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Thesis Title: The Impact of Education on Households' Income in Vietnam over 2006-2014

Abstract:

Education is often considered one of the contributing factors to improve the economic growth in general and households' income in particular. Identifying the impact of the education would be crucial for the policy makers when they design policies or introduce regulations which could enhance the productivity of the economy and households. This thesis aims to investigate the influence of education on households' income in Vietnam, over the period 2006-2014. In Vietnam, the economy has witnessed a slight transition from agriculture sector to industry and service sector in both GDP share and employment share, which is attributed partly to education attainment. Surprisingly, the results show that the rate of returns would be significant statistically in each year such as a rise of non-agriculture from 46.7% (2006) to 59% (2014). However, when it comes to variations in the returns to education over the period, it does not change as expected, especially at IV approach. Despite this, it is suggested that the policy makers should consider programs to encourage people to achieve education more, which could increase probably raise their income in the future.