

## DISPLACEMENT

## PLAYING DIRTY

Everyday Laotians are finding that joining the Asian Century comes with hidden costs

By Kearrin Sims

Vientiane is not the sort of capital city that comes to mind when most people envision the much-vaunted ‘Asian Century’. Wats dot the city’s landscape and buildings over five storeys remain rare, for now at least. Young children hold hands and skip past dozing *songthaew* drivers and, for the most part, the city is clean and free from the begging, prostitution and homelessness of nearby capitals.

Yet Vientiane is also a city undergoing rapid changes. New shopping malls, restaurants, hotels and apartment blocks are popping up in increasing numbers, resulting in the relocation of thousands of families forced to make way for the ‘development’ of the city. At the centre of recent controversies around this hurried transformation are the Vientiane New World (VNW) luxury villas that accommodated the visiting dignitaries for the 9th Asia-Europe meeting that Laos hosted in November 2012.

At a reported cost of \$600m and covering a land area of approximately 25 hectares the Chinese-owned development is the first urban megaproject of its kind in Laos and has been described by investors as “bringing Hong Kong to the Mekong”. China has played a big part in Vientiane’s development and in addition to the VNW complex, Chinese development assistance has funded the upgrading of Vientiane’s Wattay International airport and the construction of the Lao International Convention Centre.

Elsewhere in the city, Chinese firms have gained large land concessions on Vientiane’s last remaining wetland sites and invested in a number of shopping centres, including the Regal Megamall – an undertaking that was expected to produce the biggest shopping complex in Laos, until the development stalled indefinitely and Lao investors were left wondering where their money had gone.

Finding a government representative who is willing to speak openly about either China’s growing role in Laos or the Vientiane New World project is not an easy task: Laos is a country where people who openly discuss such ‘sensitive’ topics frequently go missing. The disappearance of Lao social activist Sombath Somphone in December 2012 is been widely suspected of being linked to the government.

As such, some projects seemingly remain beyond criticism. According to one staff member from the country’s Department of Public Works and Transport: “Vientiane New World is special because it is a government project [so] we cannot do much about that.”

This unwillingness to speak publicly about such projects is also largely true of the professional development sector in Laos, where members of NGOs will vehemently denounce these problems amongst themselves but rarely go public with their complaints.

Since the 2012 expulsion from Laos of Anne-Sophie Gindroz, the former director of Swiss development

Dusty dilemma: a Chinese construction truck thunders through a small Hmong village in northern Laos. China’s plans to build a railroad through Laos to Thailand and on to the Bay of Bengal in Myanmar may burden Laos, international groups warn



Photo: Justin Mott/The New York Times





Home wreckers: Chinese workers tear down a house in Ban That Kao village

organisation Helvetas, this reluctance has only intensified.

“In this country, if the government says something then the people have to obey. With the VNW project, it has already been approved by the highest levels of the government so the farmers will have to move no matter what,” said one anonymous source from an NGO working in Vientiane.

Members of local communities who have become the victims of large-scale development projects can be less reticent in airing their views.

With her relocation still a few weeks away, Noy sat eating lunch with friends in her soon-to-be demolished home in Ban That Kao village, as she explained the devastating losses that resettlement had brought to her family.

The new village site that she and as many as 300 other families will be moved to is located more than 25 kilometres from Vientiane on hard, infertile soil that is impossible to farm. It is easy to surmise that this dumping ground for the displaced is linked with creating a local workforce for a Taiwanese industrial zone that is also planned for the area.

Aside from a complete lack of immediate work opportunities and any public transport from the new village to central Vientiane, corruption and bribery have also been a permanent feature of the relocation.

“[The government] told us that we would be given water and electricity but the man who controls the water will only give it if you pay him 2.5 million

kip (\$300)... Everything is money, it is all buffalo shit!” Noy said.

Through a mouthful of sticky rice and steamed fish another villager, Mr Kham, was keen to relay the trouble he has encountered with his compensation agreement.

“The first time they [a government representative] came I was given \$13,000,” he explained. “But my house is worth more than this, so I told them to look again. Next time [that my home was valued] they only gave me \$10,800. I told them this is not enough, but they told me that if they look again I might only get \$5,000.

**The man who controls the water will only give it if you pay him \$300... Everything is money, it is all buffalo shit!**

“I asked him [the property evaluator] does he think that I can build my house again for \$13,000? And he told me no, I cannot. So then I ask him: ‘Why do you want to make me poor then?’ and he cannot answer me,” Kham added.

Kham is not the only man in the village to have been subjected to such extortion. Another member of the community, Mr Boun, was originally awarded \$30,000 for his home but after signing his compensation

agreement he was informed that unspecified ‘taxes’ had since been deducted and that he would only receive \$13,000.

Perhaps encouraged by the stories of her friends and neighbours, Noy soon revealed the biggest loss her family had endured as a result of the relocation.

“The worst thing for us is that my father died,” she explained. “He was a strong and healthy man but after he tried to get a better compensation for us he got very sick and he died.”

With conversation frequently interrupted by the sounds of camouflage-clad Chinese workers scurrying around the village, tearing off corrugated iron roofing and bashing down concrete walls, Noy added that her father’s passing was the result of a stroke that she and her family attribute to the stress of the relocation.

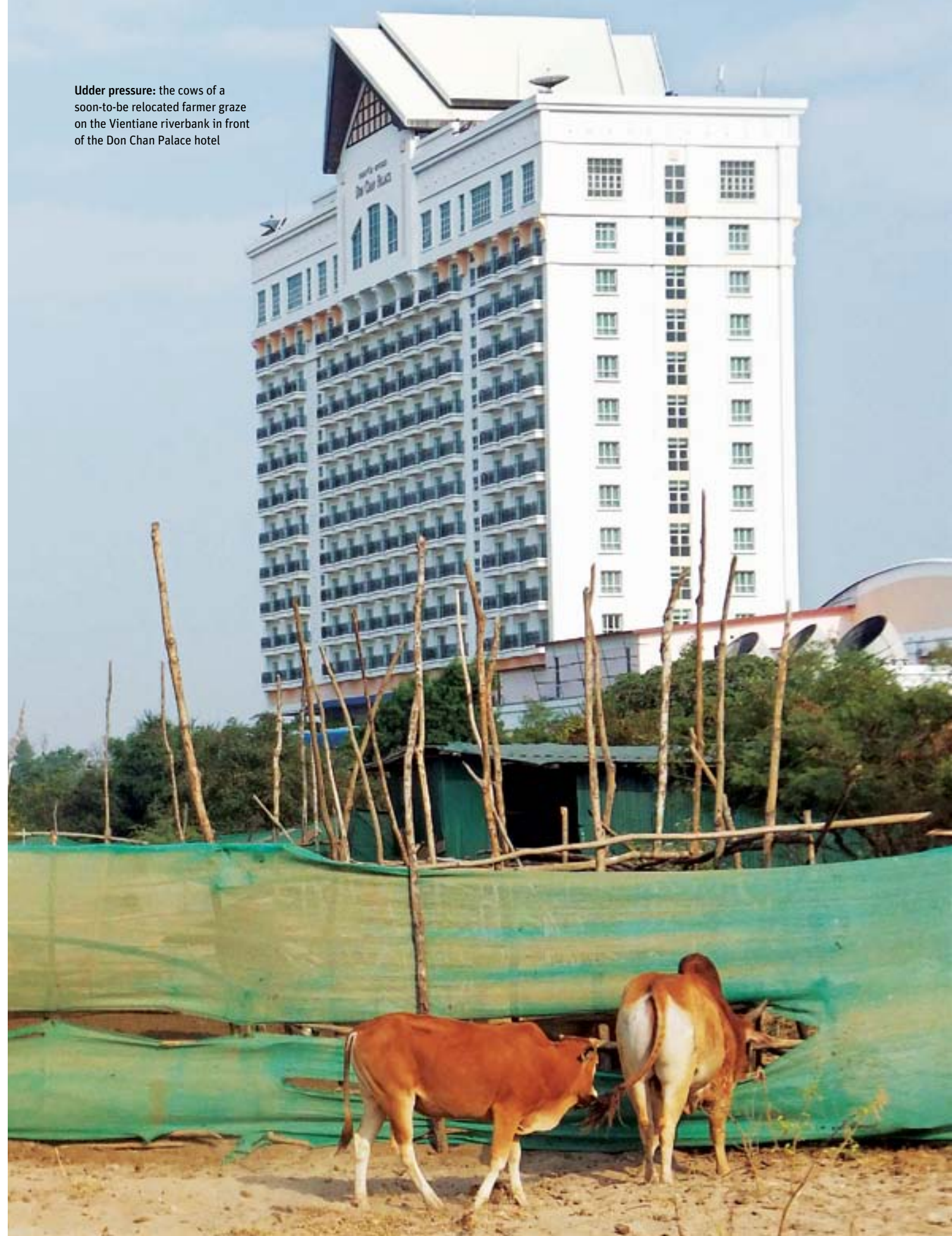
While the rise of regional development funding and private investment results in the rapid evolution of cities such as Vientiane, the benefits of their country’s role in a rising Asia are not felt by all of Laos’ citizens. As China, South Korea and the other ‘Asian Tigers’ bring their own profit-seeking, infrastructure-led growth models to the country, a number of shifts are becoming apparent in the country’s development landscape.

“The regionalisation of development in countries such as Laos and Cambodia has seen a quickening of the pace of urban and infrastructural development, and these developments are, for the most part, far more concerned with economic growth than with human development and poverty alleviation,” said Tim Winter, associate professor of Asian Studies at the University of Western Sydney’s Institute for Culture and Society.

“The concern with this approach and the land acquisitions, resource extraction and large-scale displacement that it brings is that we are seeing an alarming number of new forms of poverty, marginalisation and disadvantage”.

In the wake of such changes, stories such as Noy’s are, unfortunately, becoming an everyday occurrence. ■

**Udder pressure:** the cows of a soon-to-be relocated farmer graze on the Vientiane riverbank in front of the Don Chan Palace hotel



Photos: Kearnin Sims for SEA Globe