

YOUNG LIVES COUNTRY REPORT

Young Lives: Vietnam Round 2 Survey

Summary

September 2008

Young Lives is a long-term international research project investigating the changing nature of childhood poverty in four developing countries – Ethiopia, Peru, India (state of Andhra Pradesh) and Vietnam – over 15 years. This is the time frame set by the UN to assess progress towards the Millennium Development Goals (MDGs). Through interviews, group work and case studies with children, their parents, teachers, community representatives and others, we are collecting a wealth of information not only about their material and social circumstances, but also perspectives on their lives and aspirations for the future, set against the environmental and social realities of their communities.

We are following two groups of children in each country: 2000 children who were born in 2001-2 and 1000 children who were born in 1994-5. These groups provide insights into every phase of childhood. The younger children are being tracked from infancy to their mid-teens and the older children to adulthood, when some will become parents themselves. When this is matched with information gathered about their parents, we will be able to reveal much about the intergenerational transfer of poverty, how families on the margins move in and out of poverty, and the policies that can make a real difference to their lives.

This report presents initial findings from the second round of data collection which was carried out in Vietnam in late 2006 to early 2007. It does not aim to give a comprehensive overview of all the findings from Young Lives, rather it gives a broad outline of some of the key indicators of childhood poverty and changes that have taken place in the children's lives between the first round of data collection in 2002 and this second round. Data are mainly presented for the entire age group cohort, in most cases separated into wealth groups or by rural/urban location. The full richness of the data is not reflected in this preliminary report, but we hope that it contains enough information to prompt other

researchers, policymakers and stakeholders to start to engage with the data.

Vietnam is a low-income country, but the conditions of children have been improving and are generally much better than when their parents were children, during the war with the USA or the decade of economic failures following the country's reunification in 1975. After a period of slow growth with rampant inflation in the mid-1980s the Government launched the Doi Moi or 'renovation' programme of comprehensive socio-economic reforms in 1986. The reforms emphasised a shift from a centrally-planned economy based on government ownership to a multi-sector economy based on market principles. They also promoted the opening up of the economy to foreign investment and trade. Economic growth averaged 7.5 per cent between 1990 and 2004 and poverty fell rapidly.

As a result Vietnam has achieved impressive progress in improving child outcomes. Poverty levels and maternal health figures already meet the standards set by the MDGs, and progress towards achieving the education goal is well underway. However, child malnutrition and access to sanitation and safe water remain a concern, as do stark disparities in outcomes between ethnic groups and rural and urban areas. The discussion and analysis presented in this report, although preliminary, give important insights into trends between the two rounds of research, key factors affecting children in Vietnam and the extent of inequalities between children of different groups. The analysis enables us to pinpoint policy implications for tackling childhood poverty in Vietnam as well as important and interesting avenues for future research.

The data reflect the growth and poverty reduction witnessed in recent years and there is evidence that the Young Lives households have become better off over the four years of the survey. However, national inequalities in wealth, consumption expenditure and

the incidence of poverty between urban and rural areas and between ethnic minorities and the majority group are reflected in the sample. These disparities fell slightly between the two rounds but remained prominent in 2006.

Levels of absolute and relative poverty

Although we see poverty as a multidimensional phenomenon, the material aspects are captured in this report by two measures of deprivation. Absolute poverty is defined as the Vietnamese general poverty line of VND2,559,850 per year, including food and non-food expenditure. Relative poverty is defined as the proportion of households with per capita consumption below 50 per cent of median consumption. Using these measures, we found that 19 per cent of 5-year-old Young Lives children and 16 per cent of the 12-year-olds lived below the absolute poverty line in 2006. Most of these poor children live in rural areas: the absolute poverty rate for the urban sector is 4 per cent for the younger cohort, while that of rural areas is nearly 23 per cent. Kinh and Chinese households had an absolute poverty rate of 12 per cent, which is much lower than the 57 per cent rate for minority households. Relative poverty is also strongly related to location and ethnicity: 13 per cent of the younger cohort and 9 per cent of the older children live in households with expenditure less than half the median.

Our data reveal stark inequalities in wealth and consumption. Using a wealth index (based on household's access to a basket of standard goods), we can see that the average wealth index in urban areas was 1.5 times that of rural areas and the average urban household's expenditure on consumption was more than twice that of a rural household. The wealth index of the ethnic majority group (the Kinh and Chinese) was nearly double that of the ethnic minorities. Among the H'Mong (the largest ethnic group in Young Lives), 90 per cent of households belong to the poorest quarter of the sample.

Household factors that contribute to poverty

The report presents analysis that is used to construct a profile of child poverty, showing who and where the poor children are, and the factors which keep them in poverty or may offer a route out for some. We found that household and community characteristics are important factors that contribute to poverty, particularly ethnicity, the rural-urban divide (which affects access to services) and parents' levels of education.

Household wealth is an important determinant of child outcomes. Children from poorer households are significantly more likely to be stunted and less likely to be enrolled in pre-school. Primary school enrolment is high for poor and non-poor groups but disparities in

performance on literacy tests suggest that the quality of education received in the poorest areas may be low. Finally, material well-being is a strong determinant of child and household subjective well-being. However, the findings demonstrate that household resources are not the only, and perhaps not even the most important, determinants of subjective well-being.

The importance of parental education

It is not only income poverty that impacts on child well-being. Our analysis reveals that parents' levels of education significantly affect nutritional outcomes and enrolment in school. Interestingly, maternal education has a stronger impact on nutrition, while the father's education is a more important determinant of enrolment. Furthermore the education of both parents significantly affects the child's subjective well-being.

The significance of parental education as a factor in the intergenerational transmission of poverty is clearly demonstrated, with deprivations experienced by parents during childhood impacting upon their children and their children's children. Poverty is more likely to persist in families with poorly educated parents, and households with better educated parents were more likely to escape poverty. We find that in 2006, two-thirds of families with maternal education below primary school were in the bottom 20%, compared to only 47% in 2002. We also find that even if economic growth allows households to escape from income poverty, poor parental education will continue to have a negative impact on other child outcomes, such as nutrition. Most strikingly, controlling for a wide variety of other factors, learning outcomes are strongly associated with material poverty and malnutrition in early childhood as well as parental education, for both the current 5-year-olds and the 12-year-old cohort. This predicts that the effects of childhood poverty will continue to be felt over time and into adulthood.

Ill-health and poverty

A finding of particular importance is that short-term health shocks can have a devastating effect on household resources in the long term. Households affected by severe illness or injury need support to prevent them falling into poverty, with disastrous impacts for child well-being. The event of any severe illness or injury in the family in the three years prior to the first round of data gathering in 2002 strongly influenced whether a household was poor in Round 2. As yet, it is too early to measure the impact of illness reported in 2006, but it will be interesting – in the third round of data collection in 2009 – to follow and assess the consequences of family illness in earlier years.

Crop failure and other shocks

As may be expected, the occurrence of crop failure between the rounds of data collection has a stronger relationship with poverty than other shocks such as natural disasters, livestock dying, or unfavourable changes in the prices of inputs or outputs of household production. Again, Round 3 data collection in 2009 will allow us to assess the impact of the failed rice harvest in early 2008 and the substantial price increases which followed around that time.

Access to services

The community a child is born into is one of the most important determinants of their subsequent well-being. The greatest gap is between rural and urban areas. Inequalities between urban and rural sectors are significant and persistent in nearly all the major child poverty related indicators. Lower material wealth in rural areas is compounded by poorer access to electricity, safe water and sanitation.

These factors impact on child outcomes. Rural children suffer from significantly poorer nutritional outcomes, even when levels of household resources are taken into account. This indicates that access to services such as sanitation and safe water, and other community-level effects strongly influence child health. Access to sanitation is also a contributing factor to malnutrition. Although school enrolment is high in both rural and urban areas, slight gaps in performance on literacy tests suggest gaps in quality of education.

Although access to services has increased over time, the data permit us to look beyond average statistics and see how poverty, location and ethnicity prevent children benefiting from public services. For all services, rates of access differ significantly: 20 per cent of the poorest households lacked access to electricity and almost 50 per cent lacked access to safe water, while only 7 per cent had access to their own toilet. Access to services increases substantially for families higher up the wealth index: 40 per cent of households in the second quartile and 97 per cent of the richest households have access to sanitation.

Vietnam has a nationwide public health care network, however, the availability and quality of health services depends on community characteristics. Although all Young Lives communes have some access to health care, quality of local services is a concern. A significant change over the study period has been in the proportion of communes with private health clinics. The increased prevalence of private health care may increase choice and quality, but it is unclear whether these centres will be affordable for children from the poorest households.

Nutrition

Stunting, low height-for-age, is a measure of chronic malnutrition. The incidence of stunting is strongly related to household resources, residential location and ethnicity. Poorer children, ethnic minorities and rural children are more likely to become stunted during the critical period after they finish breastfeeding when they may not receive adequate nutrition: stunting among younger cohort increased from 12 to 25 per cent between 2002 and 2006 (and from 23 to 41 per cent in the poorest households). This pattern of stunting is present in most countries around the world, but the Young Lives data allow us some insights into factors that may contribute to or alleviate it. Regression analysis demonstrates that maternal education has a significant positive effect on child nutrition, even when controlling for the significant effect of household resources. Although evidence is weak that access to services influences nutrition, urban children do have better nutritional outcomes. Part of the explanation could be that they have superior access to services such as water and sanitation.

Malnutrition affects child well-being in itself and as a determinant of other child outcomes. Young Lives Policy Brief 4 finds that poor nutrition is affecting the academic performance of the poorest children. As the children grow older, Young Lives will be able to assess the impact of poor nutrition in early years on their health, education and labour market outcomes.

Education

School enrolment rates in Vietnam are high for a low-income country, and this is reflected in the Young Lives sample. Relatively few of the 12-year-old children have dropped out of school, and enrolment rates are largely unchanged since 2002 at over 96 per cent. This masks inequalities, however, with only 77 per cent of H'Mong minority children still at school by this age. Moreover, of the H'Mong Young Lives girls, only 72 per cent go to school.

This difference is mirrored in the younger age group with 89 per cent of all children attending nursery school but only 77 per cent of ethnic minority children doing so. This puts them at a disadvantage when it comes to transition to primary school.

Because enrolment rates are so high, the quality of education received is of interest. Overall literacy is high in Vietnam: by Round 2, 96 per cent of the older children and 93 per cent of the younger children could read and write whole sentences in the test administered. However, the evidence suggests that disparities in quality of education has an effect on learning outcomes with only 82 per cent of the poorest 12-year-olds able to complete

the test, and 7 per cent not being able to write a coherent sentence.

Again, this has implications for children's future prospects and well-being, with the strong likelihood that the poorest children will be unable to escape the poverty trap in which their own parents were caught.

Ethnicity and gender

Inequalities between ethnic groups are stark. Consumption expenditure of majority households is more than double that of the ethnic minority group. The biggest ethnic group in the sample is the H'Mong whose average monthly expenditure was one third of the sample average. Minority households have poor access to safe water and in particular to sanitation.

Economic disparities are echoed by those in multi-dimensional poverty indicators. Ethnic minority children are more likely to be stunted and less likely to enrol in school and pre-school, even after controlling for lower parental education, consumption expenditure and other household characteristics.

There is no significant evidence of disparities by gender. Differences in the occurrence of stunting are likely to be driven by differences in growth patterns

rather than gender bias. However, there may be gender biases within some ethnic groups. Furthermore the impact of child work and differences by gender in the likelihood of working and type of tasks performed deserve further exploration.

Subjective well-being

An important and innovative element of the Young Lives study is the data it captures on children's perceptions of well-being. The qualitative research with smaller groups of children goes into much greater detail in this area. But survey questions are asked of both children and their caregivers which provide some interesting results, especially when combined with the other data about livelihoods and absolute poverty levels.

Although household wealth is a strong determinant of well-being, it is not the only factor of importance. In fact urban children, who are better off in terms of material goods, have lower subjective well-being than rural children. This suggests that focusing on material indicators of poverty alone may not be sufficient to fully understand child well-being. Parental education, even controlling for household resources, also increases child well-being.

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About Young Lives

Young Lives is a collaborative partnership of research institutes and government organisations in the 4 study countries, together with UK universities and the international NGO, Save the Children UK. It is coordinated by a team based at the Department of International Development, University of Oxford.

The Young Lives partners in Vietnam are:

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