

**Patterns of Persistent Poverty in Post- Đổi mới Vietnam**  
**Research Proposal**  
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In 1985, 75% of the Vietnamese population lived below the poverty level<sup>1</sup>. In the late 1980's the Vietnamese government, as part of its effort to combat persistent poverty and stimulate the economy, introduced Đổi mới (renovation) policies and reforms. These reforms led to rapid economic growth and reduced poverty levels in Vietnam to 20% in 2005 (Dollar, 2006). Recent studies show that while some areas reduced the poverty rates and benefited from new economic growth under Đổi mới, others continue to report high levels of persistent poverty (Minot and Baulch, 2004). Because of the dramatic and spatially uneven decrease in the poverty rate, Vietnam provides an important and interesting case study of the geography of persistent poverty.

This research will contribute to the existing body of research by spatially evaluating poverty and economic wellbeing in Vietnam on an aggregate level between 1999 and 2006<sup>2</sup>. In order to gain an understanding of what has caused the change in poverty rates to vary geospatially this research will answer the following questions:

- What factors account for interprovincial variance in poverty rates and reduction of poverty rates between 1999 and 2006? In particular, how do ethnic diversity, migration and geospatial characteristics account for levels of persistent poverty and variation in poverty reduction between provinces?
- Were historically industrialized provinces and/or newly urbanized provinces able to reduce poverty more quickly than rural provinces?

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<sup>1</sup> The poverty level used by the World Bank and Vietnamese Government is the annual amount of money required to purchase a “typical” basket of food items in Vietnam that provides 2100 calories per day for one year and a “minimal” amount of nonfood items. For 1998, the general poverty line was 1,788,000 Vietnam Dong (US\$ 128) per person per year (Tung, 2004).

<sup>2</sup> This research will utilize the 1998 Vietnamese Living Standard Survey and the 2002, 2004 and 2006 Vietnamese Household Living Standard Survey.

This research will utilize Dunford and Smith's regional development theory of simultaneous convergence and divergence as its theoretical framework. This theory challenges traditional neo-liberal development assumptions of regional convergence by arguing that social and political powers can create co-existing economic divergent and convergent forces within the same country.

Because of its political and economic history, Vietnam provides the ideal context in Asia to apply Dunford and Smith's theory of regional inequality. Under socialism the Vietnamese government targeted industry and development projects into a few select areas. Largely politically driven, specific provinces in the Red River and Mekong Delta became Vietnam's industrial centers (Tran eds 2000; Kerkvliet 1995). The pattern of politically motivated economic policies continued into the 1980's with the creation of *Đổi mới*. Economic reforms were demanded and first granted to those provinces with the strongest political influences (Nguyen, 2007; Duiker 1995). Recent studies suggest that although *Đổi mới* benefited Vietnam as a whole, the provinces in the Mekong Delta and Red River Delta Regions have experienced the most growth, while other regions have remained in persistent poverty (Fujii and Ronland-Holst, 2008). These findings suggest that the political and economic history in Vietnam mirrors that of Eastern Europe where Dunford and Smith's theory of regional inequality has been successfully applied. Furthermore, application of this theory may help to explain why some provinces in post-*Đổi mới* Vietnam have been able to reduce poverty rates while others remain in persistent poverty.