



THE PORTRAIT OF VIETNAMESE FARMERS' LIVELIHOODS IN THE CONTEXT OF ECONOMIC INTEGRATION 1990 - 2018

DANG KIM KHOI & TRAN CONG THANG



Agriculture Publishing House

Dang Kim Khoi, Tran Cong Thang
and Dang Kim Son, Vu Thi Lan, Tran Thi Thanh Nhan
Do Huy Thiep, Ngo Thuy Linh, Pham Duc Thinh, Ngo Sy Dat
Nguyen Dinh Dao, Bui Phuong Thanh, Nguyen Viet Phong

THE PORTRAIT
OF VIETNAMESE FARMERS' LIVELIHOODS
IN THE CONTEXT OF ECONOMIC INTEGRATION
(1990 - 2018)

Agriculture Publishing House
Ha Noi - 2019

Authors:

Dang Kim Khoi	The Institute of Agriculture Market and Institution Research - Vietnam National University of Agriculture
Tran Cong Thang	The Institute of Policy and Strategy for Agriculture and Rural Development
Dang Kim Son	The Institute of Agriculture Market and Institution Research - Vietnam National University of Agriculture
Vu Thi Lan	The Center for Agriculture Policy - The Institute of Policy and Strategy for Agriculture and Rural Development
Tran Thi Thanh Nhan	The Institute of Policy and Strategy for Agriculture and Rural Development
Do Huy Thiep	The Institute of Agriculture Market and Institution Research - Vietnam National University of Agriculture
Ngo Thuy Linh	The Institute of Agriculture Market and Institution Research - Vietnam National University of Agriculture
Pham Duc Thinh	The Institute of Agriculture Market and Institution Research - Vietnam National University of Agriculture
Ngo Sy Dat	The Institute of Agriculture Market and Institution Research - Vietnam National University of Agriculture
Nguyen Dinh Dao	The Center for Agriculture Policy - The Institute of Policy and Strategy for Agriculture and Rural Development
Bui Phuong Thanh	The Center for Agriculture Policy - The Institute of Policy and Strategy for Agriculture and Rural Development
Nguyen Viet Phong	The Center for Agriculture Policy - The Institute of Policy and Strategy for Agriculture and Rural Development

Disclaimer

This publication is supported by the Australian Government through the Australian Alumni Grants Fund. The opinions expressed in this publication are those of the author(s) and do not necessarily reflect the views of the Australian Government.

TABLE OF CONTENTS

TABLE OF CONTENTS.....	iii
LIST OF FIGURES	viii
LIST OF TABLES.....	xiii
LIST OF BOXES	xiv
ABBREVIATIONS AND ACRONYMS.....	xv
ACKNOWLEDGEMENTS.....	xvi
Chapter One. THE DEFINITION OF FARMERS AND FARM HOUSEHOLDS IN VIETNAM	8
1. Definition	8
1.1. Farmers	8
1.2. Household	9
1.3. Farm Household	9
2. Who are the Vietnamese farmers?	13
Chapter Two. LIVELIHOODS STRATEGY AND PRODUCTION ORGANISATION	15
1. Form of Livelihoods of Vietnamese farm households	15
2. Individual business households	19
2.1. Status	19
2.2. Role	20
2.3. Shortcomings	20
3. Farm	23
3.1. Status	23
3.2. Role	25
3.3. Shortcomings	25
4. Farmer cooperative groups	28
4.1. Status	28
4.2. Roles	29
4.3. Shortcomings	30
	iii

5. Agriculture co-operatives	31
5.1. Status	31
5.2. Roles	32
5.3. Shortcomings	34
6. Mass organisations	36
Chapter Three. INCOME, EXPENDITURES, AND SAVINGS	38
1. Income	38
1.1. Rural-urban disparity	38
1.2. Income comparison of household groups, by the level of wealth	39
1.3. Income comparison of households, by livelihood strategies	40
1.4. Income comparison of households by economic regions	40
1.5. Income structure	41
2. Expenditure	42
2.1. Expenditure comparison of rural and urban households	42
2.2. Expenditure comparison of household groups, by level of wealth	43
2.3. Expenditure comparison of households, by livelihood strategies	44
2.4. Expenditure comparison of households by economic regions	45
2.5. Structure of expenditure	45
3. Savings and household investment capability	46
3.1. Saving comparison of rural and urban households	46
3.2. Saving comparison of rural households, by level of wealth	47
3.3. Saving comparison of households, by livelihood strategies	48
3.4. Saving comparison of rural households, by economic regions	48
Chapter Four. LANDS AND PROPERTIES	50
1. Land	50
1.1. Land size	50
1.2. Land productivity	52
1.3. The link between land and income	53

1.4. Land use purposes	54
1.5. Agriculture land transfer and recovery	56
2. Housing	58
3. Transporting vehicles	58
4. Communication devices	59
5. Home appliances	61
Chapter Five. HEALTHCARE, NUTRITION, HEALTH, LEARNING LEVEL OF FARMERS	62
1. Healthcare	62
1.1. Healthcare expenditure of farmers	62
1.2. Coverage of health insurance	63
1.3. Use of medical services	67
1.4. Clinic and medical facilities	70
2. Farmers' nutrition and health conditions in Vietnam	73
2.1. Food Security	73
2.2. Nutrition situation	74
2.3. Farmer's physical condition	76
3. Education of Vietnamese farmers	79
3.1. Farmers' spending on education	79
3.2. Farmer households' access to education	82
3.3. Educational results of farmer households	89
Chapter Six. LABOR AND EMPLOYMENT OF FARMERS	94
1. Labour mobility between industries	94
2. Rural labour migration	96
3. Formal and informal employment	98
3.1. Employment structure: formal - and informal in rural area	98
3.2. The educational qualifications of formal - informal labours	101
3.3. Formal and informal labour incomes	101
3.4. Social issues of migration and informal employment	102
4. Child labourers and elderly labourers	104
4.1. Child labourers	104
4.2. Elderly labourers	107

5. Rural vocational education and training	110
6. Labour productivity of Vietnamese farmers	111
7. Unemployment	112
Chapter Seven. INTERACTIONS BETWEEN FARMERS, STATE AND GOVERNMENT POLICY	113
1. Position of farmers in the Communist Party of Vietnam's policy	113
1.1. The 1986 - 1995 period	113
1.2. The 1996 - 2005 period	115
1.3. Since 2005	115
2. Farmers' position in policy making	117
3. Farmers' participation in monitoring and evaluation	118
4. Farmers' confidence with State policies	120
4.1. Farmers' interest	120
4.2. Farmers' thinking about policy transparency	121
Chapter Eight. RISKS AND RESPONSE MECHANISMS OF FARMERS	124
1. Risks faced by farmers	124
2. Households' risk responding scheme	129
Chapter Nine. OPPORTUNITIES AND CHALLENGES WITH FARMERS IN THE FUTURE	133
1. Global context	133
1.1. The continuously developing international agricultural market	133
1.2. The changing trend of commercial agricultural products	135
1.3. Changing international financial trends	137
1.4. Opportunities and challenges from the Science and Technology Revolution	138
2. National context	140
2.1. The process of industrialization, urbanization	140
2.2. International economic integration	142
2.3. The government's and localities' public debt headroom	143
2.4. Aging population	144
2.5. Climate Change	146

Chapter Ten. POLICY RECOMMENDATION	148
1. Viewpoints	148
2. Breakthrough solutions	150
2.1. Renovating the organization and the management of agricultural products, forming a commodity coordination board	150
2.2. Innovating the growth model, linking urban and rural development	152
2.3. Taking advantages of rural labour during the golden window period of the population	154
2.4. Promoting the development of industry and services, and restructure the rural economy	154
2.5. Renewing the organization and operation of Vietnam Farmers Union and Cooperatives Association	155
2.6. Applying breakthrough support policies to encourage cooperative economic development and build new cooperatives models	157
2.7. Focus on developing farm economy	158
2.8. Promote the Village community development	159
CONCLUSION.....	162
REFERENCES	164

LIST OF FIGURES

Figure 0-1. Sustainable livelihoods framework.....	6
Figure 1-1. Farm household definition framework.....	10
Figure 2-1. Structure of rural households in different economic regions, by type of employments (%)	18
Figure 2-2. Growth of individual business households	19
Figure 2-3. Development of farms by regions.....	23
Figure 2-4. Share of farms, by categories	24
Figure 2-5. Structure of FCGs, by field of operation, 2014 (%).....	29
Figure 2-6. Development situation of farm co-ops.....	33
Figure 2-7. Households thinks that the activities of mass-organisations benefit their members (%).....	37
Figure 3-1. Median income of different household groups (million VND, constant 2010 prices)	38
Figure 3-2. Median income of households by employment groups (million VND, constant 2010 prices)	40
Figure 3-3. Median income of households by economic regions (million VND, constant 2010 prices)	41
Figure 3-4. Proportion of rural households, by their source of income (%).....	42
Figure 3 5. Contribution of employments in rural households' income (out of 100%).....	42
Figure 3-6. Total expenditure of households (million VND, constant 2010 prices)	43
Figure 3-7. Median expenditure of households, by level of wealth (million VND, constant 2010 prices)	43
Figure 3-8. Rural household spending by types of employment (million VND, constant 2010 prices)	44
Figure 3-9. Median household expenditure by economic regions (million VND, constant 2010 prices)	45
Figure 3-10. Spending structure by household groups (%)	46

Figure 3-11. Median household wealth accumulation over time (million VND, constant 2010 prices)	47
Figure 3-12. Savings of rural households, by level of wealth (million VND, constant 2010 prices)	47
Figure 3-13. Savings of rural households, by type of employments (million VND, constant 2010 prices)	49
Figure 3-14. Savings of rural households, by economic regions (million VND, constant 2010 prices)	49
Figure 4-1. Agriculture land use status in Vietnam	51
Figure 4-2. Median agriculture land per head in some countries (hectares)	51
Figure 4-3. Agriculture land productivity of Vietnam and some neighbouring countries ('000 USD/km ²).....	52
Figure 4-4. Median agriculture land size, by income groups (m ²)	53
Figure 4-5. Percentage of rural households who own red-book certificates, by income groups (%).....	53
Figure 4-6. Households' land fluctuation (%)	56
Figure 4-7. Filling rate of industrial parks (%).....	57
Figure 4-8. Rural residents' housing condition (%)	58
Figure 4-9. Quantity of cars and motorcycles per 100 peoples	59
Figure 4-10. Quantity of communication devices per 100 people.....	60
Figure 4-11. Quantity of personal computers per 100 people	61
Figure 4-12. Quantity of durable goods per 100 households.....	61
Figure 5-1. Monthly health expenditure from households' own pocket on average ('000 VND, constant 2010 prices)	63
Figure 5-2. Rate of catastrophic health expenditures and impoverishment due to medical expenses (%)	64
Figure 5-3. Percentage of the population having health insurance (%)	64
Figure 5-4. Share of health insurance holders, by type of insurance and regions.....	65
Figure 5-5. Percentage of the population using health services during the year (%)	68
Figure 5-6. Proportion of farmers using health insurance for medical examination and treatment (%)	69
Figure 5-7. Share of farmers using health service by region (%)	70

Figure 5-8. Share of patients not required to share hospital beds (%)...	72
Figure 5-9. Limitations of public health services	72
Figure 5-10. Limitations of public health services	73
Figure 5-11. Food consumption by region in 2010 (gram/daily intake)	76
Figure 5-12. Annual per capita spending on education (‘000 VND per household, constant 2010 prices).....	80
Figure 5-13. Share of education expenditure on total household expenditure (%).....	80
Figure 5-14. Education spending structure (%)	81
Figure 5-15. Average annual spending on extra classes (‘000 VND per student, constant 2010 prices).....	82
Figure 5-16. Rate of children at primary school age going to school (%)	83
Figure 5-17. Share of right-age children attending lower secondary school in rural areas (%).....	84
Figure 5-18. Percentage of right-age children attending upper secondary school in rural areas (%)	85
Figure 5-19. Proportion of students attending TVET by years (aged 18 – 25) (%).....	86
Figure 5-20. Proportion college or university enrolments in the population aged 18 - 25 (%)	87
Figure 5-21. Proportion of college or university enrolment in the population aged 18 - 25 (%)	88
Figure 5-22. Students attending public schools by educational level (%).....	88
Figure 5-23. Literacy rate of population aged 15 and above in Vietnam (%)	89
Figure 5-24. The highest educational qualifications of the population aged 15 and over	90
Figure 5-25. Difference in the highest educational qualifications of labourers in rural and urban areas (% of population aged 25-35).....	91
Figure 5-26. Basic education level of the young population in rural areas (% of population aged 25-35).....	92

Figure 5-27. Vocational education qualifications of the young population in rural areas (% of population aged 25-35).....	93
Figure 6-1. Labour force by region (thousand people).....	94
Figure 6-2. Labour structure by sector (%).....	95
Figure 6-3. Migration and non-migration structure by education level (%).....	96
Figure 6-4. Proportion of migration flows by socio-economic region (%)	97
Figure 6-5. Situation of labour use in agriculture in Vietnam	99
Figure 6-6. Proportion of formal labourers (%).....	100
Figure 6-7. Proportion of employed labourers in rural areas (%).....	100
Figure 6-8. The proportion of labourers in formal sector, by education level (%).....	101
Figure 6-9. The average annual income of formal and informal labour (million VND per person, constant 2010 prices).....	102
Figure 6-10. Status of permanent residency registration of migrant workers 2015 ('000 people).....	103
Figure 6-11. Enrolment rate by grade and residency status (%).....	104
Figure 6-12. Structure and percentage of children participating in labour (%).....	105
Figure 6-13. Share of child labourers in rural areas (%)	106
Figure 6-14. Share of elderly labourers in people aged 60 and over (%).107	
Figure 6-15. Elderly labourer rate in rural areas in 2016 (%).....	108
Figure 6-16. Share of paid elderly labourers (%)	109
Figure 6-17. Income of elder wage workers by sectors (million VND, constant 2010 prices)	109
Figure 6-18. Agricultural labours by education and training level (%)	111
Figure 6-19. Comparison on agricultural labour productivity of Vietnam and some countries (USD)	111
Figure 6-20. Unemployment rate by rural - urban area (%)	112
Figure 7-1. Share of people commented on land use plans and planning (%)	118
Figure 7-2. Participation rate and contribution of farmers in New Rural development (%).....	120

Figure 7-3. People's opinions about the poor household classification in their commune (%).....	122
Figure 7-4. Share of respondents think who officials use public remuneration for personal expenses (%).....	123
Figure 8-1. Communes affected by different types of risks (%)	124
Figure 8-2. Structure of the average number of natural disasters in a commune (%)	125
Figure 8-3. Households affected by various shocks (%)	126
Figure 8-4. Average damage value caused by different shocks (million VND, current price).....	127
Figure 8-5. Characteristics of households experiencing shocks (%) ...	128
Figure 8-6. Rate of damage to total household income (%)	128
Figure 8-7. Households' risk coping schemes (%).....	130
Figure 8-8. Recovery rate of households, by type of disasters (%)	132
Figure 9-1. Changes in the daily dietary consumption in the East Asia and the Southeast Asia (kcal per person)	134
Figure 9-2. Percentage of wage workers at high risk of automation ...	139
Figure 9-3. Situation of aging population in Vietnam	146

LIST OF TABLES

Table 1-2. Change in number of farm households, 2002-2014	14
Table 2-1. Structure of rural households by employment types (%)	16
Table 2-2. Farmers participating in mass organisations (%)	36
Table 3-1. Median household income by level of wealth (million VND, constant 2010 prices)	39
Table 4-1. Structure of household agriculture lands (%)	54
Table 4-2. Agriculture land-use restrictions	55
Table 5-1. Share of rural households with voluntary health insurance (%)	66
Table 5-2. Share of population using health services by urban and rural areas (%)	68
Table 5-3. Proportion of households using health services at state health facilities (%)	71
Table 5-4. Average nutrition value in people diets, both in the whole nation and in rural areas	75
Table 5-5. Average weight, height of Vietnamese adults	76
Table 5-6. Underweight rate in adults (%)	77
Table 5-7. Historical height of 6-14 years old children (cm)	78
Table 5-8. Historical weight of 6 to 14 years old children (kg)	79
Table 6-1. Number of vocational training facilities for rural workers as of 2013	110
Table 7-1. Share of people who know about land use plans and planning (%)	119
Table 7-2. People's attention to the National Assembly's interrogation activities	121
Table 7-3. People's opinions on commune budget revenue and expenditure	122
Table 8-1. Coping scheme of households (%)	131
Table 8-2. Important social relationships of the farmers (%)	131
Table 9-1. Public Debt major indicators (%)	144
Table 10-1. State's constructive role in Vietnam's market-oriented socialist agriculture	150

LIST OF BOXES

Box 1-1. Definition of farm household in some countries and Vietnam	12
Box 10-1. Roles of the coordination committee for dairy products in Israel	151
Box 10-2. Taiwanese farmers exercise their rights through the farmers' associations	156
Box 10-3. Cooperatives represent benefits for Japanese farmers	157
Box 10-4. The Netherlands built a team of professional farmers	159
Box 10-5. Korean New Village Movement "Seamaul Undong"	160

ABBREVIATIONS AND ACRONYMS

AGROCENSUS	The Rural, Agricultural and Fishery Census
AMI	The Institute of Agriculture Market and Institution Research
CAP	The Center for Agriculture Policy
CECODES	The Centre for Community Support and Development Studies
CERD	The Department of Cooperative Economy and Rural Development
CIEM	The Central Institute for Economic Management
Co-op	Cooperatives
CPV	Communist Party of Vietnam
DARD	Department of Agriculture and Rural Development
DFID	The British Department for International Development
FAO	The United Nations Food and Agriculture Organization
FCG	Farmer Cooperative Group
GSO	General Statistic Office
IMF	The International Monetary Fund
IPSARD	The Institute of Policy and Strategy for Agriculture and Rural Development
MARD	Ministry of Agriculture and Rural Development
MOH	Ministry of Health
MPI	Ministry of Planning and Investment
PAPI	The Viet Nam Provincial Governance and Public Administration Performance Index
UNDP	The United Nations Development Programme
VARHS	The Vietnam Access to Resources Household Survey
VFF-CRT	Center for Research and Training of Viet Nam Fatherland Front
VHLSS	The Vietnam Household Living Standards Survey
VNUA	The Vietnam National University of Agriculture
WB	The World Bank
CPTPP	Comprehensive and Progressive Agreement for Trans-Pacific Partnership
RCEP	Regional Comprehensive Economic Partnership Agreement
FDI	Foreign Direct Investment
EU	European Union
TBT	Technical Barriers to Trade
SPS	Sanitary and Phytosanitary Agreement

ACKNOWLEDGEMENTS

This publication is a part of the project “Writing and publishing a book on the livelihoods of Vietnamese farmers” funded by the Australian Government through the Australian Alumni Grants Fund.

The book is completed as the co-efforts of the group of authors, including co-editors: Dr Dang Kim Khoi (the Institute of Agriculture Market and Institution Research - AMI); Dr Tran Cong Thang (the Institute of Policy and Strategy for Agriculture and Rural Development - IPSARD) and other scholars: Dr Dang Kim Son, Do Huy Thiep, Ngo Thuy Linh, Pham Duc Thinh, and Ngo Sy Dat (AMI); Tran Thi Thanh Nhan (IPSARD); Vu Thi Lan, Bui Phuong Thanh, Nguyen Dinh Dao, and Nguyen Viet Phong (the Center for Agriculture Policy - CAP)

The authors would like to express our special thanks of attitude to Mrs. Nguyen Thi Hue, Mrs. Le Thi Ha Lien, Mr. Nguyen Ngoc Luan, and Mrs. Bui Thi Viet Anh (CAP/IPSARD) and Dr. Nguyen Thi Phuong Ha (the Institute of Nutrition) for spending an enormous amount of time in providing us important information as well as your precious insights regarding buildings the contents of this book. We are also very grateful to various experts, both domestic and abroad, who have reviewed this manuscript and made important suggestions to enhance this edition. Their comments not only helped improve the scientific accuracy of this book but also made it more accessible to broader readers.

Our most cordial thanks are due to Vietnam Farmer Association as this manuscript was prepared using some data outcomes of their project “Research on Vietnamese farmers”. Without their support, this work would not have been possible.

As always, we welcome the comments of our readers, who should write to the authors at ami@vnua.edu.vn.

On behalf of all authors



Dang Kim Khoi

***“Lật thuyền mới biết sức dân như nước
Đẩy thuyền đi là dân mà lật thuyền cũng là dân”***

Nguyễn Trãi

***“Country people are like water
Who can push the boat forward, or flip it over”***

Nguyen Trai

FOREWORD

The “Doi moi” movement during the 1980s has resulted in the outstanding development of Vietnam agriculture sector with significant achievement in poverty alleviation, food security, and export growth. Agriculture’s impressive performance is considered one of the most important efforts of the socio-economic transformation of Vietnam, which is realized through the prominent contribution of Vietnamese farmers. The rural area has witnessed noticeable improvements in terms of public service and infrastructure systems, and the living conditions of rural dwellers have also increased. However, these improvements to farmers’ lives are at a much slower pace than those of urban occupants. A large proportion of rural people are on the edge of poverty or near poverty, a sudden income shock could easily cause them to fall back into poverty at any time - especially among the communities of ethnic minorities and people living in mountainous regions where poverty rate soars to 50 percent. The wealth gap between urban and rural area is widening, and future opportunities for farmers’ children to achieve substantial education and find decent employment is distressed. The overuse of agriculture chemical results in alarming environment pollution and adversely affects the health of rural people.

Additionally, the negative impacts of climate change and extensive international economic integration in recent years have exacerbated the above risks, putting a significant number of farmers at risk of impoverishment. The changing climate brings increased risks of floods and pests in the short-term and of production structure change in the long-term - due to flooding will cause the loss of a significant amount of agricultural land in the lower region of the Mekong Delta and Red River Delta¹.

¹ According to the climate change scenarios of Ministry of Natural Resource and Environment in 2011, by the end of 21st century, the total agricultural land is estimated to be of reduction by 12% in Red River Delta and 24% in Mekong River Delta.

Apropos of economic integration, at the time of this writing, Vietnam joined 12 free trade agreements (FTAs) which allow the country to boost its agricultural product export to global markets. However, these FTAs come with strict regulations of market access, technical standards and require strong competitiveness to which only an agriculture sector of modern technology application, commercial-level production, quality and market standards assurance can respond. Currently, Vietnamese agriculture still consists of small-scale farmers and only 13% of rural labourers receive some forms therefore training so they are facing difficulties when it comes to fierce competitiveness of global economic integration. Domestic enterprises operating in the agriculture sector are scant in quantity, small in size and scattered in distribution. Multinational corporations and countries of strong agricultural produce are aiming to exploit the raw materials and occupy the enormous consumer markets of Vietnam.

New Industry 4.0 technologies have undergone vast development in recent years will offer a valuable opportunity for the Vietnamese agricultural sector to enter a smart, strongly market-connected stage, but it also implies a risk for labourers who had switched from farm to non-farm industries. The use of artificial intelligence operated self-assembly lines in labour-intensive industries (such as: textile, footwear, mechanical assembly, etc) are gradually putting low-quality labourers out of employment. But in the meantime, Vietnamese farmers have not received the sufficient knowledge and skills to readily participate in contemporary agricultural manufacturing processes and value chains. Undoubtedly, unemployment and labour surplus are significant risks for the rural people of Vietnam.

Within the context of natural resources, exploitation is reaching threshold level. Pressure from technological innovation is increasing, and the adverse impact of climate change is also escalating. The role of farmers in agriculture and rural development is becoming more important than ever. Vietnam's golden age is expected to last for the next 20 to 30 years. In order to formulate effective growth policies based on human

resources, it is important to obtain a better understanding of the current livelihoods of Vietnamese farmers.

There are numerous studies in Vietnam that comprehensively analyse the livelihood of farmers in specific regions all over the country. For example, the study by Dao The Tuan (1977) on status and solutions for sustainable livelihoods of communities in Hanoian suburbs, which occurred during the urbanization process. And his study on production diversification of farm households in the Red River Delta. The study of Vo Van Tuan and Le Canh Dung (2015) focuses on factors affecting the livelihoods of farm households in the Mekong Delta. These researches adopt a sampling method using a population of few hundred households. This is combined with case study analysis to document the livelihoods of farmers in one specific commune, one specific district or one specific area. Other studies use descriptive statistics and regression analysis based on available secondary data, focusing on assessing livelihood or income diversification of rural households and identifying relevant affecting factors.

The studies using data results of the Vietnam Household Living Standards Survey (VHLSS) show that there is an improvement in rural household's livelihoods. However, agricultural production is still a vital source of livelihood for most households in rural areas. The livelihood diversification is believed to help in poverty reduction and living standard improvement. The current trend is toward crop and livestock production restructuring - switching from low-value crops and livestock to higher-value ones, or from agriculture production to other non-farm, salary-based employments. Livelihood diversification is strongly affected by a household's resources factor. There is other research using data results of the Vietnam Access to Resources Household Survey (VARHS). In particular, Finn Tarp (2016) uses data obtained from VARHS surveys from 2006 to 2014 to illustrate the growth, restructuring, and changes of rural areas in Vietnam during the last decade. This research comes to a similar conclusion as other above studies: livelihood diversification is the norm in rural areas, and there is an explicit transfer of labours from farm

activities to non-farm and salary-paying work. Households who adopt livelihood diversification witness better living standards, however, this observation is mainly of poor and minority group households, or those who are seriously affected by unexpected income shocks.

In addition to comprehensive studies, there is research on farmer's subsistence which focuses on more specific aspects or integrated parts of development studies. Studies on point: the report on the relation of migration and improving living standards in Vietnam (Brawn and Harigaya 2017); the report on thirty years of Doi moi (Dang Kim Son *et al.*, 2014); the report on farmers' collaboration in promoting their rights and voices (Oxfarm 2015), the study on psychological factors affecting production decisions of farmers (Bui Thi Van Anh 2018), the article on farmers' happiness and well-being (Markussen *et al.*, 2018), etc. Generally speaking, the approach of assessing farmer's livelihood in specific areas leads to lack of comparison nor a comprehensive view. While other broad qualitative research can present the overall picture, they lack supporting quantitative evidence. In order to overcome these limitations, a research team consisting of members of the Institute of Agriculture Market and Institution Research (AMI) and the Institute of Policy and Strategy for Agriculture and Rural Development (IPSARD) joined together to develop the book project **“Portrait of Vietnamese farmers' livelihoods in the context of economic integration 1990 - 2018”**

The book contains ten chapters. In the first chapter, we will discuss the definition of “Vietnamese farm households”. Chapter Two takes a close look at their livelihood strategies and their production organization. Chapter Three, Four, Five, Six, Seven and Eight present our analyses and findings about the current status of farmers' livelihoods following six main aspects: (i) income, expenditure, saving; (ii) land and property; (iii) healthcare, nutrition, physical health and education; (iv) labour and employment; (v) interaction with policy and authorities; and (vi) risks and risk coping strategies. In Chapter Nine, the opportunities and challenges for developing a sustainable livelihood strategy for farmers will be

discussed. Lastly, Chapter Ten closes with policy suggestions for developing a sustainable livelihood strategy that will protect farmers' rights, and enhance their benefits and well-being.

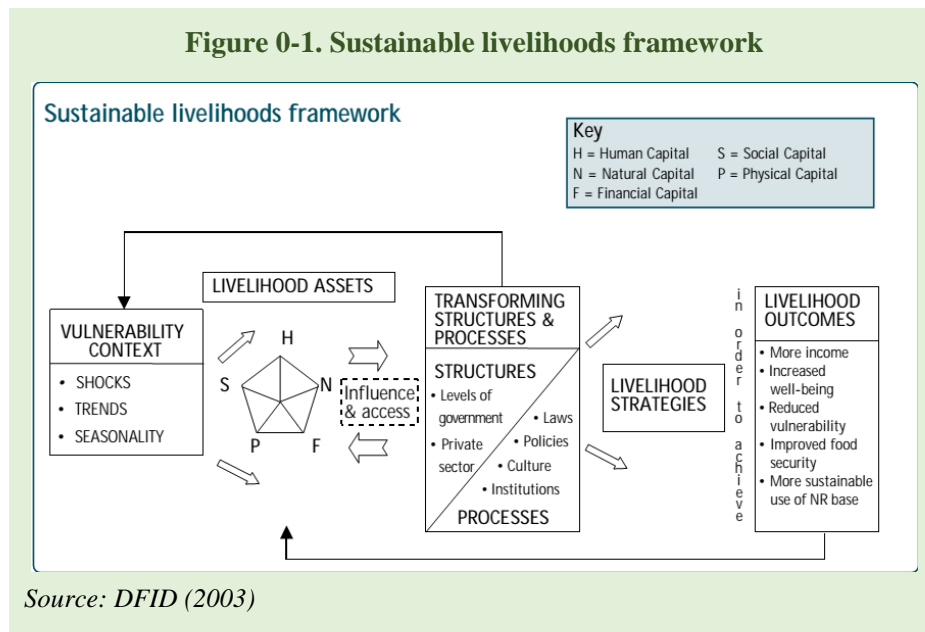
Spatially speaking, the project analyses the livelihood of farm households across the country, making comparisons between major agro-ecological regions, urban and rural areas, and between Vietnam and the world in some cases. In relation to time, we focus on the period of after Doi moi (1986-2018) but give special attention to the period 1995-2018. This was the time when Vietnam began its intensive process of economic integration, industrialization, and urbanization, which deeply affected farmers' lives. This is also the period when available data related to farm households become more rich and abundant.

We use the Sustainable livelihoods framework developed in 2003 by the British Department for International Development (DFID) to assess the different dimensions of farmers' lives in Vietnam. This framework focuses on four main sustainable aspects:

- (i) Environmental sustainability is achieved when the productivity of life-supporting natural resources is conserved or enhanced for use by future generations.
- (ii) Economic sustainability, in the context of the livelihoods of the poor, is achieved if a baseline level of economic welfare can be achieved and sustained.
- (iii) Social sustainability is achieved when social exclusion is minimised and social equity maximised.
- (iv) Institutional sustainability is achieved when prevailing structures and processes have the capacity to continue to perform their functions over the long term

Using the sustainable livelihood framework, we assess the livelihoods in respect to five core asset categories of capital upon which livelihoods are built (referred to hereafter as capital), including human capital, social capital, natural capital, physical capital, and financial capital. We then identify the vulnerability of each capital and develop a strategy for each. The framework is illustrated in detail as below.

Figure 0-1. Sustainable livelihoods framework



In this study, we use available data sets which relate to the livelihoods and development of Vietnamese farmers during the period 1990 - 2018, divided into two main categories:

1. Secondary data from large-scaled surveys and analysed by research team

- The Vietnam Household Living Standards Survey (VHLSS) from 2002 to 2016: representative sampling survey for regional level and country level. The survey is conducted every two years by General Statistical Office (GSO). Information collected includes: employment status, income, expenditure, education, the use of health services, housing, amenity as possession and property, and credit.

- The Vietnam Access to Resources Household Survey (VARHS) from 2006 - 2016: representative sampling survey for provincial level. The survey is conducted every two years in 12 provinces of Vietnam by the Copenhagen University, the Central Institute for Economic Management (CIEM), the Institute of Policy and Strategy for Agriculture and Rural Development (IPSARD), and the Institute of Labour.

Information collected includes: land status, credit, associated risks, faith/happiness, and social capital.

- Rural, Agricultural and Fishery Census (AgroCensus) 2001, 2006, 2011 and 2016: the total population sampling survey with participants of interest were rural households and agriculture household in urban area. Information collected includes: land status, agriculture production activities of urban households and economic activities of rural households, and the status of rural enterprises.

- The Viet Nam Provincial Governance and Public Administration Performance Index (PAPI): representative sampling survey for provincial level. PAPI is a collaboration between the Centre for Community Support and Development Studies (CECODES), the Centre for Research and Training of the Viet Nam Fatherland Front (VFF-CRT), the Real-Time Analytics, and the United Nations Development Programme (UNDP). The index assesses citizen experiences with national and local government performance in governance, public administration and public service delivery.

- General Nutrition Survey (1987 - 1989, 2000 and 2009 - 2010): conducted by the National Institute of Nutrition, includes: information on maternal and child nutrition status, nutritional anemia, epidemiological survey and food safety practices.

2. Other dataset collected and processed by external agencies

Collected data and analysis extracted from reports of large-scale surveys or published statistics extracted from the website of various governing agencies: General population and housing survey (1989, 1999, and 2009); Annual labour force survey; Provincial Statistical Yearbook (63 provinces nationwide). Moreover, data extracted from reliable international sources such as the World Bank, the International Monetary Fund (IMF), UNDP, the United Nations Food and Agriculture Organization (FAO).