Plantation rubber, land grabbing and social-property transformation in southern Laos

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This paper critically examines theories of accumulation, dispossession and exclusion for analyzing the agrarian transformations that result from contemporary large-scale land acquisitions across the Global South. Building upon Marx’s primitive accumulation, Harvey’s accumulation by dispossession and Hall et al.’s *Powers of Exclusion*, conceptual lenses are developed through which to examine how land grabs transform property and social relationships of resource-based production. I examine the concession of 10,000 hectares by the central government of Laos to a Vietnamese corporation for extracting timber and planting rubber in the southern province of Attapeu. This acquisition has excluded farmers from land and resources that constituted their primary sources of (re)production, reconfigured rural property relations, altered the peasant relationship to land and produced new exploitative forms of wage labor.

**Keywords:** global land grabbing; agrarian political economy; resource commodity production; Laos

**Introduction**

Following the food and financial crises of 2007–2008, a diverse range of global investors has rapidly acquired vast tracts of rural land across the Global South for resource commodity production. Investors acquired 46.6 million hectares (ha) globally between 2007 and 2009 through both direct purchases and concessions, which was a significant increase in comparison to an average annual global farmland expansion of four million ha before 2008 (World Bank 2010). The rapid rise of such land deals has been attributed to a variety of causes: food security fears by wealthy countries with little arable land, commodity price hikes increasing the profitability of directly controlling agricultural production, and the use of land for biofuels and carbon sinks (Zoomers 2010, Borras *et al.* 2011). These acquisitions have been condemned by Jacques Diouf, the head of the UN Food and Agriculture Organization (FAO), as a form of neo-colonialism–poor countries are producing food for wealthy countries at the expense of their own hungry people (Borger 2008).

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These acquisitions have also been referred to as ‘land grabbing’, a term which captures the rapid, abrupt and unjust nature of the deals (GRAIN 2008, Daniel and Mittal 2009). International development and research organizations—such as the FAO, World Bank, International Food Policy Research Institute (IFPRI) and International Fund for Agricultural Development (IFAD)—have recognized the potentially negative impacts of large-scale land acquisitions upon poor, marginalized and land insecure peoples of the Global South, but they have mainly focused on the positive potential, asking whether the acquisitions can lead to development opportunities (Cotula et al. 2009) or ‘win-win’ situations for both investors and small farmers (von Braun and Meinzen-Dick 2009, Haralambous et al. 2009). Meanwhile, the World Bank euphemistically referred to the dynamic as ‘rising global interest in farmland’ (World Bank 2010). These institutions have further attempted to legitimize land grabbing by arguing that if they follow voluntary codes of conduct and responsible investment principles then they can lead to rural development (see FAO et al. 2010).

Subsequent to the deluge of media and development reports on land grabbing, a critical academic literature on the topic has begun to emerge, providing a scholarly basis for political action. Zoomers (2010) has argued that land grabbing amounts to the foreignization of space, whereby land is increasingly owned and used extraterritorially by foreigners, who act as long-distance absentee landowners, while locals are excluded. McMichael (2012) has placed land grabbing within the historical context of a shifting food regime that is no longer characterized by heavily subsidized, surplus-producing Northern agro-industries, but by outsourced, financialized investments in cheap land, water and labor across the Global South in order to overcome food deficits within the global economy. Other recent case studies have analyzed land grabbing as a process of dispossession, denying small farmers, forest dwellers and pastoralists access to the land upon which they depend for their livelihoods (see Ballvé 2011 on narcotics production and territorial dispossession in Colombia and Levien 2011 on special economic zones in Rajasthan, India). Borras and Franco (2010a) contend that codes of conduct and responsible investment principles are fundamentally problematic, because they are not driven by a social justice-based analysis of the causes of rural poverty and do not advance solutions that protect and improve access to land and property by the rural poor.

International development and research institutions have attempted to provide a balanced analysis of the socio-economic impacts of land acquisitions, particularly due to the dearth of empirical data available (Cotula et al. 2009, von Braun and Meinzen-Dick 2009, World Bank 2010). Their approach analyzes the costs and benefits for those affected by the projects; although farmers may lose access to land and resources, they may gain access to employment or benefit from technological spillovers and nucleus-outgrower schemes. Such institutions have also recognized the negative distributional impacts of land acquisitions upon small-scale land users (see Cotula et al. 2009, World Bank 2010), and therefore have been challenged to frame the phenomenon positively. Yet, it is precisely such analyses of the relationship between land deals and rural poverty that ought to direct the FAO and World Bank to institute policy approaches that deal with the crux of the problem rather than papering it over with voluntary guidelines for investment. They ought to fully embrace a broadly defined agrarian political economy approach, which Borras et al.

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1Such work has been featured in this journal and the 2011 International Conference on Land Grabbing; papers from which can be accessed at www.iss.nl/ldpi
(2011) frame as six simple, but key critical questions, four of which come from Bernstein (2010): (1) who owns what, (2) who does what, (3) who gets what, (4) what do they do with the surplus wealth that has been created, (5) what do they do to each other and (6) how are political changes shaped by and shape dynamic ecologies. Li’s call to center labor in the land grabbing debate (2011) is also welcome as a focus on the conditions under which people appropriate nature and relate to land through various forms of property relations and social relations of production.

The agrarian political economy framework that I use in this paper builds upon the theoretical edifices of Marx’s critique of primitive accumulation, Harvey’s framework of accumulation by dispossession and the ‘powers of exclusion’ of Hall et al. (2011). Various aspects of these three frameworks are combined in order to analyze social-property transformations. Primitive accumulation is emphasized in order to examine the transformations of property and social relationships of production in their entirety, rather than solely the process through which assets are acquired. The term ‘exclusion’ is used to critically examine the terms ‘accumulation’ and ‘dispossession’ so as not to mask a detailed analysis of the agrarian and social-property transformations resulting from land grabbing. These transformations can be separated into those of (1) property relationships, through processes of reconfiguration, formalization, concentration and abstraction, and (2) social relations of production, through (semi-)proletarianization.

These theoretical interventions are used as conceptual lenses to critically examine a 10,000-ha land concession to a Vietnamese multinational corporation, Hoàng Anh Gia Lai Joint Stock Company (HAGL), in southern Laos. In this case study, a precarious alignment of state and capitalist interests facilitated the exclusion of peasants from the land and resources that constituted their primary means of (re)production. This led to the abstraction of a heterogeneous landscape of land uses and property relationships into a singularly and privately owned rubber plantation. Government officials permitted exclusion in part due to developmental promises of gainful employment, rural stability and infrastructure construction. This resulted in a radical transformation of property relations and of the peasant relationship to land and nature. Semi-proletarianized peasants continued to use the same land but under reconstituted social relationships that precluded them from capturing the full value of their labor.

In the next section, I critically examine and combine elements of Marx’s primitive accumulation (PA), Harvey’s accumulation by dispossession (ABD) and Hall et al.’s powers of exclusion to examine social-property transformations resulting from land acquisitions. The third section functions as a bridge between the global and abstract literatures and the case study by examining how the Lao state has used land concessions as a strategy of resource-led development and how concessions relate to the country’s existing land management system. In the fourth section I describe how HAGL acquired its land and how the project was implemented, and detail the resulting transformations of land uses and livelihoods. In the fifth section I analyze how the impacts of HAGL’s concession can be understood as a transformation of agrarian property relations and social relations of production. I conclude the paper by hypothesizing potential opportunities that land grabbing presents for uniting peasant and worker struggles under contemporary capitalism.

The fieldwork for this research was supported by a Fulbright fellowship and conducted between October 2009 and August 2010. Most of the empirical data were collected in semi-structured interviews with government officials, company
representatives, village leaders and village households. At the provincial level, interviews were conducted with the Department of Planning and Investment, the Provincial Agriculture and Forestry Office, the Provincial Land Management Authority (PLMA) and the Water Resources and Environment Administration; at the district level interviews were conducted with the District Agriculture and Forestry Office. At the village level, interviews were held with village leaders at all seven villages (ban) from which the company acquired land: Ban Hatxane, Ban Nyai Oudom, Ban Keng Nyai, Ban Datkoum, Ban Mai, Ban Khamvongsa and Ban Kang. Within each of the first three villages, 10 in-depth semi-structured household interviews were conducted. A snowball sampling technique was used to select the three focus villages and the interviewed households. Archival documents and spatial data were also collected, including investment contracts, feasibility and impact surveys, GPS coordinates, government and company maps and land and forest allocation signboard maps.

Conceptualizing accumulation, dispossession and exclusion

Part VIII of Marx’s Capital, Volume I (1976), entitled ‘The so-called primitive accumulation’, is a critique of Adam Smith’s account of how the division of labor and the unequal accumulation of wealth were initially established under capitalism. Smith argued that those with more ‘stock’, or capital, had simply worked harder over time. Marx, however, turned this thesis on its head by showing that such wealth was accumulated through violence and theft that separated owners from their means of production in the countryside, expelling a rural population to the urban factories as a newly created proletariat (Marx 1976). He analyzed a process whereby the capital relationship – the social relations between capital and labor – was established and the capitalist mode of production emerged. His argument is often understood as historical, concerned with a specific sequence of events that led to the birth of capitalism. As recent theorists have noted, however, his is also a logical argument that explains how and why capitalist property and social relations of production are established and intensified via dispossessing processes (De Angelis 1999, 2004, Perelman 2000, Read 2002, Harvey 2003, 2006, McCarthy 2004, Glassman 2006). PA cannot be relegated to a pre-industrial past, but is instead an integral component of the contemporary expansion and entrenchment of capitalism.

De Angelis (1999) distinguishes between Marx’s understanding of regular accumulation, which is based upon pre-established capitalist social relations, and PA, which establishes such social relations where they do not previously exist. De Angelis argues that the capitalist mode of production operates by expanded reproduction under the social and property conditions of its existence, until it encounters producers as obstacles to such expansion who must be separated from their means of production. Harvey (2003) similarly distinguishes between accumulation by exploitation under the expanded reproduction of capitalism and accumulation by dispossession, whereby non-capitalist or semi-capitalist aspects of society are reconfigured by privatization and commodification into more exclusively capitalist forms. For Harvey, ABD is a strategy of overcoming capitalist crises of overaccumulation by releasing assets at little to no cost, opening up new areas of investment and increasing effective demand. Glassman uses the phrase accumulation by ‘extra-economic’ means (2006) to point out that PA and ABD are strategies of accumulation that lie outside of capitalist production despite being intimately bound
up with it. Such accumulation is of alienated assets acquired by extra-economic force, the value of which can only be realized through further capitalist commodity production and sale. Thus, PA is external to but contemporaneously articulated with the dynamics of capitalist accumulation (McCarthy 2004). It is simultaneously a form of accumulation and the means for establishing the conditions necessary for further capitalist accumulation (Read 2002).

Harvey’s ABD framing has become popular for analyzing acts of dispossession, but it has often been used in scholarly work on land and natural resources in such a way that largely examines the unjust acquisition of assets without analyzing the resulting transformations of social-property relations (see Sneddon 2007, Spronk and Webber 2007, Roberts 2008). The missing element, especially for analyses of agrarian transformations resulting from land acquisitions, is Marx’s original focus on how the act of separation leads to fundamental transformations of property, social and class relationships, as well as modes and forms of production. Second, the terms ‘accumulation’ and ‘dispossession’ can be misleading and can close off careful analyses of the relationships between land grabbing and capitalist production as well as the distinctions between property, access and ownership. Marx defined capitalist accumulation as the expansion of capital as value circulates through spheres of production, distribution, exchange and reinvestment, continually producing and realizing surplus value as a function of labor exploitation. Marx used the term ‘accumulation’ in Part VIII to critique Smith’s approach to ‘primitive’ or ‘original’ versus ‘regular’ accumulation under normalized conditions of capitalist production (De Angelis 1999). The use of the term ‘accumulation’ can be easily misinterpreted when discussed in relation to land dispossessing processes. Land grabbing is primarily a process of acquisition rather than accumulation, which may or may not lead to future accumulation, depending on how such assets are incorporated into capitalist production.

The concept of ‘dispossession’ also requires careful treatment. It is important to identify who is being dispossessed of what and the types of rights and power they had to access property prior to dispossession. While property is often understood as the legal right to benefit from things, or a ‘bundle of rights’, Ribot and Peluso (2003) define access as the actual ability to derive benefit from things, or a ‘bundle of powers’. In cases of dispossession, one must consider the types of legal rights land users maintained prior to dispossession and in what ways those rights were actually recognized, legitimated and enforced through power-laden social relationships. Paying special attention to the process of dispossession is telling of the property regime that was actually in place – the interrelated rights and powers that land users actually maintained. Cases of dispossession provide the opportunity to examine peasants’ rights to land and their empowerment to protect those rights. It is helpful to consider the term ‘exclusion’ in conjunction with dispossession, because it powerfully captures the process of denying access to land, resources and assets across a diverse range of property regimes. Rather than a condition of lacking access to land, Hall et al. (2011) define exclusion as a process whereby poor people are evicted from land by or on behalf of powerful social actors. However, they also show that exclusion is a double-edged sword that can be wielded by the weak against the powerful with the right strategies and under the right conditions.

Acts of exclusion and dispossession resulting from land grabbing can lead to transformations of property relationships and social relationships of production, which are intimately connected as transformations of social-property relations
Changing property relationships due to exclusion are commonly termed ‘enclosure’—understood as the conversion of common lands into private property or the increasing commodification and exclusion of access to land and water (Woodhouse 2003, Blomley 2007, Vaseduvan et al. 2008). Like the term ‘dispossession’, however, the idea of enclosure can be misleading because it does not capture the variegated transformations of property relations that may result from capitalist resource extraction and production. Common lands have complex, varied and particular property regimes. Moreover, land types can be enclosed that are not easily categorized as communal or private, such as land belonging to the state that is legally tenured by individual households. Therefore it is important to simultaneously consider concepts of reconfiguration, concentration, formalization, and abstraction. Reconfiguration captures how property boundaries are re-drawn and new spatial boundaries are established. This may lead to property concentration, whereby smaller plots of land belonging to multiple actors are amassed into a larger piece of property owned by a single social actor. Formalization entails strictly defining land tenure regimes and property relations that are ambiguous, fluid and even contradictory – where multiple claims and understandings may overlap. Finally, the concept of abstraction captures the totality of this process – how particular and local regimes of property used for subsistence and simple commodity production are replaced by universal, abstract and capitalist delineations of spatial boundaries. Previous to capitalist commodity production, property regimes are often characterized by particular and concrete practices of land uses rather than abstract plans conceptualized by elite entities such as the state and capital. As land is acquired for capitalist production, however, a process of abstraction occurs whereby capitalist conceptions of spatial boundaries, land use and property relations determine how the land is actually used in practice.

This transformation of property relations is concomitant with social transformations of production and labor, particularly processes of proletarianization. Without the means to independent social reproduction, producers must work as wage laborers with the means of production belonging to others (Marx 1976). While some may lose all of their land and become fully proletarianized, many of those impacted by land grabbing might find themselves in the awkward predicament of semi-proletarianization. Lenin defined semi-proletarians as peasants who retain a small plot of land, but one that is not large enough for subsistence and requires them to engage in some form of wage labor (Lenin 1966). Semi-proletarianization may result from a variety of agrarian problems such as land degradation, larger firms out-pricing smallholder crops on the market, or the availability of more lucrative off-farm employment. This paper, however, examines the semi-proletarianization of peasants who have been dispossessed of part, but not all, of their land. Semi-proletarianization can actually be of benefit to capital. Immediate producers, who retain some form of subsistence production, but not enough for them to evade wage labor, have cheaper consumption costs and thus can be paid lower wages (Perelman 2007, Roberts 2008).

Land concessions and land management in Laos

The Lao People’s Democratic Republic (hereafter, Lao PDR or Laos), along with the Philippines, Cambodia and Indonesia, has been identified by development and media reports as one of the Southeast Asian countries that has conceded significant amounts of land to foreign investors in conjunction with the rise of global land
acquisitions (GRAIN 2008, MacKinnon 2008, World Bank 2010). Land concessions began to accelerate during the early to mid-2000s as investors connected to global flows of capital and world commodity markets rapidly acquired large tracts of land in the country. Currently, as much as 3.5 million ha of land are under agri-business concession agreements and contracts, which constitutes over 15 percent of the country’s total land area (UNDP 2010 cited in Barney 2011). Many of these concessions are in the central and southern provinces, while a contracting model is predominant in northern Laos (see Alton et al. 2005, Shi 2008, Dwyer 2011).

The government of Laos (GoL) has increasingly recognized land concessions as a problematic mode of investment. By 2007, enough evidence had mounted through media, development and government reports to show that land concessions as a system of resource acquisition was detrimental to the country for a number of reasons (Schumann et al. 2006, Barney 2007, Dwyer 2007, Hunt 2007). Concessions led to an uncompensated loss of assets at both the village and state level. The former Prime Minister, Bouasone Bouphavane, recognized these losses and instituted a moratorium on all land concessions over 100 ha for industrial trees, perennial plants and mining (Dwyer 2007, Vientiane Times 2007). However, it has been widely recognized that this effort failed to put an end to concessions, which continued to occur by more corrupt and illegal means, often at the provincial level (Schoenweger and Üllenberg 2009). Concessions continued in part due to the government’s ambivalent policies. Although the moratorium was put in place in 2007, it was repealed in 2009, and then reinstated one month later with weaker regulation, only prohibiting concessions over 1,000 ha (Vientiane Times 2009a, 2009b). Moreover, central level government policies regulating land concessions are not often implemented at the provincial level due to policy misunderstanding and miscommunication, a lack of resources to implement policies, and unrealistically low ceilings for the amount of land that provincial authorities can concede to foreign investors (Schumann et al. 2006, Hanssen 2007).

The policy debate over land concessions reflects a longer-standing evolution of the Lao state’s approach to regulating land and resources ever since the Lao People’s Revolutionary Party came to power in 1975 and created a centrally planned economy based upon Soviet and Vietnamese models. In 1986, the economy began to transform as the government initiated economic reforms under a policy known as the New Economic Mechanism that gradually incorporated market-based elements into the economy. These reforms raised governance questions of who to allocate land use rights to and for what purpose. The central government was responsible for allocating land use rights to villages and individual households, which was principally accomplished through the Land and Forest Allocation (LFA) program. The LFA program was originally intended to manage forest resources, delimit village boundaries, reduce swidden cultivation and allocate agricultural plots for individual households. It was not primarily intended to allocate large plots of land to foreign investors, although there was room within the program for corporate investment. Concessions were envisioned as a way to develop extra land that could not be developed by local farmers. Villages gained the right to legally use some portions of their community forestland while they were required to conserve and protect other areas. Although LFA decentralized land management decisions to the village and district level, it also enrolled villagers to manage and protect forest categories that were created at the national level (Fujita and Phanvilay 2008).

LFA was initiated to create the types of legal reforms that would set the preconditions for establishing land markets and permanent land titles in rural areas,
which would allow for market-led development. The government envisioned that this would be achieved by individual farming households increasing the productivity of their land rather than by conceding large portions of village-managed land to foreign companies (Ducourtieux et al. 2005). Therefore, there is somewhat of a contradiction between the country’s two land management systems, if not historically then at least in the abstract. This contradiction may help explain why land types have been allocated to companies that by law cannot be conceded, such as conservation and protection forest (see following section) and individual agricultural land (Obein 2007, NLMA and GTZ 2009). Agribusiness companies have even funded the LFA process in order to allocate village land for their own plantations (Barney 2007).

Although LFA was initially focused on smallholders and local producers, the allocation of land to foreign investors has become a critical component of the state’s resource-led development strategy. Laos has often been discursively framed as an under-populated but resource-rich country, dense with natural resources such as timber, minerals, hydropower and rich soils (Barney 2009). Yet the country’s public and private sectors do not have enough capital to extract and develop these resources, and thus there is a dependence upon foreign capital. Currently, 80 percent of foreign investment flows in to the resource sector, mostly consisting of hydropower and mining, but also timber extraction and industrial tree plantations (Schoenweger and Üllenberg 2009). The central Lao government has made resource investments attractive to foreign capital through low land lease rates, while also trying to capture significant benefits in the form of government revenue and local economic development. To achieve this task, they have pursued a policy of state land leases and land concessions, officially known as ‘turning land into capital’ (Dwyer 2007). Under this strategy state land is leased to foreign investors in return for rental fees and production taxes. However, the central government has not been able to fully take advantage of this income source. From 2004 to 2005, revenues from state land assets totaled USD 7.2 million, or only 0.24 percent of GDP (Schumann et al. 2006). This is largely because leasing rates, at USD 3 to 9 annually per hectare, are incredibly low in comparison to rates between USD 30 and 70 for the rest of Southeast Asia (Schoenweger and Üllenberg 2009). Land concessions are intended to bring benefits to the local level through infrastructure development and wage employment. However, a number of reports have shown the social and ecological impacts to be devastating due to polluted environments, meager employment opportunities and lost access to essential land and resources, (Obein 2007, NLMA and GTZ 2009, Baird 2010). In order to address this wide range of problems related to land concessions, the National Land Management Agency (NLMA) was created in 2004 as a central agency in charge of all issues related to land management and administration, particularly the regulation of land concessions.

As the Lao PDR has opened its doors to foreign investment for resource production, the national government has sought to use land concessions as a strategy for capturing the development benefits of such projects. Despite investor imaginaries of Laos as an empty and little-populated resource frontier (Barney 2009), rural Laotians use most of the country’s land for cultivation, foraging and raising livestock. Not only do villagers engage in customary land tenure practices, the national government has increasingly formalized their statutory tenure rights to such land via land reforms since the 1990s. By law, all land within the Lao PDR is under the ownership of the national community, the representative of which is the national
government (GoL 2003). However, the manifestations of this law in practice are much more ambiguous, depending upon the state’s ability to enforce eminent domain over the land use claims of non-government actors and overcome competing attempts to access land.

**HAGL’s 10,000 hectares**

In 2008, the Lao PDR Ministry of Planning and Investment (MPI) and Ministry of Agriculture and Forestry (MAF) gave HAGL the rights to extract timber from and plant rubber on 10,000 ha of land for an initial period of 35 years in Attapeu province, southern Laos. Although the project contract stipulated that HAGL was limited to only using state land, they acquired land that the Attapeu government had previously allocated to seven villages (ban) through land formalization programs for growing agricultural and tree crops, collecting forest products and raising livestock. By acquiring such land, HAGL excluded villagers from accessing land that constituted their primary sources of resources, food and income, providing little to no monetary compensation to land users in return. Meanwhile, they promised to build village-level infrastructure such as electric lines, roads, bridges, schools and health clinics. With minimal self-governed land left to rely on, many villagers began working for HAGL as wage laborers on the land that was swept from beneath their feet.

Before acquiring land in Attapeu, HAGL had grown to become a giant multinational corporation over the past two decades. Its current CEO, Doan Nguyen Duc, founded HAGL in 1993 as a small carpentry business in Gia Lai province of Vietnam’s Central Highlands. The business grew rapidly as it entered Vietnam’s timber sector in the early 1990s and Ho Chi Minh City real estate in 2002. By the end of 2009, 80 percent of the company’s revenue originated from real estate, its stock had tripled since first being publicly listed in 2008 and its total assets had passed USD 1 billion (Forbes Asia 2009). HAGL has since become the third largest corporation on the Ho Chi Minh Stock Exchange (Than Nhien News 2009). More recently, the company has focused on primary resource commodity production, with expectations that rubber, mining and hydropower will make up the core of the group’s revenue stream by 2012. As Duc explained in an interview with Forbes Asia, ‘I think natural resources are limited, and I need to take them before they’re gone’ (Forbes Asia 2009). The company has increasingly set its sights on Vietnam’s less-developed and more resource-rich neighbors, Cambodia, Laos and Myanmar. Laos, however, will host the bulk of the investment, up to USD 450 million in the coming years (Vietnam News Service 2010).

HAGL acquired the 10,000 ha in Attapeu as a concession in return for helping to finance the 25th Southeast Asian (SEA) Games hosted by the central Lao government in 2009. The corporation gave USD 19 million to the government to construct an athletes’ village in the nation’s capital, Vientiane, for the games – four million dollars in the form of a cash grant and the other 15 million as an interest-free loan to partly be paid back by voiding the leasing fees on the 10,000 ha. This means that the annual leasing rate would have to be about USD 43 per ha in order to pay

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2Investment contract signed by representatives of the MPI, MAF, Vietnamese National Assembly, and HAGL, 2008.
back the USD 15 million interest-free loan over 35 years, which is significantly higher than the national average concession rate. However, since the specifics of the deal lie behind closed doors, the actual ‘interest’ on the loaned capital may come from a lower concession rate, additional resource rights given to the company or simply the purchase of sway and influence. For example, the deal paved the way for HAGL’s additional investments in Laos, including the construction of a real estate complex in Vientiane, mineral exploration rights in two southern provinces and the construction of a rubber processing factory in Attapeu (VietnamNet Bridge 2008).

In Attapeu, HAGL rapidly clear-cut forest, logged timber and grew rubber in and outside of the allocated concession boundary. By February 2010, 8,078 ha of the 10,000-ha quota had been allocated to HAGL (Attapeu PLMA 2009). The provincial government was unable to find a continuous tract for such a large amount of land, and therefore it was separated into three different plots in Saysettha, Sanxay and Phouvong districts (Table 1, Figures 1 and 2).

HAGL rapidly developed the land that it had been allocated, planting 3,218 ha with rubber and clear-cutting 2,005 ha of land between May 2007 and August 2009. While the provincial line agencies did not know the number of hectares of different land use categories that HAGL acquired, a rough estimate can be calculated by overlaying company maps with digitized LFA signboards for two villages (Table 2).

Most of the land that HAGL acquired was previously agricultural and forest land and had been allocated to most of the villages through the LFA process between 2004 and 2008. Although the official LFA program ended in 2003, it was carried out in these villages as part of development projects sponsored by IFAD. As determined by LFA regulations, village land was divided into village and household land types. For village land, six different forest types were allocated. Villages were restricted from using conservation, rehabilitation and protection forest, but they could collect non-timber forest products (NTFPs) from utilization and degraded forests, while production forest could be used for future agricultural plots. Village forestland, and especially land types specifically identified as grazing land, could be used for raising livestock. Household agricultural land was mostly used for rice production, whether as wet, paddy rice or some form of dry rice, mixing shifting

Table 1. Plantation plot sizes (2010).

<table>
<thead>
<tr>
<th>Plot number</th>
<th>Districts</th>
<th>Total area (ha)</th>
<th>Area planted (ha)</th>
<th>Area cleared (ha)</th>
<th>Area not yet cleared (ha)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Saysettha, Sanxay</td>
<td>4419</td>
<td>2264</td>
<td>1645</td>
<td>510</td>
</tr>
<tr>
<td>2</td>
<td>Saysettha</td>
<td>2100</td>
<td>0</td>
<td>0</td>
<td>2100</td>
</tr>
<tr>
<td>3</td>
<td>Phouvong</td>
<td>1559</td>
<td>964</td>
<td>360</td>
<td>245</td>
</tr>
<tr>
<td><strong>Total:</strong></td>
<td></td>
<td><strong>8078</strong></td>
<td><strong>3218</strong></td>
<td><strong>2005</strong></td>
<td><strong>2855</strong></td>
</tr>
</tbody>
</table>

*Source: HAGL plantation maps.*

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3Interview with HAGL field operations manager, Phouvong district, Attapeu province, February 2010.
4The provincial government recognized that the company had clear-cut 33 ha beyond the concession boundary (Attapeu PLMA 2009). By overlaying GPS coordinates from plantation boundaries with company concession maps I was able to conservatively estimate that HAGL had cleared at least 159 ha beyond the boundary.
5Due to the recent nature of the project, not all of the land had been cleared.
cultivation with vegetable crops. Household agricultural plots were also used for small vegetable gardens or producing cash crops or commercial trees, such as teak. LFA categories were not wholly accurate because they were not strictly followed. Although all seven villages were located in flat-lying, lowland areas, most of the households in these villages came from ethnic groups that historically lived in upland areas where agricultural practices differed significantly, leading to a mix of upland and lowland practices after migration.

Much of the conceded village land, as defined by formal LFA categories, was village forest and grazing land. Although not individually tenured, such land is critically important for village households, especially for the collection of NTFPs, which constitutes a significant portion of many households’ monetary income.

6Brao and Jeng ethnic minorities are the predominant ethnic groups in the seven studied villages. Laos has a significant non-Lao ethnic population constituting almost half of the country’s 6.5 million people (World Factbook 2011). Four major ethno-linguistic groups (Tai, Austroasiatic, Miao-Yao and Sino-Tibetan) and 132 ethnic groups have been identified (Chazée 1999).
NTFPs play an important part in rural livelihoods throughout the country, averaging 50 percent of cash income in rural villages (Foppes and Ketphanh 2000). Interviewed villagers collected a wide variety of NTFPs for consumption and sale, such as small animals, vegetables, medicinal plants, firewood, and construction materials. Village land was also important for raising livestock for consumption and sale. The loss of village land used for foraging and raising livestock had widespread impacts since most villagers had incorporated such land into their livelihood changes. Interviewed households earned between USD 24 and USD 473 per year.

7These monetary amounts are based upon an exchange rate of 8,470 Lao Kip per USD 1 as reported in the Vientiane Times on 1 February 2010.
from the sale of forest products. In the three focus villages, the main areas for collecting these products were forests that had already been cleared or were located in the concession area. For a number of poorer households, the loss of forest resources was devastating because one of their only sources of income was logging timber from forested areas to build houses for wealthier families in the village. The loss of village grazing land was also detrimental. Many households reported that the clearing of forestland for the plantation made it difficult to find livestock grazing land.

The most important source of livelihoods, however, was the cultivation of wet paddy rice, which villagers relied on both for food and income. Poorer households sold their labor in a variety of forms, which made up an important part of their income. They either expanded and prepared others’ paddy land or built houses for wealthier villagers. The loss of individual agricultural plots was less common than the loss of communal lands, yet the impacts were more acute and intense since they led to a direct loss of agricultural production, income generation and food production. Provincial government agencies did not know the total number of households that lost land and the total amount of land that was lost. They did know that 115 families lost land, but this only included four of the six villages where agricultural land was appropriated (Attapeu PLMA 2009).

The most contentious aspect of HAGL’s work to transform the landscape was the separation of farmers from their land. HAGL forcefully clear-cut village and household land without warning at three of the villages. In many instances, company employees may not have been aware that the land was used or tenured, especially forest and grazing land not visibly under production. This was in part due to the country’s unclear land management system, composed of conflicting land use and land tenure categories. Furthermore, it is often difficult to find maps that clearly show how the land is managed, which often only exist as signboards at the entrances of villages – provincial line agency offices did not have paper or digital copies while conducting fieldwork for this research. The clearest and easiest maps to locate were those generated by HAGL of their plantation plots, only one of which acknowledged

Table 2. Amount and type of land appropriated (ha) (2010).

<table>
<thead>
<tr>
<th>Village:</th>
<th>Ban Hatxane</th>
<th>Ban Nyai Oudom</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agricultural land</td>
<td>962</td>
<td>357</td>
</tr>
<tr>
<td>Paddy land</td>
<td>40</td>
<td>71</td>
</tr>
<tr>
<td>Industrial tree land</td>
<td>0</td>
<td>41</td>
</tr>
<tr>
<td>Grazing land</td>
<td>0</td>
<td>496</td>
</tr>
<tr>
<td>Rehabilitation forest</td>
<td>0</td>
<td>32</td>
</tr>
<tr>
<td>Utilization forest</td>
<td>791</td>
<td>581</td>
</tr>
<tr>
<td>Conservation forest</td>
<td>0</td>
<td>12</td>
</tr>
<tr>
<td>Protection forest</td>
<td>0</td>
<td>89</td>
</tr>
<tr>
<td>Cemetery forest</td>
<td>0</td>
<td>14</td>
</tr>
<tr>
<td>Unknown land use</td>
<td>0</td>
<td>107</td>
</tr>
<tr>
<td>Total</td>
<td>1793</td>
<td>1801</td>
</tr>
</tbody>
</table>

Source: Author’s tabulation based upon overlay of HAGL plantation maps with LFA signboard maps.

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8Household interviews, Ban Hatxane, Ban Keng Nyai, Ban Nyai Oudom, Saysettha district, Attapeu province, February 2010.
the location of village land. Additionally, at two of the villages the signboards had washed away during a 2009 flood. This confusion worked to the advantage of HAGL, making it easier for them to claim the land they acquired as unoccupied or unproductive. Such claims, however, are not fully tenable because HAGL also cleared land that was visibly under production, including wet rice fields, vegetable gardens and commercial tree plots.

In four of the villages, HAGL and provincial government officials pre-informed village leaders that part of the village land had been allocated to HAGL. In these cases, officials portrayed the concession as both inevitable and beneficial. When provincial government officials arrived at Ban Nyai Oudom to inform the village about the plantation project, they told village leaders that the provincial government had allocated 2,100 ha in the area, part of which was village land. Village leaders felt that they did not have recourse because the decision was made at the national level.\(^9\) One of the village leaders at Ban Hatxane explained that a Lao company representative told him that land in the village would be appropriated as stipulated by the project contract without asking permission from the village. He stated, ‘If the central government, province and district have agreed to this, how can a small village disagree?’\(^10\)

HAGL’s project was also presented as an opportunity to develop and modernize villages that were characterized as unable to escape poverty on their own. When the same Lao representative of HAGL visited Ban Kang, he told them that although the village had used their land for many years, they remained poor because they had not used the land productively. He then argued ‘if you give up your land you will be rich like us, with cars and planes\(^11\), but if you do not accept then you will remain poor.’\(^12\) Provincial government officials and company representatives both argued that if HAGL was allowed to use the land productively then the villages could become modern and wealthy. The company would build infrastructure such as roads, bridges, electric lines, schools and health dispensaries. They would also provide stable employment on the plantation. The HAGL manager of the plantation operations even claimed that 99 percent of the employees would be Laotian.\(^13\) Such claims were backed up by the legitimacy of the Lao state, which village leaders viewed as a guarantor of their success: ‘The government is like our father. Trusting the government will lead to improvement’.\(^14\)

After HAGL had cleared the land, they compensated villagers in exchange for their temporary land use certificates and tax receipts to such land. Compensation was a pre-emptive tactic to reduce resentment and resistance, but one that occurred retroactively, after the land had been wrested from household control. Additionally, compensation was a strategy for lessening possible civil unrest, sabotage to

\(^9\)Interview with village leader, Ban Nyai Oudom, Saysettha district, Attapeu province, February 2010.
\(^10\)Interview with village leader, Ban Hatxane, Saysettha district, Attapeu province, February 2010.
\(^11\)He is referring to the HAGL CEO’s private jet.
\(^12\)Interview with village leader, Ban Kang, Phouvong district, Attapeu province, February 2010.
\(^13\)Interview with HAGL plantation manager, Saysettha district, Attapeu province, February 2010.
\(^14\)Interview with village leader, Ban Nyai Oudom, Saysettha district, Attapeu province, February 2010.
plantations and other tactics of resistance. The compensation was characterized by an exceptionally unequal power relationship, as a result of negotiations held solely between Laotian peasants and HAGL representatives without any regulation by a third party, such as the PLMA. Whether intentional or not, the provincial government was conveniently absent when it came time to act on the villagers’ behalf. Thus, compensation rates were determined by HAGL’s rough underestimation of the economic productivity of the land and the results of ensuing negotiations with the farmers. Compensation was mostly given when villagers confronted the company directly. HAGL only offered compensation when it was obvious that they had cleared economically productive land, such as commercial tree plots, or when farmers were working in their fields as their land was being cleared. Villagers only received compensation to land to which they held some form of documentation, such as a temporary land use certificate or tax receipt. Any customary or village land without title was not compensated. The result of these negotiations was that farmers were compensated at rates far below the market value of their land and the amount that they requested. HAGL forced villagers to accept low prices by threatening not to award compensation at all, a threat against which villagers felt they had no recourse.

There were a few cases, however, in which villagers used exclusion to their own advantage to prevent HAGL from acquiring their land. In one of these cases, the village leaders of Ban Kang repeatedly denied HAGL and the provincial government’s requests to survey and acquire land. HAGL employees still attempted to clear-cut village land, but village leaders and armed village police stopped bulldozer operators and forced them to pay a fine of USD 355 for breaking the law and destroying village land. Provincial government officials and company representatives continued to unsuccessfully attempt to acquire village land. The village leaders had refused because of the land’s importance for village livelihoods. Additionally, they knew the results of plantation development in advance because they had seen what happened to their relatives in Bachiang district of neighboring Champasak province who lost their land to a different Vietnamese rubber company. Based upon the village leaders’ responses, I find that the ability for the village to exclude rather than to be excluded was predicated upon the following factors: (1) village leaders had knowledge of the potential negative impacts of land concessions and plantation development upon their livelihoods, and also of their legal rights under Lao law, (2) village leaders made their decision to oppose the concession only after democratically consulting the rest of the village and (3) village leaders were unwavering and forceful in their resistance.

Despite such acts of resistance, much of the area’s diverse landscape of land use practices and property relationships had been cleared by the end of the fieldwork period. Trees of significant size in forested areas were felled and lay in the cleared fields waiting to be transported to HAGL’s wood processing and furniture construction factory 15 kilometers down the road. The enclosure of the land was clearly etched into the physical landscape, marked not only by the bulldozed land and

15Household interviews, Ban Hatxane, Ban Keng Nyai, Ban Nyai Oudom, Saysettha district, Attapeu province, February 2010.
16The interviewed village leaders did not refer to any specific law, only that village land could not be acquired without the approval of the village leadership.
17Interview with HAGL plantation manager, Saysettha district, Attapeu province, February 2010.
the burned leftover brush, but also by the construction of a meter-wide, meter-high
ditch around each of the plantation plots to keep village cattle from grazing on the
rubber trees and to distinctly defined the borders between village and HAGL land.

Not all households lost agricultural land and some of those that did retained
some of their individual plots or only lost access to communal village land. However,
as self-governed livelihood strategies were eroded through land loss, villagers were
left with little choice but to work as wage-laborers on the plantation, and thus began
a transition from land users to land laborers. Some even worked on the land that had
been taken from beneath their feet. Since the plantation was still expanding, there
was a significant amount of employment available, although this may change once
production advances into later stages and the work of weeding and tree maintenance
is less labor intensive. Workers were supposed to be paid USD 3.55 per day, but their
pay could be reduced to between USD 2.36 to USD 2.96 if supervisors found that
they did not work hard enough.¹⁸

While villagers could potentially make higher incomes from full-time plantation
work than independent farming, most villagers found the work to be incredibly
demanding with little pay and therefore worked an average of two to three times per
year – five days each time – when they were in need of money. At the official wage of
about USD 3.55 per day, workers could make up to about USD 53.25 if they worked
five times per year. Yet this is even less than some of the poorest interviewed
household’s incomes of between USD 88.24 and USD 588.23 per year from logging
timber and building houses for wealthier households.¹⁹

During household interviews, villagers were most angry when discussing labor
conditions on the plantation. They were frustrated with the 12-hour workdays,
prohibitions against smoking and conversation at work, and constant supervision.
One of the village leaders was convinced that the company was purposely
overworking Laotian employees so that they would stop showing up for work,
thus giving HAGL an excuse to evade Lao labor laws and import Vietnamese labor.
The most common complaint was that the low wages did not match the difficulty of
the work. Additionally, HAGL did not pay workers directly, but instead paid the
group supervisors who were charged with distributing wages to each individual. Such
payments were not regulated and supervisors often smuggled part of the wages for
themselves. Supervisors paid wages late, and sometimes at less than the contracted
amount by making excuses that they did not have small banknotes; in other
instances, workers were not paid at all. Such labor practices make plantation labor a
questionable employment alternative to previous livelihood strategies.

Social-property relations under transformation
HAGL’s land acquisition in Attapeu dramatically transformed agrarian property
and social relations of production. First, methods of coercive exclusion were used to
prevent peasants from accessing land they had previously used for food, income and
resources. Second, various forms of household, village, and state land were
abstracted and privatized. Finally, peasants entered an altered relation to the land
as semi-proletarianized wage laborers. Ultimately, these interrelated processes led to

¹⁸Household interviews, Ban Hatxane, Saysettha district, Attapeu province, February 2010.
¹⁹Household interviews, Ban Nyai Oudom, Saysettha district, Attapeu province, February
2010.
the establishment of the property and social relationships necessary for capitalist resource extraction and production. Such a transformation resulted from a precarious interface of class interests and power. While HAGL was more interested in acquiring resources than proletarianizing peasants, the Lao state sought to provide benefits for the population through stable employment and infrastructure while also generating new revenue streams.

Acts of coercive exclusion did not lead to direct violence towards villagers, but the act of bulldozing village forests and crop fields was a form of indirect or environmental violence (Peluso and Watts 2001). Tactics of legitimation were also used to separate farmers from their land by portraying the concession as both inevitable and beneficial. By presenting the project as one that would lead to modernization and development, government officials and company representatives created a powerful illusion of progressive change. Furthermore, HAGL ensured that farmers remained excluded and separated from their land by providing them with limited monetary compensation. This created the illusion of legitimate exchange and an appearance of ownership that never existed. Retroactively, the villagers became landowners precisely at the moment they were excluded from what they never fully owned. The land was transformed into private property at the moment of its alienation.

The exclusion of farmers from their land allowed HAGL to spatially reorganize property relations in the Lao countryside to facilitate capitalist production of resource and agro-industrial commodities. While it was unnecessary for HAGL to remove any peasants from their residential land – unlike village relocations that are common for mining and hydropower projects (UNDP 2006, International Rivers 2008) – the company had to alter the relationship between peasants and their land. This relationship was previously characterized by both customary and statutory land tenure and use, managed at the household and village levels but ultimately owned by the state. However, the abstraction of household, village and state lands – the redistribution of spatial relations and the social relations tied to boundaries and categories of land – erased this social connection. An altered landscape was constructed that was characterized by monocropped rubber land held in ownership by foreign capital, managed by Vietnamese employees and labored by Laotians. Thus, a heterogeneous landscape of diverse livelihood practices and land tenure was transformed into a homogeneously owned and used plantation of monocropped rubber. This transformation was not only one of spatial arrangements, maps and landscapes – it was also of social relationships. Previous relationships between villagers and the state concerning their right to use land in combination with village-level interpretations and manipulations of these rules was erased in favor of a project of large-scale capital accumulation-HAGL expects to eventually export USD 120 million of latex and wooden products every year from Attapeu province once the project is fully operational (VN Business News 2008). Such profit generation is only possible through the erasure of linkages between people and land, the emptying of social attributes from polygons on a concession map.

In Laos, proletarianization proceeded differently from a functionalist reading of PA that views dispossession as a strategy of capital to create a proletarianized labor force. Such a labor force already exists across the border in Vietnam and China, one that foreign capital may even prefer. Foreign investors may be less interested in a Laotian labor force and more interested in the resources that can be produced from land, which makes dispossession merely a tactic for getting people out of the way.
Perceptions that Lao laborers are unproductive in comparison to foreign laborers, especially the Vietnamese, date back to views expressed by French colonial administrators (Hodgdon 2008, Ivarsson 2008). A recent survey of businesses in Laos found that most find foreign, rather than Lao, labor to be more productive, especially for skilled positions (Asian Development Bank 2010). Vietnamese and Chinese companies may prefer employing laborers from their own countries due to ease of communication and preconceived worker understandings of wage labor demands. Additionally, plantation managers may find it useful to employ foreign workers due to their lack of legal rights. However, Lao labor laws partially restrict Vietnamese labor migration by requiring that the work force for manual labor on all investment projects be 90 percent Laotian (GoL 2006). As a result, the issue of proletarianization can become a point of contention rather than consensus between the Lao government and foreign investors that has important implications for the types of politics that surround plantation labor.

Conclusion
This paper shows how land concessions in Laos, and global land grabbing more broadly, can be analyzed through various lenses of accumulation-, dispossession- and exclusion-oriented frameworks. These lenses help examine the holistic transformation of property relations and social relations of production emphasized in Marx’s PA while avoiding the pitfalls of uncritically importing of the terms ‘accumulation’ and ‘dispossession’ when analyzing capitalist production of land and resources. This theoretical intervention can be used to analyze how land grabs lead to interrelated transformations of property relations and social relations of production, or social-property relations. These transformations are achieved by excluding the rural poor from land and resources that they had previously used for their livelihoods and wellbeing. Analyzing these transformations captures the ways in which variegated tenure and property regimes become abstracted into rigidly defined plots of land, previous users are excluded from accessing such land, and their livelihoods hang in the balance between individual subsistence production and wage labor.

Examining these transformations in totality helps address Harvey’s call to unite political struggles against ‘accumulation by dispossession’ with those against ‘accumulation by exploitation’ (Harvey 2003). To reconcile such struggles, it is important to analyze the myriad ways in which they are connected through processes of capitalist acquisition, production, distribution, exchange, consumption and ultimately accumulation. The emergence of global land grabbing creates a formidable new challenge for peasant struggles, placing extraordinary pressure upon countless livelihoods worldwide. Yet, this threat has also created a renewed urgency to address critical agrarian issues, such as land tenure, land reform and food security (Borras and Franco 2010b).

Borras and Franco, for example, argue for struggles against land grabbing based upon land sovereignty, or the ‘right of the working class people to have effective access to, control over and use of land and live on it as a resource and territory’ (2010b, 35). This concept could be imported to other struggles against capital, such as in the workplace or the city, for the proletariat to have control over the means of production, or over housing and public spaces. As Borras and Franco mention, land sovereignty is a cross-class political project that also spans different strata of the working classes – rural and urban, and across borders. This type of rights-based
approach presents opportunities for thinking through connections between the right to food, the right to land, the right to a fair wage and the right to the city. It also helps contemplate how land is not the only focal point of social justice struggles in rural areas; labor issues and control over other forms of property are as important. The global land grab presents an opportunity to rethink these relationships as much as it provides a platform for conceiving strategies to grab back what was unfairly taken with the aim of creating more socially just forms of production and distribution.

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