Factors Affecting the Socio-Economic Change of Vietnamese Communes From 1986 to The Present: A Household-Level Study

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Abstract

The study identified factors affecting socio-economic changes of villages in Dong Son district, Thanh Hoa province, Vietnam from 1986 to the present. To achieve this goal, in this study we conducted a survey of 281 households living in the study area. The results of multivariate linear regression analysis have identified five factors that significantly influence the socio-economic changes of villages in Dong Son district, including: (i) The impact of the Party and State policies, (ii) The impact of socio-economic development policies of Dong Son district, (iii) The impact of the process of urbanization, (iv) Movement of the subject - villagers in Dong Son district. The most important factor affecting the socio-economic change is the urbanization process. On this basis, the study offers general solutions for the whole region, and specific solutions suitable to each type of village in Dong Son in the process of industrialization, urbanization and globalization.

Keywords: Socio-Economic, Dong Son, Village, Impact factor, Vietnam.

1. Introduction

During the development of Vietnamese history, the village has played an important role in all fields of economy, politics, and society. The village is a gathering area of farming communities, a cornerstone of Vietnamese culture and civilization(Ngoc, 2009). The study of Vietnamese villages not only sheds light on history but also helps explain current life and future issues. Dong Son is a district with a long cultural and historical tradition. In the history of formation and development of Thanh Hoa, Dong Son land was repeatedly chosen to place the district, province(District Party Committee, 2006). The renovation process initiated and led

by the Communist Party of Vietnam from 1986 up to now has been creating dramatic changes in the fields of economy, politics, culture, and society. The process has not only changed the urban image but also has a strong impact on rural areas. Villages change in the direction of industrialization, urbanization, and modernization. This is followed by a change in culture. Many emerging cultures enrich traditional culture. Dong Son village is not out of the trend. The conversion process includes changing occupations, labour structure, land use purpose, infrastructure; change social life, spiritual culture, and lifestyle. Especially, from 2010 to now, the National Target Program on New Rural Construction has been approved and implemented to build a new rural model with modern socio-economic infrastructure and reasonable economic structure. The

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simultaneous development between rural and urban areas and the direct support of the State have brought many changes to rural areas in general and Dong Son in particular.

Innovative policies and the National Target Program on New Rural Construction have been positively changing Dong Son village. However, the transition process has also revealed difficulties and shortcomings. Balancing the relationship between tradition and modernity, between conservation and development is a difficult problem not only for villages in Dong Son - Thanh Hoa but also for the whole country. Therefore, it is necessary to find out factors affecting the socio-economic change of Dong Son village from 1986 up to now. It provides useful information for the authorities to make specific and appropriate policies for the development of the whole region and each type of village in Dong Son.

2.Literature Review and Hypothesis Development

Research by Noreen Noor Abd Aziz and colleagues have shown that urbanization is taking place based on rapid social and economic changes and leading to changes in the behaviour of people in the community(Noreen Noor Abd Aziz, 2012). Urbanization affects socio-economic development, leading to changes in production methods, environmental landscape, and daily life(Thanh, 2007);(Madalina Dociu, 2012). Similarly, the study of Jaehee Hwang et al. Shows that urbanization leads to the loss of farming land and the employment of people, which has implications for society in Korea(Hwang, Park, & Lee, 2018).

The research of Jakub Strakaa and Marcela Tuzová has identified 14 important factors that influence this process of change, in which government policy has a great impact on economic change for rural areas in different directions: cultural, social and environmental aspect(Straka & Tuzová, 2016).

In Vietnam, studies often focus on macro analysis. The implementation of social policies and social security has a strong impact on the process of changing cultural, socio-economic life. Especially in the field of agriculture, the expansion of industrial zones leads to the transfer of land structure, labour structure, change of social relations, labour migration process(Truong, Giao, & Ly, 2020). It is the urbanization process that has changed the

surface of society and brought about a series of social consequences(Sang, 2017). In parallel with the positive aspects, the negative aspects of urbanization such as social evils, unemployment, underemployment, and family cultural deviation are inevitable(Anh, 2014; Rudengren, Nguyen, & von Wachenfelt, 2012). Having a development strategy policy to suit the overall progress of the country is essential.

Several studies have pointed out the changing tendency of economic and social relations in the village during the renovation period, while also pointing out the reasons for the renewal of social relations. Since then, analysing the socio-economic consequences of the innovation process of social relations in villages in Vietnam(Hop, 2000);(Them, 2001). Many authors have had research papers or articles on economic policies promoting agricultural and rural development in Vietnam. The studies focused on analysing the role of the Party's policy system in the development of agricultural economy towards industrialization and modernization in both theoretical and practical aspects(Cat, 1996). These studies have portrayed the most general picture of the socio-economic change of Vietnamese villages under the process of urbanization. Through the relevant researches published domestically and abroad, we have identified the factors affecting the socio-economic changes of the villages of Dong Son district, Thanh Hoa province, Vietnam from 1986 to present include the following hypotheses:

Hypothesis 1: Socio-economic change of Dong Son district village, Thanh Hoa province is influenced by the following factors: socio-economic development policies of the state, impacts of urbanization, and ownership - Dong Son village people.

Hypothesis 2: Socio-economic life of people in Dong Son district is changing day by day, largely due to the impact of urbanization

3. Research Methods
3.1. Model Research

The data is processed and analysed by SPSS software, the average, percentage, frequency, used to analyse the factors affecting the socio-economic change of Dong Son village from 1986 up to now. The impact factors were determined through the Binary Logistic regression model, Cronbach Mart Alpha to

correlate analysis. The regression model is shown as follows:

$$Ln\ [p(x)/1-p(x)] = \beta 0 + \beta 1X1 + \beta 2X2 + \beta 3X3 + \beta 4X4 + \beta 5X5 + \beta 6X6 + \beta 7X7 + … + \beta nXn$$

Inside that:

The dependent variable p (x) is the socio-economic change of Dong Son village from 1986 up to now, receiving values 0 and 1 (0 = influential and 1 = no effect).

β0, β1, β2, β3,…βn is the regression coefficient to be estimated (β0 is the constant)

X1, X2, X3,… Xn is the independent variables included in the model, explained in turn:

Table 1. **Interpret Independent Variables in The Model of Multivariate Feedback**

Xj	Variable name	Explain	Expected
X1	The Party and State policies	Major affect = 1, Moderate affect = 2, Neutral = 3, Minor affect = 4, No affect = 5 (control variable)	(+)
X2	The socio-economic development policies of Dong Son district	Major affect = 1, Moderate affect = 2, Neutral = 3, Minor affect = 4, No affect = 5 (control variable)	(+)
X3	The impact of the process of urbanization	Major affect = 1, Moderate affect = 2, Neutral = 3, Minor affect = 4, No affect = 5 (control variable)	(+)
X4	Movement of the subject - villagers in Dong Son district.	Major affect = 1, Moderate affect = 2, Neutral = 3, Minor affect = 4, No affect = 5 (control variable)	(+/-)

Source:**The Survey Data of The Study**
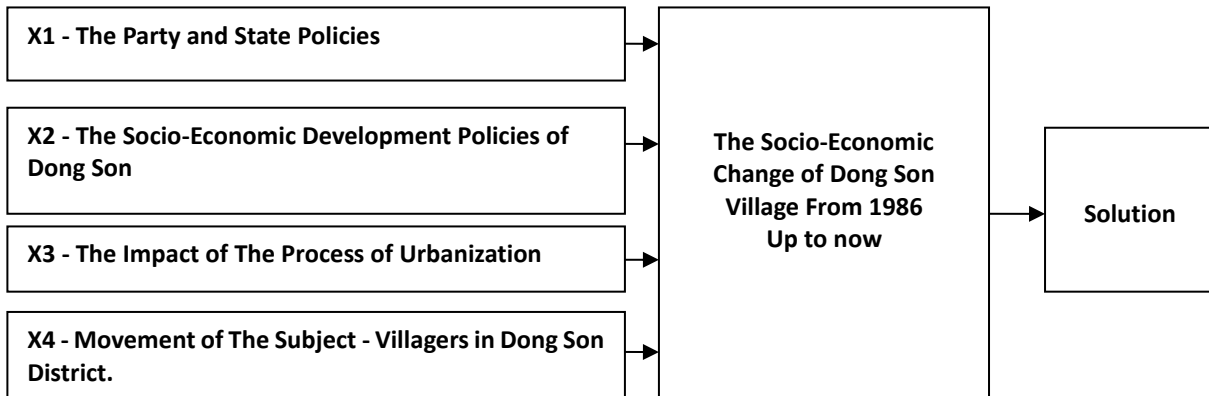
The research model is schematically detailed as follows:

Figure 1.**Research Model**
Source:**Synthesis of The Author**

3.2. Sampling Method

To achieve the research purpose, 281 representative samples, corresponding to 281households living in Dong Son district were interviewed. When analysing the elements and registering the binary logit, the sample scale must be multiplied at least 5 times the number of questions (Truong, 2020). The study was designed with a total of 50 questions, corresponding to a sample size of at least 250. However, to avoid the fact that the selected sample rejected the answer, the author took 31 additional backup samples from the same sampling list. On the other hand, the research content also serves many other research contents, so the authors surveyed all 281 households on local. The sample number was deliberately selected based on the existing list of households.

3.3. Data Collection Methods

(i)In-depth interviews, including20 cases for people knowledgeable about where they live; cadres who used to work in the government apparatus (province, district, commune, village) and the elderly went through two periods before and after 1986

(ii) Discussion groups. Each discussion group usually has 4-5 people. The aim is to target

specific changes in the local socio-economic fields; its variable tendency; its impact on the lives of residents?

(iii) After data collection, SPSS 22.0 was used to analyse the factors affecting the learning behaviour of middle school students in Literature. In particular, Cronbach Mart Alpha is used to evaluate the reliability of variables; Explore factor analysis (EFA) to find the factors that strongly impact on the model, Viance variance inflation factor and Tolerance are used to test the validity of the research model.

4. Results and Discussion
4.1. Sample Description Statistics

In the study, using identifier scales to evaluate the dependent variables explained in the multivariate regression model. The scales are calculated as averages between levels. The analysis results show that the dependent variables all meet the criteria when included in the model, with the average value greater than ½ of the original coefficient.

Table 2. **Statistics Describe Independent Variables in The Regression Model**

	Descriptive statistics					
Variable name	Description	Mean	Min	Max	Std. Deviation	Conclude
X1	The Party and State policies	3.41	1	5	.932	accept
X2	The socio-economic development policies of Dong Son	3.24	1	5	.922	accept
X3	The impact of the process of urbanization	3.93	1	5	.954	accept
X4	Movement of the subject - villagers in Dong Son district	2.65	1	5	.671	accept

Source:**The Survey Data of The Study**

4.2. Exploratory Factor Analysis (EFA)

The author conducted exploratory factor analysis (EFA), Varimax analysis of 4 observed independent variables. As can be seen in Table 3, the result of the EFA is 0.5 <KMO = 0.624 <1. Sig. = 0.001<0.05, which means that all variables are related to each other.

Table 3. **KMO and Bartlett's Test**

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.624
Bartlett's Test of Sphericity	Approx. Chi-Square	93.126
	Df	20
	Sig.	0.001

Source:**The Survey Data of The Study**

Results of the KMO and Bartlett's Test tables show that the variables all reach values greater than 0.5, proving that the factor analysis of the research data is appropriate. Through the EFA model, some factors that have greatly influenced the socio-economic change of Dong Son village from 1986 up to now are identified: The impact of the process of urbanization; The Party and State policies.

4.3. Testing Cronbach's Alpha

The factors affecting the socio-economic change of Dong Son village from 1986 up to now are measured using Cronbach's Alpha with a coefficient of 0.794. No Cronbach's Alpha if Item Deleted exceeds it should meet the reliability requirement.

Table 4. **Results of Cronbach's Alpha Testing of Attributes**

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
X1	13.12	2.757	.422	.775
X2	12.94	2.644	.415	.762
X3	13.25	2.782	.432	.786
X4	11.14	1.835	.357	.671

Source:**The Survey Data of The Study**

On the other hand, the test results in Table 3 show that the attributes of the dependent variables have an Alpha coefficient of Cronbach's greater than 0.6 and smaller than the general Alpha coefficient of Cronbach; the correlation coefficients of all the attributes are greater than 0.3, so all the properties of the dependent variables are statistically significant (Truong et al, 2020).

4.4. Analysis of Factors Affecting the Socio-Economic Change of Dong Son Village From 1986 Up to Now

With the collected data, the author used the Binary Logistic regression model to analyse the correlation between the independent and dependent variables. The test results show that the variables in the model have a close correlation and ensure statistical test parameters.

Table 5. **The Correlative Matrix Between Variables**

	Variable	p(x)	X1	X2	X3	X4
p(x)	Pearson Correlation	1	-.091	.001	-.081	.036
	Sig. (2-tailed)		.005	.004	.034	.003
	N	281	281	281	281	281
X1	Pearson Correlation	-.091	1	.046	.030	.001
	Sig. (2-tailed)	.005		.028	.026	.020
	N	281	281	281	281	281
X2	Pearson Correlation	.001	.046	1	-.026	.000
	Sig. (2-tailed)	.004	.028		.049	,035
	N	281	281	281	281	281
X3	Pearson Correlation	-.081	.030	-.026	1	-.058
	Sig. (2-tailed)	.034	.026	.049		.021
	N	281	281	281	281	281
X4	Pearson Correlation	.036	.001	.000	-.058	1
	Sig. (2-tailed)	.003	.020	.035	.021	
	N	281	281	281	281	281

(Statistical significance level: $*p<0,1$ $**p<0,05$ $***p<0,01$)

Source:**The Survey Data of The Study**

Table 6. **Multicollinearity Test Results**

Coefficients	t	Collinearity Statistics	
		Tolerance	VIF
(Constant)	6.965	-	-
X1	2.134	.917	1.034
X2	2.017	.875	1.126
X3	2.259	.934	1.013
X4	.092	.814	1.147

Source:**The Survey Data of The Study**

The analysis results show that the VIF of 4 independent variables included in the model is much smaller than 10. Therefore, there is no phenomenon of collinearity in the model, so the model has statistical significance.

Table 7. **Results for Binary Logistic Regression Model**

Variables in the Equation	B	S.E.	Wald	df	Sig.	Exp(B)
X1	1.034	.623	.058	1	.001	.517
X2	0.786	.614	.652	1	.001	.824
X3	1.952	.654	.517	1	.000	.155
X4	0.315	.514	.315	1	.003	.312
Constant	1.624	1.216	.002	1	.001	.212

Statistical significance level: *p<0,1 **p<0,05 ***p<0,01 Observations N= 281, Prob> Chi2 =0.01
Loglikelihood =89.132, Pseudo R2 = 29.5%

Source:**The Survey Data of The Study**

Table 7 presents the results of the logistic regression model with the dependent variable which is the socio-economic change of Dong Son village from 1986 up to now. The model has statistical significance with p <0.05, R2 = 29.5% said the independent variables in the model can explain 29.5% of the change of the dependent variable according to the variation of the independent variable in the model. With this result, the logistic regression model is written as:
Ln [p(x)/1-p(x)] = 1.624 + 1.034 × X1 + 0.786 × X2 + 1.952 × X3 + 0.315 x X4

The variables are explained as follows:
The impact of the Party and State policies at major affect and moderate affect level affects the socio-economic change 1.034 times higher than the minor affect and no affectlevelif the effects of other factors in the model are constant. The above difference is statistically significant p <0.05 corresponding to 99% of confidence interval (OR = 1.034, 99%, CI = 5.36-8.25). Thus, the policies of the Party and the State have had an impact on all aspects of Dong Son district's socio-economic situation. This confirms that the reliability of the original theoretical framework is completely consistent.

Dong Son's policies on socio-economic development have also made significant changes to the local socio-economic situation. Along with the general development of the country and the implementation of the renovation policy, the people's social security has been improved after nearly 35 years of renovation and integration. The results of statistical analysis have proved that local policies in recent years tend to change by 0.786 times compared to the past, if the effects of other factors in the model is constant. The above difference is statistically significant p <0.01 corresponding to 99% of confidence interval (OR = 0.786, 99%, CI = 2.15-7.13).

The study found that the impact of urbanization has a great impact on socio-economic changes in the villages of Dong Son. The rapid urbanization rate, affecting the socio-economic changes is 1,952 times higher than the slow urbanization rate if the effects of other factors in the model is constant. The above difference is statistically significant p <0.01 corresponding to 99% of confidence interval (OR = 1.952, 99%, CI = 3.54-13.1). Rapid urbanization leads to changes in the labour structure, labour mobility, and many other changes, creating comprehensive socio-economic changes in the village.

The last factor is the movement of the subject - the villagers. This is the factor with the least impact, with statistical significance p <0.05, corresponding to 99% of the confidence interval (OR = 0.315, 99%, CI = 1.28-9.23).The results of qualitative and quantitative analysis both confirm that the subject's movement only impacts a small range, not comprehensive for the whole community.
Thus, the results of the statistical analysis of the 4 independent variables above showed the significance level p <0.05 in all variables, showing that the model has a high statistical significance.
5. Conclusions and Recommendations
Based on the regression results, we make several conclusions and recommendations to contribute to the development of the whole region, and each type of village in Dong Son in the process of industrialization, urbanization and entire demand in the coming time as follows:
Factors such as the impact of policies of the Party and State, the impact of economic and social development policies of Dong Son district, the impact of urbanization have an impact on the economy - society change of Vietnamese villages from 1986 up to now. From research results and reality in Dong Son district, we propose some recommendations as follows:

(i) Local authorities need to examine, supplement, and formulate new and appropriate development policies to promote economic restructuring and strengthen planning management. In the field of the agricultural economy, we need to develop comprehensively towards restructuring and form large-scale production areas.

(ii) It is necessary to focus on developing crops and animals with competitive advantages, high value, and efficiency, meeting the consumption needs of urban areas to increase farmers' incomes. Besides, it is necessary to attract investment resources in agricultural production in the direction of linking farmers and businesses, step by step forming large production areas, meeting the consumption needs of the market. To develop husbandry in the form of small and medium-sized farms associated with product processing.

(iii) For industry, small scale industry and construction, it is necessary to take advantage of the province's investment capital to boost development. For traditional craft villages, it is necessary to have a specific orientation to maintain and develop the brand name associated with export to the world market.

(iv) For socio-cultural issues, it is necessary to improve the quality of life for people. To minimize unemployment, it is necessary to strengthen vocational training and job creation. Preserving traditional cultural values through actively promoting the building of "cultural village", "cultural family".

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