fact that macroeconomic balances have been basically stable – fiscal, BoP – positive real interest rates, with wages broadly set by supply and demand. This has meant that whilst business and middle class incomes have grown fast, workers, enjoying a national and flexible labour market, with their negotiating positions with employers buttressed by good land access and relatively neutral state, have also seen substantial incomes gains.

Thus the basic class structure of the Vietnamese economy has been, with rapid growth, one that at national level has created many and rather well-paid jobs compared with socially-determined subsistence levels.

The relative lack of large scale rent-creating by the state, which may be historically linked to the failure of central-planning and so the chronically weak fiscal basis of the GoV in the late 1980s and 1990s, parallels the characteristic Vietnamese development approach: whilst there is no clear ‘development strategy’ there is lots of government [Fforde 2011c]. The tax base recovered fast through the 1990s, there has been lots of development spending and programs, which started to supplant aid activities in rural areas towards the end of the 1990s. This broadly speaking can be seen as having two basic functions: it creates incomes both corrupt and not for local officials, and it recycles state resources from their concentrated sources in areas such as HCMC and crude oil exports and into the mass of provinces and second tier cities, which structurally have an important position within the ruling Communist Party’s institutions (that is, their Party Secretary’s are often Central Committee members, a powerful body in the Vietnamese polity).

The two decades of rapid growth can then be summed up in the phrase – lots of government, very little obvious development strategy. Only towards the end of the last decade did this started
to create major political problems as, probably, the combination of the shift into middle-income status and the rise of powerful elements of civil society posed new and pointed political problems [Fforde 2011c]. But the wider historical context has to be remembered. In my opinion, the struggles for national liberation have left powerful but fuzzy legacies (not least as the Party tends to wrap itself in the flag when under pressure). These have important implications for poverty issues and need to be mentioned.

**Some fundamentals - poverty in context**

**Rapid economic growth**

It is quite clear that there has been rapid economic growth in Vietnam, though, with high levels of corruption and illegality the data is not to be accepted without question. As is well known, under such conditions time-series variables will tend to be highly correlated, providing a range of opportunities to support different views about what caused what, and why.

Thus, for example Tran Trong Hung n/d concludes that

“(a) The inflows of FDI in a province are found to have a significant and positive effect on the economic growth.

(b) The economic growth at the province level is found to have a positive and significant impact on the reduction of poverty.

(c) The inflows of FDI have a directly and strongly positive and significant impact on the poverty reduction in a province. The evidence is consistent with the assumption of the direct and indirect effects of FDI on poverty reduction.” [op.cit.20]

If rapid economic growth, FDI and falls in poverty are all part of the change process, can such exercises establish causality? Into what overall change narrative might such ideas be placed?

What, indeed, are the dominant historical conditioners of change in Vietnam? One can argue the following, all of which have important implications for how issues of poverty are conceptualised and managed.

**Abhorrence of violence**

The French and the Americans were both violent. Thus it was early established that Korean and Taiwanese employees were not allowed, contrary to their common practice in SEA, to use violence against employees. Workers are aware of their rights, state bodies tend to act as mediators rather than supporting employers, and this is consistent with societal values.

There is a certain sense that citizens have certain rights, and that officials ignore these at their peril. Breaches of correct behaviour are seen as bad. The population has many ex soldiers within it with good revolutionary records.

The failure of the ‘Communist’ project, evident in the north before 1975 and then starkly so in the reunited country after 1975-76, and the rapid change and apparent success that started in the early 1990s, had its effects. These perhaps amount to a hostility and mistrust of ‘Big Ideas’ – in any case the 1990s saw a conspicuous failure to generate a new developmentalism to replace the lost Soviet-inspired ideology.
Land

In the traditional population ‘well’ of the Red River delta, and the poor areas of the centre, land was traditionally held in ways that helped meet efficiency as well as equity goals. It is worth stressing that these areas were, in essence, overpopulated from before modern times, and very poor. Decollectivisation (which was not as simple as it sounds) created a rural society where the powerful were not land-owners (they were cadres), and where land was rather equally distributed. This helped to keep up workers’ bargaining positions with employers, and, with public schools and medical services, reduce the costs to workers of migration (unlike the south, workers tend to migrate without their families).

In the until recently land frontier areas of the Mekong and the Central Highlands, relative labour scarcity again helped keep wages up (but note that the US Land Reforms of the early 1970s cut the traditional pattern of urban large landlords and share-croppers). HCMC middle and upper classes do not have large land holdings in the delta (though this is changing), again with implications for attitudes to ‘the poor’.

State capital and the ‘big political economy picture’

The emergence of capitalism in Vietnam, unlike China, saw all SOEs permitted to engage in markets from an early date. Combined with the low levels of rents within the state system, and the softness of the system, this meant that profits from trade often went to wages rather than investment. It also meant (though why is not really sure) that there was strong competition between SOEs, and markets quickly became flexible. Shifts to contracts happened early. Labour shedding from SOEs in 1989-91 was watched with great care, and most found jobs in the resurgence of petty services (‘return to normal SEA street life’ – see the entry on Slide 5 for trade and repairs). Research on gender suggests that fathers stayed in the state sector whilst mothers looked for petty business opportunities ‘outside’.

Non-state domestic capital

This is the main success story of the 2000s. Puzzles include:

Why was there so little growth here in the 1990s? One possible answer is that A. competition was stiff and it took time to build up the business acumen, and B. only by the end of the 1990s did capital in SOEs start to want to come out and clothe itself in private outfits (sociological surveys suggest that the managers of each sector were very similar in background). It was certainly not Party policy to squeeze private business people.

What is the history of the labour regimes? It appears that a central issue is the combination of ‘civility’ (dan su), so that employer-employee relations are negotiated under conditions of rather rapid growth, so benign, with a neutral state that passes heaps of legislation and whose local officials tend to act as mediators when trouble arises. This is combined with workers control over land and so capacity to exit when they want to. Observation of the labour market during te GFC suggested that those who lost their jobs went back to their villages but then quickly returned as labour demand recovered.

Foreign capital
FDI appears to play a very different role in Vietnam from China. With a Party that was not frightened of the private sector and with little resources (rents) to play with, perhaps we can see a more ‘natural’ change process. FDI employment generation is not very important.

These seems to be a crucial indicator of the way in which various factors determine the way the economy is seen to grow – prices are not particularly distorted, FDI does not get particular concessions compared to other sectors (they suffer extractions private businessmen do not … which offset tax breaks etc).

*Labour*

The national labour market is increasingly open. Ideological change in the early 1990s saw it accepted that ‘labour power was a commodity’. Whilst the ‘ho khau’ system continues, it is not so important at preventing inter-regional migration. Workers can find accommodation (at low standards) and negotiate individually or collectively. The state is relatively neutral.

Workers are educated (commune schools continued to function during the fiscal crisis of the late 1980s and state spending rose fast as the tax base recovered in the early 1990s). They need cash to pay for school fees for their children, bribes to get them into the right schools, and also bribes for medical services.

There are no major patterns of exclusion (eg of ex-soldiers in the southern Army); minor patterns exist with some minorities (the current Party Gen Sec is Tay, not Kinh) and these impact upon the pattern of survey data.

*The global context*

Vietnam emerged into capitalist globalisation in the early 1990s. By this stage access to major economies was rather easy (EU access well predated that to the US), and open trading offered potential.

By the 1990s the poverty of the free-market Washington Consensus ‘one size fits all’ was obvious, and increasingly so given the debacles in Eastern Europe and the CIS. Western social science was experienced as increasingly unpersuasive within Vietnam (eg as new PhDs returned). Donors were shown to be opportunistic and unwilling to cope with local difference, happy to endorse to preserve their activities. The ‘rise of Asia’ was tangible, and within that ASEAN as a ‘softer’ area, asserting tolerance of diversity.

Recall that the share of accumulation in ‘GDP’ at the start of the commercialisation process was ‘low’. This had big implications for rent-creation. As a ‘big idea’, this meant that political connections counted for less – mainly to appropriate, not in how to use the assets.

The overall picture is one where employment creation occurred under conditions where employers competed under relatively free competition, where workers had a relatively neutral state, where job creation has been rather fast and oriented towards small-scale local firms, and where, because there is no ‘development strategy’ requiring subsidy for believed-to-be ‘front line’ sectors, the state has not been in the business of creating and preserving rents (such as for ‘export sectors’ (much of the infrastructure has been donor-financed))
One should not forget the basic political economy of taxation – most revenue comes to Hanoi either from crude oil or HCMC, and is then shared with the rest, so that many rural provinces get most of their budget from the centre.

Macro systemic interactions – state, policy and poverty

Bribe patterns were long such that there was no ‘single Big Man’ who could be paid off – the key was to find ways of working that met local conditions. So what about ‘development strategy’? Clearly, there is no simple narrative. Or is there?

It is probably crucial that the standard ‘simple narratives’ amount to rent-creation (the Bank’s Miracle Study supports subsidised export credits), and, despite vast corruption, it appears that the pattern of growth in Vietnam is not explained by this – appropriation relies upon political connections, but after that you are on your own (more or less).

Given that, the combination of social practices and historical context offers a way to explain rapid economic growth that creates rather a lot of good jobs, without squeezing agriculture (though farmers are well aware that change is upon them).

Defining poverty - knowledge construction – the poverty literatures

Before looking at the poverty metrics, it is useful to have some understanding of the literature and the different frameworks used.7

In outline, we find five stages in the development of understandings of poverty in Vietnam

1. Late 1980s – domestic studies, focus upon power and position

2. Early/mid 1990s – construction of quantitative surveys, attacks on ‘ignorant’ Vietnamese policy-makers and definition of poverty as a policy-problem suited to donor (especially World Bank) interests


4. Early/mid 2000s – policy confusion, rising corruption and social differentiation – gathering arguments that the ‘poverty problem’ needs respecifying (‘return to the late 1980s’) as existing measures ‘run out of steam’. INGOs rather quiet.

5. Late 2000s – stalemate as political implications of push to link arguments to ‘power and position’ stymie debate.

Late 1980s Party-sponsored surveys can be consulted, and contrasted with the Carrie Turk study for the World Bank in the mid 1990s that argued that Vietnamese policy-makers ‘did not understand poverty’. The push to link quantitative data to programs and policies is clear. Thus program 135 and other GoV programs, which have been well studied and reviewed, pushed

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7 See Phung Duc Tung n/d for additional historical information. See n/a, n/d for an overview of Vietnamese poverty-related statistical methodology.
resources into ‘poor’ areas and were monitored by gauging reductions in poverty numbers – the numbers below an income or expenditure poverty line.

More recently, with the ‘turn back to qualitative issues’ we find:

“Sources of agricultural productivity gains are shifting. Past growth was largely based on bringing additional physical factors of production into use, from land and irrigation water to labor and fertilizer, and policy shifts in incentives that came through land allocation and titling. Technical change and productivity increases made a less important contribution, but moving forward these relative roles are expected to reverse, as physical expansion of factor use is reaching limits. … However, these past sources have lost momentum prior to the possible new sources having picked up pace. … {This} puts a heavy emphasis on greater success with agricultural research, extension and technology transfer, as well as farmers being able to make (and adjust) efficient use of resources in response to market opportunities. “[World Bank 2006b 1 p. vii]

The shift towards use of quantitative indicators was contested, and the tensions associated with the approach are re-emerging.

Thus:

“Although poverty is multifaceted, the lack of data prevents us from covering all of its dimensions including … participation in decision making and social inclusion.” [Nguyen Thang et al 2007:18]

An indicator of tensions created by the drive to quantify, and produce ‘indicators that can be used across time’ is the exclusion from the main living standards survey (for reasons of its exclusion from the initial survey) of transfers to the poor at festivals (protein here being very important), and related to this rights in some places of the poor guests to ‘lay phan’ (to take a share home). Such ‘biases’ were hushed up. See the quote above - thus by the closing years of the 2000s Bank researchers were arguing about correlates between markers of ethnicity and gauges of welfare.8 We will return to this.

Conclusions – the big picture and the ‘big brush’ poverty story
The overall developmental story of Vietnam since the emergence of a market economy in 1989-91 is thus one where classes have emerged from the failed attempt at central-planing in ways that are relatively benign for those ‘lower down the food chain’. This helps to explain how poverty, measured a various different ways, appears to have fallen; why workers have tended to do rather well; and why state activities have on the while tended to support the poor by not excessively privileging those who are better off. There are a number of plausible important reasons for this, most of which are not clearly linked to ‘policy’, not least as there is no clear narrative of ‘how this was done’.

Poverty - key questions and the issue of metrics
The key questions
As measured, numbers below ‘the poverty line’ fell sharply through to the mid/late 2000s. The starting point was one of very widespread poverty, with urban food rationing, and systemic malnutrition in rural areas as of the late 1980s.

8 For example, Swinkels and Turk, 2006.
Poverty

- What was, on a regional and social class basis, the poverty experience of Vietnam in terms of both poverty line and multidimensional measures?

- What tells us the latest status of poverty in each country measured by (a) the national/subnational official poverty lines and (b) the Multidimensional Poverty Index developed by the UNDP-Oxford Poverty and Human Development Initiative (OPDI)?

- What progress (or lack thereof) has there been made in each of the above measures over the past two-three decades?

The poverty experience of Vietnam in terms of these metrics has, over the past couple of decades, been extremely good. By 2002, a decade or so after the emergence of a market economy in 1989-91 (which include, inter alia, removal of food rationing in urban areas), the MPI was down to 14% [Alkire and Santos 2011b:2]. This then compared with 22% on the US$1.25 a year measure and 48% on the US$2 a day measure. By the end of the decade Vietnam was preparing for transition to middle income status (reaching ‘lower-middle-income’ status in 2009). The income numbers had fallen further, with established narratives such as the World Bank Vietnam Development Report stating that:

… poverty has fallen drastically – from almost 60 percent in 1993 to about 14 percent in 2008 [World Bank 2011: quoting GSO 2008]

The GSO was using a real income poverty line applied uniformly to the country, which suggested that the % in poverty nationally had fallen to 13.4% in 2008 from 15.5% in 2006 and 18.1% in 2004 [GSO n/d:21]. This shows that the steep falls of the 1990s were clearly slowing by the middle of the ‘noughties’. Over this period the reported % in poverty in urban areas fell from 8.6% to 6.7% and in rural areas from 21.2% to 16.1%. There are obvious problems of interpretation as there is considerable labour migration for varying periods. Highest regional rates of poverty were found in those regions characterised by uplands and mountainous areas, where income poverty rates according to this definition were generally still near or well above 20% in 2008. It is these areas that contain people classified as ethnic minorities, but they also contain large numbers of inward ‘kinh’ migrants who have arrived in various waves.

The GSO offered, in this is latest publication, a longer time series based upon expenditure measures.9 It is well known that, especially for the poor, household budgets often do not, as measured, balance, with recorded outlays larger than recorded incomes. These show a national poverty incidence of 37.4% in 1998 falling to 14.5% in 2008.10 On these measures 44.9% of the rural population was still poor in 1998, compared to 9.5% of the urban. [GSO n/d: 24].

This fits with the position taken above: first, that poverty has, in such discussions, largely been defined in income terms, and second that in these terms there has been a radical change.

The MPI was only constructed by OPHI for 2002, but by then arguably the underlying processes were relatively mature. Deconstructing the index shows that the major areas of relative success

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9 See Nguyen Viet Cuong et al 2010 for work arguing that there is strong correlation between income and expenditure based poverty estimates.

10 World Bank 2007 p.4 gives a poverty incidence for 1993 of 58.1% nationally.
were in schooling, electricity, housing cooking fuel and assets. The major problem areas were sanitation, drinking water and child mortality. This is of course suggestive, but ad hoc if not categorical speculation is unwise. Other metrics show that child mortality was of over-riding importance, with apparently obvious and relatively uncomplicated implications for state, official ODA and NGO organisations familiar with targeting such areas.

The MPI was also deconstructed by urban and rural, suggesting that poverty was far more intense for the rural poor at the time [Alkire and Santos 2011b:4].

The history of poverty research just discussed, combined with the shift to a quantitative and income focus in the early 1990s, means that richer stories can be told if we look more deeply at the data.

Some conclude that this suggests that:

> Poverty remains a serious issue. It continues to decline rapidly in rural areas, but for the first time it seems to have stagnated, perhaps even increased, in urban areas. The higher cost of living in booming economic hubs may start to take a toll on those whose means are barely above the poverty line. In rural areas, the plight of ethnic minorities deserves special attention. Many in this population group are bound to "cross" the poverty line in the coming years, which will result in continued poverty reduction overall. But they will still be barely above the line for the foreseeable future. And meanwhile, many among the ethnic minorities will still be suffering from deep poverty. [World Bank 2007: ii]

The story attached to those characterised as belonging to ethnic minorities is striking. Expenditure poverty rates moved as follows: 1993: 86.4%; 1998: 75.2%; 2002: 69.3%; 2004: 60.7%; 2006: 52.3% [World Bank 2008:4]. These are clearly far higher than the national averages.

Regionally, we can examine partial calculations of multi-dimensional poverty carried out by the GSO for 2008 which tend to follow common stereotypical accounts of cultural differences. In the Mekong Delta, where the common prejudice is that incomes are high and cultural levels low, the GSO reported for 2008 that the rate of multi-dimensional poverty was around 52.8% for children compared with an expenditure poverty rate of 15.9%, the highest in the country. Nationally the figures were 28.9%, higher than the rate of expenditure poverty which was 20.7% [GSO 2008:33]. This pattern was then reversed in those areas stereotypically viewed as ‘poor but with high culture’ – Red River Delta and the north-central and central coast areas, where the multi-dimensional poverty rate was lower than expenditure poverty.

**Conclusions**

The main political and social issues appear to have come full circle in a period of two decades. The Vietnamese Communist Party’s (VCP’s) interest in the power and political implications of ongoing change processes at the end of the 1980s showed what was important to them then, as, for the present, does the renewed interest in such issues, this time when thinking about the social position of various groups who appear to have benefited far less than others from the changes of the years since. These are the issues of a ruling Party as concerned with regime survival and ruling a somewhat hot-tempered people, as much as anything else. As reported here, the situation has greatly improved, but issues of exclusion and power asymmetries have far wider and more general scope than simply matters of poverty policy.
Agriculture and its role in poverty reduction and the perpetuation of poverty – what may we say? ‘Poverty’ as part of the historical narrative

Core questions

Agriculture and changes in poverty

- What forms of agricultural development are most conducive to poverty alleviation, and what are the conditions in which that impact is most effective?

- What has been the role of agricultural development in changes in poverty, highlighting the policies or instruments that have, or could have, played a decisive role?

The importance of the political economy of land, and how it has been changing

Let me quote from the Aduki p/l ‘Poverty in Vietnam’ study, dating from the mid 1990s:

“A fitting conclusion comes from a local consultants report which states:

“One should appreciate that the poor are poor not only in money but poor also in education; and that they are ‘rich’ in illnesses and indebtedness. Under such circumstances, a few hundred thousand or even a million dong will not do much. There is a need for a strategy for the poor to get them out of their situation.”"

A detailed discussion of how Vietnam appears to challenge conventional beliefs can be found in Forde forthcoming 2011b.11 This platform on work by Ha-Joon Chang that points out that many of the historical narratives that tell us what was happening to today’s rich countries as they ‘developed’ saw them adopt policies nowadays treated as anathema. A good example is the high levels of US import tariffs imposed during the 19th Century. Chang is stressing, far from alone, that contemporary conditions in rich countries are not the cause of their success, but its results. From this perspective, a persuasive account of change in Vietnam develops the sketch of factors given above to discuss three inter-related processes: institutional endogeneity, changing productive potential and changes in political mentality.

Consider the following (from Fforde forthcoming 2011b pp.244-245):

In this section I want to call attention to various problems of historical interpretation. These seem to be of two different types, although these are related: failure to understand the institutional underpinnings of what is being observed, and so failure to appreciate the nature of any discussion of interactions between a ‘state sector’ and the family-based rural economy.

I want to examine here quickly the treatment of Vietnamese agriculture in World Bank 2007.

Let me start with a quote:

That is why, for many years to come, the growth strategy for most agriculture-based economies has to be anchored on getting agriculture moving. Success stories of agriculture as the basis for growth at the beginning of the development process abound. Agricultural growth was the precursor to the industrial

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11 This study was originally a series of desk studies for the FAO. It draws upon a range of other research activities, ongoing at CSES, into Vietnam’s economic and developmental history.
revolutions that spread across the temperate world from England in the mid-18th century to Japan in the late-19th century. More recently, rapid agricultural growth in China, India, and Vietnam was the precursor to the rise of industry. Just as or poverty, the special powers of agriculture as the basis for early growth are well established. [World Bank 2007:7]

The analysis here suggests that this is misleading. Vietnam’s farmers emerged in the late 1980s to an economy that was already dominated by commercialised SOEs who were driving for profit. These businesses played a key role, not only in effectively destroying the Stalinist model in the 1980s (and earlier), but also in creating the market economy that farmers benefited from after the start of the 1990s. In such circumstances it is specious to argue that the core issue is Vietnam is that agricultural growth was the ‘precursor’ to the rise of industry.

Whether the situation in Vietnam, where the very inefficiencies of the pre-1990s economy provided the basis, in terms of increased (but as yet largely unrealised) potentials in agriculture as well as industry, applies to other countries I cannot say. But it seems likely, given that so many regions of the world today appear sites of failed efforts to implement one or other development project; in this perspective it is the ability of the Vietnamese to find institutions capable of exploiting this potential, seeing the glass, thus, as ‘half full’ rather than ‘half empty’, that is most striking.

What are these institutions? They include family-based farming and markets, but, as importantly, their location within a historical context where the VCP, and the Vietnamese population, learnt how to change and how to move away from the awful mistake that was traditional central-planning. The solution may appear obvious, and for many reformers it was from very early on, but the question was how to get to a position where it was feasible. Vietnam shows an overall politics that remains a powerful backdrop to expectations about likely future change processes and attempts to deal with emerging problems. Knowing that change is possible, based experience, and mistakes, seems very useful.

I would add to this that the finding of these institutions occurred ‘in real time’ and was clearly not policy-driven. SOEs, and farmers, set about exploring ways of exploiting unused potential, and policy eventually came to support this rather than fighting it. The two key institutions here were the simple combination of family-based farms and markets, which replaced the collective production method of the imposed cooperatives and the administrative allocation of farming inputs and outputs through the plan. The VCP eventually accepted the former, through its tactical retreats of 1981 and 1988.

It is noteworthy that the VCP’s overall stance towards agriculture and SOEs evolved at different paces. The 1981 and 1988 VCP decrees relating to cooperatives were both tactical retreats, stepping back as pressures forced the door to open. The 1988 decree still stressed the importance of cooperatives, and was in no sense a ‘de-collectivisation’. Indeed, the movement to set up ‘new-style’ cooperatives in the late 1990s was largely intended to resuscitate the old-style cooperatives, most of which still existed. Farmers emerged from constraints into an economy dominated by commercialised SOEs. A decree in early 1981 (25-CP) granted them all the rights to participate in markets, recognising the widespread ‘fence-breaking’ that already existed and reining it in for SOEs that had gone too far. This was then followed by more decrees that sought to bring such activities under control until, before the 1986 VIth VCP Conference that is generally referred to as introducing ‘doi moi’, there was, under political pressure from SOE business interests, a reversal that returned to a far clearer encouragement of commercialisation [Fforde 2007]. Here SOEs can be seen driving the process and supporting farmers own efforts. Again, the particular roles of policy and the ‘state sector’ – identified as SOEs – are clear.

This then leads one to question the meaning of the word ‘liberalizing’ in the quote below. It suggests that this was fundamentally a process driven by policy, which it was not.

In Vietnam, liberalizing agricultural markets induced many subsistence farmers to become more market oriented (table 3.1). Two-thirds of smallholders previously engaged primarily in subsistence farming entered the market. Their poverty rates fell drastically, and their incomes almost doubled,
while the production of high-value and industrial crops rose. Agricultural sales increased more for households with larger land endowments and those closer to markets or with nonfarm industries in their communities. Households engaged in subsistence farming that did not enter the market were more likely to diversify their income sources outside of agriculture, with poverty rates in those groups falling as well. [Idem: 73]

This statement can now be better understood. It was not ‘policy’ that liberalised markets, but a process where the creation and opening-up of markets, driven by farmers and SOEs, was central to the process. Given this, the rest of the analysis stands. Liberalisation is not necessarily the result of policy. [Fforde, forthcoming, 2011b:pp244-245]

Now consider the ways in which state activities interacted with other forces within the overall change process.

A noteworthy metric that comes from the data is that a significant proportion of families who were poor, and had stopped being poor, had sold land – perhaps a fifth. This is but one measurable part of the wider impact of the very particular political economy of land in Vietnam. To repeat, in the north and south-centre, where collectivisation had been meaningful prior to the late 1980s, processes that saw an ideological shift away from co-operativised economy saw a very flat and wide distribution of access to land. As we have seen, the very early Party poverty surveys of the late 1980s and very early 1990s focussed very much upon the possibility of land-loss, seeing it as a political threat. In the south (the Mekong delta), a land-owning middle peasantry had been created by US-based land reform, and the eventual outcome was different, but not entirely.

**Poverty as a development issue – some current debates**

The state of current debates can be seen as reflecting the situation outlined above. It is clear that the 1990s shift in focus towards quantifiability has led to considerable frustration, in that it has led to a situation where both practice and data collection has created feelings of exclusion. This has strong effects upon the ways in which different participants interpret data, and the pictures they seek to paint of realities that these numbers may be related to.

**Ethnicity and poverty**

As might be expected, the persistence of high indicators of poverty gauged by various attributes of households and individuals with ‘ethnic’ ticks in the box, has led to research and dispute. This can be expected precisely because of the importance of institutional and other issues related to power asymmetries and exclusion identified through qualitative work [Rigg 1996, as just one amongst many examples]. As mentioned above, it can be imagined that the tensions created by multi-dimensional indicators, where low financial indicators sometimes correlate with high non-financial indicators, and the reverse (as noted by the GSO – see above), are to do with structures that support relations of reproduction whilst inhibiting income gains. Given that certain donor intervention logics further inhibit discussion of such matters, it is then quite understandable that researchers feel that the data is lacking for them to carry out proper research. The remark quoted from Nguyen Thang et al 207 (“the lack of data prevents us from covering all of its dimensions including … participation in decision making and social inclusion”) stands in contrast to the decision by Akire and Santos to ‘proceed regardless’. There is no easy answer to this so long as quantitative data is linked to certain forms of change rationality and the notion that the impact
interventions may easily be gauged through some metric, rather than through some ‘giving of accounts’.

If we consider Baulch et al 2010 we see these tensions clearly in play. They argue that:

Mean and quantile decompositions show that at least a half of the gap in per capita expenditure can be attributed to the lower returns to characteristics that the ethnic minorities receive [p.2].

But is this cause or effect? In discussing reasons, within their empirical framework, they report survey work that shows that:

Survey respondents argued that minority students drop out of school for many, mutually enforcing reasons, including: poverty, long distance to school, lack of self-esteem, language barriers, poor nutritional status, and the high opportunity costs of current time (arguing that the costs are borne now, whereas potential benefits can only be reaped in the long term, by which time they will be heavily discounted). The role of language barriers in school drops-outs particularly deserves stressing. [p.21]

The basic issue with this statement is the fallacy of composition: some minorities present as overcoming these problems well (after all the then General Secretary of the VCP was himself Tay, not Kinh), and some members of these minorities do also. What is going on here?

We find very familiar essentialist arguments, evocative of the lazy native (or, more pointedly, very old arguments that ‘Confucian’ societies ‘could not grow fast’). These look at alleged characteristics of the minority groups viewed as, essentially, homogenous: ‘language and cultural issues’, ‘returns to land and land quality’ – traced to alleged issues such as their ‘knowledge’, their ‘ethnic customs and conventions’; ‘education quality and returns to education’; ‘returns to infrastructure’; and ‘misconceptions and stereotyping’ [Baulch et al 2010: pp.37 et seq.]. This entire discussion fails to differentiate between, or within, these alleged characteristics of groups: it simply talks in terms of ‘ethnic minorities’.

Child poverty

We have seen how multi-dimensional indicators contrast, for children, differences between expenditure-based poverty metrics and more broader-based ones. Research by Keeti Roelen [Roelen et al 2009; Roelen 2010a, 2010b] has argued that children are disproportionately affected by poverty and that existing policy measures, understood as social welfare schemes, “only slightly reduces the incidence and depth of monetary poverty” [Roelen 2010b:66]. This points to the existence of a very large number of children in trouble. Roelen et al 2009 stress the importance of poor children within the overall poverty issue. Early work by Aduki p/l in the 1990s into vulnerable groups found that the main issue for explaining problems facing orphans was the lack of support for their carers, who were typically isolated grandparents. More than a decade later, Roelen 2010a concludes that:

… no study has yet been undertaken to assess the measurement of chronic multidimensional and monetary poverty from a child perspective [p.22]

These two issues – those of ‘ethnic minorities’ and of ‘poor children’ are both confronting. They suggest that creative thinking will be needed to avoid problems and difficulties. And this is part of the commonly-heard theme that it is far easier to get to ‘middle-income’ status than it is either to stay there, or to go beyond it.
Conclusions

Overall conclusions

‘Poverty’ in Vietnam is a topic that is best situated in a discussion of wider narratives of change. The economy, and poverty, are both usefully seen as ‘effects’, not simply of policy, but of a wide range of social, historical and cultural characteristics of the country. Within this, policies have their place, as do important political issues such as the relative neutrality of the state, but their importance is limited and questionable. Given this, we need to investigate further the parameters of important processes to better explain apparent success. This will then allow us to research economic processes, how they are located and contextualised, how aspects of poverty change within these, and so better isolate ‘policy’ and its relevance. In doing this quantitative indicators, in that they are based upon pre-existing surveys that, as remarked above, have not asked all the questions we would have wanted them to, are limited in what they can do. Consensus is more profitably developed from discussion of a range of diverse narratives that allows different ways of valuing situations, and of explaining them, to be recognised. In other words, start from history and process, not from policy and economics. Good history and process analysis will tell us how to create narratives within which the opportunities for better policy are rather obvious and presentation of them likely to be rather persuasive.

Policy implications

The policy implications of the above are rather straightforward:

First, quantitative indicators of poverty risk denial of voice to important stakeholders in various ways. They should therefore be used with great care.

- They homogenise valuations, thus risking exclusion of differences between what people feel and what others things think they feel. They also risk exclusion of differences between what people feel has changed, and what others think they feel has changed. The MPI is vulnerable to such difficulties, unavoidably as it is a quantitative indicator that seeks to compare across different contexts and over time. It excludes measures of empowerment and has a highly welfarist view of what is good for people. The Vietnamese experience suggests that the core problems of poverty of the current decade are precisely to do with power asymmetries and exclusion that are linked to structures that lead to groups ‘lower down the food chain’ having lives that are measured as having, relatively speaking, low incomes but high levels of health and education. This creates a stable ‘syndrome’, within which the usual mechanisms of stigmatisation (such as of ‘backward’ ethnic groups) may come into play. And we then expect to find INGOs and others brought into the support net. This counsels, at the very least, caution.

- They also, in that they are linked to certain privileged narratives of cause and effect, homogenise explanatory frameworks that assert that ‘what works there, works here’. As we have seen, the narrative I have advanced to explain Vietnam’s development process is full of apparent paradoxes and anomalies in terms of standard views of ‘what works’. Again, this counsels caution.

Second, the main reasons for Vietnam’s success in poverty reduction up until around the middle of the first decade of the 2000s were a tangle of issues that ended up with a relatively flat and
equitable land distribution, with its corollary, a set of ruling and powerful groups in the rural areas that were not dependent upon control over land for their positions. This had a wide and powerful set of effects upon opportunities for the less well off, such as their negotiating position vis-à-vis employers in the emerging national labour market, the interest of the state in supplying new opportunities for local cadres in managing and extracting from increased levels of state development spending, and so on. As we have found, and as would be expected, this pattern was far more beneficial to the mainstream majority of what is in many ways a relatively large but ethnically homogeneous country than it was for some members of those ethnic minorities who had for various reasons ended up ‘low down on the food chain’. And it is these groups that increasingly project their characteristics into gauges of poverty.

The policy implications of this are not surprising, but they are complicated by the political limitations of the current regime, where empowerment remains a tricky issue in the absence of substantial political reform. Great care is needed to start to address such issues, with considerable investment in capacity to manage local issues. Again, the homogenising effects of metrics such as the MPI, if well understood, may assist with this, but without a decent awareness of these issues may add to difficulties.

To make a final point, let me refer back to my argument at the start of this paper about the innately subjective nature of interpersonal and intertemporal comparisons of utility and the way in which the multiple sovereignty issue forces itself into the discussion, for it shows the problems involved in securing the authority and power needed to ‘state what the truth of the matter is’.
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