

Diversification and Differentiation: Livelihood Strategies of Land-owning and Landless Households in ‘Thoi Thuan B Hamlet’

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Abstract

Since the introduction of the 1993 Land Law and neo-liberal policies in Vietnam, land has effectively become a commodity distributed through market mechanisms. Therefore, land can now be bought and sold by and to anybody. Commoditization of land has increased the gap between the rich and the poor. In fact, the neo-liberal ideology focuses on effectiveness and efficiency but not social security, since the Land Law reforms have introduced competitive power relations and an insecurity of land tenure. Some poor land-owning households do not have enough capital to invest effectively in agricultural production, leading to the sale of their land and to them becoming landless. Under the market competition of agricultural production and labor market pressures at the regional and global scales, concurrently, in order to survive and to reduce the risks, the Kinh and Khmer better-off, medium and poor land-owning households, as well as poor landless households, have had to diversify their livelihoods through a combination of on-farm, off-farm and non-farm activities using different strategies.

Keywords: Land law, neo-liberal ideology, market mechanism, commoditization, diversification, livelihood, different strategies

1. Introduction

Vietnam has an emergent group of rich peasants with relatively larger landholdings, higher amounts of capital stock and use of hired labor-power, higher yields per unit of land, a greater degree of market integration, and more marked productive diversification. This class can be set beside a numerically preponderant class of relatively small farmers, with smaller landholdings and amounts of capital, a heavier reliance on family labor, lower yields per unit of land, and less market integration and diversification. The evidence further demonstrates the rapid growth of a class of rural landless who are largely separated from the means of production, who survive by intermittently selling their labor, and who are the poorest segment of rural society (Akram-Lodhi 2005). Since the size of landholdings is a major determinant of the scope for productive use of family labor on the farm, it is not surprising that the small size of most farms in Vietnam rarely generates enough work to keep members fully occupied year-round. Most rural households depend on a variety of “side-line” activities to supplement their earnings from farming, but the average share of household labor engaged in off-farm employment varies considerably.

In Vietnam about 65 percent of the rural population was engaged in farming, 15 percent participated in non-farm self-employment, often combining it with farming, and around 18 percent was involved in waged employment in 1998 (Vijverberg 1998). In the south, the farm sizes are much larger but there is also a great deal of landlessness. The poorest households are those that have to rely largely on off-farm income, while the wealthiest are those that prosper through farming alone. Poorer households in the Mekong Delta tend to be landless or land-poor and to devote more than 40 percent of their labor to off-farm activities, mainly wage labor, while the large size of landholdings of those with land allow the wealthiest households to specialize in agriculture (World Bank 1995). In Thoi Lai town, I selected Thoi Thuan B hamlet to be my research site, because this hamlet contains a large area of agricultural land affected by the 1993 Land Law, with a greater amount of diversification in occupations (which now include farming, small industrial and business enterprises, and service businesses), a greater number of Khmer and poorer people, and more complex social relations and networking taking place than in the other hamlets in Thoi Lai town.

2. Research and Methodology

Qualitative and quantitative analyses were applied in my study. The unit of analysis has involved the relations between Kinh and Khmer land-owning household and landless households, their strategies in household livelihood and their “capitals” (i.e. relations of household livelihood assets).

2.1 Scope of the Study

My study is focused on the livelihoods of the different Kinh and Khmer land-owning households in the study area, and particularly the poor farming and poor landless households in the community. Since the 1993 Land Law was introduced, the farmers and landless people have had to cope with a scarcity of land resources in their rural area.

2.2 Research site

Thoi Thuan B is about 2km away from central Thoi Lai town and 30km away from Cantho City in the Mekong Delta, Vietnam. This hamlet has 455 households¹ in which females comprise 53 percent of the population and 28 percent of the total households are Khmer. About 47 percent of households are farm households, however, among them many are diversified and engage in non-farm or off-farm work. Non-farm and off-farm households comprise the other half. An agricultural area of 98 hectares occupies about 80 percent of the total land. A pattern of rice-prawn farming has been practiced beginning few years ago in areas that are near to a water source. A farm household averages about 0.6 hectare of land. The minimum land size per farm household is 0.1 ha and the maximum is 2.7 hectares; some farm households have more than 1 hectare. Accumulation of farmland and polarization of land holding has emerged here. There is an average of about 5 people per household, ranging from 1 to 14 people in total, with 3 main laborers in a household. Lack of labor occurs at the peak of the rice harvesting time for three rice crops per year, due to the young people migrating to work at industrial areas in Cantho, Ho Chi Minh City, and other places far away from home.

Many people also work as hired laborers for the millers in the small Thoi Lai town or surrounding villages. Their daily wages are double the wages from rice harvesting per day. Therefore, wages from labor during periods of rice harvest has increased in recent years. The poor Khmer farmers and poor landless farmers of Soc Trang province, which is 100 km from Thoi Thuan B hamlet, go there to harvest rice, while some poor farming and landless Kinh women do not labor in the hamlet due to unfamiliarity with the rice harvest. Some laborers go back to harvest rice at their family farms. In particular, some pupils of the Khmer boarding school in O Mon district and college and university students in Can Tho city, both Kinh and Khmer, go back home to help their parents for the rice harvest when they have holidays. The shortage of labor for rice harvests can be compensated for using combine harvesters. However, according to the opinions of the farmers and local officials, the small farm sizes in the hamlet are unsuitable for the application of combine harvesters. Regardless, there are enough tractors and hand tractors for land preparation and threshers for threshing of paddy at the study site.

According to the chairman of the farmer's association in Thoi Lai town, the households' farmland sizes are normally small in the hamlet. They sell their land in particular cases, such as debt or serious illness. Only the people in possession of land use titles can sell land, so the farmers normally keep their land and do intensive or diversified farming. Younger generations of both Kinh and Khmer people prefer working at manufactories in the industrial areas of Cantho or Ho Chi Minh City, rather than farming in rural area. For instance, about 150 young men and women in Thoi Thuan B hamlet worked in manufacturing, comprising 6 percent of the total population of the hamlet in 2007². Many of them have continued to work there to earn their living and some of them have gone back home because they faced difficulties with working far from their hometown. Some of them were laid off from the many factories which let people go during the global economic crisis in 2008. In some special cases, young laborers migrated to overseas countries to work; some of these laborers became indebted to the bank in 2009 because they asked for a loan from the bank to spend for the cost of travel when they went back home without enough money to return this cost.

The education level of the older generation of farmers and landless farmers in the hamlet is low, with Kinh household members obtaining up to the level of primary and secondary school, whereas Khmer household members obtain up to the level of primary school or are illiterate. Nevertheless, the younger generation of Kinh and Khmer households often completes primary school, secondary school, college and university. However, Kinh household members study up to college and university more often than Khmers do. A portion of children in poor Kinh and Khmer landless households in the hamlet left primary school to earn income through activities such as selling lottery tickets. Their higher levels of education enable Kinh to make more income than Khmer. Farmers are seen as being rational people who can make logical decisions about their livelihoods.

¹ Source: Statistic Report of Thoi Thuan B hamlet in May 2008

² Key Informants Interview on October 16, 2007

According to Kerkvliet (2005), farmers are active actors who can determine and drive the process of agrarian transformation. However, the fate of all farmers has been affected by external factors such as the intervention of state and market forces (Le 2009).

2.3 Data Collection

The data for my study was gathered from participants (farmers, landless people, local officials), through focus group meetings and discussions (including the different economic household groups of Kinh and Khmer people, the village elders and hamlet officials), household interviews (with farm households and landless households, both Kinh and Khmer), and was cross-checked through field observations and secondary information in the form of relevant studies and reports. Qualitative and quantitative research methods were applied during my research; therefore, the way in which I gathered my data was through my integration into the Kinh and Khmer farmers' and the poor landless people's everyday practices, in terms of both their ordinary everyday lives and their production practices. Information was also obtained from questionnaires.

2.4 Data Analysis and Interpretation

Data on the different kinds of households and the different actors was collected and analyzed using quantitative methods (using Excel and SPSS), both for description and for a comparison between the different groups of farmers and landless people. I also used qualitative methods to capture the livelihood diversification figures of the different economic groups, as well as between the Kinh and Khmer households, in order to reveal the livelihood strategies they use to adapt to the market competition of agricultural production and pressure of the labor market.

3. Results and Discussion

3.1 Classification of Household Status

The notion of a unified household was constructed by neo-classical economists and defined as an economic unit, through which the principles of a market economy were manipulated for the maximization of production and distribution. This approach ignores intra-household relations which make the household irrelevant in reality, because the household is not homogenous but involves complex social relations, including power relations (Kabeer 1998: cited in Le 2009). The socioeconomic status of households in Thoi Thuan B hamlet is divided into three categories of households: poor, medium and better-off households. These categories are defined based on the family's relative combination of assets such as land holdings, labor capacity, income sources, employment status, types of houses, types of luxury items, and equipment/machinery of the household. Each group of farm households and landless households were categorized in May 2008 as following:

Criteria of farm household groups:

1. Poor households may have less than 0.5 hectare of land, about 15 million dong of net income from rice per year, 2-3 main laborers, non-concrete house, boat, bicycle and television.
2. Medium households may have less than 1 hectare of land, about 20 million dong of net income from rice per year, 3 main laborers, a semi-concrete house, water pump, boat, bicycle and television.
3. Better-off households may have at least 1 hectare of land, about 40 million dong of net income from rice per year, 3 main laborers, a concrete house, water pump, boat, motorbike, thresher or hand tractor and television.

Criteria of landless household groups:

1. Poor households may have a net income of about 1 million dong per month, 2-3 main laborers, a non-concrete house, hired labor, bicycle and television.
2. Medium households may have a net income of about 3 million dong per month, 3 main laborers, a semi-concrete house, a small grocery store, service work, hired labor, boat, bicycle and television.
3. Better-off households may have a net income of about 6 million dong per month, 3 main laborers, a concrete house, work in business or service, and own a big boat, motorbike and television.

Classification of Household Status

The classification of household status in May 2008 was derived from the local knowledge and life experience of three elderly farmers and three local officials, whose ages range from in their forties to their seventies, and include both Kinh and Khmer farmers who have lived in this hamlet for between 33 and 55 years. They therefore know the livelihoods of the local households in the community very well. They were able to share their ideas and understandings regarding household information on the classification criteria of land holdings, labor, income, employment status, housing situation, luxury items and equipment/machinery, in order for me to classify the total of 455 households in the hamlet by their status.

As a result of this, I set up a list of the households³ in the study area according to: (i) better-off, (ii) medium and (iii) poor⁴, all of which can be either landed or landless. This classification considered mainly economic aspects rather than social relations. (Table 1 and Table 2) Generally, according to the household classification provided by the key informants, including the local elders and hamlet leaders, poor households comprise about 37 percent of the total number of households in the hamlet. The Kinh have a higher percentage of better-off households (i.e. 45 percent) than the Khmer. Correspondingly, the Kinh have a lower percentage of poor households (i.e. 28 percent) than the Khmer.

3.2 Livelihood Diversification Strategies of Kinh and Khmer Households

In general, the better-off Kinh farm households' livelihoods incorporate many income sources, such as rice farming; selling groceries; trading paddy, rice and grain; rice milling, remittances; working in industrial factories in Ho Chi Minh City; and land value compensation from the local government due to urbanization. The better-off Khmer households make their incomes from rice-prawn farming, selling groceries, teaching, remittances from a son-in-law overseas, and threshing. The medium Kinh farm households make their income through rice farming, carpentry and selling fruits, vegetables, and grain, whereas the medium Khmer households produce rice, sell their labor, and do small trading. Sometimes the medium Khmer households receive remittances from a son-in-law overseas in Taiwan or Korea to build their houses and to engage in trade. These medium households may also mortgage or sell their farmland in particular cases.

The poor Kinh farm households' livelihoods include rice farming, small trading, and selling their labor in some cases. Almost all of the poor Khmer farm households sell their labor according to the season. An important indicator of poverty about is that they mortgage their farmland or sell part or all of it, as about 50 percent of the poor Khmer farm households do. The livelihoods of poor Kinh landless households include rice farming on rented land; small trading at their house or the market; carrying passengers by motorbike, tricycle or boat; doing wage labor for other farmers, constructors and rice millers; being a driver; tailoring; selling lottery tickets; being a barber; etc. The poor Khmer landless households do wage labor for the other farmers, constructors, dryers and rice millers; catch fish; grow mushrooms; do housekeeping for other households; carry passengers by motorbike; sell lottery tickets; etc.

3.2.1 The Better-Off Kinh and Khmer Land-Holding Households

The incomes of the better-off farm households can be supplemented by their kinship networks with people in overseas countries or within the country, as well as savings from farming production (rice, fish, and prawn production), income from businesses (selling rice, broken rice, bran, and feed) and services (ploughing, water pumping, and threshing). They use this income to build their house, to buy land or to receive mortgaged land from other farmers, and to buy the necessary farm equipment (pump, hand tractor, tractor, thresher, boat). They normally use both hired labor and their family labor for production. The pursuit of diversification as a livelihood strategy by households and individuals is often attributed to the two overarching considerations of necessity or choice. This is sometimes described as being a contrast between survival and choice (Davies, 1996) or between survival and accumulation (Hart, 1994). According to Ellis (1998) and Jamaree (1996), there are different motives and pressures for livelihood diversification.

The objectives of the diversification of the rich or the better-off farmers are to pursue accumulation or the improvement of expenditures according to their modern lifestyle. Normally, the livelihood strategies of the better-off Kinh and Khmer farm households in the research site are accumulation of property and cash because they have enough assets (e.g. any kind of savings including gold and land, skilled labor, good kinship ties, strong networking) to create incomes or find a way to adapt to unexpected changes for their own benefit. This way they can be adaptive to shocks; for instance, if the price of rice falls they can keep their rice products at home after harvesting and wait for several months to sell them at a reasonable price. I even visited one better-off farm Khmer household at noon one day in June 2008 and found that they were not at home because at that time it was the harvesting season and they were engaging in off-farm work (i.e. harvesting rice) on another farm in order to accumulate money. My interpretation is that the better-off Khmer farm households also sell their labor sometimes, because their strategy is to maximize their profits as much as possible.

³ These 455 households were used for taking interview samples and analysis in my study from 2007-2009.

⁴ Households with income below 260,000 dong per person per month in the town area are poor households according to the criteria of the Vietnamese government, so this is a consideration for the classification of poor households in my study.

3.2.2 The Medium Kinh and Khmer Land-Holding Households

The medium farmers in the research site do farming with their available labor and sell some small groceries from their home (e.g. cake, candy, fast food, etc.) or sell some vegetables or fruits at the local market; sometimes they sell their labor and some of them can buy a small area of farmland after a long period of saving. The medium farmers attempt to be more adaptable with their livelihood strategies in order to cope with instability and risks, as they have some available assets (e.g. small savings, a little gold in some cases and available family labor). However, the livelihood strategies of both Kinh and Khmer medium farm households may become focused on survival. Then, if they have to cope with unexpected external influences, they may face difficulties for a long time. For instance, if they are in a bad situation the medium farmers can keep their rice products at home and then sell them when their price has increased, but this is a temporary solution. They can face the problem of demand for their rice production decreasing even though the price of rice is low, because, for instance, there was too much rice produced during 2008.

3.2.3 The Poor Kinh and Khmer Land-Holding Households

The poor farmers often sell their labor seasonally and do farming. Some of them mortgage their land first and then sell it later when they accumulate large debts which are caused by production failures, accidents, and serious illness. I have observed that the poor farm households are more prone to getting sick than the better-off ones because the poor ones have little opportunity to take care of their health, having less nutritious meals than the better-off ones, particularly in cases of big families, with more children. In addition, the poor Khmer farm households tend to become sick more often than the Kinh households. This may be, in part, because of the weak hygienic living conditions of the poor Khmer farm households. Members of both Kinh and Khmer poor farm households get seriously ill more often than the better-off households because the poor people live and work in bad conditions and their labor force is gradually exhausted by their overloaded daily work. The poor Kinh farm households' livelihoods include rice farming, small trading, and selling labor in some cases. Meanwhile, almost all of the poor Khmer households sell their labor seasonally, and one important indicator of their poverty is that about 50 percent of them mortgage and sell their farmland. I therefore interpret that the poor Khmer farmers' livelihoods have been strongly affected since the 1993 Land Law. Under unfortunate market conditions, the poor farmers normally sell their rice directly at the field or at the farm gate, after threshing the paddy, in order to repay money used to buy fertilizers, insecticides, and herbicides and to repay debts to their lenders.

The poor farmers therefore have little opportunity to sell their products for a good price. The livelihood strategies of the poor farmers are focused on survival or subsistence (Ellis, 1998 and Jamaree 1996) because they lack in available assets, with a shortage of cash, small land sizes, an unskilled labor force, and limited networking ability, and they accumulate high debts for their production and their lives. The poor households with small land holdings always suffer from the risk of debt (Tuan et al 2008), so they are always coping with that risk in their production and their lives, especially when the macro or micro policies change. For instance, the Vietnamese state decided to temporarily stop any new rice export contracts in March 2008 in order to ensure the country's food security, while the price of export rice was at its highest due to the global food shortage at that time. The state's decision was based on rice production estimates derived from production that occurred under serious climate change and damage from the brown plant hopper. In fact, preventing new rice export contracts was a mistake, due to the Ministry of Agriculture and Rural Development's underestimation of the rice production of the farmers in the whole country. Since March 2008 this missed opportunity has led to excess rice production and, consequently, the farmers, particularly poor farmers, have faced long-term difficulties with sell their rice products even under the cost price. They are accumulating debts from the banks, the retailers, and the lenders.

3.2.4 The Poor Landless Kinh and Khmer Households

People become landless for many reasons. For instance, they may become landless if they do not inherit land, if their parents' land is small, or due to risks in their production and their lives that lead them to sell their land. Therefore, they have to take unstable work anywhere they can (i.e. selling their labor). Generally, the landless households in the Mekong Delta, particularly in the research site, are not always poor because in some cases they have the ability to access and efficiently manage assets like financial capital, skilled labor, physical capital, potential social networks and kinship ties. They engage in livelihood diversification strategies but do not have the asset of farmland. Regardless, the landless households are often poor and they certainly cope with a lot of challenges and various kinds of difficulties in their uncertain lives. Overall, the poor Khmer landless households are more plentiful than the poor landless Kinh in the research site. Tuan et al (2008) found that poor landless households always suffer from risks related to health problems.

In my study, the poor landless Kinh and Khmer households get serious illnesses more often than the better-off households, because the poor people live and work in bad conditions and their labor force is gradually exhausted by their overloaded daily work. A large portion of both Kinh and Khmer poor landless households does off-farm or non-farm wage labor for their livelihoods. The poor landless Kinh households do a variety of work including: work as seasonal laborers during the rice harvest, work at the local rice millers, sell lottery tickets, sell poultry and chickens, run a small cafeteria or restaurant, do carpentry or construction, work as a barber, do animal husbandry, and repair motorcycles and bicycles. The poor landless Khmer households mainly work such as seasonal laborers during the rice harvest, work at the local rice millers, and sell lottery tickets. I observed that the poor landless Kinh seem to be more professional than the poor landless Khmer. Generally, the poor landless households suffer from the risk of unemployment (Tuan et al 2008). The livelihood strategies for survival of poor landless households are more acutely sensitive to any changes in society, whether short-term or long-term. For instance, in July 2008 the poor landless households who engaged in unskilled labor at the rice millers in the local area became unemployed because they lacked work to do. At the time there was no paddy to mill for trade and export, even though a lot of the paddy was still at the farm gates.

The problem came from the macro and micro policies that I mentioned above, when the state stopped any new rice export contracts in March 2008. Although the state claimed to continue making new rice export contracts beginning July 2008, in fact the process of making new contracts took a long time and was complex, with a lack of synchronicity between the governmental organizations (e.g. the related departments at the different levels, banks and rice export companies), businesses, rice millers and farmers. This affected all the actors in society such as the farmers, businesses, rice millers, and rice export companies, but the poor farmers and poor landless people are strongly negatively affected. The 1993 Land Law mobilized a portion of Kinh and Khmer to generate greater incomes with their available assets than they did before. The better-off Kinh and Khmer farm households have the capacity to create higher incomes than the medium and poor ones because they have ability to manage their farms well using their accumulative experiences; they have certain assets such as enough farmland (i.e. natural assets), farm equipment (i.e. physical assets), cash (i.e. financial assets), high farm techniques (i.e. human assets) and large networks (i.e. social assets). In some cases, the better-off Khmer farm households can accumulate more land than the Kinh. In contrast, the poor Kinh and Khmer farm households lack everything, with too small farmland sizes, limited cash, higher debts, health problems, low farm techniques, and in some cases a big family with many children.

Meanwhile, the medium ones try to manipulate their small farmland effectively with their unpaid family labor and some savings. In addition, the poor Kinh and Khmer farm households have not possessed certain equipment (i.e. water pump, hand tractor, thresher) for rice production since 1993⁵ and these households survive by doing off-farm work for the other farm households in the local area, by selling their unskilled labor in the rice millers throughout the seasonal calendar to earn money, or by doing some other services, and their lives remain unstable. In recent years, many of the local people are now satisfied with the local state's policies on transportation and electric power in hamlet. The farmers have been free to choose and buy agricultural materials for their production and other commodities. However, farmers try to improvise to diversify their livelihoods in order to adapt to the state policies on the agrarian transformation, especially toward the accumulation of large farmland holdings for more efficient agricultural production. Moreover, Bebbington clarifies that "a person's assets, such as land, are not merely means with which he or she makes a living: they also give meaning to that person's world. Assets are not simply resources that people use in building livelihoods: they are assets that give them the capability to be and to act. Assets should not be understood only as things that allow survival, adaptation and poverty alleviation: they are also the basis of agents' power to act and to reproduce, challenge or change the rules that govern the control, use and transformation of resources" (Bebbington 1999 cited in Haan and Zommers 2005)

3.3 Persistence of Small Landholding

In general, the farmers in the Mekong Delta, and in particular in this hamlet, have had small farmland sizes of less than one hectare per household. Therefore, they have some cash or paddy left after subtracting their rice production costs. This is one of the reasons why they still live in poor conditions but they always try to hold onto their small landholdings for survival. However, the shortage of labor, at the same time as redundant labor, has occurred at the peak rice harvesting time in Kinh and Khmer communities and also takes place during harvesting time. However, the Khmer landless labor forces of Soc Trang province have supplied labor for harvesting rice in the hamlet.

⁵ Survey in 32 households in May 2008

Additionally, the surplus of local labor during the leisure time of rice production creates joblessness for on-farm and off-farm workers in the hamlet. Therefore, those laborers become a seasonal labor source for the integration of on-farm, off-farm and non-farm jobs within or outside the local area.

3.4 Household Livelihood and Market Economy

Under the neo-liberal market economy, the connections of regionalization and globalization have impacted the local labor market. The land-owning households have shaped the agricultural production from subsistence to commodity and export-based production, from small farm production to large scale, including the mechanization and diversification of farming and the undertaking of jobs. In fact, the agricultural production of farmers has faced many risks from natural environmental changes, fluctuations in prices of inputs and outputs, and competition in the market economy. The better-off households with capital potential bought farmland for rice production or accumulation, rather than for land speculation, whereas the poor farm households mortgaged or sold their farmland in very necessary cases. The medium households responded by either buying or selling farmland, depending on their livelihood statuses. These are the different livelihood strategies of the different household groups. They almost all diversified on-farm, off-farm and non-farm jobs among their household members for their livelihoods. The diversification of these jobs in the household livelihood strategies in Thoi Thuan B hamlet shows that the process of agrarian transition is going on in the Mekong Delta. The livelihood strategies of Kinh and Khmer households with large farmland sizes were quite similar, with the main activity of on-farm rather than non-farm and off-farm jobs.

Livelihood strategies of Kinh households with small farmland sizes also included the main activity of on-farm jobs rather than non-farm and off-farm jobs. However, the livelihood strategies of Khmer households with small farmland sizes focused on the main activities of off-farm and on-farm jobs rather than non-farm jobs, because their lack of human capital, financial capital and social capital limited their performance in non-farm jobs. The livelihood strategies differed between the better-off and poor farm households. Livelihood strategies of poor farm households were also different to those of poor landless households. Livelihood strategies of the better-off farm households, as well as the poor Kinh farm households, were based mainly on the on-farm rather than non-farm and off-farm jobs. The livelihood strategies of both the poor Khmer farm households and the poor Kinh landless households were based mainly on off-farm rather than on-farm and non-farm jobs. However, the livelihood strategies of the poor Khmer landless households relied on off-farm rather than on-farm jobs. The reasons for this were that the better-off farm households had more capital to invest in non-farm jobs than the poor farm households did. While the poor Khmer landless households had less capital than the better-off farms, the poor farm households and the poor Kinh landless households invested in non-farm jobs.

3.5 Changes to Economic Status of Different Households

From 1993 to 2007, Kinh and Khmer households were polarized between the better-off and poor households. The number of better-off Kinh households increased, while the number of the poor Kinh households did not; however, the number of poor Khmer households increased, while the number of better-off Khmer households did not. This was because more Kinh households had larger social networks and greater access to credit (i.e. 30 percent of interviewed households)⁶ than the Khmer (i.e. 19 percent of interviewed households). The number of poor Khmer landless households increased more than the Kinh landless households because a greater portion of Khmer households (14 percent)⁷ sold land than Kinh households (11 percent).

4. Conclusions and Recommendations

Kinh and Khmer households in Thoi Thuan B hamlet with large farm sizes had to undertake many activities including on-farm, non-farm and off-farm jobs, with different capacities for investment to increase savings, because their farm sizes were just large enough to live. Kinh and Khmer households with small farm sizes also undertook diverse activities of on-farm, non-farm and off-farm jobs with different capacities for investment to increase their income, because their farm sizes were not enough to make a living. Better-off Kinh and Khmer households in the hamlet undertook many activities including on-farm, non-farm and off-farm jobs, with different capacities of investment to increase their savings. However, the poor Kinh farm and poor landless households did diverse activities of on-farm, non-farm and off-farm jobs with different capacities, including investment, for increasing their incomes. The poor Khmer landless households undertook off-farm and on-farm jobs. Small land-owning households and agricultural land still persist under certain conditions, although a preference for non-farm jobs among the younger generation of farmers has recently appeared, and modernization and industrialization policies in the rural-farmer-agriculture sector have developed in Vietnam.

⁶ Source: Interview of 93 households in October 2009

⁷ Source: Interview of 125 households in June 2008 and October 2009

Therefore, the current changes in the process of agrarian transition in Vietnam require appropriate policies for rural-farmer-agriculture development, together with state national development policies to support those who are challenged by the existing policies, because the poor can easily be excluded from the benefits of the changes in policies. A change in the state policy framework has been one of the most important factors brought about by agrarian transformation in Vietnam. However, we should be aware that this agrarian transformation is not only a uni-linear process of commercialization and industrialization of the peasant economy; agrarian change is very complex and depends upon specific historical, social, cultural and even political contexts. In fact, the ideas and the livelihood strategies of both the Kinh and Khmer farmers within this agrarian transformation process have to be constantly on the move and be creative and knowledgeable, in order to allow their social networks to adapt to any changes in livelihoods, whether based upon subsistence, commercial or industrial production, under neo-liberalist developments.

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Table 1: Different numbers of various groups of land-owning and landless Kinh and Khmer households in Thoi Thuan B research site in 2007

Kind of Households(HHs)	Better-off (no.) Percent (%)	Medium (no.) Percent (%)	Poor(no.) Percent (%)	Total(no.) Percent (%)
Kinh land-owning HHs	77 (43)	55 (31)	45 (26)	177 (100)
Khmer land-owning HHs	12 (31)	15 (38)	12 (31)	39 (100)
Landless Kinh HHs	71 (47)	35 (23)	46 (30)	152 (100)
Landless Khmer HHs	3 (3)	22 (25)	62 (72)	87 (100)
Total Kinh HHs	148 (45)	90 (27)	91 (28)	329 (100)
Total Khmer HHs	15 (12)	37 (29)	74 (59)	126 (100)

Source: Group discussion with farmers and hamlet leaders, May 2008

Table 2: Numbers of land-owning households and landless households in various groups in Thoi Thuan B research site in 2007

Kind of Households (HHs)	Better-off (no.) Percent (%)	Medium (no.) Percent (%)	Poor(no.) Percent (%)	Total(no.) Percent (%)
Total land-owning HHs	89 (41)	70 (32)	57 (27)	216 (100)
Total landless HHs	74 (31)	57 (24)	108 (45)	239 (100)
Total HHs	163 (35)	127 (28)	165 (37)	455 (100)

Source: Group discussion with farmers and hamlet leaders, May 2008