

Project title: The impact of industrialisation on labours' employment in Vietnam's rural areas (QK.07.03)

Code number: QK.07.03

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Duration: 6/2007 - 6/2009

Objectives:

The research project aims at the main following objectives:

- To analyze and systemize theories regarding the impact of industrialization on rural labour's employment.
- To study the international experience in job generation for rural labour during the industrialization process in some East Asian countries and propose some policy implications for Vietnam.
- To analyze the reality of industrialization's influences on rural labour in terms of job generation over the past 20 years.
- To identify which barriers have been inhibiting the rural labour absorption of Vietnam's industrialization process.
- To propose some policy implication for job generation in rural areas.

Main contents:

Over the past 20 years of economic reform, Vietnam had made a significant progress in changing economic structure in which the share of agricultural output value in GDP decreased while that of industrial and services sectors increases dramatically. However, the pace of labor structural shift has been taking place at a slow advance. Consequently, there have been still an enormous amount of labor working in agricultural sector. The study had explored the causes of this situation by decomposing several policies relate to state economic sector protection, foreign economic stimulation and private sector development policies

in Vietnam. Based on the decomposition, the paper indicated some negative impacts of this situation on Vietnam's rural people such as high unemployment rate, low productivity and poverty mainly concentrated on rural areas, increasing inequality between urban and rural areas. Finally, the study had proposed some possible policy implications for job generation in Vietnamese rural areas in the context of increasingly ongoing industrialization and urbanization.

Results obtained:

The study had some findings as follows:

- A theoretical framework had been built for analyzing the impact of industrialization on rural labour's employment which is suitable for Vietnam's distinctive circumstances.
- The study had identified factors that have been restricting the rural labour absorption of Vietnam's industrialization process.
- Some possible policy implications had been proposed for job generation in rural areas.