

Vietnam's Poverty Reduction Policy: Leave No One Behind

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Abstract: *During the past decades, Vietnam has made great progress in poverty reduction. The poverty rate in Vietnam fell from over 52 percent in 1993 to 2.4 percent in 2014 and has remained below 2 percent since 2016. This progress is linked to high and sustained economic growth following extensive economic reforms beginning in the late 1980s, and undeniably, the Vietnamese government's successful poverty reduction programs. The poverty reduction policies at first focused on development of physical infrastructure in the poorest communes but was later expanded to be more comprehensive, including support for agricultural production and livelihood diversification, vocational training and job creation, access to education, health care, social insurance, and information, as well as legal aid for poor households and training for local leadership. The paper reviews the main poverty reduction policies and programs along with the factors contributing to Vietnam's success.*

Key words: *Poverty reduction, policy, Vietnam*

1. Introduction

Vietnam is a great success story in poverty reduction. In the early 1980s, Vietnam was a low-income country facing serious economic stagnation. It is estimated that about 75 percent of the population was living in poverty in 1990. (Do et al., 2015). Yet the poverty rate, calculated using the World Bank's international poverty

line (US\$1.9 per day, 2011 PPP), fell from over 52 percent in 1993 to 2.4 percent in 2014. Since 2016, the poverty rate in Vietnam has been reduced to under two percent (PolcavNet).

Back in the 1980s, after two devastating wars, and due to international embargoes, declining support from the Soviet Union and the inefficiency of the central-planning economic system, Vietnam had great economic difficulties and social instability. Since the late 1980s,

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