



Carving up LAOS

Land disputes rattle
the government

By MARWAAN MACAN-MARKAR / Bangkok

When they gathered for the second annual session of the National Assembly last December, Laotian lawmakers may have had a reason to feel buoyant. The communist-ruled country appeared on the verge of gaining international respectability. The preceding months had seen this impoverished nation shed some of its image as a diplomatic backwater in the region.

The remake came in stages. In July, Hillary Clinton flew into Vientiane, becoming the first US Secretary of State to visit the landlocked country in 57 years.

Then, in October, the World Trade Organisation approved Laos' application to join the WTO, signalling that this agrarian nation had joined the world of international commerce. And finally, in November, Laos hosted its most important international gathering, the Asia-Europe Meeting (Asem), which drew world leaders from Asia and Europe.

But by the time the 12-day session of the country's parliament drew to a close in December, the assembly had traded open buoyancy for secrecy, raising questions about the prospect of a liberal political culture taking root. Nothing was more deafening to some community leaders than the assembly's decision to silence one of the rare new avenues of openness – a hotline for the public to call the 132-member parliament.

This rollback in a country where political dissent has traditionally not been tolerated was hard to ignore. After all, the first annual session of the parliament, held in July, seemed to indicate that the nod given to greater openness in recent years by the ruling Lao People's Revolutionary

Party (LPRP) might be genuine. There were close to 300 calls that citizens made using the hotline, a number that was widely publicised in the local media.

Just why the parliament backtracked has not been lost on Vientiane-based diplomats and other observers. Nearly 280 complaints registered during that July session involved a host of grievances related to land issues: a lack of adequate compensation to the public, the awarding of concessions to foreign investors that has forced local communities from their lands, land-grabs and other questionable land deals.

"Local anger towards land-related issues has been discussed in the open more, certainly since 2011," one Western diplomat confirmed. "From what we hear, some panic has set in within the party hierarchy. The reaction is to clamp down on the voices raising these issues.

"There are people in the party and government who are profiting from corrupt land deals."

It is an issue that continues to dog Laos, which in 2012 ranked as the 160th most corrupt country in the world out of 183 surveyed by the global anti-graft watchdog, Transparency International.

"The many local voices complaining about land conflicts were coming in the way of the deal makers," the diplomat added.

This nexus, some Lao watchers say, could be behind the abduction in December of Sombath Somphone, the country's most famous civil society leader. The 61-year-old Sombath, who champions grassroots concerns and the need for sustainable development, vanished while the National Assembly was still in session.



He was stopped on the evening of Dec. 15 at a police checkpoint in Vientiane. Grainy video footage from a nearby CCTV camera, viewable on YouTube, shows the last images his family and friends have of him. It reveals Sombath's jeep parked at the checkpoint and him being led away from the police post by two unidentified men.

"To date, we have had no news whatsoever about Sombath, where he is, in what condition, or even if he is alive," Ng Shui-Meng, his Singaporean wife, revealed to The Edge Review. "I have wracked my brain to try and think why this happened and why now and not before, and I find no real answers."

The link between Sombath's abduction and the growing public resentment over land conflicts featured during recent interviews with Laotian and foreign activists and development and aid workers. They point to a rising tide of rural anger over questionable land deals, which could loom as the gravest political challenge facing the secretive communist regime, which has ruled the country with an iron fist since December 1975.

Conflicts over land featured prominently in October during a gathering of foreign and local community activists at the Asia-Europe People's Forum (AEPF). The soft-spoken Sombath was a leading organiser of that four-day event, and local complaints about dubious land deals with foreign companies were on full display during the exchanges in Vientiane. Sombath also had a hand

in drafting a document called the "Lao People's Vision," which conveyed grassroots sentiments expressed at 16 provincial level gatherings that preceded the AEPF.

"The foreign ministry approved the space for civil society at the AEPF as a sign that the country was opening up," says Shalmali Guttal, senior researcher at Focus on the Global South, a Bangkok-based think tank. "It fit in with the attitude of Laos policymakers over the past five to six years of reaching out to their own people, their critics. The impression was that things were changing."

The political space for public complaints regarding land issues marked this shift, a rare opening that is credited to former Prime Minister Bouasone Bouphavang. He chaired meetings that addressed land issues a year after coming to office in 2006. He appeared sympathetic to rural communities threatened by land concessions to foreign investors, and his views were even widely reported in the state-owned newspapers.

Kham-oun Boupha, a former official in the prime minister's office, had also echoed those views. "Our policy is to make people richer," Kham-oun, who was also the head of the national land management authority, told local newspapers in May 2009, when local resentment at land purchases by foreign companies began to surface.

"If we take land from people that we have already given them for use in production, trade and services, and

allocate it for the (foreign) concession agreement, I think we are in opposition to our own policy," he said.

Indeed, the popularity of a radio programme hosted by Laotian journalist Ounkeo Souksavanh was largely driven by villagers calling in from across the country to talk about the impact land deals were having on their lives. "I had a hotline that the audience could call and they often talked about the rise in land conflicts in their community," says Ounkeo, whose hourly weekday programme ran for four years before being abruptly pulled off the air in January 2012.

"It is possible that this is the reason why the programme was shut down."

Laos's land policy, which opened up opportunities for foreign investors in 1986, has resulted in over two million hectares of land being converted to lease or concession deals, with companies from Vietnam and China, two of the top three foreign investors in the country, accounting for the largest slice of the 2,000 approved projects. These include copper and gold mines, as well as industrial scale rubber and cassava plantations, among other projects.

Vietnam, the other communist-ruled country in Southeast Asia, tops the list of foreign investors in Laos, with investments totaling US\$ 4.9 billion, followed by Thailand, with US\$4 billion. Vietnamese agricultural investments abound in southern Laos, while China's

US\$3.9 billion in investments are concentrated in the hilly terrain in northern Laos, close to the Chinese border.

In fact, growing land disputes between local villagers and Chinese investors in northern Laos prompted the Lao prime minister to issue an order last July for a moratorium on granting new land concessions for industrial plantations and mining in the area till 2015. "This is to freeze concessions for rubber plantations and mining projects," says Manothong Vongsay, deputy director general at the ministry of planning and investment. "Separately, the national assembly is also working on a land policy law."

Attracting foreign investors to tap the country's abundant natural resources is a key policy of Vientiane, which still depends heavily on foreign aid to care for its 6.5 million people, a third of whom live in absolute poverty. Overseas development assistance accounts for nearly 70 per cent – or US\$1.7 billion – of the national budget.

"The problem of poverty in Laos will only grow if the government continues with policies where corrupt deals have threatened the land held by rural communities," says a Laotian grassroots campaigner. "For rural people, land is their life, their blood, and that is why they are fighting back. And the government is aware of this awakening."