



Factors Influencing the Provision of Social Security for Poor and Near-Poor Households in Ho Chi Minh City at Present

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ABSTRACT

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In the context of a socialist-oriented market economy and rapid urbanization, ensuring social security for poor and near-poor households is a pivotal task aimed at maintaining social stability and promoting sustainable development. Ho Chi Minh City—a special urban municipality and the nation’s largest economic hub—has achieved significant milestones in implementing social security policies. However, it continues to face numerous challenges due to its large population scale, high labor mobility, and the persistent risk of relapsing into poverty. By adopting a political science approach and analyzing practical realities, this article clarifies several key factors influencing the effectiveness of social security for poor and near-poor households in Ho Chi Minh City today. From there, it suggests emerging issues for policy refinement and the organization of social security implementation in major metropolitan areas.

KEYWORDS:

social security; poor and near-poor households; urban; Ho Chi Minh City; social policy.

1. INTRODUCTION

Social security is a fundamental pillar of the social policy system, playing an exceptionally important role in protecting individuals against socio-economic risks such as unemployment, illness, accidents, old age, and unexpected life events. Through the social security system, the State not only contributes to ensuring a minimum standard of living for the citizenry but also promotes social justice, political stability, and sustainable development. Consequently, building and perfecting a comprehensive and effective social security system has consistently been a cross-cutting objective for many nations, including Vietnam.

In Vietnam, the Party and the State have consistently maintained the view that social security is both a goal and a driver of the socio-economic development process. Numerous major guidelines and policies have been enacted and implemented to expand social security coverage, aiming for the goal of “leaving no one behind.” However, as the socialist-oriented market economy evolves alongside industrialization, urbanization, and profound international

integration, social risks have become increasingly diverse and complex. Among these, poor and near-poor households remain the most vulnerable group, with limited resilience to economic, social, and environmental shocks.

Ho Chi Minh City—the country’s largest economic, financial, and commercial center—is characterized by high population density, a large migrant workforce, and rapid urbanization. In recent years, the city has proactively implemented various social security programs and policies with expanding scope and depth. Typical examples include sustainable poverty reduction programs, social insurance and health insurance policies, regular and emergency social assistance, housing support, vocational training, and job placement for laborers. As a result, the poverty and near-poverty rates in the city have decreased rapidly and remain low compared to the national average.

Nevertheless, practice shows that the sustainability of poverty reduction results in Ho Chi Minh City is not yet firmly secured. The risk of returning to poverty or emerging as new poor households persists, particularly in the context of a volatile labor market, rising urban living costs, widening wealth gaps, and the complex progression of social risks such as epidemics, natural disasters, and occupational accidents. Furthermore, access to and the benefits of social security policies for a segment of poor and near-poor households

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remain limited due to education levels, living conditions, the specific nature of informal labor, and migration factors.

From these practical issues, it is evident that ensuring social security for poor and near-poor households in Ho Chi Minh City does not stop at policy enactment but depends on various economic, social, institutional, and organizational factors. Therefore, researching and identifying these influencing factors in a full and systematic manner is an urgent requirement with both theoretical and practical significance. The research findings will contribute to providing a scientific basis for perfecting policies and improving the effectiveness of social security implementation, aiming toward sustainable poverty reduction and inclusive development in Ho Chi Minh City for the current period and the years to follow.

2. OVERVIEW OF ENSURING SOCIAL SECURITY FOR POOR AND NEAR-POOR HOUSEHOLDS IN URBAN AREAS

Ensuring social security for poor and near-poor households is conceptualized as a comprehensive framework of guidelines, policies, and measures. In this model, the State maintains a primary leadership role while integrating the active participation of socio-political organizations, the broader community, and the citizens themselves. The overarching purpose of this framework is to proactively prevent, mitigate, and remedy systemic risks that threaten to diminish income levels, degrade living standards, or obstruct access to essential living conditions for vulnerable households. Ultimately, the core objective of social security extends beyond providing immediate humanitarian relief; it seeks to enhance the self-sufficiency of these households, thereby reducing long-term dependence on state subsidies and facilitating a transition toward sustainable poverty reduction.

In urban environments, the provision of social security for these demographics possesses distinct characteristics that differentiate it from rural interventions. Factors such as rapid urbanization, high population density, diverse labor structures, and a significant prevalence of informal employment expose urban poor and near-poor households to unique vulnerabilities. These include structural unemployment, chronic job instability, high costs of living, a lack of adequate housing, and fragmented access to social services. Consequently, urban social security must transcend simple income support. It necessitates a holistic approach that ensures equitable and comprehensive access to basic social services, including healthcare, education, housing, employment, information, clean water, and environmental sanitation, alongside traditional forms of social protection.

Within the specific context of Ho Chi Minh City, securing social security for poor and near-poor households is institutionalized as a central pillar of the city's socio-economic development strategy. Guided by the overarching

mandates of the Central Government, the city has developed a comprehensive social security system tailored to its status as a special technocratic and economic metropolis. This system is operationalized through five interconnected pillars that function synergistically.

The first pillar concerns social and health insurance, which serves as a vital mechanism for risk prevention and sharing, particularly regarding health-related crises, aging, and the loss of labor capacity. By expanding coverage and subsidizing premiums, the city reduces the financial burden on vulnerable households to ensure long-term stability. This is complemented by the second pillar of sustainable poverty reduction policies, which focuses on improving income through livelihood support, preferential credit, and capacity building. This represents a strategic shift from passive, subsidy-based support toward conditional assistance that encourages proactive participation in the labor market.

The third pillar consists of social preferential policies and emergency relief, providing a critical safety net for individuals with permanent disabilities or those impacted by sudden disasters and epidemics. Acting as a barrier against extreme poverty, this is reinforced by the fourth pillar of employment and vocational training. By enhancing human resource quality and facilitating career transitions, the city creates pathways for the urban poor to secure stable livelihoods and avoid the cycle of relapsing into poverty. Finally, the fifth pillar ensures the provision of basic social services such as education, housing, and clean water. Equitable access to these foundational services is essential for fostering social integration and ensuring that the quality of life for poor households improves in a sustainable, long-term manner.

The overall effectiveness of this framework in Ho Chi Minh City is determined by a complex interplay of institutional frameworks, organizational capacity, financial resources, and inter-agency coordination. Recognizing these pillars and their influencing factors is essential for evaluating the current landscape and formulating strategies to enhance social security efficiency in the future.

3. FACTORS INFLUENCING THE PROVISION OF SOCIAL SECURITY FOR POOR AND NEAR-POOR HOUSEHOLDS IN HO CHI MINH CITY AT PRESENT

3.1. Institutional and policy factors

The institutional and policy system serves as the foundational framework, providing strategic orientation and exerting a decisive influence on the effectiveness of social security for poor and near-poor households. Institutional policies not only define the objectives, target groups, and scope of intervention for social security programs but also govern the organizational methods, coordination mechanisms between agencies, and the degree of policy accessibility for the citizenry. Consequently, the adequacy, consistency, and suitability of the policy system are pivotal factors in ensuring

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that social security is implemented effectively and sustainably.

In recent years, Ho Chi Minh City has proactively institutionalized and implemented the Party's guidelines and the State's legal frameworks regarding social security, particularly policies concerning poverty reduction, social insurance, health insurance, and social assistance. Building on this foundation, the city has issued numerous specialized mechanisms and policies tailored to the socio-economic conditions of a special municipality characterized by a large population, rapid urbanization, and a diverse labor structure. This approach demonstrates the city government's proactivity and flexibility in adapting general policy frameworks to local practicalities.

A salient feature of Ho Chi Minh City's policy system is the development and application of a localized poverty line that is higher than the national standard. This not only reflects the specific living costs of a major metropolis but also demonstrates progressive development thinking—shifting from a unidimensional to a multidimensional approach to poverty that emphasizes access to basic social services. As a result, the coverage of social security policies has expanded, facilitating timely support for vulnerable groups and enhancing the quality of life for poor and near-poor households across the city.

However, practical implementation reveals that the institutional and policy system for social security still faces certain limitations. First, the connectivity and synchronization between policies in fields such as poverty reduction, social insurance, health insurance, employment, vocational training, and social assistance remain fragmented. Some policies are designed and executed in isolation, lacking an organic link within the overall social security system. This leads to overlapping content or the omission of certain beneficiaries, particularly migrant and informal workers.

Furthermore, some policy regulations and criteria have failed to keep pace with the rapid fluctuations of urban life and the labor market. Given that informal labor constitutes a significant proportion of the workforce, participation in social and health insurance remains difficult, while support policies lack the flexibility to effectively cover this group. This diminishes the risk-prevention capacity and limits the long-term impact of the social security system on poor and near-poor households. Additionally, the mechanism for policy adjustment and updates is often reactive rather than proactive, failing to respond promptly to socio-economic shocks such as pandemics, job losses, price volatility, or sudden shifts in the labor market. When policies are not adjusted flexibly, social risk coverage and prevention capacity are weakened, leaving vulnerable households at risk of relapsing into poverty during adverse events.

3.2. Resource implementation factors

Financial and human resources constitute the direct material conditions and play a decisive role in realizing the

objectives, content, and scope of social security policies. Regardless of how comprehensive an institutional system may be, the effectiveness of social security remains limited if implementation resources are insufficient. Therefore, resource availability is considered a key factor governing the coverage, timeliness, and sustainability of social security interventions.

As the nation's largest economic center, Ho Chi Minh City possesses strong economic potential and a superior capacity to mobilize resources compared to many other localities. The city's budget revenue accounts for a high proportion of the national total, creating favorable conditions for funding social security programs. However, alongside rapid socio-economic development, the city faces immense pressure in providing social security. The large population, rapid urbanization, and continuous mechanical migration have significantly increased the number of individuals requiring support. This drives an ever-growing demand for social security spending, placing substantial pressure on the city's budget.

In practice, financial resources for social security in Ho Chi Minh City still rely heavily on the state budget. Although the city prioritizes a significant portion of its budget for poverty reduction and insurance programs, these resources remain constrained relative to increasing practical needs. While the mobilization of social resources from businesses, communities, and social organizations has shown positive shifts, it has not yet reached the potential of a major metropolis with a developed business community and dynamic social life. This is primarily due to an incomplete and insufficiently attractive socialization mechanism; policies to encourage non-state participation lack consistency, and incentives are not strong enough to attract broad, long-term commitment.

Parallel to financial resources, the human resource factor poses significant challenges. At the grassroots level, social security personnel are spread thin, with staffing levels disproportionate to the increasing workload. Many officers must handle multiple overlapping tasks, leading to overload and affecting policy quality. Furthermore, the professional expertise, management skills, and community outreach capabilities of a segment of the staff remain limited, especially as social security issues become increasingly complex and multidimensional. These human resource constraints directly affect the quality of policy organization, particularly in critical phases such as beneficiary identification, policy counseling, and the monitoring and evaluation of social security impacts on poor and near-poor households.

3.3. Organizational implementation and interdisciplinary coordination factors

The effectiveness of social security provision depends not only on the enactment of sound and appropriate policies but is also significantly influenced by the practical

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implementation process. Policy implementation is the transformation of regulatory mandates and objectives into concrete activities that directly impact the lives of poor and near-poor households. Consequently, management and administrative capacities, along with the degree of coordination between agencies and units, are decisive factors in the efficacy and sustainability of the social security system.

In recent years, Ho Chi Minh City has progressively strengthened decentralization and the delegation of authority in managing and organizing social security policies. Granting greater autonomy to local governments at various levels—particularly at the district and grassroots levels—has enhanced flexibility in policy execution. This enables local authorities to be more proactive in identifying beneficiaries, selecting forms of support, and promptly addressing emerging practical issues. Such an approach is well-suited to the characteristics of a major metropolis characterized by distinct differences between residential areas and beneficiary groups.

However, the interdisciplinary coordination mechanism between various departments, agencies, and levels of government remains, in some instances, insufficiently tight and synchronized. Coordination in strategic planning, organization, and monitoring has not been fully harmonized, resulting in a suboptimal aggregate impact of the social security system. The exchange of information and data sharing regarding beneficiaries among relevant agencies remains limited, as a unified, updated, and interconnected database has yet to be established. Consequently, certain areas experience overlaps in support, while other groups—most notably migrant and informal workers—lack adequate access to social security policies.

Furthermore, the lack of uniformity in implementation procedures and coordination among different social security programs and projects diminishes the overall efficiency of the system. Each policy often operates under its own management mechanism and specific procedures, creating hurdles for both implementing agencies and citizens during the access and benefit processes. This necessitates a strengthening of inter-agency coordination, the perfection of interconnected mechanisms, and the simplification of administrative procedures to improve the organizational effectiveness of social security policies. Additionally, monitoring, supervision, and evaluation activities in some areas have not been conducted regularly or comprehensively. The absence of evidence-based evaluation tools and real-time data limits the ability to detect shortcomings early, thereby hindering timely policy adjustments to keep pace with rapid urban dynamics.

3.4. Urban specificities and labor market factors

The characteristics of a major metropolis—marked by rapid urbanization, high living costs, and a volatile labor market—deeply influence the lives of poor and near-poor households in Ho Chi Minh City. While urbanization creates

numerous opportunities for employment and income, it simultaneously escalates social risks, particularly for population groups with weak standing in the labor market.

A vast majority of poor and near-poor households in Ho Chi Minh City are concentrated in the informal labor sector, working in occupations characterized by low stability, substandard working conditions, and precarious incomes. Due to the seasonal nature of their work and the absence of formal or long-term labor contracts, these workers face significant barriers in participating fully in social insurance, health insurance, and preventative social security policies. This renders them highly vulnerable to the fluctuations of the urban labor market.

Volatilities in the labor market—especially during periods of economic downturn or social shocks such as pandemics—exert a direct and powerful impact on the employment and income of these households. When faced with risks such as job loss, illness, occupational accidents, or rising living costs, many households that have recently escaped poverty are at high risk of immediate relapse. This reality underscores the high level of vulnerability of the urban poor and reflects the limitations in their capacity for self-protection against risks.

Consequently, the specificities of the urban environment and the labor market necessitate an urgent reinforcement of social prevention and protection mechanisms. It is essential to expand social security coverage for informal workers while simultaneously enhancing the adaptability of poor and near-poor households to the fluctuations of the urban economy.

3.5. Perception and capacity of beneficiaries

The perception and capacity of poor and near-poor households regarding social security policies directly influence the effectiveness of policy benefits and the sustainability of poverty reduction outcomes. Although the State has enacted numerous support policies, their impact remains limited if the beneficiaries lack a clear understanding or fail to proactively access and participate in these programs.

In practice, a segment of poor and near-poor households still exhibits a mindset of reliance on State support, rather than viewing social security as a tool for self-protection and enhancing resilience against risks. This passive mentality diminishes the motivation for self-advancement and affects the long-term efficacy of poverty reduction and social security initiatives. Furthermore, the understanding of many households concerning voluntary social insurance, health insurance, preferential credit, livelihood support, and vocational training remains restricted. A lack of information or an incomplete understanding of rights and obligations leads to inadequate or inconsistent participation that may not align with the household's actual needs.

Additionally, the financial management capacity, vocational skills, and adaptability of many poor and near-

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poor households to labor market shifts remain low. In an urban economy characterized by rapid fluctuations and increasing demands for high skills and qualifications, these limitations hinder their ability to secure stable employment, raise income, and improve living conditions. Without improvement through communication, counseling, and capacity-building programs, these cognitive and capacity constraints will negatively impact the sustainability of social security efforts and increase the risk of relapsing into poverty amid complex urbanization in Ho Chi Minh City.

4. EMERGING ISSUES AND CHALLENGES

From the identification of impacting factors, it can be affirmed that ensuring social security for poor and near-poor households in Ho Chi Minh City is no longer a simple problem of “resource scarcity.” Instead, it is a complex challenge involving institutional design, governance quality, and organizational implementation capacity within a special municipality characterized by a large population, high mobility, a volatile labor market, and deep social stratification. The unique “migrant city” nature implies that urban poverty risks stem not only from unemployment or low income but also from high living costs, lack of access to basic services, informal labor risks, and life shocks (illness, accidents, job loss). Therefore, it is imperative to shift from a “case-by-case support” mindset to a social risk management approach, centered on prevention, protection, and recovery support.

First, the challenge of synchronization and flexibility within the policy system remains a significant bottleneck. In reality, various social security pillars (social insurance, health insurance, social assistance, sustainable poverty reduction, employment policies, etc.) operate under different mechanisms. Without an effective interconnected coordination mechanism, policies risk becoming siloed by sector, thereby weakening the synergy effect. Policy design must be standardized enough to ensure equity, yet flexible enough to respond to the diverse risks of the urban poor (poverty due to lack of skills, housing/medical/educational costs, precarious labor, or lack of legal documentation among migrants).

Second, the socialization of resources is essential but requires a clear “governance framework.” Over-reliance on the state budget limits the policy’s maneuvering room during crises (pandemics or economic downturns). However, socialization should not mean delegating full responsibility to the market or spontaneous philanthropy. It requires a transparent mechanism for mobilization, coordination, and oversight between the State, the Fatherland Front, socio-political organizations, businesses, and the community. Resource restructuring must be multi-layered and multi-channel, accompanied by unified coordination and evidence-based evaluation of outputs.

Third, the capacity of grassroots personnel and implementation governance is a decisive factor in policy quality. At the ward and commune levels, officers serve as the primary point of contact and transform policies into specific services. When staff are spread thin or lack specialized skills in multidimensional poverty assessment and digital management, the “last mile” of policy implementation often falters. This necessitates not only professional training but also the standardization of public service procedures and the application of technology to provide “one-stop, multi-service” support packages.

Fourth, the mechanisms for social risk prevention and protection remain a “weak link,” hindering sustainable poverty reduction. A single shock—such as illness or job loss—can push recently escaped households back into poverty. This calls for the design of preventative tools that enhance income resilience (job matching, upskilling), reduce “catastrophic costs” (guaranteed healthcare and education access), and establish flexible emergency assistance mechanisms with clear criteria and streamlined procedures. Prevention is the prerequisite for shifting from “standardized” poverty escape to “capacity-based” sustainable living.

Fifth, the issue of regional and demographic disparities (inner city vs. outskirts; formal vs. informal labor; migrants vs. permanent residents) continues to exert pressure on policy governance. The uneven rate of poverty reduction across districts suggests a need for a “territorial” approach in social security governance: stratifying risks by area, tailoring policy packages to specific groups, and establishing dedicated monitoring indices for urban poverty (employment, housing, environmental safety). Furthermore, as the City moves toward a modern urban governance model, social security effectiveness must be integrated with data governance and evidence-based policy evaluation for timely adjustments.

In summary, the issues raised above indicate that enhancing social security for the poor in Ho Chi Minh City must be approached as a public governance reform program: perfecting synchronized and flexible policies; mobilizing controlled social resources; improving staff capacity and inter-agency coordination; and consolidating risk prevention mechanisms to ensure sustainable poverty reduction amidst rapid urbanization.

5. CONCLUSION

Ensuring social security for poor and near-poor households in Ho Chi Minh City is a multifaceted process influenced by a convergence of subjective and objective factors. Key among these are the institutional and policy framework, implementation resources, organizational and coordination capacities, the specificities of the urban environment and labor market, as well as the perceptions and capabilities of the beneficiaries themselves. These factors do not exist in isolation but are deeply interconnected, creating

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specific conditions and constraints for the effectiveness of social security within a special municipality characterized by a large population, rapid urbanization, and profound social stratification such as Ho Chi Minh City.

The analytical results indicate that while Ho Chi Minh City has achieved significant milestones in social security and sustainable poverty reduction, these outcomes lack long-term stability. The persistent risk of relapsing into poverty, inequities in accessing basic social services, and the high vulnerability of the informal labor sector continue to pose major challenges to the urban social security system. This suggests that contemporary social security is not merely a matter of resource allocation but, more profoundly, a challenge of institutional design, governance quality, and the efficacy of policy implementation amidst increasingly complex socio-economic fluctuations.

In this new context, particularly as Ho Chi Minh City expands its developmental space toward a modern urban governance model, it is imperative to shift from a reactive, support-based approach to one centered on risk prevention and enhancing the resilience of marginalized groups. Accurately and comprehensively identifying the influencing factors is not only theoretically significant for refining the research approach to urban social security but also provides substantial practical value for policy adjustment and improving the effectiveness of local implementation.

Strengthening the sustainability of social security for poor and near-poor households must therefore be regarded as a central, cross-cutting task in Ho Chi Minh City's socio-economic development strategy. This is not only a prerequisite for ensuring social stability and reinforcing public trust but also a vital foundation for the City to achieve rapid, sustainable development and maintain its role as the nation's economic locomotive in the coming period.

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