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## Poverty Assessment and Analysis of Factors Affecting Income of the Poor Khmer Households in Loan My Village, Tam Binh District, Vinh Long Province

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The results showed that the poor Khmer households who have no land, no capital for investment in production, or lack of land, capital, or low level of education or illiteracy, few main labors, many children, illness, debt, temporary house, little or no assets and means of production. Factors effecting the poor Khmer households included total income of household per month, number of main labors, non agricultural employees, employees outside village/local area, total land and participants of local organizations. Main income of poor Khmer households was from hired labor force with being out of regular full-time employment and the income of household was not enough for the household's expenditure, in addition to the poor Khmer households used loan improperly.

**Keywords:** *income, poor khmer households, situation, support programs.*

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# Poverty Assessment and Analysis of Factors Affecting Income of the Poor Khmer Households in Loan My Village, Tam Binh District, Vinh Long Province

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## I. INTRODUCTION

Poverty is a problem of global as well as is a big challenge of nation. An approximate half of world population lives under 2.50 USD being equivalent to 50.000 VND per day (UNICEF, 2013). In Vietnam, poverty reduction is a long-term objective in the process of the socio-economic development because the poverty reduction is the main factor to ensure for the social equality and the sustainable economy growth. The numbers of poor households decreased over year by year but the poor people still exist, especially for the ethnic people. In most cases, the poor are mainly farmers whom have low education, limited ability of

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accessing information; in particular, the infrastructure where the poor have lived is less development. Most incomes of the poor have depended on agriculture with the limited resource; therefore, the change of the agricultural occupation towards the non agricultural one is more difficulties. The poor have still faced to disadvantages in accessing to the policies and the programs for their life improvement (Government, 2008a).

According to the statistic data on the ethnic people in the Mekong Delta, the total of the ethnic people was 1.4 billion in 2014 that it occupied 12.4% of total population in the delta in which Khmer accounted for 10.6% of total population (Local Department III, 2015). Vinh Long is one of the provinces which have many Khmer people and the poor households are high in the total households of province. Loan My village where it had 3556 Khmer in which had 234 poor households in 2013, is only one village of Tam Binh district where many Khmers live. Therefore, many policies for the poverty reduction are implemented in village such as credit policy for the poor households, educational support and health care for the poor. However, the poor households are still high. (People's Committee of Tam Binh district, 2013).

Thus, a research on "Poverty assessment and analysis of factors affecting income of the poor Khmer households in Loan My village, Tam Binh district, Vinh Long province" was implemented in 2015 to understand the poor situation and the factors affecting the poverty through the income in the Khmer community in order to give the feasible solutions for the poverty reduction.

## II. RESEARCH OBJECTIVES

- Assess the poor situation of Khmer households in Loan My village, Tam Binh district, Vinh Long province.
- Analyze the factors effecting income of poor Khmer households in Loan My village.
- Recommend the poverty reduction solutions for the Khmer households.

### III. RESEARCH METHODOLOGY

#### a) Selection of Research Site and Households

The representative research site is located in Loan My village, Tam Binh district, Vinh Long province. Only this village of Tam Binh district has the Khmer people with 1515 Khmer households in which the poor Khmer households have 234 households occupying 64% in total of the poor households of village (Annual Statistics of Tam Binh district, 2013).

The 137 poor Khmer households are selected to interview which occupy 58% of total of the poor Khmer households in Loan My village.

#### b) Data Collection and Analysis

Data research are collected from secondary data such as documents, reports, statistics, thesis and primary data from interviewing key informants and the poor Khmer households.

Data analysis is analyzed by the quality method and quantity method such as descriptive statistics and the multivariate regression function.

### IV. RESULTS AND DISCUSSIONS

#### a) The poor situation of Khmer households in the research site

##### i. Human capital

Education level of Khmer households affected to their occupations. This result is conformity with the research result of Truong Minh Le (2010), the poor households are usually illiteracy or taking part in primary school. The poor Khmer households are often the hired labors in the non-farm activities; moreover, their low education led to be difficult to find a good job, so they must work for another people.

The average numbers of household members are four. One household has often one main labor and two additional labors; the same numbers of males and females as well because there is no differentiation between male and female in family nowadays. However, the birth control of the poor Khmer households is weak. This is also a problem leading to poverty of Khmer households because there are many members in a family but the households lack main labors to earn money for taking care children and elder people.

Loan My village is located in the remote area of district, there are not enough works for the labors here, hence, they have to find jobs in other places with their limited knowledge. So, they accept to work with low salary and hard works such as bricklayer, stevedore... This is also the reason to explain why many Khmer people are poor in the village.

##### ii. Social Capital

About 36% of poor Khmer households do not participate in the social organizations. This is a disadvantage for the poor households because they lack opportunity to access the policy, so they are very

difficult to understand more information and to enlarge the social relationship when they do not engage into the local associations. At present, the activities of local associations have been improved by the interconnected aid programs which are very helpful for the poor. In fact, the poor Khmer hesitate to participate in the local association with many reasons; for instance, they are rather afraid of contacting officials, their low education, busy housework, taking care children and working outside village.

##### iii. Financial Capital

- About 45% of the poor Khmer people in research did not ask for a loan because they have many reasons. For instance, they are afraid of asking for a loan, there is no money to pay back while the others have not known how to ask for a loan.

The purpose of loan helps the poor Khmer households do farming or other jobs to improve their incomes and the poverty reduction. However, many poor Khmer households have used this loan for the other purposes such as living expenditures. In addition, the households ask for a loan to raise animals being a failure due to lacking of raising techniques and no additional money to invest for feeds and medicines.

- A total of monthly income is 1.246,934 VND per household, monthly income is 328,283 VND per person and a total of monthly expenditure per household is 1.552,810 VND. Income per capita of poor Khmer household was not high whereas a poor Khmer household had to pay more living cost due to many members in family. Therefore, these disadvantages caused to the situation that the poor Khmer households have been increasing as well as remaining the poverty situation.

Financial capital of the poor Khmer households has been serious shortage because the total of incomes in family is low; a loan is not enough to do farming or other jobs for the poor households.

##### iv. Natural Capital

The poor Khmer households have under 0.4 hectare of land occupying 22% of the poor Khmer households in research, doing farming does not earn enough money for living of family. In approximate, 78% of poor Khmer households had no land for production because they did not have money to buy or they had land in the past but they sold all land to repay their debts at present.

In recent, amount of fish has reduced due to be caught too much; moreover, climate and environment of water have changed. So, the accessibility of the poor Khmer households is very weak, for instance, about 76% households said that it is very hard to find fish in nature condition which made more difficulties for the poor. The poor Khmer households usually catch fish for serving daily meals and expenditures in their families.

v. *Physical Capital*

The poor Khmer people have the temporary households or the non-concrete houses which occupied 63% of the poor Khmer households and semi-concrete houses comprised 28% of the poor Khmer households.

In recent, according to Decision no. 167/2008/QĐ-TTg, the local government has implemented actively in erasing the temporary households, building the love houses,... which have contributed to the poverty reduction (*Government, 2008b*). Moreover, the credit aid programs for building houses helping the poor households have the stable places to stay and work. However, this support is limited.

About 39% of the poor Khmer households have no assets and means of production excluding the old cupboards and the beds. There is very rare poor Khmer households in village have means of production such as sewing-machine, grass cutters and boats, but they have no cash.

c) *Production Activities*

There are 61% of poor Khmer households in research working as the hired labors in the non-farm activities including bricklayer, stevedore, taking care children, etc; 30% working as the hired labors in the on-farm activities; and 31% doing the on-farm activities including animals and rice. Income of the poor Khmer households in the non-farm activities is usually unstable and lowed. Incomes of the households raising animals and growing rice are not enough for living because their

lands are small and the numbers of animals are inconsiderable.

d) *Analysis of the Factors Affecting Income of the Poor Khmer Households*

Income is the most important factor affecting the poverty situation of the households. Thus, analysis of the factors effecting income is considered as analyzing the factors affecting the poverty of the poor Khmer households:

- The main labors helped increasingly the income of the poor Khmer households.
- The hired labors in the non-farm activities increased the monthly income per person.
- The hired labors outside village increased the monthly income per person, however, the poor Khmer households hesitated to go away for earning money because they had to pay more expenditures in the new places.
- The monthly income of the households has increased leading the monthly income per member in family but the additional incomes of the members in household had not much contribution in the total income of the poor Khmer household.
- Area of farm land is helpful for living of the poor Khmer households. Nevertheless, the farm land area of the poor Khmer households is small while their ability to buy land is very difficult.

Table 1 : The factors effecting income of poor Khmer households

Independent Variables	Unstandardized Coefficients		Standardized Coefficients	Value t	Value p
	B	Std.Error	$\beta$		
Constant	42.294,4	46.639,6		0,888	0,376
X <sub>1</sub> Main labor	109.955,5	26.261	0,318	4,187	0,000
X <sub>2</sub> Non-farm hired labor	93.349,2	23.710,9	0,294	3,937	0,000
X <sub>3</sub> Outside hired labor	113.705,2	49.345,5	0,161	2,304	0,023
X <sub>4</sub> Income of householder	0,04	0,02	0,189	2,704	0,008
X <sub>5</sub> Total area	31,6	14,3	0,146	2,207	0,029
X <sub>6</sub> Participation of association	56.336	22.735,8	0,174	2,478	0,015
X <sub>7</sub> Asking for loan	-5.837,2	22.591,3	-0,019	-0,258	0,797
R		0,676			
R <sup>2</sup>		0,457			
Sig.F		0,000			

- The poor Khmer households participated in the local associations which have increased their income because they have had opportunity to access for a loan and policy of employment. However, the income of the poor Khmer households did not increase much.

Model has six significant variables to explain the effect of these independent variables to the monthly income per capita (dependent variable: Y) that the multivariate regression equation is formulated as following:

$$Y = 42.294,4 + 109.955,5 X_1 + 93.349,2 X_2 + 113.705,2 X_3 + 0,04 X_4 + 31,6 X_5 + 56.336 X_6$$

- e) *The Main Solutions of the Poverty Reduction for the Poor Khmer Households*
- Setting up the co-operation group and the co-operative is a solution to enhance the community of village helping together in order to find the employments for the poor Khmers.
  - Training vocation and introducing employments for the poor Khmers are strengthened. Training vocation based on the demand of vocation in the village in order to the poor Khmer people who can find the jobs. In addition, the local government needs connecting the private businesses outside village to make more employments for the poor Khmer people.
  - Enhancing the training courses on the suitable techniques for the poor Khmers such as supporting the good variety sources for the poor Khmers to produce high quality product for consumption and export. Promoting the poor Khmers to conduct the model of raising animals to optimize the family labors and the resources in the households.
  - Implementing the policies related to the farm land for the poor Khmers.

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## V. CONCLUSIONS

Situation of the poor Khmer households is very difficult. In recent, the authority of Loan My village has tried to implement the poverty reduction program but it is not effective, the numbers of the poor Khmer households are still high in the village.

Lack of capital, a little or no farm land, low education, low income, temporary house, more children, disease, more additional labors than main labors in family, those constrain the poverty reduction of the poor Khmer households.

The factors affected income of poor Khmer households included in the total income of households per month, number of main labors, non agricultural employees, employees outside village/local area, total land area and participants of local organizations.

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