

[Interested in testing your preconceived notions on retirement?

In which country would people like to retire the latest?

Italy Belgium Japan Canada

Economist.com

PRINT EDITION
ASIA

PRINTABLE PAGE VIEW SPONSORED BY

XEROX. Color.

[About sponsorship](#)

Vietnam

Three's a crowd

May 12th 2005 | HANOI
From The Economist print edition

But the two-child policy is failing

AT ALMOST 230 people per square kilometre (600 per square mile), Vietnam has twice the population density of China. That is a fact that has its policymakers worried, not least because they may inadvertently have signalled that the country's two-child policy was over.

In May 2003 the government passed an Ordinance on Population that supposedly brought the country into line with a declaration issued by a UN-backed conference on population and development held in Cairo in 1994 and signed by 179 nations, including Vietnam. This stated, among other things, that people have the "basic right" to decide when to have children and how many to have. No change there, says Vietnam's Committee for Population, Family and Children (NCPFC), which for years has presided over a population policy in which choice was officially allowed—but not encouraged. Yet it seems that people took the government at its word. Nine-and-a-bit months after the ordinance was passed, third children started popping out all over Vietnam, with a jump of 3% in the number of third-child births being recorded in the first half of 2004.

In the past such families may not have been officially punished, but state employees (of whom there are many) tended suddenly to find promotions and bonuses hard to come by. The government believed these tactics to be tough in a good cause, and effective. From 1989 to 2002 Vietnam's total fertility rate declined from 3.8 to 2.3.

But with a growing class of people in Vietnam now earning a comfortable living in private employment, such policies have less and less impact. The sudden spike in three-child families has seen the retired NCPFC director, Professor Mai Ky, call for fines to be imposed on offending families and arguing that rapid population growth could undermine Vietnam's decade of economic growth.

Already, Vietnam needs to create 1.5m jobs a year just to absorb new entrants into its labour market. Urban unemployment is estimated at over 7%, while in rural areas people only work around 60-70% of the time they have available for labour.

Officials fear the country may exceed its target of 88m inhabitants in 2010 and of 120m by the middle of the century. With the population already shooting above 82m that seems increasingly

likely. Nguyen Van Tan, the NCPFC spokesman, blames the desire of couples to produce a male heir for undermining the government policy. "People want a son and we have to struggle with that, so the government has requested that first of all party members and government officials have smaller families as an example for others." Unfortunately, he concedes, government officials are among the worst offenders.

The controversy has led the UN to conduct an independent review of the fertility data and urge everyone involved to calm down. Its representative in Vietnam, Ian Howie, says data over the past three years show fluctuation but do not change the overall downward trend.

This argument, however, does not appear to have done much to reassure the Politburo. A few weeks ago, it announced that carrying out the two-child policy was the obligation of every citizen and called for the Ordinance on Population not to mention "other inappropriate policies" to be revised.