

Business Issues and Ethnic Minorities in Vietnam

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Abstract

Labor and business issues, particularly among ethnic minorities (EM), are continuously considered to be the foremost imperative assignment in our Party and State rules and guidelines. In arrange to attain the objective of sustainable advancement, work approaches are assessed as the fundamental arrangement. As of now, the hole between wealthy and destitute as well as social separation between ethnic minorities and ethnic minorities (ethnic minorities) (16 ethnic bunches) residing in country and hilly regions compared to the nation is very huge; The most reason is due to the underemployment of ethnic minority bunches, which gives steady wage, the most field of business in farming and ranger service. The think about centered on examining the Chut ethnic bunch, Quang Binh territory and the O Du ethnic bunch, Nghe An territory. By analyzing and synthesizing materials utilized within the investigate, on the premise of auxiliary and essential information sources, the creator analyzes the circumstance and causes of the underemployment among ethnic minorities as of now

Keyword: Ethnic Minorities, Employment, DTTSRIN, Labor.

1. Introduction

Concurring to the study of 53 ethnic minorities in 2016, 53 ethnic minorities have approximately 13.4 million individuals (bookkeeping for 14.6% of the national populace) with 3.04 million family units. Counting 6 ethnic bunches with a populace of over 1 million, 16 ethnic bunches with a populace of less than 10,000 individuals (collectively alluded to as ethnic minority bunches), of which 5 ethnic bunches with a populace of less than 1,000 individuals incorporate: Si La, Pu Péo, Ro Mam, Brau and O Du. Agreeing to the Choice No. 582 / QĐ-TTg of the Prime Serve, our ethnic minority and ethnic minority locales are within the regions of 51 territories and cities, 548 areas and 5,266 commune-level administrative units, basically within the Northwest and Western locales. Central Good countries, Southwest and Central Coast [1]. Ethnic minorities live in communities primarily in hilly zones, borders, inaccessible zones, inaccessible ranges and zones confronting extraordinary hardship with separated territory, troublesome transportation. The Northern Midlands and Mountains locale has the most elevated number of ethnic minorities (around 6.7 million individuals), the Central Good countries locale (almost 2 million individuals), the North Central and Central Coast districts (1.9 million individuals), the Southwest locale (1.4 million individuals), the rest live scatteredly in areas and cities over the nation. Most of ethnic minorities live in hilly zones, as it were Khmer, Cham, Chinese live in fields and urban ranges. Ethnic minority bunches all live in community, interwoven with the Kinh individuals (UBDT, 2017).

The vocations of ethnic minorities nowadays are basically within the areas of farming and ranger service (Thái, 2018). The rate of ethnic minority bunches having employments in industry, development and a benefit is restricted, not yet exploiting the potential within the field of tourism and administrations of the locale (Dinh & Thi, 2024); (Le Thu, 2020). The normal salary per capita of ethnic minorities right now is almost 1.1 million / individual / month, less than ½ compared to the national normal, whereas the ethnic minority gather has an wage break even with to as it were bằng Compared to the common ethnic bunch, among the two ethnic bunches overviewed are the Chut and O Du ethnic bunches, the pay is underneath 632,000 / individual / month (UBDT, 2017).

Ethnic minority groups in Vietnam face unique and complex business challenges, ranging from limited access to capital, infrastructure, to unequal markets (Beresford, 2008); (Fritzen, 2002). Although the Vietnamese government has implemented various policies to support economic inclusion, the development gap between the majority ethnic group (Kinh) and minorities (such as Hmong, Tay, or Dao) remains very pronounced (Baulch, 2002); (Do et al., 2020) (Van Tuan et al., 2024). The unique socio-cultural context, including language barriers, local traditions, and different consumption patterns, creates business dynamics that have not been fully mapped. This study departs from the urgency to understand how ethnic minority groups respond to economic modernization, while exploring the opportunities and challenges of entrepreneurship amidst the economic dominance of the majority group. By analyzing these issues, the study not only makes academic contributions to inclusive entrepreneurship literature but also offers relevant policy recommendations to reduce ethnic-based economic inequality in Vietnam (UBDT, 2017).

2. The Art of Research

The data presented in this article was gathered from the author's field observations across two provinces along with the participant count. The Chut and O Du ethnic communities are primarily found in Quang Binh and Nghe An (People's Committee of Tuong Duong District, 2019); (People's Committee of Quang Binh Province, 2019). Both provinces are located in Vietnam's North Central area, showcasing unique economic, cultural, and social attributes typical of the Central Coast region. Regarding

the Chut ethnic community, the author carried out surveys in two districts, Lam Hoa and Tuyen Hoa, situated in Quang Binh province; for the O Du ethnic community, the survey was conducted in the Tuong Duong district of Nghe An province.

a. Quang Binh Province

Chut Ethnic Group in Quang Binh Province comprises five groups: Books, You, RUC, A Rem, and Ma Lieng. As of December 31, 2018, the Chut ethnic community in Quang Binh includes 1,743 households amounting to 6,935 individuals. Their primary settlements are in the districts of Minh Hoa, Tuyen Hoa, and Bo Trach, where the Chut population is the smallest, standing at 81 households with 349 residents. These communities are positioned in mountainous, elevated, and border areas with rugged terrain, facing harsh weather conditions like flooding during the rainy months and severe drought with limited water during dry periods, alongside high temperature fluctuations (People's Committee of Quang Binh Province, 2019).

Tuyen Hoa district, found in the mountainous northwest region of Quang Binh province, spans a natural area of 112,869.39 hectares and has a population exceeding 80,030. Among this, the Chut ethnic group consists of 209 households housing 739 individuals. They reside collectively in four villages across two communes: Thanh Hoa and Lam Hoa.

Minh Hoa district is characterized as a highland mountain area in the northwest of Quang Binh province. It shares a border of 89 kilometers with the Lao People's Democratic Republic to the west, Tuyen Hoa district to the north, and Bo Trach district to the south and southeast. This district encompasses 15 communes and one town, covering a natural area of 1,410 km². The total population exceeds 49,000, including 1,453 households amounting to 5,802 members of the Chut ethnic group, who live in a community across 24 villages in six communes.

b. Tuong Duong District - Nghe An Province

As a hilly area, the border is positioned in the southwest part of Nghe An province, ranking as one of the 62 most impoverished districts nationwide, situated 180 kilometers from the heart of Vinh city. The land spans 280,777.68 hectares, representing 17% of the province's overall territory. Within the district, six ethnic communities coexist, which include the Thai (71%), Kho Mu (13.2%), Kinh (9.1%), Mong (4.8%), Tho (1.1%), and O Du (0.59%). It is evident that the O Du group comprises a minimal portion of the ethnic diversity found in this district. Due to their limited numbers, O Du individuals historically merged with the Thai and Kho Mu groups, lacking distinct cultural differences. Since 2006, in line with the Party and State's policy regarding the relocation for the Ban Ve hydropower project, the O Du community has established itself in Van Mon village, Nga My commune, within Tuong Duong district. Currently, there are 103 O Du households, totaling 445 individuals.

3. Method

This study uses a qualitative approach with a case study method to analyze the employment situation among Vietnam's ethnic minorities, focusing on the Hmong and Tay groups in the northern mountainous region. Data were collected through in-depth interviews with 20 ethnic minority business actors, participant observation in local markets, and analysis of Vietnamese government employment policy documents for the period 2015-2023. The selection of research locations in Tuong Duong District - Nghe An Province and Quang Binh Province was based on the high concentration of ethnic minority populations and the complexity of employment challenges in the region, including limited access to vocational training and implicit discrimination in the labor market. Thematic analysis was used to identify patterns of structural barriers and adaptation strategies developed by ethnic minority workers in response to the dynamics of Vietnam's increasingly competitive labor market (Turner et al., 2024). This approach was chosen to capture socio-cultural nuances that are not quantitatively measurable, while providing a holistic understanding of the interaction between policy factors, local economies, and ethnic identities in shaping the employment experiences of minority groups.

4. Result

Outcomes from the 2019 national survey regarding the socio-economic conditions of 53 ethnic minorities in Vietnam revealed that the disparity between these minority groups and the Kinh population remains significant and enduring across multiple socio-economic domains. The total poverty rate among ethnic minorities in 2015 was 23.1%, almost four times higher than the overall rate in other populations, with a notable 14 ethnic minority groups experiencing extremely high poverty rates, where household poverty exceeded 41%. Ethnic minorities face challenges compared to the broader population concerning education and job opportunities, the ability to change residence, job prospects, access to financial services, and productive resources like land, as well as market access, largely due to cultural models and other social obstacles. Consequently, a distinct feature of ethnic minorities is their early engagement in work, with a high percentage of working-age individuals employed; in fact, the employment rate for those aged 15 and older in these groups reached 87.55% in 2015, considerably above the Kinh's rate of 74.92%.

Table 1. Job Situation of Ethnic Minorities Aged 15 and Older Categorized by Ethnic Group

Ethnicity	People aged 15 and older who have a job In Town	Employment structure by Gender	
		Man	Woman
Split	4.125 (0.045%)	55.1	54.9
O Du	395 (0.005%)	57.4	52.6



Survey findings indicate that the percentage of individuals employed from the Chut and O Du ethnic groups is significantly lower when compared to other ethnic communities and also lower relative to the overall population. The ratio of male employees is greater than that of their female counterparts. The challenge of underemployment within the working-age demographic presents a pressing concern in ethnic minority groups overall, and specifically for the O Du and Chut ethnicities (People's Committee of Tuong Duong District, 2019); (Nghe An Provincial People's Committee, 2019).

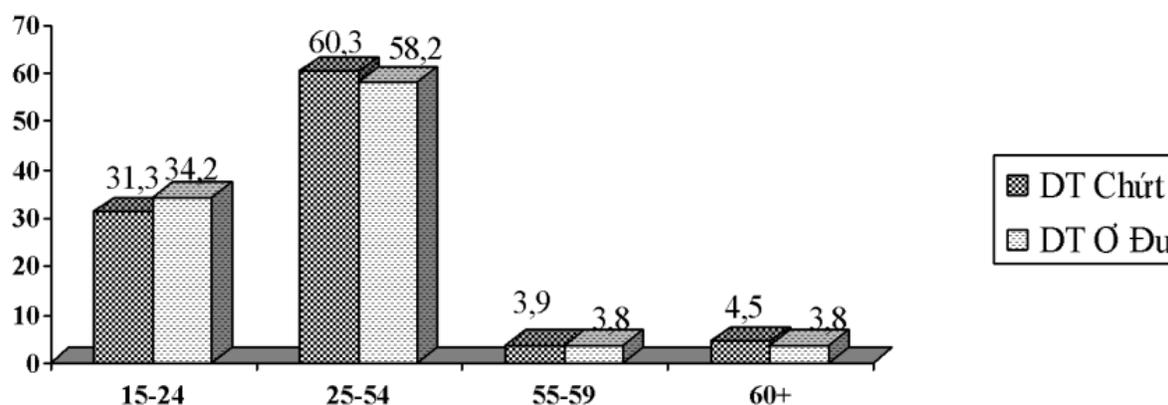


Figure 1. Employment conditions of racial minorities segmented by age category and ethnicity during the specified period. The job framework for individuals from ethnic minorities remains relatively underdeveloped, primarily linked to farming and forestry. A significant number of these individuals engage in labor-intensive roles for minimal pay. Consequently, their jobless rate stands significantly lower than the national average for unemployment. As the percentage of ethnic minorities engaged in agricultural work increases, the rate of unemployment declines, including among those seeking jobs.

Table 2. Workforce Composition Categorized by Industry Sector and Ethnic Classification

Ethnicity	People working (Unit %)		
	Agriculture, Forestry, and Fishing	Construction Industry	Service Sector
Chut	92.8	2.6	4.6
Odu	91.2	1.5	7.3

About Generally, the various groups within the Chut community derive their earnings primarily from shifting agriculture, hunting, and foraging. They exhibit traits of self-reliance and operate in a closed system, characterized by minimal trade, outdated agricultural methods, and basic tools. The practices they follow, which include "burning, reinforcing, slitting," result in low productivity. The method of cultivating through fire leads to frequent food shortages among those engaged in milpa farming, who also carry several outdated traditions. (IDI, Vice Chairman of the commune, Minh Hoa district, Quang Binh).

Table 3. Employment Structure by Occupation and Ethnicity

Job group	Chay	O Du
Leaders	0.2	0.0
Professionals in advanced technology	0.4	1.9
Mid-level technology experts	0.4	0.9
Workforce	0.4	0.0
Services related to personal care, security, and sales	0.9	0.9
Laborers skilled in farming, forestry, and fishing	7.6	0.0
Artisans and related job roles	0.6	0.9
Machinery and equipment collectors and operators	0.2	0.9
Unskilled laborers only	89.3	94

The O Du population depends on upland rice fields, with rice serving as their primary dietary staple and cassava acting as a supplementary food source. Gathering and hunting remain vital components of the O Du's economic activities. They keep a small number of cattle and buffalo primarily for work purposes, while pigs and chickens are typically raised for rituals, religious observances, and enhancing meals, particularly when hosting guests for exchanges. (IDI, Vice Chairman of the Commune, Tuong Duong District, Nghe An)

As per the report, there are 53 ethnic groups, and when analyzing the employment distribution based on profession, it becomes evident that the involvement of the O Du and Chut communities in paid employment is extremely minimal; over 90% of individuals from these two groups are involved in straightforward labor positions that do not necessitate specialized skills.

Field research indicates that the O Du ethnic community in Tuong Duong district (Nghe An) consists of 326 individuals of working age, with just 62 of them employed outside their home area. For the Chut ethnic group, the two districts surveyed revealed that there are 652 working-age individuals, with approximately 100 of them engaged in jobs distant from their local area. Therefore, it is evident that employment integration for the working-age populations in both ethnic groups is significantly restricted. The majority of individuals are based locally and are unskilled laborers.

Table 6. Count of Employees With Professional Training (from Intermediate to University) Working

Training Major	Chay		O DU	
	Trained	Employed	Trained	Employed
Public Security	-	02	04	05
Medical Sector	03	05	15	06
Agriculture & Forestry	08	08	07	-
Education	11	14	04	-

The overall situation for ethnic minorities often involves professional education, yet no employment opportunities have been provided during the Workshop aimed at creating a workforce of ethnic minority officials, which was held by the Central Organization Board, the Central Commission for Civil Affairs, and the Ministry of Home Affairs. Recent figures from twelve provinces in the Northwest, including Western Thanh Hoa and Western Nghe An, indicate that around 40,000 individuals from ethnic minority communities have completed training at colleges and universities but remain unemployed. This gap stems from insufficient labor training as well as inadequate preparation for ethnic minority officials, particularly because the training lacks alignment with workforce planning. This results in disparities, with some areas facing shortages while others experience an overabundance of personnel.

5. Discussion

First and foremost, the caliber of labor in EM regions is generally quite poor. Approximately 75% of the people in ethnic minority and hilly regions fall within the working age bracket, while in the context of globalization, the workforce increasingly demands individuals with skills, adaptability, dynamism, and continuous engagement to fulfill market labor requirements. Among the two ethnic groups examined, the literacy rates in Mandarin stand at 62.9% for the Chut ethnic group and 91.9% for the O Du ethnic group. This discrepancy exists because the O Du community currently communicates fluently in Thai, Khmer, and Vietnamese, leading to a decline in their native language, resulting in a dwindling number of speakers; moreover, the proportion of trained workers is only 2.8% within the Chut group and 3.8% for the O Du group.

Secondly, the government has implemented several initiatives aimed at encouraging companies to employ local workers from ethnic minority regions, yet attracting personnel in these areas remains challenging. In numerous locations, such as the Northwest and the Central Highlands, local ethnic minority laborers are rarely utilized by businesses, with most companies opting to recruit workers from other regions, primarily the lowlands, which raises several complicated issues. Specifically, for ethnic minorities, population constraints foster a reluctance to work far from home. They are not acclimated to industrial job environments and often lack confidence, leading to fears of being misled by the majority ethnic groups, which complicates their search for better employment opportunities that could enhance their earnings. Furthermore, the majority of ethnic minority communities reside in mountainous, isolated regions with poor transportation infrastructure, making them less appealing to potential investors.

Thirdly, the socio-economic challenges contribute to a significant number of impoverished families, exceeding 60% among both ethnic communities. The low self-regard and the reliance on community expectations make it challenging for individuals from these minority groups to secure job opportunities. The core issue stems from the collective awareness among the people. Presently, the government has implemented numerous favorable loan programs targeted at impoverished and near-impoverished households, designed for various demographics and objectives through the Bank for Social Policies. Despite this, ethnic minority communities continue to encounter substantial barriers in accessing these resources, particularly when it comes to effectively utilizing loans. Additionally, there is a lack of supportive credit initiatives for households seeking to launch businesses, which could generate employment and income for residents in the area.



6. Conclusion

Ethnic minority regions have historically been recognized as the "poor core of the country": the income per capita for these groups is merely around 30% of the national average. While ethnic minorities represent 14.6% of the total population, they account for a startling 52.66% of the nation's impoverished households. In light of this situation, both the Party and the State have implemented numerous employment initiatives aimed at ethnic minority workers, particularly those with diverse forms of support, yielding positive outcomes. The proportion of impoverished households has diminished, and both their physical and emotional well-being have been enhanced. Nevertheless, when juxtaposed with current actual needs, significant gaps and issues persist. For instance, the training sector does not align well with the labor market, and the quality and relevance of training programs fall short of expectations. Many individuals who have undergone vocational training still encounter challenges in securing employment; numerous people find themselves in jobs that do not correspond with their skills or professions, and the rate of underemployment remains considerably high. The geographic landscape of ethnic minority regions is predominantly mountainous and borderland with fragmented terrain, alongside a harsh climate, and they possess the poorest infrastructure in the country, starting from a very low baseline; climate change and environmental issues (like landslides and droughts in coastal provinces) frequently arise in serious and unpredictable manners. Increased production costs and high cargo traffic create substantial challenges in attracting social resources for socio-economic development, adversely affecting the sustainable growth of ethnic minority regions. As such, it is imperative to assess the effectiveness and repercussions of vocational training policies and job creation for ethnic minority workers, subsequently recommending appropriate models and strategies to ensure lasting efficiency and effectiveness.

Establishing employment opportunities for ethnic minorities holds both economic significance and profound social and humanitarian implications. For individual employees, skill development through vocational training and job placement enhances their knowledge and abilities, aiding in the refinement of their character and intellect. This support ultimately leads to more secure employment, increased earnings, and a better quality of life. From the community's perspective, providing vocational education and job creation yields a vital labor force that facilitates regional economic development and boosts income levels, while also mitigating the detrimental effects and social issues associated with low levels of literacy.

The results of this study provide important implications for the Vietnamese government in designing more inclusive employment policies, especially by addressing the need for cultural and language-based training for ethnic minorities, as well as improving their access to the formal labor market. However, this study has several limitations, including the limited geographic coverage of two provinces, which may not necessarily represent the conditions of all ethnic minorities in Vietnam, as well as potential bias in interviews due to language and cultural differences between researchers and respondents. In addition, the qualitative approach used does not allow for statistical generalization of the findings, so further research using quantitative methods and a wider coverage area is needed to strengthen the validity of the results.

Acknowledgments

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