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THE UNIVERSITY OF DANANG

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**POVERTY OF THE ELDERLY IN DANANG CITY:
IMPACT FACTORS AND ROLE OF
CASH ASSISTANCE PROGRAM**

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SUMMARY OF ECONOMIC DISSERTATION

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The dissertation can be found at:

- National Library of Vietnam
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PREFACE

1. Urgency of the study

Population aging is the inevitable trend of the developed countries as well as developing ones when the birth rate and mortality reduces and the average life expectancy increases; Vietnam is also in this situation. Along with the general trend of the country, Danang is also facing population aging and having rapid growth rate compared with other areas in Vietnam. According to forecast data of the General Bureau of Statistics (2011), the percentage of old people in Danang accounted for 7.9% in 2014 and would increase 16.8% in 2034. Population aging poses several urgent problems of social security for the elderly. For Vietnam in general and Danang in particular, solving the problem of the elderly poverty is extremely difficult while the security is still at low level.

There have been lots of researches on the poverty status in general and that of the elderly in particular domestically and internationally. However, until now, there have not been any certain studies on the causes of the elderly poverty and the role of cash assistance program to reduce poverty for old people. Therefore, the study on "**Poverty of the elderly in Danang city: Impact factors and Role of cash assistance program**" is absolutely necessary and urgent.

2. Objectives of the study

The thesis identifies these following specific objectives:

1) Combining and developing systematically the theoretical basis of the poverty, poverty status of the elderly, poverty of households having the elderly; the impact factors affecting the poverty and its impact channels; and the role of cash assistance program to reduce poverty status of the elderly as a solid basis for further targets;

2) Evaluating the authentic poverty status of households having the elderly; Describing the basic characteristics of cash assistance policy for the elderly in Danang;

3) Analyzing and evaluating the causes of the elderly's poverty in Danang by the analyzing the impact of several impact factors to the probability of poverty of households having old people.

4) Evaluating the authentic role of cash assistance programs for the elderly in Danang by evaluating the impact of the program to the poverty situation of the elderly in society in general and the elderly themselves in particular;

5) Suggesting some basic and feasible policy implications, aimed at poverty-reducing targets for the elderly in Danang, which focus on the policy implications of government's subsidies via the directly cash assistance program.

3. Objects of the study

This thesis focuses mainly on the following objects:

- 1) Poor household status with elderly in Da Nang.
- 2) Factors that primarily affect the probability of poverty among households with elderly.
- 3) Assess the impact of the monetary assistance program on poverty reduction for elderly households in Da Nang.

4. Scope of the study

- The scope of the objects of study: Objects of research is Danang's population over the period 2016-2035 obtained from population prediction by the General Bureau of Statistics (2011), which focuses on households having the elderly. The other objects include several policies related to the elderly and households having the elderly; stakeholders of the central as well as local government in planning and implementing of supportive policies for the elderly (Department of

Labour, Invalids and Social Affairs; Fatherland Front; Danang board of the elderly representatives Association; Committee and the relevant industries, organizations of all levels).

- The scope of research space: Danang city.
- The scope of research period:

+ Studying the reality of poverty and the impact factors which are limited from 2014 to the past and forecast data until 2034.

+ Analyzing the role of cash assistance program from 2015 onwards.

+ Suggesting some policy implications based on environmental forecasting of future policies in medium and long term (from 2015).

5. Research's methodology

5.1. Data collection methods

The thesis uses the data of Danang from population prediction by the General Bureau of Statistics (2011) , Survey of Household Living Standard (VHLSS) in 2006, 2010, 2014 for the whole country and Danang; Reports of all-level agencies, organizations working for the elderly in Danang; National survey data on the elderly in 2012 to identify a number of factors related to the health and usage of health care services of women and older men (the elderly aged more than 60 years) via the feces bivariate and multivariate.

5.2. Analysis and evaluation methods

The thesis shall use and combine the following methodology:

- Statistical description Method: Used commonly in describing the overall study, environmental research conditions, and the poverty status of the elderly in Danang. Statistical indicators are mainly the scale, the average number and frequency which are assessed via the review of proportion, percentage or rate of change over time.

- **Regression Method:** To evaluate the impact of factors affecting the poverty of households having the elderly, the thesis applies the method of multivariate regression with probit probability models in which the dependent variable is the poverty status of households having the elderly in Danang and the explanatory variables include personal characteristics variants (such as age, gender, education, job ...) and family characteristics variants (such as living places, gender and education background of household owners, number of children in the household ...).

- **Micro-simulation Method:** In the assessment of the cash assistance program, the thesis uses micro-simulation method to find out the relationship between supporting content and the reality of poverty and the status of inequality of income (or expenditure) of the elderly. Besides, to suggest some specific policy implications, the micro-simulation method is also used to forecast the cost of expanding cash subsidy policy for different elderly people as well as approach a universal system for the entire elderly in Danang.

- **Methods of analyzing qualitative data based on fieldwork:** To illustrate, in more details, some claims from the quantitative approach, based on qualitative data from field surveys at some places in Danang (municipal, district, commune, village levels with objects surveyed include the elderly and the agency leaders and local organizations), the methods of logical deduction qualitative approach will be used.

6. Theoretical and practical meaning of the study

* Theoretical meaning:

- Generalize in a systematic way the theoretical issues in the study of poverty status of the elderly.
- Providing empirical evidence on the relationship of the impact factor has a great influence on the poverty status of the elderly in

Vietnam (Danang in particular), especially on the role of cash assistance policies in reducing poverty.

* Practical meaning:

– Providing stakeholders the information and evaluating the authenticity of poverty, identifying the existences and causes of the current existence to the poor condition of the elderly in Danang, proposing building up the policies for the elderly, solutions-oriented, which focus on the cash assistance programs.

7. Structure of the thesis

The thesis consists of four chapters as follows:

Chapter 1: Theoretical basis

The thesis will systematize the views and definitions. Overview of local and international research related to poverty among elderly, impact factors, and monetary assistance programs for elderly.

Chapter 2: Research Methods

The thesis describes the calculation method and the econometric model together with the secondary data. At the same time, the thesis describes how to conduct additional fieldwork for quantitative analysis.

Chapter 3: Results and analysis

Provides quantitative analysis of the status quo, factors that can impact the poverty of elderly households in Da Nang; Quantitative and qualitative analysis of the impact of the monetary assistance program on poverty of the elderly in Da Nang as well as some other related impacts.

Chapter 4: Policy implications

This chapter will discuss and propose some related policies to reduce poverty in households with older adults more sustainably.

CHAPTER 1

THEORETICAL BASIS

1.1. Research at home and abroad

It can be said that the study of poverty in general and that of the elderly in particular domestically and internationally are very abundant and diverse in many different aspects, and also indicate the impact factors (some case studies such as Giang and Pfau, 2009a; 2009b; 2009c; Mujahid et al, 2008; Weeks et al, 2004; Matsaganis et al, 2000 ... In particular, typical research of Giang Thanh Long and Hoang Chinh Thon (2013) assessed the feasibility of cash subsidies for the poor and vulnerable elderly in Vietnam.

Several research results indicate that there is an increase in the aging population, in which the proportion of the elderly living alone or living together tends to increase while the proportion of those who depends on family is declining. Compared with older men, elderly women faced with many difficulties and often be vulnerable due to socio-economic risks, especially in the case of widows and low-education level ones. The study also found a clear difference in the poverty indicators between regions and between urban - rural.

However, there have not been any certain studies on the causes of the elderly poverty and the role of cash assistance program to reduce poverty for old people. In the process of urbanization in Danang for the past few years, poverty is also urgent situation and the concern of all levels of government leaders. Moreover, along with the country, when the population of Danang is about to enter the aging stage and the aging rate is really high, the real research about this issue is very essential.

1.2. General issues of poverty

1.2.1. Perceptions of poverty

There are a lot of different concepts of poverty, such as UN ESCAP (1993) defines "Poverty is the state that a part of the population does not enjoy and satisfy with the basic needs of human acknowledged by the society, depending on the level of socio-economic development and customs of each locality". This is quite adequate concept of poverty and is accepted by many countries all over the world, including Vietnam.

1.2.2. Poverty Standard

To distinguish between the poor and non-poor, there is criteria "poverty standard". Different organizations use different poverty standards to evaluate wealth and poverty.

1.3. The conception of the elderly

"Elderly people" or "the elderly" is a term used to describe people who generally have more living years. For years, people all over the world still use the term "the old". According to Vietnamese dictionary, "old" means "at the age of weakened physiological phenomena at the final stages of the process of natural life." So, in the use of the term, "the elderly" or "elderly" are just two different words which carry the same content "people have more living years compared to the average age".

In this thesis, the author uses the term "elderly" under Article 2, Elderly Law 2009, which means: "Elderly people are citizens of Vietnam from 60 years old or more". However, in some analyzes, for comparison with the countries of demographic change and policy implications, thesis using the definition, which is "Elderly people are those from 65 years old or more". The poor elderly are those who are aged 60 years or more, living in poor households.

1.4. Population aging and some relevant terms

“Population aging” means the process of aging of the population aging, as in the structure of population, the proportion of elderly is increasing. "Population aging" or "aging population" is the population that 65 year-old people accounts for over 7% of the total population (or 60 year-old people accounts for over 10% of the total population). Similarly, "Aging population", "Very old" and "Super-aged" when 65 year-old people account for 10%, 20% and 30% of the total population or more (or 65 year-old people account for 20% , 30% and 35% or more).

"Social support" is the help of the Government and Society in terms of income and other essential living conditions for all member of society in cases of misfortune, risk, poverty, not afford to take care of the minimum level of life for themselves and their family.

1.5. Factors affecting the elderly’s poverty

There are many impact factors, such as:

- Factor of natural, economic – social conditions.
- Factors of the poor themselves
- Other factors...(economic and social effects).

1.6. Research at home and abroad

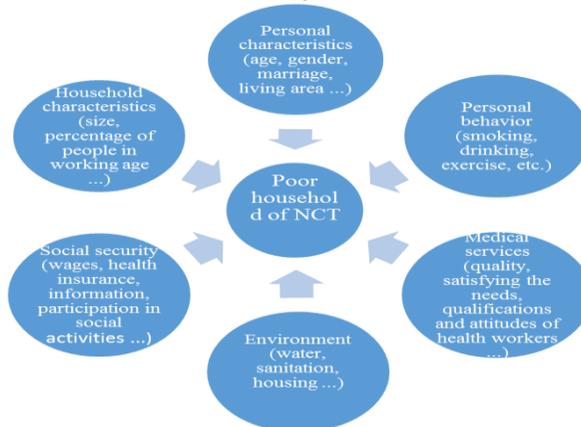
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However, there have not been any certain studies on the causes of the elderly poverty and the role of cash assistance program to reduce poverty for old people. In the process of urbanization in Danang for the past few years, poverty is also urgent situation and the concern of all levels of government leaders. Moreover, along with the country, when the population of Danang is about to enter the aging stage and the aging rate is really high, the real research about this issue is very essential.

1.6. Framework for research theory

Based on local and foreign studies, the factors that can affect the EL poverty are summarized in the figure below.



To determine how the money support program affects poverty reduction for households with elderly, the thesis builds the estimation model as shown in the following figure.



Thus, for the research process, the thesis has outlined some general concepts related to poverty in general and poverty in particular in elderly, impact factors and monetary assistance programs, as well as the total Study relevant domestic and foreign studies, then design the research framework for the dissertation.

CHAPTER 2

RESEARCH METHODS

2.1. Quantitative research methods

2.1.1. Research data

To achieve the objective of the research, the thesis uses data from the Survey on Household Living Standards in Vietnam (abbreviated as VHLSS) of 2006, 2010 and 2014. VHLSS with the technical support of many international organizations, the data is applied weights to be representative for the entire population of Vietnam as well as the regions and the areas.

Table 2-1. Research size of the elderly in VHLSS

Year	Surveyed Household	Household having at least 01 old person	Surveyed People	Elderly people (of whole survey)	Elderly people (Da Nang)
2006	9.189	2.838	39.071	3.865	57
2010	9.402	2.670	37.012	3.606	52
2014	9.398	3.601	36.080	4.165	72

Source: Calculated from VHLSS 2006, 2010 and 2014

In VHLSS, number used to be able to present the groups for a group of people. For example, in the 2010 and 2014 VHLSS, the number of elderly participating in the survey was 3,606 and 4,165, respectively, but they represented 8,753,735 elderly in 2010 and 11,085,064 elderly in 2014 across the country. Therefore, in the same weighting, in Da Nang, 52 elderly in 2010 and 72 elderly in 2014 were surveyed representing 80,724 elderly in 2010 and 146,289 elderly in 2014. Of all the VHLSS-related estimates, the thesis applies this weight to represent the elderly population.

To accomplish the objectives of this research mentioned above, this chapter uses data from a number of sources: Report of the relevant authorities; population prediction of the General Bureau of Statistics (TCTK, 2011).

2.1.2. Research methods

a. Measuring the poverty status of households having the elderly

To estimate the poverty rate of households having the elderly in Danang and compare with the whole country, the thesis uses poverty standard built up from VHLSS. In VHLSS, a household is considered poor when actual spending/person is lower than the poverty standard.

b. Identifying the factors determining poverty status of households having the elderly in Danang

The probability that an elderly can live in poor households is determined by personal and household variables as in the following Probit Model:

$$P(p_i = 1) = \beta_i X_i + e_i, \quad (1)$$

Where: X_i is a set of relevant characteristics of the elderly and their families; β_i the corresponding coefficients; e_i is the error and is assumed to be normally distributed. Since this is a Probit model, variables should be divided into small groups and one group will be chosen as the comparison group.

The variables of the Estimating Model

In the Probit model, the variables indicate individual characteristics of the elderly, such as: age, gender, living area, marital status, employment status; the variables indicate households having the elderly characteristics such as: the proportion of people in their working age in households having the elderly, household' size.

c. Quantitative research methods

The main method that the thesis uses in this chapter is the micro-simulation; Simple fee-calculation to find out the total cost of the subsidy program for the elderly in Danang would be in the upcoming years if author calculated after the percentage of GDP of Danang.

Measurement model with FGT-poverty index, as follows:

$$P_{\alpha} = \frac{1}{n} \sum_{i=1}^q \left[\frac{z - Y_i}{z} \right]^{\alpha}, \quad (1)$$

Where: Y_i is the average income /person of the elderly
 i; z is the poverty standard measured by spending per
 person;

n is the total population in the sample;

q is the number of poor people;

α is coefficient that indicates poverty index.

When $\alpha=0$, we have the poverty rate.

Poverty reducing effect when implementing cash assistance
 programs are calculated by the following formula:

$$\Delta P_{\alpha} = 100 \frac{P_{\alpha}^{post-CT} - P_{\alpha}^{pre-CT}}{P_{\alpha}^{pre-CT}}, \quad (2)$$

Where: P_{α}^{pre-CT} and $P_{\alpha}^{post-CT}$ respectively, are the poverty rates
 before and after applying the subsidy program. With expectations that
 assistance program shall reduce poverty, value of ΔP_{α} is smaller than 0

To calculate the cost of implementing the subsidy programs for the
 elderly in Danang, the thesis assumed that the number of elderly benefit
 from the program accounted for $a\%$ of the total population and the
 benefit is $b\%$ of GDP per capita. Meanwhile, the total cost of paying the
 beneficiaries will be c by the following formula:

$$c = a*b, \quad (5)$$

For calculation, the research built up three important assumptions:
 first assumption is the benefit of 50% of the poverty standard; the
 second is the amount of subsidies will be included in the total
 expenditure of households and shared among household members; the

third is only benefit amount or age shall change while other factors remain the same.

2.2. Qualitative research methods

Regarding qualitative survey held in Hoa Vang district: The main reason for this selection is because Hoa Vang district is the area which has the highest number of the poor of all districts in Danang. With the requirements of research's contents, the thesis hosted 04 group discussion seminars with government leaders at all levels of the city, approximately 70 people; organized seminars and group discussions with the elderly, according to the invitation list (sent written invitation signed by the director of Danang Department of Labour, Invalids and Social Affairs) and 36 people (selected according to each regions, age, gender).

CHAPTER 3**RESULTS AND ANALYSIS****3.1. Poor status and monetary assistance program for el in Danang*****3.1.1. Overview of Danang's population***

Along with the national population trend, population of Danang also has lots of changes. According to TCTK's data (2014), in 2011, the population of Danang was 946.000 people, it would be more than 01 million in 2014, of which the urban population accounted for 85%.

3.1.2. Features of elderly population in Danang

According to annual survey data on population change and family planning of Statistical Office in Danang City in 2015; in 2010, Danang has 73.140 elderly people, accounting for 7.9% of the population; in 2015, number of the elderly increased to 93.283, accounting for more than 9% of the population. According to the definition of population aging, the Danang to prepare to enter a period of "begin to age" population.

3.1.3. The reality of poverty status of the elderly in Danang

In recent years, the economy of Danang development stability, people's living standards gradually improved markedly, which gave favorable conditions for rendered support and care, promoting the role of the elderly. The activities of the elderly in Danang has been strengthened, the patriotic emulation movement with the theme "Old Age exemplary" is implemented effectively. Especially, after the Elderly Law took effect, it has created a legal framework, standards for the Government, the people, the elderly family, community and social together take part in caring for the elderly.

However, the implementation of the regime, the policy for the elderly are still limited and various. In fact, there are still some old

people, especially those living in rural areas whose lives having many difficulties, the elderly have to work together with their descendants, such as for animal husbandry, agriculture, small business to make a living; there are still some elderly living alone, having unstable lives, difficulties, lack of care must be considered to receive help in the future.

According to the survey data of Danang Department of Labor, Invalids and Social in 2013 (Table 3-8), situation of the elderly living in poor households remains high, accounting for nearly 14.3% of all households in the province. In particular, Hoa Vang district accounts for nearly 35% of poor households having the elderly in the city. Similarly to poor households, nearly poor ones generally in Hoa Vang district also accounts for a higher proportion.

Table 3-8. Situation of poor households having the elderly by districts

Unit: household

District	House holds	No. of people	Poor	Extremely poor	Nearly poor	Poor having Elderly
Hải Châu	2,743	11,604	1,526	177	292	332
Thanh Khê	2,601	11,445	1,179	218	259	308
Sơn Trà	3,316	17,427	1,750	212	378	351
Liên Chiểu	4,018	17,016	1,477	274	534	407
Ngũ H.Son	2,257	8,665	1,445	113	239	345
Cẩm Lệ	2,104	8,085	321	39	191	307
Hòa Vang	5,006	15,161	2,289	280	249	1,099
Total	22,045	89,403	9,987	1,313	2,142	3,149

Source: Survey data of Danang Department of Labor, Invalids and Social in 2013

3.1.4. Overview of poverty reduction policies for the elderly in DaNang city

Becoming administrative units directly under the Central Government (Municipalities of Vietnam) in 1997, Danang is developing fast, comprehensively with breakthrough, which are recognized by the whole

country, particularly the development in urban, tourism, services, industry, social security, solving pressing problems, hunger eradication and poverty reduction. During the last 20 years, Danang made 05 proposals to reduce poverty, with poverty standard that Danang made through the phases usually higher than the average of our country and implement successfully, often finish earlier than the targets.

According to the data summary of poverty reduction project in the period of 2013-2017, cash assistance program for households having the elderly in the city spent more than 115 billion, in which more than 75 billion from city's budget and 40 billion of advocacy community support.

3.2. Factors affecting the poverty of households having the elderly

Estimating results from Probit model estimates (Table 3-12) show that the estimated coefficients is greater than 0 and have statistically significant, suggesting that the comparative elderly groups have the bigger probability of living in poor households than the reference groups.

Table 3-12. Decisive factors of poverty of households with the elderly

Explanatory variables	Year of 2010		Year of 2014	
	100%	125%	100%	125%
Personal Characteristic				
<i>Age</i>	0.007*	0.003*	0.008*	0.011*
Gender				
- Female (comparative)	--	--	--	--
- Male	-0.162*	0.014**	-0.105*	-0.014*
Living area				
- Rural (comparative)	--	--	--	--
- Urban	-2.477*	-2.001	-0.331*	-0.071**
Marital status				
- Other (comparative)	--	--	--	--
- Married	0.174*	-0.082*	0.597*	0.460*
Employment status				
- No (comparative)	--	--	--	--
- Yes	-0.411*	-0.447*	0.480**	0.189*
Household Characteristic				
<i>Members in working age</i>	-0.146*	-0.248*	-0.798*	-0.472*
<i>Household size (people)</i>	1.673*	0.945*	1.105*	0.214*
<i>Number of Observation</i>	52	52	72	72

<i>Prob >χ²</i>	0.0000	0.0000	0.0000	0.0000
<i>Unreal R²</i>	0.4728	0.3392	0.2008	0.2087

Note: *, ** indicate the respectively significant percentage of 1% and 5%.

Source: Calculated from VHLSS 2006, 2010 and 2014

Regarding Personal characteristics: The higher age, the bigger the probability of the elderly live in poor households; The older the women, the bigger the probability they live in poor households than men; The elderly living in urban areas have lower probability of living in poor households than those living in rural areas; Regarding Household having the elderly characteristics: The more members in the working age households have, the higher the probability of not being poor; Regarding household size, the more members in the household, the higher the probability of being poor. The results are similar to previous studies.

The estimated marginal effect results at Table 3-13 once again confirm more specifically the concepts that the older living years, the higher the probability of living in poor households; Elderly men have lower probability of living in poor households than elderly women.

Table 3-13. Estimated marginal effect of decisive factors to the poverty status of household with the elderly in the period 2010-2014

Explanatory variables	Year of 2010		Year of 2014	
	100% Poor standard	125% Poor standard	100% Poor standard	125% Poor standard
Personal Characteristic				
<i>Age</i>	0.0002*	0.0003*	0.0001*	0.0005*
<i>Gender</i>				
Female (comparative)	--	--	--	--
Male	-0.0004*	-0.0012**	-0.0011*	-0.0007*
<i>Living area</i>				
Rural (comparative)	--	--	--	--
Urban	-0.4243*	-0.4734*	-0.4800*	-0.3600**
<i>Marital status</i>				
Other (comparative)	--	--	--	--
Married	0.0049*	-0.0064*	0.0096*	0.0281*
<i>Employment status</i>				
No (comparative)	--	--	--	--

Yes	-0.0108*	-0.0384*	0.0049**	0.0089*
Household Characteristic				
<i>Rate of members in working age</i>	-0.0037*	-0.0206*	-0.0010*	-0.0224*
<i>Household size (Number of residents)</i>	0.0420*	0.0784*	0.0111*	0.0102*

Note: *, ** indicate the respectively significant percentage of 1% and 5%.

Source: Calculated from VHLSS 2006, 2010 and 2014

The probability is quite large between the elderly living in urban and rural life, which can be seen clearly in the estimated 2010 and 2014 and by two times of poverty standard.

3.3. The action of program supported by cash

3.3.1. Quantitative research results

The simulation results show that the impact of cash assistance to poverty status of the elderly in Danang is quite clear at Table 3-14, which is $\Delta P_{\alpha} < 0$, the result is that: Firstly, there exists the impact of poverty reduction (which is poverty reduction level less than 0); Secondly, poverty reduction level would be lower if the age receiving benefits increases since the higher age receiving benefits will lead to the lower number of old people receiving benefits so that the effect shall not high; Thirdly, the impact on the rural population is always higher than the overall population; the reason is that poverty rate of the elderly at rural area is higher and their average income is lower than the average level so that with the same impact (which means same benefit amount), the ability of poverty reduction for the elderly at rural areas will be higher.

Table 3-14. Impact of cash subsidy to poverty status of the elderly in Danang

	Whole elderly	Only the elderly in rural
<i>Equal and more than 60 years old</i>		
- Poor rate before grant program (%)	2,53	13,41
- Poor rate after grant program (%)	2,41	11,98
- Poor reduction rate (%)	-4,74	-8,80

<i>Equal and more than 70 years old</i>		
- Poor rate before grant program (%)	6.14	14,57
- Poor rate after grant program (%)	5.91	12,92
- Poor reduction rate (%)	-3,72	-11,32

Source: Calculated from VHLSS 2006, 2010 and 2014

This result also leads to an important policy implication that is with a limited budget, we should focus on the elderly at rural area to enhance the impact of cash assistance programs on poverty reduction.

3.3.2. Qualitative research results

Impact on poverty reduction regarding income and expenditure; Impact on working participation of the elderly; impact on family life and society aspects of the elderly; Impact on health and health care

CHAPTER 4

POLICY IMPLICATIONS

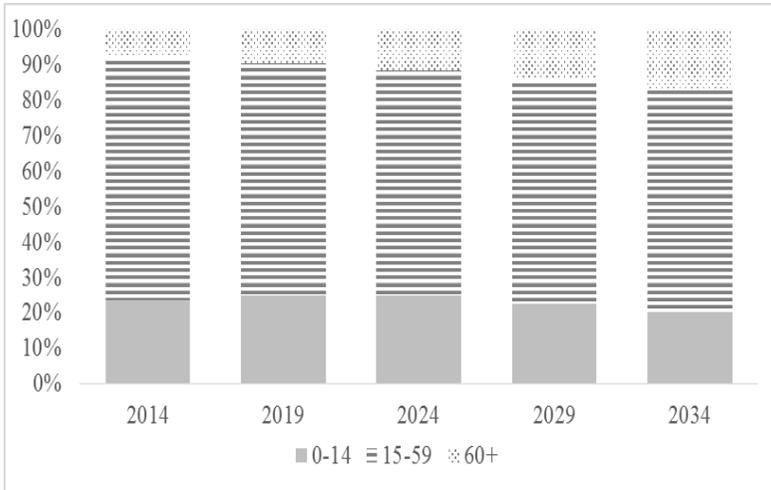
4.1. Conclusion from the reality of poverty reduction work for the elderly in danang

From the results of research, the thesis makes some conclusions as follows: Firstly, the objects of social allowances are gradually be extended; Secondly, the subsidy amount have also been monetized and adjusted higher along with the process of socio-economic development of Danang; Thirdly, the Government had created good mechanisms for locals in deciding the social allowances; Fourthly, in addition to the subsidy policy from the budget, the mass and social organizations had a lot of social, humanitarian, charitable programs to support the beneficiaries of social insurance; Fifthly, career system of social insurance has developed strongly; Sixthly, the coverage of social subjects in the past years was relatively low; Seventhly, the policies and programs in the past years was not enough; Eighthly, the impact of social policies to the beneficiaries of social insurance generally is still low.

4.2. Cost prediction of period of 2016-2034

The projection of the population of GSO (2011) for Da Nang in 2009-2034 shows that the city will also face population aging in the next two decades. Figure 4-1 shows the results of population projections by age group of Danang in the period 2014-2034 under the medium fertility scenario. It can be seen that the proportion of the working-age population in the total population in Da Nang will be relatively stable over the period 2014-2034. However, the population of children and infants tends to be the opposite: the proportion of the population of children (aged 0-14) will fall from 24% in 2014 to 19% by 2034,

elderly (people aged 60 and older) will increase rapidly from 7.9% in 2014 to 16.8% in 2034. This population trend is also a general trend for the whole population of Vietnam in the 2014 period. -2034, but the aging population of Da Nang will be higher than the national average.



Source: Self-aggregated population projections from GSO (2011)

Figure 4-1. Population projection by age of Danang, 2014-2034

Cost estimation results at Table 4-1 show that the higher age receiving benefits; the lower number of the elderly receiving allowances, hence the cost will be lower.

Table 4-1. Cost for subsidy programs for the elderly in Danang

	2014	2019	2024	2029	2034
Whole population from 60 years					
Number of beneficiaries (people)	77,470	102,439	131,175	170,544	207,165
Number of beneficiaries (%)	7.90	9.62	11.53	14.29	16.73
Benefit amount (% GDP)	16.7	16.7	16.7	16.7	16.7
Cost (% GDP)	1.32	1.61	1.93	2.39	2.79
Whole population from 65 years					
Number of beneficiaries (people)	52,330	60,313	83,637	109,385	143,194
Number of beneficiaries (%)	5.33	5.66	7.35	9.16	11.56
Benefit amount (% GDP)	16.7	16.7	16.7	16.7	16.7
Cost (% GDP)	0.89	0.95	1.23	1.53	1.93
Whole population from 70 years					

	2014	2019	2024	2029	2034
Number of beneficiaries (people)	38,026	36,961	44,464	65,065	86,066
Number of beneficiaries (%)	3.88	3.47	3.91	5.45	6.95
Benefit amount (% GDP)	16.7	16.7	16.7	16.7	16.7
Cost (% GDP)	0.65	0.58	0.65	0.91	1.16
Whole population from 75 years					
Number of beneficiaries (people)	25,551	24,303	23,760	30,265	46,569
Number of beneficiaries (%)	2.60	2.28	2.09	2.54	3.76
Benefit amount (% GDP)	16.7	16.7	16.7	16.7	16.7
Cost (% GDP)	0.43	0.38	0.35	0.42	0.63

Source: Calculated from population prediction of TCTK (2011) for Danang

With all of the age threshold, the number of beneficiaries in 2034 will increase by 1,8 times compared to that of 2014 and this makes the expected cost increase correspondingly. The highest cost is about 2,79% of Danang's GDP in 2034 in case universal programs for the whole elderly are implemented, while the cost is only 0,63% when the subsidy program covered only the elderly from 75 years and older. This result is quite similar to the previous studies.

4.3. Content of policy implications

From above statements, the thesis implies several policies such as: Older people are more susceptible to poverty. Therefore, constructing policy should give priority to the elderly. Implementing policy should give priority to women and the elderly in rural areas. Creating appropriate jobs for the elderly; Enhancing capacity for staff in charge of poverty reduction; Strongly innovating resource mobilization policy by promoting socialization policy to reduce the burden on the budget; Applying referential credit policies for the poor in general and poor households with elderly in particular; Strengthening activities to promote the role and improve the health of the elderly and the implement of proactive activities to prepare for old age; Building nursing centers for elderly; Studying models of free legal aid for the poor households in demand; Study theories, sum up the practice, combine the experiences of developed countries, propose models suitable to local conditions; To intensify the inspection and supervision

to ensure that the implementation policies reach the beneficiaries quickly, promptly and in the right way; Policies should promptly honor and reward the poor households with the which have good awareness and escape from sustainable poverty.

CONCLUSION

Population aging is the inevitable demographic problem of developed countries and the developing ones as well when the birth and death rate decrease, the average life expectancy increases, Vietnam is one of them. Along with the national's trend, Danang will face with population aging. In many social and economic problems, the security and income policies for the elderly is important, especially in poverty reduction and vulnerability issues.

Based on the combination of studies of theoretical and practical theory domestically and internationally, the thesis has generalized systematically theoretical problems of the poverty status of the elderly; authentically assess of the poverty status of the elderly in Danang, indicating the principal impact factors, evaluating the role of cash assistance programs to reduce poverty for the elderly in Danang.

Studying of the reality poverty status of the elderly in Danang shows that for the past years, Danang has implemented lots of social welfare policies including poverty reduction for the elderly. However, the implementation of the regime, the policy for the elderly are still limited and various. In fact, there are still some old people, especially those living in rural areas whose lives having many difficulties, the elderly have to work together with their descendants, such as for animal husbandry, agriculture, small business to make a living; there are still some elderly living alone, having unstable lives, difficulties, lack of care must be considered to receive help in the future.

Results of estimating the impact factors via the regression model showed that the challenges posed by an aging population in Vietnam in general and Danang in particular has emerged as a key issue for society policy makers because of increasing number of old people. To solve the problems of social security for the elderly, including reducing poverty

and vulnerability to poverty, it is necessary to understand the factors that impact the poverty status of households having the elderly.

Via micro-simulation of cash assistance program, it can be said that cash subsidy do impact on reduction impact for the elderly and also improve the spiritual life and the position as well as the role of the elderly in the family and community.

The research results of this thesis for current situation in Danang and the previous studies for that of Vietnam (as Giang and Pfau, 2009a; 2009b; 2009c; Mujahid et al, 2008; Weeks et al, 2004; Matsaganis et al, 2000) all indicated those positive effects. However, the reality situation also shows that the impact is not large enough and may not be sustainable because the benefits are still low compared with the living standard and slowly adjusted compared with the cost of living, while coverage is also limited . In addition, the thesis also calculate the total cost of the subsidy program for the elderly in Danang in the upcoming years would be if calculated after the percentage of GDP of Danang.

Based on the limitations and shortcomings, the thesis proposed specific policy implications on more efficient poverty reduction for the elderly in the future and hope to contribute to the successful implementation of Danang Recommended project "City of 4 security issues", including social security one.

The advantages, limitations and orientation for the next research:

It can be said that this thesis is the first- ever study on the reality poverty situation of the elderly in Danang, which combines both quantitative and qualitative methods. More specifically, so far, most reports have stopped at listing/ statistics but not find out the reasons or specific problems. This research is the first-ever one that clarify the relevant contents.

As one of the first studies on the causes of poverty of elderly people and the impact of cash assistance policies to the elderly in Vietnam, the research applied micro-simulation method - the new method to evaluate the feasibility of social welfare programs, including cash assistance programs for the elderly. This method has been proven through numerous studies in the world and demonstrate the superiority in the situation that information /data on the economic life of the elderly is still limited. For Danang, this study applied the modern methods for the first time to evaluate and provide important policy issues. The coordination of quantitative and qualitative methods help provide a completed picture of the poverty and the possibility of the impact of cash subsidies for the elderly in poverty reduction. From this, the thesis suggest some specific policies for Danang in the upcoming years as the population aging is increasing more clearly.

However, the dissertation research also has some inevitable limitations such as: In the data of VHLSS, the selected samples of Danang are still small (In 2016: 57 people; in 2010: 52 people; in 2014: 72 people). The author must appect using those samples because the number of old-aged people of the whole country is only about 3000 and is taken from 63 provinces/cities after population sample size. Moreover, the data of VHLSS helps obtain the individual and household characteristics for probit model as mentioned above. This is the main weakness of the study, another weak point is that the data has not identified expenditure and income for each household's member ... There should be more developing researches using better methods, such as: (1) Organizing surveys on spending, income of each elderly to have a better data evaluating reality poor situation of the elderly;(2) Research on the capabilities and demands of the elderly who still have working ability to create suitable jobs for them; (3) Study the trend of behavior

of the elderly with their children in the family; (4) Study of the role and relationship between the elderly with family, community, society...

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