John Dorsey

THE STUDY OF A VIETNAMESE RURAL COMMUNITY– ECONOMIC ACTIVITY

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Economic Activity

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PREFACE

Before proceeding to the main portion of this study, the reader should be informed that the material presented there is still, in many respects, preliminary. Specifically, there are many data from the sample survey that were tabulated too late to be included in this version. As a result there will probably be further revision in the figures presented in, for example, the Gross Village Product, as well as in other sections. Also, and perhaps more importantly, present plans call for eventual combination of the economic, sociological and administrative parts of the study of a Vietnamese rural community into a single volume. At that time there will undoubtedly be a re-interpretation and integration of these and other existing materials.

The disclaimer to finality is not intended to forestall criticism of the contents of this section, for one of the main reasons for issuing it in this preliminary form is to give the study wide distribution and invite comments and suggestions. However, a warning is given in the nature of the present incompleteness, and of the plans for future revision and modification in a combined volume covering all aspects of village life.

This study of a Vietnamese rural community was undertaken as a part of the joint research program of the National Institute of Administration and the Michigan State University Group in Viet Nam. Special acknowledgement should go to the Rector of the Institute,

Mr. Vũ-Quốc-Thông, and the Vice Rector, Mr. Nghiêm-Đằng, for their help in getting the project established, and to Messrs. Bùi-Quan-Ân, Trương-Ngọc-Giầu, and Cao-Hữu-Đồng of the Institute faculty for their advice and cooperation during the period when field work was in progress. Thanks are also due to the USOM Field Service Division for their logistical support, and to the USOM Graphics Section for their help in preparing charts, maps, and sketches to illustrate the text. The writer is also grateful to a number of people who have worked on the project, or who have offered advice and help at various stages, including Messrs. Bùi-Quang-Đa, Nguyễn-Ngọc-Yên, Lê-Đức-Gi, and Đặng-Văn-Đệ of the Michigan State University Group staff, and Dr. J. Price Gittinger of USOM. To my colleagues on the study, G. C. Hickey, and Lloyd Woodruff, I owe a special debt for their continuous aid and assistance throughout, and for the cordial and productive working relationships which existed at all times during the field work phase of the study. Finally, I wish to express my sincere thanks to my assistant, Mr. Nguyễn Văn Thuân, whose patient, conscientious, sympathetic and intelligent performance of his task was a constant source of strength to me. Despite these many acknowledgements, all errors of omission or commission are solely those of the writer.

James B. Hendry

Rome, Italy

July 27, 1959

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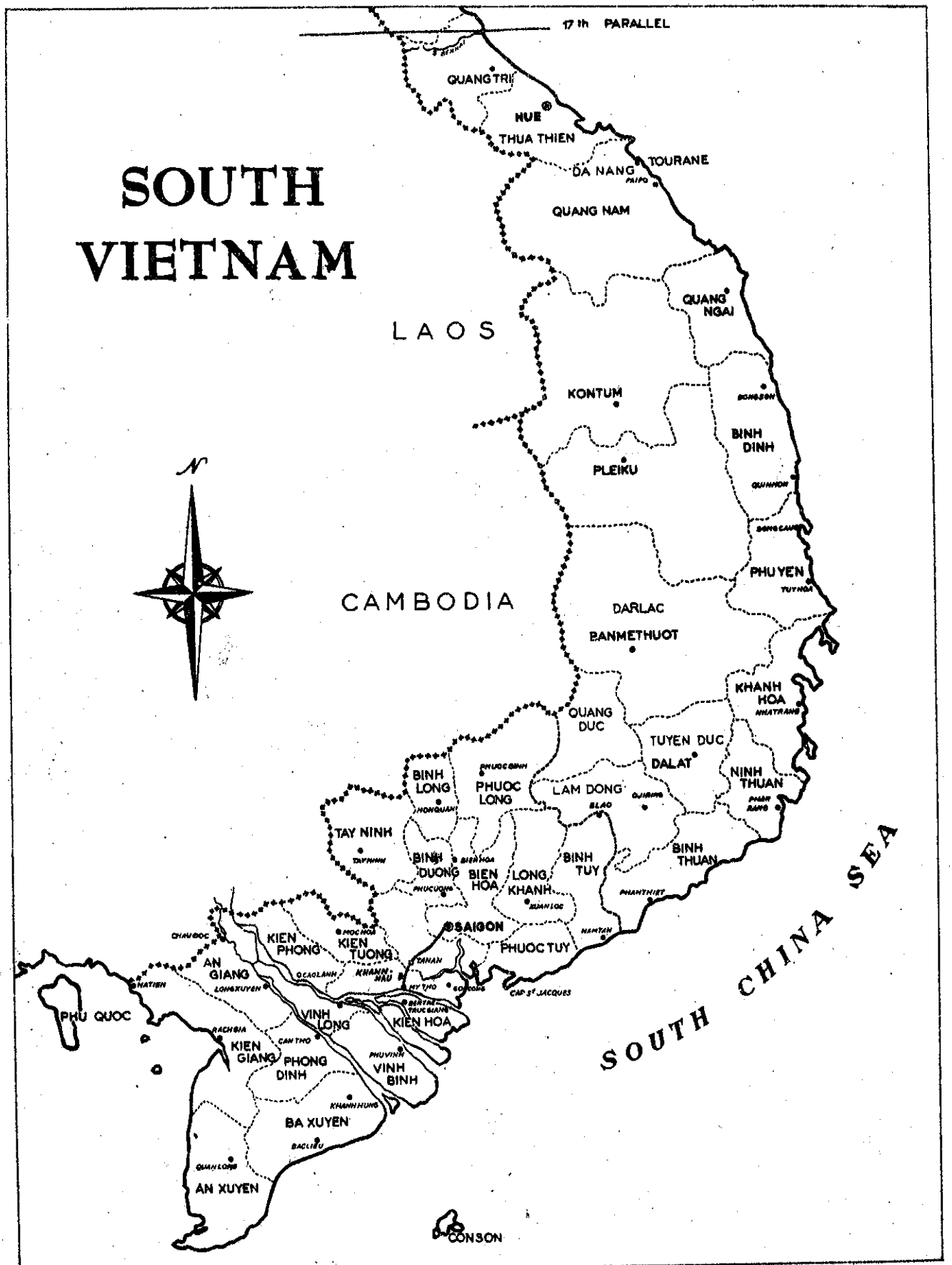
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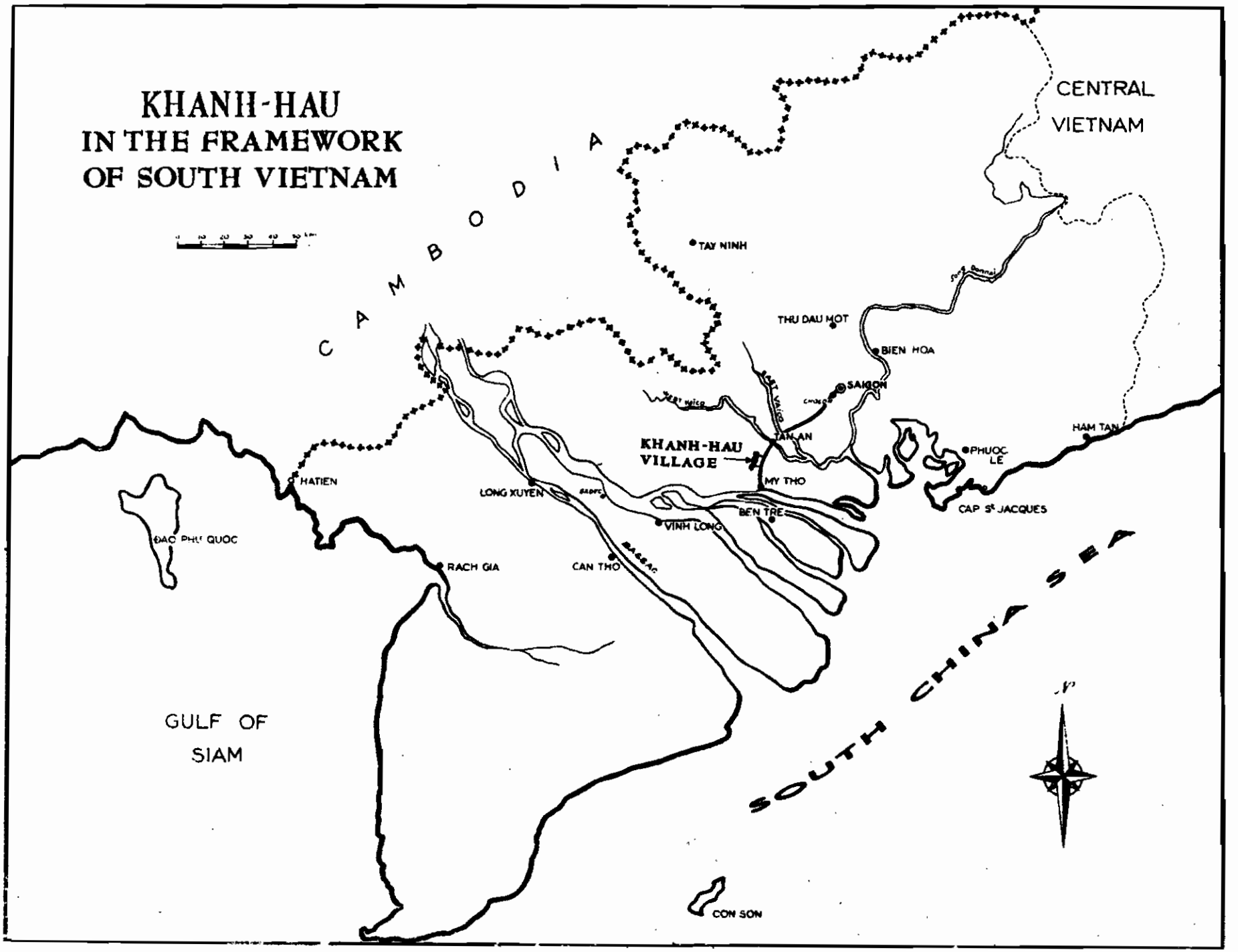
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Chapter I

INTRODUCTION

Viet Nam is a land whose features change dramatically within very short distances, from mountains and high plateaus to coastal plains and inland swamps. To the south, the large delta formed by the Mekong and lesser river systems inches forward yearly into the South China Sea. This delta, while hardly typical of all Viet Nam, is one of the most fertile rice-producing regions in Southeast Asia, Its importance lies not only in the substantial contribution the area can, and will, make to the national economy of Viet Nam, but it is also the area of most recent settlement by the Vietnamese. The study of its institutions therefore reveals much about the process of social change for they differ significantly from the more familiar customs and mores of Central and Northern Viet Nam.

The delta village chosen for this study bears the name of Khánh Hậu, and is located approximately fifty kilometers south of Saigon in the province of Long An, not far from the chief provincial town of Tân An. Although the main north-south national highway passes through the village lands, the centers of village population are situated one to two kilometers on either side of it, and are in some cases approachable only by foot path over the rice fields. There are five such centers, or hamlets, in the village -- Ấp Cầu, Ấp Nhơn Hậu, Ấp Thủ Tựu, Ấp Mới and Ấp Dinh. The latter has been recently divided into Ấp Dinh "A" and Ấp Dinh "B" for

administrative purposes, but for all other purposes it remains essentially a single unified hamlet as before.

The hamlets form a rough perimeter which outlines the village boundaries, with most of the village rice fields inside these inhabited areas. The hamlets on the east side of the main highway -- Ấp Cầu, Ấp Nhơn Hậu and Ấp Thủ Tựu -- are situated on sizeable streams, which gives them fairly good water facilities for fishing, transportation and irrigation. Those on the west -- Ấp Dinh "A" and "B" and Ấp Mới -- have access only to a smaller stream, recently extended by a canal. The village council house, the school, and the village đình, where the village cult is celebrated, are all located in Ấp Dinh, which is the most populous of all, and the only one to have a street. This hamlet also contains the tomb of Marshal Nguyễn Huỳnh Đức, a hero of Vietnamese history from the early period of the Nguyễn dynasty. A second đình is located in Ấp Nhơn Hậu, remnant of a time more than forty years ago when the eastern portion of the present Khánh Hậu was a separate village. The cult of this đình is still actively celebrated, and in many respects this part of the village is more closely linked to neighboring villages than to Khánh Hậu. Except for the one street in Ấp Dinh, communication within and between hamlets is along footpaths which wind in and around the houses, or meander across the rice fields on the bundings which separate the holdings of individual farmers.

The land is the heavy, black clay of the delta, stretching flat in all directions. The hamlets have grown along the streams

that lead to the main rivers, the houses hidden from view by the water palms and other foliage which grow thick along the banks. The chief village occupation is rice agriculture carried on by methods which, with a few exceptions, have changed but little over centuries. Tools and equipment are simple and locally made; secondary occupations are poorly developed. A great majority of the houses in the village are made wholly or in part of thatch and are surrounded by rough thickets of thorn and bamboo. The main highway, with its steady stream of buses and other vehicles, affords easy and inexpensive transportion to the larger towns, but no one in the village owns an automobile and only a few have motorized bicycles or scooters. In many essentials, life is as it must have been one hundred and fifty years ago.

In terms of population, the village is probably slightly smaller than other villages which surround it. To the outside observer, however, the people are the same. A walk down any village path offers an opportunity to observe village life and meet its people. If you stop to talk, there is polite reserve in their manner at first, but this usually changes to more open friendliness when the visit is recognized as non-threatening. An invitation to have a cup of tea is a never-failing courtesy offered in every home,

no matter how poor. The children, giggling and curious, often appear sturdy and alert, but many of the younger ones, naked or clad only in a shirt, exhibit the distended stomachs and running noses that are symptomatic of malnutrition. The young women have a graceful carriage from carrying burdens on their heads and shoulders, but the old women too frequently are stooped and thin from a lifetime of extremely hard physical labor. One is impressed by the incredibly bad teeth of the older people. For most of them, the few remaining teeth are badly decayed as well as stained by tobacco and betel. Clothing, often in an advanced stage of disrepair, usually consists of black calico shirts and trousers for both men and women, plus a conical hat to protect the wearer from the sun. This costume is sometimes varied with bits of cast off military uniforms or shirts of different cut and color, particularly by the women. An exception is the all-white cotton garb worn by men of higher income and social standing, their clothing symbolizing their prestige position in the society.

The pace of village life is calm, but not indolent. People are curious about things that are new and different, but they are slow to register surprise or excitement. Meeting them, you gain an impression of people who are, on the whole, courteous, industrious and able, their energy curbed to some extent by the debilitating effects of poor diet and endemic ill health. There is also present an innate peasant conservatism that has probably been accentuated by the destabilizing events of the war years and the present day insecurity in some parts of the countryside.

In most externals, therefore, Khánh Hậu presents an image that is similar to any one of hundreds of villages that dot the delta region which lies south of Saigon, north of the Mekong and east of the Plaine des Joncs (Đồng Tháp Mười), the large swampy area that lines the Cambodian border. We decided to study one of these villages in detail and at length rather than make a broader survey covering a few key aspects of several villages. Behind this decision was the belief that familiarity with all facts of life in a single village would provide insights and impressions which one could feel assured were reasonably accurate. If the village itself is typical of its neighbors, the resulting description and analysis of Khánh Hậu should be roughly applicable elsewhere in the same region. However, it emphatically is not intended to be a portrait in miniature of rural life in all parts of Viet Nam, for there are clearly substantial differences, of all kinds between the different regions of the country.

The village study as a whole is divided into three parts: sociological aspects, village administration, and economic activity. The sociological and administrative studies are being published separately. This particular portion is concerned with economic activity. Of course, in many respects the economic institutions overlap and blend with the administrative organization and the social institutions of the village and, therefore, there will be overlap between this volume and the other two. Also, it became apparent early in the field work that the administrative village was neither an economic nor a social unit. The village inhabi-

tants sometimes functioned as members of small units within the village while, at other times and for other purposes, they interacted with the inhabitants of neighboring villages. Economic activity was not always based upon a "village" unit and no attempt has been made here to analyze it in terms of a unit estabished for administrative convenience.

The interest in economic activity in this village of Khánh Hậu is directed toward two major objectives. The first is to provide a description of how the village provides for its material needs and to assess how well it does so. The second is to uncover and focus attention on the factors which can affect the rate of economic change and development. In other words, an attempt is made to assemble evidence of changes successfully made and innovations which have failed, and to discover which characteristics and influences encourage and favor change and which ones inhibit and prevent it. In doing so, there should not only be more information on some specific problems, but also a basis for generalization on the physical and institutional capacity for economic growth.

Chapter II

THE RESOURCES OF THE LAND

Size and Tenure Relationships

Land and the limitations of size. -- The importance of the land to a rural village in the rice-growing delta region of Viet Nam is obvious, but the potentialities for change in the use of land resources are not nearly as evident. Visitors to Khánh Hậu who are familiar with land use and land tenure systems in other parts of South and South-east Asia invariably comment on the large size of the fields in the village. In comparison with the rice fields of Indonesia, the Philippines or India, for example, the fields in this portion of the delta must appear good-sized. This impression is enhanced if the visit is made during the months of November to January when the rice is being harvested and the ripe grain hides the boundaries between fields. Despite the fact that the pressure on the land is less severe than in other Asian countries -- and visitors' impressions are valid to this extent -- there are several important limitations to the villagers' use of their land, including that of size itself.

Considering the problem of size first, it is important to know not only the total size of the holdings which an owner or tenant may have, but also to have some idea of the size of the working unit. If fragmentation has reached an advanced stage, a substantial land holding can be spread over a large area, and the use of more extensive agricultural techniques is thereby limited. Finally, it

would be important to know to what extent the actual cultivation of the land is kept within the boundaries of private ownership or private tenancy, and if there is any tradition of extensive pooling of land on a communal, kinship or neighborhood basis.

The basic data on land ownership are provided by the tax rolls of the village for the year 1957, as amended in 1958, and the provincial land registers. These are summarized in Tables 2.1 through 2.4. The total area of rice land in the village is 925.91 hectares, or .29 hectares per capita based on a population count of 3.241 persons. Communal land held by the village is relatively insignificant, and, together with one very small piece of land owned by a village pagoda, amounts to only 29 hectares. This corresponds with the general tendency in the southern part of Viet Nam for the communal lands to be a very small proportion of the total cultivated area. One pre-war estimate put this proportion at only 3 percent, as opposed to estimates of 25 percent and 21 percent of the total cultivated area in Central and North Viet Nam respectively,[1] and in Khánh Hậu communal land is actually 3.1 percent of the total rice land.

All land in the village is registered in the provincial office of the Ministry of Land Registration and Agrarian Reform. Each piece of land is given a lot number, and a record is made each time a piece of land changes size through inheritance, gift or sale.

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[1] Henry Yves, Economie Agricole de l'Indochine française (Hanoi: Gouvernement General de l'Indochine, 1932), p. 109.

T A B L E 2.1

RICEFIELDS IN HAMLET OF ẤP VINH
VILLAGE OF KHÁNH HẬU, BY SIZE OF FIELD

Area in hectares	Number of Fields	Cumulative total No. of Fields	Cumulative Total percentage of No. of Fields
.50 or less	56	56	47.1
.51 - 1.00	14	70	58.8
1.01 - 1.50	12	82	68.9
1.51 - 2.00	5	87	73.1
2.01 - 2.50	7	94	79.0
2.51 - 3.00	4	98	82.4
3.01 - 3.50	10	108	90.8
3.51 - 4.00	1	109	91.6
4.01 - 4.50	4	113	95.0
4.51 - 5.00	0	113	95.0
over 5.00	6	119	100.0
Total:	119		

Source: Land Registration Records, Ministry of Land Registration and Agrarian Reform Long-An Province.

If a portion of a lot is sold separately, a new lot designation is made. However, the lot number assigned to the newly created lot contains a reference to the original lot from which it was taken. Where one person acquires adjacent pieces of land, the registration continues to carry them as separate lots, although the name of

the owner is entered for each plot he owns.[2] This practice of registering individual fields gives one approximation to the size of the working unit, and Table 2.1 shows the number of fields falling into various size classes.

On the basis of this type of record, the majority of the fields registered in one hamlet runs to fairly small sizes. Almost half of them (47 percent) are smaller than one-half hectare, and nearly three-fourths of them (73.1 percent) are less than two hectares in area. Only six fields are larger than five hectares. The largest field in the entire hamlet is twenty-seven hectares, which is twice the size of the next largest. The average size of the fields registered in the hamlet sampled, is 1.68 hectares, but about 70 percent of the fields are smaller than this.

Bearing in mind that these data refer to one hamlet in the village, and that individuals can and do own land in other hamlets and other villages, there seems to be some tendency for bigger landowners to combine their larger fields in the same general area. In some cases this represents the purchase of adjacent pieces of land. In other cases, it represents the purchase of pieces of land adjacent to land that was inherited. Finally, the adjacent pieces were sometimes inherited as a combined piece of

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[2]One complicating factor is that owners' names are not changed on the record when a death occurs. For this reason, some fields are registered under the names of people long deceased.

property and have been retained intact. In all these situations, the working unit could be larger than the size of the fields registered individually would indicate, but factors other than size enter into the determination of the working unit of land (e.g., the level of the land), and no easy conclusions can be drawn to cover these larger holdings.

The more typical case is the smaller field, and here we usually find one of two things. If the owner has more than one lot, they are usually either separated by roads, gardens or home plots; if combined, they are still small in total area. The other general pattern is for the owners of small fields to have only single fields. In these cases, therefore, it would be more accurate to assume that the size of the field as registered is a reasonable approximation to the size of the working unit. However, it is still a very crude approximation because the land registration figures do not indicate anything about tenancy, and portions of both large and small fields may be rented out, or one of two small adjacent fields may be leased by the owner. It also says nothing about the condition of the land or the level of the land in relation to the fields adjacent. Both of these factors are important considerations in the villagers' decisions on land utilization.

Fragmentation and inheritance of land. -- Fragmentation of the land has become a problem only in recent years, although for some reason the villagers themselves do not tend to regard it as such. At one time the riceland in the village was mainly in the hands of a few very large landowners, and they preferred to rent portions of it to a small number of tenants. While there were

not many tenants, most of them were able to rent fairly large areas of land, and the income of these tenants was therefore fairly high. The large majority of the village population worked as laborers for either the landowners or the large tenants. Owners would usually continue to lease their land to the sons of deceased former tenants, but children could not inherit tenancy rights as such. Also, owners tended to lease to only one of the children of a former tenant, with the result that the land was kept in large units and there was little fragmentation.

During the 1930's some owners began to sell portions of their land, often to their former tenants, and this process was somewhat accelerated during the war years. With land ownership there came land inheritance, and through subsequent marriage by the heirs the units of land came to be spread more than before. As pointed out earlier, people do hold adjacent pieces of property, so the spatial fragmentation process is not an irreversible affair. The main effect of fragmentation has been to reduce the size of the land units that are passed on from one generation to the next.

The inheritance practices with respect to land do not seem to be rigid or fixed by strong tradition. The bequest sometimes divides the land equally between all children, male and female, but this is not common. Some villagers report that younger sons are often favored over other children, and that they tend to inherit not only the family house, but also the largest or choicest

piece of land. Even in the custodianship of the hương hỏa,[3] the land dedicated to the maintenance of the cult of the ancestors, oldest sons may be passed over in favor of other children. Thus, while it is not possible to measure the quantitative importance of the different inheritance practices, there is ample evidence that the oldest sons do not inevitably occupy the favored position in the family, and nothing approaching primogeniture seems to exist.

When the number of children is large, and the land to be divided between them is small, adjustments must be made to deal with the situation. Most people leave some kind of will, but unless a great deal of property is involved it is not considered worth-while to register the will in the provincial office. Wills usually set forth the general conditions of the distribution, but they do not make detailed statements of what each heir will receive. The adjustments, therefore, are made by the heirs through agreement among themselves. Thus a farmer may leave the small piece of property to one child with the stipulation that each year he give the other children some rice from the harvest, the amount to be decided by agreement among all the children.

Another variation is multiple use of the land. If the land area is large enough, the heirs sometimes set out markers indicating each one's portion, and each would then farm his own share.

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[3] Literally, the land used to maintain incense and fire on the family altar.

There are almost no instances of heirs pooling land and labor and operating a joint interprise. Where the land area is too small for this, the heirs sometimes rotate the use of land from year to year. The person who works the land during any given year keeps all the proceeds of the land and does not divide with the other joint owners. Those who do not have the use of the land for that year make their living in any way available to them, usually as farm labor. Finally, if the land area is too small to divide or to work, even on a rotation basis, the heirs may decide to sell it, either to some member of the family or to an outsider. This would happen, for example, when the already small shares held on a small piece of land are passed on to the next generation of children. There are then too many people to rotate use of the land frequently enough, or to benefit much from renting it.

As might be expected this procedure causes much bickering among heirs. Many cases of long standing ill-feelings between village families can be traced to disputes over land. In spite of this, most village landowners continue to leave wills whose provisions are general and somewhat vague, providing fuel for future difficulties.

One possible adjustment that would minimize spatial fragmentation would be the exchange of pieces of land to produce continuous holdings for parties to the exchange. This apparently almost never happens within the village itself, where only pieces

of land in the village are involved, but it does happen occasionally between villages. Thus, a man who owns land in two villages may exchange with someone from another village who owns land in the same two villages. After the exchange, each ends up with one larger piece of land entirely situated in one of the two villages.

Although there are no reliable data to substantiate the statement, it seems probable that fragmentation, both spatially and in terms of size of land holding, has been increasing in the village over the last thirty years. One indication of this is in the survey finding that over two-fifths of all farm households in the village report they operate less land now than when they first began, but less than 10 percent report increases in the amount of land they operate. While this is not evidence of fragmentation in all cases, it is consistent with the observation that land per household or per capita is declining. Such fragmentation follows from the tendency of villagers to divide their holdings more or less equally among the children. Offsetting this are such factors as the ability of a few families to acquire more land than they inherited, some migration from the village, and a high death rate among the children of some families. On balance, however, the trend toward fragmentation is greater than the offsetting factors. Spatial fragmentation does limit productivity, but the reduction in the size of holding through fragmentation is probably the single most important limitation on productivity.

Land ownership patterns. -- The ownership of land presents a changing picture, not only because of the constant fragmentation process but also because of the government's agrarian reform program. The effects of this can be understood by presenting first a view of the land ownership pattern that existed up to 1958, at which time the distribution of land belonging to the largest landowner in the village took place. The overall view is shown in Table 2.2.

The rice land in Khánh Hậu was owned by 130 landowners of whom 31 were non-residents of the village and 99 were residents. The single largest landholding was 323.86 hectares, or 35.0 per cent of the total area of rice lands in the village. Below this, the ownership of the land was divided into much smaller shares. The average holding of all landowners was 7.1 hectares, but if the largest owner is excluded the mean drops to 4.7 hectares. The median size holding was only 2.38 hectares. Under this ownership pattern slightly more than three-fourths of all landowners (76.2 per cent) owned about one-fifth (20.8 percent) of the rice land, and all of these owned less than 6 hectares each. One-fourth of all landowners (25.4 percent) owned less than one hectare each, and only 14 landowners (10.8 per cent) owned more ten hectares. Thus, aside from the one large village landholding, landownership meant fairly small holdings.

There does not seem to be any basic difference between the pattern of ownership of resident and non-resident landowners, once

TABLE 2.2

OWNERSHIP OF RICE LAND IN VILLAGE OF KHÁNH-HẬU, 1958

Area of Holding (Hectares)	Number of 1/ Land-owners	Percent-age of total village land-owners	Cumulative Percentage of total village land-owners	Number of Hectares	Percent-age of total village hectares	Cumulative percentage of total village hectares	Percentage of total village hectares excluding largest 2/	Cumulative Percentage of total Village Hectares Excluding Largest 2/
Less than 2	60	46.2	46.2	52.23	5.6	5.6	8.7	8.7
2 - 3.9	25	19.2	65.4	70.82	7.6	13.2	11.8	20.5
4 - 5.9	14	10.8	76.2	69.71	7.5	20.7	11.6	32.1
6 - 7.9	11	8.5	84.7	75.71	8.2	28.9	12.6	44.7
8 - 9.9	6	4.6	89.3	54.03	5.8	34.7	9.0	53.7
10 or more	14	10.8	100.1	603.41	65.2	99.9	46.4	100.1
Total	130	100.1		925.91	99.9		100.1	

1/ Includes Communal and Pagoda Land

2/ Hectares of rice land, excluding those owned by the largest landowners totalled 602,05 hectares

Source: 1958 Tax Rolls, Village of Khánh Hậu.

the biggest landlord is excluded. Nearly half the landowners in each category own less than 2 hectares, and over ninety percent own less than 10 hectares. Tables 2.3 and 2.4 show the basic data for each type of landowner. If, once again, the single largest holding is excluded, the ownership pattern of the two becomes even more similar. Thus, resident landowners, comprising 76.7 percent of all landowners, would hold 68.0 percent of all rice land instead of the 44.2 percent shown in Table 2.3. By comparison, non-resident landowners would hold 32 percent instead of the 55.8 percent shown in Table 2.4. Although non-resident landowners would still hold a slightly disproportionate share of land in the village, it is not nearly as great as might be expected. Nothing in this should imply that landownership is widespread among village residents, for the number of resident landowners represents only 16.8 percent of all households in the village in 1958, keeping in mind that this was before distribution of land under the program of agrarian reform.

The distribution of land owned by non-residents corresponds roughly with that of the residents, excluding the largest landowner as noted above. This land is worked by tenants, but the typical non-resident landlord in this village does not have large property holdings. In general, he is someone living in a neighboring village or in the town of Tân An, and the land has probably come to him through inheritance. For example, a woman born in Khánh Hậu, now the wife of a resident of another village, may inherit

T A B L E 2.3

OWNERSHIP OF RICE LAND IN VILLAGE OF KHÁNH-HẬU,

BY RESIDENT LANDOWNERS, 1958

Area of Holding (Hectares)	Number of Resident Landowners 1/	Percentage of Resident Landowners 1/	Percentage of all Village Landowners	Number of Hectares 1/	Percentage of Area Held by Resident Landowners 1/	Percentage of Area Held by All Village Landowners
Less than 2	46	46.5	35.4	34.11	8.3	3.7
2 - 3.9	24	24.2	18.5	67.58	16.5	7.3
4 - 5.9	9	9.1	6.9	43.33	10.6	4.7
6 - 7.9	7	7.1	5.4	46.57	11.4	5.0
8 - 9.9	5	5.1	3.8	45.60	11.1	4.9
10 or more	8	8.1	6.2	172.07	42.0	18.6
Total:	99	100.1	76.2	409.26	100.0	44.2

1/ Includes Communal and Pagoda Land

Source: 1958 Tax Rolls, Village of Khánh Hậu.

T A B L E A U 2.4

OWNERSHIP OF RICE LAND IN VILLAGE OF KHÁNH-HẬU,

BY NON-RESIDENT LANDOWNERS, 1958

Area of Holding (Hectares)	Number of Non-Resident Landowners	Percentage of Non-Resident Landowners	Percentage of all Village Landowners	Number of Hectares	Percentage of Area Held by non-Resident Landowners	Percentage of Area Held by All Village Landowners
Less than 2	14	45.2	10.8	18.12	3.5	2.0
2 - 3.9	1	3.2	.7	3.24	.6	.3
4 - 5.9	5	16.1	3.8	26.38	5.1	2.8
6 - 7.9	4	12.9	3.1	29.14	5.6	3.2
8 - 9.9	1	3.2	.7	8.43	1.6	.9
10 or more	6	9.4	4.6	431.34	83.5	46.6
Total:	31	100.0	23.7	516.65	99.9	55.8

Source: 1958 Tax Rolls, Village of Khánh Hậu.

a small share of land in Khánh Hậu at the time of her father's death. She and her husband may then keep title to the land but rent it to someone in Khánh Hậu, often a sibling or other relative. People in Khánh Hậu acquire land in other villages in the same way. Other non-resident landowners have purchased their land as an investment and as a supplemental source of income. For example, a retired school teacher living in Tân-An owns a few small parcels of land in the village, as does a minor official in the provincial government. But the total impact of these owners is very small, for nearly two-thirds of them (64.5 percent) own less than 6 hectares, and their total holdings are only 6 percent of the total rice land in the village.

Landownership up to 1958 was therefore a matter of one large landholding and many much smaller ones. Although the average size of holding by resident landowners was somewhat smaller than that for non-residents, the broad pattern in each case was much the same. In the village itself, only a small proportion of the households owned land, and the amounts which these owned were, for the most part, not large enough to permit a rise in living standards beyond near-subsistence levels.

The program of agrarian reform. -- Viet Nam is currently attempting to alter the basic landownership pattern in rice lands through the provisions contained in the ordinance on agrarian reform which was issued in October 1956.[4] Essentially, this

[4]Ordinance No. 57, October 22, 1956.

limits the ownership of rice land to a maximum of 100 hectares per owner, and requires that owners who hold more than this sell the excess to the government.[5] The government reimburses the owners with a ten percent cash down payment and the balance in three percent government bonds redeemable after 12 years or exchangeable for shares in government enterprises.

The government, in turn, undertakes to redistribute this land to the former tenants of the owners. The basic rule here is to permit each eligible tenant to buy the land he once rented, up to a maximum of 5 hectares.[6] The landowner is free to choose the 100 hectares he wants to keep, and these need not be all in one area. After he has made his choice, the tenants on the remainder to be redistributed may file for the purchase of the plots for which they are eligible. Once approved, the former tenant receives a temporary deed which will become permanent when he has completed payments on his new land. The government retains actual title, however, until the land is fully paid for. Payments vary with the estimated value of the land which ranged from

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[5] In addition to this, a landowner may keep up to 15 hectares of hương hoa rice land, which is land reserved to maintain the cult of the ancestors. Since the agrarian reform touches only rice land, there is no limit to the amount of other land a person may keep.

[6] Although the only people to benefit from the land redistribution in Khanh Hậu were the former tenants of the large landowner, Ordinance No. 59 provides that refugees, unemployed and certain small landowners (less than 3 hectares, more than 5 children) are also eligible in that order, if there is still land available.

12,000₱VN to 15,000₱VN per hectare, and are spread over a six year period. The first installments are due at the end of the calendar year in which the first crops are harvested.

In the entire province of Long An, there were 38 landowners who held more than 100 hectares at the time the land redistribution program went into effect. The size of the individual holdings ranged from slightly more than 100 hectares to 2300 hectares. Only one landowner in this category held land in Khánh Hậu, and 231.6 hectares of his land were made available for redistribution to his former tenants in the village. Applications were first made in November, 1957, and temporary deeds were handed to the owners-to-be in June, 1958. The results of this redistribution of land are summarized in Table 2.5.

The 231.6 hectares of land were divided into 200 plots of varying size, and these were distributed among 149 former tenants. The average amount received was 1.6 hectares, and the median recipient had 1.4 hectares. From the standpoint of the total area distributed, 72.5 percent of the new owners received less than 2 hectares, and this accounted for almost exactly half (50.2 percent) of the total amount distributed.

While a majority received only one piece of land, over one-fourth (26.2 percent) received two pieces or more, and one person received as many as five pieces. This is probably a fairly good indication of the dispersion of land holdings among tenants, and shows that the scattering of fields is not a major problem, although

TABLE 2.5

DISTRIBUTION OF LAND UNDER THE AGRARIAN REFORM PROGRAM, VILLAGE OF KHÁNH-HẬU, 1958.

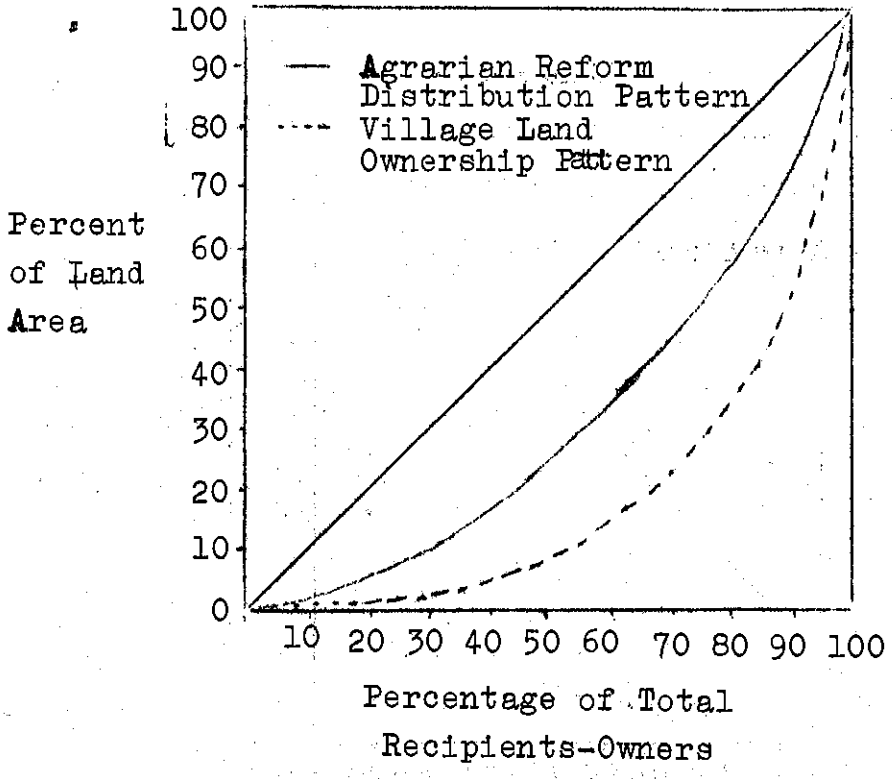
Size of Holding (Hectares)	Number of Recipients	Percentage of total Recipients	Number of Hectares	Percentage of total Distributal
Less than 0.50	13	8.7	4.6	2.0
0.50 - 0.99	35	23.5	27.4	11.8
1.00 - 1.49	36	24.2	44.5	19.2
1.50 - 1.99	24	16.1	39.9	17.2
2.00 - 2.49	18	12.1	39.6	17.1
2.50 - 2.99	10	6.7	26.8	11.6
3.00 - 3.49	7	4.7	22.4	9.7
3.50 - 3.99	1	.7	3.5	1.5
4.00 - 4.49	3	2.0	12.7	5.5
4.50 - 4.99	1	.7	4.8	2.1
5.00 or more	1	.7	5.4	2.3
	149	100.1	231.6	100.0

it does exist to some extent. Of equal interest is the range in the size of parcels and amounts which were distributed. The smallest piece of land received was .01 hectares and the largest

was 3.40 hectares, which gives some impression of the size of the working units. In comparison, the smallest amount of land received was .14 hectares, and the largest was 5.4 hectares.

These figures provide the main facts concerning land reform as it has affected the village, but additional perspective is gained by some further comparisons and considerations. For example, the equality of the distribution is shown in chart 2.1, and is compared with the equality of land distribution in the village as a whole before the land reform program. From this it is clear that while the redistribution was far from equal, the degree of

CHART 2.1

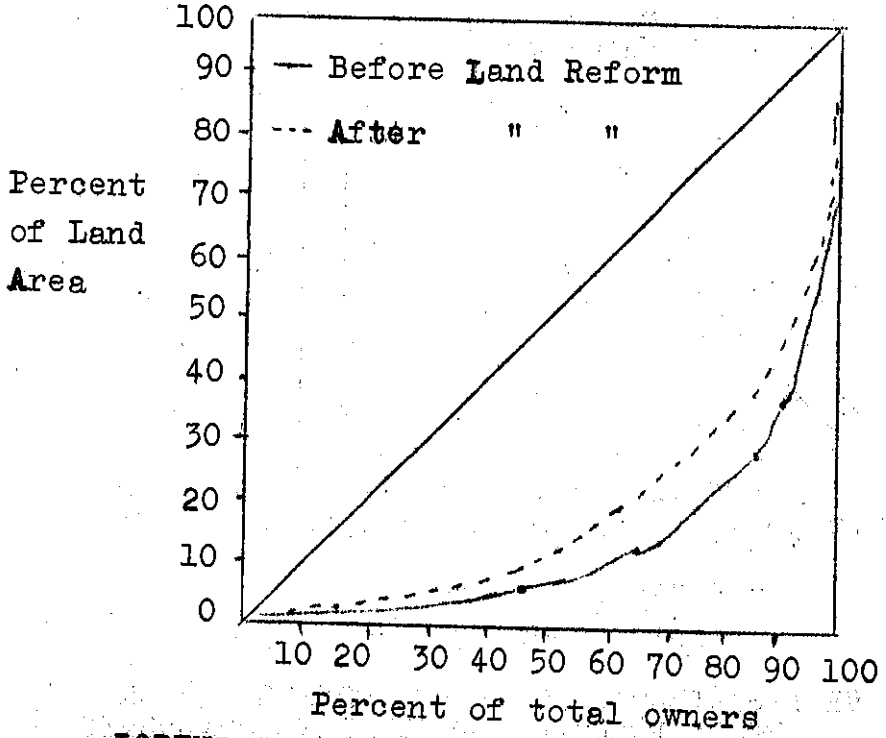


LORENZ CURVE DISTRIBUTION OF LAND RECEIVED UNDER THE AGRARIAN REFORM PROGRAM AND THE LAND OWNERSHIP PATTERN IN KHANH HAU PRIOR TO REDISTRIBUTION

Source: Tables 2.2 and 2.5

equality was greater than that which prevailed for the distribution of the land in the village as a whole, even excluding the single largest landowner. However, since most of the recipients did not own land before, and since most of them received small quantities of land, the land reform has had little effect on equality of the overall village landowning pattern. This is seen in the comparison made in Chart 2.2 where a Lorenz curve of ownership before the land reform program was carried out is only slightly lower than the curve which represents the distribution after the reapportionment. In short, the reform program has essentially continued the small-holding pattern, and the apportionment process has contained a degree of inequality all its own.

CHART 2.2



LORENZ CURVE COMPARISON OF THE EQUALITY OF LAND-OWNERSHIP, BEFORE AND AFTER LAND REFORM

Source: Tables 2.2 and 2.5

Villager reaction to the land reform program varied predictably with the status of the person being questioned on it. Most landowners had too little land to be very concerned over any further redistribution, and did not identify with the large owners who were forced to divest themselves of some land. The fortunate tenants who received something through the reform were obviously pleased. Việt Minh land reforms were never instituted in the area in which the village is located. Thus, the problem of resistance to paying for land, which has occurred in areas where the Việt Minh had given land to farmers at an earlier date, did not arise in Khánh Hậu. There also did not seem to be any underground pressure to sabotage the program by refusing to take land that was offered, again something which has happened in other areas. The temporary certificates of ownership were handed out on the occasion of the Festival of the Village Guardian Spirit (Lễ Cầu Bông), and the expressions on the faces of the recipients reflected genuine pleasure and gratitude.

The bulk of the dissatisfaction and criticism of land reform comes from the tenants and landless laborers who did not benefit from it, and who still comprise a majority of the village population. One of their chief complaints is that some of the recipients have managed to include their relatives in the distribution, and that this is unfair to those who are left out. This argument is never presented very clearly, and it is difficult to determine exactly what they find objectionable. The most plausible

reconstruction is that some of the former tenants of the large landowner had, in turn, sublet portions of the land they leased to relatives, and that as a result of this sub-leasing the relatives became eligible to buy land under the reform program. It is hard to see how this is unfair, except to the extent it may have been done in anticipation of the land reform itself. Even in that case, however, the original tenant would have been eligible to buy what he was renting, and the other villagers still would not have benefited.

Another complaint is that some of those who received land already owned some, and they were therefore less in need than many other villagers. A check of the names of recipients against the tax rolls of the village failed to substantiate this charge, for only five of the recipients were prior owners and none of them had very large holdings. This is really a specific form of a more common general criticism that the land reform has been based on administrative facility rather than concern for the problems of the neediest group in the population, i.e., the landless laborers. In the minds of the latter, the land has been distributed to persons who, because they were already tenants, were already in a favored position. What they fail to realize, or at least fail to admit, is that if the land were given to laborers, the former tenants would lose their tenancy and their rights to buy the redistributed land. This would simply exchange one group of "have-nots" for another.

It would be presumptuous to try to assess the entire land reform program on the basis of what has happened in one village, for there is considerable range in the types of problems which the program faces. The typical problems may be either more or less crucial than those in Khánh Hậu. Nevertheless, a qualified assessment can be made which is valid for that part of the delta which lies north of the Mekong, for to this extent the village experience is probably typical.

One of the first things to recognize is the political necessity of a land reform program of some kind. Particularly in the south, absentee and large scale landownership had become a focal point for political unrest and discontent. The Việt Minh promised to redistribute the large holdings, and regardless of the sincerity, feasibility or economic viability of that promise, the new Republic of Viet Nam had to come through with a comparable program of its own to gain the support of the peasantry and offset the discontent generated by the expectation of land under the Việt Minh. This is completely outside any ideological desire to accomplish land reforms, although the latter was undoubtedly present to an unmeasurable degree.

Given this necessity, concern centers on the way in which the reform is carried out and its probable effects. Khánh Hậu was fortunate in the fact that land records were not destroyed and the problem of identifying plots for redistribution was not very great. Administratively, therefore, there were few important

complications. Even so, the program did not assume tangible proportions at the village level until nearly two years after Ordinance No. 57 had been promulgated, and more than six months after the necessary identification and application work had been completed at the local and provincial levels. This slowness has both good and bad aspects. For one thing, it has probably meant a more careful job, but it has also undoubtedly caused some loss in political impact, and this was compounded by the fact that only about one-quarter of the households in the village benefited directly from the reform. The general impression one gets is that the villagers think the land reform took an inordinately long time to complete, and that even then it did not do too much good.

It is certainly true that it has had relatively little effect in equalizing the size of land holdings, as Figure 2.2 shows. While those who received some land are now undoubtedly better off than they were before, most of them received such small amounts that their standard of living cannot rise very much. There will still not be enough land to farm more extensively or to provide a surplus over family needs that will permit savings from which to make further investment in productive facilities. However, no land reform could accomplish more, and even if all land in the village were divided equally among all households it would result in only 1.6 hectares per household. This would still be economically inefficient, and would have the additional drawback that it would be very inadequate for the larger households.

This points up the basic dilemma of this land reform -- that although it is politically necessary, it is economically ineffective. It tends to perpetuate the marginal small holder, delays the adjustment to more productive industrial activities, and offers a promise of substantial improvement that it cannot keep.

Farm tenancy in the village. -- The basic data on farm tenancy were taken from the rent contract records of the village, and apply to a period before the agrarian reform program went into effect. An overall view is shown in Table 2.6 which gives the distribution of tenant holdings and the cumulative percentages of tenants who rent less than varying amounts. For the village as a whole, the average tenant rents 2.4 hectares, but the median tenant has only 1.7 hectares. Before agrarian reform, 642.13 hectares were rented to tenants, which was 69.4 percent of the rice land in the village.

Looked at from the other side, the typical landlord was also small scale (Table 2.7). The average landlord rented out 12.6 hectares, but if the single largest landlord and the communal lands are both excluded from the totals, the average drops to 7.2 hectares. The median figure was 4.05 hectares per landlord, but this drops only to 4.0 hectares if the same two rentors are excluded. The largest landlord actually rented out 41.2 percent of all the land that was rented, but only 18.1 hectares of communal land were rented. The latter was, therefore, relatively unimportant in comparison.

T A B L E 2.6

SIZE OF TENANT HOLDINGS, KHÁNH HẬU, 1955-1956

Size of Holding (ha)	No. of Tenants	Cumulative percentage of Tenants	No. of Hectares	Cumulative Percentage of hectares
0 - .99	47	17.16	31.94	5.1
1.00 - 1.99	93	52.43	115.19	22.9
2.00 - 2.99	48	70.41	109.63	40.0
3.00 - 3.99	25	79.77	83.66	53.0
4.00 - 4.99	22	88.05	93.45	67.6
5.00 - 5.99	14	93.25	73.03	79.0
6.00 - 6.99	11	97.37	70.00	89.9
7.00 - 7.99	2	98.12	14.60	92.2
8.00 - 8.99	1	98.87	8.68	93.6
9.00 - 9.99	3	99.62	28.20	98.0
10.00 or more	1	100.00	13.75	100.1
Total	267		642.13	

Source: Rent Contract Records, Khánh Hậu Village.

TABLE 2.7

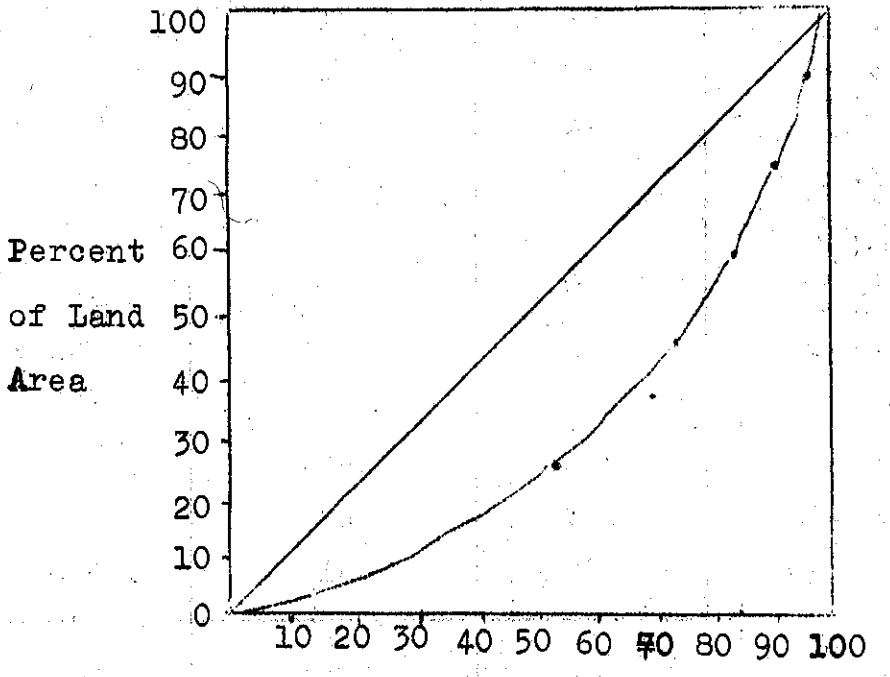
SIZE OF RICEFIELDS RENTED TO TENANTS BY LANDLORDS, KHÁNH-HẬU, 1955-1956

Size (hectares)	No. of landlords	Cumulative no. of landlords renting given area	Cumulative Percentage of landlords renting given area
0 - 1.99	8	8	16o/o
2.00 - 3.99	12	20	40
4.00 - 5.99	14	34	68
6.00 - 7.99	2	36	72
8.00 - 9.99	4	40	80
10.00 - 11.99	0	40	80
12.00 - 13.99	2	42	84
14.00 - 15.99	2	44	88
16.00 - 17.99	1	45	90
18.00 - 19.99	2	47	94
20.00 and more	4	51	100
Total:	51		

Source: Rent Contract Records, Khánh Hậu Village.

The inequality of the distribution of tenant rights can be seen from the cumulative percentages of tenants and the area of land they hold shown in Table 2.6. The same thing appears graphically in the Lorenz curve in Chart 2.3. Once again, the picture is one of many small tenants who together rent a minor share of all the land that is rented out, and a few large tenants who have a disproportionately large share of the land that is rented. For example, over half the tenants (52.4 percent) rent

CHART 2.3



LORENZ CURVE DISTRIBUTION OF TENANT HOLDINGS

Source: Table 2.6

less than 2 hectares each, less than one-fourth (22.9 percent) of all the land that is rented. At the other end of the scale the upper 12 percent of the tenants rent nearly one-third of the rented land. However, although the pattern may be the same, a comparison of Figures 2.3 and 2.2 shows that the degree of inequality is greater among the owners of land than it is among tenants. There is probably no special significance in this finding other than that tenant holdings tend to be heavily concentrated around the median area and that this is not a very large amount of land.

The typical tenant has only one landlord, but some have more. For the village as a whole, 15.7 percent of the tenants actually have two or more landlords, and one has as many as four, but this is clearly not a common practice. On the other hand, a comparison of the size of tenant holdings with the amounts rented out by landlords leads to the inference that a slight majority of landlords probably have more than one tenant.

In addition to the basic data, a survey of 100 village households was conducted in which questions were asked on a wide range of village activities.[7] Included in this survey was a question on

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[7]Hereinafter, reference will be made from time to time to this survey, and since it was given to a stratified random sample of village households the proportions in the replies are used as approximations to those which would be obtained from the village population as a whole. A more detailed description of the sample and the socio-economic class definitions used is presented in Appendix B.

tenancy and its connection with family relationships. Among tenants in the sample, over one-third (36 percent) rented part or all of their land from relatives. Thus a substantial, though not a majority, portion of the tenant population can count on relationship with their landlord as a factor which may eliminate or reduce much of the normal friction which arises between landlord and tenant. The survey also indicates that the percentage of tenants renting from resident landlords is roughly equal to that of tenants renting from landlords living outside the village.

Land values and the rent of agricultural land. -- There is no source of information on land values in the village which can provide a clear and accurate picture. The closest approximation is supplied by survey data which recorded what heads of farm households thought was the value of their land. This information is supplemented by interviews with farmers throughout the village, during which similar kinds of estimates were given.

Rice land in Khánh Hậu tends to be valued at from 12,00₱VN to 30,000₱VN per hectare, depending on its productivity and, to a lesser extent, on its location. In the survey sample, the median valuation placed on their own land by all operators was 20,000₱VN per hectare. Of the land valued in excess of 25,000₱VN a majority was two-crop land; of the land valued at less than 15,000₱VN, a majority was one-crop land. The two most frequently quoted values were 20,000₱VN and 25,000₱VN per hectares, which is also true for the estimates obtained in conversations and interviews outside the survey.

When estimated land values are tabulated by socio-economic class of the operator, there is a marked tendency for middle and upper class households to operate the more expensive land. Approximately one-fourth of these households have land less than 20,000₫VN per hectare in value, while over two-fifths of lower class households operate land in the same category. These data are consistent with other findings that upper and middle class households in the village not only have more land, but also have better land than the lower class households.

Official values set on the land distributed under the agrarian reform program varied from 12,000₫VN to 15,000₫VN per hectare, depending on the grade, with the 15,000₫VN price set on land equal to the best found in the village. Thus, the best land in the village that was sold in the land re-distribution brought from 50 to 60 percent of its estimated value, but the poorest land was sold at anywhere from 60 percent to its full estimated worth. Payable over a six year period, the purchase will require annual payments of from 40 to 50 gia of paddy per year from each hectare received.

The rents paid for rice land are a matter of great concern, and they have been one of the major sources of friction between tenants and landlords in all undeveloped areas. In an effort to curb the abuses which occured in the past and provide a standard for all rent contracts, the government's agrarian reform program

has set a maximum rental on rice land of 25 percent of the normal annual crop. This is an admirable objective, but the existence of such a maximum rental creates certain problems in trying to determine the actual rents being paid at the present time.

A rent higher than the maximum is thereby illegal, and the landlord charged with obtaining it faces stiff penalties. Since land is scarce in the village, a tenant is anxious to avoid angering his landlord and jeopardizing his tenancy rights. Therefore, it was common to have a tenant answer that he paid the legal maximum of 25 percent of his yield when first asked, but to raise this figure to 30 or 35 percent if the questioner expressed any doubt or skepticism at the first reply. This created a dilemma because the initial answer seemed to be automatic, legal and therefore somewhat suspect. The second answer, however, obtained after some prodding, may have been given because the respondent thought a higher figure was desired, and he therefore proceeded to supply it. Again, the reply was suspect to some extent. The only other available approach was to abandon percentage estimates entirely and ask for rents in terms of gia of paddy, and try to convert these into percentage rents on the basis of probable yields. This resulted in rent estimates that ranged from 15 to 25 percent of the yield fully as often as it did in estimates above 25 percent. This may be explained in a variety of ways: some farmers grow vegetables on rice land before or after the rice crop, but pay rent only on the value of the rice crop. Further, tenants regard themselves

fortunate if the landlord is a non-resident of the village, for such landlords generally do not know the true size of the crop, and actual rents would again be lower than the maximum legal percentage. Resident landlords, aware of the local situation, usually require a rent on the second crop only, but set it at a rate so high that, in effect, it represents about 25 percent of the total yield from two crops. Thus, tenants may report a rent of, say, 35 percent on their second crop, but since this is the only rent collected it may actually be on the order of 25 percent of the total yield for the year. The rent situation was further complicated by the fact that in 1958, the year in which the field work for this study was carried on, the crops were poor, and many landlords reduced rents by 25 to 40 percent for tenants who had lost a large part of the harvest.

Taking all these factors together, landlords in Khánh Hậu seem to have lost some, but not all of their former leverage over tenants. This development is a compound of many influences, of which the agrarian reform program is certainly an important one. Rental contracts run for five year periods but almost all the landlords in Khánh Hậu may reclaim their land upon two years' advance notice. The tenant thus has some protection for his holding, but it is not permanent and he remains careful not to antoganize his landlord. The private agreements reached on rent, as distinguished from the conditions recorded in the rent contracts, are therefore still likely to reflect the slightly favorable position of the landlord

in many cases. On the other hand, absentee landlords are probably willing to settle for rents that are no more than the legal maximum and, with their often limited knowledge of actual yields, they may receive even less. Also, over one-third of the tenants rent from relatives, which would again imply rents that, on the average, are at or below the legal maximum. Some actually receive land rent free. On balance, therefore, actual rents in the village probably average between 25 and 30 percent of the yield. A few may pay more than this, but an even larger number would pay less. Throughout this study, the legal maximum of 25 percent is used in computing rents.

Summary of land availability. -- We must admit at the outset that in this village, the pressure on the land, as measured by average landowner holdings, average tenant holdings, or per capita or per household rice land available, is less severe than in many other parts of Asia. Still there is not enough rice land in the village to provide the population with a substantial increase in living standards from agriculture no matter how it may be allocated. Land reform has converted some tenants into small landowners but except for the elimination of the need to pay rent (negated during the first six years when land payments must be made) it has done little to expand their productive opportunities. Added to this is the fact that the typical working unit is still small and fragmented. The land area, the population, and the tenure pattern therefore act to impose a major limitation on the potential productivity from agriculture.

Characteristics of the Land

Water resources. -- In a household economy so heavily dependent on agriculture, water is as important as land itself in determining the kind and level of production. Unfortunately for villages in the area of Khánh Hậu, the water problem is a severe one. The streams which flow through the countryside are linked ultimately to tributaries of the Vaico River, which in turn flows into the Saigon River near its mouth. The waters of the Vaico are affected by the tidal action of the sea during the dry season months with the result that the tributary streams turn salty and brackish and cannot be used for irrigation or drinking.

Streams provide a natural boundary for two sides of the village, at the south and east, and another stream enters one of the hamlets from the north. All of these sources are affected by the tidal action, described above, which renders them useless for irrigation purposes except during the rainy season months when the Vaico itself remains fresh at all times. At that time farmers whose fields are located fairly near the fields can lift the water from the streams and run it to the areas where it is needed. Because the rainfall is not always dependable, and to augment the opportunity presented by the streams, the villagers have constructed two canals during the past two years which extend the water supplied by the natural streams. Canal building of this kind could be continued

on a much larger scale, but no matter how extensive the ultimate network, there is always the major limitation imposed by the tidal action in the Vaico.

A further difficulty is the fact that it is not practical to obtain irrigation water from wells. It has been estimated that reliable sources of fresh water cannot be tapped at depths less than 150 meters; it may be necessary to go even deeper than that. A few wells have been sunk in the village with the assistance of the American aid program, but they were less than 100 meters in depth and they went dry at the beginning of the dry season. Wells of this size are clearly beyond the reach of the typical farmer, and are not feasible for a government irrigation program.

For the village as a whole, then, irrigation may be expanded by canal-building which will help during the present growing periods when rainfall is insufficient for the rice crops. Beyond this there is nothing the villagers themselves can do to improve their supplies of fresh water, because deep wells are too expensive. Unless something is done, such as a vast government irrigation project to tap the ever-fresh waters of the Mekong, agricultural production will be inhibited by the perennial water shortage.

Soil composition. -- The village lies essentially on the margin between two major soil regions, but its soils are most like the alluvium and peats, with medium to high acidity, which are typical of the Plaine des Joncs area to the west. The main hamlet of the village is situated on what was once a stream bed, and the soil

there is sandy. In fact, the main street of the hamlet follows roughly the original stream bed itself. This is the only part of the village where vegetables are grown; the villagers complain that other soils will not support them.

To the west of this hamlet, and running toward the region of the Plaine des Joncs, the soil becomes heavy black clay with a high acidity, and ideally the farmers should lime their fields to improve their productivity. To the east of the hamlet the soil is also a heavy clay, but the acid content is much less and liming is really not necessary. Fields in this part of the village begin to resemble more the other major soil region which is characterized by diverse alluviums with no or slight acidity or salinity.[8]

Unfortunately, the more acid clay soils of the western half of the village are also located in the area which is served least well by the natural streams, and farmers whose fields are located there have a water problem as well as one of acidity. Fields with less acid soils also have better access to water, and productivity there is much higher because there is the double advantage of a possible double crop and also better yield per crop.

Climate and rainfall. -- Climate and rainfall information which pertains specifically to the village is not available, and

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[8] For a description of the major soil regions of Viet Nam see J.P. Gittinger (ed.), Vietnamese Agricultural Statistics (Saigon: United States Operations Mission to Viet Nam, 1959,) p. 10.

the best approximation is provided by the data for Saigon. This is shown in Table 2.8.

However, from general observation during the period of time when the field work for this study was being done, it seemed that the rainfall in the Saigon area was heavier than it was in the village. In particular, the first steady rains began in Saigon four weeks or more before they did so in Khánh Hậu, and plowing and transplanting began much earlier in the villages just outside Saigon. Since this may have been an unusual year in this respect, and since this is an impressionistic rather than an accurately measured difference, it is obviously subject to some doubt. However, the size of the rainfall farther south in the delta has tended to be less than in Saigon over the past ten years, and this lends some further support to the observation that rainfall in Khánh Hậu is probably somewhat less than it is in Saigon.

Monthly average temperatures, again based on those for Saigon, ranged from Fahrenheit 77.9° in December to 83.7° in April over the period 1947 to 1956. Temperatures during the growing season, roughly June to January, averaged from Fahrenheit 79° to 80° for most months, with the high being 81° in April and the low the December figure given above. The lowest average minimum was Fahrenheit 69.8° and the highest average maximum was 94.3° for the same ten year period. The temperature, therefore, is fairly steady throughout the year, with not too wide a range, and is particularly steady during the months of the rainy season when the rice crop is growing.

T A B L E 2.8

RAINFALL AND HUMIDITY AT SAIGON

Month	Period 1947-56			1957		
	No. of rainy days	Rainfall in incles	Average relative humidity	No. of rainy days	Rainfall in inches	Average relative humidity
Jan	2	0.6	75.5	1	0.6	75.3
Feb	1	0.2	72.7	...	0.2	72.5
Mar	2	0.4	72.2	5	0.5	72.2
Apr	6	2.1	75.4	8	2.1	75.3
May	18	8.7	82.3	13	8.6	82.0
Jun	22	12.5	84.9	25	12.4	84.8
Jul	23	11.6	85.3	23	11.6	85.3
Aug	22	10.5	85.3	27	10.4	85.2
Sep	23	13.3	87.1	28	13.4	87.2
Oct	21	10.3	86.2	20	10.3	86.1
Nov	12	4.9	83.2	8	4.8	83.1
Dec	7	2.3	79.3	3	2.3	79.2

Source: J. P. Gittinger (ed.), Vietnamese Agricultural Statistics (Saigon: United States Operations Mission to Viet Nam, 1959), p. 5.

Chapter III

POPULATION AND THE MEANS OF PRODUCTION

"Eating makes us strong, learning makes us wise and clever."

(Vietnamese Proverb)

Characteristics of the Village Population

Population size and composition. -- The people of the village of Khánh Hậu, considered in non-quantitative terms, present a complex of attitudes and outlooks that stir feelings of affection, sympathy, admiration, and inevitably to the western observer, frustration. In the description which follows, therefore, it should be remembered that the cold statistics refer to human beings, with a wide range of conflicts and problems, whose society has undergone great strains and pressures in the recent past. The aim here is not to bury the character of a people under a screen of figures, though this is often an unhappy by-product of quantification.

The basic data for the village population are taken from the house-to-house census which was conducted by village and school officials in September, 1958. These are shown in Table 3.1, which gives not only the totals by hamlets, but also the number of families and the number of five-family groups in each hamlet. The population for the five hamlets of Khánh Hậu in 1958 was 3,241 persons, of whom a bare majority (51.1 percent) were women.

A major portion of the population, although again a slim one, is also under 18 years of age (54.1 percent), but here the number of boys is slightly larger than the number of girls. The relative

size of the hamlets is clearly indicated, with Ấp Dinh the largest and the most important. Because of its size it has been subdivided into hamlets "A" and "B" for Administration purposes but most villagers continue to regard it as a single hamlet. Table 3.1, therefore, shows the number of households and the number of five-family groups in each subdivision of Ấp Dinh, but the rest of the

T A B L E 3.1

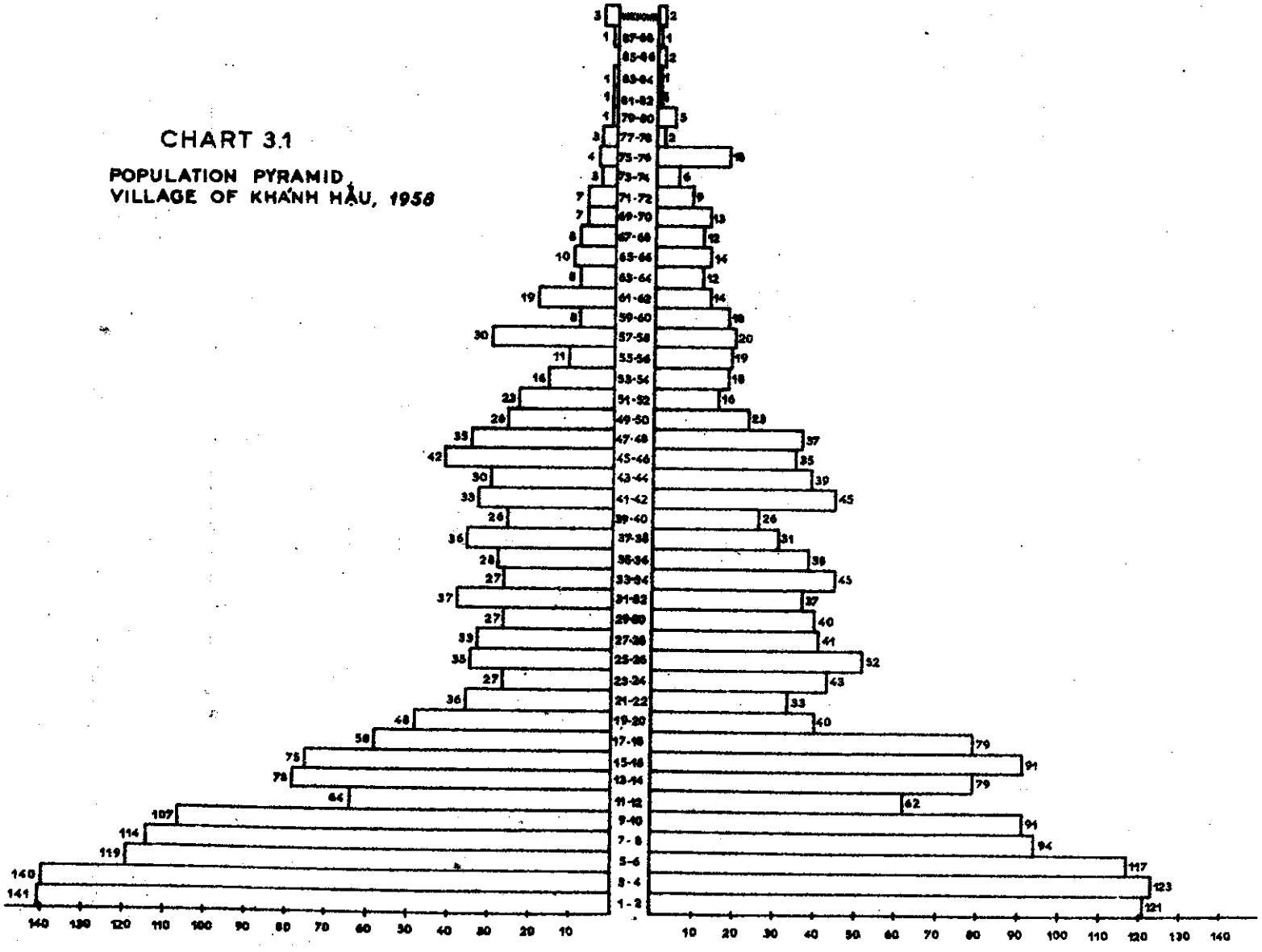
POPULATION OF KHÁNH-HẬU, BY HAMLETS, 1958

Hamlet	Number of House-holds	Number of 5-family Groups	Men over 18 years	Women over 18 years	Boys 18 years and under	Girls 18 yrs and under	Total
Ấp Dinh "A"	142	29)	258	309	363	309	1,239
Ấp Dinh "B"	88	17)					
Ấp Mới	69	15	82	97	87	107	373
Ấp Cầu	85	17	101	110	129	124	464
Ấp Nhân Hậu	144	23	137	150	161	188	636
Ấp Thủ Tựu	92	19	112	132	156	129	529
Total	590	120	690	798	896	857	3,241

Source: Village Census of Khánh Hậu, September, 1958.

CHART 3.1

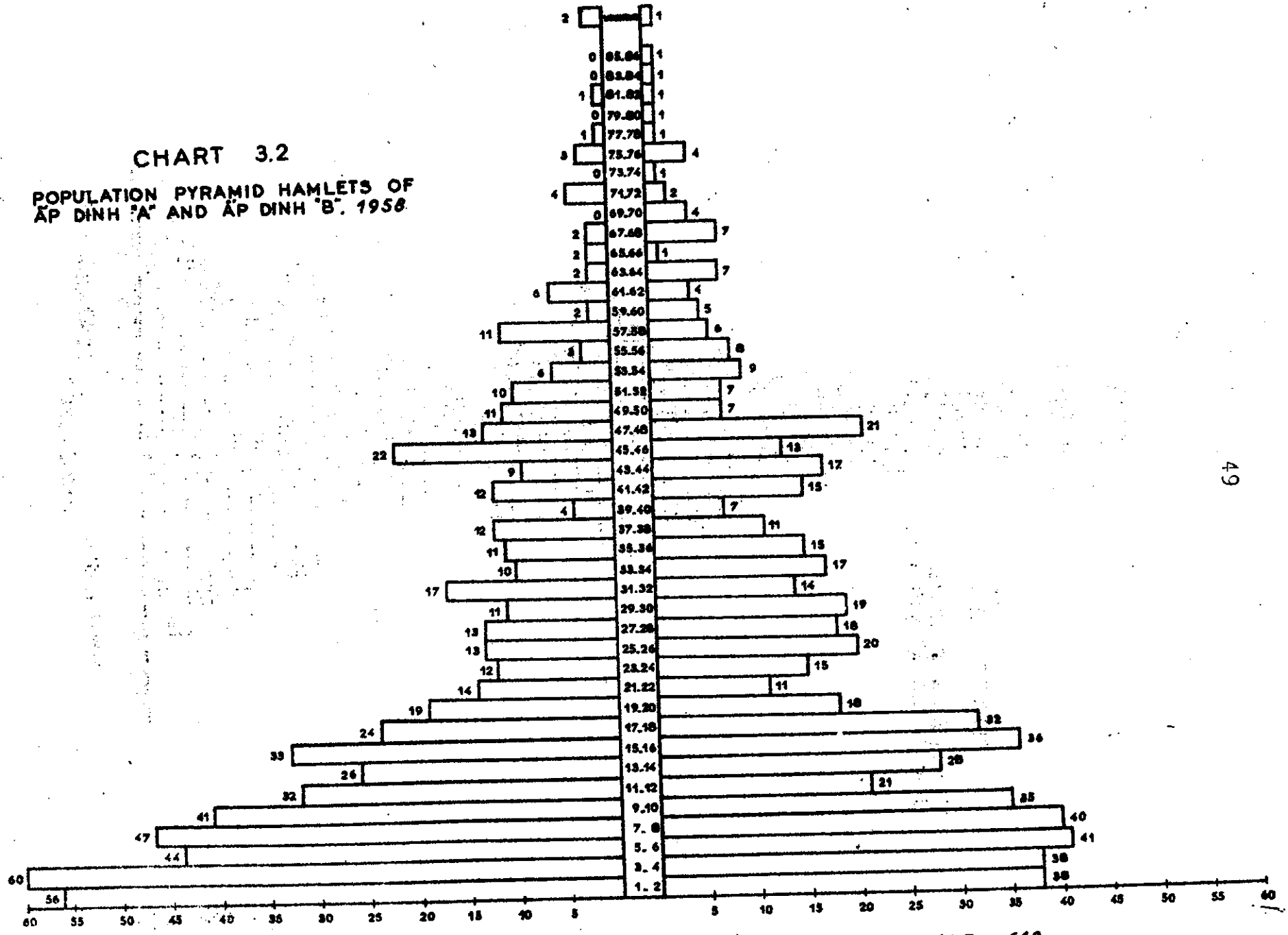
POPULATION PYRAMID
VILLAGE OF KHÁNH HẬU, *1958*



MALE = *1,586* TOTAL = *3,241* FEMALE = *1,655*

CHART 3.2

POPULATION PYRAMID HAMLETS OF ẤP DINH "A" AND ẤP DINH "B". 1958



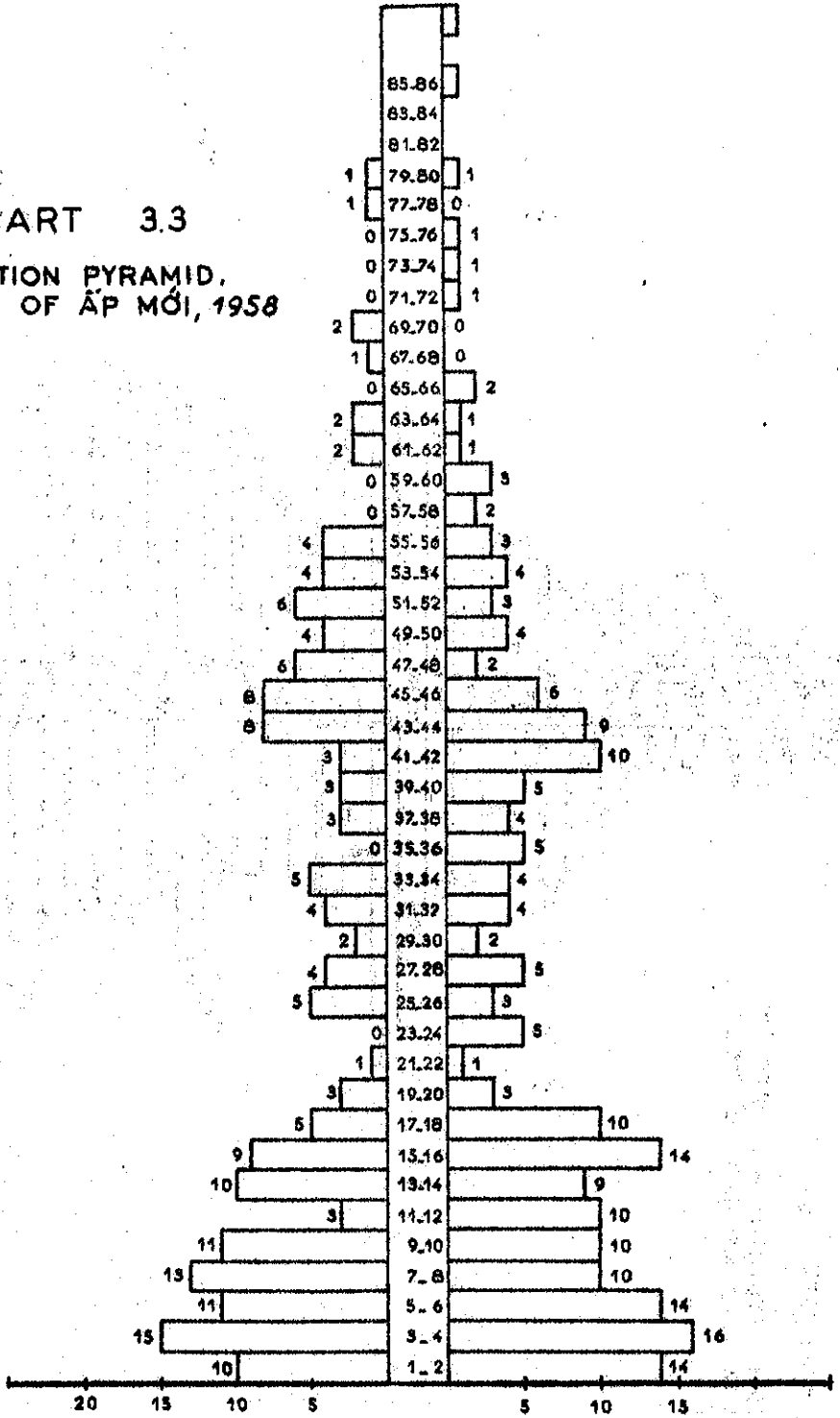
MALE = 621

FEMALE = 618

TOTAL = 1,239

CHART 3.3

POPULATION PYRAMID, HAMLET OF ẤP MỚI, *1958*



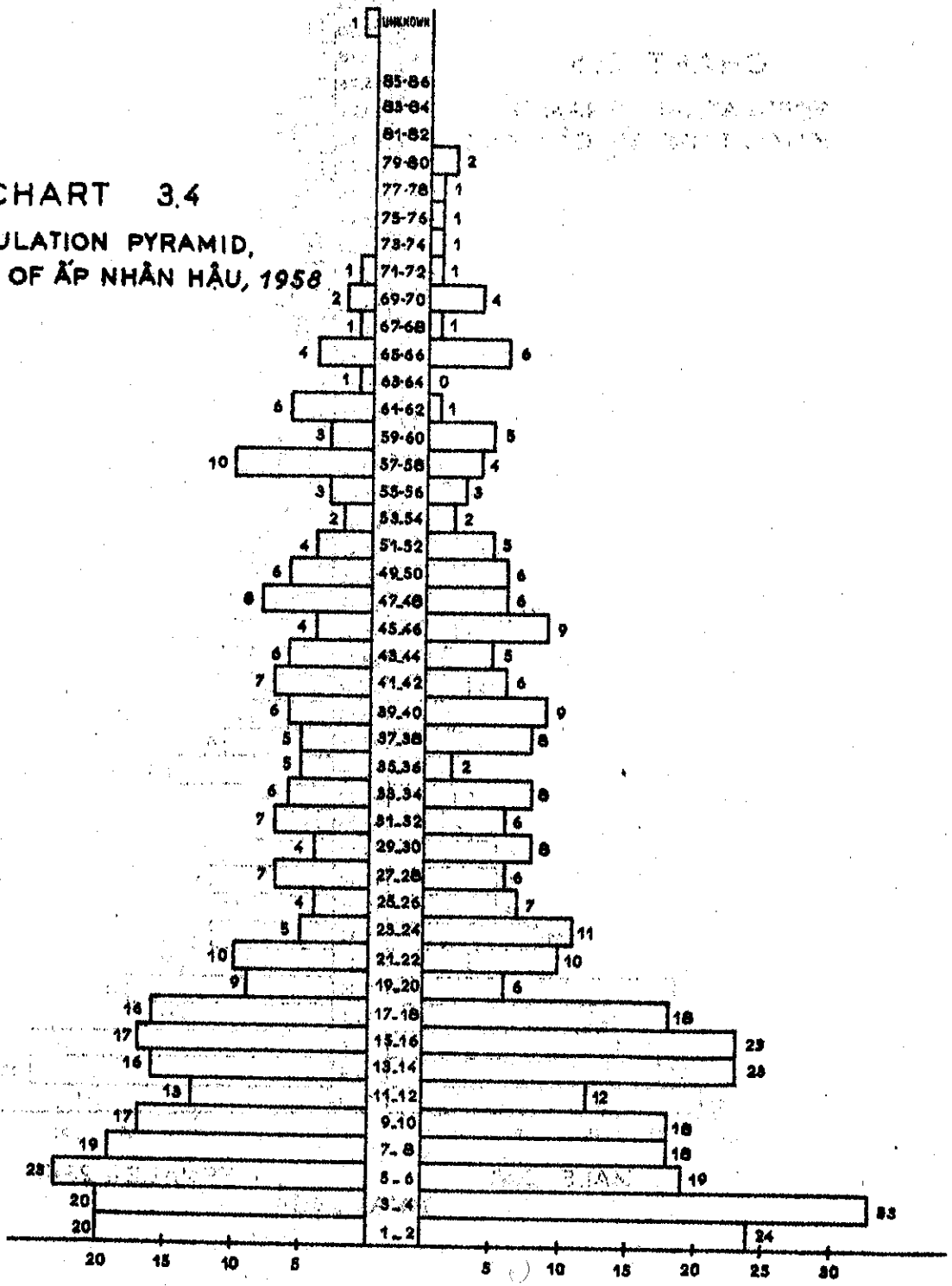
MALE = *169*

FEMALE = *204*

TOTAL = *373*

CHART 3.4

POPULATION PYRAMID, HAMLET OF ẤP NHÂN HẬU, *1958*



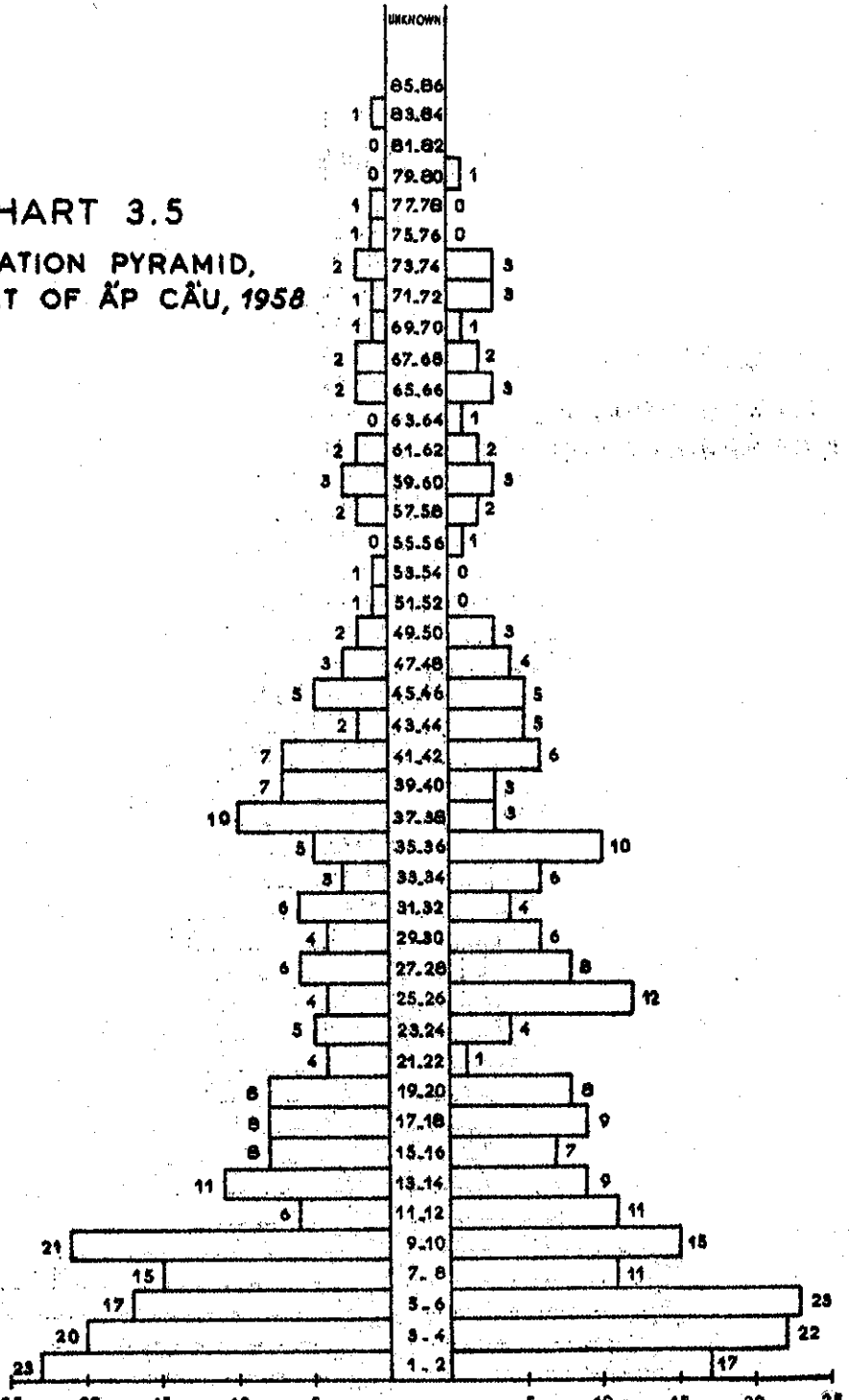
MALE = *298*

FEMALE = *338*

TOTAL = *636*

CHART 3.5

POPULATION PYRAMID, HAMLET OF ẤP CẦU, *1958*



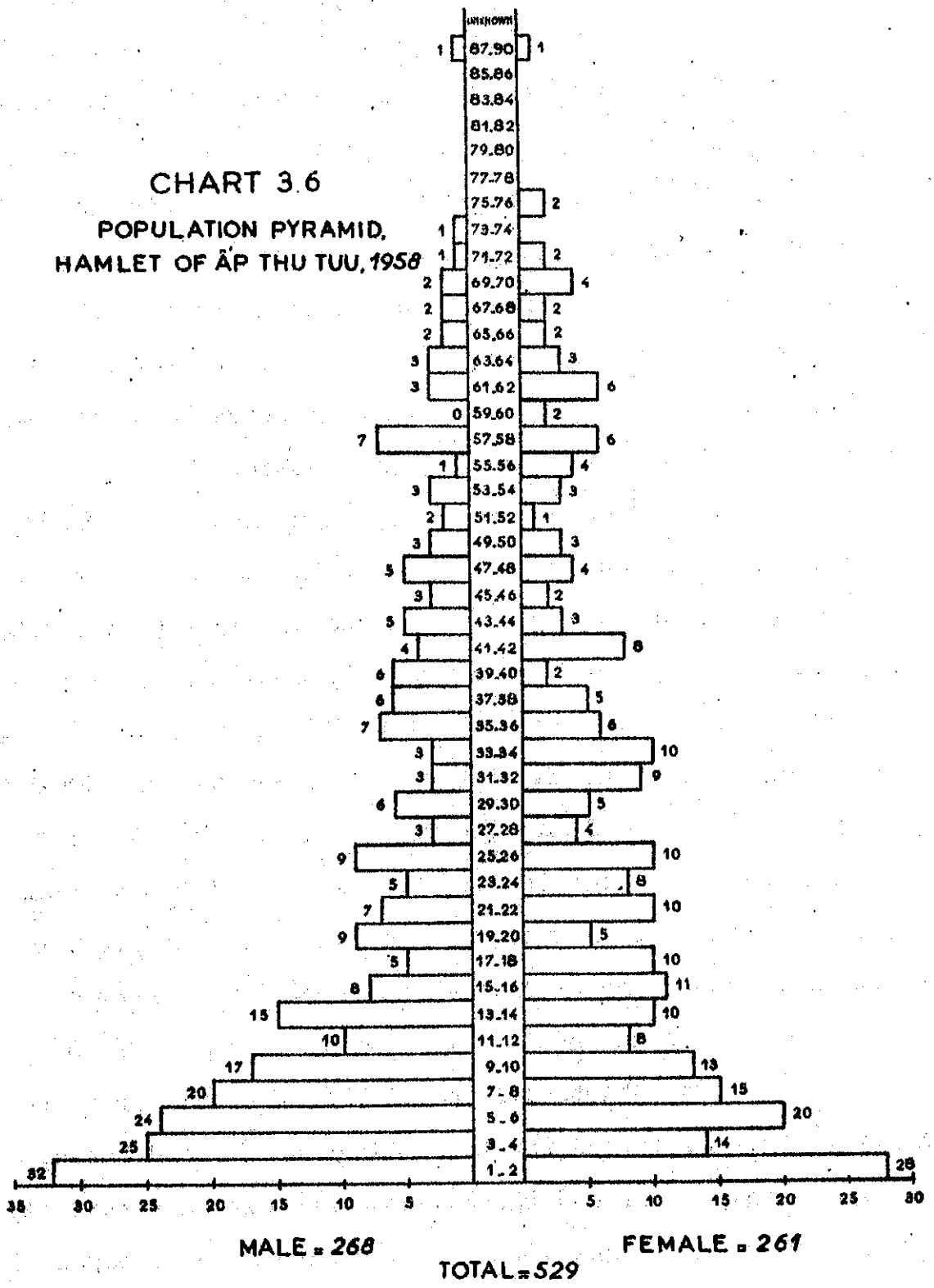
MALE = *230*

FEMALE = *234*

TOTAL = *464*

CHART 3.6

POPULATION PYRAMID, HAMLET OF ĂP THU TUU, *1958*



figures are for the combined hamlet. Altogether, this hamlet contains 38.2 percent of the total population of the village, in contrast with its neighbor, Ấp Mới, which has only 11.5 percent of the total. To some extent, however, Ấp Dinh "A" and "B" and Ấp Mới represent a single concentration of population because they are contiguous and because the people in Ấp Mới have largely resettled from Ấp Dinh. In terms of population, these hamlets comprise almost exactly half (49.17 percent) of the total population. Khánh Hậu is not only divided geographically by the main highway; the same division halves the population.

The average household in the village contains 5.5 persons, which is smaller than expected in light of the common belief that families and households in Việt Nam tend to be large (Table 3.2). Moreover, average household size is roughly the same for each hamlet, ranging from the lowest average of 5.1 to the highest of 5.9. And these two extremes are actually found in Ấp Dinh "A" and "B" which were formerly a single hamlet. The median size household is 6 persons; there are 26 households in the village which have only one member, and one household that has 16 members. However, only 35 households have as many as 10 members or more.

The age and sex distribution of the village is shown in the population pyramids of Charts 3.1 to 3.5. In general terms, the pyramids for the hamlets and for the village have broad bases, narrow considerably at around age 20, and then extend vertically without much change past age 50. They indicate a young population

T A B L E 3.2

HOUSEHOLD SIZE IN KHÁNH HẬU, BY HAMLETS, 1958

Household size (persons)	Ấp Dinh "A"	Ấp Dinh "B"	Ấp Mới	Ấp Cầu	Ấp Thủ Tựu	Ấp Nhân Hậu	All Hamlets
1	9	3	2	6	2	4	26
2	18	4	6	2	7	8	45
3	11	7	10	7	6	12	53
4	20	13	8	12	13	15	81
5	25	13	12	17	16	21	104
6	20	15	9	18	16	11	89
7	20	13	9	10	12	14	78
8	7	6	8	5	7	18	51
9	4	7	2	3	6	6	28
10	4	3	1	3	5	3	19
11	2	3	--	--	1	1	7
12	2	--	1	1	1	1	6
13	--	--	--	1	--	--	1
14	--	1	--	--	--	--	1
15	--	--	--	--	--	--	--
16	--	--	1	--	--	--	1
Total	142	88	69	85	92	114	590

Source: Village Census of Khánh Hậu, September, 1958.

and foreshadow great population pressure in years to come unless subject to check of some kind.

Considered in more detail, the pyramid for the village shows that births fell off 11 to 14 years ago, one of the major periods of hostilities and insecurity. Accurate data on this period are not available but this probably reflects a disruption of normal home life as the young men, particularly, became involved in the fighting in one way or another. This same pattern is found in all the hamlets, and to more or less the same degree. Also found in all hamlets is a sudden narrowing of the pyramid, usually accompanied by a larger female than male population, at age levels above 20 years. Finally, there is actually a larger number of villagers in the age group 41 to 50 (345 persons) than there is in the age group 31 to 40 (331 persons).

One would normally expect to find that more boys are born than girls and, therefore, a majority of males in the early age brackets. The death rate among males is usually higher than that for females, so it would also be expected that there would be more females than males among the adult population. Both of these expectations hold for the village of Khánh Hậu. However, the narrowing of the pyramid above age 20 suggests that the village population pattern has been affected by outside factors to a considerable degree. Since life expectancy in Viet Nam is low, some of the sharp reduction in the size of age groups past 20 may be explained in terms of the generally poor health conditions -- a condition not

confined to Khánh Hậu. However, the fact that the middle-aged group of persons 41 to 50 contains more than the next youngest group must reflect something more than just poor health. If the comparison is made by sex, there are more men in the age group 41 to 50 (166 persons) than there are in either age group 31 to 40 (154 persons) or age group 21 to 30 (158 persons). An important part of the explanation therefore seems to lie in the fact that young adult males have left and are still leaving the village in significant numbers.

The military has undoubtedly accounted for a good share of this mobility out of the village. A conscription program is currently in effect which draws some young men into military service each year. But the relatively small numbers of men in age groups older than those now being called into service means that many who left during the past 15 years have not returned to the village. Some of these are still on active duty, but it is probably true that a larger number have found opportunities elsewhere and have preferred not to return. This indicates that mobility from the village may be greater than has sometimes been held, or at least that the drawing power of the village is not too great once the villager is away from it. There is also some mobility from the village through the marriages of women who move to the villages of their husbands, but this emigration is probably offset by immigration of women from other villages for the same reason. The fact that there are fewer women in the age group 31 to 40 (177

persons) than there are in the age group 41 to 50 (179 persons) probably reflects the movement of women in the former age group with the men whose emigration was noted above.

There is no record of births and deaths prior to 1948, so there is little basis for estimating the long run trend in the ratio of births to deaths but there is information for the period 1948 to 1957 and this is shown in Table 3.3. The same data are plotted in Figure 3.7 to illustrate the variation in the ratio from year to year and the trend which seems to express the change which is taking place. The ratio of births to deaths has averaged

T A B L E 3.3

BIRTHS, DEATHS AND MARRIAGES IN KHÁNH HẬU, 1948 to 1957

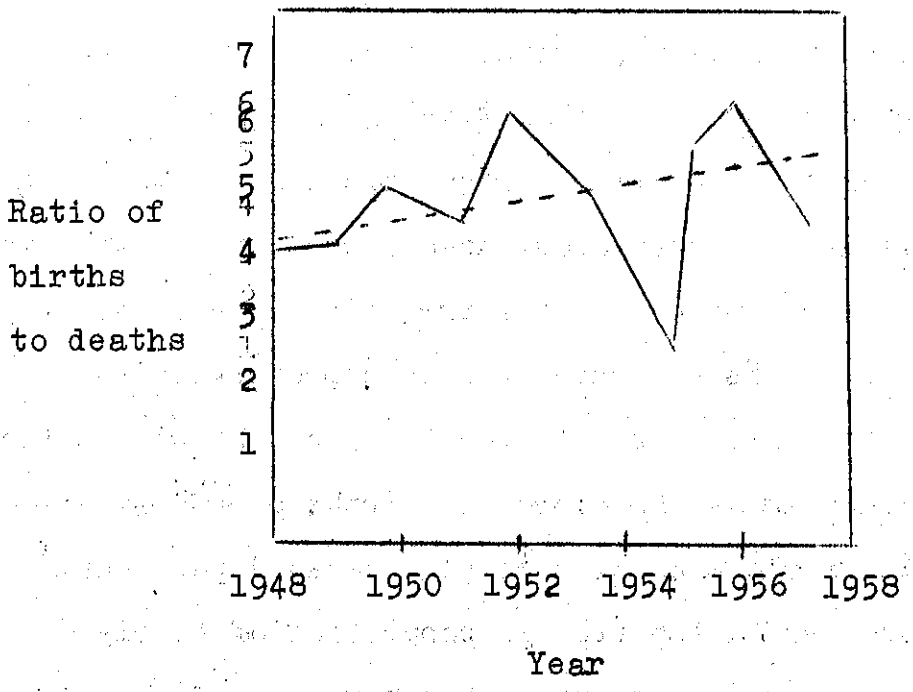
YEAR	Number of births	Number of deaths	Excess of births over deaths	Number of Marriages	Ratio of births to deaths
1948	83	18	65	22	4.6 : 1
1949	94	20	74	14	4.7 : 1
1950	90	17	73	25	5.3 : 1
1951	98	21	77	22	4.7 : 1
1952	99	16	83	17	6.2 : 1
1953	180	35	145	34	5.1 : 1
1954	123	37	86	28	3.3 : 1
1955	166	27	139	41	6.1 : 1
1956	176	26	150	17	6.8 : 1
1957	177	33	144	17	5.4 : 1

Source: Village Records, Khánh Hậu.

5.2 to 1 over the ten year period, and this is almost the same as the ratio in 1957, but there does appear to be a slightly rising trend in the ratio over time.

CHART 3.7

RATIO OF BIRTHS TO DEATHS, KHÁNH HẬU, 1948 - 1957



Source: Village Records, Khánh Hậu

It is hard to evaluate the reliability of these data, for the earlier years in particular, and the village has no birth and death records which go back earlier than 1948. There may be underreporting of both births and deaths, but it seems more likely that it would be the births rather than the deaths that would go

unreported. The great population pressure which these data indicate for the future, therefore, is possibly the minimum that can be expected. The slightly rising ratio of births to deaths may reflect slightly improving health conditions, or at least the growing availability and acceptance of occidental medicines. Since these medicines are being used increasingly, some effects should be expected. The explosive element, however, is contained in the fact that each year there are more than five births for each death in the village, and also in the finding that since 1953 the births per year in the village have been about double those of 1948. Since the ratio of births to deaths has been fairly consistent, the excess of births over deaths has shown the same proportionate increase. Based on the village population in 1958, the net increase in the population measured by the excess of births over deaths is proceeding at a rate of about 44 persons per thousand per year. This promises an increase in the village population of nearly 1,500 persons over the next ten years, other things being equal.

As a check on the plausibility, if not the reliability, of these findings, the gross number of births per year can be compared with the number of women of child bearing age and also the number of households in the village. In the case of the former, there were 479 females between the ages of 17 and 38 in the 1958 census. The total number of births was 176 in 1956 and 177 in 1957, or one child per 2.7 women of child bearing age per year. Another way to express it would be to say that roughly 37 percent of the women of

child bearing age had children in 1956 and in 1957. This estimate of the number of women of child bearing age is a conservative one, and it probably could be expanded by extending the age limits at each end. This, of course, would act to lower the percentage of women bearing children per year, but the age limits used above include the women most likely to bear children, without adding more doubtful age levels.

There are 590 households in the village, but since 26 of these are single person households, there are actually 564 potential child bearing households in the sense that they contain two or more persons. Births in 1957 represented 31.4 percent of this corrected total number of households. However, this gross total of households is too high because many of them are headed by couples beyond child bearing age or by widows and widowers. Assuming therefore, that only half the households having two or more persons (282 households) are capable of having children, less than two-thirds (62.8 percent) of these had children in 1957. Thus, on the basis of the number of women of child bearing age and the number of households capable of having children, the number of births reported per year in the village seems both possible and plausible.

The only offsetting factor in sight is the apparent mobility among young adults indicated by the population pyramids for the village. If opportunities open in other parts of Viet Nam, and if young adults continue to relocate as a result of military service experience or for other reasons, there is hope that population

pressure on the limited land area may be checked to some extent. If the alternatives are not available, however, village living standards will become further depressed as the existing resources are stretched to provide for a rapidly increasing number of people.

Education and literacy. -- Khánh Hậu is well provided with educational facilities, relative to villages in Viet Nam generally. It has a large elementary school located in the main hamlet of Ấp Đình that serves not only Khánh Hậu but the neighboring village of Tân Hưởng as well. There is also a private secondary school in the village that accommodates a small number of students able to afford schooling beyond the elementary level. Finally, the Fundamental Education Center has established its training school on village land, although apart from the inhabited parts of the village, and students from all parts of Viet Nam are sent there to receive courses in education and to organize community development projects. As part of this program, the Center has given adult education courses in home economics, health, craft skills, and reading and writing and some of the villagers have attended three courses. The Center has also used its students to conduct surveys of various kinds in parts of the village, and this has served as both training for the students and as a means of gathering useful data about the village itself.

One of these surveys supplies the only information available on the literacy rate in the village, and the results of it are summarized in Table 3.4. These figures are for one hamlet only,

T A B L E 3.4

ILLITERATE PERSONS, 15 YEARS OF AGE AND OVER, IN THE HAMLET OF ẤP DINH, 1958

Age	Men	Women	Total
15 to 45 years	13	76	89
15 years and over	43	168	211

Source: Survey conducted by Fundamental Education Center, Khanh Hậu, 1958.

but it is the largest and also the one in which both the elementary school and the Fundamental Education Center are located. Thus, one would expect that illiteracy would be lower in this hamlet than in any other in the village, and the findings should be discounted slightly on these grounds.

Based on a census figure of 692 persons in Ấp Dinh who are 15 years of age or more, the survey information indicates that slightly less than one-third, (30.5 percent) of this population is illiterate. The percentage drops if only the age group 15 to 45 years is considered; based on the census count of 479 persons in this age group, less than one-fifth (18.6 percent) of the people are illiterate. This indicates not only a surprisingly high degree of literacy at the village level, but also that important

strides are being made to reduce illiteracy. The fact that the rate of illiteracy in the age group 15 to 45 years is lower than it is for all persons 15 years of age or more leads to the conclusion that illiteracy is much higher among the older inhabitants. Children and young adults clearly have many more opportunities to acquire at least a minimum knowledge of reading and writing than were available to their parents. Officials at the provincial, district and village level maintain continuing pressure on those who are illiterate to attend literacy classes, and this pressure seems to be producing results. Over half the inhabitants of Ấp Dinh (58.1 percent) 15 years old or over attended school for one year or more. The remaining 11.4 percent of that age group who could read and write were trained in adult literacy classes.

These data are based on information provided by the Fundamental Education Center whose students surveyed the number of inhabitants who had received some schooling and the number of years each of these attended. The findings are summarized in Table 3.5, and they show a pattern that is probably true throughout Viet Nam, i.e., that among those who receive some formal education there is a higher percentage of men than women, and that the men generally attend school for a longer period of time than women. Among the men in Ấp Dinh, for example, nearly half (48.0 percent) attended school for more than three years, but only 36.7 percent of the women attended that long. The median years attended was 3 years in each case. Very small proportions of either men or women had more than

6 years of school, and in both cases the percentages attending school this way were about the same.

In terms of educational development, therefore, the prospects for the village appear fairly bright, although it should be kept in mind that this village is relatively well provided with school facilities and the data available refer only to the hamlet in which these facilities are located. Nevertheless, with this high degree of literacy the learning process can continue, and new ideas can be introduced through printed materials which people can use.

TABLE 3.5

YEARS ATTENDANCE BY INHABITANTS OF ẤP DINH RECEIVING FORMAL SCHOOL EDUCATION

Years of Attendance	Men		Women		Total	
	Number	Percent	Number	Percent	Number	Percent
1	13	5.3	9	5.7	22	5.5
2	42	17.2	29	18.4	71	17.7
3	72	29.5	62	39.2	134	33.3
4	39	16.0	26	16.5	65	16.2
5	46	18.9	21	13.3	67	16.7
6	9	3.7	1	.6	10	2.5
7	9	3.7	2	1.3	11	2.7
8	5	2.0	2	1.3	7	1.7
9	7	2.9	5	3.2	12	3.0
10	--	--	1	.6	1	.2
11	1	.4	--	--	1	.2
12	1	.4	--	--	1	.2
Total	244	100.0	158	100.1	402	99.9

Source: Survey conducted by Fundamental Education Center, Khanh Hậu, 1958.

Moreover, there is evidence that the campaign against illiteracy is making substantial progress, and from all indications the degree of illiteracy will continue to go down at a fairly rapid rate.

Occupational skills. -- The most important single occupation in a rural community such as Khánh Hậu is, of course, that of farmer. Upwards of two-thirds of the heads of households regard this as their primary occupation. The only other occupation to claim a sizeable number of heads of households is that of laborer, with from one-fifth to one-fourth falling in this category. All other occupations, however important in other terms, are numerically small. For many, one occupation is not enough and they supplement their incomes by secondary and tertiary activities of several kinds. In addition they count on the labor income of spouses and children. The population of the village, viewed now as a source of labor, therefore, presents still another set of characteristics.

The key role of farming comes out in secondary occupations as well, for about two-fifths of the replies list farm labor as a secondary occupation. This is followed by non-farm labor, included in about one-fourth of the replies, and then a series of much less frequently mentioned activities such as rice merchant, storekeeper, artisan, custodian, practitioner of traditional medicine, cook, musician, and so on. Because so much of the village surroundings and basic economic activities are similar, the range of occupations, and the range of tasks within occupations such as farm and non-farm labor, is not very great. For example, most non-farm labor

consists of such things as digging ditches and ponds, mounding the floors of houses and the bundings in the fields, and repairing and replacing the thatch on roofs and walls. With a few exceptions, non-farm occupations, other than non-farm labor, are practiced in conjunction with something else, usually farming or farm labor. Thus, a carpenter may also farm and a custodian may also work as a farm laborer, a barber, or a tailor.

About one-third (35 percent) of the households are supported by the income of one member, while the majority rely on the income of two or more members. A small percentage (6 percent in the sample) are households supported by children or other relatives and in which no member actually works for income. In this respect these are significant differences between socio-economic classes. A larger proportion of the upper class households are supported by a single member while, in lower class households, a larger number of people work for income. Middle class households fall between these extremes.

Wives are gainfully employed in nearly one-third of all households. About half of the working wives in lower class households hold more than one income paying job, but for the most part this means only two gainful occupations. The range of occupations is narrow, even more so than for men with weaving and sewing registering the largest number of participants, followed closely by farm labor. Only a very few work as domestic help in other village homes, and the proportion engaged in petty commerce of one kind or another probably does not exceed 10 percent of all wives in the village.

Less than one-third of all households have sons and daughters over 12 years of age gainfully employed, but in each case over half the households indicated that the question on the employment of children was not applicable because they either had no sons or daughters or because the children were not that old. Where the question was applicable, however, there was a distinct tendency for children in upper class households not to be gainfully employed outside the home. Contrarily, a majority of children in both middle and lower class households had some gainful employment. The range of occupations for children followed that of the fathers and mothers in terms of both the kinds of jobs performed and their relative importance.

This, in capsule form, gives some idea of who works in the village, the kinds of occupations, and the degree of diversification. On a sample basis such as this, the minor occupations do not stand out clearly, for they constitute such a very small part of total village activity. Short of an occupational census of the entire village, which was not attempted, there is no way to obtain accurate information on the kinds and distribution of occupational skills within the population. The village council has some record of the number of persons working as artisans of one type or another, but from observation throughout the village these records are quite inadequate. A more detailed description of some of the secondary occupations is given in a later chapter, but at this point it may be helpful to sketch in an impressionistic view of the kinds of skills which the villagers possess.

Most villagers are, of course, familiar with farm work from childhood, and most of them can use the few simple tools and techniques which are associated with it. Even some of those who have acquired a specific skill such as carpentry will work as farm laborers when there is a slack demand for their craft and a demand for farm labor. In other words, the heavy dependence on the land means that nearly everyone is familiar with farm work, and engages in it to some extent, and with this taken for granted, greater interest centers on the other skills which the villagers may have acquired.

Storekeepers provide a spacialist category, but there are a few men and women engaged full-time in this occupation. Although the volume of business done by any one of them is small, they do rely essentially on the profits of their enterprise and are engaged in stocking, pricing, selling and arranging for credit. In other words, although their operations may be marginal in comparison with those in larger towns, they have acquired the rudiments of commercial skills and in some cases have immigrated to the village to practice them. Ranging downward from these storekeepers in terms of skills, scale of operations and experience are other villagers, mostly women, who act as petty merchants and peddlers. This latter activity generally provides a source of supplementary income, but it is an occupation which does not require particular skills or much capital, nor does it absorb the full time of people engaged in it.

Three men in the village own rice mills, although the mill belonging to one is located in a neighboring village and the mill belonging to another is actually run by a brother. All of these men have land holdings well above average size and all have sufficient means so that they concern themselves essentially with the management of their operations. Two of them exhibit a considerable degree of entrepreneurship and have expanded their operations well beyond the limits of the village. One of these men also acts as a rice merchant, buying and selling for his own account, as well as acting as agent for others. A varying number of villagers buy and sell rice from year to year. The number and composition of this group changes each year because it is an activity requiring a high degree of skill and knowledge, and many who have tried it have failed.

Handicraft activity in the village is poorly organized and at a low level of proficiency. Many of the women do weaving, some of them even depending on weaving as a major source of income. The work done consists largely of crude mats, baskets, and bolsters that are made to order for specific customers. All the elaborate weaving and basket work, such as fish traps, water scoops, hats, brooms and so on, is done outside the village. This deficiency is explained in terms of a lack of materials for weaving and basketry. Hence, the villagers never developed the skills to pass on to succeeding generations. The weaving that is done now is functional, and there seems to be no knowledge of or interest in artistry of design.

In addition to these major occupational categories, there are the minor occupations, each followed by only a very few villagers. For example, there are two masons in the village, and a few people have had experience as laborers in brickyards. There is also a retired railway employee and a man who has worked as a bus driver. Perhaps as many as half a dozen people have had some instruction in, or knowledge about, traditional Vietnamese medicine and herb remedies; one man acts as a first aid practitioner, giving inoculations and administering simple treatments. The members of the village council carry on regular correspondence and maintain records and accounts, and at least one resident man has become a government civil servant. All of these remain exceptions within village population, however, for it seems that those who acquire a high degree of mechanical, commercial, clerical or professional skill generally leave the village.

In sum, the overwhelming majority of the population is engaged in agriculture. In addition, a substantial proportion of village adults work as laborers in one way or another. All people in the village are familiar with fishing methods, although this activity is carried on mainly for personal household consumption and not for commercial sale. The labor resources of the village, the population, and specifically the young adult age groups are due for a very rapid expansion over the next several years -- barring an offsetting movement out of the village to other areas. On the other side, this population will be increasingly literate, and

therefore increasingly exposed to new ideas and new alternatives through publications of all kinds. Unfortunately, the village starts with little in the way of accumulated skills to use as the starting point for either successful migration to new occupations or as a basis for supplementary industry at the village level. With the relatively high literacy record which prevails, people may learn quickly, but the point here is simply that their present skills provide little to build upon.

Village labor organization and wage structure. -- Probably two-thirds to three-fourths of the adult villagers work as hired laborers at some time throughout a normal year. In addition, there is some exchange of labor between households on a reciprocal basis. Despite the importance of outside labor in this sense, village institutions do not organize the labor force very extensively.

The most important type of formal organization is essentially a labor contracting service. The organizer (trùm cây) is appointed annually by the village council upon his own application for permission to act in this capacity. The position is not hereditary, although there is some tendency for sons to follow fathers in it. In principle, the job is open to anyone approved by the council. Further, the organizer does not gain any particular prestige from his appointment, and those who hold it are generally of modest means and social standing. There are no fixed limits to the number of such labor organizations the village may have, but there does not seem to be much competition to form them and the number does not

change much from year to year. Khánh Hậu has had three such organizations for several years.

These labor groups stem from the need to have several workers (con cấy) at one time for certain farm activities, e.g., the transplanting of the young rice shoots and the harvesting of the crop. Each organizer has from 40 to 50 people, both men and women, working under his direction. The laborers approach the organizer of their choice at the beginning of the year, and once having agreed to work under him they may not change to another during that same year. However, there is no compulsion to join any group, and members are not required to accept work made available to them. While there is this voluntary aspect to the groups, in practice, the laborers in any group tend to come from the same neighborhood and to stay in the same group from year to year.

When farmers need field labor they contact one of the organizers and indicate when and where they want help. The organizer, in turn, summons laborers in his group, divides them into working units of appropriate size, and dispatches them at the proper time. One of the rights granted to the organizer is that of using a traditional buffalo horn signal to call the workers to his house when he has work for them to do. The function of the organizer therefore is to distribute the available work evenly among the laborers attached to him, and provide farmers with an adequate supply of labor at the time it is needed. He also exercises a certain amount of supervision, along with the farmer, to ensure that

the work is done properly. His reputation as an organizer rests to an important degree on the performance of those who work in his group.

The laborers receive wages that are standardized throughout the village and are the same as those for laborers hired individually. There is no village institution with the formal responsibility for setting wages, but by informal agreement everyone pays pretty much the same for similar kinds of work. On occasion, however, the village council may settle wage disputes between laborers and employers. Organizers decide the wage rate for the coming year, and there have been some upward adjustments in past years to offset increases in the level of prices. In 1958 the wage for common labor, farm and non-farm, was 30₰VN per day plus two meals for men, and 20₰VN per day plus two meals for women. Some special labor, not supplied through the labor groups, is paid at a higher rate, e.g., those operating the water wheel receive more, as do people skilled in thatching roofs. The rate here most frequently quoted is 40₰VN per day plus meals. However even ordinary wage rates may be raised if the farmer is pressed and wants a job done quickly, and there is a type of bonus incentive arrangement to stimulate extra effort.

The organizer himself receives pay from two sources -- the laborers and the employer. The laborers pay him at the rate of 15₰VN for every thirty man-days of labor he gets for them; the employer pays him at the rate of 1₰VN for each man-day of labor he supplies. To illustrate how this works, assume that a farmer needs

the services of ten people for three days. The farmer therefore pays the organizer 30$VN, and the laborers pay 15$VN, or a total of 45$VN from all to compensate for the organizing service. Although the workers are given meals on the days they work, the organizer does not receive any food as compensation. All work is paid for at the completion of the job not by the organizer but by the employer.

Counting meals, the wages of unskilled farm labor do not compare unfavorably with the daily wages received by unskilled labor in Saigon industry. However, the work in the village is much less steady and only a very small proportion have more than six months of regular employment. Over half the laborers report they have four months' work or less in any year. There is relatively little to do during the months of the dry season when the farm work is finished for the year. This is the time when new bundings are built, when new houses go up, fish ponds are dug, and similar activities take place. However, much of this is done by the farmers themselves, for only the more well-to-do can afford to hire labor for these tasks. Other farmers, who also find themselves idle during the dry season, are more inclined to spend their own time in the repairing and refurnishing work that does take place.

Outside of the work arranged through the labor groups, all employment is on a direct employer-laborer basis. Someone hiring labor will seek out the person he wants and offer him work for a particular day or days. The laborers do not look for work themselves,

and apparently never go from house to house asking for employment even though they have not had work for some time. In practice, farmers tend to hire a certain few men whose work they prefer, and while they rarely retain them for long periods of time, the farmers do try to reserve their time in advance. If the man they want is busy, they will get someone else. Most jobs require only a few days' work at a time, so laborers frequently shift employers during the busy months. The young, conscientous, and able laborers are in greater demand than the old, the weak, and the careless.

The refusal to look actively for work is limited to the village, for villagers do try to find jobs in towns such as Tan An and My Tho during the slack season. A few are successful, but most are not. Those most likely to find work in towns are those with special skills, and several village residents work regularly as carpenters, masons, bus drivers, and other specialties. There is a general feeling among unskilled laborers that town jobs are really not open to them, because people in the towns keep the unskilled labor opportunities for local friends and relatives. This is probably true, for none of these towns have very much activity requiring common labor and it would be natural for townspeople to exclude outsiders under the circumstances. The point is that the villagers are anxious to work if there is any opportunity to do so, and their refusal to canvass for jobs in the village does not extend to non-village work. As a guess, this reticence would seem to involve recognition that jobs within the village are limited and the least embarrassing solution

is to let the employers contact the people they want as job opportunities arise.

There is a certain amount of specialization of work as between men, women and children, although again there do not seem to be any hard and fast rules which determine this. In some areas there is overlap, and the distinction becomes blurred, but the general pattern is that the men do the key work in farming and all types of artisanry while the women do all the other tasks, many of them heavy manual labor. Women ordinarily do the cooking in the home, but often it is the men who prepare the food for a large village feast. Women help at such times, but men are in charge. The men also butcher the animals and prepare the meat, and wait on the tables when the meal is served. The nature of this specialization is shown in Table 3.6.

The poorest households, lacking buffalo and farm implements, must hire some labor along with the farm tools for their farm operations, but outside of this they tend to rely on labor exchange with neighbors in similar situations. The exchange of labor takes place among lower and some middle class households, generally on a neighborhood basis. Even though many neighborhood clusters are made up of inter-related households, there is no clear indication that relatives are preferred in such exchanges. This also holds true in hiring labor, for over two-thirds of those in the sample hiring labor replied that they made no special effort to give work to relatives.

TABLE 3.6

WORK SPECIALIZATION IN KHÁNH HẬU

Type of work	Persons performing the work		
	Men	Women	Children
Replanting	--	X	--
Weeding	X	X	--
Reaping Harvest	X	X	--
Carrying paddy to mill	--	X	--
Carrying water	X	X	--
Collecting fuel	--	X	X
Fishing	X	X	X
Carrying paddy from field	--	X	--
Buffalo tending	--	X	X
Gardening	X	X	--
Cooking	X (some)	X	--
Peddling	X (some)	X	--
Carrying bricks, tiles	--	X	--
Carrying sand	--	X	--
Weaving	--	X	X (some)
Sewing by hand	--	X	--
Sewing by machine	X	X	--
Storekeeping	X	X	--
Gleaning fields	--	--	X
Plowing	X	--	--
Harrowing	X	--	--
Seeding	X	--	--
Uprooting	X	--	--
Carrying seedlings	X	--	--
Threshing	X	X (some)	--
Irrigation	X	--	--
Cutting fuel	X	--	--
Scattering fertilizer	X	--	--
Carpentry	X	--	--
Roofing	X	--	--
Carrying lumber	X	--	--
Implement making	X	--	--
Rice mill operation	X	--	--

The organization of work is thus, on the whole, fairly casual. The only formal labor institution in the village is the organization of farm labor working groups, and this covers only a portion of the total use of farm labor. Individual arrangements between employer and laborer are equally prevalent. There is some specialization on the basis of sex and age, with the men doing work which is related to the farm and calling for skill and strength. The women perform most other tasks, some of them requiring hard physical labor. Wages are not formally fixed, but tend to be standard throughout the village, subject to some individual bargaining in special cases. There is also labor exchange among poor households, but this cannot cover all situations and even the poorest farmers must sometimes hire labor.

Mobility of the village population. -- In view of the population pressure which Khánh Hậu apparently faces in the years to come, the mobility of the population becomes a matter of great concern. The willingness of people to move into new parts of the country and enter new kinds of occupations will greatly influence the rate of economic growth. One of the more prevalent views of Vietnamese society holds that the people are closely bound to their ancestral villages, reluctant to leave no matter what the incentives. The war years have altered this to some extent, for an unknown number of people did leave the villages to seek safety elsewhere. The outstanding example of this, of course, was the flight of more than 800,000 refugees, many of them coming as entire

villages, from the North to the South at the end of hostilities. Still, the question of whether or not people move freely under other than emergency conditions remains largely unexplored.

The survey in Khánh Hậu sought to compile some information on this area, and started by asking each household head if he would be willing to move from the village. The replies at first seemed to bear out the general view, that is, 69 percent answered that they were unwilling to move, and only 31 percent replied affirmatively. The reasons given for the replies, however, do not all show a positive attachment to the village as such. Nearly half (46.7 percent) gave answers that reveal a link to the village in some respect, but they ranged from attachment to the village (6.7 percent) and desire to be near the ancestral tombs (5.6 percent) to less strong statements such as that they were satisfied with their present life (12.2 percent), preferred farming (7.7 percent), liked rural life (14.4 percent), or were the only son (1.1 percent). Thus, for a majority of these, it is a preference for rural life, rather than identification with a particular village, that is the chief attraction. Over one-fourth of those who were unwilling to leave the village offered old age or physical weakness as their reason, and another fairly large group (14.4 percent) felt they had no hope of succeeding in a town or city. Significantly, all replies in this last category came from lower class households. The balance of the replies indicated either a dislike of urban life or a dislike of change. In general, middle and upper class household heads gave replies that indicated a more positive attachment to the village

than was true for the lower class, which would be the expected pattern of response.

In addition to asking if villagers would be willing to move, the survey also asked if relatives of the households in the sample had moved, if so, where, and into what kinds of occupations. The replies showed that not quite half (44 percent) of the households had relatives who had emigrated from the village during the past 15 years, totalling 67 persons for the 100 households in the sample.[1] For the village as a whole, this would mean upwards of 400 persons had emigrated, probably more since the replies did not include all members of the migrants' nuclear families in cases where they had them. Projecting this same rate over the next ten years, it would provide a sizeable offset to the probable population increase, but, remembering that this is an extremely crude estimate, it does not seem high enough to do so fully.

A majority of the households having emigrant relatives (61.4 percent) had only one in this category, and while 13.6 percent had three, none had more than that number. Most of these were sons or daughters, brothers or sisters. More distant relatives were not identified if they did in fact, move from the village. The division between men and women was almost equal.

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[1] This may represent a slight overstatement since under the term "relatives" more than one household could be referring to the same person. For example, the son to one household could be the brother to another, yet both would refer to the same man. From what was known of the households in the sample, however, this overstatement is probably very small.

The occupations of those who have moved cover a wide range, but the largest and broadest category -- private business -- accounts for over two-fifths (43.2 percent) of them. This would include retailing, petty commerce, industry and general private employment, of which petty commerce and the latter are the most important. Only 7.4 percent have gone into industrial work. The army has taken 16.4 percent, but government employment has absorbed only 9.0 percent. Taxi and cyclo driving, domestic service, and students account for only small percentages in each case. The other large category (20.9 percent) consists of villagers, largely young girls, leaving to marry in other nearby villages where they will continue essentially the same kind of life which they led in Khánh Hậu. This latter emigration is probably matched by an immigration of similar size, although this point was not specifically investigated.

In terms of destination of the emigrants, Saigon drew the largest group (40.3 percent), followed by Tan An (28.3 percent) and other villages in south Viet Nam (22.4 percent). Negligible proportions went elsewhere. Since Saigon is only 50 kilometers from Khánh Hậu, the radius of emigration from the village is not very large. Probably over three-fourths of those who have left Khánh Hậu have travelled less than 50 kilometers in doing so. The time pattern at which these people left shows no startling variation from year to year. Approximately half of them have left since 1950, which is midway in the period covered by the question. The only year to show an unusually large number of migrations is 1949, at

which time nearly one-fifth of the total apparently moved from the village. This may have been a year of heavy exodus generally, but it is also possible that dates beyond the past three or four years are vague in the minds of the respondents. There was fighting and insecurity in the area in the late 1940's and early 1950's, so this is more likely a general, and not a specific time identification. In any event, with this one possible exception, movement away from the village seems to have taken place steadily over time. Migration was undoubtedly affected by unsettled conditions but it also reflects desire for new opportunities and efforts to move into new occupations.

In addition to those who have left the village to take up new homes, there are some who leave the village on short trips. The survey found that 16 percent of the heads of households had never visited Saigon, but the rest make at least a few trips to the city during the course of a year. The largest group (59 percent) reported that they had gone to Saigon once or twice in the previous year, and one-fourth of all household heads went more often than that. The main reasons for making these trips fell into three categories, with pleasure accounting for about one-third and business and visits to relatives taking slightly smaller shares. Together, the three reasons covered nearly 90 percent of all trips to Saigon by villagers in the previous year.

This survey data provides a beginning perspective at least, on the nature and extent of mobility from the village. On the one

hand, a majority of villagers indicate resistance to mobility but, on the other hand, there is a substantial number of household heads who seem willing to move; another substantial number of villagers who have already moved. Those who have moved have gone into non-farm pursuits for the most part, but, in the absence of detailed information, it is hard to say how much of an adjustment the new occupations may have entailed. They have not travelled far, but this is partly due to the fact that the destination of the largest group among them was nearby Saigon. For those remaining in the village, contact with Saigon is not frequent, but a majority of the villagers do get there at least once a year. General improvement in transportation conditions will increase the frequency of such visits in years to come. On the whole, therefore, the picture is one of a population that cannot be called highly mobile, but it is, nevertheless, a population that shows evidence of having a substantial percentage who are willing to move if conditions warrant and permit it.

Some insights into conditions favorable to emigration were obtained because a few people from the village had moved to the west to take up lands offered by the government in its program to settle the Plaine des Joncs region along the Cambodian border. Not enough have moved thus far to provide any firm generalizations, so the following is offered as conjecture as much as anything else.

Word of the opportunities to obtain new land filters into the village by poster in the council house and by word of mouth from

relatives and friends. In at least one case, relatives living in the new area were the major source of information. However, no two families seem to have the same version of what the opportunities actually are. Information about the amount of land granted and the amount of monetary aid forthcoming from the government varies between households. This uncertainty as to the facts itself leads to a certain amount of immobility. Many are too poor to take a trip to the area and investigate for themselves, so they have waited for more positive news than has been available to date. The poorest households, and therefore the ones who would stand to benefit most from the move, feel they cannot risk a move into an unknown area without the means to support themselves until a start can be made. As bad as things may be in Khánh Hậu for some, they prefer the known to the unknown.

Those who have left for the new area have tended to be identified by one or both of two main characteristics. For one, some have been without land in Khánh Hậu, but owned buffalo and farm implements which they rented out to others. This advantage gave them extra confidence, and therefore greater willingness to try a fresh start. The other identifiable characteristic was that some were fortunate enough to have relatives in the new area. These could provide a place to stay initially, could direct the newcomer to the place where he could enroll for a grant of land, and in general make the start less hazardous. Thus, some capital equipment and an on-the-spot contact emerged as important attributes

of those who have moved, and were commonly mentioned as prerequisites by those who would like to move but who felt uneasy about doing so.

Another common attitude among those who have moved was that they planned to use the new opportunity to acquire enough means to return to the village and retire when they were too old to work any more. Since the new settlement areas are still raw frontier in many respects, most of them have left wives and families behind. Some say they hope to develop land in the west in order to have land to pass on to their children; others think in terms of saving enough from farming the new lands to be able to buy land in Khánh Hậu. In either case, emigration often seems to take on a temporary character in the mind of the migrant. He tends to think of the opportunity as one which will some day enable him to re-establish himself in the village of his birth, and to this end he is reluctant to sever his ties of family and acquaintanceship. Not only is this true of those who have moved west to participate in the resettlement program, but it is often mentioned in connection with those who have gone to Saigon and Tan An to work in commerce and industry.

Supplementing the earlier findings, therefore, mobility appears to depend to an important extent on the availability of full and accurate information, assurance that means are present to support the migrant until he is reasonably settled, and, preferably, that relatives or friends be on hand to ease the adjustment to the new situation. The fact that the migrant may consider the move a temporary one is less important economically than that, for one reason or another, he moves from less to more productive opportunities.

Capital Equipment

Farm implements. -- In addition to the resources in land and labor, including accumulated skills, a certain amount of capital equipment is available in the village, largely in the form of implements and tools used in farm work. Since productive activity is heavily concentrated in farming, this is expected, but the amounts and kinds of capital found in the village are not as self-evident. Survey data again provide some basis for measurement of capital accumulation, as well as the distribution of its ownership. Table 3.7 shows ownership of the main kinds of tools and implements among landowners, landowner/tenants and tenants, as well as for the village as a whole. According to the findings tabulated there, most farmers in all tenure categories have the small tools and implements they need, but are much less well equipped in the large items such as plows and harrows, threshing sledges, rollers, water wheels and winnowing machines. The best equipped group, the landowner/tenants who own some land and also rent some land, come from both the middle and upper socio-economic classes, but they are not a very numerous group and the full significance of their apparent superior position in terms of capital accumulation is therefore uncertain. On a straight socio-economic class distribution, however, middle class households appear to be as well, or better equipped than upper class households.

Less than one fourth of all village households own the major implements, but eliminating those who do not have land to farm, it

is probable that around one-third of the farm households own them. This bears out the observation that many farmers, even some of the largest, do not own their own equipment, but instead hire others to supply the labor and implements for such things as plowing and harrowing. For the well-to-do farmer, this is probably a matter of choice, but for the others it probably represents inability to purchase. Ownership of major implements is linked with ownership of draft animals, usually water buffalo, for the services of animals and implements are rented together. It is pointless to own a plow, for example, if you must rent the services of buffalo to pull it.

In another sample of twenty households, established for the purpose of making a study of family budgets, about one-third of the households reported annual expenditures of around 1,000$VN for new farm equipment. Since most farm tools are made essentially of wood, they wear out rapidly, and these annual expenditures represent cash outlays to replace worn out equipment rather than net additions to the stock of capital goods. Minor repairs are generally done by the farmer himself, and he does not consider them as a maintenance cost in any sense. Replacement occurs at different times for different pieces of equipment. For example, those purchasing new plows reported that they expect them to last from three to five years, after which time the wooden parts would require replacement. Water wheels last only two years, and need rather constant maintenance during that time because the narrow width paddles on the wheel

TABLE 3.7

OWNERSHIP OF FARM TOOLS AND IMPLEMENTS, BY LAND TENURE CATEGORY, VILLAGE OF KHÁNH-HẬU, 1958

Implements	Landowner	Tenant	Landowner/ Tenant	All villagers
	Percent	Percent	Percent	Percent
Plow (Vietnamese)	12.5	11.3	33.3	10.0
Plow (Cambodian)	25.0	31.8	66.6	22.0
Harrow	31.2	38.6	83.3	28.0
Water wheel	31.2	18.1	83.3	18.0
Winnowing machine	43.7	11.3	50.0	15.0
Rice mill (hand operated)	37.5	13.6	50.0	15.0
Digging tools	81.2	75.0	83.0	51.0
Hoe	81.2	79.5	66.6	52.0
Saw	81.2	75.0	66.6	51.0
Hammer	81.2	84.0	83.3	55.0
Axe	81.2	88.6	66.6	57.0
Sickles	87.5	84.0	100.0	58.0
Threshing sledge	43.7	61.3	100.0	40.0
Mortar	31.2	18.1	83.3	18.0
Roller	37.5	31.8	66.6	24.0

break frequently. Harrows last longer, most farmers reporting that they are not replaced more often than every seven years. Small tools wear out in two or three years, and threshing sledges last about the same length of time. The mats used inside the threshing sledges, however, are replaced every year.

Outside of these simple, locally made implements, and with the exception of one gasoline pump used for irrigation there are no important pieces of farm capital in the village. Mechanization of

farm operations has not proceeded very far in Khánh Hậu. Not only has little been introduced; most farmers believe the size of their fields makes the obvious kinds of mechanization, such as tractor plowing, unsuited to their situation.

Outside of farming, there is some investment in rice mill machinery, several households own manually operated sewing machines, one household owns a cart and another a small motorcycle bus, the artisans all own their tools, and storekeepers maintain inventories of consumer goods. Little of this is versatile in the sense of being useful in several different occupations. Further, there is little indication that the stock of these capital items is increasing over time, or that larger numbers of people are becoming familiar with their use.

Thus, the means of production are simple, limited in terms of variety, and in the case of major farm implements owned by less than a majority of the households who use them. However, ownership is not a function of land tenure status, and tenants as well as landowners buy their implements if they can. It has never been customary for landowners in this area to supply their tenants with tools, nor have they been used collectively to any great extent. Private ownership of the means of production is an established practice at all levels in the society.

Chapter IV

RICE PRODUCTION IN KHÁNH-HẬU

The Annual Cycle of Rice Production

Preparation for the planting. -- From the end of the rainy season in November to the beginning of a new rainy season in May or June of the following year, the village lands lie brown and arid, the wells are dry, the streams brackish and low. The thick black clay hardens, cracks, and turns to a fine dust that filters everywhere. It is a time of inactivity except for a few desultory pursuits, and the lack of income from agriculture production spreads the idleness to the non-agricultural sector as well. The importance of the single resource, land, in the thinking of the village imposes a severe seasonal limitation to their conception of the alternative occupations available to them. Although many look for laboring jobs in the nearby towns, the chances for success are limited. When their land is unproductive, they can find few ways productively to employ their existing capital goods or labor; their expectations are therefore almost totally bound up in their hopes for a heavy crop of rice in the year ahead. There are several reasons which act to reinforce this kind of outlook, but the traditional reliance on the productivity of the land is undoubtedly the main factor in the villagers' acceptance of the seasonal idleness enforced by the lack of water.

It would be inaccurate to describe the advent of the rainy season as accompanied by a large flurry of activity. Few aspects of village life could be described in those terms. However, as the villagers begin to prepare for the coming crop, there is increased concern with such matters as repairing the bundings and preparing the various farm implements for use. If the rainy season is late, as it was during the years 1957 and 1956, there is great concern that the crop will suffer thereby, and the waiting is accompanied by increasing tension and anxiety. Until the month of April, however, a lack of rain is accepted with equanimity. A part of the village land can produce two crops of rice a year, and those who farm these lands are particularly anxious to see the rains arrive. A late rain will possibly eliminate one of the crops and reduce their total yield by one-third to one-half. For this reason, those who have double crop land may anticipate the rains, and begin the seeding process after the first few rainfalls in the hope that the steady, regular rains will follow soon after. This can be a costly gamble, but it is undertaken by many. As a rule, however, the actual work on the farm begins with the first clear indication that the rainy season has finally arrived.

One of the more striking aspects of the production process is its individualistic character. Farming is a household affair and the nuclear family is the basic working unit. This does not mean that farmers rely only on the labor of the nuclear family for the rice crop, but it does mean that fully cooperative effort on the

scale of more than a single household is relatively rare. An example of the preference to limit the working unit to the nuclear family is provided by two brothers who, together with their families, lived under the same roof but maintained separate kitchens and worked their adjoining lands individually. They were relatively poor villagers and they did help each other with certain farm work, e.g., irrigation. However, they kept their incomes separate and felt basically responsible for their own fields only, showing how far nuclear family orientation can be carried. When siblings own or rent adjoining pieces of land, they occasionally remove the bundings separating their land in order to permit joint irrigation. However, markers are used to identify the boundaries of the land, and aside from this rather minor gesture in the direction of cooperation, the rest of the operations are carried on separately, and the harvest is divided in accordance with the individual property claims and rights.

The decision on what varieties of rice to produce in the growing season ahead rests on a variety of factors, all of them variable to some extent. Perhaps the most important of all is the quality and level of the land which each farmer has at his disposal. Since water control is the key to the production of rice, the farmer whose land is "high" relative to the fields surrounding it must face the fact that water will drain from his land first. This means that his alternatives are limited to those varieties of rice which ripen early. Those with "low" fields can choose from varieties which

take longer to ripen. Depending on the water availability, the "low" fields are often able to produce two crops in a growing season--generally a quick-ripening variety for the first crop, and a longer maturing variety for the second. However, this is very closely geared to the coming of the rainy season, and delays in the rains will bring an alteration in the planting plans.

It does not follow that the "high" lands, producing quicker maturing varieties, necessarily produce rice of lower quality. "High" lands will produce the răng chồn variety, which is one of the highest quality varieties, as well as low or middle quality varieties such as nàng thật. "Low" fields can also produce all qualities, although as a general rule it appears that most of the higher quality rice is grown in the "low" fields. Fields of intermediate level generally produce the varieties of average quality. Thus, the level of fields imposes certain limitations on the choice of varieties in terms of the period of maturation, but it still leaves some leeway in the choice of varieties in terms of quality.

A second set of factors therefore comes into consideration in deciding what planting plan to follow, and these relate to the working capital available to the farmer and his estimate of the probable market opportunities. Given a choice, villagers invariably state they prefer to grow the higher qualities of rice, if their land is suitable for it, because there is greater profit in such a harvest. But they also believe that it requires more fertilizer to grow the higher qualities, and their decision hinges on the avail-

ability of capital at the planting season. With a poor season the previous year, or with usual sources of borrowing closed to him for one reason or another, the farmer will choose to grow a variety of average or low quality because, in his opinion, it will require less fertilizer to obtain a yield of normal expectations. The price of fertilizer also enters as a variable in these calculations, but since much of the fertilizer is purchased on credit or by borrowing the necessary funds, price per se is a secondary concern.

The anticipated price of the harvest, however, is important in these pre-planting calculations. The prices of the various varieties grown in the previous year are carefully reviewed in informal conversations in the village, and a variety which brought a poor price relative to the others will be avoided. A very striking instance of this occurred in the current year, 1958, when the village planted almost no glutinous rice (nếp) at all. Glutinous rice is regarded as a delicacy, and is used extensively in the village festivals, both communal and familial, as a sacrificial offering. It is also used in the preparation of between meal snack dishes, to be eaten by children, the sick and the aged. In most years, it brings premium prices and is considered a high profit variety, but in the crop year 1957-1958 it sold at prices comparable to ordinary rice of average quality. The experience was enough to bring about a large reversal of the previous year's planting design and led to a much larger planting of other high quality varieties than was typical of this village.

There are other examples of price consciousness in planning the forthcoming crop, as in the remark of one villager that the farmers tended to limit their production of the high quality varieties to some extent to avoid over-production that would weaken the price. Poor farmers will grow the high quality, high profit varieties if they can finance them, and at the harvest will sell them for cash immediately. With the cash they will buy enough low quality rice for family consumption through the coming year, for they know that the price of rice will advance as the next planting season approaches. This does not represent a lack of desire to hold cash as such, but rather provision for their staple food in the form which will be most economical to them, given the normal and expected increase in its price over the course of a year. This is not true for all poor farmers, however, because their chief concern is to provide themselves with enough paddy for home consumption. Many will grow rice of average quality, which generally produces larger yields, and insure their rice supply in this way even though they could grow high quality rice. Those who do this forego a chance to make a profit in money terms, but they do so because they fear they may somehow lose on the exchange of high quality for low. A natural conservatism leads to a preference for that which is more assured and more predictable than an alternative which has a greater element of risk.

Plowing and planting. -- Having settled upon a planting design which will take into account these variables, the coming of the

rains permits the actual work to begin. When the ground has become soft enough, the farmers start the preparation of the seed beds. This operation is undertaken with great care in order to bring the composition of the soil to a wery fine consistency. This often requires that a seed bed be plowed and harrowed, given a two-day rest to "air" the soil, and then plowed and harrowed a second time. In some cases, the same plot may be harrowed five or six different times. It is also sometimes rolled with long rollers which seem to break up the ground further and leave it smooth for the planting. When the soil has been broken up and worked into the desired condition, most of the water standing in the seed bed is drawn off, leaving a smooth, muddy surface on which the seed will be sown broadcast.

Plowing, harrowing, and rolling are done with basically wooden implements drawn usually by a pair of water buffalo. The kind of plow now in common use has a metal plow share, but the rest is made entirely of wood. The harrow looks much like a large wooden rake with short wooden teeth on its broad crossbar, and it is hitched to the team in such a manner as to be drawn flat against the ground. Many of the villagers own their own buffalo and their own implements, but those who do not must rent the plowing and harrowing service at rates and under conditions which appear uniformly followed throughout all parts of the village. The standard working day for a pair of buffalo is five hours, from six in the morning until eleven, and for this, plus the services of the

owner as plowman and the use of plow or harrow, the current charge is sixty piasters. This limit of a five-hour day is designed to protect the strength and general health of the buffalo, but the farmers, too, complain of the heavy nature of this kind of work, and seemingly welcome the limitation for themselves fully as much as for their animals.

There is one other variation in the organization of the plowing and harrowing work, open to the land owners who hire labor to work their fields for them. Generally, these men own their own buffalo and their own implements, but hire farm labor to use them on their land. For this they pay the straight rates for general labor, i.e., thirty piasters a day plus two meals, but they stay in the fields themselves to supervise the work directly for much of the working period. Nowhere was there evidence of cooperative use of buffalo, or pooling arrangements to eliminate the need to pay cash for plowing or harrowing services.

The size of the seed bed seems to bear no special relationship to the size of the rice fields. Sometimes the fields were twice the size of the beds, but in other cases the fields were three, four or more times larger. There seemed to be no general explanation for these differences, but the most plausible answers seem to be personal preference by farmers for different size seed beds, the availability of the type of land regarded as most suitable, and individual seeding practices. However, the farmers in this village use approximately one gia of rice seed for every one and one-half

hectare of mature rice plants, which compares with the former ratio of three gia of seed for every one and one-half hectare of plants which was typical during the period before the widespread use of fertilizer. This type of ratio of seed to plants seems much more widely used in estimating the appropriate amount of seed to be sown for a given crop than the size of the seedbed itself.

Before sowing the seed rice, the grains are soaked in water and allowed to stand for two or three days until they begin to germinate. During this time they are kept damp but do not stand in water. When they have begun to sprout they are ready to be sown, and at that time the seed beds are drained so that the sowing takes place on earth that is muddy but not covered with water. The bed is not allowed to fill with water until the plants are well established, usually several days after sowing.

In plowing the seed bed, prior to seeding, the farmers tend to prefer shallow plowing to deep plowing, and try to limit the depth to around five centimeters. This differs from their practice in plowing the larger fields, but it essentially reflects their concern that the top layers of the soil be broken up very fine so that the seedlings will be able to grow quickly and take root firmly. This means easier plowing, but the saving in time is partially offset by the need to plow the seed beds more than once.

After the seed beds have been planted, and while the seedlings are growing large enough to be transplanted, the farmer begins to plow his main fields. Once again the crucial problem of water

intervenes to affect decisions on the timing of activity and cash outlays. Ideally, the steady, soaking rains should have arrived by early June, and the seedlings for the first crops of rice should be ready for transplanting by the end of June or early July. For best plowing conditions, the farmers like the land to be moist and easy to handle, but not covered with water. A good deal of plowing is done when the fields are completely covered with water, but this is regarded as a sign that the farmer was caught by a sudden heavy rain or was slow in getting his plowing started. In 1957, as again in 1958, the rains came late, and although the seedlings were ready for transplanting, the ground in the main fields was still hard and dry.

Some of the villagers began to plow their land, even though it was still dry, in the hope that the rains would come and they could then begin to transplant immediately. Still others began to pull their seedlings in the hope of selling them in neighboring villages where some transplanting could take place. When this was attempted, however, a large portion of the seedlings were destroyed because the hard earth held them fast, and pulling them out destroyed the root systems. In addition, many seedlings had acquired a kind of rot from staying closely packed in the seed bed for too long a period. As a result, few of the first seedlings were really in salable condition, and the market opportunities for even these were extremely limited because the same dry conditions were widespread in the Long An area. In many cases, the village cattle were

allowed to graze in the seed beds, there being little else to do with the plants. Finally, a few of the farmers who held lands adjacent to the streams or canals attempted to irrigate their fields, plow them, and then transplant. Once again the lateness of the rains thwarted these attempts to save the crop, for the lack of rain kept the streams brackish and heavily salted. The transplanted seedlings irrigated with this water promptly died.

These events vividly illustrated how vulnerable the villages in this area are, and how critical is their dependence on adequate and timely water supplies. During the dry season the underground supplies of water lie so far beneath the surface that it is not feasible to think in terms of irrigation wells. The principal river system, to which the streams and canals in the vicinity flow is the Vaico, and since it is affected by tides it is an unreliable source of fresh water through the year. With only minimum amounts of rain, the heavy clay soils of the village remain too hard to permit much in the way of substitution of crops other than rice. Two or three bad years in a row can easily wipe out the meager reserves of the villagers and reduce their living standards to pitifully low levels. Still, given their basic resources there is little they can do on their own to alter this dependence on the rains or to minimize the disastrous effects of their tardiness.

When the year is a normal one, and the rains arrive on schedule, the plowing is geared to the time when the seedlings are expected to be ready for transplanting. Most of the villagers appear to

prefer to plow their fields at a depth of eight to ten centimeters, although this is by no means unanimous. Some express the belief that even deeper furrows would be desirable, but feel that to plow any deeper would be too great a strain on the draft animals and the men. Others tend to regard the eight to ten centimeter depth as an optimum, tested over time and justified by extensive experience. There is obvious concern about this problem of depth of the furrow, and awareness that it can affect the size of the yield. A common complaint raised by those who must rent the animals and plowing service from others is that the hired service is inferior to that performed by a farmer for himself. Those renting their animals and labor will try to minimize the effort and plow only half the desired depth unless closely watched. Shallow plowing of this kind is widely believed to effectively reduce the potential yield of a farmer's crop. Men who have conscientiously built a reputation for plowing at proper depths are, therefore, in great demand.

The preparation of the main fields for transplanting is much less carefully done than for the seed beds. Fields are plowed only once, although they are harrowed twice--once in each direction at right angles to each other. The length of time it takes to complete the plowing and harrowing depends to some extent on factors such as the condition of the buffalo, the depth of the furrow, the condition of the soil, the plowing skill of the farmer, and the speed at which he pushes his animals. However, a normally strong

pair of buffalo will be able to plow one hectare in five or six days, according to most of the estimates which were made. There was somewhat greater variation in the estimates of the time required to complete the harrowing, and the answers here ranged from one to three days per hectare.

When the plowing and harrowing are completed, the farmer must decide the proper time to transplant the seedlings, assuming that conditions are "normal" and that some element of choice remains to him. To a minor extent this is tied to an interpretation of omens, for the lunar calendar lists certain days as unlucky or unpropitious of the conduct of affairs. While the major concern is the condition of the land and the seedlings, if possible, the farmer will avoid starting his transplanting on a day marked as unlucky on the calendar. Actually, there are not too many of these days spread throughout the year, and the avoidance of them will not seriously handicap a farmer to the extent, say, that it could jeopardize the success of his crop. The only other ritual observation, excluding the major agricultural festivals held by the village as a whole, is the practice observed by some farmers of making a small token sacrifice of rice and cakes just before sowing the seed beds. This is not a universal practice in the village, although a majority of the villagers probably observe this small ritual.

When the seedlings are ready for transplantation a small crew of men go to the seed beds and begin pulling the young plants and preparing them for transport to the fields. Usually the farmer and

two or three helpers -- sons or hired laborers -- are all that is needed, but this varies with the size of the fields to be planted and the need for speed in getting the job done. The main part of the task is to uproot the plants, usually twenty to thirty at a time, and holding them in a single bunch to slap them sharply against the leg or foot to remove the loose mud that clings to the plants. This done, the farmer binds them together with a pieces of straw which he takes from a bundle carried at the waist, and sets the plants in a neat central pile nearby.

One of the men in the group will be assigned the job of carrying the plants to the rice fields, usually one of the younger men. Several bunches are then tied together and carted away on a shoulder board. Once in the field, the young plants are left in sizeable piles scattered about the field in a pattern which will make it convenient for the transplanters to get them. The fields at this time are covered with water to a depth of eight to ten centimeters in preparation for the transplanting. Out of the seed bed, the young plants will survive for three days, and they are often uprooted one day and moved on the next. Leaving them in the water of the field, however, offers some protection from the hot sun of the delta. The uprooting and carrying to the field can therefore move faster than the transplanting with some margin of safety for the plants.

Most of the transplanting done in the village is carried out by women and young girls who organized into teams of varying size,

again depending on the size of the job, the need for speed. Some farmers, working the smallest fields, transplant with family labor alone, but most of them, both tenants and landowners, hire transplanting help. There is little evidence of cooperation in this institution of transplanting teams. The girls are assigned to work in the fields by the organizer, who allocates their labor in accordance with the requests for work which he has received. He pays the girls by the day, at rates which are lower than those paid to men for general farm labor. In recent years, the typical daily wage rate for transplanting has been fifteen to twenty piasters per day, plus two meals.

The usual work day for women is from six to eleven o'clock in the morning and from two to five o'clock in the afternoon. However, women sometimes work in the fields well into the middle of the day, or in the evening until dusk. The reason for this seems to be to finish a small bit of remaining work or to work longer at one time of the day to have free time at some other. Assuming the normal working day of eight hours, it requires ten to twelve women to transplant one hectare of land, or an out-of-pocket cost to the farmer of from 200$VN to 240$VN per hectare plus the cost of meals, which usually is figured at 20$VN.

The transplanting job itself is tedious work, and during the summer months of July and August lines of young women, knee-deep in the water of the paddy field, are seen everywhere bending to the task of setting the plants in the black ooze. Their conical hats

bob up and down in the steady rhythm of their work; their faces are almost completely hidden in the towels they use to protect themselves from the sun. Villagers say it was once the custom to sing planting songs as they worked, but this practice has died out in recent years. Even without it, the scene rarely fails to attract the painter or photographer looking for something which expresses all that is typical and traditional in the peasant world of Southeast Asia.

There is a certain amount of variation in the spacing of the plants because the women transplant them four at a time a single pace apart, which works out to from eighteen to twenty-five centimeters between plants. While the transplanting is going on, most farmers are on hand much of the day to supervise the work. The organizer of the transplanting teams is responsible for the quality of the work done by the women, and will personally supervise his workers in the fields. Even so, farmers complain that the women sometimes become careless and do not set the plants in the ground firmly enough, or do not space the plants properly. The pace of the work is well enough established that there are no complaints about slowness or idling at the job, but, as in the case of plowing services, the concern is largely over careless and sloppy work.

The use of fertilizers. -- Once a field is plowed and harrowed, and the seedlings have been transplanted, it receives relatively limited care. Small landowners and tenants and their families find work as laborers on the fields of others whose fields are not yet

fully prepared or transplanted. Because of the great difference within the village in terms of the varieties of rice grown, the kinds of land available, and access to water for irrigation and therefore opportunities for double-cropping, there is almost continual activity from the time that farmers first begin to plant. While some farmers are transplanting seedlings, others are just beginning to prepare seed beds for the late-starting, longer-maturing varieties; still others are at the plowing and harrowing stage. The activity of the villagers at this stage shifts from their own fields to those of others and back, according to the particular phase of cultivation in each, but the overall effect is one of steady work on the crop in a village-wide sense.

The single most important concern for the crop after transplantation centers around the use of fertilizer, and it would be difficult to overemphasize the importance which the villagers attach to this activity. The precise date at which fertilizer was introduced into the village cannot be fixed with accuracy, but in the fifteen to twenty years during which it has been widely used there, it has become thoroughly established. The farmers believe that it is indispensable to the success of their crop, favorable conditions prevailing, and it is used by even the very poorest tenant farmers. Some villagers have stated that their land has become so used to fertilizer that they could grow nothing without it. Whether they believe this literally or not, the example they chose to use indicates the complete acceptance chemical fertilizers have won.

While use of chemical fertilizer is virtually universal, the manner in which it is applied reflects a number of interrelated considerations. In questioning the villagers about their use of fertilizer, it quickly became evident that their present techniques are the result of local experimentation over time, rather than any specific technical advice received. As far as can be determined, no study of the soils in the village has ever been made for the purpose of recommending kinds or amounts of fertilizer to be used. The merchants who first introduced fertilizer in the area may have had some idea of what kinds would be suited to the soils found there, and perhaps offered general advice on quantities to be applied, but this is all. Some importing firms handling chemical fertilizers have prepared pamphlets of instruction in the use of their products.[1] Unfortunately, these often use only the chemical terms, and are probably not widely understood at all. Farmers know only the brand names or commonly used general terms.

Whatever the instructions or conditions under which fertilizers were first introduced, their present use in the village represents an adjustment to past experience. Farmers are aware that the quality and composition of the soil varies from place to place, and that all fertilizers do not perform equally well in all situations.

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[1] One such pamphlet is issued by the Société Indochinoise de Potasse et d'Engrais Chimiques d'Extrême Orient, and is entitled Những Điều Cần Biết Cho Nông-Gia Việt-Nam (Some Information Useful to Vietnamese Farmers). However, we found no evidence that this kind of material had circulated in the village at any time.

There is also a tendency to vary the time at which the fertilizer is applied, depending on the kind of soil and the variety of rice being grown on it. At present, the two kinds of chemical fertilizer most commonly used are ammonium sumphate and phosphate tricalcique. The phosphate tricalcique is regarded as the best for most areas, and it is by far the most popular. Moreover, there is a strong loyalty to particular brands, and fertilizers are identified by their brand names rather than by their chemical composition.

The most popular brand is a phosphate tricalcique fertilizer sold under the name Thần Nông (containing 30 percent $P_2 O_5$) in 1957 and preceding years. Importation of this brand stopped in 1958 with the result that phosphate tricalcique was available in the local markets under the brand names Thần Tài (containing 30 percent $P_2 O_5$) and Tam Tài (containing 25 percent $P_2 O_5$). Farmers expressed strong preference for the Thần Nông, regretted that none seemed available in 1958, but recognized that the Thần Nông, Thần Tài and Tam Tài were largely interchangeable in all uses. They nevertheless continued to speak of these as different kinds of fertilizer, and talked of alternating their application at certain times on the same crop to impart sought-for-properties in their rice plants. The ammonium sulphate (20 percent nitrogen) comes in at least two brands, Chim and Tiên, but is known locally by the general term of diêm (sulphate).

Although the villagers have carefully observed and compared results in arriving at their present methods of application, actual use of chemical fertilizer depends heavily on financial considerations. A fermer may feel that he should use more than he does, but settles for a smaller quantity which represents all he can finance by borrowing or from savings. The villagers do not fertilize early in the growing season, so their need for fertilizer comes late, at a time when their reserves of paddy or cash are at the lowest level. In past years, the price of fertilizer in the local market has risen over 400 percent by the latter part of the growing season, reflecting the very low elasticity of demand for this product in this area. With prices rising so steeply, limited cash resources or limited credit reduce the amount of fertilizer a farmer can buy. Villagers are fully aware of this meteoric rise in the price--it has been a regular occurence for years--but most of them are powerless to anticipate or forestall it. The reasons for this are dealt with more fully in the section on credit, but briefly, it seems due both to the efforts of merchants to take advantage of short local supplies and to the nature of the credit facilities available to small farmers. The situation was substantially improved in 1958 when fertilizer became available in the village through two programs of aid. These had the effect of holding down the price of fertilizer in Tan An and other market centers, so that even those unable to benefit from the aid program directly had the advantage of an indirect increase in the local

supply of fertilizer. However, these programs may not continue to function on a regular basis, in which case the relief granted this year may have been only temporary.

Recognizing that actual use depends partly on past experience and partly on financial factors, and that these vary with the individuals concerned, there are some general patterns which the villagers follow in applying chemical fertilizers. The most common method seems to be one application of phosphate shortly after transplanting and one application of ammonium sulphate a month or so before the harvest. Some vary this by reducing slightly the amount of phosphate used after transplantation, and adding a second application midway in the growing season. The date for using the ammonium sulphate is also subject to some variation. Farmers described their preference in terms such as "just before ears of grain appear," or "when the plants are about one meter high," as well as "a month or so before harvest" and "just before the harvest." In some cases, farmers mix the phosphate and ammonium sulphate together, in a ratio of two-thirds phosphate and one-third ammonium sulphate, and use it in a single application at the same time the ammonium sulphate is normally applied by itself, e.g., before the harvest. This practice, however, is limited to fields where the lowest quality rice is being grown.

Most farmers mix the phosphate with rice husks, and also with ashes when these are available. The ammonium sulphate is not mixed with either rice husks or ashes, but is scattered in the fields

directly. There is a general feeling that more fertilizer brings larger crops, and that the villagers are not able to buy as much as they could profitably use. This attitude, coupled with the financial limitations already noted, brings wide swings in the amounts used per farm per year. Specific examples of use in this case are not particularly meaningful, although they may be indicative of what is done within a broad range. For example, some report they use as little as 100 kilos of phosphate and 25 kilos of ammonium sulphate to the hectare; others state they use 250 kilos of phosphate and 150 kilos of ammonium sulphate to the hectare. The ratio between phosphate and ammonium sulphate, however, generally ranges between two to one and three to one, with relatively more phosphate being used on the good land and relatively more ammonium sulphate going into the poorer land.

Before the introduction of chemical fertilizers, the villagers sometimes used a mixture of buffalo manure, ashes, straw and dead leaves on their rice fields, although it is hard to estimate the extent to which this was done. These natural fertilizers are not now used to supplement chemical fertilizers in the rice fields, although they are still used in village gardens. Contrary to the practice in much of Asia, villagers have never used night soil in fields, and use it only to a limited extent on their gardens. Most farmers do not use it at all. This seems to be due more to limited availability than to objections on grounds of health or cultural inhibition. Present day use of animal manure is restricted to the

quantity they can collect themselves, and villagers do not buy large amounts from others. In fact, there is some surplus in the village which is sold for use in the vicinity of Mytho, where gardening opportunities are greater.

Water control. -- In addition to the application of fertilizer, which does not require a great deal of work time despite its importance in the minds of the villagers, only one other activity is considered critically important between the time of transplanting and the time of harvesting. This is the control of the level of water in the fields, and the farmers hold definite opinions on what the proper level should be. If the rains continue steadily through the months of a normal rainy season, water control becomes a relatively simple matter of permitting it to drain away until the proper level is reached, around ten centimeters in depth. The villagers believe that more water than this will prevent the full growth of the rice plants; less than this will cause the plants to dry out. If the rains are too generous, the drainage problem can become serious because the water level in the streams and canals will rise to that of the adjacent fields.

In recent years, however, the problem has been that of too little rain, and to maintain the proper level in the fields water must be lifted from streams and canals by some mechanical means. Three methods are in use at the present time--the scoop or basket lift (gầu), the water wheel (quạt nước), and, for the past two years, one gasoline pump. The use of each of these is essentially

a function of the kind of water problem an individual farmer happens to have, although use of the automatic pump is also related to ability to rent a service which is quite costly.

If the water has to be raised a half-meter in height or less, from source to the field itself, the locally made, wooden water wheel is the most efficient and economical means available at the present time. Its use is somewhat inflexible, however, because the diameter of the wheels most commonly made in the village and the surrounding area will permit a maximum lift of only one-half meter. When the level of the streams or canals drops, or where the fields to be irrigated are particularly high, other methods become necessary. Traditionally, this has meant using the scoop or basket lift, operated either by one or two men.

In one-man operation, a long triangular scoop is suspended from a tripod and put in place over the source of water. The operator stands behind the scoop and literally shovels the water into the irrigation ditch which leads to his fields. The height to which water can be lifted by this device is limited by the height of the tripod from which the scoop is hung. Generally, this will be a little higher than the water wheel, but it is less efficient than the basket lift operated by two men. This latter consists of a single conical basket, waterproofed with shellac, with double ropes attached to each side. The operators stand on high ground next to the source of water, usually on a bunding, and dropping the basket into the water they will fill it, lift it, and then swing

it so that it empties into the higher fields. The men work in unison, the basket suspended midway between them on the ropes that each one holds. They work rhythmically, quickly, and with apparent ease. The whole operation resembles children turning the ends of a skipping rope, the difference being that the rope in this case never makes a complete revolution. The height to which water can be raised by this method is limited by length of the ropes attached to the basket, and the distance separating the two men who operate it. Still it is effective under most situations. The chief drawback is its slowness, and the greater physical effort needed to irrigate a given piece of land.

The main contribution of the mechanical pump so far has been as a substitute for the scoop or basket lift. The length of the intake hose on the pump gives it the flexibility needed to raise the water to any height needed. The capacity to deliver water is limited by the diameter of the hose, but it requires no human effort beyond that needed to carry it to the water source. On fields located some distance from the water source, it can throw a stream of water farther and with far greater force than other methods. It is also the most expensive way to irrigate -- the single pump available in the village rents at a rate of sixty piasters per hour. Despite its cost, however, it is in almost constant use during times when its particular features are needed.

Comparing the mechanical pump with the water wheel under those conditions where the water wheel can operate, the latter currently

gives superior performance. The capacity of the water wheel could be changed by altering the diameter of the wheel and width of the spillway, but, even with the dimensions of those commonly in use, it can lift more water per time period (e.g., an hour) than pumps with a hose diameter of ten centimeters. This means not only a faster irrigation job, but cheaper one as well. The operation of a water wheel generally requires two teams of two men each. A team pedals the axle of the wheel, thus turning the wheel, and the blades attached to the wheel lift a steady stream of water into a spillway which empties into the higher field. The alternate team rests while the first is at work and the teams exchange each hour during the working day. This type of work is considered heavier than general farm labor, and is therefore paid at a slightly higher daily wage rate. Reports on this vary, but the most commonly quoted wage is 40₰VN a day plus two meals. Assuming an eight-hour day, the cost of lifting water by water wheel would be 160₰VN plus the cost of eight meals. Eight hours rental for the mechanical pump would cost 480₰VN, and the volume of water lifted would be less than that of the water wheel, again assuming the capacities which prevailed in the village at the time of the study. Clearly, the mechanical pump offers no advantages, other than the saving of physical labor, in those situations where a water wheel can be used.

Village farmers use several methods to get water from the source to where it is needed. When the field to be irrigated is next to the stream there is no problem, and the water is spilled directly

into it. But when the fields are located some distance away, the procedures become more complex. Sometimes the fields closest to the stream or canal are irrigated first, and the bundings separating them from the field to be irrigated are breached so that the water may pass from the first field to the one beyond it. At other times, a temporary narrow trench will be built by mounding up a new bunding parallel to the more permanent one. The water is then pumped or spilled into this trench and carried to the distant field. This method has the advantage of enabling the water to be brought to the far field more quickly, since it does not require filling one field to irrigate another. It has the disadvantage, however, of requiring the work necessary to build the temporary bunding. Also the owners of the fields closest to the water source are sometimes opposed to having these built in their fields.

Maintaining the proper levels in the different fields requires a certain degree of common planning and common agreement. Irrigating only the high fields, and then letting them drain into the lower adjoining fieldsto provide an optimum level of water in all, would minimize the costs of irrigation in terms of both physical effort and money outlay. Coordination, however, is not always accomplished smoothly. Village officials say there are numerous disputes each year over water problems. Although village records do not support their statement, they say that many of these disputes are brought to the village council for settlement. Still, considering the

importance of water to the success of the rice crop, together with pattern of conflicting land claims and varying land use, friction over water use seems inevitable, particularly in view of the relatively weak sense of cooperation and community identification evidenced in this and other village activities.

Other types of intermediate care. -- Applying fertilizer and maintaining the proper level of water in the fields are the main concerns during the growing season, but some farmers also spend time repairing bundings and doing a minimum amount of weeding. Villagers say that many of the fields in the village never require weeding, and observation confirms this claim. Fields in this category appear neat and well tended, although nothing in particular has been done to keep them that way. Even if weeds grow, farmers do not bother to take them out if the water level in the fields is high. With adequate water they feel that the rice plants will grow even with weeds. If the water level is low, however, farmers will weed the fields, once, when the rice plants are about one and one-half to two feet tall. It would be very difficult to weed after this, but when the water is down the farmers feel one weeding is necessary to protect their crop. What weeding is done is performed by women, and the weeds themselves are used as fodder when collected.

In addition to weeding, a certain amount of time is devoted to setting the young plants more firmly in the earth after the transplanting has been completed. The transplanters do not always exercise uniform care when setting out the plants, and after a few

days some of them become loose and require extra attention to root them more firmly in the field. A week or ten days after transplanting, the plants that have failed to survive, due either to plant disease or to poor handling are replaced with new young plants. While the need for replacement may vary a good deal a certain amount is always necessary. The time spent on this seems to average two to three days per hectare.

Types of crop damage. -- Weeding is not considered a particularly important problem at the present time, but village farmers are becoming increasingly concerned over two sources of crop damage--insects and plant disease. The chief insect damage is caused by a small green-winged insect about the size of a rice grain, known locally as the con rầy, and by a small worm, or borer, known by the general terms con sâu or con bọ. In its adult stage, the rầy attacks the leaves and stem of the rice plant; the worm lives inside the stem and gradually rots the plant. Older farmers say that there was no trouble from insects twenty or more years ago and seem to feel that insects became more numerous about the time they first began to use chemical fertilizer. They say they do not believe that the fertilizer is entirely responsible and would not give up the use of fertilizer as a means of eliminating insects, but they have noted an apparent coincidence of these two factors. The villagers have no traditional remedies to control insects, and before insecticides were introduced into this part of Viet-Nam they relied on sudden and very heavy rains to rid their fields of insects.

The use of chemical insecticides is of very recent origin--really within the last two years. At the present time it is used only by the more progressive farmers who generally have large cultivated areas to protect. Small farmers say insect damage in their fields is too slight to worry about, and they have not used insecticides very extensively. The insecticides used are purchased in bulk from the market in Tân An. The Fundamental Education Center has placed a portable sprayer at the disposal of the villagers but aside from this there has been no special effort to either encourage or instruct the farmers in the use of insecticides. From the experience of the past two years, the insecticides are effective against the con rầy, but not against the con sâu. The villagers believe this is because the con sâu stays protected inside the stem of the plant while the con rầy is more exposed. Some farmers, however, remain dubious that the insecticides are effective against either.

The only plant disease that has been troublesome is a rust known by the Vietnamese term tim. Where this strikes, the leaves of the rice plant turn brownish-red in color and plants affected fail to mature. It was particularly severe during the 1958-1959 growing season, and an estimated seventy percent of village fields were hit by it. The result was a village-wide average decrease in yield to one-half of normal amounts, with even greater loss in individual cases. The combined effect of lack of rain and late rain, with a corresponding reduction in opportunities to grow two

crops, and the attack of tim has been disastrous for many. Fields located near streams or along the main highway (where there is more water than elsewhere) seem to be less affected than fields located elsewhere in the village, but all varieties of rice have been susceptible and the incidence of the disease does not seem related to such factors as fertilizer use or plowing depths.

The villagers do not know the cause of the disease, but they do have several explanations for it. One is that it is related to the time of transplanting. Fields transplanted early in the season do not seem to be affected as much as those planted later. When the rains arrive late in the spring the transplanting is delayed, and these fields seem affected to a greater extent. This would also be consistent with the observation that the fields close to water are relatively free of infection, since these would be the first fields planted. Another explanation is that the disease is caused by ground that is "too cold." This does not refer to the temperature of the air, which is hot and sunny for the growing season, but to the temperature of the ground which, in some unexplained way, was thought to be unusually cold during the night. Still another linked the plant disease with the damage caused by the con sâu, and others held that atomic bomb testing was partly responsible.

It is significant that plant disease and insect damage were never linked to the specific actions of supernatural forces, and there was no reliance on ritualistic remedies as a primary defense against them. There does seem to be a strong belief that these

kinds of crop damage can be controlled by means known to foreign technicians, and that their cause lies in the soils, the weather, the farming methods, or some similar factor.

Just as there is no common understanding of the cause, there is no agreement on the remedy to be applied. For the most part, villagers do not attempt to do anything to stop the disease. A few have tried increasing the amount of fertilizer, but without noticeable effect. The disease is a relatively new thing, and people are just beginning to appreciate the damage it can bring. Itsimpact on the village during the 1957-1958 growing season was much less than 1958-1959, and before that the disease was of minor importance. Its sudden and crippling effects on production have aroused a great desire for knowledge to combat the disease, and while villagers resign themselves to the fact that their present knowledge is inadequate, almost every conversation brought a request for outside help.

Harvesting. -- The first crops to be harvested have usually ripened by mid-September and from this date on harvesting is an almost continual activity throughout the village. The organization of this stage of production is, as in the earlier stages, essentially an individual household affair. This does not imply that families rely exclusively on the labor supplied by family members, but it does mean that harvesting is not a community-wide or cooperative affair as it is normally carried out.

If a family cannot provide enough labor to complete the harvesting by itself, it will hire additional labor for the job. In doing so, however, it will not apply through the labor groups used to obtain transplanting labor, but will choose and hire directly. Farm labor is paid in kind at harvest time, and the rate of pay is one gia of paddy for each ten gia that a harvest team cuts and threshes. Outside of rent payments and the bride price, this is the only important non-monetary payment regularly made in the village at the present time.

A harvesting team usually consists of three persons, although in small fields there may be fewer than this and in large fields there may be several teams. The team divides into those who cut the grain and one who threshes it on the spot. Threshing is done by both men and women. Reapers cut the plants one at a time, and then place fifteen to twenty plants together in a large bundle for the thresher.

Depending on whether the harvest will be threshed by hand or by buffalo, the reapers use one of two kinds of sickle for their work. A small curved sickle is most commonly used because it is functionally related to the more prevalent hand threshing. It is crudely fashioned, set in a rough wooden handle, and has a blade no more than eight or nine inches in length. If threshing is to be done by buffalo, the grain is cut shorter, near to the ears, and a longer bladed sickle of unique design is used. The blade is attached to the handle in a "V" type connection, and the stem is

literally wrapped around the blade as it is cut. Actually, the sickle is replacing the other implement because the hand threshing technique, which has become almost universal, requires a longer stem on the plants, and the sickle can cut closer to the ground.

Threshing is done in the fields themselves, which is a change from the traditional method in which the grain was brought to the house and threshed in the farmer's yard by buffalo. A few families still use this old method, but they are a very small minority. The newer threshing device consists of a wooden sledge--a hard wood and bamboo frame about five feet long, set on wooden runners. Reed mats are placed inside this on the bottom and around each of the four sides of the sledge. A wooden grill is then set inside the box formed by the four sides, and about four or five inches from the bottom. The thresher picks up a bundle of grain, holding the ears of grain away from him, and swings the bundle down partially on the edge of the sledge and partially on the wooden grill. By beating the grain in this way, the kernels of paddy are jarred loose and fall through the grill onto the mat which lines the bottom. Usually three or four swings are necessary to get enough grain from each bundle to satisfy the thresher. Since he is paid in kind in proportion to the amount he harvests, it is to his direct advantage to get as much from the threshing process as possible. Finally, a screen of mats seven or eight feet high is placed around three sides of the sledge to block the wind and prevent grain from being blown out of the sledge during the threshing. Travelling

through the countryside at harvest time, the visual effect is one of numerous small sail boats bobbing about a brownish-yellow sea.

It is difficult to estimate the efficiency of the threshing under these conditions. Examination of sheaves of grain that have been threshed shows that many retain a few good grains. This loss is partially offset by the work of the gleaners who comb the fields for stalks with grain still on them, and thereby reduce some of the waste even though the farmer himself does not regain it. The gleaners are usually children from the village, together with a few old people from the poorest families. Farmers do not restrict this activity, and it is not reserved for any families or groups in particular. The traditional method of threshing with buffalo insures a larger yield, but it also increases the proportion of empty husks included. For this reason, paddy threshed with buffalo brings a lower price per gia.

As the paddy collects in the threshing sledge, it is emptied regularly and measured by standard containers of one gia (40 liters). After measurement, to determine the amount to be paid the harvesters, the paddy is emptied into baskets and carried to the farmer's home to be dried. Women or girls, usually members of the family, do the carrying.

As the paddy is measured, a small amount may spill onto the ground. Some attempt is made to clean this up before removing the paddy, but it is usually possible to tell where the grain was transferred from measure to basket by the kernels which remain on

the ground. This would indicate that even though life is hard and living standards low, acute hardship is uncommon in the village. Another sign of this is that cultivation does not extend to all areas in the village which could grow something. Also, the rice straw that remains after threshing is often disposed of casually. If the farmer does not own buffalo, or if he has more than enough straw to meet his needs for fodder, he may give the straw to anyone who wants it and will carry it away. Some farmers sell the straw, but many do not bother.

A good three-man harvesting team can produce from eighteen to twenty gia of paddy per day, working from six to eleven o'clock in the morning and two to five o'clock in the afternoon. The men exchange the job of threshing because it is tiring work, and an effort is made to keep the threshing at a pace which matches the reapers. In large fields more than one team must be used to complete the job within a few days' time. When the grain is ready for harvest, a sudden rain may flatten the crop, leaving the field a tangled mat of plants. This causes no concern, and is not considered a serious problem. There may be small losses of grain, and the reaping may be a bit more difficult, but the farmers do not fear spoilage or rot in the fields. Similarly, grain may be cut and left in the field for a day or so, even when the fields are wet, without fear of damage.

When the paddy arrives at the house of the farmer, it is dried before it is stored. Most houses have a drying surface in front of

the house for this purpose. If the family is well-to-do, it will be made of brick or cement, but if the family is poor it will be simply a smooth, raised surface of dried earth. The drying process is a simple one of raking the paddy over and over under the bright sun until the farmer feels it has attained a uniform degree of dryness. Many villagers have abandoned the practice of winnowing the paddy, and the raking constitutes the only cleaning it gets. This is not as effective as winnowing, but it is easier. Crude winnowing is done by the simple expedient of standing on a chair and letting the paddy slowly pour onto the ground. The wind catches the chaff and blows it to one side, leaving a pile of clean paddy directly in front of the person performing the operation. Some of the wealthier farmers own hand-operated winnowing machines, but they are available to only about 15 percent of the village households. These machines are constructed locally of wood, and perform the most thorough cleaning job of all methods used. Clean paddy brings a slightly higher price, but this is offset by the fact that thorough cleaning reduces the volume.

After the paddy is dry enough to satisfy the farmer, it is stored inside the house in cylindrical bins made of reed mats. Storage practices, however, are not uniform. In some houses, efforts are made to protect the paddy from dampness by providing a mat floor, a layer of rice straw or, even better, a raised wooden floor that rests on wood or brick supports. Many farmers make no effort to provide a protective layer for their paddy, and simply pour

the paddy onto the bare earth floor inside the mat bins. Nevertheless, there is apparently very little spoilage of paddy, although there is some loss due to rodents and to the fact that chickens are allowed free access to the storage bins.

Seed rice is carefully set aside at this time for use the following year, and the farmers select the best of the paddy for seed purposes. This method of obtaining seed does not seem to have had any adverse effects on productivity or quality. However, it perpetuates an abundance of varieties, and the absence of standardizing tendencies may have long-run effects on the kind of rice which Viet-Nam can provide for the export market.

Rice merchants complain that farmers often do not dry their paddy properly with the result that the rice which is milled from it has a high percentage of broken grains. Improper drying is partly due to the pressure to sell paddy, which many farmers feel. The need for cash can be extremely acute at harvest time, and farmers are apt to hurry the drying in order to sell at the first opportunity. However, it may also be due to ignorance of the fact that improperly dried paddy results in poor milling.

The second crop. -- The planting and care of a second crop of rice parallels that of the first, with a few minor exceptions. There is no plowing and harrowing of the fields before transplanting the second crop, for example. Instead, the farmers use a roller which knocks over the stubble remaining from the first crop and the fields are then transplanted without any further preparation.

Villagers also allow a little extra time to complete the transplanting because extra care is exercised in handling the plants. Since the first crop has removed some of the fertility of the soil, a second crop requires larger amounts of fertilizer than the first, and farmers explain that for this reason a second crop costs more to produce. In all other respects the steps involved in production are the same for both crops.

The decision to grow a second crop is not always simply tied to the question of adequate water supply or level of field. A second crop is considered by most villagers as a very risky venture that frequently fails to cover the marginal costs. More fertilizer is needed, which means drawing on cash accumulations or finding new credit. If the rainy season is shorter than normal, there will be large costs for irrigation to carry the crop through to harvest and this will be a further drain on cash or credit. The yields of a second crop are also generally lower than the first--ten to fifteen percent lower--and only the average of low quality varieties of rice can be grown as a second crop. These factors taken together mean that the marginal revenues for a second crop are lower at a time when the marginal costs are rising. Add to this the risks of crop damage due to increased likelihood of plant disease, insects or water shortage and you have a prospect which, for many farmers, is too uncertain of success. The result is that the village as a whole can produce more rice each year than it actually does.

The description of the major activities within the production cycle is now complete. As the lunar new year approaches, more and more fields turn to brown stubble, and the buffalo and cattle again graze widely for bits of vegetation which may still remain. By March there are still some fields that have not been harvested--the low fields where a second crop has been planted. But these, too, are soon done, and the dry season sets in once again with its burden of inactivity, boredom, and for some, hardship. It will be three or four months until the rains begin, and seven months until the first harvest of the new season. For those who have had a poor year, the wait will be a long one.

Costs of production. -- The preceding section has described the production process in terms of techniques used, timing of different operations, and the general organization of production. But this leaves a picture that is incomplete because an important element, production costs, has been omitted. However, it is difficult to get accurate estimates of cost for several reasons which must spring easily to mind. For one thing, farmers do not keep records of cash outlays and any cost data based on direct interviews would have to depend on their ability to recall past expenses. It is true this method was used to estimate the special non-production expenditures during a year (see Chapter VIII), but it still has obvious drawbacks. Another factor is the year to year variation incosts due to differences in the volume of rainfall, availability of credit, or the price of fertilizer.

TABLE 4.1

ESTIMATED COSTS OF RICE PRODUCTION PER HECTARE, VILLAGE OF KHÁNH HẬU, 1958

Category of Cost	Landowners		Tenants	
	With NACO Loan[2]	Without NACO Loan[3]	With NACO Loan[2]	Without NACO Loan[3]
Payments in Cash:				
1. Plowing-6 days at 60$/day	360	360	360	360
2. Harrowing-1 day at 60$/day	60	60	60	60
3. Transplanting-10 days at 20$/day	200	200	200	200
4. Uprooting, Carrying-5 days at 30$/day	150	150	150	150
5. Irrigation-8 days at 40$/day	320	320	320	320
6. Misc. Labor-8 days at 30$/day	240	240	240	240
7. Transporting Paddy-2 days at 20$/day	40	40	40	40
8. Fertilizer:				
(a) Ammonium Sulphate-100 kilos[4]	350	350	350	350
(b) Phosphate Tricalcique-200 kilos	480	480	480	480
9. Interest--2000$ loan for 6 mos.	120	600	120	600
10. Taxes	98	98	--	--
Total Cash Payments	2,418	2,898	2,320	2,800
Payments in Kind:				
1. Transplanting-Food at 20$/day	200	200	200	200
2. Uprooting, Carrying-Food at 20$/day	100	100	100	100
3. Irrigation-Food at 20$/day	160	160	160	160
4. Misc. Labor-Food at 20$/day	160	160	160	160
5. Transporting Paddy-Food at 20$/day	40	40	40	40
6. Harrowing-9 percent of yield[1]	540	540	540	540
7. Rent-25 percent of yield[1]	--	--	1,500	1,500
Total Payments in Kind	1,200	1,200	2,700	2,700
Total Costs	3,618	4,098	5,020	5,500

[1] One hectare is assumed to yield 120 gia of paddy, and one gia of paddy is valued at 50$VN.

[2] Interest on NACO loans is 12 percent per annum.

[3] Interest on private loans is estimated at 5 percent per month.

[4] Based on fertilizer prices, Tân An, December 1958.

It therefore seemed preferable to make cost estimates by separating rice production into different functions, assigning representative labor time estimates to each of them, and adding estimates for other categories of cost which are based on general knowledge of village practices with respect to credit, rent and fertilizer use. It was easier to obtain agreement among farmers on the amount of time spent on plowing a hectare of land, for example, than for them to understand and reply accurately to questions which dealt with money costs of production. What emerges from this is an estimated per hectare cost to a farmer operating under assumed "normal" or "typical" conditions, and divided into cash, non-cash and imputed categories. As such, it provides an opportunity to examine the relative importance of different kinds of costs, and the beginning of an insight into the factors which account for living standards in the village.

The estimates given in Table 4.1 show the range of costs which farmers may encounter, depending on whether they are landowners or tenants, and whether they borrow money privately or through the government program of agricultural loans. Since all other costs are held constant as between the major categories of landowner and tenant, the comparison in all cases shows the advantage held by landowners. For example, a tenant's actual cost of production is probably 40-50 percent higher than a landowner's by virtue of the fact that he must pay rent. This can also be considered the opportunity cost of the landowner, but it does not mean any out-of-

pocket payments by him. Rent is considered a fixed cost here because is it a contractual amount, based on one-quarter of the estimated yields in normal years, and payable in kind at the end of the harvest. This type of cost estimate has been used in Table 4.1, although there is some reason to believe that the actual rents which tenants pay are five to ten percent higher than the official rent ceiling.[2] Taxes on the land, here based on the tax rate for "exceptional grade" (ngoai hang) land, obviously do not begin to compare with rent as a major element of cost.

The importance of interest as a cost of production is also shown by these estimates. The amount estimated as a "typical" loan figure, 2,000₱VN, is the median amount which farmers in this village borrowed from the National Agricultural Credit Office (NACO), as shown by village NACO loan records. It is impossible to get a clear measure of the volume of private lending for crop production alone, since private credit transactions often involve borrowing for several purposes at the same time. In any event, the figure of 2,000₱VN is a conservative minimum estimate of borrowing by those farmers who must borrow. A conventional private loan of 2,000₱VN would bear an interest charge of 600₱VN for a six month period, making it the third largest cost item, surpassed only by rent and fertilizer. A NACO loan for the same amount and same period of time would cost only 120₱VN in interest, reducing this to the least expensive cost item except for taxes.

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[2]See section on land rental and agrarian reform above.

Interest and rent, major concerns of the peasant farmer in most undeveloped areas of the world, begin to fall into perspective on the basis of cost estimates such as these. Together, they comprise nearly 40 percent of the costs of the "typical" tenant farmer who relies on private loans, but who is assumed to have the advantage of a 25 percent rent ceiling. If the interest rates, amount of loans, or actual rents are greater, and other costs are considered irreducible minima in each case, this importance is obviously greater. At the other extreme, the small landowner who has access to government credit pays interest and taxes amounting to only 6 percent of his total costs of production.

The estimates assume that the yield of the "typical" hectare is 120 gia of paddy, and that this paddy sells for 50 $VN per gia. This is a somewhat lower estimated yield than the average or median figures given on the rent contract records, but the latter figures are probably somewhat high. The price used is the price villagers reported they were receiving for paddy of average quality in December, 1958. The net return, in money terms, to the "typical" farmer therefore ranges from around 2,300 $VN per hectare for the landowner having access to NACO credit, to only 500 $VN per hectare for the tenant farmer who was forced to borrow privately. The accuracy of the picture presented here can be tested only by relating to income from other sources and the composition of family expenditures, but as a first approximation it seems clear that rice farming alone is an insuffic ent way to earn a livelihood for

a small tenant farmer. It can barely provide his family with enough rice to meet their consumption needs for the year, let alone provide him with the cash outlays for food and other consumer items that his family budget indicates he actually spends.

Another check on the cost estimates presented here is to compare them with cost figures for rice production in other parts of Southeast Asia. A recent study of a village in Thailand[3] provides cost figures on both weight and area of land bases. For example, the average cost of 1 tang of paddy is given as 6.7 baht.[4] Using the conversion ratios of 1 tang equal to 11 kilos, and 20 baht equal to $1US, this puts the cost of 1 kilo of Thailand rice at 3.1 cents US. For a comparable measure of the cost of rice in Khánh Hậu, the figures in Table 4.1 can be converted by the ratios of 1 gia equal to 19 kilos and 70$VN equal to $1US, or the "free market" rate of exchange. This gives a cost range of 2.2 to 3.4 cents US in Khánh Hậu as against the 3.1 cents US for Thailand, or roughly the same in each country.

Similarly, average costs per rai, a unit of land area equal to .16 hectares, were 215 baht, or approximately $67US per hectare.[5] This compares with an estimate range of $51.67US to $78.57US per hectare in Khánh Hậu, using the same exchange rates as those in the preceding example.

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3 Kamol O. Janlekha, A Study of the Economy of a Rice Growing Village in Central Thailand (Bangkok: Ministry of Agriculture, 1955), pp. 134-140.

4 Ibid., p. 137.

5 Ibid., p. 138.

In making comparisons of this kind, a number of more or less arbitrary decisions can radically affect the results obtained. For one thing, the original estimates in each case were made by different methods, and while the conceptual bases are similar, there is not exact comparability between the two. For another, the choice of a rate of exchange in each case is arbitrary. Viet Nam uses a set of multiple exchange rates, with a special rate for rice exports that falls between the official rate and the free market rate. Thailand has also used multiple exchange rates and subsidies to rice exporters from time to time. The use of the free market rates in making these comparisons rests on the assumption that price levels in each country are probably reflected more accurately in these rates than any other. Finally the Thailand data are for the year 1948, while those for Khánh Hậu reflect conditions in 1958.

A more direct comparison can be made by using the percentage breakdown of the various cost components in each of the two villages, as shown in Table 4.2. At first glance, the major differences between the two villages occur in the categories of labor and rent. Rents in Khánh Hậu are much higher than those in Bangchan, both absolutely and proportionately. The quoted going rate for 1948-49 rent in kind is 6.2 tang per rai,[6] or the equivalent of about 22 gia per hectare, which is about one-fourth less

[6] Ibid., p. 124.

than the rent, in kind, estimated for Khánh Hậu. Rent of rice land in the Thailand village is also a lower proportion of the average yield. For example, rents there came to only 21.5 percent of the average yield,[7] compared with the 25 percent maximum set by the agrarian reform program in Viet Nam. In fact, actual rental payments in Khánh Hậu probably exceed this by five to ten percent in most cases. Rent comparisons between the two villages are not affected by price differentials, for the price of rice used in the Thailand study is the same as that for Khánh Hậu when converted into US$ prices per kilo, i.e., about 3.6 cents per kilo.

The labor cost in the Thailand village is very similar to that computed for Khánh Hậu. In the Bangchan study, this is largely an element of imputed cost covering the cost of labor supplied by the family itself. As such, there is some flexibility in the amount which could have been assigned to this category. On the other hand, the Khánh Hậu estimates are based on actual work days required to do the main farm operations, and since they are conservatively drawn, they represent the minimum amount of actual labor time used in production figured at going wage rates. This could perhaps be raised further by some small amount, since no attempt was made to account specifically for time spent during the year on supervision, weeding, spraying, repairing dikes, and similar tasks. However, observation of work habits during the growing season supports an

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[7] Average yield of paddy in Bangchan was estimated at 28.8 tang per rai for the period 1948-1952, which is equal to 104.2 gia per hectare. Ibid., p. 52.

estimate of eight man-days per hectare spent on these relatively minor activities, and this was added as "miscellaneous labor." Since the present estimates include an allowance of eight man-days for the cost of irrigation, although this is not necessary in years when rainfall is sufficient, total labor costs are probably not understated by very much--perhaps no more than three or four percent at most. On balance, therefore, proportionate labor costs in this part of Viet Nam emerge as about the same as those in a central Thailand village. In fact, it is surprising that the shares estimated for labor are as close as they are, given the different bases on which they were calculated.

Looking at the capital costs of the two villages, the totals are again similar, but the component parts differ widely. One of the important reasons for this difference is that the Bangchan villagers do not use chemical fertilizers to any great extent, with the result that seed and materials comprise a very small proportion of their total costs. In Khánh Hậu, where fertilizer is an important item, these costs are about three times greater.

The Bangchan estimates contain items for depreciation of equipment and for interest on the investment in land and equipment. The Khánh Hậu estimates contain only an estimate of interest payments on loans. Since the latter include as elements of cost payments made for plowing, harrowing, harvesting and threshing, at the rates paid for the rent of such services, it is assumed that these rents include an amount equivalent to the annual depreciation on the

TABLE 4.2

COMPARISON OF RICE PRODUCTION COST COMPONENTS, BANGCHAN, THAILAND AND KHÁNH HẬU, VIỆT NAM

Category of Cost	Bangchan[1] (Percent)	Khánh Hậu	
		Tenant With NACO Loan (Percent)	Tenant W/O NACO Loan (Percent)
Rent:			
Actual	13.1		
Imputed	9.3	29.9	27.3
Subtotal	22.4	29.9	27.3
Labor:			
Actual	6.7		
Imputed	44.6	51.2	46.7
Subtotal	51.3	51.2	46.7
Capital:			
Seed and Materials	5.6	16.5	15.1
Depreciation	9.6	--	--
Interest:			
On investment	11.1	--	--
On loans		2.4	10.9
Subtotal	26.3	18.9	26.0
Total	100.0	100.0	100.0

[1] Kamol O. Janlekha, A Study of the Economy of a Rice Growing Village in Central Thailand (Bangkok: Ministry of Agriculture, 1955), p. 123.

equipment and animals used in these activities. Therefore, no additional allowance for depreciation is made. The Bangchan study did not make any assumption that farmers borrowed funds for putting in their crop, although nearly 60 percent of the farmers in that village were in debt, according to a companion study.[8] Failure to make any allowance for debt in Bangchan is offset by failure to include an allowance for return on investment in Khánh Hậu, with the result that the two estimates offset each other to some extent, and both probably understate the importance of capital costs in total production cost.

There are a number of things which can be emphasized in summarizing the significance of these findings on costs of rice production. For one thing, from the standpoint of the farmer his actual out-of-pocket costs vary considerably according to his particular situation. A farmer with a larger number of grown children and who owns buffalo and farm implements will be less dependent on others and has less need to hire outside farm labor and service. The tenant-landowner and debtor-creditor alternatives provide other possible combinations which affect the size of the money obligations which must be paid out. In other words, the amount a farmer can draw directly from his land varies widely because the size of his fixed commitment to others is affected by so many different factors. Some farmers can absorb price drops or poor

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[8] Rose K. Goldsen and Max Ralis, Factors Related to Acceptance of Innovations in Bang Chan, Thailand (Cornell Thailand Project Interim Reports Series, Number Three, Data Paper: No. 25, Ithaca: Department of Far Eastern Studies, Cornell University, 1957), p.52.

harvests with much less strain than others can.

In the short run, price-cost relationships seem to have little effect in allocating resources or in changing production methods. This is not so much due to the disinterest of the farmers as to their ignorance of other alternatives and their inability to undertake certain changes on their own. Limited responses can be expected, such as shifts from one rice variety to another as a result of prices which were in effect the previous year, but a rise in the general price of paddy would not bring forth a significant increase in production to take advantage of it. Nor is there any evidence of the reverse response which is sometimes claimed to prevail in agriculture, i.e., that low prices in one year will spur production in the following year. Instead, the margin of return is so small that it seems safe to conclude that all farmers are trying to increase production in all years and will adopt any method or new practice which will help them do this. Increases in rice production will therefore depend on such factors as the amount of fertilizer brought in under the Commercial Import program and the way in which it is made available to farmers.

At the assumed exchange rates, rice production in this part of Viet Nam is as efficient in terms of cost per hectare or cost per kilo as that of central Thailand, and the proportionate distribution of costs is also roughly the same in both cases. At the rate of exchange actually applied to rice exports (48₱VN equal to ₱1 US), this would not be true, and in US dollar equivalents Thailand rice

would appear to be produced much more cheaply. Devaluation could therefore result possibly in some increase in the piaster price of paddy, and an increase therefore in the return which farmers would receive from their rice production. It would not lead to increased production of rice in the village, for reasons touched on above, although on a nationwide scale production might increase as new lands were planted. Further, increased returns from production, due to higher paddy prices, would probably go first for debt repayment and the purchase of more fertilizer, but thereafter items of consumption (improving graves of ancestors, better houses, more elaborate festivals) would begin to take precedence over other expenditures. At the village level, therefore, devaluation would probably bring some generally beneficial effects, but it would be unlikely that devaluation as such can stimulate production in the village or bring a shift in production methods. Change of this kind depends far more on factors outside the village and unrelated to foreseeable adjustments due to price-cost relationships.

CHAPTER V

SECONDARY FARM PRODUCTION

Fruit and Vegetable Raising

The organization of vegetable cultivation.-- In an agricultural community such as Khánh Hậu, one would naturally expect a considerable amount of supplementary farm activity such as fruit and vegetable raising, fishing, and poultry and livestock breeding. This is especially so if, as in Khánh Hậu, the typical villager has a fairly small amount of land at his disposal and tends to live at or near subsistence levels. Under these circumstances, additional production would be vital to the households. It is surprising, therefore, to find that a substantial number of households fail to engage in these supplementary activities.

An overall picture of fruit and vegetable raising in the three hamlets of Ấp Đinh "A" and "B" and Ấp Mới is given by the data shown in Table 5.1. Judging from this sample, approximately half the households raise both vegetables and fruit to some degree, but 22 percent do not raise either. Moreover, raising vegetables and fruit is much more common among middle and upper class households that it is among the lower class ones. In fact, all but one of the upper and middle class households in the sample raised vegetables or fruit, or both, whereas all but one of those households raising neither fruit nor vegetables fell in the lower class.

TABLE 5. 1

VEGETABLE AND FRUIT GROWING, BY SOCIO-ECONOMIC CLASS, VILLAGE OF KHÁNH HẬU, 1958

Disposition	Upper Class		Middle Class		Lower Class		All Class	
	No.	Per-cent	No.	Per-cent	No.	Per-cent	No.	Per-cent
Vegetables only	1	8.3	1	5.6	11	15.7	13	13.0
Fruit only	1	8.3	4	22.2	9	12.9	14	14.0
Vegetables and Fruit	9	75.0	13	72.2	29	41.4	51	51.0
Neither	1	8.3	--	--	21	30.0	22	22.0
Total	12	99.9	18	100.0	70	100.0	100	100.0

Thus, those in the lower class, besides having the smallest amounts of riceland - the main basis for assigning households to the various socio-economic categories -- are at a disadvantage in terms of opportunity to raise fruit and/or vegetables.

In terms of vegetable raising alone, the same survey provided data which showed that 66 percent of the households in these three hamlets raised vegetables, while 34 percent did not. Again the same pattern appeared whereby the upper and middle class households were more likely to have vegetable gardens than the lower class. A majority of those who raise vegetables (62.1 percent) do so for home use only. These households consume the

produce of their gardens, but they do not derive any cash income from them.

For the minority who sell some portion of their garden produce, the cash income is not very large in even the best years. Over two-fifths (44.0 percent) of these households report that they receive less than 500$VN per year from this source, and over four-fifths (84.0 percent) receive less than 1500$VN. In a poor year, over three-fourths of them 76.0 percent) receive less than 500$VN. In a "good" year they sell one-third to two-thirds of the total output, in bad years slightly less. A small minority (16.0 percent) specialize more heavily in gardening than the others, and in these cases, the annual receipts from this activity may run from 7,000$VN to 10,000$VN. However, these represent a small proportion of those who do raise vegetables.

In general, therefore, while a majority of the households have gardens, only a minority of them sell even a portion of their output. Their cash income is relatively small. Further, upper and middle class households are more likely to have gardens than lower class households, but the size of the money income realized by those who sell vegetables does not seem to vary significantly from one class to another.

A large variety of vegetables is grown in the village, but most households with gardens grow only some portion of this total variety. The most commonly grown items include cucumbers, several varieties of melons, onions, red peppers, beans, tomatoes, several

varieties of squash and gourds, lettuce, cabbage, spinach and manioc. In addition, some yams, corn, sweet potatoes and white potatoes are grown, but, except for white potatoes, these are considered inferior types of food, and their cultivation and use are not very extensive. A fairly complete list of vegetables grown is given in Table 5.2.

The limiting factors in the cultivation of vegetables appear to be availability of water, availability of proper soil, and a homeplot large enough to permit the household to grow some vegetables. The best area for vegetables is in the central portions of the hamlets of Ấp Dinh "A" and "B" and Ấp Mới which were formerly a sandy stream bed. The heavy clay of other parts of the village does not provide as good a base for vegetables, although they are grown in the areas near the streams that flow through Ấp Cầu, Ấp Nhơn Hậu and Ấp Thủ Tựu. In the Ấp Dinh - Ấp Mới area, a few of the farmers are beginning to raise one crop of vegetables on their rice land since the sandy soil there is good for vegetables but is too far from the stream or canal to have enough water for two crops of rice. As yet there seems to be no standard timing or sequence for this type of double-cropping. Some farmers plant an early crop of rice and then, after the rice harvest in October they plant vegetables to be harvested, in turn, around February. Others follow what they claim is a more traditional order, planting vegetables first and rice second. Some vegetables are planted in mid-April, for

TABLE 5.2

LIST OF VEGETABLES GROWN IN KHÁNH HẬU

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Cải thìa	Chinese cabbage
Cải salade	Lettuce
Cải xanh	Cole, kale
Cải bắp	Cabbage
Cà chua	Tomato
Dưa leo xanh	Gherkin, gurken
Dưa gang	Melon
Dưa hấu	Watermelon
Thơm (dứa)	Pineapple
Hành	Onion
Hẹ	Welsh onion
Rau rắp	(No E. equivalent)
Rau cần	Celery
Rau cần tầu	Chinese celery
Rau cần nước	Water celery
Rau rụt(nhút)	(No E. equivalent)
Rau dền	Brède de malabar(F)
Rau mung tới	Basella
Trái đậu bắp	(No E. equivalent)
Mướp ngọt	Sweet cucumber
Mướp đắng	Bitter cucumber
Mướp khía	Flavor cucumber
Bầu ngắn	Short variety of gourd
Bầu dài	Long variety of gourd
Bí đao	A variety of gourd or squash
Bí xanh	" "
Cà rốt	Carrots
Trái khổ qua	Prickly melon
Bí đỏ	A variety of squash
Cà nâu	Brown eggplant
Đậu phụng	Peanut
Khoai mì(sắn)	Manioc
Khoai môn	Taro
Khoai mỡ	Yam
Khoai tủ	(No E. equivalent)
Khoai tây	Irish potato
Khoai lang	Sweet potato
Xu hào	Turnip cabbage
Xu xu	Chayote
Đậu que xanh	Green beans
Đậu haricot trắng	White French beans
Đậu haricot ve (đậu mong chim)	Siera beans
Rau muống	Spinach/bindweed
Rau hung	A variety of thyme
Rau quế	A variety of thyme
Hung chanh	A variety of thyme
Răm	A variety of thyme
Ngô, bắp	Maize
Ớt	Red pepper
Chou-fleur	Cauliflour
Trái bầu	Long melon

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example sweet potatoes, while manioc and beans are planted in early June, and tomatoes late in June. Depending on the time it takes different vegetables to mature, these fields will be available for rice planting from late July through November.

With the exception of leafy vegetables such as lettuce, celery, and cabbage, most households use seed from the previous year's crop. In some cases, this leads to interesting results. Farmers report, for example, that they sell or use the largest sweet potatoes and keep the small ones for seed purposes. Over a three year period this consistent selection of the poorest stock for seed gradually reduces the size of potatoes from their garden patches, and they usually must buy new seed every four years. There is also a general feeling among villagers that non-Vietnamese strains do not do well and they are somewhat reluctant to experiment with them. At times over the past three years, what are referred to as "American" varieties of tomatoes and corn were introduced to the village through the Village Council. The results of these trials were, apparently, unsuccessful. Villagers found that the American variety of corn produced as many ears as the local varieties, but each ear

produced fewer grains and they found the taste was inferior. Tomatoes were also disappointing and yields from the new strains were less than could be obtained normally using regular local seed. Most people felt that newly introduced plants were not suited to the temperature, soil and rainfall combinations in the village, although they are willing to accept that they do thrive in other situations. Another factor was the report that the particular corn seed which was given the villagers contained a high proportion of rotten seed or seed partially eaten by insects.

Planting and cultivating practices differ with different types of plant and also as between households. However, most households prepare the ground by turning it with shovel or pickaxe, then mounding it in rows so that water will collect between the rows and the moisture will be retained. Practically no households use draft animals on garden plots. Chemical fertilizers are used if farmers can afford it, but otherwise they use buffalo manure, ashes, and on rare occasions, night soil. It is difficult, however, to get firm information on the use of night soil. Most people deny they use it, but if questioned they will also say that some other households use it occasionally.

One common practice is to spread ashes on the ground after it has been turned, and then wait 20 days before planting. Just prior to planting, a second treatment of ash is added, sometimes

together with chemical fertilizer or buffalo manure. Both phosphate tricalcique and ammonium sulphate are used, but there seems to be a preference for the former. Buffalo manure is collected by individual households if they are poor, or purchased if the family can afford to do so. The manure is sometimes mixed with ashes and straw, but it is often applied directly to the garden plot. The timing of fertilizer applications also varies, with most farmers adding fertilizer throughout the growing season as they feel there is need for it.

Most gardens receive intensive care, although one gets an impression that garden plots are not always as large as they could be, and that a certain amount of homeplot land is not fully utilized. Young plants are protected from the sun by individual shades made from bark or banana leaves, and sometimes branches of thorn are placed over them to protect them from grazing animals and birds. Wooden racks are built for gourds, squash, beans and tomatoes so that they will grow off the ground and yield more and larger produce. Most gardens are carefully weeded and kept well watered at all times.

There have been two attempts at innovation in garden practice during the past year (1958), and while both were moderately successful, it is still too early to tell if the examples will result in any major change in gardening practices throughout the village. One of these was the construction of a large irrigation pond, approximately 65 feet long, 20 feet wide and

15 feet deep, at one end of a rice field in the former stream bed portion of Ấp Dinh. This was done during the dry season and was designed to serve as a receptacle for water once the rains began. Too shallow to tap any underground sources of water, it nevertheless retained water after the rains stopped and this was used to irrigate the vegetables which were planted after the early crop of rice had been harvested. The owner of this garden, who undertook this experiment on his own initiative and without outside advice or assistance, said he wanted to reverse the usual order of double-cropping because vegetables grown late in the season would bring better prices than those grown earlier. Although the garden itself was successful, the marginal benefits do not seem to have been great enough to stir much interest or generate a desire to emulate the experiment on the part of others.

The other gardening experiment was more consciously designed to serve as a model and to introduce new techniques to the villagers. Installed on land rented from the village chief, it was set up at a cost of 40,000$VN, donated by the Asia Foundation and administered by a member of the staff of the Fundamental Education Center. The work was done by voluntary committee of four men who keep any profit from the garden as payment for their effort.

The plants and trees in the garden were purchased at a government nursery at Mytho, so the original stock was of high

quality. An irrigation ditch was dug to connect the garden area with the nearest stream, and within the garden the water is distributed through deep ditches dug between "islands" on which the plants are grown. These large ditch areas thus provide room for raising fish as well as water for irrigation. Banana trees are planted along the edges of the island areas, and inside these there are vegetables, corn, mango trees, lime trees, guava trees and grapefruit trees located in different sections of the garden. The banana trees grow quickly and provide shade for the other types of trees which mature more slowly.

In setting out the fruit trees, buffalo hide was placed in the empty holes, and locally provided compost was added before putting in the young trees-- a technique advocated by the government nurseries from which the trees were purchased. In addition to this, bone meal is used as fertilizer on fruit trees, small amounts of it being placed in holes dug around each tree. Vegetable patches are fertilized with a mixture of phosphate tricalcique and water which is poured over the plants. In all, this provides an example of intensive use of garden land, yielding a variety of fruits and vegetables which mature at different times to provide crops for cash sale or home use over a fairly long period of time. As such it is a useful model for the village, but it suffers from the fact that the initial cost was very high by village standards. Also, several of the plants -- mango, lime, guava and grapefruit -- require much chemical fertilizer and a

great deal of care. Thus, while the villagers are interested in the experiment, initial reactions have been to consider it as something beyond their ability to finance for themselves. In time, perhaps some of the ideas on spacing and irrigation will be adopted by a growing number of households, but there is little evidence of it after one year.

Fruit production.--As indicated earlier, about half the households raise both vegetables and fruit, but, as in the case of vegetables, around two-thirds raise fruit either alone or in combination with vegetables. This leaves about one-third of the households who do not have any fruit trees at all. Once again there is a strong relationship between socio-economic class and fruit cultivation, with over ninety percent of upper and middle class households raising fruit, while nearly half (45.7 percent) of lower class households do not. Thus the pattern is continued whereby those families with the least, or no, land for rice are also less fortunate with respect to opportunities to raise fruit.

A list of fruit trees grown in the village is given in Table 5.3, but of these bananas, papaya and coconuts are the most commonly grown. By and large, fruit growing is less important than vegetable cultivation whether measured in terms of additional cash income, or in terms of the amount of land or effort devoted to it. Although specific data were not collected on this point, it seems that interest in fruit growing is less than that in vegetables. There are, for example, no households which

TABLE 5. 3

LIST OF FRUIT TREES GROWN IN KHÁNH HẬU

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Dừa	Coconut tree
Bưởi	Grape fruit tree, pomelo tree
Cam	Orange tree
Quýt	Tangerine tree
Ổi	Guava tree
Chanh	Lemon tree
Mít	Jack fruit
Soại	Mango
Vú sữa	Milk apple
Măng cầu (na)	Anona or custard apple
Chuối	Banana tree
Long nhãn	Longan tree
Khế	Carambole tree
Me chua	Tamarind (wild) tree
Tầm dược	(No English equivalent)
Đào	Peach tree
Mận (roi)	Jambose tree
Đu đủ	Papaya (papaw) tree
Lê-ki-ma	Mamey sapodilla, mamey sapote
Dâu	Mulberry
Cau	Areca nut tree
Trầu	Betel tree
Bình Linh	Type of tea substitute (wild)
O-mối	Black fruit (wild)
Trai keo	(wild) (No English equivalent)

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make a major effort to raise fruit trees on a large scale as there are some who do have large vegetable gardens. This is not to say that people are disinterested in fruit raising, but rather that it is considered of secondary importance to vegetable cultivation and provides less cash income.

Banana and papaya trees are probably the easiest to raise. Both require little care, need no fertilizer, grow rapidly and produce fruit quickly. Some is sold, but most of it is consumed locally. Bananas are sometimes dried in the sun and with a sprinkling of sesame seeds on top are sold in the market towns as a kind of candy. Areca palms and betel plants are also grown, with the areca palms flourishing particularly in the well-watered hamlet of Ấp Cầu. These also require very little care, the produce is in large demand, and farmers sell their product within the village and also in nearby markets.

Coconuts are grown throughout the village, but the hamlets of Ấp Cầu and Ấp Nhớn Hậu, with better water resources, grow more than elsewhere. Very little copra is produced in the village, however, because few farmers raise enough coconuts to make collection and preparation worthwhile. Most of the coconuts sold are sold as whole fruit. Villagers serve the milk to guests, and it is also prized for use in preparing glutinous rice. People use the meat in cooking, in cakes, and in the preparation of a soup called chè. The trees are given relatively little care, but it takes five years until a tree begins to bear fruit.

Fruit trees such as grapefruit, mango, guava, and lime are grown, but they take much care and require chemical fertilizer for best results and are, therefore, not found in many households. People living on the banks of streams cultivate water palms for use in thatching roofs. These are grown in all hamlets, but the best ones are thought to grow in the hamlet of Ấp Thủ Tửu. These require little care, and mature about one year after planting. Finally, there are a number of fruit-bearing trees which apparently grow wild along the village paths or in the areas around graves. When in season you can find village children on almost any day knocking the fruit from these trees with long bamboo poles.

Both vegetable and fruit cultivation could probably be expanded in the village, but the quality of the soil and water availability limit foreseeable increases. Without sources of fresh water for irrigation, vegetables cannot be grown during the long dry season, and village canal-digging cannot meet this need. New varieties of fruit trees require chemical fertilizers, so there is the additional financial limitation in these cases. In short, it does not appear that additional income could be added either easily or quickly by enlarging these productive activities, for the means to do so are not available to the villagers themselves.

The Organization of Fishing and Fish Raising

Fish raising.--The large number of rivers and streams in the delta region of southern Viet Nam make fishing and fish raising important supplementary activities in many places, and fish an important source of protein in local diets. Fishing is carried on actively in all the hamlets of Khánh Hậu. Fish raising is more successful in the hamlets of Ấp Cầu, Ấp Nhơn Hậu and Ấp Thủ Tựu, all of which, unlike Ấp Dinh "A" and "B" and Ấp Mới, are served by large streams. These latter, which are hamlets included in the survey, are also adjacent to a stream and its canal extension, but the raising of fish has not been very extensive. Although this is not typical of the area, there are many communities in the delta which face similar problems. Analysis of the factors which have deterred the raising of fish in these three hamlets can perhaps show some reasons why this allegedly common and widespread activity has not been developed more fully.

For these three hamlets, only about one-fifth of all households raises fish as a regular activity, and only one household does so on a scale large enough to be considered a "commercial" enterprise. A larger proportion of middle and upper class households raises fish than is true for lower class households, but while this difference in proportions may be significant, it is still not an activity engaged in by a majority of any socio-economic class.

Those who do not breed fish were asked to indicate their reasons for not doing so. Their replies were overwhelmingly a reflection of inadequate water resources. Many indicated their home-plots were too far from the stream, and they could not divert water to maintain a pond throughout the year. Others said their land was too high, and that water would drain out of the pond if they tried to dig one. Only a few said their homeplots were too small to accommodate a pond, and less than 10 percent reported that a lack of capital hindered their entry into this activity.

There is another factor, however, which did not come out in the survey answers, and that is the lack of feed. The one commercial fish pond is located near the school, and the school latrine is built over the pond. Villagers have said that this is the only place in the village which has access to this large a source of feeding material and is, therefore, the only location on which a large number of fish can be raised. To purchase an equivalent amount of food on a commercial basis would create credit or capital outlay problems and villagers, therefore, do not attempt it. There are a few ponds set up by groups of households working together, but these do not reach a commercial level and are maintained for home use only. Thus, although lack of water emerges as the single most important limiting factor, feeding presents a further problem, and lack of sufficient feeding material keeps most ponds from achieving

a commercial scale of operation.

For those who find themselves able to raise some fish, the government at one time offered an opportunity to grow tilapia, a fast-breeding fish imported from the Philippines. By reproducing itself rapidly, this species offered an opportunity for villages to produce large quantities of fish in very short periods of time, and it was hoped that this would add to both income and food resources in the villages. Whatever the results may have been in other parts of Viet Nam, all those who once raised tilapia in Khánh Hậu have ceased doing so. The reasons given for this are not convincing -- the fish could not stand the hot sun, they could not live in the brackish water of the dry season, they were struck by disease, or they did not taste good. A more plausible reason is that villagers are afraid to raise the tilapia. Recurrent rumors in all parts of Viet Nam held that the tilapia were carriers of leprosy, tuberculosis and other illnesses,rumors which were said to have started with Viet Minh elements. Whatever the real reason, all that can be said with certainty is that tilapia are not now raised in the village despite government encouragement.

In terms of size, farmers raising 2,000 or more fish per year are considered "large" operators, and those raising less than this amount are considered "small." By this definition there are no "large" operators in Khánh Hậu, and only one who approaches the upper limits of the "small" category. This

distinction is related to the market practices of the buyers for "small" operators must take their fish to the markets to sell them, while the buyers regularly call on the "large" operators and bid for their stock.

One species of fish raised in the village from purchased stock is called cá tra, a variety of catfish. Fingerlings are grown near Châu Đốc, along the Cambodian border, and brought to Tân An for sale in lots of 100 or 1,000. They grow at the rate of about one kilo per year, and reach full growth after two years. Most farmers, however, sell them after one year. The villagers say they must buy the fingerlings because the adult fish will not spawn in the small local fishponds. Conditions near Châu Đốc, believed to be specially suited to these fish, are not duplicated elsewhere in the delta region.

The farmer who plans to raise fish must dig a pond, the size of which varies with the number of fish he will handle. The pond is usually fed through a ditch connecting it with some large source of water such as the stream or canal. Sometimes, however, small ponds will depend entirely on rainfall. The ditches are filled in once the water has reached a level of around one and one-half meters, and the water sources and the fish ponds are not connected once the stock of fish has been added. Many of the ponds are fenced in with cactus-like plants or wire to keep buffalo and cattle from using them, but some are not. Latrines are built over most of the fish ponds and this fills the double function of feeding the fish and disposing of sewage.

The villagers seem to be concerned over the disposal of sewage in the fishponds, and on one occasion took action through the Village Council to force a man to move his fish pond because he had placed it too close to the canal. Water from the canal is used for drinking and cooking, and villagers were anxious to avoid its pollution. Although latrines are built over many ponds, none are built directly over canals or streams. People also say they are reluctant to eat fish from the fish ponds until after the latrines have been removed for a month or more. They have no qualms about selling them, however, even if they would not eat them themselves, and reason that if people want to buy these fish they are willing to sell them what they want.

Once the basic installation of pond has been completed, as well as the fencing and the latrine, the actual work connected with raising fish is minimal. There is little loss of stock during the growing period due to disease or to theft, and no special problems except those advanced as reasons for refusing to raise the tilapia. About one month before the fish are to be sold, or approximately one year after the fingerlings were purchased, the villager may begin to feed the fish on rice bran only, and the latrine will no longer be used. This is done to fatten the fish for market, as well as make them more attractive locally as food.

Barring natural catastrophes, which seem infrequent, the potential return from raising fish is very high. The cá tra have sold for 20$VN to 30$VN per kilo at a time when the fingerlings cost 1.5$VN each. Initial out-of-pocket expenses are not great when compared to the expected returns, as shown in Table 5.4, and many of these are non-recurring over a period of three or four years. Including a large item for the interest which would accrue from an alternative investment, total costs of raising 2,000 fish are 11,200$VN. Expected proceeds from the sale of 1,500 fish (assuming some loss and/or home use) at a minimum wholesale price of 20$VN per kilo would be 30,000$VN, or a net profit for one year of 18,000$VN. This is a net return of more than one and one-half times the amount of the total investment, and a much more lucrative opportunity than any other economic activity in the village. If commercial feed were purchased throughout the entire period, however, the size of the net return would be reduced because the out-of-pocket costs would approximately double.

In addition to the cá tra, villagers raise another species called cá rô. This is a much smaller fish, a variety of tench, reaching a length of only four or five inches after three months' growth. It is fed bran over a much larger part of the growing period.

These two species comprise the kinds of fish raised from fingerlings which are purchased for that specific purpose. In

TABLE 5.4

ESTIMATED COSTS OF RAISING FISH, KHÂNH HÂU VILLAGE, 1958

	Category of Cost	Amount
1.	DIGGING POND -- 40m x 3m x 1.5m	2,000$VN
2.	FISH STOCK -- 2,000 fingerlings at 1.5$VN each	3,000-
3.	FENCE AND LATRINE construction	1,400-
4.	BRAN FOR FEED	600-
5.	INTEREST ON INVESTMENT 7000$VN for one year	4,200
	Total:	11,200$VN

addition, farmers will raise fish which are caught live in the fields and streams and transferred to ponds or ditches where they are kept until they are ready to be used by the family. This is not commercial fish-raising, for the most part, but simply a way of supplementing the family diet and keeping their catches for a longer period of time.

Fishing.--Fishing is an activity which goes on at all times of the year, though it is more productive during and after the rainy season than it is during the dry months. Fish, shell fish and frogs are found in the paddies and the streams and

canals, and all members of the family are engaged in trying to catch them. For the most part, however, this is an activity of children and young adults. None of the streams surrounding the village are large enough to permit the use of the large permanently positioned nets that are sometimes used in other villages in the area. Instead, those engaged in fishing use a variation of one of the four main techniques.

One of these is a fish trap utilizing a large wide-mouthed approach device, usually in the shape of a funnel. It is arranged so that the fish swim into, and finally through, a narrow neck that is fitted with pointed bamboo sticks that permit a fish to go through, but not to swim back out. The neck of the funnel opens into a larger receptable where the fish are trapped until removed. These traps are usually put in place in the main part of the stream, or in breaches made in the bundings between fields. Sometimes, however, men will push them through the water by walking along the stream bottom holding the trap in front of them. Sometimes several men will line up in such a way as to cover effectively the width of the stream with their traps, and as they walk up the stream bed they will scoop up all fish swimming in their direction.

Another type of trapping involves use of a hand trap, a conical device made from rattan which is wide at one end and has a small hole through which the trapper may insert his hand at the narrow end. Young boys wait until the tide in the stream is

low, then lower themselves into the water and walk slowly along the edge. As they do so, they plunge the traps into the side of the stream bank just below the water line. Fish and frogs often hang along the edge of the stream because the current there is less strong, and also because they eat the grasses and herbs that grow on the banks. The trapper can feel vibration in the trap if a fish or frog is caught in it, and holding the trap securely against the bank, he reaches in and removes the catch. If frogs are caught, the trapper breaks their legs so that they cannot jump and escape, and places them with all the other catch carried in reed sacks tied to the trapper's waist.

A second major technique includes several types of net fishing. The size of the net varies, depending on the size of the fish being netted and the strength of the fisherman. Small children use nets the size of large handkerchiefs, with the four corners tied to bamboo sticks that are brought together in a peak so that the apparatus resembles an inverted parachute. This is nothing more than a miniature model of the large permanently positioned nets that are placed along large streams, but the children who use the small ones will drop several in a row along the banks of a stream or pond and pick them up in turn. When they think there may be fish in the net, they reach out with sticks and lift the nets by hooking into the peak formed by the four bamboo sticks that are attached to the small net. The size

of catch is obviously extremely small in these cases. Other net devices are more like butterfly nets, and are used to scoop fish out of the water. Finally, adult fisherman use long nets which can be thrown across a stream and periodically hauled in to the shore.

A third technique is to drain the water from a field or scoop it from a pond or ditch, and picking up the fish that are left high and dry in the process. Children do this on a small scale, selecting a part of a paddy field that is not yet plowed, building a small dike around a portion of it, and then scooping the water out of the area surrounded by the dike. Again, the size of the fish caught in this way is very small -- about the size of small sardines or minnows -- and a large amount of effort goes into accumulating a very small catch.

Finally, young men and boys fish with hooks and lines attached to bamboo poles, a method used mainly in fishing from the rice fields. Hooks are sometimes baited, sometimes not. The fish caught in this way are a little larger than those taken in the draining process or with the small nets, but they are still fairly small. This method is also used to catch frogs, c crabs and turtles, and, in fact, seems more successful in this than in catching fish.

The net effect of all activity relating to fish is that it probably supplies about half the fish actually consumed by village households but in only a few cases does it add even

modest amounts of cash income to the family. Barring some major improvement in irrigation facilities, it seems unlikely that there can be substantial increase in the number of fish raised commercially, although the encouragement of cooperative, neighborhood ponds, together with the provision of credit for the purchase of low cost food, could undoubtedly bring some improvement in the amount of fish which would then be available for home consumption.

Domestic Animal Production

An overall view of animal husbandry.--A brief review of the survey data of the three hamlets provides some idea of the relative importance of animal production, on a household basis if not in terms of village aggregates. A summary of the situation with respect to poultry is given in Table 5.5, where it may be seen that nearly four-fifths of the households raise chickens, ducks or both. At first glance, this does not seem too small a percentage, for it means that a large majority of the households are engaged in this activity to some extent. However, there are significant differences between socio-economic classes, with lower class households less extensively engaged in this secondary production than either middle or upper class households.

Considering chickens and ducks separately, a much higher proportion of all households (77.0 percent) raise chickens than

TABLE 5. 5

POULTRY RAISING BY SOCIO-ECONOMIC CLASS,
VILLAGE OF KHÁNH HẬU, 1958

Status	Upper Class		Middle Class		Lower Class		All Classes	
	No.	Per-cent	No.	Per-cent	No.	Per-cent	No.	Per-cent
Raises chickens only	5	41.7	5	27.8	32	45.7	42	42.0
Raises ducks only	0		1	5.6	1	1.4	2	2.0
Raises chickens and ducks	6	50.0	9	50.0	20	28.6	35	35.0
Raises neither chickens or ducks	1	8.3	3	16.7	17	24.3	21	21.0
Total:	12	100.0	18	100.1	70	100.0	100	100.0

raise ducks (38.0 percent). Some of the reasons for this will be touched upon below, but essentially they relate to the availability of resources which are necessary in each case. The difference in the proportions between socio-economic classes is less pronounced in the case of raising chickens than it is for raising ducks, although the same pattern of less opportunity for lower class households than for others exists in both.

As a measure of the volume of these activities, approximately two-thirds of all households who raise ducks or chickens do so for home use only. Only about one-third sell any portion of

the poultry they raise. Surprisingly, a larger proportion of lower class households who do raise poultry sell some part of their production than is true for either middle or upper class households engaged in this activity. However, not a single household in the sample reported that it sold either chicken or duck eggs.

Swine production shows a different kind of pattern, for only two-fifths of the households raise pigs. Moreover, a much larger proportion of middle class households are involved in this than either upper or lower class households. In fact, the proportions who raise and do not raise pigs among middle class households are almost exactly the reverse of that for the sample as a whole. In two-thirds of all the households which do raise pigs, this amounts to only one pig annually. Only 10 percent raise as many as three or more. Furthermore, this is a pattern which seems to hold for all classes. Finally, unlike poultry, a vast majority (92.5 percent) of the swine raised are sold, mostly in nearby markets.

Ownership of buffalo and cattle is the least extensive of all as their relative costliness would lead one to expect. As shown in Table 5.6, around three-fifths of all households own no large animals, and only 5 percent own both cattle and buffalo. The differences in proportions of ownership do not appear great between socio-economic classes. This is also true if ownership of cattle and buffalo is measured separately. However, a smaller

TABLE 5.6

OWNERSHIP OF CATTLE AND BUFFALO,

BY SOCIO-ECONOMIC CLASS, VILLAGE OF KHÁNH HẬU, 1958

Ownership	Upper Cl.		Middle Cl.		Lower Cl.		All Cl.	
	No.	Per-cent	No.	Per-cent	No.	Per-cent	No.	Per-cent
Owns buffalo only	2	16.7	4	22.2	6	8.6	12	12.0
Owns cattle only	3	25.0	3	16.7	16	22.9	22	22.0
Owns both buffalo and cattle	0	-	2	11.1	3	4.3	5	5.0
Owns neither	7	58.3	9	50.0	45	64.3	61	61.0
Total	12	100.0	18	100.0	70	100.1	100	100.0

proportion of all households (18 percent) own buffalo than own cattle (27 percent). Because buffalo are kept mainly as draft animals in farm operations, most households who own buffalo own at least two of them, the number considered necessary to constitute an adequate work team. Only one household reported that it owned only one, but one-third owned three or four. No households in the sample owned more than four, but it is known that there are a few households in the village which do. The pattern of cattle ownership is a little different, for among households owning cattle nearly one-third had only one cow, and nearly three-quarters of them owned only one or two.

Animal husbandry, therefore, presents a varying picture. The proportion of village households engaged in raising the various domestic fowl or animals differs, but in no case can it be said that there is really extensive involvement or economic return in this area of secondary farm production.

Poultry raising.--Villagers show extreme interest in raising poultry, but for various reasons this type of activity has not expanded very far. In the case of ducks, lack of water and space has kept the number raised by most households to that which they use for home consumption only. The few who raise flocks of ducks on a commercial scale allow the flocks to find food in the rice fields as soon as they are a few weeks old. The ducks feed on bits of grain left in the fields after the harvest, but in going from place to place the ducks are often herded through fields that have not been harvested, and owners of the fields sometimes complain that this practice injures the plants. The lack of good-sized swimming areas where the ducks can be kept, and the lack of such space for foraging, seem to be the main limitations to more extensive development in this area.

In the case of chicken raising, the limitations have been different. Chickens in the village have difficulty surviving because of the ravages of a disease the villagers refer to only as toi, or "pestilence." Typically, chickens are allowed to run loose without restriction, feeding upon anything that is available in the yard or house, including the paddy which is stored

in bins inside the house. No particular effort is made to feed them or care for them, with the result that large numbers of them are thin, sick looking, and afflicted with skin disorders. The maximum rate of egg production is estimated at 16 days continuous laying, which undoubtedly accounts for the fact that none of the villagers questioned in the sample reported they had eggs for sale as surplus beyond those kept for home use.

One attempt was made to introduce improved techniques and methods of raising poultry by a staff member of the Fundamental Education Center. New stock, provided by the Ministry of Agriculture, were given to fifteen families in the village, along with instructions on building shelters, feeding, precautions to insure a clean water supply, and assistance in giving the chickens innoculations against poultry diseases. The households were advised to feed the chickens on a diet of broken rice, paddy, vegetable leaves, grass, bran, and egg shells, together with ground shrimp and small fish.

Despite all precautions, all the chickens provided for this test died within a short period of time and the experiment has not been repeated. The specific cause is not known, but is probably the same type of disease which affects other poultry in the village. Some villagers ascribe the pestilence to bad luck, or regard it as a heavenly punishment for unspecified misdeeds; but others accept it as a fact of life with which they live and to which they must adjust. The failure of the experiment obviously fortifies these points of view to some extent.

As far as can be determined from conversations and from observation, the families selected to participate in the poultry experiment continue to use the new methods which were introduced, but are back to raising local stock instead of imported strains. Aside from these few, however, there does not seem to be any tendency for other households to adopt the new methods. As in the case of corn and tomatoes which were introduced from outside the village, people in Khánh Hậu feel that non-local strains of poultry are not suited to the climate and, in general, do less well than local stock. Some farmers even claim that local stock is fifty percent more resistant to disease than outside poultry. However, those who continue to use the new methods with local stock report visible improvement over the results obtained by other villagers. For example, they say that egg production is nearly double, though still only one-third the rate achieved by the imported new strains, and that local chickens grow fatter and are stronger under the new diet and improved care.

Incubators were also introduced at the same time, and while those who used them say they were at least as good as normal methods, they were not enough of an improvement to arouse interest on the part of other villagers. These were small kerosene burning incubators, provided along with the eggs through the Ministry of Agriculture. A large part of the problem seems to have been that the eggs used were not carefully

selected, and a high proportion did not hatch. Those who used the incubators say that a large number of eggs are needed to make its use profitable, and that it is difficult to get enough eggs locally for this purpose. Rather than buy eggs from the Ministry of Agriculture at 2 piasters each and take the trouble to hatch them, along with the attendant risk that some proportion will be lost, they prefer to buy day-old chicks in the Tân An market for 4 to 5 piasters.

Swine production.--The raising of pigs has been attended with problems very similar to those of poultry. Pigs are also highly susceptible to an illness, which the villagers refer to in the same term that they use for the disease which strikes poultry, toi. New strains of pigs were also introduced into the village at one time through the Ministry of Agriculture. These were given to several of the farmers, with the requirement that they repay the government with one or two pigs from the first litter, to be given in turn to still other villagers. Many of new stock died, however, despite widespread innoculation, and the experiment does not seem to have spread very far beyond the relatively few households who first took part in it.

Reaction to this experience is somewhat like that in the poultry experiment, although with the difference that villagers do not seem to feel that the new varieties are more susceptible to disease than the local ones. Both seem to be affected to an equal degree, and innoculations are not always successful in

either case. Moreover, the villagers believe the offspring of new varieties and local varieties are an improvement over the local strains. They seem easier to fatten with the same kinds and amounts of food, the meat tastes better, and it is not "grainy" and therefore does not smell bad. Farmers do not find any change in fertility, and the size of the litters seems to be the same. People in the village attribute the size of litters, or in fact the ability to raise pigs at all, to what they call possession of a "hand" (tay) or the "lot" or "favor" of heaven (phận). This is analogous to the notion of a "green thumb" in gardening, but many villagers feel that this is the determining factor in successful animal husbandry. Without it, it is useless to expect good results, and many have therefore apparently abandoned attempts in this area. Despite some complaints that participation in the government's program cost them money, the overall attitude, as in the case of the poultry scheme, is that the experiment was a "good" thing, even though it failed to produce any substantial improvement.

Except for a few farmers who have been more than usually successful, most of those who raise pigs in the usual or customary way do so without much special attention or care. They will buy one or two small piglets each year, raise them for six months or so, and then sell them in the village or in nearby market. Young piglets cost around 400$VN, and after six months sell for approximately 2,000$VN. Depending on the type of care

provided during this period, the cost of feeding during the six months interval is about 1,000$VN. This means a return on the amount invested in the animal in the vicinity of 50 percent, provided of course that the animal survives. Most pigs are fed rice bran mixed with the pulp from banana trees and table scraps. They move freely through the house and yard, rooting for other food where they can find it. A few provide sties for their animals, but this is not a general practice.

The sickness which attacks pigs is recognized by a sudden loss of appetite in the animal. Innoculations, furnished through the veterinary service, are given by the village nurse at a cost of 15 piasters a shot, and some villagers use this service. However, others admit that if they find a pig has become ill, they will try to sell it to a buyer or to a slaughter house -- an interesting insight into the kind of meat which sometimes makes its way into local markets. They also say there is general failure to comply with the law that requires that the deaths of animals be reported. If a pig dies, for example, they simply sell or eat the meat themselves, and do not bother to report the death.

A few farmers, those who have the "hand" for it, do raise pigs on a larger scale, and generally exercise greater care in doing so. As an example of this level of care, which does exist in the village, they feed a sow, who has just produced a litter, a mixture of rice and rice bran, gradually reducing the amount of

rice and increasing the amount of bran over a period of one month. This is more expensive than other methods, but they believe this diet will give the piglets a better quality skin (the skin hair will be smoother), and the ears will be longer. These are considered desirable qualities in pigs, indicative of health and good quality meat. Litters are born in the fields, and the birth is carefully supervised to prevent damage to the piglets. For the first fifteen days, the piglets are kept in a small enclosure so that they will not be smothered by the sow, and at feeding times the piglets are carefully rotated so that all will receive enough milk. At the age of two months they are ready for sale. Sows are not bred until they are at least five months old, and then no more often than twice a year.

Buffalo and cattle.--As shown earlier, ownership of buffalo and cattle is not very widespread, even among the upper and middle class households. While it would be erroneous to minimize their importance, it is nevertheless true that a majority of the households in the village are not involved in raising these large animals. The reasons for this are not, as in the case of pigs and poultry, that there are difficulties in raising them, but rather involve financial and convenience considerations. Government-furnished innoculations have apparently been successful in minimizing the spread of disease among buffalo and cattle, and villagers have not registered complaints on this score.

However, aside from plowing and harrowing at the beginning of the planting season, and possibly a second harrowing and rolling which takes place prior to planting a second crop, there is almost no way in which the buffalo are used productively. A few families still use buffalo in the threshing process, but the traditional method has been abandoned by most households. They are not used as beasts of burden, do not haul carts in this village, and are not used to draw water or for similar chores. For a larger part of the year, therefore, they require care for which there is no concurrent return. Some villagers have said that if you have children who can look after the buffalo, it is cheaper to own one, but if you must hire someone to tend them it is more economical to hire them when they are needed.

Cattle, too, are little used as beasts of burden, and are regarded as inferior to buffalo for farm work. Because the pasturage is so poor, they give no milk for home use or for sale. Fresh milk and other dairy products are not used by most Vietnamese rural families, so this is not considered an important loss. The main purpose in raising cattle, therefore, is for sale as meat, and while some are slaughtered during the year at village festivals, most of them are sold outside the village. The one exception to this general practice is an imported cow which is being kept in the village by the veterinary service in Tân An. Much larger than the typical Vietnamese cow, it is being raised for its milk-giving qualities. To aid in this project,

the farmer who takes care of it supplements the usual diet of straw and grass with rice bran mixed with water and a mixture of bananas and sugar cane.

Probably the biggest bar to more widespread ownership of large animals is the financial one. Grown buffalo and cattle sell for upwards of 4,000$VN, and calves sell for half that amount. This represents a sizeable investment by village standards, and there are risks attendant which many are unwilling to undertake. A buffalo loan program was begun in early 1956, under which some farmers were able to borrow up to 3,500$VN to purchase buffalo imported from Thailand. Since that time, however, no new opportunities to borrow have been open to people in the village. General opinion of the program seems to be that the opportunity was a welcome one, although they point out that Thailand buffalo are smaller and do not work as well as Vietnamese.

Convenience seems to be another factor, particularly among the upper class households who could afford to own their buffalo in most cases. Instead they prefer to rent the plowing services from others, and therefore avoid the necessity of investing in, and caring for, animals which have a limited usefulness to them. Further, households in this socio-economic group would not be interested in the additional income which might derive from renting plowing and harrowing services to others. At the other end of the scale, the lower and middle class households who own

or rent small amounts of land would benefit from owning buffalo because they could then avoid payment of the cash costs of renting plowing service and also add another source of income through renting to others. However, for them the initial cost is the stumbling block. The infrequency of cattle raising is probably explainable in the same terms.

The large animals are usually kept in a separate shed at night, located near or adjoining the house on the homeplot. There they are provided with shelter, straw and water, but during the day they are allowed to roam along village streets and paths, over dried rice fields, or are picketed in one of the few pasture spots that are available. There they eat the grasses and herbs that grow along the bundings or near the homeplots, and there are no restrictions on their movements other than that they must stay away from garden areas. Young boys usually accompany them during the day to move them from spot to spot, to keep them from causing crop damage, and to bring them home at night. No payment is made for grazing rights and with virtually unlimited access to all parts of the fields the villagers do not feel they have a problem in obtaining adequate pasturage. They are aware that the feed available to their animals is poor, and that their cattle are thin by outside standards, but they do not seem overly concerned by the fact.

A Summary of Observations

Future prospects for secondary farm production.-- The

foregoing description should give some impression of the present role played by secondary farm production in Khánh Hậu, and also some of the factors which seem to have been responsible for it. In a sense, there are few surprises, for the basic problem is the familiar one of poor resources or an inadequate knowledge of how to make better use of mediocre ones. The most promising area for improvement is in the raising of poultry and pigs, but experience has shown that hasty experimentation does not always work and the prevalence of disease in both cases poses a critical problem that requires sound technical assistance and advice. Superstition and folk lore are also important blocks to change here, but obviously successful examples will go far in breaking these down. An increase in vegetable and fruit cultivation is inhibited by more fundamental difficulties -- lack of water, lack of proper soils, and some lack of financing. While some improvement can undoubtedly be made, this is not an area of great promise. Finally, buffalo and cattle, currently raised by a minority of villagers, could also be increased, although the area is not ideal for it and there are financial problems associated with initial investment and in obtaining food, the latter particularly if the number of animals increases substantially and the present pasturage facilities become overtaxed. In the case of fish culture, a lack of access to water underlies most failures to take it up, and this is not always remediable by the efforts by the villages themselves.

All in all, prospects for increasing farm income through additional secondary or supplemental production are not bright. Although marginal improvements could be made in all areas, they hold little promise of substantial improvement in village living standards. As was the case with respect to rice production, we have evidence of the basic incapacity of the village to support its growing population from its agricultural activities alone.

Chapter VI

THE MARKETING PROCESS

The Market for Rice at the Village Level

The sale of the annual rice crop. -- The culmination of the effort and waiting that go into the production of rice is in the sale of the harvest, and over two-thirds of the village crop is sold for cash. The marketing process, while in some respects a simple one, is also an interesting process which provides information about the people involved as well as insights into the kind of market structure the villagers face. This structure has been changing in recent years, although possibly less in the area of Khánh Hậu than elsewhere. It is unfortunate that it is not possible to give a complete picture of the market for rice, from the farmer through all intermediate stages to the stages of retail and export, but this information is not readily available and the portion of the market described here affords a limited view only.

Since Khánh Hậu produces rice that matures at different times, there is no single time when the farmers are seeking to sell. Instead, it flows into the market over a period of months starting with the first harvests in September and continuing into the following February and March. Not only do the crops mature at different times, but the willingness to sell will vary with individual farmers. Some evidence of the pattern is provided by

replies given in the survey, and which are shown in Table 6.1. They indicate that for village farmers as a whole, around one-fourth do not have enough paddy in a normal year to sell as a cash crop. Of those who do, the timing of the sale tends to fall into one of three main patterns. As expected, the patterns differ between the different socio-economic classes, but in some ways the results of the survey are surprising.

T A B L E 6.1

TIMING OF RICE SALES, BY SOCIO-ECONOMIC CLASS, VILLAGE OF KHÁNH HẬU

Time of Sale	Upper Class: Percent	Middle Class: Percent	Lower Class: Percent	All Classes Percent
Immediately after harvest	36.4	17.6	17.9	20.9
Some immediately after harvest, some later	27.3	70.6	7.7	26.9
Throughout the year as cash is needed	9.1	5.9	30.8	20.9
When the price is highest	18.2	5.9	2.6	6.1
Do not have enough to sell	9.1	--	41.0	25.4
Total:	100.1	100.0	100.0	100.2

A large proportion of farmers in the lower class (41.0 percent) do not raise enough rice to sell any for cash, since the size of landholdings by this group, by definition, contains the smallest holdings of all. Selling the crop immediately after harvest implies a certain inability to delay sales very long, a pressure to obtain cash, and one would expect to find that a high percentage of the lower income groups and a small portion of the highest income groups would fall in this category. This does not seem to be the case. In fact, over one-third of the upper class farmers replied that they also sold their rice immediately after the harvest. It may be that many upper class farmers were pressed, and therefore sold their crop as soon as possible. On the other hand, this may have been the time when they preferred to sell, and not imply eagerness to get cash in all cases. The majority (54.6 percent) of the upper class households, however, sell their crop at various times after the harvest. A substantial proportion of middle class households sell some rice immediately, but hold some for later sale. At the other end of the scale, a large share of lower class farmers sell rice throughout the year as their need for cash arises.

The probable explanation for these findings, assuming the responses to the question are reliable, is that many farmers, particularly those among the lower class, do not have enough rice to constitute a genuine cash crop. All farmers supply their own rice needs from their crop, sometimes by keeping part of their harvest, but sometimes by selling their crop and buying back rice

of lower quality and price for home needs. Immediate sale also provides the cash for repayment of debts and payment of rents. This would be covered by the nearly one-half (47.8 percent) who sell part or all of their harvest immediately. Lower class households who have enough rice to sell probably do not have very much, and their pattern therefore is frequently to keep paddy instead of converting it into cash, but selling small amounts throughout the year as cash needs arise. The temptation to spend cash is probably very great, therefore the preference for holding less liquid assets. Only the upper class households showed any sizeable proportion (18.2 percent) who marketed essentially on the basis of price considerations, but the small size of the sample may have colored this result to some extent.

There are no central markets in the vicinity of Khánh Hậu where farmers and buyers gather to arrange the sale of the paddy. Instead, buying and selling is on an individual basis which probably, on balance, works to the advantage of the buyers. A large proportion of those who sell rice, at least three-fourths, sell to rice merchants who come from the village of Khánh Hậu or from neighboring villages of similar size. These merchants are all Vietnamese, and all are also farmers in their own right. Villagers say that this has always been true, and that Chinese have never been important buyers of local rice. In former times, Vietnamese worked as agents for Chinese, but now they work for their own account. Only 10 percent of the households sell directly to buyers

from Cholon, still the center of the rice trade in Vietnam, but a significant proportion of these are upper class families who have larger amounts to sell and are therefore of greater interest to the Cholon merchants than the small volume producers. For example, none of the lower class households sells directly to Cholon buyers.[1]

The first contact leading to a sale of paddy may come from either the merchant or the farmer, depending on the needs in each case. A farmer anxious to sell some of his paddy seeks out one or more merchants, gets price quotations, and closes the sale at the best price he finds. Merchants who want paddy canvass farmers' homes, making offers and picking up what they can. In general, merchants will be seeking paddy at times when the price of rice in Saigon is relatively high, but at other times it is the farmer who looks for a buyer.

Easy generalizations about the "price of rice" are very likely to be misleading because the price in any case is a function of many factors. In the first place, VietNam grows a great number of different varieties of rice, each distinguished from the other by taste, texture and similar characteristics and valued in different ways by the consuming public. Various parts of the country are suited to produce different varieties, and an experienced rice merchant can take a handful of paddy and tell where in Viet Nam it

[1] Proportions based on survey data.

was grown. Among the varieties there is further distinction between one of three grades, the grades in this case being fixed by the size and shape of the grain. Finally, there is the matter of the quality of the paddy, which is related to how well it has been winnowed, how well it has been dried, and what proportions of bran and broken rice can be expected to come from it. This is further complicated by the fact that the government has fixed a range of 40 - 60₱VN to be paid for paddy of average quality, but the price of high and low quality rice is not subject to control. There is also the matter of transportation cost, which will tend to depress paddy prices in proportion to the distance of the seller from Saigon.

The sources of price information open to the farmer are limited and haphazard, so he must bargain more or less blindly. There are no radio reports of Saigon prices, nor is there any price information available through the newspapers or through government agencies. Instead, the farmer tries to judge the probable price he can get for his paddy from what he knows of prices paid to his neighbors or relatives, from scattered reports brought back to the village by other farmers who have returned from a visit, or written reports from relatives if he has any who live in Saigon. He will start by asking what he considers to be a high price, given what information he has. If that is accepted, the word will be passed and other farmers will start out by asking even higher prices. If the original asking price is refused, and if he really wants to sell,

he will have to come down until it is accepted. Thus, by crude maneuvering, the seller attempts to find the market price and make the best bargain he can find.

The buyers, however, have access to much better information than the sellers, with the result that by moving quickly they can take full advantage of the imperfection in market knowledge on the selling side of the market. Merchants tend to gather daily at certain rice mills in the larger towns. There they come in contact with other merchants and with buyers from Cholon and discuss prices and market forecasts. These meetings tend to fulfill the function of a real commodity market, although they are not actually organized as such. Merchants also make trips to Cholon itself, and there learn at first hand the developments taking place in the main market. These frequent contacts produce more sound information than is available to farmers. For example, buyers will probably learn of a slight upward shift in the price of rice a day or two before this information becomes widespread in the village, and by moving quickly can buy paddy from farmers at the old price. Once the farmers learn of the change, by noting the increased bying or from outside sources, those who can do so will hold out for the higher price which they then know can be paid, and the initial advantage to the buyer will have gone.

A merchant's annual volume of business is limited largely by his capital. The village merchants, who are the most frequent buyers in Khánh Hậu, tend to be small operators with an annual

turnover of no more than a few thousand gia. Some of them are so hampered by lack of capital that they buy from farmers on partial credit, promising payment of the balance when they have resold the paddy. This procedure requires that they offer slightly higher prices, which reduces their profit on the operation and hampers their attempts to accumulate capital. Most merchants do not have a special place of business, but store the purchased paddy in rice mills until they are ready to sell it again. When they feel the price is at a desirable figure, they have the rice milled and then sell to one of the dealers from Cholon. It is in the course of these contacts that the merchants get to know the movement of prices in the larger markets.

Another alternative is that the local merchant will mill his rice and take it directly to Cholon for his own account. Once there, he takes samples of his rice to various wholesalers, receives offers from them, and finally selects the one to whom he will sell. The government is also a buyer of rice, and again the sale is based on bids made when samples of the rice are shown. Although some merchants in Khánh Hậu do sell directly in Cholon, this is not common practice. Most of them are too small and too unfamiliar with market practices in the large city to attempt any business activity beyond the Tân An area.

The merchant must undertake to transport paddy from the house of the seller to the mill where it will be stored until resold. The bran extracted during the milling process will be roughly enough

to cover the costs of transporting from the village to the nearby mills. The broken rice obtained is bagged and sold in Tân An, and is never shipped to Cholon. The whole milled rice, also bagged in 100 kilo sacks, is now shipped primarily by truck, although some still moves by water through the network of rivers and canals. Transportation costs by truck in 1958 were 10₱VN per 100 kilos, in addition to which there were taxes levied on the shipment in Tân An before it left for Cholon. The markup on whole milled rice between Tân An and Cholon was in the vicinity of 43₱VN to 48₱VN per 100 kilos, which included transportation cost, bagging, taxes, and a profit of from 5₱VN to 10₱VN for the merchant.

It should be pointed out that this estimate of the price spread between the two cities is only an estimate. There are no published data which give actual prices paid and received. This picture of the pricing is based upon the descriptions provided by Khánh Hậu and Tân An rice merchants. Their stories contradicted one another at some points, but the above represents a general consensus of what they said occurs. As a rule it would be fair to say that merchants were very reluctant to give specific information on things such as prices, amounts handled per year, and share of the market, and important detail is therefore lacking. All merchants, however, complained that one of the things which acted to increase the price of milled rice in Saigon was the frequent inspection of shipments made by customs check points along the way. To avoid delay or penalty payments, customs officers were offered, and

accepted, bribes of varying amounts. The effects of this practice would, of course, be multiplied the farther a shipment had to travel, for this would mean an increased number of check points to pass through.

As general practice, merchants like to keep a portion of their holdings in the form of milled rice so that they can sell it immediately should an attractive offer suddenly come along. On the other hand, if they can afford to do so they will keep another portion in the mills in paddy form so that they can place it on the market during the third or fourth lunar month, at a time when prices have usually advanced somewhat.

The rice merchants thus gather the paddy, transport it to the larger local mills, convert it into milled rice and send it to the Cholon market as price conditions there make this most advantageous to them. In close contact with the Cholon market, they have a distinctly favorable position relative to the farmers, who are not only shut off from accurate and timely market information, but in many cases are under pressure to sell at least a portion of their paddy as soon as it is harvested. The price control program, which puts a floor as well as a ceiling on the price farmers receive for their average quality paddy, may provide some protection to the farmers. Also, there has been an increasing amount of competition on the buying side of the market in recent years. Nevertheless it seems probable that, as the villagers believe, the price control program is more helpful to the consumers in the cities than it is to them.

The rice merchant. -- As noted earlier, the rice merchants with whom the villagers deal most frequently come from the same or a neighboring village, are Vietnamese, and usually are farmers themselves. Only the larger farmers in Khánh Hậu deal with merchants coming from Cholon, more and more of whom are Vietnamese rather than Chinese. Some of the village merchants learned the elements of the business from fathers or relatives, but a majority of them do not come from what could be termed mercantile families. Some of the merchants operate rice mills, in addition to farming and dealing in rice, but this is not true of all merchants or of all rice millers. In terms of socio-economic class, they tend to come from the middle and upper class, with more from the latter than the former. Only one of them could be classed as a "substantial" merchant, but even so he could not be said to dominate the village buying or exercise an undue influence over it. In short, the role of rice merchant is one which is essentially secondary to other occupations, involving people who are undistinguishable from their neighbors either by virtue of wealth or social position.

Entry into the ranks of merchants is free except for the requirements of financing and a large amount of skill and courage. Because of the intricacies of the trade, and the many pitfalls which can trap the beginner, the number of people engaged in this occupation changes from year to year. In one year as many as twenty to thirty may be in the business, but this may also drop to ten or less the following year. Success in this area depends not

only on awareness of current prices and costs, but also on a thorough knowledge of rice itself. Lack of experience in judging the amount of milled rice which will come from a given batch of paddy can lead to overestimation of the amount of milled rice and underestimation of the amount of broken rice, as well as miscalculation of the amounts of bran which will result. On a large scale, this could be disastrous. For this reason, some rice mill operators refrain from acting as merchants because they feel they do not have enough experience to know fully what success in the field requires.

A number of recent failures are attributed, by the villagers, to the government's refusal to permit rice exports. In their view, several of the merchants had bought paddy at high prices, and had milled and stored it in anticipation of even higher prices. The closing down of exports brought a subsequent drop in domestic prices, with the result that the merchants were forced to liquidate their stocks at a loss. This version is not based on accurate facts, for although exports in 1957 were limited, VietNam exported 183,871 metric tons of rice. The government's program of limitation may have had some depressing effects but not a serious one. There seemed to be general agreement, however, that the number of merchants had decreased from 1957 to 1958, and this was because most of them suffered severe losses for some reason in the prior year. It still seems reasonable in this case to add the hazards of changes in government policy to the other normal risks which the merchant faces.

The village rice merchants are of interest as a group because, like the rice mill operators, they represent the emergence of an entrepreneurial group in the village. In some cases, of course, mill operator and merchant are the same person. Aside from that, however, the merchants, objective in business is to buy cheap and sell dear, and are willing to risk savings and borrowings in the process. By and large, village society does not concern them for their profit motive. No stigma attaches to the merchant as such, and although farmers bargain and haggle with him in selling their crops, he is not hated or feared. Still a number of factors weigh against commercial success, and probably inhibit the rate at which entrepreneurial activity can grow.

In discussions with the merchants, a number of problems were brought out which placed the Vietnamese at a disadvantage as a business man, particularly vis-a-vis the Chinese. The first of these was a pervasive lack of funds which limited the scale of operations and the capacity for adopting new ideas. Closely linked to this was the belief that Vietnamese do not trust one another, a factor which made it difficult to maintain partnerships or to expand the business into one with numerous shares. Not only did this indicate a certain tendency toward instability in partnerships, but it also added to the difficulties of pooling funds and accumulating adequate supplies of capital. This same quality probably accounts for the apparent lack of collective action among rice merchants to fix prices or otherwise control the buying in the

villages for their own advantage. Lack of experience, coupled with limited opportunities to acquire it, is another factor. Vietnamese were also pictured as lacking organizational ability, as being unable to keep adequate records of their business dealings, and as less able to plan an operation carefully and carry it out. These businessmen felt that Vietnamese frequently were not tactful in their business dealings, and often failed to bestir themselves for the extra effort which might bring extra business. For some, a life of commercial trading is one which bothers the conscience. One villager, a devout Buddhist, was a merchant for a short time, but he gave it up because he felt he had to be a "teller of lies" in order to survive as a merchant. In his view, it became a necessary part of the occupation to misinform the farmers on the price of rice in order to ensure a profit. Rather than continue to do this, the man gave up his merchant activities to once again become a tenant farmer.

On the other side of the coin, the most successful merchants have expanded their activities in volume and in area, and show indications of being able to plan and organize business activities with skill. One of them, the son of a rice merchant, draws on Vietnamese tradition to support his approach to life, and has adopted as his motto a proverb which translates freely as, "The home of the truly big man, the clever man, is everywhere" (Chí quân tử cửu chân lập nghiệp, Đại trượng phu tứ ha gi gia).

Under it his interests have ranged from the Plaine des Joncs to Banmêthuột. After suffering a severe loss in an accident, which destroyed a truck and its cargo, he borrowed money to begin again, this time by opening a rice mill.

On balance, the prospects for increased entrepreneurial activity seem good, although the characteristics noted, if true, will provide drawbacks. However, the increased opportunities, the greater competition which will be possible as a result of the growth of local rice mills, and the lack of strong cultural bars to the occupation of merchant-entrepreneur appear to be the more dominant influences at the present time.

Chapter VII

NON-AGRICULTURAL ECONOMIC ACTIVITIES

A Description of the Main Occupations

General. -- The heavy emphasis on the soil and farm production in Khánh Hậu relegates non-agricultural activities to a minor role in village life. This does not mean that they are all unimportant, for they clearly function in response to a variety of needs. However, there are few signs that these activities will develop much beyond their present secondary status.

People engaged in these non-farm activities do not fall into easily distinguishable categories. Many, but not all, follow a long standing family occupation, but since village society does not have well-defined institutions which allocate people into various occupations -- there are no equivalents of occupational castes, guilds, or religious sanctions for or against certain kinds of work,, for example -- there is some mobility into and out of all occupations. All activities are compatible with farming, and many of the village specialists also engage in farming or own land. Some of the less important non-farm occupations, such as weaving and petty commerce, are essentially sources of supplementary income for the wives of farm households. The factors which determine entry into non-farm activities therefore tend to be somewhat unique in each case, and are related more to knowledge, opportunity and

economic incentives than to the influence of any village institutions as such.

Storekeeping. -- There are stores located in various parts of the village, but unlike many villages in the area, there is nothing which could properly be termed a shopping or market center. The largest number of stores is found in the Ấp Dinh-Ấp Mới residence area, which is also the main population concentration in the village. Here, there are a half-dozen businesses that are big enough to be classed as stores. At least that many more are really only stands selling a limited number of articles. With so few, it is difficult to describe their location in terms of any pattern, but they tend to cluster where people gather. For example, three of them are located near the school and the village Đình and council house, which is the most frequently visited part of the village, and these also tend to be the largest stores. The others, all much smaller, are strung out on or near the main village street and toward the other end of the village. Around the market area of the neighboring village of Tân Hương, located just across the stream that divides it from Khánh Hậu, there is another collection of five or six stores, obviously located there to catch the business of housewives going to the market for their daily food purchases.

Only two of the storekeepers in Khánh Hậu itself are of Chinese origin, and both of these have had training and experience in preparing herb remedies and compounding traditional Chinese prescriptions. All other storekeepers are Vietnamese, and all were

born in the village, are married to someone from the village, or are related to a village family. Thus the stereotype of the Chinese or the outsider controlling village commerce does not hold true in Khánh Hậu. From limited observation, the same is true of the other villages nearby.

Most of the storekeepers had some previous experience in the same type of work prior to the time they established their present places of business. The Chinese for example, went through an apprenticeship period in Chinese drug shops before striking out on their own -- one of them began as an apprentice in Tân An. One Vietnamese learned the rudiments of the business from his father, who was also a storekeeper. He added to this experience later by operating a charcoal business in Cholon, but this went bankrupt during the war years. The women storekeepers, of whom there are four, either had prior experience as an assistant in the store of another or started as a peddler or petty merchant in the market place. The women have thus tended to move into this occupation by gradual stages, often as expansions of their petty trading. Most of them come from farm, not commercial, families. Some stores are run by wives of farmers, and while the husband may take some active part in running the store, the chief responsibility for it rests with the wife. None of the Khánh Hậu stores is large enough to require paid assistants or apprentices. Wives and husbands share the duties, which consist mainly of being in the store while the other is away, and although older children may help out from time

to time there is literally no opportunity for those outside the nuclear family to gain experience in this occupation. All stores are run by a nuclear family unit, and there is no participation by other members of the extended family. There is also no sign of specialization by extended family, which means that a nuclear family operating a store is usually the only part of the extended family doing so.

The term "store" as used here refers to a business selling a wide variety of general merchandise. In physical terms, the business area is usually the front part of a building that has living quarters for the storekeeper and his family either at the rear or attached at one side. Stores are located in all house types -- thatch, frame and brick -- but all have the same feature of combining living and working space in the same or adjacent buildings. As you enter the store proper, the goods for sale are in full display on shelves and tables, and customers are free to examine them and select what they want. Occasionally there is a crude counter in the store where the cash box and some of the more commonly purchased items are kept.

The variety of goods on hand differs from store to store and the size of the inventory reflects the storekeeper's access to capital or to credit. Storekeepers prefer to stock a large variety rather than concentrate heavily on a few items, with the result that most of the stores duplicate one another's offerings. With the exception of one Chinese store that deals largely in medicines,

there is no tendency to specialize in particular lines. A typical general store, therefore, will carry a large selection of goods such as these: metal kitchenware, chinaware, crude kitchen pottery, water jars, writing materials and school supplies, chopsticks, canned milk, tea, limited amounts of canned food, wines and brandies, beer, soft drinks, joss, votive paper, candles, lamps, kerosene, textiles, some ready made clothing, mosquito netting, hats, haberdashery, drug items, flashlights, wooden clogs and rubber sandals, fish traps, mats, baskets, shoulder boards, sickles, knives, rope, glassware, patent medicines, tobacco and cigarettes, betel leaves and areca nut, lime, spices, sauces, small cakes, candies, and limited amounts of fresh vegetables, fruits and dried fish. This is not intended to be an exhaustive list, nor do all the stores carry all of the above items. However, it provides some idea of the range and kind of things which can be purchased locally without leaving the village for the larger market towns. When asked what things they would like to add to their stocks, given the extra capital to do so, most storekeepers could not think of any item particularly in demand which they did not already have. A few replied they would add textiles when they did not have them in their stores, and one would add bicycles, bicycle accessories, sewing machines and fertilizer. None of the village stores sell any of these last mentioned things, for, with the exception of fertilizer, they are all relatively expensive and turn over slowly in a rural community.

The competitive area extends beyond the boundaries of the village, because large market towns are easily reached by cheap and frequent bus service. Thus prices in the large towns of Tân An and Mỹtho, and in the smaller, but important, market centers of Tân Hiệp and Tân Hưởng, provide the measure against which village stores must check. Most storekeepers make a practice of checking retail prices in at least one of these places two or three times a week, usually when they go for their own inventory needs. However, their pricing practices are erratic, and price competition is not very vigorous. Some of them say they would not reduce prices to meet a lower price of stores in other towns until they could find a supplier who would also sell at a reduced price. Not until they had worked off the old inventory at the higher price would they cut to a new lower level. Mark-ups tend to be high on low priced things (e.g., 25 percent on cheap kitchen pottery), and lower on high priced goods (e.g., clothing, handbags, luxury goods). A certain amount of bargaining may take place between customers and storekeepers on some of the more expensive things, but on standard items that are purchased frequently there is one fixed priced for all. On the whole, therefore, bargaining in the stores is minimal. Barter is also very limited, and rarely takes place between storekeepers and customers. What little barter there is involves neighbors and friends in the exchange of farm produce. Thus, the price structure in village stores, is one of rough correspondence with prices in towns and villages nearby, but subject to some price

lag as the result of indifference, lack of full knowledge, or unwillingness to cut old profit margins.

Village storekeepers tend to feel that their business depends largely on their location, the variety of goods they stock, their ability to extend credit to customers, and the personality of the storekeeper himself. Prices cannot be too far out of line, but villagers do not "shop around" when patronizing village stores, and once they have selected a place they continue to deal with it almost exclusively. This opinion gains some support from the events of the last few years. The most recent store to come to Khánh Hậu was opened by a Chinese in 1953. It is located directly across from the school and carries the largest selection of goods of any store in the village, in addition to which the storekeeper is a practitioner and dispenser of Chinese medicine. Three older stores, all located in the same vicinity, report their sales in recent years have fallen off by one-fourth to one-third their former level. Some of this is due to poor harvests, but a major part of it must be ascribed to the appearance of the new competitor who came from outside the village. His locational advantage and his sale of medicines have attracted customers initially, and many of them have continued to concentrate their purchasing there. Since his prices are no lower than the other stores, and he does not extend credit widely, the explanation must rest in the factors indicated.

For all stores, there is a distinct seasonal pattern of sales. After the harvest, and particularly if it has been a good one,

villagers tend to buy the more expensive things they need but cannot afford at other times of the year. The lunar new year is another special time for buying, and the demand for cloth and for children's clothes becomes specially heavy at that time. On the first and the fifteenth of each lunar month there is a spurt in the purchase of candles and joss for the ceremonies which celebrate those days. The most steady business, through the entire year, is for such things as sauces, kerosene, tobacco, candy, cakes and cookies, writing materials, tea, and the ingredients for chewing betel. Turnover of the rest of the stock is very slow, except for the pattern already noted.

All of the local storekeepers have started their present businesses themselves; none of them inherited his store or purchased it as a going concern. All of them have faced a problem of insufficient capital, and all of them have borrowed money to buy and maintain stocks. For borrowing, they rely on open book credit from supplying merchants, or organize or participate in a hŏi. Both methods are popular, but most storekeepers express a preference for the open book credit if they can obtain it. Although they profess to pay no interest on such borrowing, and say that prices are not raised in such cases, there is probably some advance in the prices at which their purchases from suppliers are recorded. At times only partial credit is allowed, and in such cases one-third in credit is a common proportion. On some goods, textiles and pottery for example, no credit is given at all. Thus, far from being financially

strong, important factors in the village economy, village storekeepers are, in fact, heavily indebted to others and operate marginal, relatively undeveloped enterprises.

The tempo in a village store is a slow and lazy one. The quiet that prevails most of the day is broken from time to time by the arrival of a child to buy two piasters worth of nước mắm, or a farmer who has come to gossip and drink tea or wine, or a housewife stopping in to buy a bit of soap or some areca nut. The goods on the shelves are covered with the dust of several months' accumulation; drippings from the jars of fish sauce bring flies to swarm in the warm sunshine that comes through the open doorway. A good day may see 300$VN of total sales; a poor one, and there are many, will bring 50$VN or less. In such a setting the typical village storekeeper appears to be an unimaginative purveyor of a fairly standardized range of consumer items. He displays no awareness of possibilities to expand business by making the store a more attractive or economical place in which to buy, or interest in directing customers' attention to special prices to attract sales. Storekeeping to him, is simply a process of stocking a line of goods and waiting for people to walk in and buy them. It is true that lack of capital, and the poverty of most people in the village set limits to what can be done, but there is a pervasive lack of drive or enterprise among the storekeepers, and failure to fully exploit the opportunities that do exist. None, for example, have made efforts to expand into wholesale rice buying, or farm credit, or

rice milling, or transport, although there are no bars, other than financing and resourcefulness, to prohibit them from doing so. The means to achieve future prosperity, from their standpoint, are tied almost exclusively to hopes for good rice crops and an opportunity to get more capital in order to widen the variety of their offerings. The prospects for finding a nucleus of risk-taking entrepreneurs among this group to spark economic development at the local level are, therefore, dim indeed.

Rice mill operations -- Recent changes in the patterns under which rice is milled are extremely important, not only because of immediate effects on village life and village market opportunities, but also because of their implications for economic development in general. The milling operation is the single most technologically advanced, and largest scaled, process with which villagers have contact, and the mill owners-operators, as a group, are among the most enterprising in the society.

The past few years have witnessed a revolutionary change in the institutional setting for milling rice. Until six or eight years ago, most of the rice that was milled commercially was milled in the large rice mills of Cholon, then, and now, a predominantly Chinese community. The commercial network of buyers and wholesalers gathered paddy from the countryside and shipped it as paddy to the Cholon mills. There it was converted to polished rice in one of the few large-scale mills, after which it was redistributed throughout the country through the wholesaling and retailing parts

of the distribution system. Much of this entire process--the buying, shipping, milling, redistributing -- was in the hands of Chinese business firms, although Vietnamese were active in some phases of it.

There were very few rice mills located outside Cholon. Farmers polished rice for home use in hand-operated grindstones which each family kept for this purpose. Polished rice available in the markets of the larger towns came from Cholon, and very little of it was milled locally. The heavy concentration on the buying side of the market worked to the disadvantage of the farmer selling his paddy. Farmers still complain that in those days the buyers could effectively prevent them from finding out the actual price of rice because the market was closely controlled. Price information was available only to those in the rice business, and since they tended to work cooperatively they could keep the farmer ignorant of any bargaining advantage he might have really had.

The important change of the last six or eight years has been the substantial growth in the number of local rice mills. In the vicinity of Khánh Hậu, as an example, small rice mills have sprung up in all the neighboring villages, large mills have gone up in the town of Tân An, and Khánh Hậu itself has two rice mills within its administrative boundaries. This development is significant in several ways. For one thing, by increasing the number of mills, and locating them near the source of paddy, the supply of polished rice is now forthcoming under more competitive conditions. This

also effectively removes the concentration on the buying side of the paddy market, since paddy no longer goes only to Cholon, and local mills and local buyers now present a more competitive market for the farmers' paddy than was true before. By spreading the important milling process throughout the countryside, the competitive effect should increase the prices received by farmers for their paddy, and reduce somewhat the price paid by retailers, other things being equal.

The villager in Khánh Hậu has a choice of eleven mills in the immediate area -- five of them in Khánh Hậu itself and the neighboring village of Tân Hướng, and six of them in Tân An. With the exception of one mill in Tân Hướng, all of these have been built within the last eight years, and all of them are owned and operated by Vietnamese. The two mills actually located in Khánh Hậu are owned by families that have been residents of the village for several generations, and one of the mills in Tân Hướng is owned by a resident of Khánh Hậu who comes from an old and important village family. Although all of the families engaged in milling have owned and operated farm land, and in some cases still do, they have all also acted as rice merchants or landlords' agents and have had some entrepreneurial experience and background. This is more or less what would be expected because it requires large savings or a substantial amount of collateral to finance an investment the size of even a small rice mill. Large landowners or merchants would be the only categories likely to have these prerequisites. In addition,

these types of background are more apt to provide the kind of experience needed to become a successful mill operator.

The entry of Vietnamese into the marketing and milling of rice, which has proceeded rapidly during the past ten years, is due to a number of developments. No data are available to permit an examination of the process in detail, but those engaged in the rice business in its various phases tend to advance similar explanations. They cite the fact that some Vietnamese managed to acquire funds for investment during the war years, and for the first time found themselves in a position to start a business of their own. Many of them gained some knowledge of machinery or marketing by working for Chinese or French firms, and had begun to feel confident that they could work for their own account without supervision. In addition, educational opportunities had broadened and literacy was rising. There was relaxation of the control which the Chinese and French are said to have had over the importation and sale of milling machinery, and it became available to anyone who could afford to pay for it. Finally, the decree which closed eleven selected occupations to foreigners, and which fell most heavily on those who retained Chinese citizenship, created opportunities for Vietnamese to get a foothold in the rice business, although this did not take effect until the general trend was already well established.[1]

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[1] Ordinance No. 53, September 6, 1956.

This type of general observation does not provide a very solid basis for an understanding of the reasons why opportunities for Vietnamese began to widen at the particular time they did, but it seems obvious that there must have been some combination of accumulated experience and financial capacity to invest which occurred at about the same time. The particular reason for each of these is less easy to identify, however.

The two mills located within the administrative boundaries of Khánh Hậu are quite small, and both cater to the needs of villagers who, from time to time, mill small quantities of paddy for their home consumption. Superior to the old hand milling process, the small mills nevertheless give a poor polish to the rice, and rice that is being milled for export or sale in larger towns is taken to the larger mills, either in Tân An or in larger neighboring Tân Hưởng. Where rice for home use is the sole concern, the villagers go to the mill that is most convenient to their homes, and it is this market which is served by the two small mills, one in Ấp Dinh and one in Ấp Cầu. This pattern was clearly brought out in the survey when people were asked where they milled their rice. All those in Ấp Dinh reported they used the mill in Ấp Dinh; all those in Ấp Mới went to Ấp Cầu or Tân Hưởng.

The mill in Ấp Dinh, the more thriving of the two, is typical of this highly localized operation. It is owned by a family that has built two other rice mills in distant villages, and is currently operated by one of the brothers of the family. Built in 1952 at a

cost of 250,000$VN, it contains a combination of new and second-hand machinery housed in a frame building with a metal roof. It is centrally located in the hamlet, and is adjacent to a stream so that paddy and rice can be transported by boat if desired. This latter is an important factor in the location of any rice mill, and all mills in the area are placed near a stream or river.

Inside the mill there is a single polishing machine, powered by a gasoline motor placed outside and in the rear. An array of wooden sorters, sifters, and screens are run by belt from the lone engine. All the equipment was made in Cholon or was built on the premises by specialists who come from Cholon. The mill owner has one assistant and together they are responsible for the entire operation, including minor repairs and maintenance of the engine and milling machinery.

Villagers who have come to have their paddy milled into polished rice line up inside the entrance in order of their arrival. The amount of paddy brought by each is weighed and measured, recorded, and passed to the miller's assistant who starts the different batches through the milling process at intervals of time which keep the customers' paddy separated. The paddy passes from the hopper into a separating machine which removes straw and bits of foreign matter, after which it is taken by conveyor to the top of the room where it begins a slow descent through various sifters and polishers. The result is a large proportion of the polished white rice, a smaller proportion of broken grains, and a quantity of rice bran,

all of which belong to the owner of the paddy if he pays the highest milling price. The paddy husks are also saved, but these belong to the miller who sells them for fuel and fertilizer at a price of one piaster for a large sack. The proportions for paddy of average quality in the village are such that 100 gia of paddy (1900 kilos) will produce 1100 kilos of milled rice, plus 40 kilos of broken rice, plus 60 kilos of No. 1 bran and 120 kilos of white bran. Better quality paddy yields more milled rice and No. 1 bran, and therefore less broken rice and white bran. The lowest grades of paddy will do just the opposite.

The mill charges villagers 1.50$VN to 2.2$VN per gia for the milling service, depending on whether the farmer retains the bran or not. The lowest price is without bran. Since paddy is less likely to spoil than milled rice, people bring only enough at a time to meet family needs for a week or ten days. The usual milling order, therefore, is a very small one. Moreover, there is no day or part of the week which is set aside for rice milling, so the demand for milling service is spread fairly evenly throughout the week. There is some overall seasonal pattern to the business, however, for the heaviest demand comes in the months of December through March, at the time of the harvest. There is some slackening of demand in April and May and a substantial decline later. By this time some of the villagers will have exhausted their supplies of paddy, and will have begun to buy milled rice in the markets. The seasonal pattern for the big mills in Tân An and else-

where is more pronounced. There will be a large increase in demand at harvest time from that part of the crop which is being sold for cash and prepared for shipment to Saigon and other large towns. The small local mills, being more tied to the tempo of small scale home consumption, find the seasonal shifts less extreme.

Short of examining the accounts of the mill, one cannot get an exact understanding of cost and price relationships, but from conversations and general observation it is possible to make a few speculative comments. First of all, it seems that despite the large number of mills in the immediate area the small local mill is little affected by their direct competition. Villagers go to the nearest mill with s all quantities of paddy at a time, so that any small differences in the cost of milling would be more than offset by the cost and inconvenience of transporting rice and paddy the longer distance. The other mills exercise a limiting influence on prices, but the local mill operator still has considerable leeway. He could, for example, probably double the price of milling without substantial loss of customers. This would not be true for the mill located in Ấp Cầu, for it is in a cluster of three other mills and prices are uniform in all of them.

Given this freedom from immediate competition, the mill in Ấp Dinh nevertheless appears to fix his prices to correspond with the other mills and at a mark-up that is roughly 50 percent above what he figures to be his unit costs. These are based on a rough calculation of the cost of labor, fuel, lubrication, spare parts and

repairs, taxes and license fees, spread over an anticipated annual volume of milling. The mill owner makes no provision for depreciation, interest on his investment in the mill, or salary for his own services. What remains after paying immediate out-of-pocket expenses is regarded as return to the owner.

Since the machinery is largely second-hand, the mill has frequent breakdowns. The operator must make frequent repairs and replace broken or worn out parts. However, he has no plans to buy new machinery because he feels that the present arrangement, even with the many repairs, is fully satisfactory. Minor difficulties can be handled on the spot, but a major breakdown, perhaps requiring a new part, requires the attention of a technician from Cholon. Since the only people able to make major repairs are in Cholon, the cost of repairs is higher the greater the distance of the mill from Cholon. The operator finds that costs, particularly fuel costs, tend to rise over a period of time, but he feels this can usually be traced to the need for some repair, and that costs generally drop back to former levels once it has been made. The mill owner thus conducts his business with reference essentially to the net return after paying out-of-pocket expenses, and without any particular plan or program to replace equipment that has become worn or inefficient. Since the mill runs steadily through much of the year, there is no great problem of idle capacity, and the owner does not feel impelled to increase efficiency of operation beyond present levels.

Instead of expanding or improving the mill in Khánh Hậu, the family which owns the mill in Ấp Dinh has chosen to expand the number of mills it owns and to place them in other villages. Actually, these new mills are located over 200 kilometers apart, one south of the Mekong, and the other in a relatively unsettled area that is being opened for development. This willingness to move into new areas, and into different lines of business, is a characteristic of many of the new mill owners and operators.

Of those in or near the village, approximately half also act as rice merchants on their own account, buying paddy and holding it for later milling and sale when prices have improved. One owner, a resident of Khánh Hậu whose mill was in neighboring Tân Hướng, bought paddy for his own account in a resettlement area over 100 kilometers distant from his mill. He did so to utilize the mill's capacity more fully, since the poor harvest in the Khánh Hậu area did not provide enough rice to do so through customer demand alone. The mill in Ấp Dinh, however, does not have much storage space and the mill owner does not buy for his own account or store paddy for other merchants. Some of the mill operators have other interests. Some have invested in transport enterprises or have acquired an interest in other types of business. All of the owners in the area are also farmers, and all of them actively cultivate their lands. None of them appear to lend money in the village for farming or any other purpose, although all of them are in a position to do so.

The liquid capital of mill owners is limited, for much is tied up in the mills. The owner of the mill in Ấp Dinh reported that the latest mill he built, which is located in the Plaine des Joncs, cost 350,000$VN, of which he was able to raise 250,000$VN from his own funds. The additional 100,000$VN was borrowed from relatives at a monthly interest rate of 3 percent. He expected to be able to repay this loan within six months out of income from the new mill. The wooden parts of the milling machinery were actually constructed in Khánh Hậu, by craftsmen brought from Cholon, and were shipped by water to the new site for assembly there.

To summarize impressions about this occupation, there is much that is encouraging in the role of the mill operators despite the limited number of people involved. It is true that the operation of the small local mills is, in many respects, routine and inefficient, but as a group the owner-operators show much resourcefulness and a willingness to move into new areas of the countryside and into new lines of enterprise. There is undoubtedly a selective factor at work, for, with one exception, none of the local mill owners was engaged in that business ten years ago. Men who have seized an opportunity once before will probably be quick to do so again.

Implement making and carpentry. -- The trades of implement maker and carpenter are the two most important occupations within the craft category, from the standpoint of both the number of persons involved in them and their contribution to the village economy. In

this connection it should be pointed out, however, that like all other activities -- rice milling, marketing, farming, to name the most important -- the market for these trades is not confined to the village, but breaks across administrative boundaries over a wide area. In Khánh Hậu itself there are no more than three or four implement makers, but possibly twenty-five to thirty carpenters who make their living substantially from these occupations. Villagers in Khánh Hậu can, and do, draw upon craftsmen from outside the village, and Khánh Hậu artisans are called to work in other villages. Both crafts call for skill and experience of an order not possessed by the ordinary village inhabitant, and while not well-to-do, their specialization provides most of these artisans with a standard of living that is high in comparison with most village farmers. In turn, villagers rely on them to provide the tools needed in farming and to build their houses and furniture. The men who now perform these essential tasks are in a position to play an important part in introducing innovation and change.

Although many of these artisans follow the craft of their fathers, entry into these occupations is not entirely determined by nuclear family relationships. All craftsmen go through a period of apprenticeship, and this is sometimes arranged for the sons of friends or distant relatives. Fathers undertake to train their own sons if it is decided they will follow the same occupation, but this is not an inevitable decision. For example, one carpenter in Khánh Hậu did not train his own son in carpentry because the boy seemed

to lack the necessary skill. Instead, he took a nephew as apprentice and later worked with him in full partnership when he had reached journeyman status.

A distinction is made between implement making and carpentry, and the two kinds of activity are kept quite separate. Carpenters will repair some farm implements, but rarely try to make them because they do not have the required skills. Conversely, implement makers do not build houses or make furniture for the same reason. This alleged lack of skill is somewhat difficult to understand, for neither the implements nor the houses and furniture are very complex, and a man skilled in the use of tools should have little difficulty in copying the work that others have done. Nevertheless, the specialization tends to persist.

Both carpenters and implement makers work on the basis of special orders, and do not produce for speculative sale. In many cases, the customer furnishes the materials and the artisan supplies only the labor. If his customer requests it, the craftsman will get the necessary materials but the quality will depend on the amount the customer wants to spend. In any event, all items are built to the specifications of the customer, with some possible alteration at the suggestion of the builder. The wood used for both implements and other items must be brought in from outside the region, for there is no wood available from local supplies. Most artisans have favorite suppliers from whom they obtain the best quality woods, and some of these are quite distant. One implement

maker, for example, goes as far as Cholon and Bien Hoa for his wood, and even orders a year in advance of use to ensure proper seasoning. If the customer is less particular, and if the amount required is small, the wood will be purchased from a small lumber dealer in Khánh Hậu or in Tân An, but they, in turn, must bring it from elsewhere. Wood is usually available only in a variety of large sizes, and all cutting to the sizes needed must be done by hand.

The typical artisan owns a set of simple tools, many of foreign manufacture, valued at from 1,000$VN to 2,000$VN. It usually includes saws of various sizes, hatchet, chisels, planes, drills (to be used with a bow), a square, a metal ruler, plumb line, pliers, and hammer. Only the metal parts of the tools are purchased, for wooden handles are made by the owner. Costs of replacement, largely to provide new blades for chisels, planes and saws, may run 500$VN to 600$VN annually.

Both types of craftsmen price their services in basically the same way, which is on an estimate of the labor time involved in the job. The cost of materials, if purchased, is extra. Implement makers know the amount of time needed to make the different farm tools and quote standard prices accordingly. The pricing of carpenters' services to build a house is slightly different, since houses are less standardized. Customers rarely solicit competitive bids from several carpenters, but instead the more general practice is to approach a carpenter whose reputation is known and agree on a price for the job. This is usually based on the carpenter's

estimate of the time that will be involved, modified by a certain amount of bargaining before agreement is reached. The going wage rate for skilled workmen of this kind is not fixed in any way, i.e., there is no guild or association which sets the wage rate, but the most commonly quoted figures were from 50 $VN to 60 $VN per day. Although there is a wide area over which there is competition between the craftsmen of several villages, it is not a bidding or price competition. Instead, the artisan tries to attract customers through a reputation for good workmanship. Relatives and satisfied customers tell others of his skill and, in effect, a decision to hire is made before any price negotiations take place. Thus, craftsmen are more concerned with the quality of output than with shading the price of services. In the case of house construction, another element affects the choice of a carpenter. House construction is begun only on certain propitious days according to the lunar calendar, and if the carpenter of a customer's choice is otherwise engaged on that day, the customer will hire another carpenter. It is preferable to start construction on the proper day rather than delay because a particular workman is not available. There is also some tendency to hire relatives in preference to others, but it is difficult to estimate the importance of this in terms of the allocation of orders.

There are some signs which indicate that these craftsmen are willing to adopt innovations in the things they produce, although much of what they do and their way of doing it remains traditional

and unchanged. Implement makers, for example, have been an important factor in the change to a new type of plow and in the adoption of the threshing sledge. One man also proudly displayed a partially completed water wheel on which the axle was set in imported ball bearings. This greatly reduces the physical work of pedaling the wheel, and while its adoption is not at all widespread, it nevertheless represents a recent attempt at innovation. Several of these artisans expressed interest in learning similar kinds of change and improvement, but there was little evidence that they actively experiment or develop new ideas on their own.

In the case of carpenters, examples of successful innovation are more difficult to find, either in their work methods or in the design of the things they make. For example, in the construction of the frame for a house of wood or thatch, a very large proportion of the time spent on it goes into planing the wood and assembling the frame itself. Each piece is cut to fit exactly into the others to make the frame solid and durable. The pieces are tested and reshaped until, like an intricate wooden puzzle, they fit exactly. Screws and nails are seldom used, but wooden pegs are driven into the fitted joints. Carpenters say that they realize this time-consuming assembly of house frames is not very efficient, but they fear that more extensive use of nails or other changes in method would increase the cost of the house by more than the savings in labor time would reduce it. Like the implement makers, they express themselves as eager to learn new methods, but with the condition

that the final cost of the product is not increased. If one can believe statements such as these, craftsmen do not seem concerned over any possible loss in work time as the result of innovation. Rather, they tend to believe a change which reduces total costs will lead to an increase in the quantity of their services demanded.

Most of these skilled workmen do some farming or gardening in addition to their main occupation. There is a certain amount of seasonal change in the demand for their services -- both houses and farm implements are built during the dry season -- but there is enough demand throughout the year so that there is never the complete slack that occurs in farming. Moreover, what seasonal drop in demand does occur comes during the normal growing season, so that between some farming and their main occupation most artisans remain fully employed through much of the year.

As a group these craftsmen turn out work of good quality, unimaginative, and basically simple. They show little inclination to experiment and tinker, and little artistic talent or awareness. Ready to accept change, and not particularly resistant to new ideas, they nevertheless do not seem to be a promising source for change. By knowledge and experience they are the group most likely to shift easily to the use and repair of engines and machinery, but thus far they have had little opportunity to become familiar with either. In short, they constitute a pool of limited skills, potentially valuable as an aid in implementing economic development, but unlikely to stimulate it.

Weaving. -- Weaving is a marginal activity in Khánh Hậu, with possibly no more than 15 percent of all households weaving for income and, perhaps, an equal additional number weaving for home use only. Moreover, not only is the extra income very small for those households who engage in weaving, but the workmanship and artistic quality of their products is extremely limited.

Weaving for income is carried on by very poor families, many of them households headed by a widow, and is restricted to utilitarian items such as bed mats, rice baskets and bolsters. No one works with bamboo or rattan, and the more elaborate woven goods that are seen in the village were made elsewhere and sold to villagers in the stores or nearby towns. The undeveloped status of weaving is explained by the lack of weaving materials in the village. Reeds do not grow in the village. They must be brought from the Plaine des Joncs area through the Tan An or other markets. The bamboo grown in the village is also unsuitable for handicraft work.

Women produce woven products on special order only, and when they have orders in hand they buy the reeds necessary to make them. Lacking capital, they do not feel they can afford to produce for general sale, and there is no middle man in the village to organize their activity and advance credit or materials for ultimate collection of finished products for general speculative sale.

The returns from weaving are very low. Reeds are purchased by bundles of standard size, with prices varying according to the

length of the reeds. These are soaked in water for about thirty minutes, then pounded with a heavy mallet and allowed to dry. The process is repeated three or four times, after which the reeds are soft and pliable enough to be handled easily. The weaving itself is tedious and time consuming. For example, a large mat measuring approximately 7 feet by 6 feet would take three days to complete: two smaller mats measuring 3 feet by 1 1/2 feet could be finished in one day. Depending to some extent on the nature of the final product, the net return to the weaver is about 7 $VN to 10 $VN per day.

Because most of the things woven are for normal daily use, little attempt is made to improve their appearance by weaving intricate designs or colors into them. One exception is in the sleeping mats woven for babies. A small design is put into these mats to indicate where the baby's head should go. Local belief holds that to place a baby in a different position, i.e., with the head where the feet normally go, will affect his intelligence. Some women profess an interest in learning new designs, and some offered to copy anything for which they could have a model, but they could do this only on the simplest things. By and large, the lack of village artistry in weaving, wood carving, house decoration or clothing is striking. Lovely woven materials are made by Vietnamese from other parts of the country, but in this area the level of handicrafts has never been very advanced and parents have little knowledge of this kind to pass on to their children.

Thus, prospects for handicraft development in the village are poor, at least in terms of building on those which already exist. People could probably be taught to weave, but there is little natural advantage in doing so. Further, the returns from this kind of work are so low at present that it is unlikely that the quantity of weaving done for income would increase much beyond present levels unless the income expectations were substantially greater.

Petty commerce. -- In addition to the few stores in the village, inhabitants are served by numerous petty merchants, largely women, ranging in scale of activities from those who keep small stocks of goods in a part of their houses to door-to-door peddlers and roadside vendors. As pointed out earlier, some of the women storekeepers got their start in these smaller scale activities, but few people ever expand beyond the very limited earlier stage.

The lack of a central village market in Khánh Hậu has created opportunities for some villagers to go to the larger market towns and bring back items of daily food consumption which can be resold to village residents who do not go to the market themselves. Peddlers selling fresh fruit and vegetables, fish (live, and carried in kerosene tins of water), and fish sauces pass along the village paths, stopping at houses to display and sell their wares. Buyer and seller bargain over the price of these items, and the seller may move on to the next house if the price is not agreeable. However, the prices for goods sold in this way tend to be fairly close to the prices charged in the markets, and the profit on each

sale quite small. Prices charged by peddlers cannot go too far beyond market prices because the markets are not very distant and villagers would begin to go directly to them. The peddlers therefore provide a convenience, but the closeness of the markets limits the price that villagers will pay for it.

Refreshments in the village are also provided by mobile vendors. Canopied, bicycle-powered stands selling ices, beer, and soft drinks move slowly along the main street of Ấp Dinh or station themselves near the school at recess and at the end of classes. Their main business is with children, to whom they sell shaved ice saturated with flavored syrup. They also sell small pieces of ice to households who may want small quantities to chill foods or drinks, but no one uses ice for refrigeration. This type of vendor is always a man, and there are two from outside the village who regularly call in the village with their mobile stands. They attend all large gatherings such as village ceremonies, soccer matches and other occasions. The vendors buy their ice, beer and soft drinks in Tân An or Tân Hưởng, but make the syrups at home out of sugar, water and artificial coloring.

Another extremely small scale business is conducted by several elderly women who set up small food stands near the school during the months when school is in session. These women have a small stock of dried fish, sheets of manioc which they cook over portable charcoal braziers, glutinous rice wrapped in banana leaves, and loaves of french bread and relishes which they sell as sandwiches.

The food these women sell serves as snacks for the pupils, for the children either bring their own lunch or go home at noon time. Laborers on the way to and from the fields and other passers-by occasionally buy a snack from them as well, but the sum of all these sales does not exceed 10 $VN or 15 $VN a day.

The common denominator of these petty merchants is that, with the exception of the refreshment stands, they are all women and they all operate with very small capital and very small volume. What they sell is limited by the amount they can invest in stocks of goods and by the amount they can carry on their shoulder boards. Almost no commercial skill or knowledge is necessary, although a skillful bargainer can probably do better on door-to-door sales of foods than one who is content to conclude sales quickly. The work itself is less tedious and time consuming than weaving or farm labor, for most peddling is done in the morning and the daily supplies are all sold by noon. This means it is really a part-time activity, and can be carried on in conjunction with other occupations. While this petty commerce fills a useful function in the village, it is nevertheless a marginal activity with little potential for economic development beyond its present low level.

Other occupations. -- For the sake of completeness it is necessary to mention briefly the several people who are engaged in other specialties such as barbers, tailors, laborers in a nearby brick factory, priests, village nurse, teachers, janitors, bus

drivers, geomancers and musicians. Numerically or in terms of the kinds of economic contribution they make, these specialists are not important. Some of them are full-time occupations, but some, like priests, geomancers and musicians, are really part-time jobs, and the medical practitioners also work as farmers. With the possible exception of the three or four bus drivers and the several tailors and seamstresses, the jobs do not call for significant skills.

Considering these and other non-farm activities, an important characteristic of the village is the relative lack of specialization. There is some of course, but village institutions have not developed to ensure that a wide range of occupational specialities will be available to provide for village needs. Most lower class farmers can build rude houses for themselves, and carpenters are used only for houses that are more expensive and substantial. Villagers can also thatch roofs and walls, although the best jobs are done by people with experience in this activity who are paid for it. The village contains no special groups who fish, or garden, or engage in petty commerce, or weave, or do the many different things that are not strictly farm work. The essential point is that there is occupational mobility into the important specialities, but that short of the highest levels of skill that are attained, the villagers do a great deal of semi-skilled specialized work for themselves. This means it is a somewhat amorphous economic structure; it also means that the level of accumulated

skills and knowledge throughout most of the village is not very high. It would be misleading, for example, to build economic development in this region on an assumed base of well-established handicraft or commercial skills. This does not mean that development is impossible, for the village people possess intelligence, have increasingly higher educational attainments, and they can therefore be aided through instruction and example. It does call for recognition however, that they start from low levels of accumulated skills and experience.

Chapter VIII

VILLAGE EXPENDITURE AND THE STANDARD OF LIVING

A Study of Family Expenditures

The size of typical family expenditures. -- A record of the regular expenditure made by typical village families provides important insights into their economic position in two ways -- it shows how people spend their income and therefore what constitutes the elements of their standard of living, and it also offers a means of estimating their income. For this reason, a group of twenty families was asked to keep detailed daily records of their expenditures over an eight week period during the month of October-December, 1958.[1]

Families participating in the record keeping experiment were given a check list of possible purchases of food and non-food items. They were asked to record, under each category, the amount purchased, the price paid, and from whom the purchase was made. They were also requested to note the value and quantity of items consumed from their own farms and gardens. In a special interview

[1] A discussion of the problem of sample selection and an account of difficulties encountered in collecting and interpreting this data are given in Appendix C, and the reader may refer to this in making his own evaluation of the material presented in this chapter. However, this is the first budget data to be collected over time, and in detail, in Viet Nam and good benchmark comparisons are therefore not possible. Within th limitations outlined in the Appendix, the expenditure recor are believed to be accurate and typical of village familie in the various socio-economic groupings used.

they were also asked how much they spent on special, irregular expenditures during the course of the previous year. The result was two blocks of information, one of which covered the normal day-to-day expenditures of the family and the other a record of their major cash outlays.

An attempt was made to include families which represented the main socio-economic strata in the village, and in roughly the same proportions they are found in the village. The particular class definitions used were the same as those used in the larger sample survey. Thus, the usual categories of "landowner", "tenant" and "laborer" were dropped, and the terms "upper", "middle" and "lower" class were substituted, as the relevant socio-economic groups. Whether these are, in fact, meaningful distinctions in all matters obviously is not established by the act of simply defining them, but they are used to illustrate the differences which seem to exist in the expenditure patterns at these different levels in the village.

A question arises as to the most useful way to present the data on expenditure. Since a very large percentage of households in the village qualify as "lower class" households (upwards of 70 percent), any average, even a weighted average, gives a picture that is more typical of a higher level minority than of the lower class majority. Therefore, no averages are given for the data which follow, and those interested in figures which are representative for most villagers are advised to take those for the lower

class as the best approximation. Since the data appear for all three socio-economic classes, it is possible to get some idea of the range of expenditures; a weighted average would tend to fall between the lower and middle class levels in most cases.

Expenditures can be considered from many standpoints, and for the individual household the total outlay per week or other time period is generally the most useful way to think of expenditures. Average household expenditures over an eight week period are shown in Table 8.1 for each of the three socio-economic classes. Total expenditures range from a low of 376.1$VN per week for the lower class to 743.9$VN for the upper class. Converting these into U.S. dollars equivalents, lower class households spent an average of $5.37US per week as against $10.63US per week by upper class households.[2] On an annual basis, lower class households spent 19,557$VN for regular purchases of food and non-food items, or $279.40US. However, not all of this amount is actual cash outlay for in most cases all the rice and about half the fish, vegetable and fruit purchases recorded were supplied by the villagers from their own farms and gardens or by their own efforts. Thus, average weekly cash outlays for lower class families were 279.5$VN, or

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[2] As in earlier conversions, the "free market" rate of 70$VN to $1US is used as approaching, if not accurately measuring, the international exchange value of the Vietnamese currency unit. U.S. dollar figures are given to the nearest cent, and therefore appear to have a precision which is not wholly justified. It should be remembered that these approximations are made for comparison purposes only.

T A B L E 8.1

AVERAGE WEEKLY HOUSEHOLD EXPENDITURES ON FOOD AND NON-FOOD ITEMS REGULARLY PURCHASED, VILLAGE OF KHÂNH HẬU, OCTOBER-DECEMBER, 1958

Socio-Economic Class	Weekly Expenditure ($VN)		
	Food	Non-food	All items
Upper	423.1	320.8	743.9
Middle	274.4	157.3	431.7
Lower	241.4	134.7	376.1

Source: Family Budget Records

$3.99US, and comparable average annual expenditures were 14,536 $VN and $207.66US.[3]

Average household expenditures per time period increase from the lower to the upper socio-economic level, and this increase takes place in both major categories of regular expenditure. The differences are most marked between the middle class and the upper class, for expenditures by the latter are over 70 percent higher than those of the former. By contrast, middle class household

[3] These corrections are based on the assumption that, on the average, 40 percent of all food expenditures recorded were supplied in kind by the household themselves -- a correction factor derived from replies in the budget records.

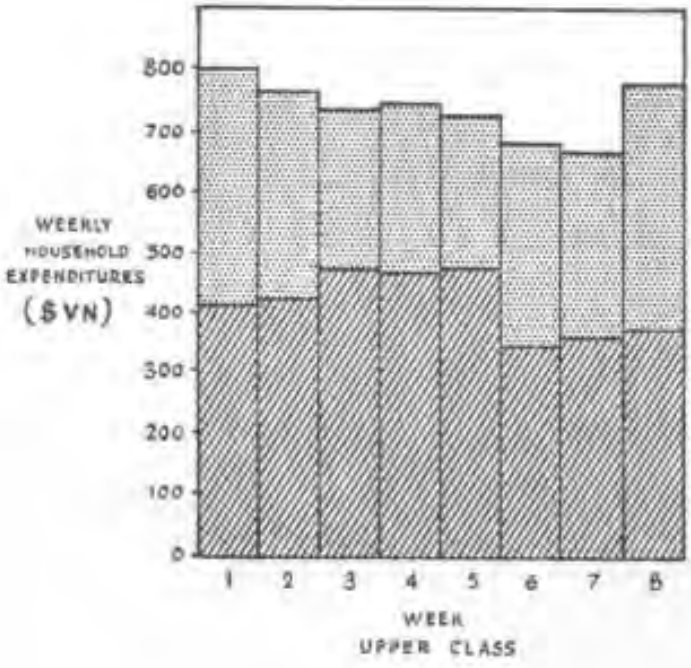
expenditures exceed lower class spending by only 15 percent. The gap between the lower class and the upper class is, of course, the greatest, and upper class weekly expenses are about double those of lower class households. Middle and lower class households also tend to spend approximately the same percentage on food, i.e., 63.6 percent and 64.2 percent of their regular expenditures respectively, and this was higher than the 56.9 percent spent on food by upper class households.

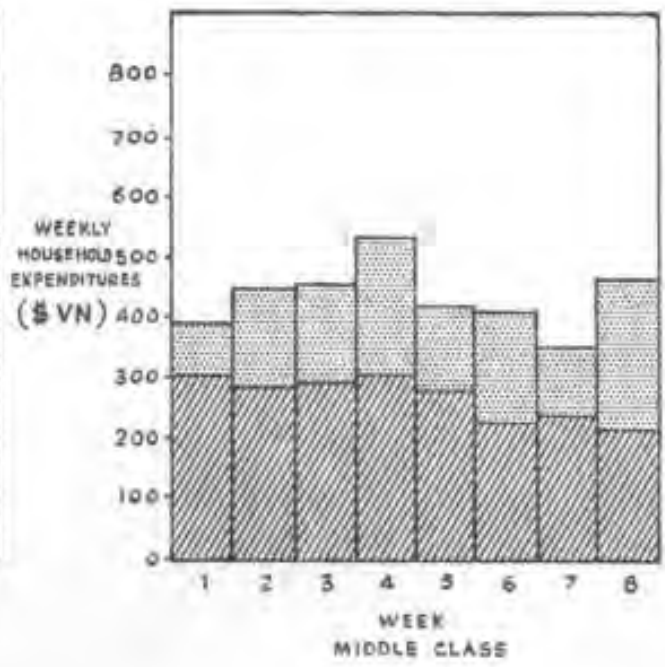
Average weekly expenditures over time are shown in Chart 8.1 and as would be expected, the spending by lower class families shows the least variation from week to week. The eight week period over which records were kept began in October, just before the first harvest, and continued into December. This timing was selected to see if village household spending changed very greatly as a result of the harvest, since stocks of food and money would be at their lowest just prior to harvest.

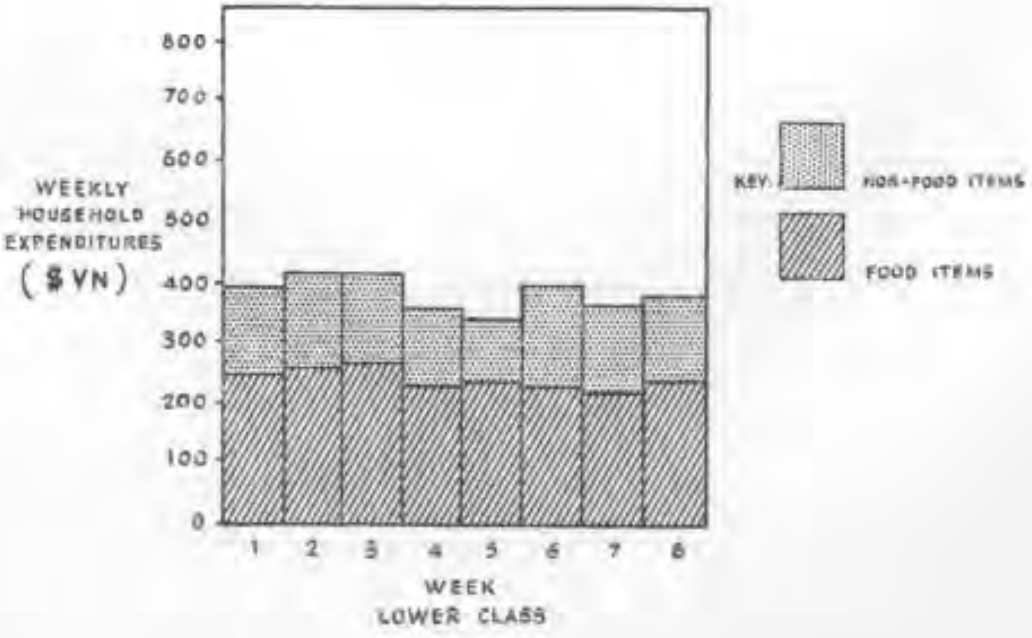
The data, however, do not show any great increase at the time the harvest came in during the second or third weeks. Lower and middle class households increased expenditures slightly at that time, but upper class household spending shows a steady downward trend until the eighth week, at which time it did increase. Unfortunately, these patterns cannot be used as a guide to normal behavior because the harvest in Khánh Hậu in 1958-59 was a very poor one. Failure to increase spending by large amounts may have been due to the realization that the harvest would be poor and that

CHART 8.1

AVERAGE WEEKLY HOUSEHOLD EXPENDITURES, BY SOCIO-ECONOMIC CLASS, ON FOOD AND NON-FOOD ITEMS REGULARLY PURCHASED, VILLAGE OF KHANH HAU, OCTOBER-DECEMBER, 1958







spending had to be curbed if households were to husband their resources until the following year. It is still possible that spending tends to be relatively stable at all times throughout the year, but the poor harvest provides a strong reason for doubting this.

It is interesting to see that food expenditures by middle class families tended to go down over the eight week period, and those by upper class families varied the most. Food expenditures by lower class families stayed relatively the same throughout, and showed the least variation. The variation in the upper class may reflect the smallness of the sample size for that class, but the stability of food spending by the lower class suggests that this may be close to minimum needs for food, which would include the main staples of diet, but with few extras.

Whereas household expenditures are the most useful measure of the levels maintained by the spending unit as a whole, per capita estimates of expenditures on regularly purchased items give a better picture of the living standards of individuals. This is important in this case because upper and middle class families tend to be larger than lower class families, both in this sample and in the village as a whole, and the apparent differences in expenditures by middle and lower class families on a spending unit basis tend to disappear when converted to per capita.

The per capita expenditures on food and non-food items regularly purchased were computed on a daily, rather than a weekly,

basis, and the summary tabulation is presented in Table 8.2.[4] As shown there, per capita expenditures by middle and lower class families were about the same. In fact, per capita expenditure by lower class families on all items slightly exceeded that of middle class families. Also, upper class per capita expenditure exceeds that of the other classes less than does expenditure by households. In this case, it is only 40 to 50 percent greater than the two lower classes. Once again, per capita expenditures on food are greater proportionately for middle and lower class individuals (64.1 percent and 60.4 percent respectively) than the upper class (57.0 percent).

On an annual basis, the lowest per capita expenditures were those of the middle class: 3,760$VN, or $53.71US. Cash outlay per year, however, again assuming that 40 percent of the food expenditures are furnished in kind, were only 2,795$VN, or $39.94US. For the highest group, the upper class, annual per capita expenditures were 5,767$VN, or the equivalent of $82.39US, while annual per capita cash expenditures were 4,453$VN or $63.61US.

Per capita spending over time is illustrated in Figure 8.2, and the patterns which emerge there contain much the same charac-

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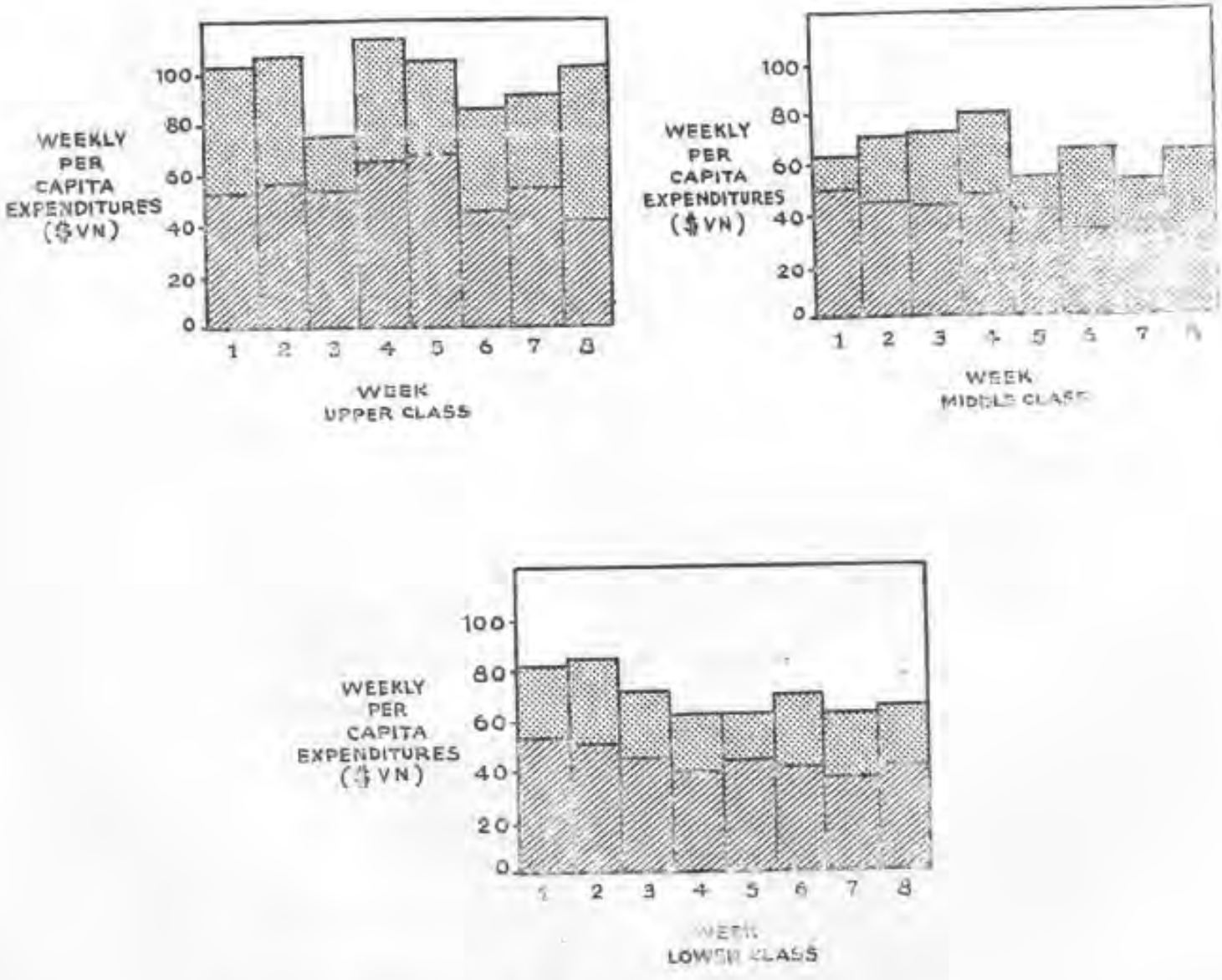
[4] Per capita daily expenditures were calculated on the basis of the complete budget records for all families, some of which covered a time period in excess of eight weeks. For this reason they are not exactly comparable to the weekly data presented earlier, which covered the eight week period only.

CHART 8.2

AVERAGE WEEKLY PER CAPITA EXPENDITURES, BY SOCIO-ECONOMIC CLASS, ON FOOD AND NON-FOOD ITEMS REGULARLY PURCHASED, VILLAGE OF KHANH-HAU, OCTOBER-DECEMBER, 1956



Source: Family Budget Records

While in other weeks -- the fifth, ninth and eighth -- the two were almost the same.

TABLE 8.2

AVERAGE DAILY PER CAPITA EXPENDITURES ON FOOD AND NON-FOOD ITEMS REGULARLY PURCHASED, VILLAGE OF KHÁNH HẬU, OCTOBER-DECEMBER, 1958

Socio-economic-Class (1)	Daily Expenditures (VN)		
	Food (2)	Non-food (3)	All items (4)
Upper	9.0	6.8	15.8
Middle	6.6	3.7	10.3
Lower	6.7	4.4	11.1

Source: Family Budget Records

teristics as the weekly household expenditures, i.e., some tendency for spending to decline in the later weeks, stability of food expenditures by the lower class, and slight increases in spending the first two weeks of the total period. The similarity in the level of per capita spending by middle and lower classes is shown in the fact that for two weeks, -- the third and fourth -- per capita spending by middle class households exceedsthat of the lower class, while in other weeks - the fifth, sixth, and eighth - the two were almost the same.

It is possible to compile the average weekly per capita expenditures on the major food items, in more detail, and in this way determine how food spending varies between the different socio-economic classes. This distribution is given in Table 8.3. According to these data, the proportion of food expenditure devoted to rice, per capita, is twice as high in lower class households as in upper class households, although actual per capita consumption is only half again as much. Middle class households also seem to consume more rice per capita than do upper class households, and by almost the same margin as the lower class. Consumption of such things as fish, fish sauce, other sauces, vegetables and fruits are quite similar for all classes, although upper class households seem to use proportionally fewer sauces, and, both proportionally and absolutely, slightly more fruit and vegetables. One interesting point to emerge from these comparisons is the finding that lower class per capita expenditures on meat and eggs exceed those by middle class households, again in terms of both the proportion of total food spending and also the absolute amount. This is hard to account for in any way other than that middle class households are larger than the lower class households, and that their equal or larger household consumption of meat and eggs results in a lower per capita consumption in comparison. The final item of "other food items" is quite large in upper class households but very small in lower class houses. This would include such things as sugar, flour, bread, tea, canned milk, delicacies and special foods.

T A B L E 8.3

AVERAGE WEEKLY PER CAPITA EXPENDITURES ON MAJOR FOOD ITEMS, BY SOCIO-ECONOMIC CLASS, VILLAGE OF KHÁNH-HẬU, OCTOBER-DECEMBER, 1958

Type of Expenditure (1)	Socio-Economic Class					
	Upper		Middle		Lower	
	$VN (2)	Percent (3)	$VN (4)	Percent (5)	$VN (6)	Percent (7)
Rice	12.6	20.0	16.1	34.8	18.9	40.3
Meat and Eggs	16.1	25.6	7.7	16.7	10.5	22.4
Fish	8.4	13.3	6.3	13.6	6.3	13.4
Fish Sauce	2.8	4.4	2.8	6.1	2.8	6.0
Other sauces	1.4	2.2	1.4	3.0	1.4	3.0
Vegetables	3.5	5.6	2.8	6.1	2.1	4.5
Fruit	3.5	5.6	1.4	3.0	1.4	3.0
Other Food Items	14.7	23.3	7.7	16.7	3.5	7.5
Total	63.3	100.0	46.2	100.0	46.9	100.1

Source: Family Budget Records

Their relative absence from the diet of lower class families, together with the stability of the level of food spending in this group, tends to support the observation that these villagers live fairly close to a simple basic diet that includes few frills or

minor luxuries and is probably deficient in food value. Since no attempt was made in this study to measure the food value of the typical diet, this latter point cannot be stated as an established fact. However, considering the kinds and amounts of food which the villagers have said they eat regularly, it seems unlikely that they are receiving an adequate supply of those elements of diet which build and protect good health.

In addition to these food and non-food items which are purchased more or less regularly throughout the year, villagers were asked to give estimates of the amounts spent on 17 special kinds of expenditures during the previous year. These were expenditures not included in the family budget records, and as far as could be determined, omitted no really important household expenditure other than those already included in the family budget records. It even included some that turned out to be not very important at all. The content of these replies is discussed in some detail later on; at this point only their relative size will be considered, as taken from Table 8.4.

For the 18 families who gave replies, the average annual special expenditure ranged from 8,574 $VN for lower class families to 21,410 $VN for the upper class. Middle class households reported an average of 10,190 $VN spent on these special items per year. The respective amounts for lower, middle and upper class households, in equivalent US dollar figures, were $122.49, $145.57 and $305.86.

TABLE 8.4

SPECIAL ANNUAL EXPENDITURES, BY FARMERS AND SOCIO-ECONOMIC CLASSES, VILLAGE OF KHANH-HAU, 1958

CATEGORY OF EXPENDITURE	UPPER			MIDDLE							LOWER							
	1	5	8	2	6	7	10	12	21	9	11	13	14	15	16	17	18	19
Household Goods	-	-	70	3,000	-	300	-	-	700	5,000	2,000	2,200	100	-	-	-	4,600	-
Major repairs	15,000	6,000	-	7,000	-	100	-	1,650	1,000	3,000	4,000	300	2,000	-	-	-	4,300	-
Medical Care	3,000	1,500	1,500	500	5,000	3,000	300	2,000	1,000	4,000	300	1,500	1,000	2,500	1,500	1,200	1,000	-
Taxes	400	550	-	39	30	252	30	-	200	-	-	-	-	-	70	-	-	-
Interest Payments	1,500	2,000	500	100	-	400	300	-	7,200	-	400	450	100	-	-	500	3,200	100
Têt Celebration 1/	2,200	1,500	2,000	600	1,000	700	1,000	1,000	2,000	3,000	600	800	200	1,500	900	1,000	1,000	400
Mid-Autumn Festival	-	100	-	-	-	-	-	-	-	-	-	-	-	50	-	-	30	-
Family Anniversaries	200	3,800	4,000	-	100	100	180	2,400	2,800	4,-	450	800	1,000	800	50	1,000	1,200	20
Village Ceremonies																		
Cau-An	300	400	400	300	50	50	200	300	300	50	50	100	30	100	30	100	50	200
Ha-Dien	100	80	100	50	20	-	50	30	50	50	-	30	-	-	30	-	-	100
Xa-Toi	70	30	100	10	10	30	50	20	100	-	30	10	20	50	.25	-	30	-
Thuong-Dien	100	70	-	-	20	-	50	20	50	50	-	10	-	-	20	200	50	50
Gifts	2,200	5,000	2,000	2,000	2,000	1,200	1,500	1,000	800	1,000	500	500	1,000	1,000	1,000	1,500	1,000	1,00
Pagoda Contributions	-	900	60	-	-	-	1,000	500	-	-	-	-	-	200	60	1,000	-	20
Homeplot Rent	19	30	200	-	80	-	250	50	-	60	150	50	50	10	-	-	100	2
Clothing	-	3,000	3,350	-	1,000	2,000	-	-	-	4,000	-	-	-	-	-	500	-	50

1/ Includes some clothing purchases

Converting the data to per capita estimates, special expenditures ran from 1,461 $VN for the lower class to 1,717 $VN for the middle class and 3,374 $VN for the upper class. The US dollar equivalents were $20.87, $24.53 and $48.20 respectively. Unlike the per capita figures for items regularly purchased, the lower class spending is below that for the middle class. However, the spread between lower and upper class is again a large one, with the former less than half the latter. This suggests that if these socio-economic divisions are meaningful, middle class and lower class households fare about the same with respect to the per capita consumption of items which are purchased regularly and which constitute the necessary purchases for the members, but that middle class families can be distinguished as being somewhat better off in terms of the consumption of things which go beyond the necessities. Upper class household members are clearly better off with respect to both kinds of purchases.

By adding these household and per capita annual special expenditures to the annual estimates of items purchased regularly, as taken from family budget records, it is possible to derive a set of annual household and per capita expenditures for the different socio-economic classes, exclusive of the costs of farm operation. These data are presented in Table 8.5. In other words, these annual estimates are close approximations of the total consumption expenditures made by villagers. In evaluating these estimates, it is important to bear in mind that they pertain to only

one village, and this village is located in one of the most prosperous provinces in Việt Nam. Although Khánh Hậu itself is considered one of the less wealthy villages in the province, the figures shown here probably represent levels of expenditures considerably in excess of those which would be found in other parts of Việt Nam. These estimates are not intended to be representative of consumption in all parts of Việt Nam, although they are probably comparable to expenditures in other villages in the same part of the delta region.

For the lower and middle classes, these consumption estimates are probably good approximations to net income per household or per capita. For lower class households without land for farming, they would also be close to gross income, for such spending units would not have the added expense associated with farm production. Farm expenses would tend to vary with the size of the farm and the amount of labor and equipment provided by the household, and generalizations in this area are difficult to make.

Another element -- that of savings -- has also been omitted. Villagers were not asked directly to estimate their saving during the previous year because it seemed unlikely that the answers would be reliable. For one thing, villagers were defensive on this subject, and became vague when asked about accumulations of cash or other valuables. In addition, a question on annual saving would tend to be ambiguous from their standpoint. Thrift is not particularly valued as a virtue among these people, and few of them make

T A B L E 8.5

ESTIMATED TOTAL ANNUAL EXPENDITURES, BY HOUSEHOLDS AND PER CAPITA, VILLAGE OF KHÁNH HẬU, 1958

Socio-Economic Class	Household Expenditure				Per Capita Expenditure			
	Total Value		Cash Outlay		Total Value		Cash Outlay	
(1)	$VN (2)	$US[1] (3)	$VN (4)	$US[1] (5)	$VN (6)	$US[1] (7)	$VN (8)	$US[1] (9)
Upper	60,093	858.47	51,293	732.76	9,141	130.59	7,827	111.81
Middle	32,638	466.26	26,931	384.73	5,477	78.24	4,513	64.47
Lower	28,131	401.87	23,110	330.14	5,513	78.76	4,535	64.79

Source: Family Budget Records

[1]Computed at a rate of exchange of 70$VN to $1 US.

conscious efforts to save for specific goals. Major purchases tend to be deferred until the current income at some time is large enough to permit the purchase, and in this sense the "saving" and the expenditure occur in the same year.

For lower and middle class families, the volume of saving in any given year is probably negligible or non-existent. The best evidence for this is the high incidence of debt in these classes. Given the high prevailing interest rates, debt would be avoided if savings were available. There is some debt at the upper class

levels as well, but it is less prevalent and, therefore, it is more likely that any saving will be done by this minority group. The amounts, however, will depend upon the size of the harvest, which has varied greatly over the past three years in this village.

Taking all these things into account, the annual household and per capita expenditures by lower class households, and therefore a large majority of the households in the village, provide a good approximation to both net and gross income. Both savings and farm expenses are here assumed to be negligible. This would be the income situation most typical of the village. However, with upward adjustments to account for farm expense on farms of average size -- around 4,000$VN to 5,000$VN per household per year -- one could convert the expenditure by middle class households into an estimate of the gross income of farmers who have two to four hectares of land. This would be less representative of the income of most villagers, but it would provide one measure of the economic performance of farms of this size in the particular area.

Assuming these expenditures as approximations to income, with the qualifications mentioned above, the delta region of Viet Nam does not rank particularly high in per capita income by comparison with other undeveloped countries in Asia and Latin America. For example, per capita expenditures by upper class households in Khánh Hậu are lower than the per capita income of Japan and the Philippines, and middle class per capita expenditures are lower than per capita income in Egypt. In general, the villagers in

Khánh Hậu seem to be somewhat better off in per capita terms, than residents of India and Pakistan, but worse off than Latin American countries such as Puerto Rico, Cuba, and British Guiana.[6] Comparisons of this kind are admittedly hazardous, and not too much should be made of them. Nevertheless, they do provide a perspective of sorts, and on this basis this rural sector of Viet Nam is not living well, even by the standards of countries somewhat similarly situated.

This is an unexpected conclusion to reach because observing the village as an outsider one feels that the people in the vicinity of Khánh Hậu fare pretty well. No one appears to be starving, there are feasts and celebrations throughout the year, and many of the villagers look healthy and well clothed. Moreover, it is common to assume in Việt Nam that the villages in the south are richer than those in the central portion, and that life there is much easier because the villagers of the south can provide for their needs with much less effort. This may be true as a comparative statement, but it does not follow that the majority of the people in the south live well, or even that they currently have the means to attain a living standard as high as some other Asian countries. The lack of acute misère, the cleanliness of the

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[6] Some per capita income estimates for the period 1952-1954 are: Japan - $190 US; Philippines - $150 US; Egypt - $120 US; Pakistan - $70 US; India - $60 US.

people, the lovely coconut palms and the picturesque thatch houses should not bar recognition that actual living standards are low, and that a substantial majority of the village live at or near subsistence levels.

It is possible that the family budget records have understated actual consumption, and that some items of the diet which are supplied directly in kind were not fully recorded. Some consumption in kind was included in the records, but some may have been overlooked. Likely possibilities are wild herbs and plants which are used in the diet and fish caught by members of the household. It is also possible that the amount of rice recorded is less than that actually used. With the exception of rice, these are relatively minor items, and making allowance for some underreporting of them would not add substantially to the level of food expenditures.

On non-food items, no attempt was made to estimate transportation, entertainment expenses, or major ceremonial expenses such as weddings and funerals. A number of other rather small, and usually infrequent, expenses were also not documented in detail, such as purchase of lottery tickets, purchases of gold and other jewelry, horoscopes, and children's spending on sweets. Finally, it is possible that there was some understatement of the amounts spent on the special annual expenditures, since these were recollections for which there were no supporting records. However, considering the size and nature of these omissions and possible

understatements, it is unlikely that total expenditures should be raised by very much to account for them. As an informed guess, the estimated annual per capita and household expenditures might be increased by 10 to 15 percent to account for under-reporting and omissions, but it is doubtful that it should be more than this, particularly since the two years preceding this study had been poor ones, and small marginal expenditures were probably kept to a minimum.

The Village Food Consumption. -- Patterns of expenditure expressed in terms of currency can show something about relative living standards and the changes which take place over time, but they fail to give a picture of what this means in quantities and varieties of things consumed. Casual observation indicates that living standards are extremely low by comparison with the West, but it would not tell in what basic respects they are deficient or to what extent they could affect productive effort. However, the family budget reports give enough detail of the daily purchase made by village households to begin to piece together some idea of what village life is like.

In a rice village, the single most important item in the family diet is obviously rice. This is even indicated by the way in which Vietnamese speak of eating, which is literally to "eat rice" (ăn cơm), or to serve a meal, which is to "serve rice" (đơn cơm). Villagers generally believe that it is the rice which provides them with the food values they need for health and stremgth,

and that the main contribution of other food is to improve the taste of the meal. A major concern of each household is that it obtain enough rice to last until the next harvest, and a common way to express degrees of poverty is to state the number of months' supply of rice a family has on hand -- thus, "that family is very poor, and has only enough rice to last through the fifth lunar month."

In normal years, most of the tenants and landowners can supply their rice requirements from their own harvests. Laborers can supply at least a part of their needs in kind because harvest labor is paid in paddy. Only the few who receive money wages or money income, e.g., storekeepers, must buy most of their rice. In either case, whether purchased or supplied from their own fields, rice represents about forty percent of the value of total food expenditures for a majority of villagers. It is higher than that for the poorest inhabitants.

In terms of personal consumption, a typical adult villager will probably eat slightly less than one litre of uncooked milled rice (gạo) per day (.8 or .9 litres), although this varies with the age of the person, the sex, the amount of physical labor being done, and even the season of the year. During the dry season when work is slack, many families will eat only two meals a day. During the growing season this increases to three meals. This may also be expressed as three to four bowls of rice at each meal for each adult, although this is a very imprecise way of describing rice

consumption. A certain amount of glutinous rice (cơm nếp) is also eaten, but this kind of rice is reserved for special occasions such as the first and fifteenth of each lunar month, death anniversaries of ancestors, and the new year. It is also presented as a sacrifice offering at village festivals, and as a gift offering at weddings and funerals. Glutinous rice is usually more expensive than ordinary rice, although this was not true for 1958, the year in which family budget records were kept. Many farmers in the village have grown glutinous rice on a part of their cultivated land at different times, but most families in the sample bought the glutinous rice they used in the household.

The amount of protein in a typical village diet is very small, for the principal sources of protein are expensive and villagers do not appreciate the importance of this item in their diet. Their schedule of daily purchases shows that they tend to consume around two kilos of meat of all kinds (pork, beef, buffalo, chicken or duck) per household per week. The poorest families buy meat very infrequently, and "frequently" in this case would mean two or three times a week at most.

The most common meat consumed in the village is pork, which is purchased from peddlers or at the Tân Hương or Tân An markets. Beef appears on the tables of the wealthier families from time to time, but rarely in the poor homes. Buffalo is eaten even less than beef. Chicken and duck are used, but not as often as pork. This is somewhat surprising since these fowl are raised in the

village, and there is less of a problem of preservation than in the case of butchered hogs or beef that come from one's own stock. It is also surprising to find that eggs are used as infrequently as they are. Both chicken and duck eggs are used, but generally no more than five to ten eggs per family per week. This does not seem to vary between income or occupation groups. Duck eggs are cheaper than chicken eggs and are bought more often. The eggs which are consumed come from nearby markets or from a farmer's own chickens. Very few of the eggs which are bought come from households within the village itself. There is some tendency for chicken to appear most often in the budgets around the beginning and middle of the lunar month.

In addition to these standard meats, villagers eat dog, cat, rabbit, frog and paddy rat, but not often enough for any of these to be considered as regular diet items. The paddy rats that are used are caught in the fields, but the villagers say that they are hard to find and catch, and are therefore rarely eaten.

The week-in week-out consumption of meat therefore tends to be minimal, perhaps no more than one-half kilo per person per week. This estimate should be increased, however, by taking into account the fact that meats are given great prominence in feasts of all kinds. There are frequent opportunities to attend both private and village feasts during the course of a year, and since such meals consist almost exclusively of meat dishes in various forms, weekly per capita meat consumption may, in fact, be twice the amount

indicated. Expenditures for meat would also include some purchase of lard (mỡ) for cooking, although record keepers failed to distinguish between the two. Peanut oil (dầu đậu phụng) is much less commonly used, and its main use is by Cao Đài or Buddhist families who regularly observe meatless fast days. At such times, peanut oil is used for cooking instead of lard.

Another important source of protein in the diet is fish and shrimp, and most families consume about as much fish as they do meat in the course of a normal week. Since fish is much less expensive, it is more important in the budgets of the poor families than in the more well-to-do. Fish consumption is divided almost equally between fresh fish (cá tươi) and dried (khô cá) and salted fish (cá muối). Dried or salted fish appears almost daily on the budgets of all families, but fresh fish does not.

Villagers obtain fresh fish from the fairly large market in Tân An, either directly or from peddlers who bring it from there. Also, during the rainy season fish come to the streams and rice fields, and fishing becomes a regular and active occupation. Varieties that are caught or purchased include cá mòi, cá linh, cá lóc, cá trê, cá núi, cá rô, small shrimp (tép) and silver shrimp (tép bạc). Since it appears so regularly in the daily meals, it is not surprising to find that fish is rarely served at feasts except in the final dish of the meal. The reason for its steady use in ordinary household meals is clearly its low cost (20-30 $VN per kilo as compared with the cheapest meat: pork, which costs

35-40$VN per kilo). There is no need for cash outlay at all in cases where the villagers catch their own.

Since rice is so important in the daily diet, Vietnamese have developed a wide variety of sauces which add flavor to the meals at relatively little expense. The most famous of these is nước mắm, a sauce that is distilled from small fish. Village families use this for more than half of their meals. The second most popular is soy sauce (tương), used regularly in all households but also on special occasions when religious observance requires that no meat be served, for this would exclude sauces derived from fish and shrimp. In addition to these two most common sauces, villagers also use mắm khô, mắm múi, mắm lóc, mắm sống, mắm nêm and mắm chưng. All of these are made from fish or shrimp, they vary in price, and their use is related to the economic status of the consumer or his need for something special, as at the time of an important family feast. The latter three in particular are quite expensive, and are used only on rare occasions.

Typical family consumption of sauce of all kinds tends to be from two and one-half to three litres per week, or around one-half litre per person per week, and this is true for all income or occupation groups. Like rice itself, because of its relation to rice in the meal, it is an indispensable daily item. Most people in the village buy a grade of nước mắm slightly higher than the lowest grade, and which sells for 22 or 23 VN$ a tỉn -- an earthenware pot containing from 2.9 to 3. litres. In recent years,

many families have been unable to buy their nước mắm by the tỉn, and are accustomed to buy it on a day to day basis in small quantities costing only a few piastres at a time. This does not add greatly to the total cost, but it does reflect a very great shortage of cash. The daily wages received for farm labor provide the largest steady supply of cash, and the farmers tend to dole this out on daily purchases that are kept as small as possible. There is little assurance that there will be work from one day to the next, and people are therefore reluctant to use a large share of the cash on hand for a single purchase even when it is as important to them as nước mắm.

Many have thought that the high consumption of fish and shrimp sauces by Vietnamese supplies protein to a diet that is by and large lacking in it. From the evidence of these family budgets it seems true that typical families do use a very great deal of sauce, certainly from the standpoint of the Western observer. However, it seems very doubtful that there is much real food value in the sauces which are used because the distillation process by which it is made removes a great deal.

After rice and sauces, the third most important item of regular daily consumption is vegetable. Usually served in some cooked form, they appear mainly in the soups and in side dishes to be eaten with rice. The most commonly used include bindweed (rau muống), cabbage (rau cải), lettuce (rau sống), white turnip (cải bẹ trắng), turnip (củ cải), tomatoes (cà chua), manioc (khoai tử), sweet

potato (khoai mỡ), "green leaf vegetable" (dưa cải), cucumber (mướp), gourd (bầu), bamboo sprouts (măng), a vegetable like bindweed (rau ngổ), and a kind of cucumber (đậu bắp). White potatoes (khoai tây) are rarely used, but do appear from time to time.

Consumption by weight is fairly high, and most households use from eleven to fifteen kilos of vegetables a week. Vegetables are cheap and most kinds sell for only two or three piastres a kilo in the village or in nearby markets, but even so, a substantial portion of all vegetables consumed is grown locally. A farmer's ability to supply the needs of his family from his own garden will depend on the location of his homeplot and the amount of rainfall during the growing season. There is some very small scale selling activity within the village, but it is not well organized and does not constitute an important part of all purchases of vegetables by villagers. The vegetable markets in towns such as Tân An are well supplied throughout the year from the area near the Mekong River, and people who must buy their vegetables use these markets rather than rely on other village producers.

In addition to vegetables grown in gardens or purchased in the markets, villagers supplement the vegetable content of their diet with herbs and plants which grow in the fields, along the dikes and around ponds. No attempt has been made to identify these or measure their importance in the diet, but gathering of greens of this kind is a regular activity of women and children. Most of

them are used to provide flavoring for soups and other dishes, and many are considered to have medicinal properties of a generally beneficial sort, i.e., something is "good for the liver", or "good for the lungs".

Although fruit is readily available in the markets, and to some extent in the village itself, the village households consume less fruit, by weight, than vegetables. The most commonly used are bananas (chuối), and papaya (đu đủ), which grow in the village, and pineapple (thơm). Coconuts (dừa) are eaten, but generally on special occasions such as when guests arrive at the house to pay a social call. Other fruits that appear regularly, but in smaller amounts, are lemons (chanh), and guava (ổi). Children buy small lengths of sugar cane (mía) to chew on the way to and from school or between meals.

As in the case of vegetables, villagers supply a portion of their needs from their own gardens, but they also buy varying proportions in the markets. Fruit trees grow in all parts of the village, but less extensively than vegetables. Typical family consumption of fruit ranges from one to five kilos per week, and the prices paid range from two to six piastres per kilo. Fruit is usually served after a meal as a dessert, or between meals as a snack.

These are the main items that appear in the regular diet of village households, but a number of other things are commonly used in small quantities or under special circumstances. For example,

the villagers use salt at the rate of about one kilo every two weeks, and poor families buy it in small quantities at one piastre a time. They also use a variety of spices -- peper (hột tiêu), red peppers (ớt), onion (hành), and garlic (tỏi) -- at a rate of one or two piastres a day. White sugar is a luxury, found only in the homes of the wealthier landowners, but tablets of brown sugar are used in most village households. Some families use French bread, which they buy in portions of a long loaf, with meals or as between-meal snacks for the children. Families with new-born children buy canned condensed milk, and this is true for families at all economic levels, but other families use it very rarely, if at all. Tea is drunk at all meals, and is served at all hours during the day. A visitor in any home is immediately offered tea, though it is often very weak. Village stores sell small packages of tea for two to five piastres, and the typical family will consume about 150 grammes of tea weekly. Some of the poorest people in the village brew a drink called bình linh from the seeds of a plant grown locally. It has a taste vaguely like tea, and is supposed to be an aid to general health. Peanuts are considered a luxury, and appear only on special occasions. Finally, cookies, small cakes and sweets are available in all the village stores, but their use is limited to special occasions, when guests call, or as treats for children. As would be expected, small tenants, small landowners and laborers do not buy them very frequently.

Putting this information together into a picture of the "typical" or "usual" standard of living in terms of daily diet, an adult will eat three times a day during the crop season, each meal

built around the staple rice. The twelve or so bowls of rice a day, eaten with nước mắm or soy sauce, will be accompanied by a vegetable soup or vegetables quick fried, and by either dried or fresh fish. The fish and vegetables will also be cooked and eaten with one of the several sauces. At least one of the meals will be followed by some fruit, and tea will be drunk at all times during the day. At least once a week there will be small portions of meat of some kind, usually pork, although at the first and fifteenth of the month there will be a larger than usual meal at which chicken or duck may be served. Once every two weeks, on the average, the head of the household will attend a village or family celebration where the main meal will consist of meat dishes. His wife will also have opportunities to eat out, but to a somewhat lesser extent. Children seem to eat smaller quantities and to have less variety, and for many the diet is largely one of rice, sauce and fruit.

Consumption of non-food items. -- In addition to their daily food needs, village households buy some non-food items on a regular basis. For the most part, these non-food purchases are made in the village stores and do not require trips to nearby markets as in the case of many items of food. They are all things which can be bought in small units for small amounts of cash outlay, and all are more or less necessary in the sense that they provide a bare minimum of amenities. Taken as a group of expenditures, they illustrate the paucity of material goods in the lives of the villagers, and the limited effective demand in the rural areas.

The large amount of attention given to the cult of the ancestors does not lead to very large expenditures on things such as incense sticks (hương), votive paper (mã) or candles (đèn cày) as might be supposed. Strong Buddhist or Cao Đài families use candles for serious worship rites, but other families seemingly use them much less. The use of votive paper seems to be declining, and while incense sticks are widely used, and represent a steady item of expenditure, the amount runs only to eight or ten piastres a week for most families.

Some families use charcoal for cooking purposes, and those who do spend four piastres a day at village stores. However, fuel is not a major problem for poor families because they can pick up firewood locally or use rice husks or rice straw if necessary. Some villagers use coconut husks, and a few well-to-do households have special stoves which use rice husks through a stoker arrangement which feeds husks into the flames. Rice husks belong to the miller after the rice has been polished, but they may be bought from him at a price of one piastre for a large sack. Very few villagers use matches, since most of them have mechanical lighters and buy gasoline in small quantities for lighter fuel. However, almost every home buys kerosene (dầu hỏi) for lighting, for the most part to maintain a continual light in the small lamp placed on the altar of the ancestors. Wealthy families will have gasoline pressure lamps. The common practice is to buy kerosene one litre at a time, and only a few buy it in the five-gallon tins.

The family budget records show irregular purchases of traditional Vietnamese medicines and home remedies, bought from local Chinese drug merchants at ten to twenty piastres each. These include such things as mint-oil, laxative pills, and varieties of barks, herbs or leaves for the relief of coughs, headache, stomach trouble and other ills. Storekeepers say that the use of traditional medicines has been declining for some years, and while villagers continue to buy them to some extent they have also begun to use Western medicines in increasing amounts. These are dispensed through a local male nurse, who gives inoculations, or through drug stores in Tân An or Mỹ Tho. The pattern that seems to be most common is that families rely on the Vietnamese and Chinese remedies for minor illness or where the ailment is rather general in nature. In serious cases, where the sumptoms are more pronounced and recognizable, villagers seek Western medical care at the home of the local nurse or in the town of Tân An. Often families will "hedge" and take both traditional and Western medicine for an ailment, for although they seem to accept Western medicine as the more effective of the two they are not convinced it will always work. They see no harm in taking both, and regard this practice as increasing the chance of cure.

Soap (xà bông) is an item of regular purchase, but in small quantities only. Rough laundry soap is the only kind used to any extent, and this is purchased in portions of one-quarter kilo or more once every two weeks. The cost of this soap, which is

manufactured in Viet Nam, is from 14 to 16$VN per kilo, and the portions actually purchased are cut from bars one kilo in weight. Village stores also stock toothpaste and toilet soap, but none of the family budgets showed any purchase of these during the eight week period of the budget check.

Important items of regular consumption, appearing in the expenditures of almost every family, are areca nut (cau), betel leaf (trầu), and tobacco (thuốc rê). The cost of these runs from 30 to 60$VN per week for most of the families -- in a few cases even more. To "chew betel", slices of areca nut are placed in the mouth along with betel leaf wrapped around a small quantity of lime. This combination is chewed for some time but not swallowed. The habit is widespread in the village, and at times tobacco is rubbed over the teeth and gums during the chewing process to vary the taste. The use of betel, however, is largely limited to adults over thirty years of age, and younger people do not seem to have acquired the habit very extensively. Men of all ages smoke cigarettes, and roll their own from the strong black tobacco which is grown in Viet Nam and Laos. There is very little pipe smoking, and while some of the older women smoke cigarettes on occasion, this is not very common. Manufactured cigarettes (thuốc hút) are sold in all village stores, but they are expensive for villagers (8-15$VN per package) and are only bought to serve guests at ceremonies and feasts, not for daily use.

Some families spend money on beer (la-ve) and soft drinks (nước ngọt), but this is less important in the budget than the amount spent for rice wine (rượu đế), commonly known by the French word (choum-choum). The use of wine varies, of course, from family to family. Wine is an important sacrificial offering in village and family ceremonies, so there is usually a minimum purchase of one small wine pitcher (si) at the first and the fifteenth of the lunar month at a cost of six piastres for a pitcher. Some villagers, even though quite poor, spend from four to six piastres a day, several days each week, for rice wine. This they purchase by the pitcher or by the individual drink in village stores. It is extremely difficult to estimate the extent of drinking in the village. Aside from ceremonial use, there is probably relatively little regular heavy drinking by villagers. There is a good deal of drinking at feasts, but even there participation in drinking bouts is not universal. One of the stereotyped versions of village life is that of poor farmers drinking up an important part of their income in riotous village feasts where large quantities of rice wine are served. Observations and the evidence of the family budgets does not bear this out, although rice wine accounts for a larger share of the typical budget than beer or soft drinks. With few exceptions, drinking does not constitute a serious social or economic problem in the village.

Some other scattered items appeared in the family budgets under non-food expenditures, but they are non-recurring and irregular

for the most part. For example, things woven from reeds or ratten such as baskets, fish traps, and conical hats are not made in the village homes to any extent but are purchased in the market at infrequent intervals. The same is true for pottery, rice bowls and kitchen utensils. A few families recorded the purchase of rubber sandals (giép) or wooden clogs (guốc) for which they paid from 8 to 15 $VN a pair. Families with children in school bought paper notebooks, pens and pencils, but textbooks were not purchased except in the case of a family who had a son in secondary school. Newspapers are not delivered regularly to the village, and must be obtained in Tân An or some other market place. While some of the more well-to-do buy papers occasionally, even in their case it is not a regular purchase. For the most part, villagers do not acquire books, although the records included an entry for the purchase of prayerbooks or religious texts.

Looking back over these major items of non-food consumption by village families, they seem few in number and relatively meager in the contribution they make to material well-being. The more important ones include altar effects used in carrying out the cult of the ancestors, medicines, tobacco and the ingredients necessary for chewing betel, rice wine, beer and soft drinks, small quantities of laundry soap and kerosene for lighting. But these do not make a complete account of living standards in real terms, for not only are there additional occasional purchases of some common items -- for example, writing materials, newspapers, wooden clogs, and

on -- but there are also important purchases during the year which usually occur quite infrequently. To obtain some estimate of what these major items are, and how much is spent for them, it was necessary to rely on the ability of villagers to recall their previous year's expenditures. This is unsatisfactory in many respects, but it does provide some understanding of the relative importance of the different kinds of expenses.

Special expenditures. -- The first thing that stands out in these special expenditures shown in Table 8.4 is the large spread in the amounts reported. This partly reflects the basic economic status of the household and its size, but more importantly it is due to specially large outlays which some of the families had in the particular year on which they were questioned. Within the different socio-economic classes there is a fair degree of consistency with respect to certain kinds of normal expenditures, primarily such things as ceremonials, gifts, medical care, homeplot rentals, and taxes. Outside of these, expenditures vary according to the particular problem facing individual families and this seems to be the reason for the large differences in most cases.

The importance of ceremonies and feasts is shown in the reported amounts spent on the chief village occasions and on presents given to others at weddings and funerals. On the average, around one-third of all non-regular expenditures are made for these purposes, although it may range up to half or as low as one-fifth. With the exception of those who act as heads of the extended family,

and who have primary responsibility for celebrating the cult of the ancestors, most families make their largest outlays in celebration of the lunar new year (Tết). These run in the vicinity of 2,000 $VN for upper class households and around 1,000 $VN for others. This includes some purchase of clothing for the children in the family, a traditional Tết expenditure amounting to 50-100 $VN per child depending on the general economic position of the family. Most of the rest goes for food, particularly meat, for use in family feasts and for sweets and candy to offer visitors. A small proportion is spent on Tết decorations, on altar effects and on firecrackers. Even the poorest families will have a few firecrakers at Tết, but not in quantities which could be called extravagant.

In addition to Tết, there are four main community celebrations to which villagers give money. The most important of these is the Cầu an ("request for peace" or the festival of the village guardian spirit). Members of the Council of Notables are under obligation to make larger contributions than others in the village, and this is reflected in the responses by the fact that upper class householders all gave at least 300 $VN, and one gave 400 $VN on this occasion. Others tend to give less, although the amount varies with the circumstances. For example, larger than usual contributions were made by one young man who paid for his father and his brothers, and by two older men who were highly motivated to give by their strong religious beliefs. The other celebrations -- Hạ Điền (Opening of the Fields), Xá tội (release of the Evil Spirits), and

Thường Điền (Clothing of the Fields) -- are not as heavily supported. Donations at these times were about one-third of those for the Cầu An, and once again there was a tendency for landowners and village notables to give more than tenant-laborers. Only three families among those asked spent any money for the Rằm Tháng Tám (Middle Autumn Festival), and this is due to the fact that people in this southern village do not tend to celebrate this occasion. Essentially a Chinese festival, it is largely given over to children, and although widely celebrated in North and Central Viet Nam it is not important in the southern rural area.

Some of the households make their largest expenditures for a series of family feasts and celebrations which include principally death anniversaries (Cúng Cơm) and the ceremonial cleaning of family graves (Tảo Mộ). These are usually people who own land or who have the use of family land (Hương Hỏa), and are therefore in a better economic position to undertake the expense of paying for the feasts which are given on the anniversary of the death of an ancestor. These are often the eldest sons in the family also, but this is not invariably true. Among middle and upper class householders responding, four reported expenses of between 2,700 $VN and 4,000 $VN for these purposes, but the others spent only amounts varying from nothing at all to 200 $VN. This indicates that in some instances an individual has no responsibility to give feasts or contribute to the feast given by other relatives because his position in the family does not require it. In other cases,

relatively small amounts are contributed to the family member actually giving the feasts. For example, the family reporting the largest total expenditures during the year spent only 200 $VN for anniversaries and grave cleaning. This is because the head of this household is not the elder brother in his extended family, and although fairly well-to-do by village standards, does not feel he must make large contributions to the family celebrations. The villagers say that the amounts that are spent in this category vary from year to year depending on the size of the harvest and the general economic condition of the person responsible. While important, the size of these expenditures should not be considered as fixed.

Gifts for weddings and funerals comprise an important and regular expense, in most cases amounting to more than is spent at Tết or for family anniversaries. They are considered a burdensome expense, but one that is not easily avoided. The upper class householders probably tend to spend more for gifts than other classes, and totals of 2,000 $VN to 5,000 $VN were reported for the former while the latter ranged from 500 $VN to 2,000 $VN. There is also some variation in the size of gift totals due to the age of the head of household. New households spend less than those established for a longer time. The latter have a wider circle of acquaintances and therefore are invited to attend the functions more often. In a sense, these gifts represent savings for future occasions of the same kind because reciprocity requires return gifts

in the future. This does not work out evenly in all cases, and there is no strict accounting of the size and origins of gifts. Returns therefore do not always match outlays, but it is still valid to regard these partly, at least, as a type of saving rather than pure expense.

In addition to the expense of family ceremonies and community celebrations, some families make contributions to local pagodas. However, the largest of these are made by Cao Đài adherents who seem, on the whole, to be extremely conscientous in their religious observances. One household, headed by an elderly man of strong religious beliefs, made a 500 $VN contribution to the Buddhist pagoda. For the rest of the group, however, contributions were either quite small or not made at all. These examples are consistent with the observation that the religious or spiritual life of the village centers largely in the family and community cults instead of organized religious sects, and further, that older people are the chief supporters of organized religion. Although individual households may give active support to local pagodas, by and large organized religions do not constitute an important drain on household finances. This is also true for geomancers and sorcerers. Most families said that they used them, and had their horoscopes read during the year, but the amounts spent on this were very small and, with one exception, they would not even give an estimate. It is hard to evaluate this type of response in light of the fact that they itemized very small payments in other categories. However,

even if they were slightly evasive in this case it does not seem likely that the amounts spent were very great.

Aside from the amounts spent for ceremonies and festivals, the most important expenditure for typical families seems to be for medical care. In this case, the socio-economic status of the household bears little relation to the amount spent because this expense is determined more by the extent and seriousness of illness. There is probably some double counting here, because this annual estimate would include the small purchase of medicine reported in the daily budget records. However, the size of the medical expenses is more influenced by major illness, and none occurred in these families during the eight-week record period. Except for families with some very important sickness, typical annual expenditures ran between 1,000 $VN and 2,000 $VN in all classes. One poor tenant had 5,000 $VN in medical expenses during the year. The bulk of all medical cost is for medicines, and not for the services of practitioners.

As indicated earlier, there is a growing tendency to use Western medicines along with, or in preference to, traditional medicine in serious cases. These must be purchased, for the hospital in Tan An gives free medicine only when the patient is hospitalized. Some of the medical costs which families reported were for x-rays, which are obtainable only in Saigon. However, this is restricted to households who are the better educated and more well-to-do in the village -- people who appreciate the advantage of

proper diagnosis of illness and have the means to obtain it. Inoculations can be obtained from the village nurse, but he is not affiliated with the government health service and villagers must pay for these at a rate of twelve to fifteen piastres for a single shot.

The one medical service that villagers pay for as such, and which is incurred by all economic levels, is that of midwives. Their fee for delivery is 100 $VN, and since there are no maternity facilities in the village the deliveries are in the homes. There is some support in the village for a maternity center. The Fundamental Education Center has sought to encourage the village to build one as a "self-help" project, but progress toward it has been slow. The family reporting the largest medical expenses for the year, 5,000 $VN, complained that this large amount was due to the inefficiency and poor care of one of the local midwives. As a result of her inept handling of the case, the mother became quite ill and a large sum of money had to be spent for drugs and medicines for her recovery. Without knowing the details of the case, it is impossible to say to what extent the midwife was at fault, for conditions in any tenant's thatch-roofed house are far from sanitary and the opportunities for infection are great. What is interesting is the kind of causal connection which this family has drawn.

Another important outlay was the cost of major repairs on the houses. About one-third of those questioned reported large expenses for such things as replacing the roof or walls of their houses, or

replacing the support columns. The size of these expenses varies with the amount replaced and the quality of the materials used. In some cases an entire roof will be replaced; in others, only a section is roofed. Where minor expenses were reported, the repairs consisted of patching or very minor replacements of portions of the house. The bulk of the costs in this category was for materials, which in the case of thatch for roofs and walls is purchased from other villagers. Repairs of this kind become necessary every four years as a rule, although higher quality materials will last for a slightly longer period. Support columns for the house last much longer, and depending on the quality of the wood, will not require replacement more often than every twenty years.

The purchase of household furnishings and equipment appeared as an important expense in the response of a few families. This would be typical for young families who acquire household goods over the first few years of marriage, but it also included a number of purchases of replacement goods and repairs on household equipment. One such family purchased a battery radio at a cost of 4,000$VN for the radio and battery. Other common items were bicycle repairs, replacement of glass fronts in cabinets, purchases of new tables and chairs, wardrobes, and kitchen equipment.

The responses also give a picture of how the burden of interest on debt affects a cross section of village inhabitants. All classes reported interest payments during the year, ranging from 100$VN to 7,200$VN. The largest amount represented interest on a six-months

loan of 20,000$VN at the going rate of five percent per month which represented money borrowed to purchase rice land. The largest interest payment by a lower class household, 3,200$VN for the year, also represented a rate of five percent per month, and was the interest due for eight months on an original loan of 8,000$VN. Over two-thirds of those questioned answered that they had debts on which they had paid interest in the previous year.

Apart from the one loan for the purchase of new land, the reasons for going into debt were primarily to obtain funds for farm operations -- to buy fertilizer, to hire labor for transplanting, or similar needs. Those fortunate enough to obtain a government loan for such purposes, at an annual interest rate of twelve percent, reported the relatively low interest payments which are shown. This was true generally for the tenants in the group. One family had to borrow to meet the expense of medical care, but since this was a loan made by relatives there was no interest cost involved. None of the households in the group reported that they had loaned money during the previous year.

Taxes and homeplot rents do not seem to be particularly important annual expenses from the evidence of this small sample. This, too, corresponds with general observations and with the comments picked up from time to time in other contexts. Villagers do not complain about taxes, and if questioned will usually reply that the tax system is "fair". No landowners in this group own much rice land, and their tax liability is not very high. One of

them acquired his land in the agrarian reform program. Since this land was not actually received until 1958, it was not listed on the tax rolls as of the time of the interview, and the owner did not pay any taxes during the previous year. Three tenants who reported tax payments paid either a tax on buffalo or a tax on their homeplot. Those reporting no taxes for the previous year own nothing that is currently taxable, or were delinquent in payment.

The rental of homeplots is nominal, and for the most part amounts to less than 100$VN per year. Some landowners do not own the land on which their houses are built, while some farm tenants do own their own homeplots. The former situation is likely to be true where the landowner has acquired his land in fairly recent times, and the latter where the homeplot is all that remains of family holdings that once may have included rice land. Altogether, neither the tax on, nor the rental of, homeplots is very high in the village. Since the tenancy of homeplots seems quite secure, villagers are not highly motivated to acquire them and are content to build their houses on them.

Responses to the categories of "clothing" and one of "other expenses" (not inserted in Table 8.4) was not too satisfactory. Several indicated they had made fairly large outlays for clothing, but in other cases this was mixed with an estimate of all other non-regular expenses. Some families apparently made no clothing purchases at all for adult members, and clothing for children was included under the Tết estimate. Clothing needs are not very great

in the village. A few dress garments are kept for special occasions, but since they are seldom used they are not replaced very frequently. Daily clothing consists of black cotton shirts and trousers for both men and women, and these are literally worn until they are rags. Until that time, they are patched and mended to extend the useful life as long as possible, and therefore the purchase of new clothing is to some extent deferrable.

Failure to obtain many examples of "other" expenditures can probably be interpreted as an indication that there are no really major expenses not already listed. The possible exceptions to this would be the years in which a family had a wedding or funeral, and this would mean expense to the extent that gifts received failed to cover the cost of the ceremonies. Since these households had kept daily records of food and non-food expenditures, it was not necessary to get an estimate of the kinds of miscellaneous expenses which would have been included in those budget reports. Some of the people who were questioned reported that their expenditures for 1958 were less than they normally made, and that this was due to the bad crop years which had plagued the village for the previous two seasons. While it is impossible to be absolutely certain, the cooperative attitude of those who participated in these budget reports, plus the knowledge of village life obtained from other sources, gives some assurance that the list of major expenditures is reasonably complete.

Consumer prestige durables. -- In addition to the special purchases made during the year, the ownership pattern for prestige durables provides another insight into living standards. An inventory of consumer goods of this kind, compiled from replies given in the sample survey, is presented in Table 8.6. Distinctions between socio-economic classes, evidenced by various types of conspicuous consumption, emerge very clearly.

This particular list of consumer durables was drawn up from advance observations of consumer habits. It includes all of the things families tend to buy as soon as they can afford to do so, and consists of the things which denote both prestige and some material achievement. Some of these, of course, are functional, and their possession may be considered necessary to an extent, for they may provide utility or comfort. In this category would be a sewing machine, pressure lamp, wardrobe, bicycle, motor bike and table and chairs. The rest of the list, however, falls more clearly into the class of luxury or ornamental goods.

For the village as a whole, only two items -- brass altar fixtures and wardrobe -- are owned by at least half of all the households. All other durables are found less commonly than this. If ownership is divided by socio-economic class, the greater prestige of the upper class is shown by the fact that all but three of the goods listed are owned by at least half of all such households. The comparable figure for the middle class is that all but six of the goods are owned by at least half the middle class households.

TABLE 8.6

OWNERSHIP OF PRESTIGE DURABLES, BY SOCIO-ECONOMIC CLASS, VILLAGE OF KHÁNH HẬU, 1958

Item	Upper Class		Middle Class		Lower Class		All Classes	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Sewing machine	2	16.7	8	44.4	4	5.7	14	14.0
Pressure lamp	11	91.7	12	66.7	15	21.4	38	38.0
Photographs	11	91.7	12	66.7	18	25.7	41	41.0
Brass altar fixtures	11	91.7	15	83.3	23	32.9	49	49.0
Armchairs and center table	12	100.0	13	72.2	14	20.0	39	39.0
Potted plants	6	50.0	6	33.3	3	4.3	15	15.0
Chinese character fresco	8	66.7	9	50.0	22	31.4	39	39.0
Wardrobe	11	91.7	16	88.9	31	44.3	58	58.0
Wristwatch	6	50.0	3	16.7	--	--	9	9.0
Wall clock	10	83.3	9	50.0	8	11.4	27	27.0
Marble table	6	50.0	6	33.3	3	4.3	15	15.0
Bicycle	10	83.3	9	50.0	11	15.7	30	30.0
Scooter or motor bike	4	33.3	1	5.6	--	--	5	5.0
Glass front cabinet	9	75.0	13	72.2	18	25.7	40	40.0
Radio	2	16.7	1	5.6	--	--	3	3.0

However, ownership by lower class households is significantly lower than either of these, for there is not a single good on the list which is owned by as many as half of them. In fact, with the exception of a wardrobe, fewer than one-third of the lower class households own any of these prestige durables. In the case of three items, no lower class household in the sample owned them at all.

The significance of some of these things may not be apparent, and a few words of explanation may therefore be helpful. For example, family photographs are highly valued because they are a means of keeping alive the memory of family members in a society where the family cult is extremely important. Brass altar fixtures, which adorn the family altar, are more handsome than those made of wood, and therefore add honor and respect to the practice of the cult. The same is true of the frescoes of Chinese characters which are used to decorate the altar area. These contain mottoes, proverbs, wishes and greetings which serve to add greater prestige and honor to the family and its cult. The arm chairs and table, placed in the area before the main family altar, are reserved as a place of honor for the reception of important guests. These pieces of furniture are of wood, but there is added prestige if the table top is of marble, or if the chairs and table are inlaid with mother-of-pearl. The same is true for wardrobes, for although these provide storage space for clothing and important documents, they can also be decorated with inlay or constructed of fine, highly polished woods, thus adding a touch of beauty and luxury. A glass front cabinet is also valued as a place to display family china and family relics or souvenirs. Wall clocks are largely ornamental and a prestige symbol in a society where promptness is unnecessary and rare. These clocks are very plain, without elaborate design, and many of them are not in working condition. One household owned three of them, hung on the wall in a single row, all showing a

slightly different time of day. Potted plants, set in the courtyard of the house, serve as the ornamental shrubbery, and well-to-do homes have several of them on display.

In terms of demand, then, these items represent the kinds of things which would be purchased if incomes increased, though there would, of course, be increased demand for other things as well. But where a family wanted to increase its prestige and add goods which would honor its house, the chances are they would buy selections from this group. These are, in effect, the equivalent of the television set, the new car, the power lawn mower and the automatic dishwasher of suburban America.

CHAPTER IX

CREDIT AND SAVINGS IN A RURAL COMMUNITY

Credit Problems and Credit Facilities

Debt size and incidence.--A large share of the vigor of Western industrial economies is attributed to the extensive use of credit of all kinds, while the debt situation in rural areas has long been considered a major factor in retarding development. This is, of course, due to the particular forms which agrarian debt takes in many parts of the world, as well as to the fact that credit is frequently difficult to obtain and therefore available only at rates of interest considered extremely high by Western standards. Credit conditions in Khánh Hậu contain many of the familiar characteristics of rural debt in other undeveloped areas, but in some respects they differ from them, and from some impressions that are commonly held of the situation in Viet Nam itself.

To judge from data obtained in the sample survey, approximately two-thirds of the village households have debts of some kind, while about one-third are free of debt. These findings are shown in Table 9.1. The variation in debt incidence is also given there, and there are significant differences as between the socio-economic classes. This seems primarily between the upper class households and all other village households, for in the former group only one-quarter indicate they have acquired

TABLE 9. 1

DEBT INCIDENCE, BY SOCIO-ECONOMIC CLASS,

VILLAGE OF KHÂNH HẬU, 1958

Debt Status	Upper Cl.		Middle Cl.		Lower Cl.		All Cl.	
	No.	Per-cent	No.	Per-cent	No.	Per-cent	No.	Per-cent
Have Debts	3	25.0	12	66.7	50	71.4	65	65.0
Have No Debts	9	75.0	6	33.3	20	28.6	35	35.0
Total	12	100.0	18	100.0	70	100.0	100	100.0

debts. For the two others, the percentages are roughly similar, e.g., upwards of two-thirds. The relative freedom from debt shown for the upper class households is more or less expected, especially since, as will be developed later, it is this group which supplies an important share of the credit for the rest of the village. In the case of the lower class households, the more than one-quarter who report they have no debts are not necessarily in this situation by choice. Those who own no land have difficulties in obtaining credit, since they have nothing to mortgage or use as collateral. This emerges slightly in the data given in Table 9.2, where debt incidence is tabulated by land tenure status, and where a smaller percentage of landless laborers report having debts than applies to tenants, although a large percentage have debts than is true for landowners. Finally, the

TABLE 9. 2

DEBT INCIDENCE, BY LAND TENURE STATUS

VILLAGE OF KHÁNH HẬU, 1958

Debt Status	Landowners		Tenants		Laborers[1]		All Classes	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Have Debts	10	45.5	35	76.1	20	62.5	65	65.0
Have No Debts	12	54.5	11	23.9	12	37.5	35	35.0
Total	22	100.0	46	100.0	32	100.0	100	100.0

[1]Includes all households which do not own or rent land.

above estimates probably understate the real extent of indebtedness by some amount since the survey question referred only to monetary debt. Small debts in kind are also incurred, often by families who have not assumed any monetary obligations.

Debt for a slight majority of the households who are indebted, is under 3,000$VN, and over one-third have less than 2,000$VN. At the other end of the scale, over one-quarter have debts of 5,000$VN or more, and around 10 percent have debts of over 10,000$VN. These estimates, which are based on the same sample, are shown in more detail in Table 9.3. Once again, these are probably understatements to some degree, not only because they would not include borrowings in kind, but also because the answers to the question on debt were often given in terms such

TABLE 9.3

DEBT SIZE, VILLAGE OF KHÁNH HẬU, 1958

Size of debt (VN$)	All Classes	
	Number	Percent
Less than 1,000$	10	15.4
1,000 to 1,999	13	20.0
2,000 to 2,999	14	21.5
3,000 to 3,999	8	12.3
4,000 to 4,999	2	3.1
5,000 to 5,999	9	13.8
6,000 to 6,999	1	1.5
7,000 to 7,999	1	1.5
8,000 to 8,999	--	--
9,000 to 9,999	--	--
10,000 and over	7	10.8
Total	65	99.9

as "two or three thousand", "four or five thousand", and so on. Even taking the high figure in such cases, there may still be some under-estimation.

From one point of view, the reported size of debts does not seem unduly large. For most households the debt is probably less than 15 percent of gross annual income, which in Western societies would not be regarded as an unusual or unduly heavy obligation. In the village, however, this would be a less valid evaluation, for the gross income is low to begin with, and a margin of saving from which to repay debts does not exist in many cases. Difficulties in this respect are increased when high interest rates are very high.

Very large debts, i.e., over 10,000$VN, are incurred by all socio-economic classes, but, on the basis of our small sample, there are some grounds for assuming that they are, proportionately, more common among upper and middle class households than they are among lower class families. Sometimes they arise out of distress or emergency needs, but again the fact that security of some kind is generally required effectively excludes most non-land owning lower class families from sources of any credit, let alone large loans. For upper and middle class households, a large debt may have been acquired in order to buy more land or to invest in some business enterprise. For example, a large debt of 35,000$VN was contracted by an upper class household in the sample for the purchase of a motorcycle bus which would be put in service transporting goods and persons between towns along the main highway nearby. This is not unusual, however, for in conversations with villagers outside the sample survey numerous other similar instances were reported, including loans to buy rice mills, to buy an interest in shops, and to purchase paddy and lumber for transport and sale.

For the sample as a whole, the single most important reason for borrowing (24 percent) was to buy food and other necessities, essentially during the period between harvests. This was followed by needs to buy fertilizer, to pay medical expenses, to pay ceremonial expenses, and to cover other farming costs, in roughly that order. Beyond these reasons there were several

other scattered responses, including repayment of other debts, to raise capital for business investment, to meet expenses incurred in pig raising, for house repairs, for education, and so on. Significantly, no household reported borrowing to pay taxes. If borrowing to buy fertilizer is lumped with borrowing for other farming expense, the combined category would be the single most common reason given.

These replies related to the reasons given most frequently, and not to the volume of loans under each category. Unfortunately, no attempt was made to match the reasons for the loans with the amount borrowed -- the result of a decision not to press the respondents for detailed answers. However, it seems very probable that borrowing to buy fertilizer is also the most important reason in money terms, and that together with the borrowing to meet other farm expenses it would comprise a substantial part of all village debt.

There are significant differences between the socio-economic classes with respect to the needs to borrow. Middle class households and lower class households both report that a relatively large proportion (18.5 and 28.1 respectively) borrow to buy food and other necessities, but middle class households show a much larger percentage who borrow to buy fertilizer and to meet other farm expenses. In contrast, lower class households indicate proportionately more need to borrow for medical expenses and to pay for ceremonies than do middle class households. Given the

small number of upper class households in the sample, their replies show no tendency to bunch at any one reason or group of reasons, but interestingly they contain no examples of borrowing to buy fertilizer or food and other necessities -- the two most frequent reasons given by the other two socio-economic classes.

A final item in this initial view of debt conditions in the village shows that on the whole, debt has been increasing in recent years. As asked, the question sought only a reaction by the villagers to change in their debt position, and it was not concerned with specific time periods or specific amounts of debt. That slightly more than half (52.3 percent) should feel that their debts have increased was expected, given the poor harvests of the previous two years. It is surprising, however, to find that over half the lower class households believe their debts have either decreased or remained the same during the recent past. One is tempted to conclude from this that bad harvests are less likely to affect the debt position of lower class households than others. This may be explained by the relative stability of money wage income, wage labor for others, which although low, does not depend upon the size of the harvest. Higher socio-economic class households may be forced into debt to a greater extent because the bad harvests leave them with less funds to meet the expenses of the following year. However, the data are not complete enough to document this; it is offered only as a plausible, if unsubstantiated, hypothesis.

TABLE 9.4

CHANGE IN DEBT STATUS IN RECENT YEARS, BY SOCIO-ECONOMIC CLASS, VILLAGE OF KHÂNH HẬU, 1958

Debt Status	Upper cl.		Middle Cl.		Lower Cl.		All Cl.	
	No.	Per-cent	No.	Per-cent	No.	Per-cent	No.	Per-dent
Debt has been increasing	2	66.66	8	66.66	24	48.0	34	52.3
Debt has been decreasing	1	33.33	2	16.66	9	18.0	12	18.5
Debt has remained about the same	none	none	2	16.66	17	34.0	19	29.2
Total	3	100.00	12	100.00	50	100.0	65	100.0

Types of farm and consumer debt.-- Despite the apparent precision in the survey replies to questions on debt and interest, debts actually take a variety of forms and easy generalizations are not possible. To a large extent, these different forms reflect varying credit needs and varying means with which to meet them. This does not mean that credit is widely available, but it does mean there is some choice in the manner in which credit may be obtained.

It is sometimes held that before the war the large landlords were an important source of agricultural credit for their tenants, and, since they benefited through increased productivity

on their land in the form of higher rents, they made efforts to help their tenants achieve it, notably through loans. Since the war, according to this point of view, the break-up of large landholdings and the corresponding increase in the number of small landowners have eliminated a major source of credit from the agrarian scene. Although more people now own land, they no longer have access to the credit they need to work it efficiently.

As far as this particular village is concerned, this state of affairs apparently never existed. In general, landlords in the area were reluctant to extend agricultural credit to their tenants, and did so only under conditions unfavorable to the tenants. For example, when loans were made, the date of repayment was set to fall due prior to the actual harvest of the crop so that the tenant could not meet his obligations. The landlord would then offer to buy the crop, as yet unharvested, at some fraction of its probable value -- one-half to two-thirds. The tenant thus lost part of the value of his crop, in addition to paying prevailing rates of interest during the life of the loan. Tenants could be forced into this unprofitable arrangement by their need for credit and their need for land. Landlords held out the threat to take back their land against those who protested too strenuously. Moreover, since land rents were usually set in terms of a specified amount of rice at the end of the harvest, the rent would not vary with the size of the crop, and the landlords therefore had no interest in increasing productivity

on the part of their tenants. The attitude of landlords is characterized as one of concern only for collecting their rents, not in aiding measures which might improve living conditions among the tenants.

It is impossible at this date to verify either version of landlord-tenant credit relationships as they existed before the war. However, it is clear that the power of the landlords has been curtailed as a result of the events of the war years and the subsequent moves toward agrarian reform. If they ever did much lending under the conditions ascribed to them, there is very little of this kind at the present time. The closest approach is the pre-purchase of crops, but without the tie-in with previous lending. This is a way of obtaining funds that is generally limited to conditions of extreme distress. A farmer thus pressed will seek a buyer to purchase his crop before it is harvested. The buyer having estimated the probable yield will pay the seller one-half its estimated value, and will retain the total proceeds from the crop when it is finally harvested. The farmer, in such cases, generally loses half of his expected gross income from the crop, but there are risks to the buyer as well. If there is a bad harvest, due to insect damage or crop disease that takes place after the transaction, the buyer will also lose. Another variation of this is to pre-purchase specific amounts of paddy for delivery after the harvest. In this case a farmer will receive payment for a

certain number of gia of paddy at the beginning of the planting season, at a price which is generally 40 or 50 percent of the expected value of paddy at harvest. After the harvest, the farmer delivers the paddy to fulfill his contract. These types of "futures" transactions do not give rise to transferable contracts as far as can be determined.

As indicated earlier, borrowing to purchase fertilizer is an important credit need, and credit arrangements have therefore developed to meet it specifically. When selling fertilizer on credit, the merchant usually increases the price of the fertilizer in fixing the conditions of the transaction. As an example, a farmer wishing to buy three bags of chemical fertilizer which sell originally for 180$VN per bag will find that the sale price to him is set at 210$VN per bag. Interest for the period of the loan is calculated as 5 percent per month on the inflated total sale price of 630$VN, rather than on the lower price of 540$VN which would be paid in a cash sale. This combination of an inflated price and a quoted interest rate means that the effective interest rate is higher than the quoted rate -- in this example, provided by a farmer who had purchased his fertilizer under these conditions, the rate was doubled. In addition to arrangements of this kind, fertilizer is purchased directly with money borrowed from sources other than the merchants, and under conditions described below under the discussion of credit availability. This is, of course, true of other kinds

of purchases as well.

Storekeepers in the village and in neighboring market areas advance limited amounts of credit to their regular customers. As a rule they do not seem to lend money, but instead use open book credit for items taken from the store. The amounts individual storekeepers are willing to carry in this way will vary, but some have said that as many as one-third of their customers are indebted to them to some extent. One storekeeper denied that he gave any credit at all, but this seems improbable since offering credit is a ready way to attract a steady clientele. No interest is charged as such an open book credit in stores, but the amount of the debt is carried at somewhat higher prices than would be paid if the transactions were for cash.

The storekeepers, in turn, are all indebted to the wholesalers from whom they purchase their stocks of goods. They, too, obtain open book credit which they are committed to repay as rapidly as their turnover permits, and no date is set for repayment. Again, no quoted interest rates are fixed for the amount of the loan, but the prices are not subject to bargaining and are therefore higher than would otherwise apply.

Another form of consumer credit that is very common is to borrow rice at one time with the promise to repay after the harvest, and in kind, one and one-half to two times the amount borrowed. This is a form of loan that is used to cover the most basic food needs in a family that has not been able to set aside

enough rice to last between the harvests. The effective rates on such loans, 100 percent per annum or more, are higher than most straight monetary loans made for small amounts and for similar purposes.

It is easier for those who have land to borrow money because the land can be pledged as security, and land is the most acceptable type of collateral. In general, the landowner must pledge all of his land, even though the amount he wishes to borrow is only a small percentage of the total value of his land. The person holding the mortgage is usually willing to extend the loan indefinitely into the future, with the provision that any unpaid interest is added to the principal, and interest is then calculated on the compounded total of principal and unpaid interest. There has been very few instances in which a creditor has foreclosed a mortgage. Instead, it is more common practice for a debtor, finding his debt mounting because of his inability to meet interest payments, to sell some portion of his land and use these sales proceeds to pay his debts.

Villagers recounted several instances of large debts which had accumulated and forced the debtor to sell land as a means of meeting them. One account that was typical of these involved an original loan of 7,000$VN at an annual rate of 30 percent, a typical long term rate. At the end of the first year, the borrower could not pay either interest or principal, so the interest for the second year was calculated on a new total of

9,100$VN. This unfortunately continued over a five-year period, at the end of which time the total debt, principal plus interest, was nearly 26,000$VN. The interest due on this amount for the sixth year was actually greater than the amount of the original loan. To meet it, the borrower was forced to sell a portion of his land.

Mutual aid societies (hụi).--One special type of loan arrangement found in Viet Nam and known as a hụi, is essentially a mutual aid society or tontine. Derived from a similar Chinese institution, the particular form a hụi takes will vary from one part of Viet Nam to another. There is some variation even within a village, but the type used in Khánh Hậu is like that found in Saigon and other parts of the Mekong delta region.

Actually, the hụi is almost as much a gambling game and social gathering as it is a mutual aid society, for over the limited period of the society's existence some of the members gain and some lose, with gains and losses depending partly on the skill with which the participants make their bids. The society is founded by one person who is in need of funds and who assumes responsibility for organization. He generally tries to find ten or twelve others who wish to participate, some of whom will also be anxious to borrow money. The number of members and the amount which the organizer gets from the society is not fixed, but will depend to some extent on circumstances and the needs and resources of those who take part. The hụi exists long enough for each member to receive funds once, after which it closes permanently.

To illustrate how the society works, Table 9.5 shows a simplified example in which an organizer invites only four others to participate, each undertaking to pay the organizer 1,000$VN the first month, or a total of 4,000$VN, which is the amount it is assumed the organizer wanted to borrow. This first meeting is a festive occasion and the organizer gives the other participants a large dinner in appreciation for their willingness to take part. In the example, Mr. "A" is the organizer, and Row 1, which is the first month, shows that each of the others pay 1,000$VN to Mr. "A". Each cell in the Table indicates payments; a blank cell indicates receipt. The amounts paid are totalled by columns, and after the first month the amount Mr. "A" pays into the hụi are shown in the column under his name. Receipts are totalled by rows, and the amount that Mr. "A" receives is shown at the end of Row 1, which contains the payments made by others to the recipient for that month.

At the beginning of the second month, all members of the hụi meet again at the organizer's home, but this time there is no feast. Refreshments are served, and all the participants except Mr. "A", who has already received his loan from the hụi, will bid for a chance to obtain money from it. Bids are marked on pieces of paper, folded, and handed in for examination. A bid contains the amount of "interest" the bidder is willing to pay for the use of the funds of the hụi, and the member making the highest bid gets the loan for that month. Since the hụi is

TABLE 9.5

OPERATION OF A MUTUAL AID SOCIETY (HỤI)

Month	Members					Total Amount Received
	A	B	C	D	E	
1	--	1,000$	1,000$	1,000$	1,000$	4,000$
2	1,000	650	650	--	650	2,950
3	1,000	--	800	1,000	800	3,600
4	1,000	1,000	--	1,000	850	3,850
5	1,000	1,000	1,000	1,000	--	4,000
Total Amount Paid	4,000$	3,650$	3,450$	4,000$	3,300$	

based on an original contribution of 1,000$VN per month, the "interest" bid is deducted from this amount to determine how much each of the others will pay the successful bidder in the month in which he wins the bid.

To give an example of how this works, assume that Mr. "D" is the successful bidder in the second month, and that he made the highest "interest" bid of 350$VN. The other three bidders, Messrs. "B", "C", and "E", each pay 650$VN to Mr. "D" (1,000$VN minus 350$VN bid), for total receipts by Mr. "D" of 2,950$VN.

Mr. "A" is committed to repayment at a rate of 1,000$VN each month after he receives his loan. All others are similarly required to pay 1,000$VN each month after they receive their loans. Mr. "D's" receipts are shown at the end of Row 2, the month in which he won them, and total 2,950$VN. His total payments appear at the bottom of the column headed his name, and these will ultimately amount to 4,000$VN.

In the third month, Mr. "B" wins with an "interest" bid of 200$VN. He therefore receives 800$VN each (1,000$VN minus 200$VN) from Mr. "C" and Mr. "E", neither of whom have won yet themselves, and 1,000$VN from Mr. "A" and Mr. "D" who have already received funds from the hûi. His total receipts are shown at the end of Row 3, the month in which he won, and his ultimate total payments are shown at the bottom of the column under his name. The play proceeds in this way, with only Mr. "C" and Mr. "E" bidding in the fourth month, where it is assumed that Mr. "C" wins the bid. The hûi comes to a conclusion with Mr. "E" receiving the final payments made by all other members in the fifth month, and without making any further bid for them.

The net results to each of the participants are shown in Table 9.6. Mr. "A" receives an interest-free loan of 4,000$VN for his efforts to organize the hui, while Messrs. "B" and "D" pay interest of 50$VN and 1,050$VN respectively for the amounts they received. Messrs. "C" and "E" actually gain from their participation, and in effect receive interest for the amounts they have paid in.

TABLE 9.6

GAINS AND LOSSES TO PARTICIPANTS IN A MUTUAL AID SOCIETY (HỤI)

Participant	Total Receipts (VN$)	Total Payments (VN$)	Net Gain (+) or Loss(-) (VN$)
A	4,000	4,000	0
B	3,600	3,650	-50
C	3,850	3,450	+400
D	2,950	4,000	-1,050
E	4,000	3,300	+700
Total	18,400	18,400	0

The interest thus paid and received will depend on the course of the bidding over time, which, in turn, will depend on how badly the participants want money from the hụi. Those who need funds will make higher bids than those who do not, but since the bidding is secret they will not know how high to go in order to win the bid. Those gaining the bid early in the life of the society will wind up paying interest, but presumably they are also those who most want the loan. Those who do not need the loan will make low bids, and by holding back hope to get the bid only toward the end. At that time the chances increase that they will receive a positive net return for their participation.

The hụi thus performs several functions. It provides an

occasion for a social gathering, it has elements of gambling that, like poker, depend to some extent on the ability to bluff, and it is also a source of loans for those who need them. While it is one of the more important sources of credit, there are some limitations on participation. For example, it is more common for merchants and women to take part than others, for these are more likely to have regular sources of income from storekeeping and petty commerce. Regular income is important because the participants must be able to meet the monthly payments when they come due. The hui thus has become a way to acquire capital for a stock of goods, liquidation of which will provide the monthly income with which to make repayments. The survey data indicate that around 15 percent of the number of loans made in the village take this form.

The identity of creditors and availability of credit.--An attempt to identify the main sources of credit in the village resulted in the listing shown in Table 9.7. This does not indicate their relative importance in terms of the volume of loans originating with them, but only in the number of instances that these sources were named by debtors.

According to these replies, the two most frequently used sources of credit are relatives and friends and neighbors outside the extended family. The government's loan program also emerges as an important credit source, followed closely by the hui. Landlords and storekeepers, often considered the major creditors

TABLE 9.7

IDENTITY OF MAJOR CREDIT SOURCES, VILLAGE OF KHÁNH HẬU

1958

Creditor	Number	Percent
Relatives	34	35.8
Government	17	17.9
Hui	14	14.7
Storekeepers	6	6.3
Landlords	4	4.2
Other[1]	20	21.1
Total	95	100.0

[1]Includes neighbors and friends outside the extended family.

in rural communities, appear to be the least important of all. In the entire survey, not a single household reported they had borrowed money from a professional money lender.

From this information, and from numerous other conversations with the villagers, it seems clear that Chinese and Indian money lenders do not have any impact on the credit structure of this area at the present time, and, in fact, have never been very important. Loans have always been obtained from other Vietnamese, and almost always from those resident in the village. Indian and Chinese money lenders do engage in lending activities in the larger

towns, such as Tân An and Mỹ Tho, but these are limited to loans to tradesmen and small businesses. Both groups tend to refrain from making agricultural loans, a preference which is reciprocated by the villagers who prefer to deal with other villagers and not with outsiders. This does not mean that there is no borrowing at all from professional money lenders, but it does mean that there are none resident in the village, and that dealings with them are very infrequent and of limited importance to the total credit available -- far less than the role commonly ascribed to them.

The great dependence on relatives and friends for loans shown in over half the cases reported in the survey, reflects the stringent conditions placed on borrowing where this is a straight business transaction. The reluctance of well-to-do landowners to lend money without large amounts of security has been touched upon earlier, but it can be emphasized again. In fact, most large landowners prefer not to lend to villagers, whether tenants or not, and instead will channel loanable funds into the larger towns where they will make them available to merchants, rice mill operators, and similar types of borrowers. Villagers explain this in terms of the concern which the well-to-do feel over the safety of their funds. They do not want to bother with problems of collection, which they assume would be greater in cases where there is little or no collateral for the loan. Therefore, they lend where the credit risks are less, and

despite the need for funds on the part of other villagers, they restrict lending to cases where there is, in their opinion, adequate security.

This means that direct business loans are usually available only to those who own land, or who have a crop almost ready for harvest, at which time it is sometimes possible to obtain loans. This also partly explains why the price of fertilizer can advance to two or three times its original price at the time it is most needed. Farmers would be willing to borrow money early in the season in order to buy fertilizer when prices are still low, but money is simply not available to them at that time, particularly if they are tenants and have no land to pledge against the loan. Only when the crop is well advanced, and the creditor can see for himself that there will be means to make repayment, can the farmer borrow what he needs for fertilizer. By that time, however, the increased demand for fertilizer which takes place as the season advances has led to sharp price increases.

This refusal to offer credit, except under very rigid requirements of security, forces people to turn to relatives and friends for funds. Only people in the lower class, essentially the laborers, go to storekeepers for credit according to the survey, but in other respects there do not appear to be significant differences between the creditors of middle and lower class households. So few upper class households reported debts that no real comparison is possible. The same is true if the replies

are tabulated by land tenure status. Except for a slightly higher percentage of laborers who rely on relatives than do tenants, and a smaller percentage who obtain credit from friends for the same comparison, there is little difference between credit sources used by tenants and laborers. In fact, if the number of times relatives and friends and neighbors are used as sources is combined, both tenants and laborers rely upon them in over 57 percent of all cases. This is perhaps the more realistic way to look at it, for the kinds of loans one gets from friends and neighbors or relatives are alike in that there is less concern with collateral, although the interest structure is different.

It is very common for villagers to have more than one creditor, as shown by the survey finding that 72.3 percent of those with debts had multiple creditors. This seems to be due to limited willingness or ability to lend on the part of creditors, as well as a diversification of credit needs and therefore of the forms and sources of credit. There is no significant difference between socio-economic classes, and all classes of household show the same tendency to rely on more than one source of credit.

Interest rates.-- Generalizations about the structure of interest rates in the village must be made and accepted with caution, for the most striking thing about it is its diverse

character. Furthermore, some forms of debt are such that the rate of interest is indeterminate for the most part, e.g., the hụi and certain kinds of loans in kind. It is possible to present a general impression of interest rates and how they may be related to size of loans, time to maturity, and identity of the creditor, but the foregoing qualifications to the completeness of this picture should be kept in mind throughout.

One of the first things to strike the outside observer is the proportion of interest-free lending which takes place. An overall picture of the spread of interest rates is shown in Table 9.8. Approximately one-third of the loans reported were made without interest.[1] The common rate applies was 5 percent per month, which was found in slightly less than one-third the cases. Another one-third fell within the range of 1 percent to 4 percent per month, and only slightly more than 10 percent of the reported loans were at rates in excess of 5 percent per month.

Villagers have said in interviews that interest rates change with the size of the loan, and that high rates of 10 percent per month would be set for small loans of 1,000$VN or less, 5 percent per month for loans of 1,000$VN to 10,000$VN, and 2 to 3 percent per month for loans above that. The survey

[1]Table 9.8 has eliminated nine cases where the interest rates were indeterminate or where the replies covered more than one loan without specifying adequately the rates applying to the different loans.

TABLE 9. 8

RANGE OF INTEREST RATES, VILLAGE OF KHÂNH HẬU, 1958

Interest Rate (percent per month)	Reported Debts	
	Number	Percent
Interest-free	19	33.3
1 percent	6	10.7
2 percent	--	--
3 percent	6	10.7
4 percent	3	5.4
5 percent	16	28.6
6 percent	--	--
7 percent	--	--
8 percent	5	8.9
9 percent	--	--
10 percent	1	1.8
Total	56	100.0

findings do not bear out distinctions in this clear-cut a fashion. Although there is some tendency for the rates to be higher on small debts than on larger ones, the debt size at which the rate changes is not readily discernible. For one thing, the survey findings show that a large proportion of the small size loans are made interest-free. In the sample, 45.9 percent of all loans under 3,000$VN were made without interest, and this leaves relatively few cases as a basis for generalization.

However, eliminating all interest-free loans, and including only the monetary loans for which interest rates are determinate,

around two-thirds of all loans under 3,000$VN bear rates of 5 percent per month, or more, while 52.6 percent of all loans of 3,000$VN or more fall in the same rate bracket. The reverse of this, of course, is that while only one-third of the loans under 3,000$VN bore rates of interest of less than 5 percent, nearly half those over 3,000$VN were at the lower rates. Thus there is some slight evidence to support the view that interest rates change with the size of the loan involved, but with rather wide variation depending on individual circumstances.

The data were not complete enough to permit any investigation of the relationship between time and the rate of interest. In one sense, many loans become long term loans because the borrower cannot repay and the lender, often unwilling to foreclose on the collateral which has been put up, permits the debt to continue. However, most loans that start out as long-term loans are also usually fairly large loans, with the result that long-term loans and large loans become the same thing, and the observed tendency for rates to decrease with size can be ascribed to a combination of these two factors.

The identify of the creditor is another important aspect when considering the structure of interest rates. Once again, the survey data are too thin to give a firm picture of the relationships in all cases, but they show, for example, that about half (53.6 percent) of loans made by relatives are without interest. They also show that interest rates can run the full

gamut in this category, for two reported they paid 8 percent per month and one 10 percent per month on loans from relatives. This corresponds with what villagers have said in other interviews, for although borrowing from relatives is an important source of credit, and often is made without interest, it is not true in all cases. Family ties are not always strong enough to overcome the desire to obtain a return for goods or money loaned within the extended family.

This seems even more true when borrowing from friends. Again, this is an important credit source, and one which does not require the security that is necessary when the debt is between relative strangers. However, there were no cases where borrowing from friends or neighbors took place without interest. Furthermore, the general pattern of interest rates is rather high, for over four-fifths of those borrowing from this source paid rates of 5 percent per month or more. These also tended to be smaller loans, for the most part, and riskier because of the lack of security in some cases, but the distinction between friends and relatives, for example, seems significant.

So few cases were reported under each of the other sources that it is not possible to establish any clear findings. For what it may be worth, some reported interest free loans from both storekeepers and landlords, but there were not enough instances to say how widespread this may be. Government loans were reported at the 1 percent per month which is fixed in the

loan contracts, and no attempt was made to compute interest rates for participation in the hui.

From these scattered observations and the findings of the survey, the market for loans in the village is clearly not organized to a point where interest rates show a tendency to cluster around well-defined factors such as size of loan, length of time, degree of risk, and so on. Nor does there seem to be any traditional pattern which sets the conditions under which borrowing takes place within the village, or within kin groups, or within residence groups. Except for the kinds of tendencies noted throughout the discussion of interest rates, it is probably true that the rate prevailing in any given situation is due essentially to the individual circumstances which apply in that case.

Government credit. Three different governmental agricultural credit programshave come into the village since 1955. All sought to increase credit availability to farmers of the small landowner, small tenant category. The most recent program, that of the National Agricultural Credit Office (NACO) has been the most efficient and the most far-reaching in its effectiveness. Established in 1957 by Presidential decree, and supported by American aid funds, the first loans available through it were granted in the village in 1958.

The earlier programs included four-year loans for buffalo purchase, issued at the beginning of the year in 1956, and one-

year agricultural loans which were granted in mid-year 1956. Under the first, 21 farmers were able to borrow 3,500$VN each, while under the second 36 farmers borrowed amounts ranging from 500$VN to 2,000$VN, although over four-fifths of them received the latter figure. These 36 were the successful applicants out of a total of 100 who originally requested credit. In 1957, 100 villagers again applied for loans through the government's program, but none of them received funds in that year, presumably because of difficulties at administrative levels above the village.

In July, 1958, the village received 100 application forms for credit under the newly established NACO program, and an additional 53 forms were subsequently obtained. These were passed out to the hamlet chiefs, who, in turn, passed them to the heads of the 5-family groups in their hamlets. To qualify as a recipient of the form, one had to be (1) an actual resident of the village (2) an active farmer, (3) a small landowner or tenant and (4) poor and in need of credit. However, the Village Council made no attempt to determine the 100 neediest cases. With distribution of the application blanks a matter of choice at the hamlet level, there were obviously opportunities for favoritism. In fact, complaints on this score are commonly heard in the village. However, when the applications were returned it was possible to observe the applicants, and many of them were among the poorest farmers in the village. Despite whatever

degree of personal favoritism may have been involved, the credit program was reaching some of the farmers who needed funds.

Applications are processed through the Village Council, any member of which can certify that the information given is correct. The council does not pass on the merits of the case, only on the accuracy. Completed forms are sent to the NACO office in the district, and there decisions on amounts to be granted are made. In general, the maximum anyone can borrow is 3,000$VN, and this is available to farmers who are operating the larger pieces of land. The minimum is 800$VN, for farmers operating one hectare or less. The rate of interest is fixed at 1 percent per month. In 1958, 142 applicants actually received loans of from 1,000$VN to 3,000$VN, distributed as shown in Table 9.9. The 11 rejections were for reasons such as that the applicant was either too young or too old (5 cases), the forms had been improperly prepared (2 cases), the applicant had not repaid his loan for 1956 (1 case), the applicant had too much land (1 case), and the applicant did not have a rent contract (2 cases). Processing of the applications at the district branch office was quite rapid, and payment was made by the NACO official within one month of the time the applications were forwarded. This was too late for use in meeting planting costs, but still in time to help pay for chemical fertilizers.

Reaction to the government's credit program is favorable, and approximately one-quarter of the village households benefited

TABLE 9.9

REQUESTS RECEIVED AND NACO LOANS GRANTED

VILLAGE OF KHÂNH HẬU, 1958

Amount (VN$)	Requests Received		Loans Granted	
	Number	Percent	Number	Percent
1,000$	7	4.6	9	6.3
1,500	7	4.6	8	5.6
2,000	83	54.2	76	53.5
3,000	42	27.5	49	34.5
4,000	9	5.9	--	--
5,000	5	3.3	--	--
Total	153	100.1	142	99.9

from it. The villagers hope that it will continue at least at the level of 1958, but the experience of 1956-57 has made them skeptical. There are the complaints over alleged favoritism already mentioned, and some tendency to believe that the program does not help the small landowner as much as the small tenant, but there does not seem to be any evidence that the latter is true. The saving in interest is so impressive that there are no complaints that the interest rate is too high.

There is one further reaction to the government credit program that is not a complaint, but a suggestion for modification, and it is supported by a large cross-section of the village population. Specifically, it would replace agricultural

loans of money with loans in fertilizer, which is the most important need for credit. The suggestion was proposed at a village meeting at one time, enthusiastically accepted, and a recommendation to this effect was actually forwarded to the NACO district office. Two reasons are usually advanced in support of this change. One of them relates to the low income of many families, and their need for cash to meet daily needs. Receipts of a large cash loan, particularly if it has been a bad year, places a great temptation in the hands of poor households, with the result that some or all of it may go for long-delayed consumer purchases at the expense of farm needs. Loans of fertilizer would eliminate this type of temptation and would ensure that the loans would be used as intended. The second reason reflects the dislike and distrust which most villagers hold for the merchants who sell fertilizer. Having watched them manipulate the stocks of fertilizer so that prices would be forced up in the past, the villagers fear that money loans play into the hands of the merchants. They feel that prices will be put up artificially because farmers will still have to obtain their fertilizer through the merchants, and that much of the advantage of the loans will be dissipated in higher prices. Direct loans in fertilizer will by-pass the merchants, and they will not be able to reap any advantage from sales to the small landowners and tenants who are the beneficiaries of the loan program.

Something of this kind was actually carried out in the village through the National Revolutionary Movement (NRM) party in 1958, and with apparent success. The national party organization distributed fertilizer to the district party headquarters, and village party units arranged with the district for delivery to the village. Prices were fixed for Khánh Hậu below the market prices in Tân An. Fertilizer was available to party members and non-members, but party members were eligible to buy on partial credit. Phosphate tricalcique was distributed to party members at one-third down in cash, ammonium sulphate at one-half in cash, the balance payable after the harvest. Farmers with poor grades of land were permitted to buy up to 10 bags of each kind, but farmers with good land were limited to 7 bags of each per hectare. To become eligible for the credit, a farmer had only to join the local party unit, and this could be done at any time, even after the fertilizer had been delivered to the village. During the distribution period, membership increased by fifty households.

In this one year, when NACO credit was available and the NRM fertilizer supply and credit program was in operation, fertilizer prices in Tân An in December were from 170-174$VN per bag for ammonium sulphate and 120$VN for phosphate tricalcique. Comparable prices one year previous were 225$VN and 160$VN respectively. There is no doubt but that these two factors, in effect for the first time in 1958, did much to stabilize the price of chemical fertilizers in the area and prevent the sharp price rises that

have been typical in earlier years.

Summary. In reviewing the findings on credit conditions in Khánh Hậu, there are many signs of improvement and grounds for optimism. For one thing, it does not appear that the events of recent years have had any adverse effect on the traditional or established credit structure. Neither large landlords nor professional moneylenders had ever been an important factor in providing loans to these villagers, and any curtailment of the activities of these two groups by the government has not restricted credit or brought hardship.

Secondly, the incidence of debt is high, but typical debt size is not too large. This is not to minimize the burden which even small debts may bring, but there is no sign of widespread, massive, or overwhelming indebtedness of the sort which is said to exist in some countries, and which reduces the debtor to the role of virtual serf to his creditors.

Interest rates show the characteristics associated with undeveloped rural areas in all parts of the world -- "normal" rates of 5 percent per month, effective rates that may go as high as 200 percent per year on loans in kind -- but a remarkably high proportion of loans are made without interest at all. There is some indication that interest rates decline with the size of loans and the length of time of loans, but individual practice varies so widely that this is best described as a general tendency only.

Villagers without land or other collateral have difficulty in obtaining loans on a straight commercial basis. Well-to-do landlords prefer to lend their money in towns, avoiding trouble and inconvenience by placing loans where the problems of collection seem minimized. Friends and relatives from middle and upper class households, unlike the rich or well-to-do landowners, provide an important, if limited, source of credit within the village.

Finally, the government's loan program has worked well. It has benefited a substantial proportion of the small landowners and tenants, and has been carried through with a minimum of difficulty or complaint. A program of fertilizer credit was also introduced in 1958, and the combined effects of these two credit operations did much to help the typical villager meet his farm needs at greatly reduced cost.

On all these grounds, there are reasons to feel that credit conditions will continue to improve, and that this particular problem area, while still an important one, will be less serious than others which the village as a whole must face.

Savings

Some factors affecting the size and distribution of savings. Information on the size and nature of savings was one of the most difficult areas of study. Questions generally yielded only vague and evasive replies. This is understandable from several standpoints; the people seemed especially afraid that information

about savings might, in some way, be used in same way, to impose a loss on them. What is known about savings, therefore, must be pieced together from observations, insight, and bits of information which became available over a period of time.

It seems highly probable that a large majority of the village households have no savings at all in the sense of hoards of cash or liquid valuables set aside for emergencies or accumulated to meet specific anticipated needs of a major kind. Most families, of course, will have some small accumulation of cash on hand at any given time, and may also own a few pieces of gold in the form of rings, necklaces or as settings for small bits of jewelry. They may also own goods such as bicycles, pressure lamps or altar fixtures which would have re-sale value, but these do not constitute savings of the kind identified above. The high proportion of the middle and lower class families who have debts is a strong indication that these households do not accumulate enough income in most years to get themselves free of debt, let alone put aside some of that income in the form of savings. Accumulated savings are centered in the upper class families and a few of the middle class households, the source of a large share of the village loans.

The size of these savings by upper class households will vary from year to year, according to the size of the harvest and the returns from loans or investments in other enterprises. In bad years, when rents are reduced, loans cannot be repaid, or

interest collected, even upper class families will not be able to save much from their gross incomes. The proportion of households in the village who accumulate some savings each year probably does not exceed 5 percent of total households, and this is likely a very generous estimate. The few largest resident landowners in the village, and therefore the most well-to-do, live comfortably at a level well above that of the typical villager. Some of them donate generously to village functions, particularly some of the older men who are concerned with accumulating a record of good works before they die. However, these very well-to-do maintain a normal standard of living that is far from ostentatious, well below that obtainable with their normal income. It is here that savings accumulate regularly. There is no observable tendency for these households to expand or contract their expenses from year to year in such a manner that all income is always spent. They do not provide elaborate feasts for other villagers or indulge in other external signs of affluence such as enlarging or redecorating tombs, building additional houses, or the like. In other words, whereas a large majority of the villagers cannot normally expect to accumulate any savings, there is a small group of upper class households who are in a position to do so. There is nothing in the culture to impel them to spend all they receive, so they do save income in excess of the amount necessary to maintain a modest, comfortable standard of living.

Physical security is the most important concern for those who have been able to accumulate some savings. Village houses are easily entered, and short of hiding valuables in hollow pillars or burying them in the house or yard, there is no place to keep things safely. A few houses have metal strongboxes, but since they can be easily broken into or carried away, they are more a prestige item for display than a realistic place of safekeeping. Villagers who have relatives living in large towns sometimes keep money or gold in the houses of these relatives. It is also possible to keep money on deposit in a government subtreasury in Mỹ Tho where it would draw a small amount of interest, but no villagers have taken advantage of this opportunity. In general, the villagers prefer to avoid becoming involved with governmental procedures. They find paper work complicated and difficult to understand, and in addition, in this case, any excess funds earn much higher rates of interest in the village.

Savings therefore tend to be channeled into forms or uses where they are physically secure. An important use of savings is to buy land, if this is possible. This is considered the most secure investment of all: the importance of productive land in a rural community is such that villagers feel certain it will never decline in value; it is physically secure in the sense that it cannot be stolen by removing it, and the great demand for land makes it also a highly liquid asset. Finally, maintenance of the family cult of the ancestors is ensured if the family

has land to support the cult, and tradition therefore sanctions the acquisition of land and strengthens the other factors which combine to place a high value on this use of savings.

Lending money at interest is another way in which to utilize savings. As noted earlier, large landowners and landlords prefer to lend to businessmen in the larger towns, and lend to small landowners or tenants only on the pledge of land or crops already close to the harvest. In general, it is not possible to buy small shares in a business, for most Vietnamese merchants or entrepreneurs do not like to participate in large partnerships. The flow of funds is therefore in the form of loans, not as investment shares in business ventures. Further, an effort is made to diversify lending so that loans are placed with only one kind of business at a time.

Those with small amounts of savings will lend to others in the village, both relatives and friends, or will participate in a hụi. In the case of lending to friends or taking part in a hụi, the interest received will be relatively high, but in the case of lending to relatives there may be no interest, as illustrated earlier. This is the source of borrowing for middle and lower class households who do not have enough collateral to borrow from the wealthy landowners on a straight commercial basis. Small lenders in this category have limited amounts they can put out so there is not much concern about diversification at this level.

There are not many visible signs of hoards in the form of gold and jewels. Some children wear small gold earrings; young girls wear gold necklaces on ceremonious occasions; some people have gold teeth or wear gold rings; once in a while bits of jade are seen in rings or earrings. These things are, in part, a way to keep savings, but they are also ornamental and are worn with ostentation at times when the owners, particularly young girls, want to look their best, as at weddings. This use of jewelry is most common among the more well-to-do families, but small amounts are worn even by people in poor families. The retention of gold trinkets and jewelry by lower class households would tend to argue that these are really more properly ornaments than a form of savings, and that families will borrow to meet household or farm needs before they will sell what little jewelry or gold they possess. The traditional bride price included a gift of gold earrings to the bride, but at the present time lower class households avoid this expense and give symbolic payments, such as areca nut and wine, and some cash. Thus an important stimulus to accumulation in the form of gold jewelry has tended to disappear, although families who can afford to maintain the tradition continue to do so.

In addition to the jewelry, some households hoard gold in the form of flat sheets or in bars, but it is impossible to estimate how much is tied up in this way. One cannot detect any widespread feeling of distrust in money as such, and while many

people would prefer to keep gold instead of cash if they had funds to hold, the desire for gold is far from obsessive or all-consuming. In other words, people do not rush to change paper currency into gold at the first opportunity. Poor households, especially, will often hold any surplus in the form of paddy, which has the advantages of maintaining its value over time, being relatively free from spoilage, easy to protect from theft, and is a fairly liquid asset. If worst comes to worst, the family will always need rice to eat, and their savings will sustain them directly.

By way of summary, the saving that takes place in the village is concentrated primarily in the very small percentage of upper class households with the largest landholdings. Other households probably do not manage to save anything from year to year. Savings are largely loaned out, much of them going into nearby towns, but some of them going to villagers. The purchase of land is another preferred outlet for savings. This is less frequently used, however, because it requires someone willing to sell, and land is usually sold only as a last resort, in cases of extreme hardship. The willingness to make savings available to others through loans is a very hopeful sign for the future development of a more highly organized series of markets for credit. Further, although there is no strong tradition positively encouraging saving, there is also no strong cultural bar to saving. The main limitation on saving is the low level of

village incomes, and while it is true that some ceremonial spending occurs at the expense of potential savings, this is not the critical factor. Instead, it seems clear that if incomes were to rise there would undoubtedly be an increase in savings, and a large share of these savings would find their way into productive lending rather than in ceremonial spending or idle hoards of cash, gold or jewelry.

Chapter X

THE FUNCTIONING OF THE VILLAGE ECONOMY

An Aggregate View of the Village

The performance and structure. -- The term "village economy" is one that is easy to misuse, but in one sense it refers to the economic activity that takes place within the village boundaries. This is what is implied in the use of the term here. As pointed out earlier, it would be incorrect to regard the village as somehow self-contained and self-sufficient, an economic unit that functions without much relation to the outside world.

There are, of course, large elements of self-sufficiency in matters relating to food and shelter. There are also large areas of activity which seem conditioned by the resource endowment and the force of tradition more than by the complex price and cost considerations of a more sophisticated economy. Still, the village relies to a large extent on exchange with the more developed commercial sector of the national economy, as the data in Table 10.1 tend to bring out. There, at a glance, is a view of the sources of expenditure for goods produced in the village, and an estimate of the kinds and amounts of goods which are exchanged between the village and the rest of the economy. It is, in fact, an attempt to present a Gross Village Product, analogous in concept to the Gross National Product derived for national economies.

In evaluating this data, the detailed amounts used in some categories give an appearance of accuracy and authenticity that is disarming, though not intentionally so. Actually, they have been put together by plausible extensions of bits of known data derived from several sources. Since none of the villagers keep records, these become essentially expansions of estimates and guesses of varying reliability. Nevertheless, they represent the best information available, and as such should be used as approximations to reality, probably accurate with respect to structure and general relationship, if not in verifiable amounts. The terms "export" and "import" are used to refer to goods which are sold outside the village, or are brought into the village or purchased by villagers in other towns or market centers. The latter are not limited to goods foreign to Viet Nam, but only to things which are produced outside the village.

In earlier sections the failure to develop vegetable and fruit cultivation was pointed out, as well as the undeveloped state of animal husbandry in many respects. This is also shown in the aggregate figures which indicate that although the village exports small quantities of fruits and vegetables and some meat and fish to the market towns, it is a net importer of vegetables, meat and fish. The large import items, however, are the manufactured consumer goods and the processed foods which do not fall under the categories of fruit, vegetables, meat or fish. These two items together constitute a measure of the large degree to which the village does not

provide directly for its own needs out of its own production, for they comprise about two-thirds of the total imports into the village.

The Consumption Expenditures represent the value of village production which remains and is consumed within the village. This category also contains services, such as the services of artisans, village officials, sorcerers, mill operators and others. The services of peddlers and storekeepers are also added here because their contribution is considered the same as a transportation service, bringing goods from outside the village into the village for resale. A final item of "other" consumption goods includes the value of woven materials, the thatch for roofs and walls, and a small allowance for the consumption of other household items made in the village in small quantities. On these grounds, consumption directly from village production constitutes less than half of all that is consumed in the village, although in the case of rice and services it is assumed that the village can provide all they use. In addition, the example assumes that the village provides 70 percent of the vegetables and fruit, half the fish, but only 20 percent of the meat that is consumed in normal years.

On the export side, the chief item is rice, as would be expected given the heavy specialization in the production of that commodity. In addition, villagers do export small quantities of vegetables and fruits to nearby markets, and also much of the meat. Occasionally meat is slaughtered in the village, but there are no facilities for

T A B L E 10.1

SOURCES OF EXPENDITURES, GROSS VILLAGE PRODUCT

VILLAGE OF KHÁNH HẬU, HYPOTHETICAL "NORMAL" YEAR

Source	Amount of Expenditure ($VN)
Consumption:	
Rice	2,150,200
Vegetables	837,564
Fruit	322,140
Fish	1,263,600
Meat	490,880
Services	1,952,414
Total	7,016,798
Export:	
Rice	6,183,800
Vegetables	148,000
Fruit	148,000
Meat	1,710,000
Services	1,000,000
Fish	100,000
Total	9,289,800
Imports:	
Vegetables	358,956
Fruit	138,060
Fish	1,263,600
Meat	1,963,520
Manufactured consumer goods	4,448,600
Other foodstuffs	1,516,888
Total	10,869,624
Investment:	
Farm equipment	366,000
Total	366,000
GROSS VILLAGE PRODUCT (Consumption + (Exports - Imports) + Investment)	5,802,974

refrigeration or preservation if a large animal is slaughtered. Therefore the more common practice is to sell meat animals in the larger towns where there are slaughterhouse facilities. The meat consumed in the village is bought in the village in small quantities, as needed. The export of services includes among others, the incomes of the village residents who work in Tân An as laborers or artisans, mechanics, drivers, and the service of school teachers who live in the village but who are paid from non-village governmental funds.

These figures are based on assumptions which would apply in a normal year and, although many of the estimates made are based on data or observations made in 1958, they do not purport to represent 1958 specifically. As shown for this hypothetical year, imports into the village exceed exports from it by more than 1,500,000 $VN. This is a persistent and difficult problem, and it illustrates the nature of the dilemma which the village faces. Standards of living in the form of increased consumption of goods brought in from outside the village, cannot improve unless there can be increases in the amounts produced by the village to exchange for them. The previous chapters have dealt with some of the problems faced in raising production under current conditions and indicated why expectations of increased production are low. The present import surplus is probably financed out of loans from past savings within the village, transfers from relatives living outside the village, and credit provided from outside the village, largely the government's

loan program. The extent and distribution of debt in the village is further evidence of this same situation. In good years, bumper rice crops provide the exports necessary to bring in the consumer goods which cannot be produced locally, but in bad years the pressure on the villagers becomes greater, and if credit is not available the inability to buy imported things is more pronounced.

A small amount is also recorded as investment in the village, based on the farm equipment purchased during the course of a normal year. Since the implements used are largely made of wood, with the exception of some metal parts, this purchase of farm equipment represents replacement of equipment that tends, in most cases, to wear out every two to four years. Investment, therefore, is essentially replacement, and not a net addition to existing capital. The canals which the village has built in the last three years represent a type of community capital accumulation, but these cannot be regarded as investments which are normally made each year. Net Village Product, therefore, would be what remained after deleting all investment expenditure, because investment and depreciation tend to be about equal in any given year. Further, the construction of capital equipment is a local activity, and with the exception of some purchases of implements from other villages, investment goods are largely produced within the village.

If the consumption expenditures and the imports are added together, the result is an aggregate estimate of village expenditure. This sum, equal to 17,886,422$VN, converts to an annual

expenditure of 5,519 $VN per capita, or approximately the per capita expenditures for lower and middle class households given in the household budget survey. Since an important part of these aggregate data was related to the household budget findings, this does not constitute proof of the validity of the aggregates in any way. However, other sources were also used, so that the closeness of aggregate and household data makes for consistency between the two even if they are not drawn from completely independent sources of information.

Thus, the village economy can be considered as basically export oriented, and dependent on exchange with the commercial economy of the country for an important part of its needs. It faces chronic balance of payment difficulties which can be overcome only in particularly good years when rice exports provide a larger source of earnings to finance imports. At other times, credit and transfers from outside the village provide the means by which import levels are maintained. The Gross Village Product makes it possible to identify the ways in which these balance of payment difficulties can be met -- increased production of rice, vegetables, fish, meat or increased export of services to nearby towns -- but unhappily it cannot prescribe the measures by which this can be done.

Responses to Innovation and Change

Some examples of successful innovation. -- The potential for economic development lies partly in the degree to which people will accept new ways of doing familiar tasks, or will change old ways entirely. By observing the village economic organization, contrasting the extent to which village institutions are designed to maintain traditional ways or favor change, it is sometimes possible to gain insight into attitudes toward change. An even more positive indication, however, would be recent experience. Where new ideas have been assimilated rapidly, there is a presumption that a willingness to change is present. These cases would also reveal something of the conditions under which the change in ideas occurred. On the basis of such recent experience, the villagers of Khánh Hậu have shown a readiness to learn new ways under certain rather predictable conditions, and less inclination to cling to the known and the traditional than is commonly expected of peasant societies.

Of the several examples of innovational change in Khánh Hậu during the past thirty years, the most striking has been the enthusiastic adoption of chemical fertilizer in farming, particularly in rice production. Its use has been described in the earlier section dealing with rice growing, but the emphasis here is on the conditions affecting its introduction and ultimate acceptance.

Chemical fertilizer was first introduced into the village around 1930 by a French importing firm, Descours and Cabaud, long prominent in VietNam. Agents for the firm obtained the names of several of the leading owner-operators, and gave each of them a small sample (five kilos or so) of phosphate tricalcique. They told the farmers to use the fertilizer on one small part of their rice fields, and to compare the results in that area with the non-fertilized portions of the fields. The instructions were simple, the fertilizer was free, and the risk to the farmer was negligible. It was an attractive invitation which the farmers accepted.

The results achieved with the use of chemical fertilizer were obvious and immediate. Village farmers who recall the event say that all those who participated in the experiment were convinced of the effectiveness of the new product, and began to use it on all their fields in the following year. Many others were equally impressed, and began to apply it at the earliest opportunity. The important limitation to rapid adoption was financial. Although the advantages of chemical fertilizer were plainly evident, smaller tenants and landowners were not able to raise the funds to buy as much as they wanted.

Farmers in the Long-An area have not used natural fertilizers on their crops to any great extent. Night soil has apparently never been used, and buffalo manure was never available in large enough quantities to be a significant factor in production techniques. It is also highly probable that the quality of animal diet has

always been poor, and animal wastes were not very good as manure. The effect of chemical fertilizer on crop yields varied, of course, with the type of soil and the way in which it was applied. However the villagers estimate that its introduction nearly doubled typical crop yields, or in other terms, that it added from fifty to seventy gia per hectare on most of the land in the village. If these estimates accurately reflect the marginal productivity of chemical fertilizer, the marginal revenues greatly exceeded the marginal costs, and adoption of the new product was due to recognition of this relationship.

This early experience paved the way for the second phase of the introduction of fertilizer, which occurred in a completely different way. Again, the original impetus came from French importing firms, but in this case it was a new kind of fertilizer, ammonium sulphate, imported for use on sugar cane and in coconut groves. There are at least two versions of how it came to be used on rice fields. According to the family said to be the first in the village to use it this way, the whole thing occurred accidentally. The head of this household once owned a small store in the neighboring village of Tân Hưởng, and, among other things, had stored a number of bags of ammonium sulphate for sale to local farmers for use on sugar cane. The Việt-Minh burned the store to the ground in 1946 or 1947, destroying most of the stock but doing relatively little damage to the fertilizer. Being unable to sell this after the fire, and anxious to salvage what he could from his

loss, the storekeeper tried some ammonium sulphate on one hectare of rice land. This represented only a portion of the total rice land which he was renting in Khánh Hậu at the time, and was frankly a blind experiment resorted to in a desperate attempt to recover some sunk costs. The results of this latter day version of the Charles Lamb classic were that the yields increased beyond those normally associated with the use of phosphates alone, and in the following year the storekeeper-farmer used the ammonium sulphate on all his fields. Within two or three growing seasons, the news of his accidental discovery had spread throughout the village, and once again all farmers who could afford to do so were experimenting for themselves. Village-wide adoption followed soon thereafter.

A second version is less specific on details. According to it, farmers in neighboring villages had bought the new fertilizer for sugar cane and coconuts, but decided to try it experimentally on their rice fields. The idea to do this was entirely local in origin, for the importers did not know that ammonium sulphate would benefit rice production and had no part in introducing it for this use in the early stages. Again, farmers found that adding ammonium sulphate mid-way in the growing season increased production still farther, by "strengthening" the plants and reducing crop loss, and by increasing the number of grains per plant. One farmer even expressed the advantage as a "net profit" that was half the value of the paddy which the fertilizer added to normal yields, meaning that the cost of the fertilizer was one-half the additional paddy

yield. By expressing himself in this way he revealed a marginalist approach to his production problems which was totally unexpected in a presumably unsophisticated peasant society. Word of this discovery quickly spread to other villages, including Khánh Hậu, and it was quickly adopted.

Both versions, however, are in substantial agreement -- the adoption grew from local initiative and experimentation. Its rapid acceptance reflected its visible contribution to productivity and the earlier happy experience with phosphate fertilizers. Once again, any limitations to its use were largely financial.

Another recent innovation, of more recent date than chemical fertilizer, is the substitution of a Cambodian style plow (Cầy Cao Miên) for the more traditional Vietnamese type (Cầy Việt Nam). This change has occurred largely over the last five to ten years, and during that time most of the village farmers have made the conversion. This does not represent a basic change in production technique, as was the case in the fertilizer example, but it does illustrate the kinds of factors associated with alteration in the use of capital equipment.

In many ways, the Cambodian and Vietnamese plows are quite similar. Both consist of a long wooden tongue which is pulled by buffalo or oxen and steered by a wooden handle. The Vietnamese plow handle is curved, but the Cambodian is straight and seems to have greater flexibility. The big difference between them is that the Vietnamese plow has a large wooden plow share, carved from a

single piece of wood and tipped with metal, while the Cambodian model has an all-metal plow share. This makes the Cambodian style lighter and also seems to give it a much better cutting edge. It is therefore easier to use, lighter to carry, easier to pull, and plows more land in a given time period. This combination of characteristics makes it easier on men and animals, and better suited to the hard or grassy land which is typical of Khánh Hậu. There does not seem to be any difference in the useful life of the two models, for this is a function of the quality of materials and workmanship rather than the style as such. The initial cost of the two is also roughly the same. The Vietnamese plow will probably require slightly more maintenance because the metal tip needs replacement more frequently than an all-metal plow share.

Once again, there are several versions of the story. Some villagers describe the introductory process as related to the trips and visits which occur frequently between Khánh Hậu and the Plaine des Joncs (Đồng Tháp Mười), an area which is adjacent to the province of Long An and runs along the Cambodia-Viet Nam border. Many people in the village have relatives living in that area and visit back and forth on the occasion of family festivals and anniversaries. This type of interaction brought contact with the different style plow and inevitable discussion of the relative merits of the two kinds. For some the advantages seemed worth making a change.

According to others, however, the Cambodian plow was first introduced by a farm implement maker in the neighboring village of

Tân Hưởng who convinced some of his customers that this style was superior to the Vietnamese. In all probability, both versions are correct, for all plows are made locally, and the diffusion of knowledge would combine local demonstration and the descriptions people brought back with them from trips to the Plaine des Joncs.

The rate of changeover has been less rapid than the adoption of chemical fertilizer, but it has been fast enough to bring about acceptance by a majority of the villagers within ten years. Since it involves replacement of one of the major capital items that a farmer possesses, the first to make a change are those who can most afford the new cash outlay. Many farmers like to keep two plows, and some of those who first ordered the new style did so to provide a spare. Others, financially unable to buy a spare plow, waited until their old one required major repair and then made the new investment. Since they are used in water most of the time, wooden plows will need partial replacement every four or five years. Within that time, the poorer farmers had ample opportunity to observe the performance of the new style plow in the fields of those who already have them. Some farmers still keep Vietnamese plows, preferring them because they are accustomed to them and do not think the Cambodian model offers enough advantages to change. However, these are a very small minority in the village. Most farmers with only one plow now have a Cambodian model, and most of the Vietnamese plows one sees are kept as spares or for special plowing problems.

A third important area where it is possible to observe village reaction to innovation is in the matter of water control. Specifically, the farmers have been introduced to mechanical irrigation pumps during the past two years and, within limits, have found them advantageous. Already discussed in the section on rice production, these limitations can be changed, and should be regarded only as conditions which have affected the degree of acceptance.

For example, the decision to use the mechanical pump (bơm máy) in preference to the manually operated water wheel is based on the kind of irrigation problem involved. The past two years, both of which were exceptionally dry, sharply revealed the limitations of the smaller water wheel (Xe đạp Nước), and in this kind of situation the mechanical pump provides an economic advantage. One factor limiting its adoption by the village is its high purchase cost (approximately 20,000$VN), and the high rental placed on the single pump available to the villagers under private rent arrangements. However, the extreme dependence on water has meant that, where the water problem was acute, the farmers have kept the pump in almost continual use, despite the high rental and their problems of obtaining cash.

The pump that is now available in the village has a nozzle with a diameter of only ten centimeters which gives it a pumping capacity that is less economical than a water wheel in those situations where the water level permits use of a wheel. A pump with larger hoses, and therefore larger capacity, would eliminate

the advantage of the water wheel. The main limitation on pump use would than be its physical availability. With only one pump in the entire village, as is true at the present time, the demand for a more efficient pump should increase even at present hourly rentals. At times when irrigation is vital, the pressure to get water would be so great that farmers would have to rely on the older methods when they could not rent the mechanical pump. There is no question that they will accept this innovation -- their chief concern is to obtain more pumps, with greater pumping capacity, and lower rentals.

The pump that is now used by village farmers is owned by a well-to-do landowner who is also a Village Council official. It is the second pump he has purchased -- the second in as many years. He sold the first pump at the end of the growing season because he felt that it had been too much trouble, mainly because of maintenance problems which arose because the farmers renting it did not know how to handle it properly. His hourly rental charge of sixty piasters was slightly higher than the figures quoted for neighboring villages, but the farmers who discussed the pump focused their dissatisfaction on the inadequate pumping capacity rather than the amount of the rental. The decision to buy a second pump seems largely related to the lack of rain and the desperate need for water. It is hard to unravel the complex motives which prompted the decision, but the economic opportunity to recoup

his investment was certainly present and his earlier experience, though troublesome, had not resulted in financial loss to the owner. Some of his own fields were on high ground and difficult to irrigate with traditional methods. Added to this is the fact that as a village official he undoubtedly felt some pressure to provide something the community wanted badly, and he was in a financial position to provide it.

The mechanical pump is not the first attempt at innovation in irrigation and water control. About ten years earlier, several villagers tried a variation of the water wheel similar to that used in central Viet Nam. This model was a long affair, with water lifts attached to a belt and pedaled by manpower. The belt gave it greater length, and therefore greater flexibility in terms of the water levels at which it could be used, but the experience of a year or two led villagers to abandon its use. The chief objections were that it was hard to operate, requiring a much greater physical effort than other methods then available, and was therefore more expensive. Village wage rates tend to compensate for extra hard labor, as in the case of those who operate the water wheels that are now used. However, the incident shows that there was desire to try new methods at this earlier date, and that the unsatisfactory earlier experiment did not discourage farmers from looking at other solutions to water control problems.

Another innovation, coming much earlier than any of those described this far, was in the threshing method. Threshing rice in

southern Viet Nam was traditionally done with buffalo, and the heavy animals would either tread, or more rarely, pull large stone rollers over cut grain spread on the drying floor in a farmer's yard. This knocked the grains of paddy loose, and the winnowing which followed left a residue of relative clean paddy. The method used now was first introduced around thirty years ago, and few families presently use rollers for threshing. As in the other cases, the stimulus to change can be related to specific advantages which the innovation offered.

The present threshing technique, which consists of beating the grain against the side of the threshing sledge (thúng đập lúa) permits the threshing to take place in the fields, and all that needs to be carried to the farmer's home is the paddy itself. The rice straw can be brought in later, if the farmer decides to use it himself, or can be given or sold to others who are then responsible for transporting it. In carrying the grain to the threshing floor before it is threshed, a certain amount of the paddy is jarred loose and lost en route. Threshing in place therefore prevents some of this kind of loss. Finally, the roller method yields a much higher percentage of empty paddy husks, and a given volume of paddy would produce a smaller amount of milled rice than a similar volume of paddy threshed by the present technique. If you examine the straw left after the present method has been employed, there seems to be a large number of grains left behind. Closer inspection, however, reveals that most of these are empty

husks which the beating failed to dislodge. The advantages, therefore, are an increased yield of paddy and greater convenience in transportation. In terms of physical labor, the new method is much more burdensome on humans and, possibly, more costly in some cases. In terms of time, it may be cheaper to use buffalo, but this must be weighed against the probability that those who are too poor to own their own buffalo can avoid cash outlay by providing the necessary manual labor from the family. This reduces the current outlay (harvest costs are paid in kind), even though it may be more costly in opportunity cost terms. Those who own buffalo are more apt to be in a position to afford hired labor, so in their case the calculation is more likely to be a comparison of the increased current outlay with the increased yield derived by threshing in the field. The fact that the new threshing method has been so universally adopted strongly indicates that on balance farmers feel the old method is less efficient.

The change in threshing techniques has brought an accompanying change in the type of implement used in reaping. The traditional tool (lưỡi hái) was V-shaped, and the cutting edge was a hooked blade fastened to the back of one side of the "V". This was moderately effective in cutting grain high off the ground, but the new threshing method requires that the grain be cut long enough to afford a good grip for the thresher. As a result, a new sickle (lưỡi liềm), similar in shape to a grass sickle, has gradually supplanted the older tool because it makes it easier to cut the

stems of the rice plant very close to the ground. The more traditional implement is still in use here and there, but mainly in fields still partly under water or where the rice plants are quite high.

The only successful innovation which has involved a communal effort has been the construction of irrigation canals in two hamlets of the village. The idea for this project, and most of the stimulation and drive, came from the Fundamental Education Center, although acceptance of the idea by the villagers themselves was accomplished through open meetings at which this and other proposals were discussed.

The first canal was built in 1957, extending a natural stream from Ấp-Dinh to Ấp-Mới and bringing fresh water to fields in these two hamlets which previously had no source of irrigation. This made it possible for the first time to raise two crops of rice a year in some of these fields, although the ability to get two crops still depends, in part, upon the amount of rainfall and the level of the fields. The canal made a substantial contribution to productivity, and added a new avenue of transportation, as well as providing a source of water for bathing, cooking and drinking.

Although there was little active opposition to the project at first, there was also relatively little enthusiasm. Volunteers were slow in stepping forward, but eventually a few agreed to dig a portion and the others followed soon after. The amount of digging assigned to each household was prorated on the basis of anticipated

benefits from the canal, and all labor and tools were supplied by villagers. The Center supplied only advice and encouragement because they viewed the project as an experiment in self-help. When completed, the canal was nearly two kilometers in length, about two and one-half meters deep and three and one-half meters wide.

Its success led to the digging of a second canal in the following year, although at that time there was some opposition from landowners who resented the fact that the canal would cut through their land. The opposition was ultimately overcome in this case, but villagers say that similar attitudes on the part of other landowners are holding up the construction of more canals. While majority sentiment definitely favors more canals there is not enough positive feeling about it to push the new projects through. At a recent meeting of the village to consider new communal projects for the coming year, new canals were ranked fifth in importance behind such things as construction of bridge across the existing canal, the building of a new elementary school and establishment of illiteracy classes in one of the hamlets. The prevailing attitude at this meeting was apathetic, and suggestions for projects came only from village and hamlet officials. Given this evidence of lukewarm community support, it is difficult to predict how rapidly canal-building will be expanded in the next few years.

These represent the major innovational changes which have been introduced into the village and have been thoroughly assimilated.

The list can be supplemented by a number of other changes which are in the earliest stages of introduction, are much less important in a production sense, or have failed to take hold after being introduced. These are also instructive in any attempt to understand the factors which affect innovation and change. For example, insecticides brought to Viet Nam under the U.S. aid program are beginning to reach the local markets for the first time. The introduction and distribution of this new product is left almost entirely in private hands, although the Fundamental Education Center has a mechanical sprayer which is available to any farmers who wish to use it. In general, insects have not been a major problem in the village and the use of insecticides has not been as widespread as chemical fertilizer because the need has not been as great. Some of the larger farms have begun to use insecticides, but small tenants and small landowners, who are still a majority in terms of numbers, are not convinced the advantages outweigh the extra expenses.

The sale of insecticides illustrates the danger which may exist if a new product is allowed to filter through the mechanism of the private market exclusively, and without some kind of educational and follow-up program. Shortly after insecticides became available and were first used on rice crops, farmers in one of the hamlets began to experiment with them in other ways. Seeking to rid their draft animals of pests and body parasites, they rubbed on insecticides directly with the result that several buffalo died. The insecticides were sold in bulk at Tân An, without written or

verbal instructions, and without any caution that its use should be carefully restricted.

Despite the genuine calamity this incident brought to some farmers, village reaction was calm and reasoned. Most people felt the incident was an error due to ignorance on the part of the farmers and the experience served to make them cautious and wary of further experimentation. There was no blind rejection of the new product out of superstition or fear, and no indication that it stiffened resistance to change in any way. There are, however, other kinds of complications which have grown up around the use of insecticides.

For one thing, farmers in this area feel that the insect problem has increased in the last two years, and is now much worse than it has ever been. Some have questioned the coincidence that brought insecticides into the market in the same year that insect infestation became serious. They express wonder that the manufacturers could foresee the problem and prepare for it. There was even some feeling that the manufacturers may have been responsible for the insects in some way, although it is difficult to tell how seriously they believe this. A more general concern is that the use of ammonium sulphate fertilizer is related to the increase in insects. This view is somewhat contradictory with known facts, for the introduction of ammonium sulphate occurred long before the insect problem became serious. Nevertheless, the suspicion remains that there is some causal relationship between the two, and this is

related to a further feeling that ammonium sulphate is becoming less advantageous over time.

The current attitude toward the new insecticides is chiefly one of tentative acceptance. The larger farmers tend to use it because damage by insects is relatively more important to them and they can afford to buy it. Small farmers do not regard insect damage as significant enough to require active measures on their part. The initial expense is not high -- 60 pVN provides enough insecticide to take care of one hectare -- but repeated applications may be necessary for complete effectiveness. Small farmers are more skeptical than large, and must be more convinced of the value of the new product before they are willing to incur additional cash outlays. The past two crop years have been very poor ones in the village, and the smaller farmers particularly are concerned that adverse effects from recent innovations such as insecticides and ammonium sulphate fertilizer may be partly responsible. Until there is a clear demonstration that the insecticides are beneficial in marginal terms, and unrelated to other farm problems, further spread of their use will be slow.

Other examples of willingness to accept change and adopt new ideas would include, for one thing, the readiness to use inoculation against disease, both for villagers themselves and for their animals. For another, there has been an increase in the number of brick homes in the village now that a brick factory is located near by. People use paint to prevent rust of the tins in which

they carry water, and almost every man in the village owns a mechanical cigarette lighter. Some water wheels have been fitted with ball bearings to reduce the physical labor involved in pumping water, and in some cases farmers make their own concrete fence posts. Even the local diet shows signs of change. French bread, French ragout and Indian curry usually appear at village feasts, and sometimes in the regular meals of well-to-do families.

Some examples of innovation that failed. -- Other innovations have been tried but rejected -- the case of the Central Viet Nam water wheel has already been mentioned. The attempt to improve poultry raising techniques has also been described. There the chickens failed to survive even under the new methods of care, and the eggs supplied by the Ministry were not carefully selected and hatched poorly. The failure of this experiment has not created hostility to change where poultry are concerned, but it does seem to have convinced many that local varieties are better suited to local conditions than any that could be introduced from outside. The same experience was repeated with new varieties of corn, tomatoes and pigs. In all cases, there seems to have been little or no attempt to pre-test the new product or new species before putting it in the hands of the farmers. In all cases, too, the experiment was relatively costless to the farmer except for the food supplied to animals or the labor spent on caring for new varieties of plants.

The role of traditional institutions. -- Turning from these experiences to consideration of the institutional surroundings, an initial impression is that there are few rituals, taboos or superstitions, which form obvious blocks to innovation or change. Except for simple offerings of food and wine made at the beginning of the planting season, or at the start of the construction of a new house, productive activity is free of rituals. There are no rituals which order the way work is done or inhibit the introduction of new work methods. Farmers do tend to follow the lunar calendar, and avoid starting new activities on days that are marked "unpropitious" (ngày xấu) but such days are not numerous and therefore do not constitute an important check to production.

It is true that an important share of resources is diverted into fetes and celebrations throughout the year. The village as a whole celebrates the four major festivals and, during the planting season, the death anniversary of Marshal Nguyễn Huỳnh Đức (the guardian spirit of the village). These are not all of equal size and importance, but each requires expenditures which could be used productively. The same applies to the expenditures made by individual families for the five or six major feasts which they celebrate each year. Weddings and funerals can also be elaborate and costly. The advent of the lunar New Year (Tết) requires cash outlays for gifts, for new clothing, for feasts and sweets to serve to visitors, for firecrackers, candles, joss, altar adornments and good luck decorations. The single most important community fund-

raising effort in many years has been to build a new pagoda in honor of Marshal Nguyễn Huỳnh Đức -- an effort which was carried far beyond the limits of the village and has had the support of the national and provincial governments.

However, there are other ways of looking at these ritual and traditional expenditures and, as they are actually practiced, all of them have elements of Western-style economic rationality. For example, villagers rarely go into debt to carry out their responsibilities to the village or family ancestral spirits. In 1958, after a very bad crop year, the expenditure on village festivals was scaled down to relieve some of the cost burden. The traditional opera performance (hát bội) was cancelled, and bargaining with the village sorcerer reduced the amount and the cost of his services to the minimum which tradition demands. On another occasion the sacrifice of a whole pig was dispensed with, and only the face and feet of a pig were bought in the market to meet the ritual requirement that these portions of the animal be presented to the spirits. Individual families will reduce both the number of feasts and the number of guests invited to each when circumstances require it. They will also reduce the variety and amount of food which they offer. It therefore appears that, while the villagers will seek to maintain some minimum observance of traditional rites and offerings, the actual amounts spent are quite flexible and appear to be determined by the funds left after the estimated needs for the coming year have been provided for. To the

outsider, the expense incurred even under these adjustments may appear excessive, but the important thing to recognize is that the adjustments take place at all.

Reciprocity in gift giving at weddings and funerals has certain erratic aspects from a strictly economic point of view, for return gifts of cash do not necessarily come in the same year that one gives gifts to others. However, the practice of giving cash when one attends a wedding or funeral can be regarded as a built-in saving device for these major expenses. Since the contributions made by guests largely cover the costs of the occasion, it is not necessary for individual families to save the entire cost in advance or to borrow when the occasion arises. The contributions made, as a guest at the weddings and funerals of others, become a kind of time-payment against the day when a similar need exists.

The fund-raising effort to build a pagoda for the spirit of Marshal Nguyễn Huỳnh Đức presents an interesting combination of religious and economic motivation. There is no doubt that the villagers believe the spirit of the Marshal is a protective influence that shields the village from harm, and they are anxious to honor this guardian spirit in suitable fashion. However, the Marshal is also a national hero, and the Village Council is well aware of the potential economic benefit from tourist visits which the village could realize if the new pagoda became an important national shrine. Even at the present time, the death anniversary of the Marshal draws visitors from as far away as Saigon, and council

members envision a substantial increase in this type of homage if the relics of the Marshal are kept in more impressive surroundings. Looked at in this way, the expenditure in a new pagoda becomes an investment in tourist facilities fully as much as it represents the construction of a religious symbol.

Institutions other than religious or traditional practices may also influence the capacity to adopt innovations. The Village Council, for example, has sought to impose a limit of ten hectares on the amount of rice land a landowner may operate for his own account. This is a reduction from the thirty hectare limit which the national government has written into the agrarian reform program, but the rationale is the same in both cases, e.g., to increase the amount of land available for tenants. The obvious effect of this ruling, as far as innovations are concerned, is that it reduces the potential income of the landowners and also acts to preclude the use of more extensive farming methods. However, the number of resident owner-operators affected by this ruling is so small that the net effect is really unimportant and it serves more as an example of an institutional check on productivity increases, enforced in the interests of providing wider tenant opportunities.

Finally, there is the effect of basic attitudes which the villagers take toward their problems and their position in the society -- a relatively weak sense of communal identification or communal interest, and a conservative outlook that is heavily tinged with fatalism. Their individualism is surprising, given the

communal orientation that has characterized Vietnamese village life in north and central Viet Nam, and it can have conflicting effects on innovation and change. It is true that there are examples of communal effort to meet community needs, and the construction of irrigation canals is one of them. However, the drive behind this effort was largely supplied from outside the village, by the Fundamental Education Center. This is also true of a projected Maternity Center which the village plans to establish at some time. Without vigorous leadership, these communal activities do not seem to get very far. This is further illustrated by the failure to establish a successful cooperative without large scale government help, or even to make much headway with the idea of cooperation to accomplish minor goals. Strong individualism is also responsible for the frequent disputes over water. Some farmers have refused to allow others to bring water across their lands to irrigate fields located far from streams or canals, and the village contains no examples of a wide effort to rationalize the use of water for the benefit of a large number of farms.

On the other hand, an individualistic attitude on the part of villagers does not make them opposed to change. There is much evidence of a willingness to change, as previous examples have shown. Rather, it means that they will be more inclined to think of their problems on an individual household basis, and to be interested in change which will benefit them directly. In the case of small landowners, small tenants and laborers, this will also be

conditioned by their conservatism. With very small margins of economic security available to them, the risks of the unknown seem very great. Even though present circumstances may not be very satisfactory, they are interested only in those changes which will bring demonstrably large improvements in their situation. They tend to feel that most changes will cost too much, will require more land than they have, or are beyond their reach in some other way.

Summary. -- From this evidence of recent experience, and from observation of village institutions and attitudes, a few general conclusions appear justified:

1. There are many indications that, in general, villagers are open to new ideas and willing to incorporate new methods. This does not mean that they will accept any and all suggestions offered to them, but it does suggest that a reasonably open frame of mind exists and the initial reaction will not be a hostile one. The villagers have made important changes in the past, and they will continue to make them where certain conditions hold true. Rituals, taboos and superstitions do not constitute an important bar to innovation.

2. Innovations which promise substantial increases in productivity appear most highly valued and have been adopted rapidly after the advantages have been clearly demonstrated. Where the replacement of existing capital equipment is involved, the innovation takes place over a longer period of time because many delay making the change until replacement would normally occur. Financial

restrictions can be a limiting factor in the short run, but where marginal revenues clearly exceed marginal costs, villagers have been willing to borrow in order to use the new product or new idea soon after it has been introduced. From this it would follow that anything which promises eventual improvement in productivity, such as improvement in irrigation, improvement in credit facilities, or expansion in opportunities to obtain land, would also find ready acceptance. Innovations which promise an increase in leisure or a reduction of physical labor, for example, arouse less interest if this is their only advantage. Similarly, villagers seem uninterested in acquisition of new kinds of consumer goods, although they are anxious to obtain more of those with which they are already familiar. Modes of dress in the village have changed much less than in the larger towns. There seem to be relatively few community-wide needs or demands, and while communal effort is not unknown, communal values appear to rank below individual ones.

If we could list the factors which seem most related to the acceptance of change, therefore, productivity appears most important. Other things being equal, innovations with individual impact take hold more rapidly than those which require communal action.

3. The workability or advantage of a new idea must be visibly demonstrated before villagers will begin to adopt it, and the demonstration should be carried out by villagers themselves if possible. This is a well established principle of farm extension work everywhere, but even though obvious, it requires emphasis again.

If the risk to the experimenting farmer is small, and if he can take part in the demonstration at little or no cost to himself, cooperation would be genuine and wide-spread. Perhaps the most important lesson in connection with this general point is that there should be careful pre-testing of new products and new varieties of plants and animals before they are introduced into the village. A succession of failures, because the suitability of new varieties was not properly tested, may generate long-run skepticism. This applies not only to the initial introduction of new varieties, but also to their effects over time. For example, a control overinter-breeding with local strains is difficult to maintain, and subsequent issue may bring out the worst characteristics of the old and the new. Careful pre-testing may mean delays at first, but it is vital to successful innovation.

The foregoing is designed to leave an impression that the prospects for innovation are good, but it should not be interpreted as the picture of a society undergoing vigorous change at present There are many things the villagers could do now without large cash outlays, but which they have not done -- innovations which require knowledge more than capital expenses. As examples, gardening could be improved and expanded, they could experiment with water gates to keep the streams and canals fresh longer, they could take better care of their stock and improve breeding practices, they could improve weaving by adding new designs and new kinds of woven products. If the productivity of new methods could be well demonstrated in any of these areas, they would undoubtedly win acceptance.

Social Factors in Economic Activity

Communal vs. kingroup or neighborhood cooperation. -- The picture of economic activity in the village of Khánh Hậu would be incomplete without reference to some of the more important social factors which affect it. The detailed information relating to this area is presented in the companion study on Sociological Aspects[1], and readers are referred to this volume for the empirical findings on which the following observations rest. This section will present only the high points, for its main purpose is to serve as a bridge between the two studies.

As mentioned earlier, the patterns of cooperation which exist, rest on a base much narrower than the entire village. In light of the current interest in community development plans, in Viet Nam and elsewhere, the relation of villager to community requires a bit more description to place it in perspective with respect to the implications for economic development.

The largest grouping within which there is anything approaching a genuine sense of community identification and interest is the hamlet, but even here the number of people may be too large, or the settlement pattern too spread out, to encourage a strong communal orientation or spirit. Certainly the administrative village is too

[1] See G.C. Hickey, A Vietnamese Rural Community -- Sociological Aspects (Saigon: National Institute of Administration, 1959)

large for this, for the communication between hamlets is slow and difficult. The kinship pattern works against close intra-village contact and many of the villagers, therefore, see one another infrequently. It is true that the đình, the school and the council house provide village focal points which draw people for specific purposes, but this would not include all villagers, and some who are drawn do not become involved to a very large extent. In brief, the village is much too large and unwieldy to be more than an administrative unit, and it is possibly too large even for that.

The most common forms of cooperation are found in units smaller than the hamlet, that is, in the small clusters of dwellings of more or less well-defined neighborhoods. These may be people who are related to each other, comprising all or part of an extended family, but they may also be people who simply happened to settle close to one another and who have no close relationship at all. In either case, in lower and middle class neighborhood groups of this kind, there is cooperation and mutual help. Labor is exchanged in the farm work or for special tasks like roofing or thatching walls; and there are rare joint neighborhood enterprises like building fish ponds. Here, there is some sense of identity with a group, larger than the household, but not necessarily composed of kinsmen. The essential element is proximity, and therefore availability for aid and assistance.

However, it is possible to make too much of even this cooperation or limited communal spirit. Although it exists and is important

to the lower and middle class households, there remains a large measure of activity that is centered in the individual household -- well over half of all economic activity being organized in that way. Economic decision making is on an individual basis, as is the direction of production and the disposal of the harvest. Cooperation occurs only between lower and middle class households, where the exchange of labor can eliminate the need for cash outlays by farmers who can ill afford them. Other than this there is little that is communal in an all-inclusive sense.

The failure of the farmers' cooperative in Khánh Hậu is an illustration of this. It faced problems in several respects, financial and organizational, but an important part of the difficulty from the start lay in the lack of real community spirit. People seemed unable to transfer the practice of neighborhood labor exchange to cooperation over a large area, with people they knew less well. The lack of communal land in the village is probably significant in this context -- in a negative way. Unlike villages in the north and central parts of Viet Nam, villagers in Khánh Hậu have no background of heavy involvement in the wider community through regular participation in the redistribution of communal land. Lacking this kind of experience, the reticence and suspicion which attended the formation of a cooperative becomes more understandable.

The canals dug in the village are examples of communal effort that have been carried to successful conclusion. Yet here the

success was dependent largely upon encouragement and direction from the top levels of village local government, backed by the support of the Fundamental Education Center. There was, and continues to be, scattered opposition to the canal building program; the project did not come from broad popular demand, and its success has not sparked support for more of the same.

The lesson in this for future community development or communal projects is that, in this part of Viet Nam at least, it is unrealistic to expect communal spirit or communal drive to carry through these kinds of programs on a village-wide basis. Projects which require cooperation, but which are limited to the natural cooperative areas, i.e., hamlets or smaller, would stand a much better chance of being accepted and enthusiastically carried out. And perhaps most of all, there should be appreciation of the value and potential success of projects which are aimed at the individual household.

Monetization of the economy. -- Another aspect of economic behavior which in a way reflects this lack of community-mindedness, is the high degree to which economic transactions have become monetized. It has already been remarked that barter is a relatively unimportant means of exchange. Neighbors engage in some barter on a very small scale, but the important needs are met by money purchase. This includes things which would at first seem to be free, if not bartered -- the thatch for roofs and walls, the manure left by cattle and buffalo, the husks of the rice, the rice

straw, and, of course, the labor of men and animals. According to the survey, around 43 percent of all farmers hire labor to some extent, and over two-thirds of all adults hire out as laborers for others. All exchange which takes place in the market centers of Tân An and Tân Hưởng is for money, and the services of artisans, weavers, mill operators and traditional physicians and geomancers are paid for in money.

The fact that most transactions are in money does not mean that cash holdings in typical households are large. In fact, one hears complaints that money for transaction purposes is in chronically short supply. Numerous occasions arose in the course of the field work on which members of a household could not supply the change for a 50 $VN note at the time of some small purchase, and even a canvass of the neighboring houses often failed to produce the necessary smaller notes for change. On the other hand, most people receive only small amounts of cash at a time, and they spend most of it quickly in small purchases of things that are needed daily. When the village has a festival or celebration, cash is found without difficulty to cover a large part of the cost of the feast and entertainment, although villagers also bring food offerings to be served.

Village people are ready to place money values on all items, and express curiosity over the cost of things which are unfamiliar to them. They have fairly explicit ideas of the value of the land they own or rent. Many show an awareness of price differentials

which exist between different towns or market centers, and indicate a preference for the lower priced sellers. Traditional payments in kind, such as the bride price, are being supplanted in many cases by cash payments, and the solicitation of gifts which takes place at weddings and funerals brings offerings in cash. Rental payments are made in cash, particularly if the paddy is not very good and if the landlord is a non-resident of the village, although some rents are paid in kind.

The listing could be continued, but the point can be made without it -- although the village presents a picture of a peasant economy in many respects, a surprising volume of transactions takes place in money form, and there is ample evidence that the villagers are accustomed to thinking in monetary terms in expressing the value of items, in contemplating sales or purchases, and in planning future activities. The continuing, and undoubtedly expanding, use of money would imply further weakening of any peasant-communal orientation which may have existed.

Goals and incentives. -- An important clue to the attitude which villagers would bring to any program to spur economic development, at either the local or the national level, is in the goals and incentives toward which they currently work. This area is perhaps no more lacking in concrete information than many others, but touching as it does on subjective judgments, which many villagers have never made articulate in their own minds before, the impressions presented here are offered with all due qualification.

Social goals and Western-style economic incentives melt into a blend that, on balance, favors increasing wealth and the accumulation of material goods. A man's social position in the community is determined partly by his income and the kinds of prestige items which he can buy and display. A position in village organizations depends on one's ability to contribute financially to their support. Responsibility to one's ancestors and to the other members of one's family requires that the family cult be maintained with dignity and proper honor, that the house where the cult is celebrated be subtantial and handsome, and that one leave behind the means by which descendants can continue the cult on the same, or more elaborate, scale. Provided it is reasonably honest, the society attaches no stigma to any means of achieving social and economic goals. Merchants are as respected as farmers although the ownership of land is considered important for cult purposes, even if farming is not the primary source of income. The only feature offsetting this otherwise strong set of inducements to material advancement is the priority given to consumption in the course of maintaining family and village cults. This decreases, but it does not eliminate, the amount which could go into more productive use. Although thrift is not highly valued as such, people can and do save. Only in this way can they attain the social goals outlined above.

When villagers were asked what ambitions they had for their children, their answers spread over a fairly broad area but,

interestingly, all showed a readiness to see them move out of traditional paths and into new types of career. Moreover, the answers varied between the socio-economic classes in ways which revealed quite different ideas of what constituted possible, desirable, and/or prestigeful occupations for children to pursue.

A substantial proportion of the answers given by household heads in all socio-economic classes showed they hoped their children would get a good education, sometimes qualified by "as much as possible", or "as much as we can afford." This view tended to become more pronounced as one moved from lower to upper class households, but it was important in all. In upper class households, this was frequently linked with the hope that the children would become government civil servants, which was the career goal most frequently mentioned by that class. In contrast, middle and lower class households coupled the desire for education with the hope their children could acquire additional vocational training or obtain jobs in a factory. Lower class households also valued a teaching career highly for their children, significantly more so than middle or upper class household heads tended to do. Most interesting of all, perhaps, is the fact that careers in the military service and farming received very little support. Several, in fact, took special pains to complain bitterly about farm life, at the same time indicating they preferred their children seek a career outside agriculture. This opposition to farming was somewhat more pronounced among upper and middle class household heads

than among lower class household heads, although probably not significantly so.

One problem that arose in discussions with heads of the very poorest households in the lower class was that they had never thought of the future in concrete terms, and therefore had no firm goals and ambitions for their children. To people in this category, the future appeared so bleak and without hope, that planning for their children's future seemed pointless. Feeling beaten by the circumstances in which they found themselves, they saw no way to better themselves or their children. When asked what they wished for their children they replied only that they hoped they would make out somehow, without knowing, or apparently caring, how this could be done.

These are admittedly thin reeds on which to rest a judgment in this area of goals and incentives. Nevertheless, to the extent that replies and observations are indicative, the motivation of the villagers is consistent with economic growth and development. This shows up in the village social environment, which favors growth and the accumulation of material goods, though not essentially capital goods. It also appears in the desire for more education for the children, and their preference that children go into other occupations than farming. What is important here is not the particular occupations mentioned, but the willingness to see change take place, an attitude evident in households of all socio-economic classes.

A Note on the American Aid Program

American aid from the village point of view. -- A continuing concern of those responsible for, or interested in, the American programs of economic aid is whether or not this aid is "getting to the people", or "reaching the village level." It is getting there, of course, in many ways not always known or recognizable by the villagers, or even by government officials. The real question, therefore, is not does it "get to the people", but whether it has made any significant difference in their lives or their standards of living, and also if the villagers have any idea of what the aid program means for them.

One problem arises through use of the term "aid" in describing American overseas programs. Aid implies assistance, but assistance that is free to the recipient. In most cases the villager pays for things brought in through the aid programs, and is understandably unable to recognize this as "aid." For example, a wide variety of goods is imported into Viet Nam with dollar funds granted to the Vietnamese government. These dollars are sold by the government to private importers and the piasters generated by these sales are placed in counterpart funds for use by the government in its economic and defense programs. This well known device for using aid funds, which need not be detailed here, results in a flow of commodities into the normal commercial channels of the economy, and goods become available that would not otherwise be imported.

Thus, stores in the village and in other market centers are filled with goods which have been imported under the Commercial Import Program -- canned milk, plastic goods, writing materials, the metal parts for farm tools and implements, to mention a few. However, both storekeepers and their customers pay for these things, which accounts for the fact that some storekeepers when asked, were unable to give any example of American aid, even when surrounded by shelves full of goods that were brought into Viet Nam as part of that aid. The same thing applies to the fertilizer which the farmer buys in Tân An, the medicines for men and animals which can be purchased everywhere, the buffaloes imported from Thailand, the machinery in the rice mills, the bicycles and scooters they use and the buses in which they ride to town. A few people are more or less aware that the United States Government has something to do with imports of goods into Viet Nam, but they do not comprehend this as "aid." Since similar imports of foreign goods have always been important elements in the standard of living, they cannot see how things have changed in any way, and specifically how they are benefited.

There have also been some attempts to direct both governmental and private aid to the village. These include the imported strains of chickens, pigs and vegetables given to villagers, with the largely unsatisfactory results described earlier. The NACO program has reached individual farmers, and is for many the only aspect of American aid of which they are aware. The Asia Foundation has

provided funds for the construction of a kindergarten and has underwritten the cost of the model fruit and vegetable garden. The Fundamental Education Center, with UNESCO assistance, has encouraged canal building, taught classes in health and child care, manual arts, and has made an insecticide sprayer available on loan. In addition to the actual aid received, posters showing aid activities in other parts of Viet Nam are prominently displayed in the Council House, the Information Hall, the school, and on bulletin boards throughout the village. Considering all these things together, the village has therefore actually received, directly and indirectly, a considerable (largely incalculable) amount from the various aid programs.

The results, in terms of village reaction, are highly interesting. Villagers in the sample of 100 households were asked if they had ever heard how the American aid program helped people at the village level, and if they had, to explain how the program worked. Since this question was searching for voluntary expressions on the part of the villagers, several ventured more than one opinion and there was a wide range of viewpoints. Lumping all responses together, four fairly distinct attitudes emerged, ranging from one extreme to another. Starting with the most favorable replies, about 22 percent indicated they had heard of the American Aid program and thought it had helped the villagers. This was not always spelled out in detail, and there were varying degrees of enthusiasm, but essentially this group registered a positive attitude.

A second group, containing the largest number of replies (40.3 percent), stated that they had heard of the American Aid program, but either had a limited idea of what comprised the aid or could think of no way in which the aid had helped people in this or any other village. For example, some thought American aid consisted of government agricultural loans only, or loans to buy buffalo only, or was a fertilizer credit program only. Others said they were too poor to benefit from it, or had seen nothing to enable them to judge how much help it had been.

A third group, consisting of 28.4 percent of the responses, had never heard of American aid and had no idea correct or incorrect, of how it worked. Some of the people in this category had actually received loans from the government's credit program, but apparently did not have any idea that it was related to American aid. Closely connected to this, another 2.8 percent replied that American aid had ceased, and that now all programs of credit or other assistance came solely from the Vietnamese government.

The remainder of the replies can be grouped under side comments on the aid program, including statements that it had not helped the poorest villagers, that it would be helpful only if it were distributed on an equitable basis, that they personally had never been able to buy fertilizer through any of the credit programs, that they knew people who were dissatisfied with the cooperative (which was mistakenly believed to be a part of the aid program),

and so on. Proportionately, these were not very important, and involved only 5.6 percent of all answers or comments received, but they can be considered as reflecting obliquely negative attitudes.

The net effect of these attitudes is that despite the fact that the aid program does reach the village level in many ways, the villagers are either unaware of it or have varying types of misinformation about it. In one sense, it is not essential that the donor, in this case the United States, be given credit in all instances for the aid it provides, but it is essential that the villagers be made aware that their problems are understood outside the village, and that active efforts are being taken to help them overcome them. Substantial improvement in standards of living at the village level cannot be brought about by quick, simple projects. The problem is much too complex for that, and requires a massive development of the entire national economy to accomplish important change in all sectors. This requires time, but while it is in progress it is equally important that the villagers be given concrete evidence of interest in their well-being. Direct aid which can be identified as such, of which the NACO credit program is an excellent example, would constitute the best way to realize this. In short, a two-pronged program is essential -- a coordinated program of economic development on a national scale, much of which would be in the agricultural field, along with a series of specific projects easily identifiable, and designed to reach the individual farmer and help him meet some of his most critical problems directly.

APPENDIX A

METHODOLOGY OF THE STUDY - GENERAL

The study of a rural community by people foreign to its language and culture poses a number of enormous problems from the start, and those who read the final result are entitled to some explanation of the manner in which these problems were handled, with or without final success. In this and succeeding Appendixes, therefore, the methodology of the study is described for the benefit of those who may want to evaluate the results, as well as those who may be engaged in a similar type of work and who would like to avoid pitfalls and false starts.

The selection of the site of the study followed a period of two weeks during which the members of the study group visited several villages in the rice-growing delta region south of Saigon. The final choice had to meet certain criteria established in advance, or at least come as close as any other alternative. For example, there were still minor security incidents taking place in the spring of 1958, at the time the study was getting underway, and local officials at the Provincial level and below were reluctant to permit foreigners to stay overnight in the villages. This meant that commuting from Saigon was inevitable, and one of the criteria was therefore that the site be within reasonable commuting distance from the city. The group also sought a village that would not be a district or canton headquarters, but that

would be of average size, neither rich nor poor for the area, primarily rice producing, and as far as could be determined in advance, typical of the region with respect to religious practices, methods of production, and administrative structure.

The village of Khánh Hậu filled these requirements in all respects, in addition to which it had some special advantages and some definite disadvantages. Of the latter, the most important was the fact that it had been selected as the site of the Fundamental Education Center, which is a training school for teachers. With UNESCO assistance, teachers are trained here to organize community projects so that upon graduation and eventual assignment in rural areas they can spark and direct programs of local improvement. Since the Center had been in the village for about 18 months at the time, there was a possibility that it had brought change in the village to a degree that made the village no longer typical of others in the area. Further, the presence of the Center had made it a popular place for official visitors from Saigon, thereby enhancing the possibility that the inhabitants received much more attention than would be the case in other villages nearby, and also more assistance in one form or another.

However, a few visits to the village convinced the study group that most of the villagers were quite unaffected by these developments. The program of the Center had not been in full operation long enough to make a substantial dent in local practices,

and village contact with official visitors was minimal because they rarely got into the village proper. On the positive side, a very warm relationship had developed between village officials and Mr. Nguyen Van Mung, a staff member of the Center who was then residing in the village and who had numerous contacts among the villagers as a result of his attempts to help and work with them. Mr. Mung became interested in the study, and kindly offered to introduce the members of the study group and ease their acceptance by the villagers by acting as unofficial sponsor. Because of the existing security problem at the time, the problem of acceptance by the villagers loomed as a critical one, and the offer of help in establishing the role of the group became a very great advantage in selecting the site. On balance, therefore, Khánh Hậu seemed very much like other villages in the area in all respects, but there was the added gain that it promised more rapid acceptance than the others.

From the beginning, the group sought to establish a role for itself as composed of university teachers interested solely in learning as much as possible of life in a Vietnamese rural community. Great emphasis was placed on the fact that the study was not connected with the American aid program in any way, and that the villagers could not expect any immediate benefits from it. From time to time the group made contributions to village festivals or special fund-raising efforts, but always in amounts comparable to those given by villagers themselves. Members also

gave simple medicines, such as aspirin or malaria pills, to families they came to know well and who were in need of them, donated prizes for the ceremonies at the end of the school year, and gave clothing and candy to the school for distribution to poor children at the lunar new year. However, efforts were made to keep this at a level and in a manner which would be similar to the normal charity of other villagers, and never as payment for information received.

In retrospect, it is probably true that most villagers never quite believed the group was composed of disinterested observers, and continued to think that some specific benefit might come to the village as the result of our presence. Since this was never promised, there could be no basis for disappointment, but it nevertheless must have been present to some extent throughout. The Village Council did ask small favors from time to time -- the loan of a car to visit district headquarters, to hand-carry a letter to a government agency in Saigon, -- but always within reason. The members of the group tried to avoid being drawn into participation in village decisions, and the Village Council respected and complied with this position.

The study is composed of three sections -- the social, administrative and economic. Each member of the group carried on his own investigation, but at the same time shared notes and experiences with the others. To widen the coverage as much as possible, the group anticipated areas of possible overlap and

allocated the study of specific topics to eliminate the overlap. Still, in some ways, the members of the group participated together. For example, at village ceremonies the members dressed in traditional costume and took part in the ceremonies along with other notables of the village. This was done at at the request of the Village Council, and from all appearances village reaction to this type of activity was quite favorable. Some of the older people assumed that traditional Vietnamese dress was standard in the United States, and asked why members of the group did not wear their gowns and turbans more often. Aside from village or school functions, however, each member did his own interviewing, apart from the others, following methods which he decided for himself.

One thing that dominated thinking about the village study was awareness of the recent past as it affected the villagers. The years of war and insecurity made them cautious and suspicious, and it was decided to avoid all questions which touched on political beliefs or loyalties, and to minimize questions which dealt with sensitive areas such as savings and crop yields if people seemed uneasy about them. The group decided it would be better to omit whole areas of interest and importance rather than to try for information about them if the attempt created suspicion and distrust. Perhaps the group was overly cautious in this respect, but this accounts for some of the gaps which are in each of the studies. However, the disadvantages inherent

in the decision were fully realized and thoroughly discussed before the study began.

For the first several months of the field work, interviewing was non-directive, and the impressions and information gathered during the early period formed the basis for more direct questioning at a later stage. A common approach was to walk along the village paths or through the fields, stopping to watch people at work, and leading into conversation by asking about their current activity. If the person seemed inclined to talk, the conversation could usually be steered into topics that the interviewer wanted to discuss. If the response was negative, the interviewer moved on to something more promising. Most people were friendly and willing to talk once the nature of the conversation became known and it was evident that the topic was non-threatening. In this way, too, a number of close acquaintanceships developed among the villagers, and over time many of them became reliable sources of information on a wide variety of subjects. Toward the end of the field work, members of the group tended to seek out the more cooperative and informed of the villagers, by then well known as such, and ask for answers to specific points on which there was incomplete or contradictory information from other sources.

This early background provided the basis on which a sample of twenty families was selected to conduct a family budget survey. People could be asked to assist the group in what was an unfamiliar

and unusual task once the group had established a role for itself, and, more importantly, once it was possible to select households who would be responsible in keeping the records. It was also important to the larger survey, for the knowledge of village life and village conditions derived from the non-directive interviewing was extremely helpful in making up the questionnaire that was used in the survey. Being aware by then of certain gaps in knowledge about the village, the questionnaire was designed to provide some quantified data in those areas. Finally, the early experience was helpful because every household in three hamlets had been visited at least once in the course of previous interviewing, and villagers therefore had no occasion to fear or suspect the interviewers or the questionnaire. The result was willing cooperation with the survey in almost every household.

The study of economic activity had a further source of information in the village records. Fortunately, these were intact for several years back, and while there are several grounds on which to doubt the accuracy of some of them, in general, they were probably fairly reliable. Census data and tenancy data were the best, but the data for rents and yields was subject to qualification. Land records were also accurate, but there was a problem in identifying owners because the names are changed infrequently. The size of the properties was never in question, but actual ownership often was. Tax data and Village Council

budget data were also fairly complete and probably reliable, although all records contained minor arithmetic errors from time to time.

Thus, the basic approach to the problem of data collection for the study of economic activity was to gather all written records and digest these, at the same time to conduct non-directive interviews as widely as possible. After several months, a family budget survey was started, and finally a questionnaire was prepared and a sample of 100 households was tested. Throughout the latter stages there was increased reliance on selected informants for checking information obtained in all the other ways.

The time spent on the study was a parameter, not a variable, and once the initial permission was granted there was a maximum of fifteen months in which to complete all field work and present an initial report such as that to which this is attached. This gave enough time to see a complete cycle of rice production and the intervening slack period, as well as time to witness each of the major celebrations which took place during the year. Field work consisted of about eight months, during which time each member spent three to four days a week in the village, and the rest of the time writing notes. There were also other calls on the time of all members of the group for teaching, for administrative duties, and in other research conducted at the same time. The study of the rural community was the major

research activity for all, but it was impossible to devote full time to it by virtue of the nature of the other duties all were required to fulfill. This represents an important limitation on the study, as the writer is well aware, but if recognized as such the proper allowances can be made in considering the results obtained.

APPENDIX B

THE SAMPLE SURVEY

The sample survey was carried out in order to get some quantified data on a wide range of questions, but with particular emphasis on secondary production and farm improvements. It was also designed to get responses to questions that would indicate something of attitudes toward work, toward change, and toward plans for the future. The survey was conducted in the last stages of the field work, after there had been ample opportunity to learn something about the village via other means, and therefore know what questions still remained which could be answered by the questionnaire method.

The questionnaire was drawn up in January, 1959, and was revised, shortened, and pretested over the period of the next four months. It is included in this Appendix for detailed examination, but, in general, it attempted to ask questions only on matters which the head of the household could be expected to know with some accuracy, and which he would be willing to answer without distortion or evasion. Thus, for example, it was decided in advance that villagers would be willing to answer questions on their debts, but not on the yield from their farms, and the questionnaire therefore contains questions on debt but not on income. The questionnaire was divided into four parts, of which all household heads answered the first three, but only

farm operators answered all four. The first part, in part, was filled in by the interviewer before the interview began. Questions were phrased in such a way that the answers would be simple and concrete, a large number of them requiring only "yes" or "no" replies, but in a few cases the questions were left open to see what responses would be given without prompting.

The sample size of 100 households was fixed after discussions with some of the U.S. and U.N. technical advisors attached to the Institute of Statistics, Department of National Economy. On the basis of their experience in other parts of Viet Nam, this number is regarded more than adequate for village sampling purposes. It represents about one-sixth the total number of village households, and about one-third the total number of households in the three hamlets from which the sample was drawn. The hamlets of Ấp Dinh "A" and "B" and Ấp Mới were chosen because they represent a continuous residential area containing about half the village population, the Village Council house, the school, and the village đình. It is as homogeneous a grouping as exists in the entire administrative village, and it is also the most accessible for interviewing purposes.

The sample was stratified on the basis of socio-economic class. These class distinctions rest on a number of considerations, which are dealt with more fully in the companion study

by G.C. Hickey, but for purposes of stratifying the sample the sole criterion used was the amount of land a family owned or rented. Thus, upper class households were defined as all those who own more than 4 hectares or rented more than 5 hectares of rice land; middle class households were those owning between 2 and 4 hectares or renting between 2.5 and 5 hectares of rice land; the lower class households included all those falling below this, even those who had no land at all. The assumption underlying this definition was that those within the limits chosen were in approximately the same economic and social position and that they were distinguished from the other classes in several ways. The relative proportions of the total village population falling within these classes was determined from village land records. A rough check of the reliability of this as a measure of class standing was obtained by comparing these with the percentages of different house types in the village. This latter was available from a survey of house types conducted by Dr. Hickey. In other words, the proportions falling within the social classes, as defined above, and the proportions of houses of brick, frame and thatch in the village were about the same. The survey later confirmed that there is a relationship between the socio-economic classes as defined and the type of house in which they live. On these grounds, the sample was composed of 12 upper class households, 18 middle class households, and 70 lower class households.

The actual households in the sample were chosen randomly from the village census records by use of a table of random numbers. Landowners and tenants were identified, and a preliminary assignment to a class was given to each household on the census records. A random sample was then drawn from each stratum thus identified in the census data. However, at the time of the interview this preliminary designation was checked by direct question, and if a household was incorrectly identified in advance, the class designation was changed to the correct one. Thus, a few households were found to be incorrectly identified, and replacements for them were drawn again on a random basis.

The questionnaire was originally written in English, but subsequently translated into Vietnamese, and the language used was thoroughly checked to eliminate any type of usage which might be ambiguous or impolite. Although the writer accompanied the interviewers in the pretesting and the initial interviews, the bulk of the actual interviewing was done by two research assistants, both of whom had been connected with the field work for several months and were familiar with the village and the kinds of problems on which further information was needed.

A number of problems arose in the course of the interviewing, none of them of critical importance, but they represent factors to consider in any subsequent interview attempt of this kind in a rural area. The writer is particularly indebted to

Mr. Nguyen Van Thuan for reporting on them from his experience. The presence of a foreigner at an interview of this kind, i.e,, where a questionnaire is used, is regarded by the Vietnamese interviewees as a mixed blessing. On the one hand, it may be considered an honor to the house and the members react accordingly. On the other, it may make the members of the household more formal, and therefore more hesitant to reply fully. This is not necessarily true of the non-directive questioning that took place at an earlier stage, for this was usually done without notebooks, and conversation often ranged over a number of extraneous topics of all kinds, with the result that the atmosphere was much less formal. Again, there is constant need to avoid anything which could be interpreted as threatening, even in the most remote way, for a natural suspicion of strangers has been fortified by war and insecurity.

There are a number of things which are important to the national who attempts an interview of this kind. There is, for example, a language problem to some extent. Although Vietnamese is standardized throughout the country, there are regional differences of accent and idiom. Villagers often have difficulty in understanding a different accent, in this case the inhabitants of this southern village sometimes had trouble in understanding the language of people who came from the north. It is preferable, therefore, that the national be familiar with the local accent. In this particular study, the interviews were conducted

by two staff assistants, one of whom was from the south and whose accent was the same as that of the villagers.

Nationals should also avoid any mannerisms which could be interpreted as overbearing, superior, or impersonal. This can creep in through the language used, and the willingness or unwillingness to spend a certain amount of time in preliminary pleasantries. A pleasant manner and a sympathetic approach win cooperation, but anything which implies that the interviewees are backward or ignorant will turn them indifferent and unresponsive. However, it is equally important that the interviewer avoid extravagant flattery or false heartiness of manner, for the people of the village are sensitive to the motives of the outsider, and would react as unfavorably to false good humor as they would to smug superiority. Praise or congratulations, if they are in order and the reason for them comes up naturally, are always welcome, but it must be genuine.

Although it has already been mentioned above, it is worth repeating that the interviews cannot start immediately, but should be preceded by a short period of general conversation, inquiring after the health of family members, recalling some mutual experience, and so on. There was an advantage in this survey in that one member of the interview team had visited each house in the sample on a previous occasion in another context, and therefore was already acquainted with the members of the household at least to this extent. This made the "warm-up" period

much more natural than it might otherwise have been, for there was the previous experience to build upon.

There was considerable difficulty in locating the households selected for the sample, for the practice of name-avoidance among the villagers meant that many could not identify their near neighbors by the names contained in the census rolls. Further, they could give directions only by local landmarks such as a special tree or bush, a piece of field, a fence, and similar things. It was finally necessary to plot the location of the entire sample in advance with the assistance of the deputy chief of the village, one of the few men who knew the given name and the alias of each household.

Lower class household heads tended to be less precise in their answers than upper class or middle class household heads. This was not always unwillingness to answer, but simply a vagueness of detail on matters which they may have never considered before. For example, an answer of "no" might really mean "not much," and the interviewers would sometimes repeat a question after several minutes to see if there was confirmation of the original answer. If the second reply was different, the interviewer would then try to find out why there was the discrepancy, and eventually get an accurate response. This meant departing from the exact wording and order of the prepared questionnaire, but this was permitted on the assumption that the corrected reply would be more accurate than acceptance of the

first one offered. Also, as mentioned in the text, some of the poorest families were unable to give specific ambitions for their children apparently because they had never throught in terms of anything other than a hope for some slight, but unspecified, improvement in their position in life. The more prosperous households, however, often had well defined plans for the future.

The interviews tended to last about 45 minutes for each. In some cases, it was finished in a shorter period of time, but this was rare. The need to spend a small amount of time in general conversation, some problems of communication due to accent differences, and some re-phrasing of questions to determine the consistency of responses accounted for the delay, but in a majority of the households this was not excessive.

Finally, it is important that the interviewers enjoy their work, understand what is being attempted, and be sympathetic with the approach. Field work is often hot and dirty, and there are numerous frustrations of all kinds. A person who looks upon the work as "a job" is therefore less likely to accept the working conditions in a frame of mind conducive to effective relations with the people he is interviewing.

APPENDIX "C"

The Family Budget Survey

In order to obtain some concrete data on the amounts spent regularly by village households on food and non-food items, a group of 20 households was asked to keep regular daily records of expenditures or equivalent values of goods supplied from their own farms or gardens. Testing of a form to be used for this began in September, 1958, and by October, 1958 the actual survey began with a slightly modified budget record form. Records were kept over a period of eight weeks, which included two and three weeks before the harvest of the first rice crops and five or six weeks after it.

Keeping records of this kind was a new experience for villagers, and the selection of the sample therefore involved choosing those who were known to the interviewers, and who would be willing to keep accurate records. Thus, the sample was hardly a random one, the selective factor being knowledge of marking and writing and willingness to take part in the experiment. An attempt was made to include all socio-economic classes, but, in fact, the final sample did not contain either any of the very richest or the very poorest households in the village. It did, however, contain a broadly representative group of the three main socio-economic classes. The number chosen, 20, reflects the simple mechanical difficulty of servicing a large number of

households. At the beginning of each week, each household was given a form for each day of the following week with instructions to fill in a new form for each day at the end of each day. At the same time, the daily budget forms for the previous week were collected, and reviewed on the spot to see if there were any questions or discrepancies to discuss with the head of the household. This collection and distribution of forms was a very time-consuming task, for each call involved a certain amount of general conversation and tea-drinking that tact and village courtesy required. As a result, this would take the better part of one day each week, and the decision was made to limit the number of households in the sample to no more than 20 on grounds that it would be too time-consuming to attempt more.

The small size of the sample is, therefore, a cause for some concern, but it reflects a limitation of resources. Over the eight week period, there was an opportunity for unusual or abnormal expenditures to cancel out in each group, with the result that the final impression is probably a valid picture of actual expenditures by households in three socio-economic classes. The need to enlist the cooperation of the household in this type of survey limits the range of village households which would enter the sample, for not all households were willing or able to participate. Again, this is not considered a serious limitation, for as far as can be determined from observation, the households included in the sample had standards of living no different from others in the same socio-economic class.

Some check on the replies was made by appearing in households at mealtimes and observing the size and content of meals. The most probable source of under-reporting, to judge from this type of check, was in vegetables and fish supplied directly, as indicated in the text. However, this is not a major understatement for in terms of either value or volume, increasing these items will not change the basic expenditure patterns to a significant degree.

VILLAGE STUDY QUESTIONNAIRE

Part I - External Observations

INSTRUCTIONS: The following questions can be noted down by the interviewer without asking any direct questions. This may be done before or after the interview itself.

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1. Identification number of house _____ Hamlet _____

2. The type of house is predominantly:

   Thatched roof with thatch walls _____
   Thatched roof with wooden walls _____
   Tile roof with wooden walls _____
   Tile roof with brick walls _____

3. The house has:

   dirt floors _____
   cement floors _____
   tile floors _____

4. Determine the category of the interviewee and check the appropriate one listed below:

   landowner _____
   owner-tenant _____
   tenant _____
   laborer _____
   artisan _____
   other (specify) _____

5. Check the proper socio-economic classification:

   Class I _____ Class II _____ Class III _____ (ours)

   Class I _____ Class II _____ Class III _____ (actual)

Part II - Family Information

1. What is the main occupation of the head of the household? (If the head of the household is a woman, check here ☐)

	Years Experience On His Own
farmer (landowner or tenant)	
artisan (specify)	
storekeeper	
merchant	
laborer	
other (specify)	

2. Does the head of the household also work as:

	yes	no
hired farm labor		
hired non-farm labor		
rice merchant		
storekeeper		
artisan (specify what kind)		
other (specify what kind)		

3. Does the wife of the family:

n.a.

	yes	no
work as hired farm labor		
work as hired domestic help		
weave articles for sale		
sell things from house to house		
work as housewife only		

4. Do your grown sons living at home (over 12 years of age): n.a.

	yes	no
work as hired farm labor		
work as hired non-farm labor		
work as hired artisan		
do other work (specify)		
continue schooling		

5. Do your grown daughters living at home: n.a. _____

	yes	no
work as hired farm labor	_____	_____
work as hired domestic help	_____	_____
weave articles for sale	_____	_____
sell things from house to house	_____	_____
do other work (specify)	_____	_____
continue schooling	_____	_____

6. How many people in the household work for income?

_____ people

7. (a) Did the head of the household attend school?

Yes _____ No _____

(b) If "yes", how many years? _____ years

8. (a) Do all the children in the family who are of school age (6 - 12) attend school regularly? Yes _____ no _____

(b) If "no", why do some not attend?

needed to work on farm	_____
too far from school	_____
too expensive to send them	_____
too ill to attend	_____
do not feel it necessary to send them	_____
other (specify)	_____

9. (a) Has any member of your household moved away permanently from Khanh Hau in the last 15 years? yes _____ no _____

(b) If "yes", what was his relationship to head of household?

son ____ daughter ____ brother ____ sister ____ grandchild___

(c) If "yes", where did they move? (specify)_____
when? _____

(d) If "yes", what do they do in their new residence? _____
_____

(e) If "yes", why did they move from Khanh Hau? _____

10. (a) Have you ever visited Saigon-Cholon? Yes _____ No _____

(b) If "yes", how many times did you go last year? _____

(c) If "yes", why did you go?

for amusement _____ to attend national fetes _____
for business _____ to visit relatives _____
other (specify) _____

11. Would you move to Saigon if you thought you could find work there? Yes _____ no _____ with qualifications _____
Specify qualifications:

12. Check if the household has:

safe _____
sewing machine _____
pressure lamp _____
portrait photograph _____
brass altar fixtures _____
set of armchairs and center table _____
plant in chinaware pottery _____
fresco with Chinese characters _____
wardrobe _____
wrist watch _____
wall clock _____
marble top table _____
bicycle _____
motor scooter or bike _____
glass front cabinet _____
expensive fountain pen _____
radio _____

13. What things would you buy first if you had the money to buy them without difficulty?

INSTRUCTIONS: List at least four items that are volunteered, and do not attempt to suggest things.

1.
2.
3.
4.

Part III - Household Economy

1. Does the family have a garden? yes _____ no _____

2. (a) Do you ever sell vegetables? yes _____ no _____

   (b) If "yes", what proportion of your vegetable crop do you sell in a good year?

   1/4___ 1/3___ 1/2___ 2/3___ 3/4___ all___

   (c) If "yes", what proportion of your vegetable crop do you sell in a bad year?

   1/4___ 1/3___ 1/2___ 2/3___ 3/4___ all___

3. (a) What money income do you get (estimated) for your vegetable crop in a good year? _____$VN

   (b) What money income do you get (estimated) for your vegetable crop in a bad year? _____$VN

4. Do you raise fruit? yes _____, no _____

5. (a) Do you raise fish? yes _____ no _____

   (b) If "no", why don't you raise fish now?

no fish pond	_____	no capital	_____
small homeplot	_____	too difficult to raise	_____
not interested	_____	no time for care	_____
no water available	_____		

6. Since most people in rural areas must borrow money from time to time, are you presently in debt to someone?

   yes _____ no _____

7. If the answer to the previous question was "yes", ask all the parts to this question. If "non", omit this question.

   (a) Do you have more than one creditor? yes _____ no _____

   (b) Who (is) (are) your creditor(s)?

landlord	_____	Tan An moneylender	_____
local storekeeper	_____	hui _____	_____
relative	_____	government	_____
other (specify)	_____		

(c) Would you mind indicating the amount of debt you have? _____ ₫VN

(d) What is the rate of interest you must pay? _____ percent per month

(e) What has been happening to the average size of your debt in the past several years?

increasing _____ decreasing _____ about the same _____

(f) Why is it necessary for you to borrow?

to buy fertilizer	_____	to repay old debts	_____
to pay planting expense	_____	to buy food and necessities	_____
to pay medical bills	_____	to pay for ceremonies	_____
to pay taxes	_____		
other (specify)	_____		

8. (a) Do you own any water buffalo? yes _____ no _____

(b) If "yes", how many do you have? _____

9. (a) Do you own any cattle? yes _____ no _____

(b) If "yes", how many do you have? _____

10. (a) Do you raise pigs? yes _____ no _____

(b) If "yes", how many do you generally raise per year? _____

(c) If "yes", do you raise them for your own use only? yes _____ no _____

11. (a) Do you raise chickens? yes _____ no _____

(b) If "yes", do you raise them for your own use only? yes _____ no _____

(c) If "yes", do you sell eggs? yes _____ no _____

12. (a) Do you raise ducks? yes _____ no _____

(b) If "yes", do you raise them for your own use only? yes _____ no _____

(c) If "yes", do you sell eggs? yes _____ no _____

13. (a) Do you buy your own rice? yes _____ no _____

(b) If "yes", where do you buy it?

village store _____ Tan An market _____
neighbors _____ Mytho market _____
wherever it is cheapest _____ other market _____

14. (a) Do you listen to the radio?

regularly _____ seldom _____
occasionally _____ never _____

(b) If you ever listen, where do you go? _____

15. Do you read a newspaper?

regularly _____ seldom _____
occasionally _____ never _____

16. If you ever work as a laborer for others, what kinds of labor do you perform in the course of an ordinary year?

farm work _____ roof repair _____ digging and construction of houses _____ mounding _____ brick and masonry work _____ making implements _____
other (specify) _____

17. If you work as a laborer, how many months of "regular" work do you get during the course of the year? _____ months
(Note: "regular" work means at least 4 to 5 days of work a week, on the average.)

18. Do you ever read, or have read to you, publications which tell about ways to improve farming methods?

yes _____ no _____

19. What ambitions do you have for your children (i.e., what would you like to see them become in life)?

Part IV - Farm Operations

1. (a) Do you own or rent any rice land? yes _____ no _____

(b) If "yes", how much owned? _____ha How much rented? _____ha

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INSTRUCTIONS: If the answer to Question 1 above is "yes", ask all the questions which follow. If the answer is "no", do not ask any further questions.

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2. (a) Do you hire labor to help you during the year? yes _____ no _____

(b) If you hire labor, do you make any special effort to hire relatives before others? yes _____ no _____

3. When you sell your rice, to whom do you ordinarily sell?

village merchant _____
buyer from Tan An _____
others (specify) _____
buyer from Cholon _____
buyer from village nearby _____

4. Of the rice you sell, when do you sell it?

immediately after harvest _____
hold until price is best _____
sell in small amounts throughout year _____
some right after, some later date _____
other (specify) _____

5. Where do you prefer to mill your rice?

Ap Vinh _____ Tan Huong _____ Tan An _____ At home _____
Other (specify) _____

6.(a) What is the reason for your preference in rice mills?

least expensive mill _____
mill more convenient _____
other (specify) _____
mill owner friendly _____
mill gives less broken rice _____

6.(b) Which of the following do you own?

plow (Vietnamese) _____
harrow _____
winnowing machine _____
hoe _____
saw _____
axe _____
threshing sledge _____
roller _____
plow (Cambodian) _____
water wheel _____
shovel or digging tool _____
rice mill _____
hammer _____
sickle or scythe _____
mortar _____
other (specify) _____

INSTRUCTIONS: Ask the following question, but then wait for an answer. If you get a reply, write down the main items in the space marked 7 (a). If you get no answer, check this box ☐ and then go through the check list in 7 (b) marking all items for which you get an affirmative reply.

7. In what ways have you changed your methods of farming since you first started on your own?

(a)

(b) use chemical fertilizer _____ use insecticides _____
changed type of plow _____ plant new vegetables _____
plow deeper _____ more shallow _____ grow new fruits _____ use more water for irrigation _____
use more ____less____labor grow new rice varieties _____
use different threshing technique _____ have not changed techniques at all _____

8. How many varieties of rice do you ordinarily grow? _____

9. Do you get two crops of rice per year from your rice land?
yes _____ no _____

10. What do tou think is the average value of your land at the present time, per hectare? _____$VN

11. What changes have taken place in the amount of land you work since you first started on your own?

increased _____ decreased _____ stayed the same _____

12. (a) Do you use chemical fertilizer on your rice fields?
yes _____ no _____

(b) If "yes", how long have you used it? _____ years

(c) If "no", why don't you use it?

too expensive _____ not much help _____

13. What changes in your farm operations would you make if you had a free choice and money was no obstacle?

use more fertilizer	_____	plant more crops of other kinds	_____
use a power pump	_____	buy more land	_____
use better seed	_____	use more insecticides	_____
use more machinery	_____		
other (specify)	_____		
would do nothing differently	_____		

14. How much rice land do you operate? _____ha

15. Do you rent land from relatives? yes _____ no _____ partly _____ n.a. _____

16. Is your landlord a resident of Khánh Hậu? yes _____ no _____ n.a. _____

17. Is all your rice land in Khánh Hậu? yes _____ no _____