

## **Chapter 7**

# **The Elderly Population in Vietnam during Economic Transformation: An Overview**

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### **Abstract**

*Many studies have suggested that under the context of high economic growth and strong flows of laborers from rural to urban areas, living arrangements of elderly people, particularly elderly women, and family relations will be more vulnerable to a variety of social and economic risks. This paper, using the Vietnam (Household) Living Standard Surveys for 1992/93, 1997/98, 2002, and 2004, will examine the issue by decomposing the elderly population in Vietnam with regard to various aspects of aging. With an investigation of numerous variables such as education, household living arrangements, and housing conditions, it is found that family structures have generally been maintained in Vietnam, although social and economic contexts have changed rapidly since Doi moi. We find a relatively high proportion of elderly people living with their children, particularly their married sons. In addition, the elderly are not simply dependents in the households; indeed, they are still contributing to the households in various ways. A detailed decomposition of data on the elderly people, however, shows that women have certain disadvantages in comparison with men due to lower education, higher levels of widowhood, and living alone. There is also a big disparity between elderly people living in urban and rural areas, and between the elderly populations of different regions. Another striking finding is that during the past decade, the poverty rates for elderly people were actually lower than those for nonelderly people, and the highest poverty rates occurred among very young or very old people.*

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## 1. Introduction

The elderly populations in many countries are growing and will continue to grow in the coming years, both in absolute numbers and as a percentage of the population. According to the medium-variant population projections of the United Nations (2004), there are about 610 million people aged 60 and over (or 10 percent of the world population in 2000), and this number is expected to grow to around 1.9 billion people (or 22 percent of the world population) in 2050. These demographic trends have mostly resulted from decreasing fertility rates and increasing life expectancy. In addition to such demographic changes, some studies on the elderly population, such as those of Mason (1992) and Schwarz (2003), raised a concern that economic transformation with urbanization and increasing migration might weaken the traditional family structure, which would leave more elderly people without the traditional support and care from their families.

Vietnam, as one of the fastest growing economies in the world, is indeed experiencing the changes just described. The medium-variant projections of the United Nations (2004) indicate that the elderly population in Vietnam will increase significantly from 7.5 percent of the total population in 2005 to about 26 percent in 2050. The demographic dependency ratio will be driven mostly by the elderly dependency ratio as the child population will increase at a slower pace. Of the current elderly population, a majority are living in rural and disadvantaged areas. Moreover, swift economic transformation since *Doi moi* has had significant impacts on all areas of society, especially with the changes of economic structure from agriculture-based to industrial production, and urbanization with strong flows of laborers from rural to urban areas. Though great successes, such as rapid poverty reduction and considerable improvement of living standards, have been widely acknowledged, many groups of people, including the elderly, are still living in poor and vulnerable conditions (Le *et al.*, 2005). Given the low coverage of the social security systems in Vietnam, the situation may become worse if there is not an appropriate response from the government to these continuing changes. Therefore, studies of various social and economic aspects of the elderly population need to be carried out so as to enable appropriate responses for the social welfare policies.

Guided by such research needs, this paper seeks to quantify the extent and the evolution of the elderly population in Vietnam by using the Vietnam (Household) Living Standards Surveys for 1992/93, 1997/98, 2002, and 2004. Specifically, the paper will answer such questions as how are the living arrangements of the elderly changing; are the elderly contributing to their households, and are there important differences between regions of the country, or between urban and rural residents?

To accomplish these goals, we first review the existing studies on the elderly population in Vietnam. Then, we present our data and methodology, as well as advantages and limitations of the data. This is followed by our analysis and implications for social welfare policies. The last section will present concluding remarks and directions for further studies.

In providing an overview of the Vietnamese elderly population during economic transformation, some key findings of this paper include:

- The elderly population has grown during the past decade, as has the number of elderly living alone.
- We consider three types of elderly households: those where an elderly person is the head of the household, where the elderly is dependent on others, and where the elderly is living alone. We find that the increase in the elderly living alone was offsetting households where the elderly were dependent on others.
- Women experience more disadvantages, such as widowhood and lack of education.
- Data on working status and housework show that the elderly people were still active contributors to the households in various ways.
- Poverty rates have been falling in each of the surveys, though the highest poverty rates remained among the very young and very old.
- Housing conditions for the elderly have significantly improved over time.
- Generally, the elderly of Vietnam did not face a situation worse than that faced by younger people. Family bonds appeared to remain strong, and the elderly were taken care of.
- Age 60 is too young to be defined as elderly. The hardships of old age do not come until later ages.

## **2. Previous Studies on the Elderly Population in Vietnam: A Review**

Research on the elderly population in Vietnam has grown rapidly in the past decade, and different survey data have been used to analyze the elderly people and their households. For example, Hirschman and Vu (1996) used the 1991 Vietnam Life History Survey, which was a survey of 403 households during January–March 1991 in four areas, i.e., a rural village and an urban area in northern Vietnam (in the Red River Delta), and a rural village and an urban area in southern Vietnam (in the Mekong River Delta). The purpose of their study was to analyze the impacts of Confucian thought on contemporary family and household structure, and find out how these impacts varied between the two regions.

Another set of two regional surveys on Vietnamese persons aged 60 and over has been used extensively by many studies, such as Truong *et al.* (1997) and Knodel *et al.* (2000). These surveys, which were conducted in the Red River Delta (including Hanoi) in 1996, and in Ho Chi Minh City (HCMC) and its six adjacent provinces in 1997, could provide various information about rural and urban diversity, household composition, and household relations in terms of support and care.

In addition to the above microdata surveys, a variety of studies also used larger survey samples to accomplish their research goals. Bui *et al.* (1999) used the 1994 Vietnam Inter-censal Demographic Survey in combination with those regional surveys to explore living arrangements of the elderly in two regions. To compare living arrangements of the elderly and their households over time, Knodel and Truong (2002) used the 5 percent public use sample of the 1989 Census and the 3 percent public use sample of the 1999 Census. More recently, Barbieri (2006) used the 3 percent public use sample of the 1999 Census and the Vietnam Living Standard Survey (VLSS) 1997/98 to analyze rates of coresidence and flows of remittances between the elderly and their children.

Some common trends emerged from these studies even though they drew on numerous surveys with different sizes and characteristics. First, the population showed a clear aging process that was faster than official population projections by the United Nations (Knodel and Truong, 2002). By marital sta-

tus, all of the studies showed that majority of the elderly people (over 95 percent) were married or widowed, and widowhood was more common among rural residents and women (Truong *et al.*, 1997). In terms of education, which was measured by schooling and literacy, the studies also indicated that the female elderly were much more disadvantaged than were their male peers, and urban residents had higher educational levels than did their rural counterparts (Friedman *et al.*, 2002).

Second, living arrangements of the elderly and their households indicated that family relations remained strong in Vietnam despite substantial changes in social and economic conditions. The studies all indicated that only a small share of the elderly were living alone, and most were living with or near-by their children. Also, coresidence rates did vary between regions and areas (Hirschman and Vu, 1996; Bui *et al.*, 1999; Friedman *et al.*, 2002). Among those who were living with adult children, a majority preferred to live with married sons, particularly in the Red River Delta (Knodel *et al.*, 2000). In addition, coresidence depended on marital status of the elderly, e.g., both non-married men and non-married women were considerably more likely to live with a married child than were their currently married counterparts (Friedman *et al.*, 2002). Among those who were not living with children, men were more likely to live with a spouse, and women were more likely to live alone (Barbieri, 2006). Similarly, Knodel *et al.* (2000) showed that more than half of non-coresident elderly in the north and over two-thirds in the south lived adjacent to or very near to a child. The situation for the childless elderly was not worse as they lived with an adult relative or spouse, and only 12 percent of them in the north and a third of them in the south lived alone.

Also relevant to family relations is the support and care between the elderly and their children. Hirschman and Vu (1996) found a relatively high frequency of visiting or making contacts between adult children and their parents. About 60 percent of adult children who lived nearby their parents saw them daily, and most of the rest saw them at least once a week. Truong *et al.* (1997) found that exchanges of food, clothes, and other goods were fairly common between elderly parents and their children in all regions, and economic support from within the family was more important than non-family support. Similar findings also indicated in Bui *et al.* (1999) that family support from both coresi-

dent and non-coresident children was the main source of support and care for the elderly (42 percent in the north and 66 percent in the south). The type of support showed regional difference, as foodstuff was popular in the north, while cash was substantial in the south. Knodel *et al.* (2000) also showed that children frequently provided material support to their parents, and that there was regional difference in support type and child proximity to parents. A U-shaped relationship was observed for such provision and child proximity to parents, and it was even more pronounced for regular provision of money and expensive goods. Evaluating family support with such questions as whether a child is an important source of the elderly's income, and material transfers (food or money) from children to parents, Friedman *et al.* (2002) showed that southern elderly were more likely to report that children were main contributors to household income than were northern elderly, and nonmarried elderly were more likely to claim a child as a main contributor than were married elderly. Moreover, the study indicated that in general that there was no clear gender pattern in the receipt of intergenerational support by the Vietnamese elderly. By exploring gender and coresidence factors, Barbieri (2006) observed that remittance was a major alternative form of support from children to their parents; about 20 percent of the elderly had received remittance from a non-coresident child in the previous 12 months, 16 percent from a son, and 12 percent from a daughter. Sons tended to send support more often than did daughters (25 percent vs. less than 20 percent of all elderly households), and older elderly received support more often than did younger elderly. Further, with multivariate analysis, the study confirmed that women were more likely than were men to receive from both sons and daughters (in contrast to the findings of Friedman *et al.*, 2002), and the non-coresident elderly were more likely to receive than were the ones coresiding with children. Urban and wealthier elderly were more likely to receive support from their children than were their rural and poor peers. The study then suggested that intensification of migration did not jeopardize intergenerational solidarities and that children continued to support their elderly parents, particularly in vulnerable cases.

One common and critical finding from these studies was that only a modest percentage of elderly people received pensions or welfare payments, and such payments were rarely a main source of income (Bui *et al.* 1999;

Knodel and Truong, 2002). Particularly, the relative dependence of non-married elderly women on non-pension state payments, which were small and less frequently paid, indicated their relative vulnerability to social and economic risks. If family support gradually erodes, maintaining the livelihood of such people could become a greater public policy need.

A third common trend that emerged was that many elderly people remained active, either working for various types of enterprises or doing housework. Bui *et al.* (1999) pointed out that the working rate of the elderly was 41 percent for the north and 35 percent for the south. By gender, Friedman *et al.* (2002) showed that there was almost no gender difference in the elderly working rate in the north (42 percent for men vs. 41 percent for women), but a significant difference in the south (46 percent for men vs. 28 percent for women). Both economic structure and culture could help explain these regional differences. In addition, Knodel and Truong (2002) found that women were less economically active for all older age groups, but were active in housework. Also, economic activity rates among older people in urban areas were considerably lower than those of their rural peers.

Fourth, living conditions for the elderly have clearly been improving over time. The results from Knodel and Truong (2002) showed that housing conditions significantly improved. More elderly people, particularly in rural areas, were likely to access mass media such as TV and radio, use better toilets, and have electricity as the main source of lighting.

Although these existing studies could provide informative and thorough measures on living arrangements of the Vietnamese elderly, they did not make a distinction between the elderly who were household heads and those who were dependents in the household, except for the study by Hirschman and Vu (1996). This distinction is potentially quite important. As indicated in many studies on the family relations in elderly households, such as Schwarz (2003) and HelpAge International (2004), the elderly would feel confident if they could control some resources, and family members would not consider them as a burden. Distinguishing the role of elderly people in their households will help to show how they are treated when their economic and social status changes.

Moreover, the reviewed studies also did not provide any information about the poverty status of the Vietnamese elderly over time. Analysis of the



elderly's poverty incidence will provide useful information about their vulnerability relative to that of the rest of the population. This information can then help the government in making appropriate social welfare policies to protect the elderly from various social and economic risks. Data limitations might be one of the reasons for such missing analysis in the existing studies.

### **3. Data and Methodology**

We use the Vietnam (Household) Living Standard Surveys for the years 1992/93, 1997/98, 2002, and 2004. These surveys were conducted by the General Statistics Office of Vietnam (GSO), along with other international agencies as a part of the World Bank's Living Standard Measurement Surveys. Detailed descriptions of these surveys can be found in numerous research reports, such as Grosh and Glewwe (1998), GSO (2004 a, b), and World Bank (2000, 2001, and 2005).

The surveys are organized by household, but they also include some characteristics for individuals in the household, such as age, gender, relationship to household head, marital status, working status, salary, health, and education. This structure lets us identify the elderly people as well as the households that include elderly people. In this paper, we consider the elderly as people who are at least 60 years old, and the elderly households are those with at least one elderly person. Table 1 provides information on the sample sizes for the four surveys.

At the household level, the surveys provide extensive data on sources of income, business and agricultural enterprises, detailed household expenditures, ownership of consumer durables, poverty incidence, poverty alleviation programs, wealth, and housing conditions. The households are representative of the entire Vietnamese population, both urban and rural, and across the regions, so that we can provide an overview of the elderly population for Vietnam as a whole.

The data has some limitations. Firstly, we generally only have information about relatives who live in the same household (particularly in the later surveys), and therefore it is difficult to identify other relatives who may be living nearby or migrating to other areas. These relatives are extremely important

**Table 1: Number of households and individuals in the V(H)LSS**

<i>Year</i>	<i>Number of Households</i>	<i>Number of Individuals</i>
1992/93	4,800 (1,514)	24,068 (2,047)
1997/98	6,002 (2,121)	28,633 (2,860)
2002	29,530 (8,759)	132,384 (11,940)
2004	9,189 (2,784)	39,696 (3,806)

Note: The number of elderly households and the number of elderly people are in parentheses.

Source: Authors' calculation from VLSS 1992/93 & 1997/98, and VHLSS 2002 & 2004

when we consider their support from/to the elderly people. Thus, for instance, while we know about receipt of remittances, we cannot say what percentage of non-coresident children provide them. Secondly, besides wages, most income sources are only identified at the household level, so it is not clear which member is the source of the income. Wealth data is also only available at the household level. This limits the analysis of intra-household sharing. Thirdly, some survey questions change over time. This includes questions in which the answer categories change. Also, some interesting questions only appear in the earlier surveys (e.g., a list of children living outside the household, a detailed list of remittances sent and received by the household, and individualized information about health status), while other interesting questions are not added until the later surveys (mainly, detailed information about a variety of income sources for the household). This inconsistent structure again limits our comparative study between years.

We will analyze our research objectives by using simple tabulations of data for each survey to observe trends over time. Since data are representative for the entire Vietnamese population, we can observe changes in living arrangements and other characteristics of the Vietnamese elderly during the past decade as they experienced profound social and economic changes.

## **4. Results and Analysis**

The elderly population will be analyzed along different aspects, such as gender, age, areas, and regions. We consider general characteristics of the population, living arrangements, working status, housing conditions, and poverty situation.

#### 4.1. General characteristics of the population

Table 2 provides general information about the Vietnamese population with regard to the elderly and nonelderly. First, we can observe aging of the population in Vietnam, as the percent of the population in the older age brackets grew over time. For instance, the percentage of the population aged 80 and older grew from 0.73 percent in 1992/93 to 1.5 percent in 2004.

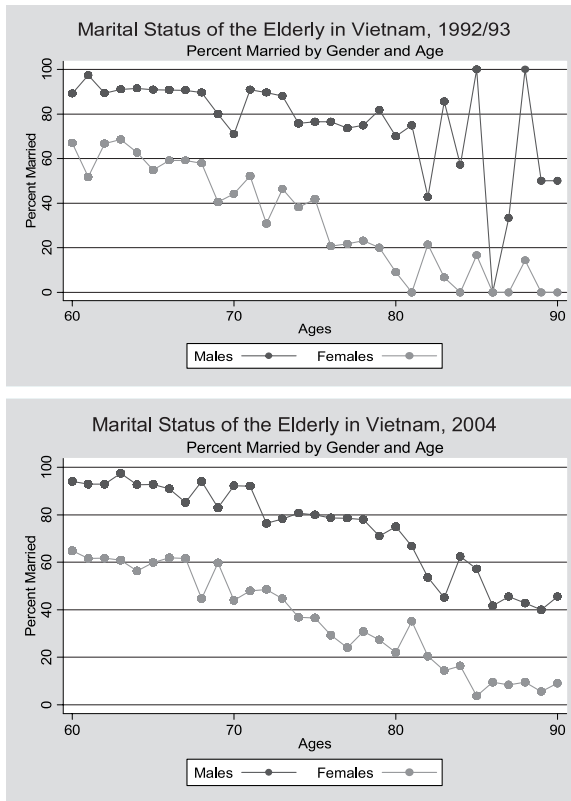
We also find that the elderly population accounted for 9.9 percent of the whole population in 2004, and this figure was slightly higher than the projections of the United Nations (2004), at only 7.5 percent. Along with the aging process, we also could see an increasing percentage in the elderly population of females (from 56.81 percent in 1992/93 to 58.42 percent in 2004) and of widows (from 33.9 percent in 1992/93 to 36.99 percent in 2004).

*Table 2: Demographic characteristics of the Vietnamese population*  
(Percentages across demographic categories)

	1992/93 VLSS		1997/98 VLSS		2002 VHLSS		2004 VHLSS	
	Non-elderly	Elderly	Non-elderly	Elderly	Non-elderly	Elderly	Non-elderly	Elderly
<b>Population</b>								
Number (mil. people)			68,147,981	7,658,661	69,521,434	7,081,223	71,665,846	7,875,604
Percent	91.49	8.51	89.9	10.1	90.76	9.24	90.1	9.9
<b>Region</b>								
Red River Delta	19.89%	23.95%	19.15%	23.78%	21.56%	25.35%	21.67%	25.78%
North East	14.42%	13.11%	15.19%	13.73%	11.96%	10.89%	11.69%	10.46%
North West	2.72%	1.83%	2.97%	1.73%	2.76%	2.13%	3.12%	1.93%
North Central Coast	12.74%	13%	13.76%	14.48%	13.35%	13.87%	13.17%	12.59%
South Central Coast	9.3%	10.89%	8.46%	8.68%	8.35%	9.79%	8.56%	9.93%
Central Highlands	2.34%	2.03%	2.89%	1.85%	6%	4.01%	5.18%	3.4%
South East	16.13%	13.61%	15.92%	15.56%	14.64%	14.03%	16.26%	15.37%
Mekong River Delta	22.45%	21.52%	21.64%	20.2%	21.38%	19.94%	20.35%	20.55%
<b>Urban / Rural Status</b>								
Rural	80.31%	77.73%	77.96%	74.06%	76.76%	76.83%	74.23%	73.33%
Urban	19.69%	22.27%	22.04%	25.94%	23.24%	23.17%	25.77%	26.67%
<b>Marital Status</b>								
Married	54.37%	64.04%	52.09%	61.63%	41.73%	61.69%	56.12%	60.51%
Widowed	2.35%	33.9%	2.17%	35.81%	1.52%	36.44%	2.08%	36.99%
Otherwise Not Married	43.29%	2.05%	45.74%	2.56%	56.75%	1.87%	41.8%	2.5%
<b>Gender</b>								
Male	48.71%	43.19%	49.16%	41.93%	50.23%	42.79%	50.3%	41.58%
Female	51.29%	56.81%	50.84%	58.07%	49.77%	57.21%	49.7%	58.42%
<b>Age Range</b>								
Less than 60	91.49%		89.9%		90.76%		90.1%	
60 – 64	3.07%		2.97%		2.46%		2.65%	
65 – 69	2.07%		2.79%		2.29%		2.27%	
70 – 74	1.72%		2.02%		1.97%		2.07%	
75 – 79	0.92%		1.3%		1.26%		1.41%	
80 – 89	0.66%		0.9%		1.08%		1.27%	
90 and Older	0.07%		0.11%		0.18%		0.23%	

Source: Authors' calculation from VLSS 1992/93 & 1997/98, and VHLSS 2002 & 2004

**Figure 1: Marital status of the Vietnamese elderly, 1992/93 & 2004**



Source: Authors' calculation from VLSS 1992/93 and VHLSS 2004

The data also show that the majority of the elderly lived in rural areas (over 70 percent), but this percentage decreased over time on account of increasing urbanization. In addition, the data show that almost half of the elderly population was living in the Red River Delta and the Mekong River Delta, where agriculture-based activities are still popular. By marital status, most of the elderly people were married or widowed (over 97 percent). Figure 1 shows that the elderly women were less likely to be married than elderly men. As explained in Knodel and Truong (2002), the situation could be attributable to several factors, including differences in life expectancy between males and females. Widowhood is common among rural residents and women.

**Table 3: Educational background of the elderly population**  
**Question: Can person read and write? (Percent who answer “Yes”)**

	VLSS 1992/3	VLSS 1997/8	VHLSS 2002	VHLSS 2004
<b>Regions</b>				
Red River Delta				
North East	55.39%	64.08%	62.38%	61.25%
North West	52.83%	54.66%	55.29%	56.58%
North Central Coast	25.24%	29.07%	32.25%	36.75%
South Central Coast	61.74%	58.87%	56.98%	57.48%
Central Highlands	53.64%	58.04%	63.05%	61.73%
South East	29.27%	37.08%	42.65%	46.91%
South East	60%	57.81%	61.66%	64.26%
Mekong River Delta	51.04%	56.41%	57.02%	59.61%
<b>Rural/Urban</b>				
Rural	50.16%	55.47%	56.89%	57.18%
Urban	70.31%	66.48%	65.23%	64.63%
<b>Marital Status</b>				
Married	65.77%	69.44%	69.02%	71.12%
Widowed	33.58%	40.67%	43.1%	46.34%
Otherwise Not Married	48.78%	52.25%	50%	58.12%
<b>Gender</b>				
Male	79.5%	79.86%	77.35%	77.84%
Female	35.45%	44.36%	49.6%	51.7%
<b>Age</b>				
60 – 64				
65 – 69	67.52%	74.64%	71.19%	69.93%
70 – 74	58.82%	65.48%	66.08%	68.41%
75 – 79	46.44%	51.73%	57.66%	62.92%
80 – 89	37.33%	40.77%	50.71%	51.26%
80 – 89	28.76%	29.86%	33.73%	40.92%
90 and Older	11.76%	14.72%	23.1%	36.12%

Source: Authors' calculation from VLSS 1992/93 & 1997/98, and VHLSS 2002 & 2004

As indicated in Table 3, educational background of the elderly people, which is measured by reading and writing ability, varied with gender, marital status, area, and region.

By gender, the estimated results show that the elderly women had a clear disadvantage in comparison with their male peers, although the gap between males and females was getting smaller. Moreover, urban residents and younger elderly had stronger educational backgrounds than did their rural and older counterparts. By marital status, the data indicate that the widowed elderly tended to have lower educational backgrounds than the married and nonmarried elderly, and the married elderly had the highest rate of reading and writing ability. One critical detail can be seen if we look at educational gap between regions. The elderly in poor regions such as the North West and the Central Highlands, which are isolated and remote areas, had the lowest rates of reading and writing ability, and this situation might in turn prevent them from accessing social services.