

DON CHAN: LUXURY VILLAS HOSTING ASEM9 DELEGATES DISPLACE FARMING COMMUNITY

On November 5 and 6, European and Asian leaders will meet for the 9th Asia European Heads of Government Meeting (ASEM9) in Vientiane, Laos. While many important issues will be discussed at the summit, among them sustainable development and food security, delegates may be unaware that the buildings in which they are to be housed for the summit place these very goals in jeopardy.

A New World?

The construction of luxury villas on Don Chan Island – a sand spit in central Vientiane – forms part of a wider development project entitled ‘Vientiane New World’ (VNW). Carried out by a joint venture between Chinese CAMCE Engineering and the Lao Kritaphong Group, the project is described by the company as bringing Hong Kong to the banks of the Mekong - a magnet for tourists, commerce, and investment.

What is not mentioned however is that the fertile land now occupied by the luxury villas was once home to a thriving farming community. Producing up to 5 million tonnes of vegetables a year, the Don Chan farming community played a key role in supplying the local food markets in Vientiane, including the highly prized organic market. The villagers did not own land certificates, but paid land taxes and with the community having settled in the area since 1966, customary land use rights were observed and there was no perceived need for formal land titles.



Former Don Chan Island vegetable fields

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Eviction

All this changed in 2009 when the 100 households comprising the Don Chan village were informed that the 36 hectares of land will be taken over for the construction of housing for the ASEM9 summit. Villagers would have less than a year to move. In order to prevent collective resistance, government officials adopted a 'one-by-one' strategy whereby each household was approached separately about the relocation. The village head who defended villagers' rights and received community complaints was sacked and replaced by someone more pliant. With no right to refuse, the community eventually 'accepted' the plans on the condition that adequate compensation and a suitable resettlement site would be provided. These conditions have however not been met.



ASEM9 luxury villas constructed on former Don Chan community land

Resettlement

The villagers had no say as to where the resettlement site would be located. Originally told that the new site would not be far from Vientiane, the former Don Chan residents now find themselves 26km outside of the capital on plots of land smaller than what they were promised. Even worse, the arid infertile clay soils are totally unsuitable for farming, essentially stripping the villagers of their former livelihoods. Just beside the resettlement site meanwhile trucks rumble by and construction work is underway for the creation of a new 'specific economic zone'.



Resettlement site

With their income dramatically reduced, many villagers are living day-to-day off their compensation money. This is however a very precarious situation given that the resettlement process has been accompanied by many new expenses including the building of new houses, electricity connection, toilet facilities and transportation costs. The compensation package was also unequally divided among villagers with those with government connections receiving much more than others. A 12% "administrative fee" was also deducted from the compensation package and pocketed by government officials. The rights of the villagers to receive proper and fair compensation as stipulated under Decree 192 of Lao law were therefore not respected.

What kind of development does ASEM9 want to promote?

The future remains uncertain for the former Don Chan villagers as they attempt to adapt to their new circumstances. They do not know if the petition they have submitted to the new village head detailing their grievances has been passed on and their daily lives are marked by a high level of surveillance by local authorities.

This raises the question as to whether this is the type of 'development' ASEM9 wants to promote. The former Don Chan farming community made a significant contribution to the food security of the capital, growing quality food right in the heart of the city and bridging the gap between rural and urban, producer and consumer. This is the model that should serve as an inspiration for future development for European and Asian leaders.

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