



## **The Analysis of Factors Affecting Multi-dimensional Poverty of the Khmer Ethnic in Tra Vinh Province, Vietnam**

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### **ABSTRACT**

The analysis of factors affecting multi-dimensional poverty of the Khmer ethnic minority in Tra Vinh province was conducted by the use of primary data collection, direct interviews with 300 Khmer ethnic households living in 07 districts and cities in Tra Vinh province. The research has found the factors that affect multi-dimensional poverty of the Khmer households: The occupation of household owners, the educational level, and dependency ratio, the participation in health insurance and telecommunications services. In particular, the occupation, educational level and dependency ratio are the factors that have the most impact on the poor status of the Khmer ethnic people in Tra Vinh province. Since then, the research has proposed a number of solutions such as vocational training to raise incomes, building preferential credit policies, building telecommunication infrastructure and medical services, etc. so as to raise incomes, life stabilization, multi-dimensional poverty reduction for the Khmer ethnic people in Tra Vinh province in the future.

**Keywords:** Income, Occupation, Khmer, Education, Health Insurance

**JEL Classifications:** I13, I2, I3

### **1. INTRODUCTION**

Tra Vinh is one of the provinces in the Mekong Delta with a large number of Khmer compatriots, with 324,877 households, accounting for 31.62% of the province's total population (Tra Vinh Statistical Office, 2015). They live in the districts of Tra Cu, Cau Ngang, Cau Ke and Tra Vinh city., The total number of poor households in Tra Vinh province is 35,506 households, accounting for 13.23% of the total households in the province, of which 19,756 poor households are Khmer, accounting for 23.12% of the province's total khmer (accounting for 55.64% of total poor households in the province).

Over the past years, Tra Vinh province has developed a program to implement the Central Resolution VII (Part 2), Session IX on Ethnic Minority Affairs, Resolution 06 of Tra Vinh Provincial Party's Committee on comprehensive development of the Khmer region, which have made remarkable changes in socio-economic conditions, improved people's living standards, and the poverty rate of the Khmer ethnic minority decreased by 4.3% per year on average. Also, good implementation for ethnic policies, recruitment

policy, tuition fee exemption, vocational training, job creation, traditional festivals, cultural character and national unity continue to be preserved and promoted. Since then, the life of Khmer people in Tra Vinh province has been improved in all aspects, the number of Khmer poor households decreased considerably, lives of the Khmer people are constantly improving, the rural areas where Khmer ethnic people are living have been unceasingly innovated.

However, due to objective and subjective conditions, the socio-economic life of the Khmer people is often unstable (Table 1). Over the past years, the provincial Party Committee and People's Committee of Tra Vinh province have implemented policies to stabilize and improve the lives of ethnic Khmer, but due to limitations in educational level, financial resources and some objective reasons, so many families of the Khmer ethnic minority have encountered difficulties in life.

Based on this fact, the research has found the factors affecting multidimensional poverty of the Khmer ethnic minority in Tra Vinh province. From there, propose some solutions to poverty reduction, as well as policy implications for the relevant agencies

in formulating policies related to social security for the Khmer ethnic group in Tra Vinh province in coming time.

## 2. THEORETICAL OVERVIEW

UNDP (2011) Multidimensional poverty is a poverty that needs to be recognized as a shortage/dissatisfaction of basic human needs, reflecting a lack of education, health and quality of life.

\*Multidimensional Poverty Index (MPI).

The MPI was first proposed by Alkire and Foster in 2007. According to Alkire and Foster (2008), measuring poverty in a number of people in multiple dimensions and multiple indices (Indicators). UNDP (2011), multi-dimensional poverty index (MPI) is calculated in three dimensions (Education, health, living standard) and 10 indicators.

Access to multi-dimensional poverty in Viet Nam has been piloting multidimensional poverty measurement based on five dimensions (one dimension in each dimension): Education, health, housing, living conditions, access to information that follow (Table 2).

Points of indicators: Dimensions, representing basic social service groups, will be graded equally, showing equal importance. Specifically, there are five dimensions, each of which is 20 points. In each dimension, the indicators are also given equal points, each index will be graded 10 points. So the total score will be 100 points. The total shortfall of all indicators will add up to the general household deficit. If this overall shortfall is greater than the general deficit threshold, the household will be considered to be deficient in basic needs.

Multidimensional Threshold: Multidimensional Threshold is the level of deficiency that if households lack more than this level, it is considered to be the lack of access to basic social services. The global MPI defines a deficit for one household as one third of the total shortfall. In Vietnam, it is proposed that the deficit threshold for a household is one third short of the deficit. The multidimensional deficit threshold is the level of deficiency that if a household is lacking more than this level it is considered to be a lack of basic needs. The multidimensional deficit threshold will not change for a fixed period of time (5 years), regardless of budgetary capacity, unchanged when changing targets or when the situation changes due to policy implications.

**Table 1: Status of poor households in Tra Vinh province (Unit: Household)**

NO	Targets	2012	2013	2014	2015	2016	2017
1	Total number of poor households Khmer households	43,326 23,653	36,841 20,841	28,430 16,310	35,506 19,756	30,359 17,946	23,078 13,859
2	Proportion of poor households/total households in the province	16.64%	13.9%	10.66%	13.23%	6.6%	8.41%
3	Proportion of poor Khmer households/total Khmer households	28.44%	24.65%	43.32%	23.12%	20.46%	15.7%
4	Rate of Khmer households/Total poor households	54.59%	56.57%	59.13%	55.64%	59.31%	49.96%

**Table 2: Multidimensional measurement criteria in Vietnam**

Poverty dimension	Criteria for measurement	Deficit threshold	Score
Education	Education level of adults	Households with at least one working-age member who have not yet graduated from lower secondary school and not attending school	10
	School attendance status of children	Households with at least one school-age child (5-under 16 years) are not attending school	10
Health	Access to health services	Households with sick people who do not go for medical examination and treatment (sickness is defined as being sick/seriously injured and must be accompanied by a caretaker or unemployed person, not participating normal activities)	10
	Health insurance	Households with at least 1 member at the age of 6 and over do not currently have health insurance	10
Housing	Quality housing	Households who are living in an unsafe or simple house (the house is divided into 4 levels: solid, semi-permanent, lacking solid, simple house)	10
Living condition	Area of housing per capita	The area of housing per capita of the household is <8 m <sup>2</sup>	10
	Water supply	Households do not access to clean water	10
Information accessing	Latrine/rest-room	Households do not use hygienic latrines/toilets	10
	Use telecommunication services	Households do not have any members using telephone and internet subscribers	10
	Assets for accessing to information	Households do not have any of the assets: Televisions, radios, computers; and not listening to the commune/village loudspeaker system	10

Source: Ministry of labor, war invalids and social affairs, 2015

A study by the General Statistical Office (2016) and United Nations Children’s Fund (UNICEF) proposes the use of the concept of multi-dimensional poverty of children based on the basic needs of children in the fields of education, health, nutrition, housing, clean water and sanitation, children labor, recreation, social recognition and protection. Multidimensional poverty of children consists of six main dimensions: (i) Education; (ii) health; (iii) housing; (iv) clean water, sanitation, and (v) working children, in proportion to the proportion of children aged 6–15 years who have been working to generate income within or outside the household in the last 12 months; (vi) Friday afternoon is Social Protection, corresponding to the percentage of children living in households whose head is not working due to age or disability.

The research of multidimensional poverty of children of ethnic minorities in Viet Nam, which was initiated by the Central Committee for Ethnic Minorities and the UNICEF and Development Consultant (IRC Consulting) (2015). has conducted multidimensional child poverty measurement in Viet Nam including 7 main dimensions: (i) Income poverty; (ii) Educational poverty is measured by the proportion of children who do not go to school at the right age or children 11–15 who do not complete primary school; (iii) Poor housing conditions are measured by the proportion of children living in temporary shelters or houses not connected to the national grid; (iv) child labor under age is measured by the proportion of children aged 6–15 participating in paid work; (v) water and sanitation poverty encompasses two indicators that reflect the living conditions of access to safe drinking water and standard latrines, and is measured by the proportion of children who do not have access to one. in the above two conditions; (vi) poverty in health care is measured by the proportion of children aged 2–4 who are not referred to formal health facilities; (vii) Poverty on social integration is measured by poor children in social integration.

According to Asselin (2009), there are five dimensions: Health, employment status, education, income and housing. The recommended health conditions are: (i) Chronic illness; (ii) insufficient warm weather; (iii) no mosquito killing tools and (iv) malnourished children. Employment patterns are concerned with the index of underemployment, in which a person is considered unemployed if he or she has been out of work for 3 months or more. Education includes: (i) Illiteracy index in humans; (ii) children’s

education indicators, with the target that children 6–15 years old will not be able to attend school. Income trends relate to: (i) No television, radio and poor households in the monetary poverty line. Housing dimensions are also related to: (i) Temporary housing and (ii) lack of clean water.

UNDP (2013), multidimensional poverty based on eight indicators of indicators in eight dimensions: Income, education, health, access to the welfare system, quality and housing area, housing services, participate in social activities, social safety. The study by Thanh et al. (2010) describes the main results and findings of the survey on the characteristics of the urban population, access to education and the use of health services, employment, income and expenditure, housing, household durability, coping with shocks, risks, etc.

Based on the findings of the literature review on indigenous peoples, there is a general consensus for the analysis of NAC that the studies use the following dimensions: (i) education, (ii) health, (iii) communication, and occupation.

### 3. RESEARCH METHODOLOGY

#### 3.1. Research Models

Based on the study of the subject, the study on “Factors affecting multi - dimensional poverty of the Khmer ethnic minority in Tra Vinh Province” is as follows:

$$Y = b_0 + b_1X_1 + b_2X_2 + b_3X_3 + \dots + b_7X_7 + e$$

In which:

Y is a dependent variable. Living standards of poor Khmer households;

X1, X2...X7: Are independent variables. Summary of independent variables in model and expectation markers are presented in Table 3.

#### 3.2. Data and Methods of Implementation

From the theoretical basis and through the results of qualitative research, it is necessary to build a formal research model for the research topic. Then, a questionnaire will be made and a preliminary survey will be conducted to complete the questionnaire. Data collection is conducted by interviewing the heads of households in the districts from August 2015 to 08/2016 such as Tra Cu, Cang Long, Cau Ke, Cau Ngang, Tieu Can, etc.

**Table 3: Summary of independent variables in model and expectation markers**

Variable	Explanation	Base in selection variable	Expect ation mark
X <sup>1</sup> : Occupation	The occupation of the household head	Shrestha and Eiumnoh (2000), Nguyen (2004)	(+)
X <sup>2</sup> : Educational level	Educational level	Shrestha and Eiumnoh (2000), Binh (2008)	(+)
X <sup>3</sup> : Number of People	Number of household members	Nam (2009)	(-)
X <sup>4</sup> : Health insurance	Participating in health insurance	Nguyet et al. (2002), Nguyen (2010)	(+)
X <sup>5</sup> : Dependency ratio	Dependency ratio	Nguyen (2004), Schware (2004)	(-)
X <sup>6</sup> : Telecommunication services	Participating in telecommunication services	Ministry of labor, war invalids and social affairs (2015)	(+)
X <sup>7</sup> : Policy approaching	Policy approach	Luong (2010), Nguyen (2010)	(+)

through direct questionnaire survey, with sample size  $n=300$  (Hoang and Chu, 2008).

## 4. RESEARCH RESULTS AND POLICY IMPLICATIONS

To determine the factors that affect multi-dimensional poverty of Khmer people in Tra Vinh province, multivariate regression analysis was used. In order to test the multi-collinearity in the model, testing through the multipliers of the variance (VIF) of the variables was not found to be multi-collinear.

According to Table 4: Regression results show that: Occupation, educational level, health insurance, telecommunication services with 1% significance level; number of people, dependents, dependency ratio of 5%. While policy approaches have no evidence of multidimensional poverty.

### 4.1. Measures to Reduce Multi-dimensional Poverty in the Khmer Ethnic Minority in Tra Vinh in the Coming Time

The research results show that the factors that affect multidimensional poverty of the Khmer ethnic people are due to unstable occupation; the majority of people are working in agriculture. Also, their education is low, and their access to health care and telecommunications services and government policies is limited. The number of dependency ratio is large. Besides analyzing the situation and regression results, the authors propose some solutions as follows:

### 4.2. Job Creation for the Khmer by Vocational Training

The Department of Labor, War Invalids and Social Affairs (DOLISA) needs to propagate and encourage the Khmer ethnic people to participate in local vocational training courses to help them actively participate in the economy, actively create income generating activities. Specially, non-agricultural activities (knitting, sewing, biting, etc.) are in line with beliefs and craft villages, etc.) in order to bring into full play the available resources of the household; vocational training centers in the localities where Khmer ethnic minority people live should organize vocational training courses for ethnic minority people and at the same time adopt policies to support production establishments and

cooperative economic organizations. Enterprises, farm owners. do business effectively in the area, creating conditions for these units to create more jobs, jobs for ethnic people. To adopt preferential policies for units employing many ethnic minority laborers.

### 4.3. Development of Specific Credit Policies for the Khmer Ethnic People

The State Bank of Vietnam and commercial banks as well as the Bank for Social Policies should promote information on credit programs for Khmer people. Information publicity, transparency popular to all people in need of the form of loans, interest rates, time with many incentives, simple procedures (focus on syndicated loan through guarantee or local government);

Consultancy to set up business plan, supervise the process of using capital. Maintaining lending in the production cycle, increasing the size of the loan so poor households can organize production in the long run, avoiding the risk of policy loans becoming relief. It should be noted that rural credit development must always be closely linked to land issues and income diversification.

### 4.4. Building Traffic and Telecommunications Infrastructure in the Localities of the Khmer Ethnic Group

The Department of Construction and the Ministry of Transport should pay attention to the construction of transport systems, roads, bridges, electricity and clean water, ensuring poor households can enjoy these utilities at favorable prices. This is to help the Khmer poor people to develop their economy and improve their livelihoods.

Upgrading telephone and Internet infrastructure in ethnic minority areas, thus helping them understand and integrate knowledge of foreign languages in order to accumulate knowledge for production.

## 4.5. UPGRADING AND BUILDING HEALTH CARE FACILITIES

The Health Department of Tra Vinh province needs to focus on upgrading and building modern medical facilities in ethnic minority areas in which to develop a special health insurance policy for ethnic minority people, of which 100% of ethnic

**Table 4: Regression results of the model**

Living standard of poor Khmer	Coefficient	Standard error	T	P> t
Occupation (X <sup>1</sup> )	23630.8***	87896.84	2.82	0.007
Education level (X <sup>2</sup> )	34841.77***	13016.02	2.68	0.008
Number of people (X <sup>3</sup> )	-65690.46**	29265.15	-2.24	0.026
Health insurance (X <sup>4</sup> )	-367138.6***	80251.67	-4.57	0.000
Dependency ratio (X <sup>5</sup> )	80959.21**	36873.73	2.20	0.030
Telecommunication services (X <sup>6</sup> )	26274.82***	5536.05	4.75	0.000
Policy Approaching (X <sup>7</sup> )	55101.21	87290.49	0.63	0.529
Constant	1483428	252421.90	5.88	0.000
R <sup>2</sup> adjusted:	0,7292			
Statistical value F:	34,44			
Numeric value Prob>F:	0.000			

\*\*\*Level of significance 1%, \*\*level of significance 5%, \*level of significance 10%. Source: extracted from research results

minorities have health insurance and have access to basic health services in order to protect the health of the community as well as protect the environment in the place where they live.

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