



Intra-generational and intergenerational social mobility: Evidence from Vietnam

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Introduction

- There can be a two-way relationship between social mobility and inequality (e.g., Brunori et al. 2013; Corak, 2013a; Corak, 2013b). Increasing intra-generational and intergenerational mobility can help reduce inequality and poverty.
- This study provides descriptive analysis of the situation and trend of social mobility (intra-generational and inter-generational mobility) in Vietnam, and subsequently examines factors associated with the mobility.



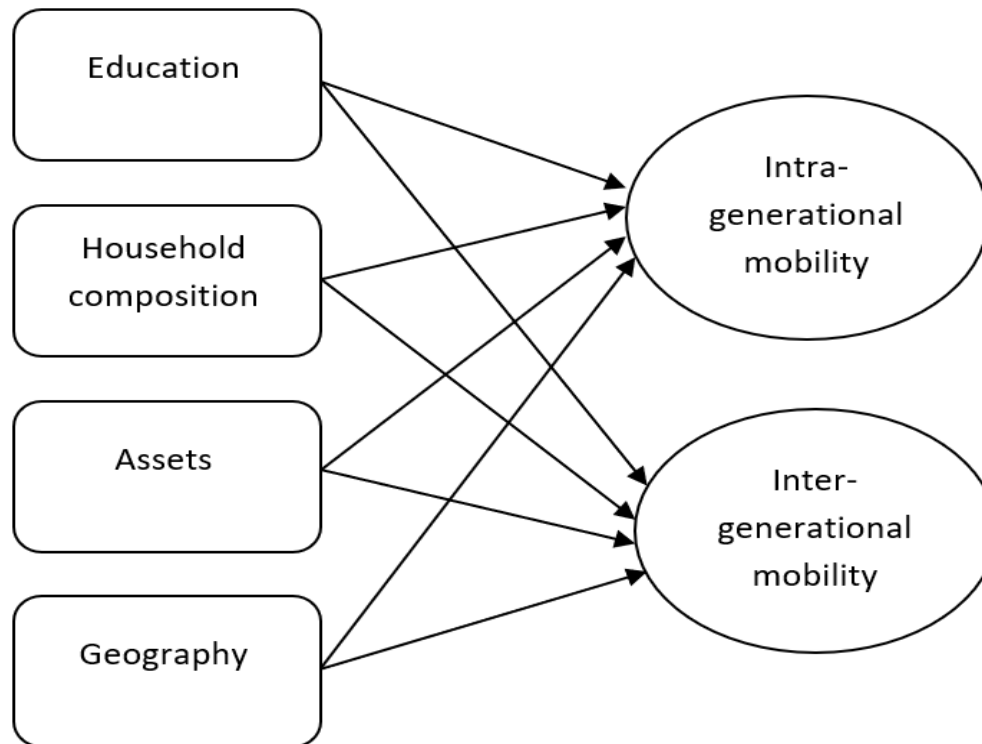
Data and method

- This study relies on Vietnam Household Living Standard Surveys (VHLSS) in 2004, 2008, 2010 and 2014.
- Data include basic demography, employment and labor force participation, education, health, income, expenditure, housing, lands.
- The number of households sampled in the VHLSS 2004, 2008, 2010, and 2014 is 9,188, 9,189, 9,399, and 9,398, respectively. There are panel households (1,817 households) between the 2004 VHLSS and the 2008 one; and panel households (1,813 households) between the 2010 VHLSS and the 2014 one.

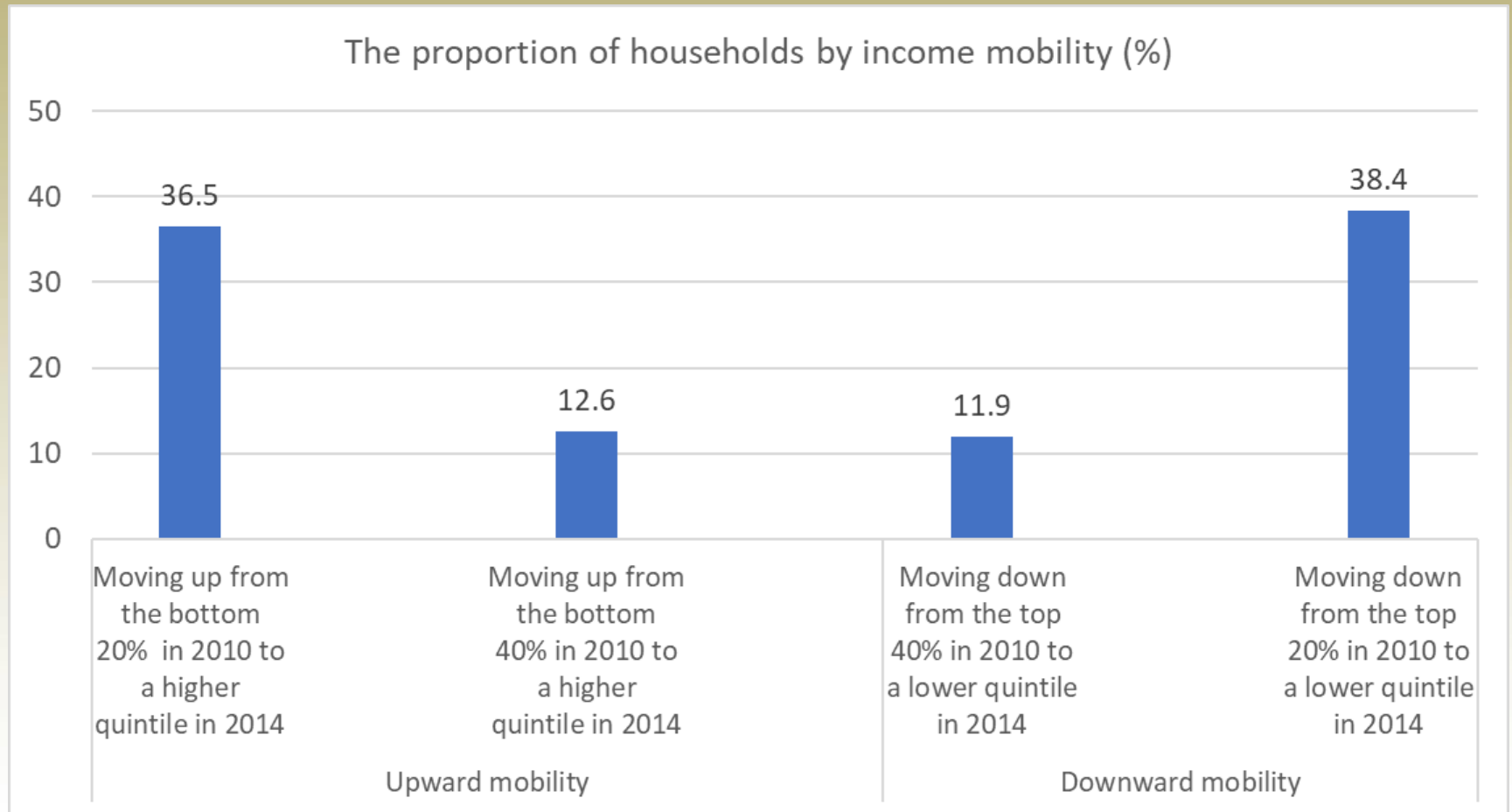
Data and method

- Descriptive analysis:
- OLS regressions

Figure 1. Factors influencing social mobility



Income mobility of households



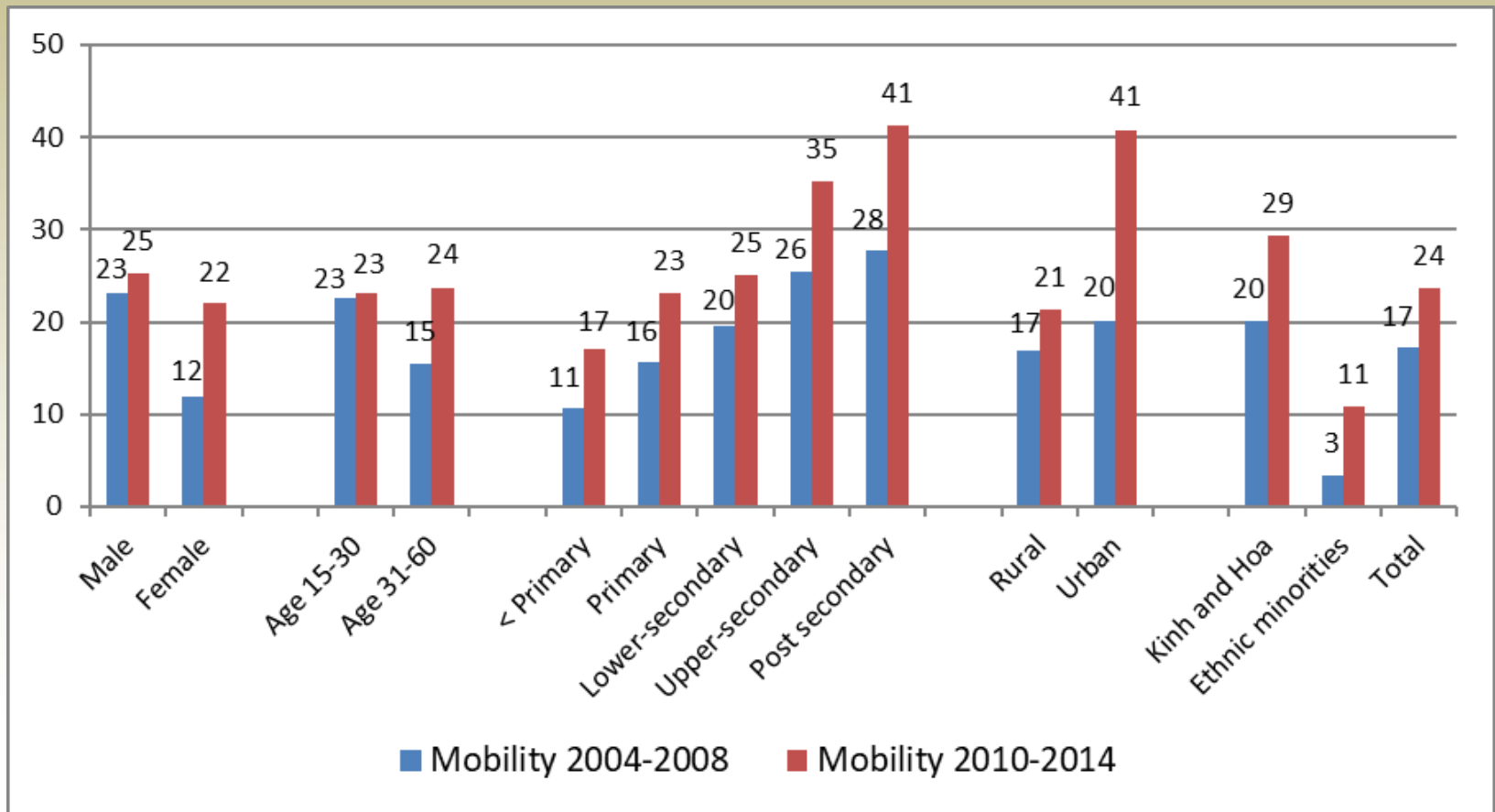
Income mobility of households

Explanatory variables	Dependent variables			
	Moving up from the 20% bottom in 2010 to a higher quintile in 2014 (yes=1, no=0)	Moving up from the 40% bottom in 2010 to a higher quintile in 2014 (yes=1, no=0)	Moving down from the 40% top in 2010 to a lower quintile in 2014 (yes=1, no=0)	Moving down from the 20% top in 2010 to a lower quintile in 2014 (yes=1, no=0)
Ethnicity of head (Kinh, Hoa=0, ethnic minorities=1)	-0.1904*** (0.0701)	-0.0452 (0.0312)	0.2439*** (0.0488)	-0.0783 (0.1512)
Hh. Head with educational degree	<i>Reference</i>			
Hh. Head with primary education	0.0011 (0.0638)	0.0125 (0.0287)	-0.0321 (0.0316)	0.0916 (0.1267)
Hh. Head with lower-secondary degree	0.1078 (0.0735)	0.0609* (0.0352)	-0.0175 (0.0325)	-0.1144 (0.1081)
Hh. Head with upper-secondary degree	0.1060 (0.1436)	0.1182** (0.0596)	-0.0770** (0.0371)	-0.1894 (0.1225)
Hh. Head with college, university	0.2276 (0.1546)	0.1639*** (0.0420)	-0.1086*** (0.0314)	-0.1684 (0.1023)
Urban (urban=1, rural=0)	0.0265 (0.1174)	-0.0269 (0.0360)	-0.0665*** (0.0238)	0.0101 (0.0712)
Control variables	Yes	Yes	Yes	Yes
Constant	0.5351*** (0.1784)	0.0683 (0.0814)	0.1709** (0.0756)	0.5565** (0.2259)
Observations	403	1,084	1,084	326
R-squared	0.177	0.078	0.136	0.120



Employment mobility

The percentage of people moving from unskilled to skilled occupation

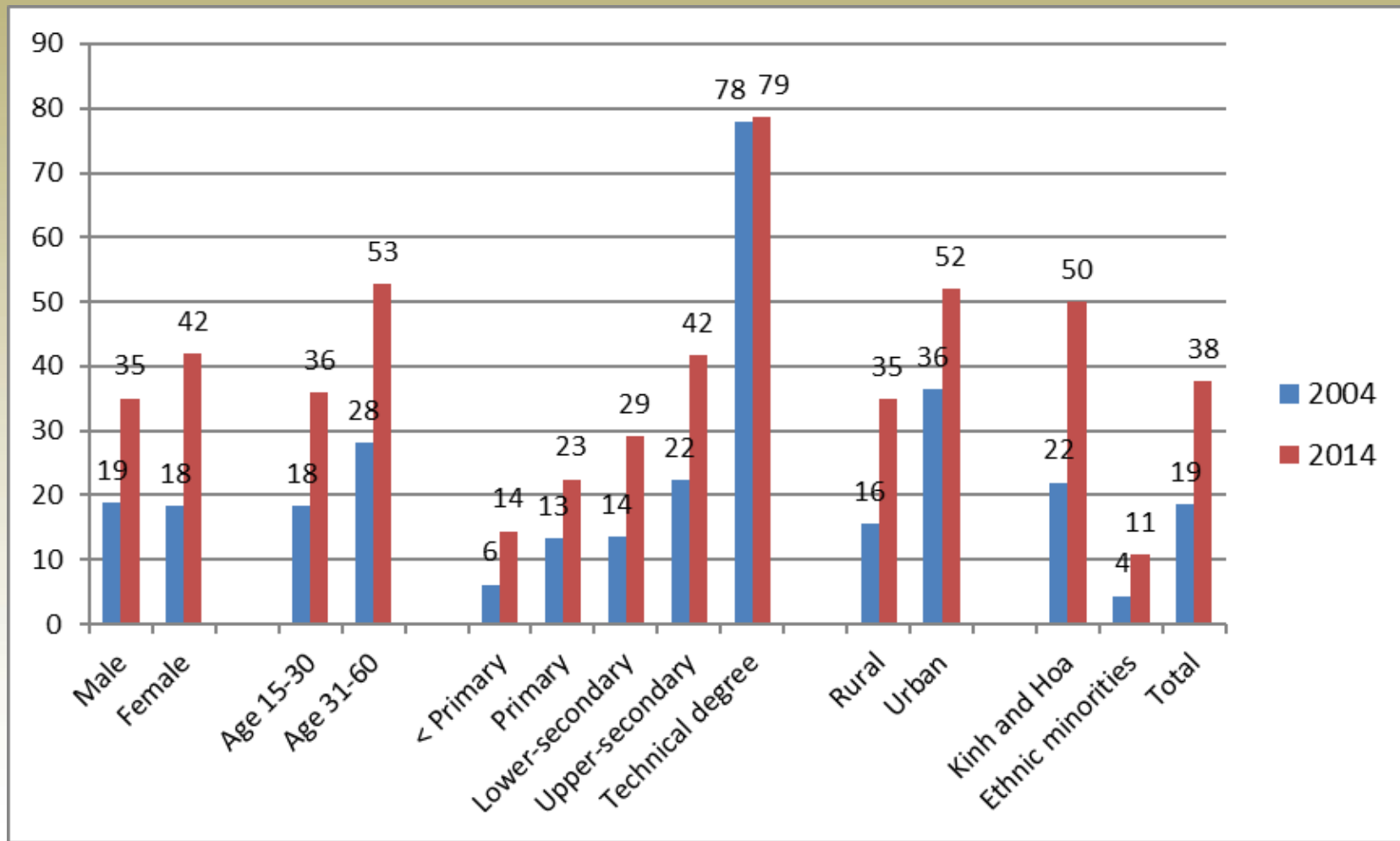


Employment mobility of individuals over 2010-2014

Explanatory variables	Dependent variables					
	Moving up from unskilled to skilled and non-manual (yes=1, no=0)	Moving down from skilled and non-manual to unskilled (yes=1, no=0)	Moving from self-employed to wage jobs (yes=1, no=0)	Moving from wage jobs to employed (yes=1, no=0)	Moving from agricultural to non-agricultural (yes=1, no=0)	Moving from non-agricultural to agricultural (yes=1, no=0)
Male=1, female=0	0.0214 (0.0227)	-0.0625*** (0.0192)	0.0842*** (0.0198)	-0.0554** (0.0239)	0.0111 (0.0190)	-0.0247 (0.0165)
Having no educational degree	<i>Reference</i>					
Having primary education	0.0207 (0.0272)	-0.0072 (0.0534)	0.0002 (0.0275)	0.0640 (0.0429)	0.0009 (0.0218)	-0.0655* (0.0379)
Having lower-secondary degree	0.0553* (0.0324)	-0.0896* (0.0536)	0.0066 (0.0296)	0.0012 (0.0419)	0.0427 (0.0270)	-0.0646 (0.0410)
Having upper-secondary degree	0.1331** (0.0558)	-0.1322** (0.0605)	-0.0558 (0.0366)	-0.0217 (0.0531)	0.0523 (0.0429)	-0.1508*** (0.0433)
Having college, university	0.1919*** (0.0672)	-0.2303*** (0.0512)	-0.0340 (0.0368)	-0.1145*** (0.0410)	0.0212 (0.0508)	-0.1960*** (0.0410)
Control variable	Yes	Yes	Yes	Yes	Yes	Yes
Observations	1,618	1,434	1,721	1,331	1,512	1,540
R-squared	0.105	0.134	0.086	0.123	0.083	0.246

Robust standard errors in parentheses. *** p<0.01, ** p<0.05, * p<0.1.

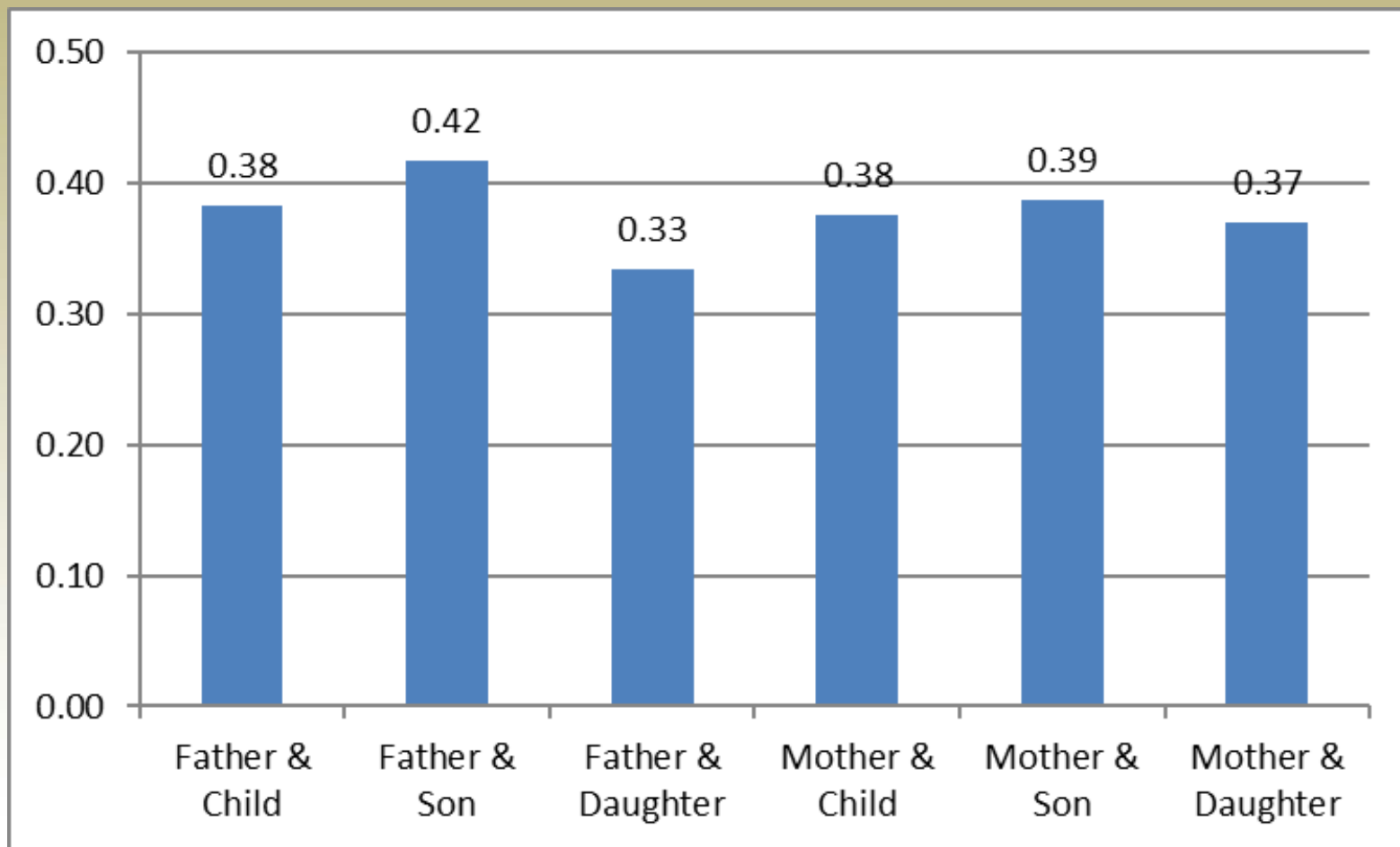
Upward intergenerational mobility from unskilled parents to skilled children



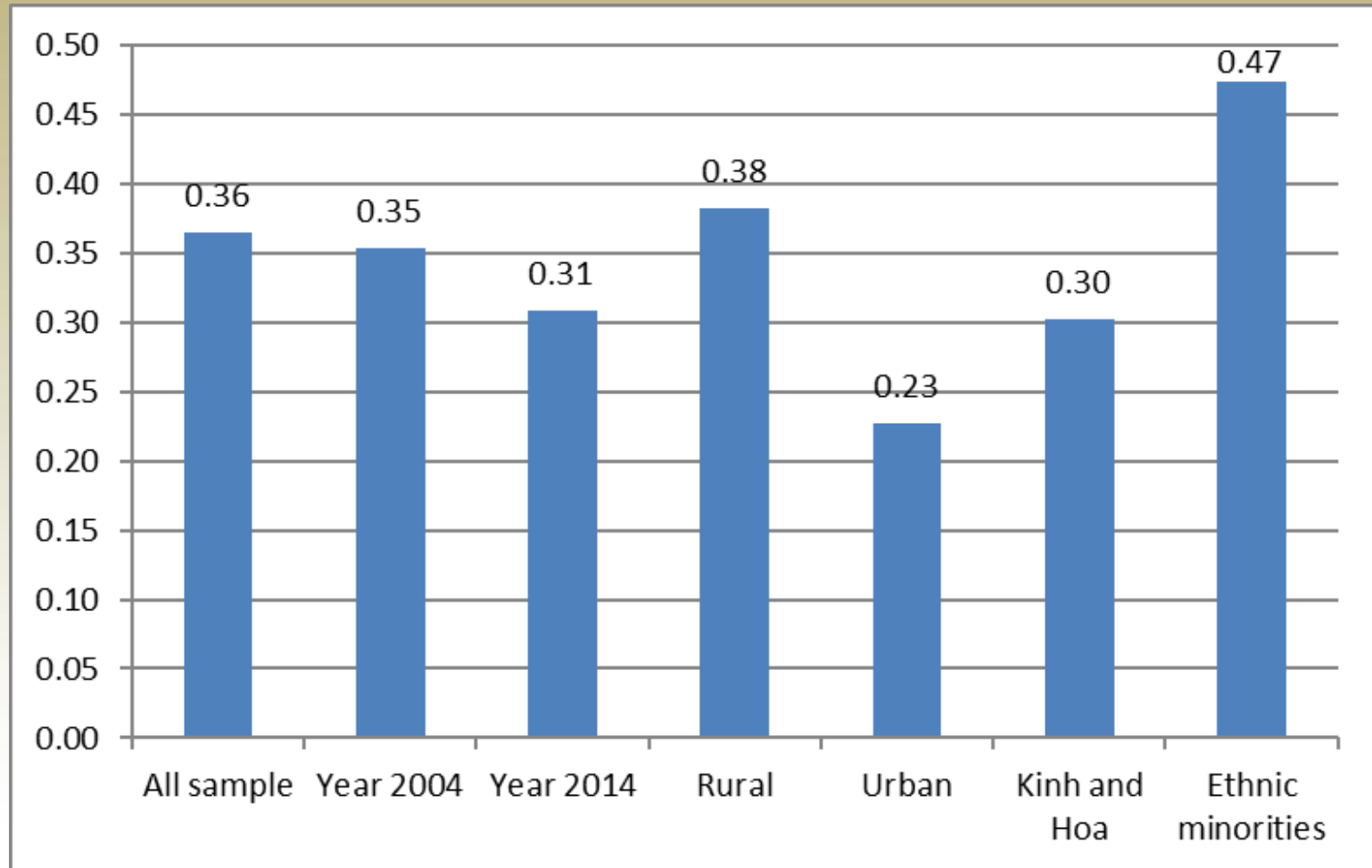
Regression of intergenerational employment mobility

Explanatory variables	Dependent variables					
	Skill upward: Skilled children and unskilled parents	Skill downward: Unskilled children and skilled parents	Wage-job upward: wage- job children and self-employed parents	Wage-job downward: self- employed children and wage-job parents	Sector upward: non-agricultural children and agricultural parents	Sector downward: agricultural children and non-agricultural parents
no educational degree	<i>Reference</i>					
Having primary education	0.0670*** (0.0118)	-0.1158*** (0.0361)	0.0329* (0.0172)	0.0273 (0.0224)	0.0929*** (0.0143)	-0.0680*** (0.0240)
Having lower-secondary degree	0.0899*** (0.0130)	-0.1324*** (0.0360)	0.0202 (0.0182)	0.1064*** (0.0257)	0.1156*** (0.0157)	-0.0526** (0.0247)
Having upper-secondary degree	0.1446*** (0.0169)	-0.1800*** (0.0371)	0.0546*** (0.0210)	0.0663** (0.0297)	0.1530*** (0.0195)	-0.0684*** (0.0259)
Having college, university	0.5079*** (0.0181)	-0.3592*** (0.0356)	0.3227*** (0.0221)	-0.1322*** (0.0282)	0.4229*** (0.0199)	-0.1519*** (0.0252)
Parent no edu. degree	<i>Reference</i>					
Parent with primary education	0.0303*** (0.0115)	0.0367 (0.0247)	-0.0024 (0.0138)	0.0582*** (0.0214)	0.0153 (0.0140)	0.0148 (0.0175)
Parent with lower-secondary degree	0.0430*** (0.0136)	0.0051 (0.0250)	-0.0105 (0.0155)	0.0817*** (0.0245)	0.0137 (0.0161)	0.0456** (0.0188)
Parent with upper-secondary degree	0.0228 (0.0241)	-0.0128 (0.0290)	-0.0221 (0.0274)	0.1315*** (0.0318)	0.0139 (0.0280)	0.0460** (0.0223)
Parent with college, university	0.0494** (0.0227)	0.0161 (0.0262)	-0.0759*** (0.0229)	0.1214*** (0.0263)	0.0344 (0.0264)	0.0743*** (0.0206)

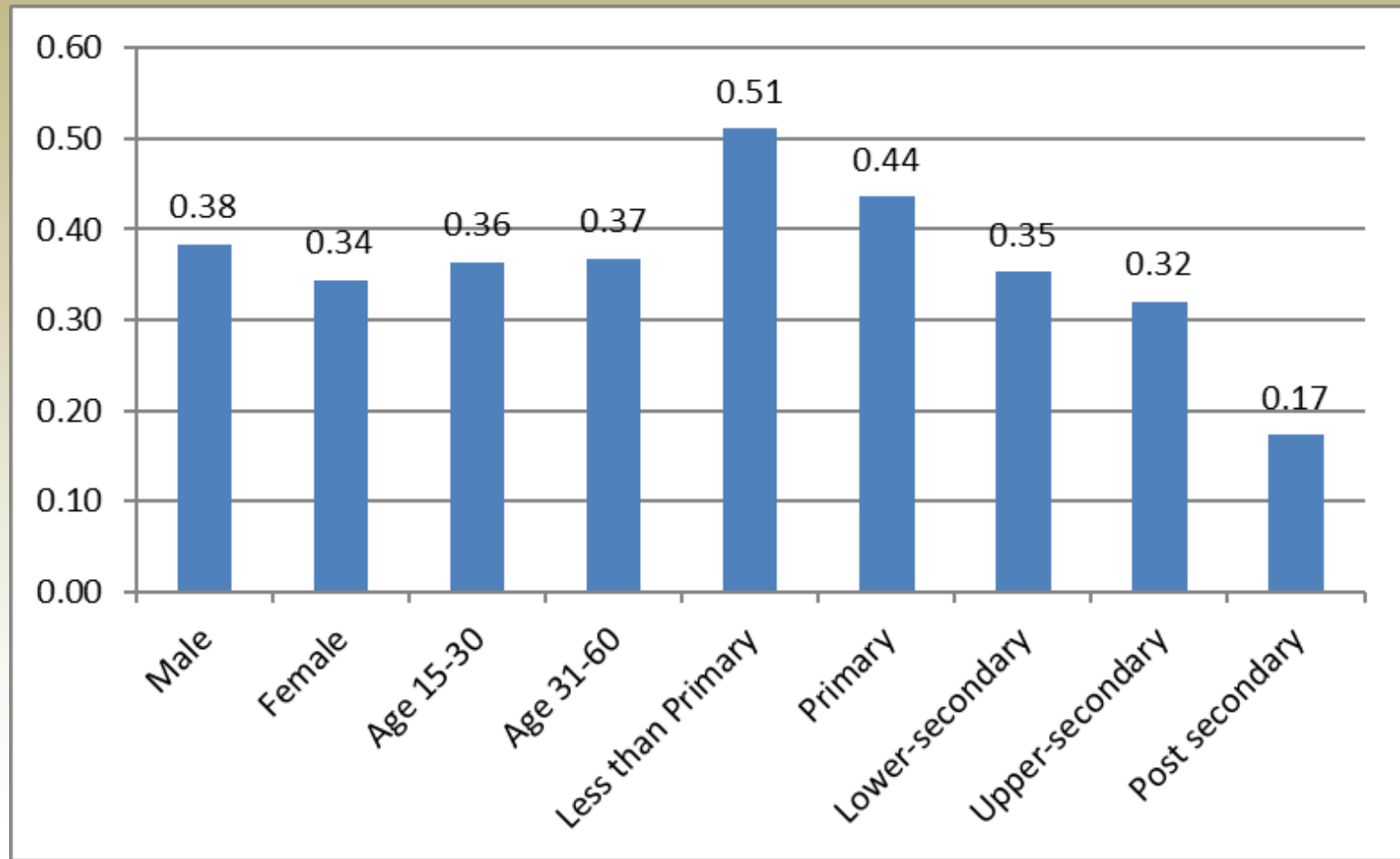
Intergenerational elasticity between father, mother and son, daughter



Intergenerational elasticity by rural/urban and ethnicity



Intergenerational elasticity by gender, age and education





Conclusions

- Households with highly-educated heads are more likely to move up and less likely to move down than households with lowly-educated heads. However, education is not associated with mobility of very poor or very rich households.
- Education also plays an important role in labor mobility from unskilled to skilled employment. High education reduces the probability of downward employment mobility.
- The intergenerational elasticity is stable in the 2004-2014 period. Intergenerational elasticity is lower among less advantaged people.



Conclusions

- Findings from this study suggest that the government should provide tertiary education and vocational training, especially for poor and ethnic minorities.
- Further studies on causality of education on mobility, both intra- and inter-generational mobility.



Thank you very much!
Your comments are welcome!