



The Vulnerability of the Elderly to Poverty: Determinants and Policy Implications for Vietnam

Associate Prof. Wade Pfau (GRIPS)

wpfau@grips.ac.jp

Giang Thanh Long (GRIPS & VDF)

gthlong@vdf.org.vn

This paper seeks to identify the determinants of the poverty incidence for the elderly and their households in Vietnam by examining various possible individual and household characteristics.

- This paper uses the Vietnam Household Living Standard Survey in 2004, which provides representative data about elderly and their households in Vietnam.
- Using Chow tests, we find that urban and rural elderly are substantially different, and thus they should be analyzed separately.
- The results for urban elderly generally show that higher ages, marital status, residential regions, and working status have significant impacts on the likelihood of poverty.
- In rural areas, higher ages, gender, marital status, ethnicity, residential regions, household composition, and household size are determinant factors of the likelihood of poverty for the elderly.
- Moreover, remittances and social security benefits appear to be important for reducing poverty of the elderly households, particularly in the rural areas.
- We also found some factors which are less important for both areas, including characteristics of household heads
- Based on these findings, we formulate policy priorities, including reducing regional disparities, promoting the rural economy, and reforming the social security system.