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Original article

Mining, development and well-being in Vietnam: A comparative analysis

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ABSTRACT

This paper examines how the mining sector in Vietnam has influenced socio-economic wellbeing across 63 provinces during the period, 2009–2014. Three fixed effects models were created to examine the relationship between measures of wellbeing (poverty, income and unemployment) and influencing factors. Findings indicate that mining is one of the drivers of socio-economic well-being at the national level however; the role of mining in enhancing wellbeing at the provincial level is more nuanced. Although mining is important for the nation's economy, less is understood about how mining has influenced livelihoods in local communities. Therefore, in order to have a better understanding about the relationship between mining and socio-economic wellbeing at the local level, further research is required.

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1. Introduction

Mining has played an important role in the economic development of many countries, particularly developing nations (Hilson, 2002b). Social implications of resource extraction have appealed to researchers interested in the impact of mining on development. Studies have revealed the complex relationship between mining and development including implications on economic growth, the politics of foreign direct investments (FDIs), creation of employment opportunities and reduction of poverty (e.g. Aryee, 2001; Campbell and Akabzaa, 2009; Knierzinger, 2014). In addition, much of the literature has concentrated on the negative impacts of resource extraction on the wellbeing of local peoples including political conflict, land loss, health impacts, single sector dependence, pollution, and social unrest (e.g. Das, 2001; Hilson, 2002a; Hatcher, 2012).

In Vietnam, like many other developing nations, mining has become an important component of the economy and has a long history. Copper, zinc, tin and gold have been mined since the Bronze age, and silver, iron and non-metallic minerals have been quarried since the 1st century B.C by the Chinese (Kušnir, 2000); and during the French occupancy (1884–1945), extraction was further intensified. Coal, gold, tin and zinc were mined, and

exported to France with Japan later becoming a major recipient of mining outputs (Kušnir, 2000) during the second world war. After independence, the Vietnamese government have taken interest in expanding mining operations and are now issuing mining rights to foreign companies.

The Vietnamese Government has strongly supported the mining industry, with (more recently) the 2010 Mineral Law protecting unexploited minerals, regulated surveying, mineral exploration, mineral extraction, and mine management. A number of legislations have been enacted to support the sector including the Political Bureau's Resolution No. 02/NQ-TW, Resolution No. 103/NQ-CP, decision No.2427/QĐ-TTg, and Directive No.02/CT-TTg. From a government perspective, these regulations have provided fundamental legal frameworks to manage and extract minerals effectively.

It has been posited that the mining industry has substantially contributed to the national and local economies in Vietnam, in regard to revenue, job creation and infrastructure development, particularly in rural provinces (Nguyen et al., 2015). However, mining has also been associated with social upheaval and environmental deterioration (Dung, 2011; Hai, 2014). In addition, the Vietnamese Government has been challenged with management of the mining sector including tensions between the mining companies and local communities. These difficulties have been acknowledged as principle constraints to mineral industry development and socio-economic improvement of the mining regions.

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To date, there have been few studies examining the interaction between mining and sustainable regional development in Vietnam (Hoa, 2009), particularly the resource curse (Vuong and Napier, 2014), resettlement (Vo and Brereton, 2014a), and the political implications of mining (Carlyle, 2009). Notably, research that has focused on mining in Vietnam has primarily been one-off case studies of single locations at a specific point in time resulting in a paucity of comparative analyses (e.g. Carlyle, 2009; Hoa, 2009; Vo and Brereton, 2014b)

To this end, this paper aims to raise critical questions and examine how the mining sector in Vietnam has influenced socio-economic wellbeing across 63 provinces during the time period between 2009 and 2014 (based on available census data). To address this aim, the variability in socio-economic performances across these regions was first investigated. Next, the relationship between three response variables (poverty, income and unemployment) and selected predictor variables were tested to further examine correlates of wellbeing. In the end, the study identifies fundamental gaps in knowledge concerning the relationship between mining, development, and wellbeing across Vietnam identifying further research needs.

The paper is organised as follows. First, a brief review of socio-economic wellbeing indicators is provided along with measurement approaches. Second, a literature review focusing on the interaction between mining, wellbeing and development in Vietnam is presented. Next, a comparison of poverty, income and unemployment measures for Vietnam is provided for the time period from 2009 to 2014. Finally, a fixed effects model was used to

examine the relationship between measures of socio-economic wellbeing and selected predictor variables.

2. Indicators of socio-economic wellbeing: an overview

2.1. Socio-economic wellbeing

Wellbeing is multi-faceted, complex and difficult to define. According to Aristotle, *eudaimonia* in the first instance, refers to ‘human flourishing’ or ‘happiness’ (SEP, 2014). More recently (20th century), wellbeing has been associated with the provision for human needs, and the multi-dimensional factors that lead to poverty (Gough et al., 2007). Chambers (1997) interprets wellbeing as the quality of life, and the range of human experiences including social, psychological, spiritual and material. He states that wellbeing incorporates many elements such as living standards, access to basic services and good health, concepts mirrored by Stiglitz et al. (2009) who sees wellbeing as a multidimensional issue that includes dimensions of income, consumption, health, and education.

In the last decade, studies focusing on wellbeing in developing nations have been interested in understanding wellbeing within a development context. For instance, research on Wellbeing in Developing Countries (WeD) highlights that the concept can be interpreted as a combination of ‘what a person has, what they can do with what they have and how they think about what they have and can do’ (Mcgregor, 2007, p4). Therefore, WeD has approached wellbeing from the context of ‘the material, the relational and the

Table 1
Dimensions of wellbeing.

Dimensions of individual wellbeing		Dimensions of community wellbeing
Material concerns practical welfare and standard of living		
Objective aspects	<ul style="list-style-type: none"> - Income, wealth and assets. - Employment and livelihood activities. - Levels of consumption. 	<ul style="list-style-type: none"> - Income levels, housing quality, tenure status. - Availability of information and communication. - Availability/quality of services and amenities: water, sanitation, electricity, credits, shops, schools, colleges, hospitals, clinics, sport centres, places of worship, etc. - Infrastructure and accessibility. - Quality of environment.
Subjective aspects	<ul style="list-style-type: none"> - Satisfaction with income and wealth. - Assessment of one's standard of living compared with others. - Assessment of present standard of living compared with the past. 	<ul style="list-style-type: none"> - People's satisfaction and perceptions of these.
Social concerns relationships and access to public goods		
Objective aspects	<ul style="list-style-type: none"> - Social, political and cultural identities. - Violence, conflict and (in) security. - Relation with the State: law, politics, welfare. - Access to service and amenities - Networks of support and obligation. - Environmental resources. 	<ul style="list-style-type: none"> - Community formation: groups, migration, conflicts. - Organisational belonging: churches, clubs, sports, etc. - Informal association: where to get together. - Community relations with State: law, politics, welfare. - Violence, crime and (in)security.
Subjective aspects	<ul style="list-style-type: none"> - Perception of safety, respect and discrimination. - (Dis)satisfaction with access to services. - Assessment of treatment/support given - Perception of environmental quality. 	<ul style="list-style-type: none"> - People's satisfaction and perceptions of these. - Experience of collection action.
Human concerns about capabilities, attitudes to life and personal relationships.		
Objective aspects	<ul style="list-style-type: none"> - Household structure and composition. - Education, information and skill. - Physical health and (dis)ability. - Relations of love and care. 	<ul style="list-style-type: none"> - Age distribution, health status, educational levels. - Household composition/stability.
Subjective aspects	<ul style="list-style-type: none"> - (Dis)satisfaction with levels of health, information, skills, education. - Self-concept and personality. - Sense of competence, (in)capability and scope for influence. - Trust and confidence. - Religious faith. 	<ul style="list-style-type: none"> - Understanding of ‘a good society’ and ‘a good community’. - Community self-concept. - Community fears and aspiration. - Levels of (dis)satisfaction. - Trust and confidence in each other. - Sense of alienation or connectedness with wider society.

Modified from White (2009a).

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