

Land, Rubber and People: Rapid Agrarian Changes and Responses in Southern Laos

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Author Biography

Ian G. Baird is a Canadian who has resided in southern Laos for most of the last 15 years. He has a PhD in Human Geography from the University of British Columbia, Vancouver, Canada, and is presently the executive director of the non-government organisation (NGO) the Global Association for People and the Environment (GAPE). He has authored a number of books and peer-reviewed journal articles. In 2007, he co-edited *Fishers' Knowledge in Fisheries Science and Management* (UNESCO), and in 2008 he co-authored *People, Livelihoods, and Development in the Xekong River Basin, Laos* (White Lotus). His present research interests are focused on political ecology, history, colonialism, identity issues, and the social and spatial organisation of the ethnic Brao people of southern Laos and northeastern Cambodia.

Abstract

In recent years Laos has experienced rapid changes in land and resource use and tenure. Of those, the allocation of expansive land concessions for rubber production has been amongst the most significant. While rubber is being developed in various ways in Laos, large rubber concessions in southern Laos have frequently overlapped with agricultural and forest lands of importance to local people, replacing them and thus dramatically affecting agrarian livelihoods.

This article considers the particular circumstances surrounding large Vietnamese-owned rubber plantation concessions granted in southern Laos, and their impacts on the largely ethnic minority highland population in Bachiengchaleunsouk District, Champasak Province. In particular, I describe how a non-government organisation (NGO) has attempted to support these communities through partnering with local government to study the impacts of the land rubber concessions and associated agriculture transformation, and raise awareness in local communities regarding the Lao laws of relevance to these investments. While the NGO's efforts have not always gone smoothly—and have combined with other circumstances not connected to its work—the end results have been surprisingly encouraging, even if many problems remain unresolved. The circumstances indicate possible ways in which local people affected by large land concessions can be supported in the context of Laos.

Introduction

Largely fuelled by increased demand for raw rubber (*Hevea brasiliensis*) latex in India and especially China (Alton *et al.* 2005), mainland Southeast Asia has recently experienced a ‘rubber boom’. While there was a huge expansion of rubber in southern Thailand and Peninsular Malaysia in the 1970s and 1980s (Barlow 1997), most recently rubber planting has mainly targeted previously peripheral and remote parts of the region, such as rural and upland areas in Cambodia, Burma, Thailand, Vietnam and Laos (Cheang 2008; *Myanmar Times* 2006; *Thanh Nien News* 2007; 2008; Manivong and Cramb 2008; Dwyer 2007; Shi 2008; Alton *et al.* 2005). Foreign capital infusion for rubber tree plantation development in these countries has dramatically increased in recent years (*Vientiane Times* 2008a).

There are now monoculture rubber plantations in most of the provinces in Laos, with the earliest dating back to the 1990s (Diana 2007). Multi-cropping agro-forestry systems like those in other parts of Southeast Asia have apparently not yet been introduced in Laos. Chinese, Vietnamese and Thai companies have so far been the most important investors in monoculture rubber estates. The Government of Laos’ Committee for Planning and Investment (CPI) estimated in February 2008 that 17 large companies had already obtained 200,000 hectares of land concessions in Laos specifically for rubber (*Vientiane Times* 2007a). Vongkham (2006) reported that the Forestry Research Centre of Laos, a government institution, estimated that 181,840 hectares of land would be planted with rubber just in northern Laos by 2010.

Large-scale investments in rubber have mainly come through joint ventures between private foreign investors and private Lao investors, or as investments with 100% foreign ownership. However, the development of rubber plantations in Laos—when considered at the scale of nation-state—is complex, with many different small farmer initiatives, aid agency-

supported development projects, and especially Foreign Direct Investment (FDI) arrangements being initiated (see Dwyer 2007 for a review of the literature). The example of Hat Nyao Village in Luang Nam Tha Province indicates that small holder farming families have the potential to benefit economically from the development of small-scale rubber plantations (Manivong and Cramb 2008; Alton *et al.* 2005).ⁱ

The promotion of rubber by the GoL is justified in various ways. It is seen as a tool for eradicating opium production in northern Laos, and more generally for decreasing swidden agriculture throughout hilly and mountainous parts of the country. It is also viewed as a tool for introducing neoliberal economic practices, including capitalising land resources and using them to generate state revenue, and for more generally supporting Laos' production and long-standing promotion of foreign exports (cf. Harvey 2005). For most plantation investors, the main attractions of Laos are the low cost of land access, the perceived availability of large pieces of land, and to a lesser extent, the close proximity of Laos to major markets and the availability of cheap labour.ⁱⁱ

In this paper I do not argue against farmer livelihood strategies that include either rubber-based or off-farm opportunities. However, the large-scale rubber plantations in Laos are clearly having a massive and rapid impact on landscapes and livelihoods. Schipani (2007) has written about some of the conflicts that have emerged between rubber plantation development and biodiversity protection inside Lao National Protected Areas, and Chamberlain (2006b) has reported that large rubber concessions have contributed to increasing poverty amongst poor groups, especially ethnic minorities living in upland areas. I, however, want to draw attention specifically to the socio-cultural and economic impacts of the type of rubber development occurring in Bachiengchaleumsouk (Bachieng) District, Champasak Province, southern Laos,

which I argue are largely benefiting foreign investors and local elites at the expense of most villagers. Foreign investors have been acquiring land with rich soils for low state rents, often without having to ensure that local people are compensated appropriately, let alone significantly benefit from the investments. These plantations are stripping local resources away, leaving local people—most of who are upland ethnic minorities—poorer and with fewer livelihood options than they had before.

Since the number and seriousness of land-related conflicts in Laos has increased dramatically in recent years (Mahaphone *et al.* 2007), many questions are being asked about the pros and cons of issuing large land concessions for agriculture, and more generally regarding contract farming in Laos (see, for example, Fullbrook 2007; Hanssen 2007; Dwyer 2007). However, this paper does not specifically deal with all aspects of contract farming, even if it is an important issue in Laos and the region. Instead, I am concerned with the political ecology of large-scale rubber plantation development in southern Laos.

Yet, even though rubber plantations are seriously impacting local people and the environment, it would be of limited interest to merely describe how the imposition of large rubber plantations has negatively impacted the livelihoods of local people in southern Laos. Past decades of research regarding rural development research have provided adequate evidence on how resource-intensive FDI, when injected into rural landscapes of less industrialised countries such as Laos, has a tendency to transform land and other resources important for local livelihoods into capital that can be withdrawn at will by foreign investors and their local business and government cohorts and supporters.

Instead, this paper focuses on responses: that of villagers and GoL officials at various levels to large rubber concession expansion, and above all, the pro-active work of an

international Non-Government Organisation (NGO) working in Laos, which has been able to partner with farmers affected by these plantations, local government officials, and Lao Non-Profit Associations (NPAs) (the Lao equivalent to a ‘local NGO’) to effect change within what most consider to be a restrictive political environment.ⁱⁱⁱ While the land-use and livelihood research in Bachieng described below did not progress particularly smoothly, the changes that finally materialised were surprisingly promising, even if they emerged in ways not originally expected and in tandem with events apparently unrelated to the research. In addition, many problems remain unresolved. Some important lessons are worth presenting, to indicate some possible approaches that international and local organisations can take to support local people who are threatened by large land concessions implemented under a poor governance system (see Stuart-Fox 2005), and some potential pitfalls that should be avoided.

Systems for Developing Rubber in Laos

The partnership system that has emerged as the favourite of the central GoL for foreign investment in rubber production is often referred to as ‘2+3’ in Laos. This generally means that farmers contribute two components: labour and land; and investors provide three: capital inputs (seedlings, fertilisers, etc.), technical support, and markets. This form of contract farming is seen as optimal by many, as it is supposed to ensure the transformation from subsistence to market-oriented agriculture focused on cash crops and exports, while at the same time keeping land under the nominal control of farmers, and thus providing them with secure agricultural employment as labourers (*Vientiane Times* 2008g; 2007c; Phouthonesy 2007b; Pongkhao 2007a). In practice, this frequently means that latex is divided up between the investors and villagers. However, the devil is in the detail, as there are various other conditions associated with

these agreements, such as requirements for farmers to sell their rubber to the investing company at an undefined ‘market price’, at least until any farmers’ debt to the company is repaid. Thus, detailed analysis of individual contracts and conditions is required.

There are also variations of what has come to be known as ‘1+4’ systems, with the ‘1’ sometimes referring to either land or labour. It can sometimes mean that rubber trees are divided up between villages and investors, rather than the latex (Shi 2008; Dwyer 2007). However, as with ‘2+3’, there are potentially many possible arrangements that might be classified as ‘1+4’. Therefore, one should be wary about judging tenure arrangements based on ‘2+3’ plus ‘1+4’, as these numbered classification systems tend to unproductively and overly simplify the appearance of concession arrangements, since the numbers only refer to the inputs of different parties, without indicating anything about the ways that concession benefits are divided between investors, the State and local people.

Although the GoL and Dak Lak Company classifies the plantations in Bachieng District as ‘1+4’ arrangements—since some villagers are being employed on the plantations, and others are being given management rights over certain areas of rubber—in reality the plantations are better described as land grabs, as there are no guarantees that farmers will receive temporary or permanent employment. Their employers can choose to replace them with outside labour, including Vietnamese workers, thus putting the villagers in potentially precarious situations.^{iv} Furthermore, people’s land has frequently been confiscated for the rubber companies, leaving locals with no rights over the land, or revenue from the sale of latex.

These concessions are not typical. In northern Laos, for example, there are many more varieties of 2+3 and 1+4 systems for developing rubber. However, rubber development based on land grabbing appears to be the norm in southern Laos. There may be less large rubber

concessions in northern Laos because local governments there have been generally less willing to give out large rubber concessions to investors as compared to local governments in southern Laos. Chinese investors are more prominent in the north, while Vietnamese investors dominate the south, although it is unclear whether the nationality of investors has been a significant factor or not.

Government revenues for the concessions are low, amounting to about US\$6-9 a hectare per year for good quality land (Phouthonesy 2007b; *Vientiane Times* 2008d),^v which is over 10 times less than the US\$100/hectare/year rate that the GoL's present draft land concession decree stipulates for land concession fees in areas with little infrastructure^{vi} (*Vientiane Times* 2008f), even if the actual concession fee may end up being considerably less.^{vii} Furthermore, this revenue goes to the central GoL, with no guarantees that any share of it will go to the villages being impacted by rubber development.

Bachiang District

Bachiang District has been the centre of Vietnamese rubber developments in southern Laos, although there are plans to develop new large Vietnamese rubber plantations in other parts of southern Laos, including a 10,000 hectare concession inside Dong Ampham National Protected Area,^{viii} another 10,000 hectare in Phou Vong District, Attapeu (*VN Business News* 2008), and a 30,000 hectare concession in Somboun Sub-district, Phou Vong District (*Vientiane Times* 2008i). Bachiang is attractive for rubber developers because much of the district is located on the edge of the Boloven Plateau, considered to have some of the best conditions for rubber cultivation in Laos (Vongkham 2006).

Bachiang District has a human population of approximately 46,500, of which over 31,000 can be defined as being members of ethnic minority groups. These include large numbers of Mon-Khmer language speakers from the ethnic Jrou (Laven), Souay, Ta-oy, Katang, Brao (Lave) and Harak (Alak) groups. While Bachiang's population was, until a few years ago, spread out in 90 villages, recent GoL efforts to administratively consolidate villages^{ix} has resulted in there presently being only 47 official villages in the district. Until the arrival of the large rubber developments, the vast majority of local people were primarily small-scale semi-subsistence farmers.

There are many other districts in Laos that have a higher proportion of poor people than Bachiang, but that being said, the population of poor is significant nonetheless, and the district is considered one of the poorest in Champasak Province. Therefore, it is classified as one of the GoL's priority 47 districts for reducing poverty, of which there are only two in Champasak (Chamberlain 2006b).

The history of the peoples of Bachiang is complex and varied, with some, such as many from the Jrou (Laven) and Souay ethnic groups, having lived in the area for a long time. Others are more recent migrants, and during the 1960s and early 1970s, many ethnic minorities who sided with the Royal Lao Government were either fled to Bachiang to escape the Pathet Lao and North Vietnamese, or escaped from areas to the east that had become unsafe because of US bombing along the Ho Chi Minh Trail (see Van Staaveren 1993 for a US military account of where bombing occurred). The result is that the human population of Bachiang includes both those who supported the communists and others who did not.

Even before the arrival of 'big rubber' to Bachiang, the complex human geography and history of the district had already left some villages with relatively little agricultural and forests.

Land and Forest Allocation (LFA), which is explained below, was conducted in almost all the villages in the district in the 1990s in an attempt to improve natural resource management practices and promote agricultural investment and production.

Background of Rubber Development in Laos

Rubber was first introduced into Laos by French investors in 1930, with the first 0.5 hectare rubber plantation being established in present-day Bachieng District (Vongkham 2006). However, there was little rubber expansion in Laos under the French, especially compared to the large expansion in Cambodia and Vietnam that occurred during the French colonial period (see Hardy 2003; Salemink 2003; Slocomb 2007; Tran 1985). The relative lack of rubber development in Laos was probably a direct consequence of the country's relative remoteness, the abundance of land in Vietnam and Cambodia, and the relative lack of abundant, reliable and cheap sources of labour in Laos.

The First and Second Indochina wars were not conducive to rubber estate expansion, and it was not until 1990 that rubber planting began again, this time in central Laos. Then, in 1994 rubber planting began in northern Laos at Hat Nyao Village. In southern Laos, it was not until 1995 that the state logging company, Development of Agriculture, Forestry and Industry (DAFI), funded the establishment of a 74 ha rubber plantation in Houay Tong Village, Bachieng District (Alton *et al.* 2005; Vongkham 2006). There was little more expansion of rubber in southern Laos in the 1990s.

In 2003, people in northern Laos became increasingly interested in cultivating rubber, especially after it was found that Hat Nyao villagers, which were by that time producing latex for sale to China, were able to gain income equivalent to between US\$1,825 and

US\$3,389/hectare/year (Alton *et al.* 2005). This comparatively high income acted as a catalyst for encouraging the state and farmers to expand rubber development (Alton *et al.* 2005; Vongkham 2006).

In June 2004, a business delegation from the Vietnam Rubber Plantation Company visited Laos. During the visit, GoL representatives apparently proposed that between 50,000 and 100,000 hectares of land be made available for rubber development. The GoL announced that it would be happy to accommodate foreign investors, particularly those from Vietnam (Lang 2006). In fact, on May 10, 2004, before the delegation arrived in Laos, the central GoL had already signed a bilateral agreement with the government of Vietnam in support of Vietnamese investment in rubber development in Laos. This would become the basis for future investment arrangements between Vietnamese rubber companies and the GoL.^x

On June 21, 2004 the Vietnam-Laos Rubber Joint Stock Company (commonly referred to as the Viet-Lao Company) was granted a 50-year concession from the central GoL to cultivate 10,000 hectares of rubber in Bachieng District, at a cost of US\$34.7 million. The local government of Bachieng announced the allocation of land to the Viet-Lao Company on October 27, 2004.^{xi}

On July 20, 2004, the provincial governments of Champasak and Salavan approved another 50-year rubber concession, this time for the Dak Lak Rubber Company^{xii} to invest US\$32 million in developing 10,000 hectares of rubber, as well as thousands of hectares of coffee, cocoa and cashew trees (*Thanh Nien News* 2007). Final provincial approval for implementation was obtained in January 2005.^{xiii}

Finally, in 2006 the Kaosouyaotiang Viet-Lao Company (commonly referred to as the Yao Tiang Company), a partnership of three Vietnamese companies, signed a 40-year agreement

with the GoL to develop another 10,000 hectares of rubber plantations in Bachieng District, at the cost of over US\$35 million. However, according to the local news media, the company did not start operations in Champasak Province until June 14, 2007 (*Champamay* 2008).

Together the three Vietnamese companies have a concession area for rubber of 23,653 hectares in only Bachieng District.^{xiv}

It is not clear how much rubber the Vietnam-Laos Rubber Joint Stock Company has planted, but by October 2006, Dak Lak Rubber Company reported that it had planted 3,200 hectares (*Thanh Nien News* 2007), and two years later the company announced that it was cultivating 8,000 hectares of rubber in Champasak, Salavan and Attapeu Provinces,^{xv} as well as 1,000 hectares of other perennial crops, including cashews, coffee, and eucalyptus. The company's management expects that it will have planted its 10,000 hectares of rubber in 2010 (*Vietnam News Agency* 2008b). In 2009 it expects to expand its growing area in southern Laos by 1,500 hectares. The company is also planning to build a rubber processing factory, which is expected to be operational by 2011 (*Nhan Dan* 2008).

In March 2008, the *Champamay* newspaper in Pakse reported that the Kaosouyaotiang Viet-Lao Company had surveyed 2,318 hectares of land, and planted 1,305 hectares with rubber. This was considerably less than expected, and the Vietnamese blamed delays on the high costs of equipment, materials and fuel in Laos, as compared to Vietnam. The newspaper also stated that, "Some groups of villagers have not yet cooperated." (*Champamay* 2008).

The Research Process

The Global Association for People and the Environment (GAPE) is a small Canadian-registered international NGO that has had a Memorandum of Understanding (MoU) with the

GoL to support non-formal education in Champasak Province since 2001. I am a co-founder of the organisation, and its current executive director. GAPE began working in Bachieng District in February 2006, well after the first two Vietnamese rubber companies introduced above had begun working there. However, it was not until an ethnic Brao cultural exchange trip was organised in the villages of Km 19 (Houay Ten) and Km 20 (Phya Keo) in April 2006 that the extent of the impacts of large-scale rubber development in Bachieng became evident to those working for GAPE, including the author of this paper.

From then, GAPE began considering ways to address this important land issue, and in August 2006, the Rural Research and Development Training Centre (RRDTC), a private Lao Non-Profit Association (NPA) based in Vientiane received funding from a close ally of GAPE's, the Canada Fund for Local Initiatives in Laos,^{xvi} to begin disseminating legal information to five villages affected by rubber development in Bachieng. This groundbreaking work began in October 2006, and was implemented in cooperation with GAPE.

In December 2006, the International Work Group for Indigenous Affairs (IWGIA), based in Copenhagen, funded GAPE to implement a one-year project specifically focused on land issues in Bachieng. However, it took some time to obtain approval from the provincial government, and in the end they would only authorise a study of land-use and livelihoods in Bachieng that did not specifically mention 'rubber'. The project was ultimately approved on April 19, 2007, and dealt with the same issues outlined in the first draft of the project proposal, but the word 'rubber' was removed. Village questionnaires were developed and field-level research commenced. The project was specifically focussed on documenting the changes taking place as a result of rubber concessions, as well as building on the initial legal dissemination work

that RRDTTC initiated earlier. However, GAPE hoped that the initiative would directly benefit those at risk of losing their lands to rubber expansion.

The plan was to cooperate with the district government in Bachieng in order to jointly conduct rural assessments in a large number of villages being affected by rubber development, with the goal of determining the extent of the impacts facing communities, and working with the government to address any problems identified. The underlying objective was to raise awareness within the Bachieng government, in the hope that if exposed more intimately to the problems faced by villagers, government officials and policy makers might become more sympathetic to villagers' circumstances, and alter their policies and practices accordingly. Still, the officials in Bachieng remained suspicious.

In June and July 2007, GAPE commissioned the Champasak Province Science Technology and Environment Agency (STEA)^{xvii} to conduct a study on the environmental impacts of rubber development on five villages in Bachieng District and four others in neighbouring Pathoumphone District. Although the Lao authors of the report clearly recognised the serious negative impacts of rubber development, they dared not strongly implicate the Vietnamese plantation developers in writing. In line with the agreement between GAPE and the province, they also refrained from making it explicit at the beginning of the report that they were specifically researching the negative impacts of rubber development. Instead, their research was framed as a general study of development-induced environmental impacts in Bachieng. For example, the title of the report, translated into English, was "Research and environmental data collection in five village in Bachieng District and four village in Pathoumphone District", and the two stated objectives of the study were equally vague, and were "to study the environmental impacts from development projects in two districts" and "to create a report about the present

status of environmental change” (STEA Champasak 2007: 1-2). However, if one digs deeper into the report, it becomes evident that it is actually focussed on investigating the impacts of rubber development. The authors wrote that, in contravention of the GoL’s regulations for implementing Decree 192/PM on compensation and resettlement of people affected by development projects (GoL 2005b), required social and environmental assessments had not prepared prior to the development of the rubber plantations (STEA Champasak 2007).

A few months later, GAPE contracted RRDTTC to conduct legal dissemination work using drama in Bachieng, to complement its previous efforts, and as part of its continuing work in partnership with the Bachieng government. However, efforts to formally disseminate information about the labour law were blocked by provincial authorities who were apparently concerned that the implementation of the law would reduce company profits. They summoned GAPE staff to the provincial education office and the issue was referred to the Non-Formal Education Department in Vientiane. GAPE officers were able to convince the Department that there was nothing inappropriate about GAPE’s work, and the province was informed that GAPE should be allowed to continue its work.

While not all parts of the Lao laws are beneficial to local people, some are. For example, Article 67 of the Land law states that foreign land concession holders are obliged: “To not violate the rights and interest of other persons” (GoL 2003). In addition, Article 14 states,

“The change of [the use of] land from one category to another category can be made only if it is considered to be necessary to use the land for another propose without having negative impact on the natural or social environment and must have the prior approval of the concerned management authorities” (GoL 2003).

Article 22, which relates to the allocation of forest land use rights, also states:

“The district or municipal administration, in coordination with the village administration, is charged with considering and approving the allocation of forest land use rights in respect of forest land” (GoL 2003).

This implies that village administration permission is required to give forest land away for large land concessions.

In November 2007 GAPE hired the Gender Development Group (GDG), a Vientiane-based NPA, to study five Bachieng villages. Their goal was to investigate the impacts of rubber development on women (GDG 2007). While this study was more open about its objectives than the STEA study, the authors acknowledged in their final report that district government officials had prevented them from asking direct questions about the impacts of rubber development, in line with the revised agreement between GAPE and Champasak Province. The officials insisted that GDG frame their questions more generally. This might have been expected to have affected the answers that the researchers received, but in any case, the issue of rubber, because it is so paramount in relation to peoples' lives, came out in so many responses (GDG 2007).

Meanwhile, GAPE's research project with the Bachieng District government proceeded, with focal group and individual men and women interviews being the main tools used for collecting data. Interviews were generally done at night after villagers had returned from work with 2-3 days allocated for each community. Data collection focused on livelihood issues, changes in farm-based income, and compensation for losses. Since many of the GAPE and government researchers were ethnic minorities from the area, local languages apart from Lao were often used, thus making it easier for women and older people to participate. However, the presence of some government officials, especially those from the district governor's office, sometimes had the effect of stifling villager participation, or at least reducing their criticism of rubber investors or government official involvement in the concessions. However, these officials

were not always present, and when they were absent villagers tended to be much more critical of rubber development and government's involvement. Twenty-five copies of the Labour Law were made and handed out to a few of the worst impacted villages, even though some Lao GAPE fieldworkers were too afraid to do this, fearful that government officials might disapprove. This indicates that the law can represent a powerful tool.

By August 23, 2007, when the IWGIA-funded work in Bachieng ended, 37 villages had been studied by GAPE and its government counterparts, of which 29 were already being directly affected by rubber concessions.

The Impacts of Large-Scale Rubber Development in Bachieng

Through the course of the research, GAPE researchers and their government counterparts became familiar with the impacts and challenges that local people in rubber development areas in Bachieng are facing. The following is a summary of the main issues that were identified.

Losses of Common Property Lands

Villagers have lost access to important communal lands, including forests and pastures. In the past, these lands were crucial for local livelihoods. Pastures were grazing areas for cows and water buffaloes. Forests provided important resources like fire wood and wood for making houses, etc., and also non-timber forest products (NTFPs), including wild mushrooms, forest fruits, to wild rattan, malva nuts, wild cardamom, wild honey, imperata grass for roof making, reeds for making brooms, various kinds of bamboo, medicinal plants, game and fish, and other items. Some villagers previously made NTFP gardens in the forest, using the mosaic of upland

fields and regenerating trees of various sizes to cultivate crops like cardamom in the understory, relying on limited weeding and pruning to improve cultivation conditions.

Nowadays few NTFPs are collected or cultivated, and women in almost all of the villages visited complained about not being able to easily find fire wood, thus having to spend much more time to collect it. Since women are mainly responsible for finding fire wood, many women now have to spend much more time searching for fire wood. Others have been forced to buy charcoal for cooking, and while this could have some health benefits for cooks, it also increases family expenses, and this is especially problematic for poorer families.

Some villages that engage in commercial blacksmithing, such as Km 19 and Km 20, have also found it difficult to find fire wood for firing their tools. Now they too must buy charcoal, thus reducing their profit margins. This is an example of indirect livelihood impacts caused by the loss of forest access.

The loss of grazing lands has been a major problem for communities. Prior to the arrival of the concessions these livestock were mainly allowed to 'free range'. However, once the companies gained control of the land, cleared it, and planted rubber tree seedlings, they no longer allowed villagers' livestock to enter the plantations for fear that they would damage the seedlings. Since villagers often had nowhere else to release their livestock, many had no choice but to ignore the companies' attempt to control concession land spaces. When some seedlings were damaged, the companies stepped up their efforts to control access by demanding payment of fines of 300,000 kip (about US\$30)^{xviii} for every damaged seedling. Most farmers were either too poor to pay these fines, or refused to pay. The companies then took additional steps to protect their seedlings, including digging 1 m wide and 1.5 m deep trenches around the plantations.

Villagers have reported that Vietnamese employees of the companies have taken and eaten livestock that have fallen into these trenches.

Herbicides have also negatively impacted livestock, and in one village it was reported that 17 animals died after consuming grasses in plantations that had been sprayed with herbicides.^{xix} No compensation was provided to the owners of the animals, which violates Laos' resettlement and compensation legislation (GoL 2005a). This situation has caused farmers to dramatically reduce the number of livestock they have, thus diminishing village savings and safety nets, since people often relied on selling livestock in emergency situations. Furthermore, when large amounts of money are required, such as to pay wedding dowries or other marriage expenses, livestock are frequently sold. Livestock are also important for many upland minority peoples who sacrifice livestock when conducting rituals. According to Chamberlain (2006b), livestock are the most important source of wealth identified by villagers in Laos. The reduction of livestock as a result of land concessions pressures has, thus, significantly contributed to increasing poverty amongst villagers in Bachieng.

Crucially, villagers have not been given free and prior informed consent, or the option to retain their communal lands, and they have not received any compensation for the loss of communal forests and pastures, which the state claims to own.^{xx} This is despite the Lao resettlement law, which states that those who lose income due to land loss should be compensated for income losses (GoL 2005a).

Overall, biodiversity losses have been heavy, and while this has affected almost all community members, it has been especially serious for the poor, since they are frequently more dependent on communal lands than others. It is unclear who benefited from selling the logs acquired when converting primary forests to plantations, but it certainly was not the villagers.

Finally, important natural aquatic habitats have been decimated. Many water bodies have been poisoned by herbicides (used against ‘weeds’) and pesticides (used against termites) applied to plantations. Vegetation directly adjacent to water bodies has also been cleared and planted with rubber, with no buffer zones being established as required by the Lao Environmental law. Spraying equipment has frequently been washed in the streams, and the STEA Champasak (2007) found that the companies had not properly trained workers in the use and disposal of agricultural chemicals. There have also been serious problems with soil erosion, especially in steeper areas that have been cleared for planting rubber. Overall, habitat and stream hydrology has been badly affected, resulting in a dramatic decline in fish, crabs, shrimp, shellfish and turtles, and edible stream bank vegetation, thus negatively affecting local livelihoods and food security. Villagers are also afraid to consume water from the streams, believing that doing so might negatively impact their health. Those who have stood in the water for long periods while fishing have experienced burning and severe peeling on their lower legs.

Losses of Agricultural Lands

Bachiang District is known for its relatively rich soils (many being of volcanic origin), and prior to the arrival of the large rubber plantations, locals cultivated a wide variety of annual and perennial crops, including upland rice, various kinds of vegetables, pineapples, coffee, different types of fruit (especially durian, cashew, banana and *bong* trees), legumes (mainly peanuts, mung and black beans), and small-scale hardwood plantations (mainly teak). These agricultural activities were the primary basis for most villager livelihoods.

As with communal lands, villagers have often not been given options for keeping their agriculture lands. Furthermore, even though all those who lost agricultural land were, according

to Laos' resettlement legislation (GoL 2005a), supposed to receive cash compensation for lost land, many farmers had trouble obtaining it. None were paid in the first couple of years of the project, and cash compensation for losses only began being dispensed in February 2007. But even after compensation was forthcoming, many farmers have been unhappy with the amount provided. However, they have not been allowed to negotiate the amount or appeal for a higher rate. Farmers are told that they must accept whatever the company determines is appropriate.

Some farmers have not received any compensation, even though their village area was subject to LFA, thus establishing a basis for issuing land titles to farmers. This is because some individual lands were not officially registered with the State prior to the arrival of the rubber companies (neither permanent nor temporary titles had been issued), and farmers had thus not established tenure in the eyes of the State, through paying land taxes.^{xxi} In particular, swidden lands had often been inappropriately classified as 'empty' or 'unused' state-public land. In accordance with government rules, villages are supposed to rotate upland fields annually and following a 3-year cycle. But even in places where it has not been strictly enforced, the discourse itself restricts people to officially owning only three fields, one per year, even though three year fallow systems are generally not sustainable (Chamberlain 2001; Baird and Shoemaker 2007; Fujita and Phanvilay 2008). This resulted in a dilemma for many villagers, as few dared to admit that they actually had more land than allowed by GoL policy.

Even in cases when compensation has been provided, it has always been at a rate well below the actual value, and it has almost always been deemed insufficient by farmers. Although compensation levels have varied, farmers have typically received 1,000,000 kip (US\$100) for a hectare of swidden land, and 500 kip (US\$0.05) for each lost coffee tree or pineapple plant. This is not even enough to compensate for lost income for a single year of harvests. This contradicts

the GoL's legislation regarding resettlement compensation in relation to development projects (GoL 2005a).

The conditions in various villages in Bachieng have differed, with some communities such as Km 19 and Km 20 having lost the vast majority of their agricultural and communal lands. There, most families now have little more land than what their houses are located on. However, some communities have managed to retain part or even most of their land. A few were even able to keep rubber out of their village territories altogether. But in almost all cases when lands were lost, losses have been significant. It has left the vast majority of farmers with insufficient land for farming. Many have had to abandon swidden agriculture and use what small pieces of land remain for more intensive and small-scale agricultural activities, such as cultivating small vegetable gardens. Most do not have enough land to make their livings primarily from their own agriculture.

Farmers have been occasionally allowed to grow annual crops between the rubber seedlings for three years or until the canopies of rubber trees close up, but the concession owners often do not allow this, and in any case, many farmers feel that they are being taken advantage of when this happens, since farmers end up essentially providing the companies with free weeding around their rubber trees. This is also only a temporary solution to the land alienation problems people are facing.

Chamberlain (2006b) considered poverty issues in the ethnic Nangkriang village of Ban Don in the Bachieng District, and determined that the village had become very poor as a result of losing almost all of the village's agricultural land to Vietnamese rubber plantations, apparently with no compensation being provided, at least at the time of the study. One villager was quoted as saying,

“Now we have no land for crops at all because all of our land has been taken by the Vietnamese rubber project. ... We can't think of what to do, when we have no land we cannot think. ... We brought this problem to the District Chief but he refused to listen and just let the Vietnamese continue to plow up our land, now they have plowed almost to the edge of the village” (Chamberlain 2006b: 43).

Labour Problems

Villagers have faced various labour problems, and a number of labour issues have emerged that have made villagers unhappy. For one, only those between 18 and 35 years of age are eligible for employment as day-wage labourers with the Dak Lak Rubber Company, while those working on the Viet-Lao plantations are required to be between 18 and 45 years old. Thus, older farmers are being excluded, and many are thus bitter.^{xxii} In addition, women are not allowed to bring their young children to work, as is common practice in Laos. This makes employment difficult for women with small children (older children are, however, sometimes allowed to accompany their parents). The weak, sick or disabled are also prohibited from working on the plantations. Overall, in February 2008, 64% of the working aged population in Km 19 and Km 20 Villages were not being employed by the companies as full-time labourers.

Still, sometimes under-aged teenagers are allowed to work, and many have quit school to work in the plantations in order to support their families, especially when their parents are unable to work due to their ages or for other reasons. Children as young as 15 have been hired, even though the companies claim to only be hiring labourers 18 years or older. This has encouraged younger people to abandon plans to achieve higher education.

Labourers also claim that they are not receiving full payment for their work. For example, people are sometimes paid less for holes they dig for planting rubber trees compared to originally agreed rates. Villagers claim that they are expected to work long hours, which violates the Lao Labour Law (GoL 1994). Another problem is that few labourers have been given permanent

contracts. This is because the labour demands of the plantations vary from season to season, and also depend on the stage of plantation development. Labourers are often hired on a piece work basis, with some obtaining 300,000 to 500,000 kip (US\$30-50)/month for weeding in the dry season. However, much of the weeding work is done in the rainy season, with labourers receiving about 3,700,000 kip (US\$370) for weeding 25-hectare plots. In addition, contracted labour cannot look for other work during the slow season. This is a serious concern, because during the slow season villagers cannot generate enough income to survive. In addition, according to the Labour Law, temporary workers are supposed to make a minimum of 25,000 kip (US\$2.50)/day, but in reality many only obtain 18,000 kip (US\$1.80)/day. The companies often fail to pay labourers on time, or they only give them part of what they are owed. This is a common method for ensuring that labourers do not quit without notice, as they would not want to lose the money still outstanding.

Some observers are concerned that the rubber plantations demand for labour may decline in the future, as less labour is required to tap rubber trees (150-200 days/hectare/year) compared to preparing land and planting rubber seedlings (400-500 days/hectare/year) (NAFRI 2007; Vongkham 2006). Labour requirements may have already peaked in most of the plantations in Bachieng.

Finally, labourers are frequently exposed to dangerous herbicides or other chemicals applied to the rubber plantations, causing various health problems. Protective materials (gloves and masks) have, for the most part, not been provided, and sometimes labourers have been asked to apply chemicals without receiving adequate safety training. In some cases labourers are forced to work in areas where chemicals have recently been applied. Spraying has also been done next to villages on windy days, irritating and likely harming people. However, those who work on the

rubber plantations do not receive any health benefits, and those not working for the companies but who have been negatively affected by spraying have not received any assistance.

Overall, villagers are unhappy about being forced to become reliant on unsecure and poorly paid employment on plantations. However, there are those who favour rubber development, especially poorer people who had little or no land before rubber development began. Many of these labourers are relatively recent migrants with less attachment to that places that are being transformed, less to lose when land is taken or expropriated, and more of a need to secure paid employment as labourers due to lacking land-bases to make a living. This has, for example, led to some differences of opinion in villages like Houa Khoua.

Rapid Transformation Pressures

Because land clearing is often done using bulldozers, changes in landscapes and associated livelihoods have taken place over very short periods of time, with most villager-land being converted within a year, and often within a week or two, a few days, or even just one night. In some cases peoples' lands have been clandestinely cleared at night during village festivals (*boun ban*), when villagers let their guard down. They awake the next morning to find the landscape completely transformed. Peoples' lives have changed from being more or less self-sufficient to becoming heavily dependent on rubber company labour, or when that has not been possible, many have become idle due to a lack of farming and foraging opportunities. Villagers reported that whereas in the past they bought very little food, now they have to buy 90% of what they consume, thus dramatically increasing their need for cash.

Of course, switching from on-farm to off-farm employment is not inherently problematic, and can even lead to improved livelihoods and more options for farmers (see, for example, Rigg

2005). But, there is a big difference between farmers making these changes on their own and over many years, and people being forced into rapid change, with little consideration of whether those being transformed are in a position to successfully adapt or not (see Polanyi 1944). In the past, everyone had particular roles in society, but now it is becoming difficult for some to adapt to finding new roles. For example, older women used to help weed the fields, but now there are no fields to weed.

Most people previously worked their own hours, but now that they are forced to work for the companies to survive, they have to follow the work schedules dictated by the companies. In addition, it has been reported that labourers are punished by not being allowed to work for 15 days if deemed to have missed a day of work without justification. If workers miss three consecutive days, they are usually fired. Therefore, villagers can no longer rest when they feel like it, choose to take an afternoon nap, or take days off at will. Essentially, the companies are doing their part to transform local people through introducing new forms of discipline to their labour force.

Idleness, especially among those too old to work on the plantations, has led to other social problems, such as excessive alcohol consumption. Petty theft has also increased and more poor people in Bachieng are travelling to Pakse to beg. In addition, those labouring now have less access to food produced by themselves, but regular access to cash wages. Learning to manage this change has not always been easy, and some women in Bachieng complained that unlike before, their husbands now drink whiskey everyday because they have the cash to buy it. This is a new burden for women, and family conflicts have often increased.

Apart from livelihood adjustment problems, villagers are experiencing other socio-cultural challenges, such as losing animist connections to agriculture and the land, and becoming

displaced from special places with spiritual importance. For example, agriculture rituals linked to rice harvesting have been abandoned in some villages because most people are no longer able to grow rice. As a result, social cohesion in these villages has deteriorated. Douglas Porteous and Sandra Smith (2001) called such developments “domicide: global destruction of home”, which is an important concept for understanding what is happening in Bachieng. People are grounded in particular places, especially those with close relations to the land. As landscapes are transformed abruptly, and lands are often taken from people, this ‘destruction of place’ can be expected to leave people with a sense of groundlessness or emptiness. There are various psychological impacts that can emerge as a result of loss of ‘places’. However, these are rarely adequately considered. Certainly, the transformation is not just about material changes and losses, although those are certainly important and can exacerbate other socio-cultural and psychological problems.

Elderly people feel especially anxious that they will have no land to pass onto their children, and that as a result the younger generation will not remain in the villages to look after them. Without land or opportunities to work on the rubber plantations, middle to older people are having a particularly hard time adjusting to changes. It is also this group of people that tends to be the most attached to the landscapes that are being transformed by rubber development.

However, younger people are not immune to impacts. Chamberlain (2006a), for example, has pointed out that in parts of northern Laos upland ethnic minorities have become increasingly involved in human trafficking and other forms of exploitation as a result of rapid changes in landscapes and livelihoods linked to the development of rubber plantations. Certainly, those being affected by rubber development in southern Laos are equally vulnerable to these sorts of problems, and there have already been reports that more young people are illegally going to

Thailand to work, since they no longer have family agriculture lands to work on. There is also more potential for young people who go to Thailand illegally to enter into prostitution and become infected with the HIV virus.

Problems with the Research

GAPE's research on rubber development began to run into serious problems in September 2007, after all the data had been collected in the villages. A few things transpired that created considerable tensions. Most seriously, once all the villager questionnaires began to be examined by GAPE officers and their government counterparts, a senior Bachieng District official became alarmed. When he read the completed interview forms and realised that a large proportion of the villagers interviewed had expressed serious criticisms of large-scale rubber development. Tremendously frustrated with the situation, some villagers had directed their criticisms at the government, accusing senior officials of personally benefiting from becoming aligned with the companies. Strong criticism against government policies and practices is relatively rare in Laos, and the official was shocked, choosing to confiscate all the interview forms that included comments that he considered too critical to be used. According to one of GAPE's Lao officers, the official was particularly concerned that the district might get into trouble with the Ministry of Justice, as the Deputy Minister had visited the district the previous day.

It is unclear exactly how many interview forms were seized, but it was in the hundreds, and about half of the total from the 37 villages were lost. Those documents were never returned, and all that remained were the forms of interviewees less critical of the rubber plantations. This was a huge blow to the research, as the backbone of the study was supposed to be the

quantitative data collected through interviews. With so many questionnaires gone, and the ones remaining tending to be more positive than those lost, it eventually became clear that it would only be possible to make limited use of the data.

This was, however, not the only problem that the project experienced. In September 2007 GAPE contracted RRDTTC to organise a “Drama for Legal Advocacy”, with the goal of using theatre as a tool for raising awareness of legal issues linked to land and rubber in Bachieng villages. The drama was, in fact, developed in cooperation with government officials, including district officials and those from the provincial Department of Justice. However, when it was tested at Km 11 Village, and viewed by the same senior Bachieng District official who had confiscated the field data just days earlier, he reacted harshly, and reported his dissatisfaction to the Education Division of Champasak Province. The official thought that the performance was too provocative, and too implicitly critical of the rubber plantation developers. The provincial Education Division ordered that the drama not be shown to villagers again. Thus, another part of the project quickly came to an end.

In the same month, at a three-monthly meeting between GAPE staff and Bachieng District officials, the deputy district chief asked GAPE to change its Lao language quarterly activity report. Referring to the research that had been conducted on land issues in Bachieng, GAPE’s report briefly stated that one of the serious problems facing villagers was that they did not have enough land for agriculture. The deputy district chief said that he wanted all references to villager land shortages to be removed from the report. He claimed that there was plenty of land but that the villagers were simply too lazy to utilise it.

The morale of the 5-6 members of the GAPE team working on Bachieng land issues hit a low-point. Everything seemed to have gone wrong. With so much of the quantitative data gone,

even writing the final project report had become problematic. Many within GAPE considered the project a failure. The district government had seemingly been successful in stifling the voices of villagers, and GAPE was powerless to do much. Furthermore, GAPE's overall relationship with the Bachieng District government had taken a turn for the worse. This was not only affecting GAPE's research activities, but also its standard primary education and non-formal education activities in Bachieng.

Taking a Second Look

However, the results of this initiative inevitably turned out to be more complicated than originally recognised.^{xxiii} It took some months to realise that the project had actually achieved more than initially recognised. For one, despite the negative response of senior district officials to the research results, over time some officials came to realise that people in the villages were really suffering as a result of the rubber plantations, although the issue of rubber remains a contested one, with various positions being argued by different actors. Whereas district officials were previously often the ones intimidating villagers to give up their land to the companies, they are now more likely to urge village headmen not to sign away village land. For example, in one case when the village headman of Thong Phao Village signed away most of the community's land, local officials actually berated the village chief and sent him back to the company to renegotiate the return of at least some of the village's land. He managed to get half back.

In October 2008 the young brother of the district chief, who previously facilitated many land deals on behalf of the rubber companies, but is now a headman in Kengkia Village, was overheard telling the deputy director of district Education Office that the Bachieng government should stop supporting the expansion of rubber, as there is not enough land left, and it would be

economically and socially more advantageous to promote other crops on the remaining lands, including corn, black beans and peanuts. He also warned that the unstable global economy could cause the price of rubber to crash, along with the entire local economy. He commented, “There is a new theory called '*sethakit pho phiang*' (sufficiency economy, probably an idea borrowed from Thailand) which says that it is safer for villagers to remain independent and to produce many different things in order to be more resilient.” In addition, it is clear that the global economic crisis is already causing dramatic declines in rubber markets, with global prices declining from US\$3,200 per tonne in April 2008 to just US\$1,800 per tonne in October 2008 (Chun and Nguon 2008).

Money remains an important factor. Some village headmen have been bribed by rubber companies to sign off on land deals that are not in the best interests of their communities. There are opportunities for corruption are high because the Agricultural and Forestry Division officials and Provincial Land Management Authority (PLMA) officials frequently inform only the village headman about the plans to develop land in a village, rather than informing the whole village administration. However, in some cases community pressure has helped to ensure that village headmen have acted in support of villagers.

Villagers have also become less compliant with company plans, and are now more willing to argue with rubber developers, and even refuse to give up their land. For example, the Village Headman from Houa Khoua Village told me in mid-2008 that he had decided not to give any village land up to the rubber developers. Or if people are willing to sell land, they tend to negotiate with more confidence, since they now feel that they can refuse to sell their land if the terms are not favourable. For example, an ethnic Ta-oy woman from Bachieng explained how important the legal information provided to poor villagers has been, citing the example of her

sister, who was brave to negotiate the price a company gave her for half a hectare of marginal land that she was not using. They offered her 500,000 kip (US\$50), but she eventually negotiated for over 3,000,000 kip (US\$300). According to her, the limited amount of legal information provided by RRDTC via GAPE has been spread by villagers ad hoc, and has played an important role in increasing village legal knowledge and confidence. Although such victories may seem small, they are significant for previously disempowered villagers. The overall result is that the rubber companies are now finding it more difficult to acquire land, and they must pay much more for it.

There are a number of interlinked factors that have contributed to these types of changes. Not all are a direct result of GAPE's work. What is clear is that the research has helped 'soften-up' local government officials to the concerns of villagers. Practical day-to-day problems that they have observed have also affected officials, and have contributed to them becoming more sympathetic to villagers. For example, some have lost land themselves or have relatives or friends who have been victimised. In addition, GAPE's work has helped villagers better organise their thoughts and articulate the problems that the plantations are causing.

There has so far not been any violence associated with villager protests, but in at least two cases farmers have used guns to stop Vietnamese bulldozer drivers threatening their lands. One of these farmers was an ethnic Ta-oy Education official who, with GAPE sponsorship, attended a regional land rights workshop in Cambodia in mid-2007, where he vigorously presented the problems of rubber plantation development. Other villagers have protested in groups, while still others have taken safer routes, such as criticising the investors behind their backs.

Rumours spread that villagers in Km 14 village shot and killed a Vietnamese bulldozer operator working for the company. However, upon investigation I learned that no shots were actually fired. It appears that the exaggerated version of the story is a classic example of James Scott's (1985) 'Weapons of the Weak', in which stories are created to discursively support what many villagers might hope would happen, even if nobody dares to take the risk associated with actually shooting someone.

One villager who is too old to work on the plantations said that there are now many illegal Vietnamese labourers working for the companies. He told me that one way to get a laugh in these hard times is to dress up in a Lao police uniform and walk towards the Vietnamese labourers when they are working in the plantations. He said it was fun to watch the labourers run away in fear of being asked to present work permits, which many do not possess. People know that the effect is only temporary and that their actions do not really pose a serious threat to the companies, operations, or the Vietnamese employees, but these forms of resistance are relatively safe, and the resister can still gain some temporary satisfaction in getting some digs in. This is even true if when people claim that something has happened, when in fact it did not actually occur.

In addition, RRDTTC and the Ministry of Justice provided legal training on the Environment Law to many villagers, and the additional advice about the Labour and Land laws that the RRDTTC team offered to villagers informally has had an impact on local government officials and villagers. Both had previously very little understanding of Lao law as applied to large land concessions granted to foreign companies. The main lesson that government officials learned was that village headmen are not obliged to sign away village land for concessions if they choose not to. This replaced the previous view that government approved projects must be

vigorously implemented without any questioning or negotiation. In fact, the laws allow more room for resistance and negotiation than anyone expected.

However, the power of officials still worries many villagers, with some continuing to feel that the police and the courts do not operate within the law, and have the power to do whatever they want regardless of what the laws stipulate. This cannot be denied, but at least the law provides villages with new ways of justifying their positions, and this can certainly help in some cases.

There have also been other changes that were neither planned nor anticipated by GAPE. A journalist who works for the English language division of *Khao San Pathet Lao* newspaper became aware of the rubber plantation problems in Bachieng and investigated. He learnt about many different problems from villagers, and as a result wrote a critical article that he originally hoped to publish in *Khao San Pathet Lao*. However, the editor did not allow the article to be published there, as he was afraid it could damage Laos-Vietnam relations. However, the journalist was determined, believing that it was important to report on this important issue. After discussing the article with the editors of the *Vientiane Times*, they finally agreed to publish it on April 23, 2007. The first few sentences of the article indicate its tone,

“Villagers in Bachieng district of Champassak province envisage a dark future now that their lands have been taken over by investors for a rubber plantation.

Local authorities have allowed the investors a concession on the land and encourage villagers to work as labourers for the investors.

The resulting shortage of land for agriculture will force some families to leave their homes in search of alternative land to earn a living.” (*Vientiane Times* 2007b).

The article went on to quote the village headman of Don Village, who explained that the community had lost 100 hectares of land to rubber, leading two families to move to another district. Three other families were expected to move as well. GAPE field workers have heard that

other farmers have moved to various other districts in Champasak and Attapeu Provinces.

However, poorer families frequently claim that they do not have the resources to start a new life elsewhere.

The village headman complained about the low compensation that villagers had received for lost land planted with cardamom and teak. The article reported that other villages in Bachieng were facing similar problems, including having their perennial agricultural crops bulldozed by the rubber developers. The article quoted the Director of the Agriculture and Forestry Division of Champasak Province as stating that, "We accept that there will be some problems with villagers initially, but if we don't change today from local production to industrial production, when will we do it?" This indicates that the scheme was partially justified by the GoL because they want these 'ethnic minorities' to rapidly transform their livelihoods and become modernised. The head of the Champasak Governor's office was also quoted as saying, "We know only about the investment possibilities in Bachieng district, but we know nothing about the actual implementation of the project." He promised to launch an investigation and fully report to the Governor, and to determine whether payments to labourers by the rubber developers were appropriate. He also commented that rubber developers should not be allowed to take control of land already being cultivated by villagers. The senior official's comments indicated that the provincial government was already distancing itself from the rubber concession, in order to avoid conflicts with the central government, even though some of the most senior officials in both the district and province had already used their positions to become involved in rubber production through being given private rubber plantations by the companies in return for support in obtaining land.

Once the article appeared, one of the rubber company officials read it and became angry. He brought the article to the Prime Minister's Office in to complain that the article was written too strongly. This complaint actually ended up backfiring against the investor, as it caused the Prime Minister, Bouasone Bouphavanh, to set up a committee made up of officials from different relevant ministries to investigate the situation in Bachieng. In addition, the Prime Minister visited Bachieng and Lao Ngam Districts to investigate the rubber developments shortly thereafter. This trip was instrumental in leading the Prime Minister to declare—at a national land meeting on May 8, 2007—that the government “would stop approving land concessions for investors on an indefinite basis, or until a more comprehensive strategy could be devised” (*Vientiane Times* 2007b). His announcement fit with a proposal by the National Land Management Authority (NLMA) a month earlier to temporarily halt all new land concessions to private companies nationwide, in order to prevent serious environmental impacts (Phouthonesy 2007a). Specifically citing land conservation disputes in Bachieng and Lao Ngam, and problems with planting rubber on high quality lands that would better be allocated to growing other crops, Bouasone stated,

“We can generate a lot of money from the [Bolovent] plateau, if only we diversify from rubber tree plantations, for which we only get five or six dollars per hectare in land tax. This doesn't add up to much over a year ... We also need to start calculating in detail how much villagers will actually earn from rubber plantations.”

He also commented that,

“We are calling a halt to these projects to improve our strategy and address the shortcomings of our previous strategy ... We don't yet know when we will resume approval of these projects, as this will depend on whether we can improve our strategy.”^{xxiv}

On the following day, the Governor of Champasak announced that there would be continued discussions to resolve land concession disputes in Bachieng, and that he would encourage the rubber developers to implement the ‘2+3’ system.^{xxv} The Governor also indicated

that the Vietnamese had already consented to implement this on a pilot project basis. In addition, the Governor commented that 50 years was too long for concessions, and that he wanted cut them down to 35 years.^{xxvi} He acknowledged that almost 20,000 hectares of rubber was expected to be planted in Bachieng by 2010, and that parts of the plantations overlapped with land already used by villagers for agriculture. However, he partially defended the development, claiming that the livelihoods of many villagers had improved because they now had opportunities for employment with the rubber companies (*Vientiane Times* 2007d).

In addition, in July 2007 Nong Sim Village, one of the communities in Bachieng District that received RRDTTC Environment Law training and other informal legal advice from RRDTTC, prepared a complaint about land that they lost to rubber, and sent it through a relative in Vientiane to the Ministry of Justice. This apparently increased the pressure on the GoL to make changes in favour of the villagers.

However, it appears that the companies are continuing to push ahead, and on July 30, 2007 the *Vientiane Times* reported that the Deputy Prime Minister of Vietnam, Truong Van Doan, stated at a meeting regarding Laos-Vietnam cooperation a week earlier, that Vietnam planned to increase the number of rubber plantations it is developing in Laos, and that 60,000 hectares would be planted by the Vietnamese “in the near future” (Pongkhao 2007b).^{xxvii} In addition, in September 2008 Vietnamese rubber plantation developers received assurances from the highest level of the GoL that there was still official support for Vietnamese rubber development in Champasak (*Vietnam News Agency* 2008a).

Furthermore, on September 25, 2007 the *Vietnam News Agency* (2007) reported that Dak Lak Rubber Company was planning to expand its rubber holdings in southern Laos by 2,000 to 2,500 hectares in the coming year. While no mention of the conflict or subsequent moratorium

on new land concessions was mentioned, it was reported that, “The company [Dak Lak Rubber Company] has also helped improve its workers’ living conditions through education, healthcare and road upgrading projects,” indicating an increased sensitivity of the issue.

However, other senior GoL politicians have continued to express their objections over large land concessions. For example, on June 5, 2008 Kham-ouane Boupha, Minister of the Prime Minister’s Office and President of the NLMA, made some interesting comments about the need to strengthen Laos’ LFA system.^{xxviii} He stated that there were chronic problems with land and natural resource management in the country associated with large land concessions for industrial crops, and that local authorities had incorrectly allowed foreign investors to proceed with poorly assessed projects that had led to serious social and environmental impacts in rural areas (*Khaosan Pathet Lao* 2008). A few months later, Minister Kham-ouan Boupha was also quoted as stating, “I think that we need to study three things about rubber: one is the economic return, second is the environmental impact and the third relates to social issues...If the rubber project (sic) is not suitable based on these three things then we will not approve land for investment” (*Vientiane Times* 2008h: 1).^{xxix}

The statements by the Prime Minister, the Minister responsible for the NLMA and other senior officials and politicians have helped create political space for local government officials to question and criticise rubber development, and they have also been crucial in changing the positions of some local government officials in Bachieng. These comments have signalled that public discourses related to rubber development no longer have to be positive.

However, while conditions have somewhat improved in Bachieng, the moratorium on new land concessions does not appear to be holding. Indicative of this, on July 18, 2008 the *Vientiane Times* quoted a member of the National Assembly for Savannakhet Province, Colonel

Lamngeun Khampaseuthxaiya, as stating that, “[L]and concessions that covered farming land were still being granted” (*Vientiane Times* 2008b). However, the ways that various provincial governments are dealing with these problems varies, thus resulting in a high diversity of circumstances throughout the country.^{xxx}

New problems with rubber plantation concessions have started to emerge in other parts of Laos, such as in Xekong Province where provincial authorities have complained about villagers selling their land to rubber companies without the knowledge or approval of the government, and have also suggested that some rubber plantations should not be allowed in order to ensure that there is land available for other potentially more valuable crops (*Vientiane Times* 2008c, e & h). In addition, in November 2008, it was reported that Luang Nam Tha Province, in northern Laos, had decided to stop approving new rubber plantations until the socio-economic impacts and profitability of rubber were assessed by the government. Officials expressed the need to retain land for planting other crops for food security purposes, and they also believe that other crops may be more profitable than rubber. “Now nobody knows whether the rubber is good for our economy and poverty reduction so we will stop it to study the impact,” said provincial administration office Deputy Head, Mr Bounma Phandavong (*Vientiane Times* 2008h: 1).

Indicating that official opposition to rubber plantations is indeed growing, the *Vientiane Times* (2008j) reported in November 2008 that rubber plantation concessions that cause damage to forests would no longer be approved. In particular, past expansion of rubber plantations was reported to have resulted in the encroachment on environmentally-sensitive protected areas, apparently due to a lack of adequate surveys in advance to project development. According to the Deputy General of the Forestry Department, land with more than 30 cubic metres of standing trees per hectare would not be approved for rubber cultivation. In the same article, the deputy

director of the Agriculture and Forestry Division of Champasak Province reported that the government did not want anymore rubber development on the Boloven Plateau, as coffee is believed to be a more profitable crop.

The *Vientiane Times* (2008j) reported that the rapid expansion of rubber had prompted the Ministry of Agriculture and Forestry to limit rubber expansion to 300,000 hectares. However, the same article stated that many agriculture experts believed that the amount of rubber plantations should be capped at the present level of 200,000 hectares.

Lessons Learned

There are a number of lessons that can be drawn from experiences associated with large-scale rubber development and agriculture and livelihood transformation in Bachieng District. The first and most obvious is that rapid landscape and livelihood transition caused by large-scale rubber plantation development can lead to serious problems that deserve careful consideration. So far there has been insufficient effort in surveying land prior to granting concessions, and in many cases no surveying has been done at all before concessions were granted. Government also has not had access to good land zoning maps for determining where land might be available, and how much. There was, in fact, no land surveys done in Bachieng prior to the signing of concession agreements, and one of the biggest problems was that the government has obliged to find land for concession holders even when suitable unoccupied land was not available.

Colin Barlow (1997) provides an overview of the history of agricultural transformation based primarily on rubber development, but his biases against village subsistence oriented agriculture systems are clear from the outset, as indicated by the way he frames agricultural transformation. For example, he includes pre-plantation agricultural within what he calls “a

backward economy” (1997: 1589), thus showing that this form is not ‘modern’, and is thus inferior to more ‘developed’ forms of agricultural economies. More importantly, Barlow appears unaware of the hardships frequently caused by large plantation development. He does not appear to have much sympathy for those whose livelihoods are being forcibly and rapidly transformed by large plantations. This same lack of consideration for farmers who are impacted by land concessions is evident in other economic studies, such as Schumman *et al.* (2006), who, while not explicitly focussed on rubber, still failed to state the importance of considering the impacts of land concessions on local livelihoods. Instead, Schumman *et al.* (2006) focuses on maximising benefits to the central state and ensuring easy access to land by foreign investors. While the funder of the study, the German aid agency GTZ, has dealt with this issue elsewhere, and has generally tried to support villager interests in relation to land concession issues, the particular approach adopted by Schumman *et al.* (2006) is dangerous, in that it legitimises a discourse that considers the interests of investors and the State, without giving nearly enough emphasis to the interests of local people.

Another problem with Barlow’s typology of agriculture transformation is that he assumes that the development of plantation agriculture is appropriate and necessary, as does Schumman *et al.* (2006). They remain silent regarding issues that are at the core of rights-based approaches to development, including general equity and gender issues, and issues related to the hardships associated with large-scale plantations development. They also do not refer to the negative impacts plantation development usually has on biodiversity. As the *Vientiane Times* (2008g) has reported, “Rubber can also degrade the soil if it is grown in unsuitable areas,” and, “Much more needs to be done if long-term repercussions are to be avoided.”

It is crucial to carefully consider who makes the decisions to transform; what are the power relations associated with these developments, including who has control over the land, human resources and markets; and how much time, capital and other resources people have to make adjustments? As this case study indicates, large-scale rubber plantation development has many potential pitfalls.

A more appropriate framework for considering the type of plantation development described in this paper was famously laid out in 1944 by Karl Polanyi in *The Great Transformation*. Polanyi argued that the development of the modern state went hand in hand with the development of modern market economies and that these two changes are inexorably linked. Certainly, one can see, in the case of Bachieng, how state power has been used to support market-oriented developers, and vice versa. In addition, Polanyi certainly understood the magnitude of the types of industrial change that come with large-scale rubber plantation development. Opposed to typical liberal accounts of the rise of capitalism, he recognised that capitalist led agricultural change ultimately means the total transformation of previous social orders, and that its sustainability is doubtful due to its destructive impacts on humans and nature. We can see the same in Bachieng today.

Another lesson from this study is that even though LFA was conducted in the 1990s in most of the villages in Bachieng, land tenure systems introduced by the State are likely to be ineffective if participatory processes are not used to empower local people (see Fujita and Phanvilay 2008 for another example from Laos). Legal backing is also necessary in the long-term. Of equal importance, follow-up is required to ensure that processes like LFA remain relevant, and are structured in ways that allow for adjustments in responses to previously unanticipated problems. If these systems are not flexible, they are likely to become irrelevant and

be abandoned or ignored when contradictions arise. Our research in Bachieng found that many villagers often could not even recall when LFA was conducted in their communities, or were unable to recall the original agreed-upon land-use plan. The burial or spirit forests of the villages were best known, which is not surprising since these forests have an important cultural value.

The third lesson is that developing cooperative research projects to investigate problematic land tenure issues in politically restricted countries such as Laos can—despite various potential obstacles—either directly or indirectly contribute to changes in government policies and practices, even if there are other important factors that have little or nothing to do with advocacy work.

The fourth lesson is that extending legal training to villagers can bring various positive results, including sensitising local government officials to legal frameworks that provide villagers with substantial rights. Legal training can provide important knowledge for empowering local people to stand up for their rights and feel more confident to negotiate with government and private companies that may or may not be working in the interests of villagers. As one observer noted, “The laws in Laos may not be perfect, but they are at least better than what people have had to face when they don’t know anything about the law and are at the mercy of others to interpret them.” However, the fact that GAPE workers were sometimes afraid to disseminate legal material, fearing the government might see this as overly provocative, indicates that much work remains to be done.

As a fifth lesson, we realise that developing cooperative research projects to investigate problematic and sensitive land tenure in politically restricted countries such as Laos can, despite various potential obstacles, indirectly lead to changes in government policies and practices. This case study indicates that by working closely with governments and villagers, it is possible for

positive results to be achieved, even through sometimes unexpected links and connections bring about these changes. Certainly, GAPE could not have predicted that RRDTC's informal legal dissemination work would have been so effective, or that the family ties of villagers at Nong Sim with people in Vientiane would have facilitated the application of a formal complaint to the Ministry of Justice. In turn, this indicates possibilities for villagers to partially alleviate some serious problems in a political environment that is closed to strong criticism of government approved projects.

Conclusions

Many of the most serious challenges of the rapid transformation in landscapes and livelihoods in Bachieng have still not been rectified, and none of the land taken from locals has so far been returned to the previous owners. Even though the prospects for improved local governance seem somewhat brighter, it is important to recognise that the results achieved are more likely to benefit villages that have not yet lost their land, as compared to those who were early victims of large-scale rubber development. Jesse Ribot's (1998) point about not overlooking other factors unrelated to land when assessing opportunities and obstacles for accessing resources is fundamentally useful, especially considering that some common property studies have underestimated the importance of some non-land resources. However, this case study does confirm that for most of the people of Bachieng, land tenure is the key issue, even if other problems associated with livelihoods and labour are far from insignificant. This is particularly the case for so-called 'indigenous peoples', since they tend to have more holistic and multidimensional relationships to land, a point emphasised in the recently approved United Nations Declaration on the Rights in Indigenous Peoples (United Nations 2007).

Ducourtieux *et al.* (2005) point out that one of the GoL's most important objectives is to reduce rural poverty, and that land reform measures, including increasing land security for farmers, is seen as an important means for achieving this objective. However, large rubber plantations like those being established in Bachieng are dramatically contradicting stated GoL policy, by actually reducing land security for rural farmers, causing increased food security problems and associated poverty. The Prime Minister of Laos would appear to be justified in stating that granting large land concessions without appropriate research and safe guards, and considerations for the environment and the poor, is not likely to benefit either the rural poor nor the GoL. Similarly, a forestry official quoted by the *Vientiane Times* (2008g), stated, "[I]t is debatable whether rubber plantations can help to alleviate poverty and boost economic growth." Indeed, it is important to consider whether plantations can alleviate poverty *and* boost economic growth *at the same time*" [emphasis in original]. We cannot assume that the two necessarily go hand in hand, and some might even argue that the two concepts are prone to conflict with each other.

This paper has presented a case study of NGO engagement in important land and resource issues in southern Laos, in an attempt to provide some insights into the kinds of problems that can arise, and the ways that different parties respond to changes. Although there have been many studies conducted in Laos about natural resource management issues, few have attempted to present detailed information about engagements associated with such studies. This is what I have tried to do here. While it is difficult to know how much GAPE's work in Bachieng has ultimately contributed to the overall changes in government discourses and practices, it would appear that significant changes have occurred. Certainly, other factors have also been important. Although we tend to think of NGO initiated projects as being independent and self-

contained entities—or at least that is the way they are frequently presented in project report—this paper shows how the work of civil society organisations like GAPE tend to be intertwined with other processes. Thus, the results are often unexpected, with big picture changes emerging out of multiple processes, of which the roles of NGOs are only part of the story, even if they can sometimes be important for triggering or otherwise promoting processes that can take on lives of their own, and eventually lead to positive but incomplete results, as has been the case in Bachieng.

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ⁱ However, it is important to realise that the people from that Hat Nyao are not ‘typical’, in the sense that they were apparently better ‘connected with government’ and more financially secure than most other villages at the time the community first started cultivating rubber trees. That made it possible for them to fund their own plantation development rather than rely on contract farming agreements with the Chinese, as is presently the case for other villages in northern Laos. There ethnic Hmong people also benefited from informally learning about rubber development from Hmong in southern China (Alton *et al.* 2005).

ⁱⁱ At least in northern Laos, there is not expected to be enough local labour to tap latex once the trees are mature, and it is therefore likely that outside labour (probably from Vietnam) will be required (*Vientiane Times* 2008g). However, the *Vientiane Times* (2008g) quoted the deputy governor of Luang Prabang Province as saying, “[I]f foreign workers were brought in [for working on rubber plantations], there is the risk of potential social problems, because they may decide not to return to their country of origin.” There are many Vietnamese working on Lao rubber plantations in Bachiengchaleunsouk (Bachieng) District, Champasak Province, which is the focus area of this paper.

ⁱⁱⁱ Laos is a single Party nation politically organised according to the former Soviet Union’s Communist system.

^{iv} There is a clause in Article 7 of the Lao labour law that states that “Any labour unit in economic sectors may employ foreign workers when necessary, if no appropriately qualified workers are available in the Lao People’s Democratic Republic” (GoL 1994). Therefore, by claiming that certain jobs require foreign labour, even if Lao people could actually do the work, it would be possible to justify hiring more foreign labourers at the expense of local labour.

^v Some people have reported that land concession taxes range between US\$2-6 per hectare per year, with each deal being negotiated separately, without there being any across the board rules. However, legislation is presently being prepared that will standardize rates and fees throughout the country. This legislation is expected to be passed by

December 2008 (Florian Rock, *pers. comm.* October 12, 2008). The *Vientiane Times* (2008d) has reported that average rates are US\$6-9.

^{vi} Land located in areas with considerable infrastructure nearby is potentially worth US\$900/hectare/year (*Vientiane Times* 2008f).

^{vii} The final rate for land concessions fees is still being considered, and in August 2008 the *Vientiane Times* (2008d) reported that a rate of between US\$30-80 was being considered, but that the government had asked that the rate be reduced. A senior National Agriculture and Forestry Research Institute (NAFRI) researcher was reported to have recommended that the rate be set at between US\$20-30/hectare/year, which he believed would be in line with rates in neighbouring countries.

^{viii} Deputy Governor of Attapeu Province, *pers. comm.*, April 2008.

^{ix} This means that two or more villages are administratively reorganised so that there is only one new village administration compared to the two or more that previously existed. However, unlike village consolidation, villages are not physically moved (Baird and Shoemaker 2007).

^x Provincial Land Management Authority, Champasak Province, *pers. comm.* 2008.

^{xi} Provincial Land Management Authority, Champasak Province, *pers. comm.* 2008.

^{xii} Provincial Land Management Authority, Champasak Province, *pers. comm.* 2008.

^{xiii} TERRA, *pers. comm.* 2008.

^{xiv} Provincial Land Management Authority, Champasak Province, *pers. comm.* 2008.

^{xv} According to Vongkham, in 2006 a total of 6,719 hectares of rubber had been planted by Dak Lak Company in Champasak, as well as an additional 1,419 hectares in Salavan, 500 ha in Attapeu and 100 ha in Xekong Province, resulting in southern Laos having a total of 8,738 ha planted with rubber.

^{xvi} The Lao PDR/Canada Fund was managed by the Canadian International Development Agency (CIDA) and the Canadian Embassy to Laos in Bangkok, Thailand.

^{xvii} The name of the organisation has now changed to the Water Resources and Environment Agency (WREA).

^{xviii} US\$ 1 = approx. 10,000 kip

^{xix} glyphosate weed killer is apparently used in some areas, especially to combat imperata grass.

^{xx} In fact, all land in Laos is officially owned by the state, including land with registered private land titles. That is essentially 'state-private' land. However, forests and pastures are less ambiguously claimed by the state ('state-public' land).

^{xxi} However, the Lao legislation on resettlement and compensation suggests that even those without land titles should be eligible for compensation (GoL 2005a).

^{xxii} It should, however, be noted that occasionally workers over the age limit have been hired to work on the plantations.

^{xxiii} Even this paper could have certain unpredicted results.

^{xxiv} Two months later, in July 2007, the Ekaphone Phouthonesy of the *Vientiane Times* (2007c) reported that the GoL was still unsure as to when they might lift the moratorium on granting new land concessions.

^{xxv} However, there is no evidence to suggest this has actually happened.

^{xxvi} However, since making that announcement there is no indication that the Vietnamese have agreed to reduce the time of the concession agreement or that the Lao have strongly pressed for changes.

^{xxvii} Vongkham (2006) reported that the GoL planned to have a total of 52,840 hectares of rubber planted in the four southern-most provinces of Laos (Champasak, Salavan, Attapeu and Xekong) by 2010.

^{xxviii} Fujita and Phanvilay (2008: 121) wrote that the, “Development of LFA was supported by various international organizations throughout the 1990s as means of supporting sustainable community resource management and preventing open-access problems by defining clear resource boundaries and constructing resource management institutions based on local participation and customary practices. An underlying assumption is that clear and secure property rights brought about through LFA will help improve productive use of land in rural areas.” However, as Baird and Shoemaker (2007: 876-7) have written, “The original goals of this initiative were to develop a system of land classification according to use, improve natural resource management by demarcating forests for specific purposes, and prevent illegal logging by provincial and district entrepreneurs by providing villagers with new management and use rights. The programme was to be based on a process of participatory land-use planning and at least partially on a Vietnamese model, which had worked well for lowland communities.” LFA was introduced to Laos in 1990 on a pilot basis, and was expanded to become a nation-wide programme in 1994. It was, in practice, a top-down tool for reducing swidden agriculture in upland areas by declaring large tracts of land off-limited to swidden agriculture (Baird and Shoemaker 2007).

^{xxix} It is unclear whether Kham-ouan Boupha’s opinions were influenced by GAPE’s work, but on April 7, 2008 Khampanh Keovilaysak, who works for GAPE and was involved in the research regarding rubber in Bachieng, made a presentation about the Bachieng rubber situation at a national workshop about land concessions organised in Vientiane by the NLMA and International NGOs working on land issues in Laos. Kham-ouan Boupha listened intently during the presentation but made no comments at the time. Overall, the GAPE presentation about the rubber situation in Bachieng was well received.

^{xxx} Mike Dwyer, *pers. comm.* 2008.