

IMPROVING SKILL OF POOR LABORERS A MEASURE TO GET RID OF POVERTY

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One of basic measures to get rid of poverty is to improve skill of the poor.

1. Skill: Decisive factor of development

Human skill, or labor power is a basic factor of production needed for the survival and development of the society. Since the seventeenth and eighteenth centuries, classical economists have paid attention to this matter. U.Petti set forth his famous formula: "Land is the mother and labor the father of all assets". He realized that in the process of making products there must be human labor power. A.Smith and D.Ricardo developed his thought and affirmed that the labor is the source of all value. The better the laborers' skills, the higher the labor efficiency, and the bigger the value produced. These economists pointed out the ability to become rich by using the labor.

Karl Marx developed this doctrine more overall. He argued that in order to produce goods, the human being must have labor power and use it to change the nature. Without labor power, the human being couldn't create products needed for his survival and development. Labor is the indispensable factor of production. This labor power, he said, comes from mental and physical strength of the human being. The more training the

human being receives, the better his skill, and he can do from simple to complex work with high efficiency and thereby gaining higher value and income.

As the production develops, thinkers and organizers pay more attention to the development of human creative ability, and application of techno-scientific achievements to human life and production. Improving human skill has become the decisive factor of development.

Realities show that those who could work well and had creative ability will receive support from the market and gain big income or profits. On the other hand, unskilled laborers and poor organizers will end in failures. Without help from the society, they will run into debt and live in poverty. In other words, the poverty level is in inverse proportion to the level of working skill on the individual and the society as well.

2. The poor in Vietnam and the role of education and health care services

According to the General Department of Statistics, 42.2% of households in Vietnam live below the poverty line. On the basis of personal income, 20% of total households have the monthly personal income of under 15 kg of rice. These households are considered as the poor regarding

their living standard.

Regarding personal income, in the centrally planned economy, when the living standard of the society was universally low, so there was no remarkable gap between the rich and the poor. At present, in the market economy where a high growth rate was made, the living standard was improved and a lot of people became rich and many others poor. The difference in income between rich families and poor ones increased from 6-8 times to 15-20 times in the period between 1990 and 1995. The richest could gain an income of 27 times higher than what earned by the poorest. This situation is inevitable during the process of economic development in all countries. However, the economic development will be badly affected by this gap if it is left uncontrolled.

In order to improve the quality of life for the poor, the Government and the Party have adopted many policies to create jobs, supply soft loans, give technical assistance and health care services, etc. to the poor. In my opinion, policies for supplying education and health care services are of the greatest importance, because they help to improve levels of knowledge and skill of the poor, and help them adapt themselves to new

economic developments. Education development always produces good effects on the economy.

Health care service also produces the same effects. Undernourishment is common among the poor and the main cause of their illness. Moreover, they couldn't afford medical treatment for the commonest diseases, therefore supplying health care service to the poor is an effective way to improve their health, their life expectancy and their labor power as well.

If supply of soft loans and emergency aid could improve immediately the living conditions of the poor, then education and health care services could produce long-lasting effects on both living standard of the poor and the economic growth rate as well. Job-creation plans will end in failure if the labor skill of the poor isn't improved, especially in the industrialization process.

The above-mentioned problems aren't too theoretical because they are still pressing problems in our society. Let's examine the following data:

- In our country, only 27.1% of people in the 15-19 age bracket and 3.9% in the 20-24 age bracket are attending schools. The percentage is much lower in higher age brackets. Most of children from poor families couldn't attend school because of school fees and other expenses or contributions.

- Only 20% of working population have got university degrees, but 80% of the young in working age have no skill. The proportion of skilled laborers in working population is very small.

- Regarding human development indexes (per capita GDP, supplies of education and health care services, etc.) Vietnam was 115th among 173 surveyed countries, that is, at the same level as Thailand, Malaysia or China in the late 1970s.

In our economic development, these data are most alarming. They require anti-poverty policies.

3. Suggestions on how to improve labor skill of the poor

Because of the opinion that improving labor skill is the basic solution to the poverty, we suggest the following measures:

- To make primary education compulsory: this measure must be considered as a way not only to improve skill of laborers but also supply more information with a view to helping them find appropriate jobs. Besides supplying primary education service free, the government had better give other supports to poor pupils (supplying textbooks, student stationery, etc. free).

- To set forth criteria for supplying secondary education free to poor students.

- As for vocational training and tertiary education, necessary sup-

ports (scholarship, soft loans for poor students, etc.) must be given to the poor.

- To carry out agriculture promotion programs, technical assistance and information services in order to help the poor improve their businesses.

- To perfect the network of health care services and first-aid stations, and at the same time, to develop the national health insurance scheme in order to help the poor enjoy medical service.

To realize these measures, a stable source of finance is needed. This source could be secured by:

+ Increasing outlay for health and education services in the national budget.

+ Encouraging all social classes to take part in developing human resources; and developing the supply of credits to the poor as a long-term investment.

+ Changing the use of outlay for education with the aim of financing students, instead of financing schools; especially poor students in rural areas, remote areas..., and investing in new talent.

These measures could only produce good socio-economic effects if they are carried out in parallel with other measures such as supplying soft loans and creating new jobs... ■

