

# **Non-farm Wage Labour and Entrepreneurship in Rural Vietnam**

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# **Abstract**

In the past decades, an enormous amount of literature has emerged studying non-agricultural economic activities of people living in rural and remote settings in developing countries. Few studies have given much consideration to the heterogeneity of non-farm employment. However, in times of rapid economic developments and ongoing structural change, non-agricultural activities in rural areas include a broad range of jobs and businesses. To reflect this diversity, this dissertation combines three different approaches to study aspects of non-agricultural activities in rural Vietnam: livelihoods, entrepreneurship, and economic geography. In summary, I first deal with the different types of non-farm jobs that rural people engage in from a livelihoods perspective. Then I analyse the importance of proximity to intermediate cities in this process. This is followed by analyses of entrepreneurship in rural areas. I first observe whether non-farm businesses are primarily a response to crises or whether they are exploiting business opportunities. Then I analyse how necessity and opportunity entrepreneurs differ in terms of characteristics and how entrepreneurial motivation affects performance. Finally, I study how greater access to non-farm wage employment affects rural entrepreneurship. The data was collected in three household surveys in rural Vietnam between 2007 and 2010. Major methodological tools are different types of bivariate and multivariate analytical statistics in combination with subjective perceptions of the households themselves. In this way this dissertation contributes to a better understanding of the diversification processes of rural households in rapidly changing socio-economic contexts.

**Keywords:** Rural Vietnam, Non-farm Employment, Entrepreneurship

# Kurzzusammenfassung

In den vergangenen Jahrzehnten ist eine umfassende Literatur entstanden, die sich mit außerlandwirtschaftlichen ökonomischen Aktivitäten in ländlichen und entlegenen Gebieten in Entwicklungsländern beschäftigt. Nur wenige Studien haben dabei der Heterogenität dieser Tätigkeiten viel Beachtung geschenkt. Insbesondere in Zeiten von schnellen wirtschaftlichen Entwicklungen und einem fortschreitenden Strukturwandel bestehen außerlandwirtschaftliche Aktivitäten jedoch aus einer Fülle an unterschiedlichen Beschäftigungen und Unternehmungen. Um dieser Vielfalt zu entsprechen, werden in dieser Dissertation drei verschiedene Ansätze kombiniert, um Aspekte zu außerlandwirtschaftlichen Aktivitäten im ländlichen Vietnam zu untersuchen: Livelihoods, Entrepreneurship und Wirtschaftsgeographie. Kurz zusammengefasst werden zunächst verschiedene Typen von Lohnbeschäftigung im ländlichen außerlandwirtschaftlichen Sektor aus der Perspektive der Lebenshaltung untersucht. Anschließend wird die Bedeutung der Nähe zu mittelgroßen Städten für die Aufnahme von Lohnbeschäftigungen näher beleuchtet. Danach werden ländliche Unternehmensgründungen studiert. Erst wird untersucht, ob ländliche Unternehmen eher der Krisenbewältigung dienen oder ob Geschäftschancen genutzt werden. Dann wird analysiert, wie sich Necessity Gründer von Opportunity Gründern unterscheiden und wie die Gründungsmotivation den Unternehmenserfolg beeinflusst. Zum Abschluss wird der Einfluss von besserem Zugang zu nicht-landwirtschaftlicher Lohnarbeit auf ländliche Unternehmensgründungen analysiert. Die Daten wurden in drei großen Haushaltsbefragungen im ländlichen Vietnam zwischen 2007 und 2010 erhoben. Methodische Werkzeuge sind unterschiedliche bivariate und multivariate Verfahren aus der analytischen Statistik in Kombination mit subjektiven Wahrnehmungen der Haushalte. Auf diese Art und Weise trägt diese Arbeit zum Verständnis von außerlandwirtschaftlichen Diversifizierungsprozessen ländlicher Haushalte in einem sich schnell wandelnden sozio-ökonomischen Kontext bei.

**Schlagwörter:** Ländliches Vietnam, außerlandwirtschaftliche Beschäftigungen, Entrepreneurship

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