Turning Land into Capital, Turning People into Labour: Primitive Accumulation and the Arrival of Large-Scale Economic Land Concessions in the Lao People’s Democratic Republic

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ABSTRACT: In recent years the government of Laos has provided many foreign investors with large-scale economic land concessions to develop plantations. These concessions have resulted in significant alterations of landscapes and ecological processes, greatly reduced local access to resources through enclosing common areas, and have ultimately led to massive changes in the livelihoods of large numbers of mainly indigenous peoples living near these concessions. Many have lost their agricultural and forest lands, or conditions of production, making it difficult to maintain their former semi-subsistence livelihoods, and thus compelling many to take up employment on the same plantations that displaced them, despite frequently having to work for low wages and under poor conditions. Using two case studies involving large economic land concessions in southern Laos, I argue that applying the theoretical concept of primitive accumulation is useful for better understanding the political processes and motivations of government officials, including justifications for the rural dispossession that is occurring in a nominally ‘socialist’ country.

Keywords: capitalism, socialism, primitive accumulation, labour, land concessions, land grabbing

Introduction

In 2007, Michael Perelman wrote an article entitled, “Primitive Accumulation from Feudalism to Neoliberalism,” in which he argued that Karl Marx’s concept of primitive accumulation continues to be important, but only in a partial way. Explaining that primitive accumulation involves the direct expropriation of people’s conditions of production, the purposeful forcing of people into wage labour, and the intentional manipulation of the social division of labour, Perelman wrote that “it is not likely that we will see all these conditions met very often in the contemporary economy, one ominous exception is expropriation” (Perelman 2007:59). Perelman’s view is understandable, considering that his focus was on the United States of America, where much of the population has long been highly integrated into a wage-labour economy. For Perelman, the example of the USA is best suited for considering the role of multinational corporations in taking control over resources, including water, forests, and land for mining in ways that he links to primitive accumulation. His interest is thus on the ways that privatization has facilitated expropriation of resources.
Perelman is certainly not alone in tending to view full-fledged primitive accumulation as something that occurred in Britain in the eighteenth and nineteenth centuries, and is unlikely to fully manifest itself at present. Ellen Wood (2002), for example, implies that capitalism can move ahead of political authority and develop elsewhere without the particular forms of violence through state involvement that occurred as a result of the primitive accumulation in Britain during the eighteenth and nineteenth centuries. As Liza Grandia (2007:11) puts it, “many strict Marxists treat primitive accumulation as a closed, historical accident – therefore of little theoretical interest.”

In geography and related disciplines, however, this is increasingly not seen to be the case, and there has been a significant revival of interest in primitive accumulation in recent years, especially as a result of the work of David Harvey (2003), and since then by others, such as David Moore (2004), Jim Glassman (2006), Gillian Hart (2006), Chris Sneddon (2007), and Michael Webber (2008), just to name a few. Crucially, most geographers now consider that primitive accumulation is continuing to commonly occur, especially in the Global South, but also in the Global North (Harvey 2003). As Glassman puts it,

Though primitive accumulation is a process that some have considered a historical phase through which societies pass on the way to more fully proletarianized social structures based on expanded reproduction, the current state of global affairs makes it evident that primitive accumulation has maintained or even increased its salience, meaning either that it is in fact central to capitalist accumulation in general or else has a much longer period of historical ‘dissolution’ than previously imagined. [2006:621-622]

Here I wish to contribute to this literature by arguing that the concept of primitive accumulation is useful for understanding how the development of large-scale economic land concessions are impacting on rural peoples, and particularly ‘indigenous peoples’.

In the Lao People’s Democratic Republic (Lao PDR or Laos). In particular, I want to highlight that one of the main motivations of the government of Laos in granting large-scale land concessions is to remove peasants, and particularly indigenous peoples, from their conditions of production because they are seen as making unproductive use of resources and as being resistant to fully integrating into the market economy.

Indeed, in Laos most indigenous peoples have, until quite recently, been heavily reliant on mixed subsistence and semi-subsistence agriculture in which a large portion of the food consumed has been obtained through family farm agriculture, as well as hunting, fishing, and the gathering of a wide variety of non-timber forest products (NTFPs) from the commons. Crucially, these peoples have not become embedded in the wage-labour economy like most rural populations in the USA, Western Europe or other industrialized parts of the world. This does not mean that indigenous peoples in Laos do not, at times, depend on wage labour, especially during the agricultural off-season. Moreover, as Rigg (2005) and Shoemaker et al. (2001) have pointed out, wage-labour is becoming increasingly important in rural Laos, even without the introduction of large-scale economic land concessions. The degree of importance is, however, geographically uneven, with some regions, villages and peoples engaging much more in wage-labour than others, and indigenous peoples tending to rely less on it than others. Thus, while the role of subsistence agriculture in rural Laos should not be overemphasized or romanticized; neither should we underappreciate nor deny the continued importance of subsistence and semi-subsistence agriculture for large portions of the population, at least for the time-being, and especially for upland indigenous peoples whose livelihoods are particularly linked to the land.

Still, many indigenous farmers are rapidly being propelled into wage-labour markets in ways that cannot be considered voluntary, and since this is the focus here, I will not dwell on less coercive transformations of labour that are occurring simultaneously, although I do recognize their importance. I wish to demonstrate that the policy of the government of

\[\text{emanicipatory political project designed to support disadvantaged and marginalized ethnic groups (For a fuller explanation, see Baird 2011).}\]
Laos to ‘turn land into capital’ is crucially intertwined with another important aspect, ‘turning people into labour’ (even if it is not directly referred to as such). Thus, the system of issuing large-scale economic land concessions to foreign investors from other Asian countries such as Vietnam, China, Thailand and others, constitutes, I believe, a much more comprehensive form of primitive accumulation than what Perelman argued is occurring in the USA. It not only involves the expropriation and enclosure of land and resources – considered by many to be the key point of primitive accumulation (Moore 2004) – but also driving semi-subsistence farmers into labour markets. This transformation of semi-subsistence farmers into people highly dependent on wage-labour is sometimes – but not always – important to the investors themselves, but crucially for this article, drawing the Lao labour force into the market economy is, for many reasons, one of the key justifications amongst officials in Laos for the present land concession system. Entering into agreements that disempower indigenous peoples and even the state is frequently accepted due to the belief that such sacrifices are at worst, a necessary evil, something that is needed to propel Laos into the modern world and eventually out of poverty. Much like Marx, whose ideas were paraphrased by Glassman (2006:611), many officials believe that “primitive accumulation, however loathsome in its violence and hypocrisy, is a necessary step in the direction of fuller human development.”

In this article, I start off by very briefly explaining relevant aspects of recent Lao history, including the gradual expansion of large-scale economic land concessions, in order to historicize the present circumstances. I then present two case studies, both based on research I conducted during the 1990s and 2000s in southern Laos. The first, in Paksong District, Champasak Province, is short and illustrates how the development of one of the first large land concessions in southern Laos was attempted in the 1990s, and how it led to considerable conflict with the upland indigenous peoples, before finally collapsing. The second case study is more detailed and represents the core of the article. It relates to the rapid expansion of three large economic land concessions in Bachiengchaleunsouk (Bachieng) District, also in Champasak Province, beginning in the mid-2000s and continuing to the present. For this case study I focus more on labour issues. I then briefly discuss the apparent paradox of a nominally socialist country such as Laos promoting violent capitalist accumulation by dispossession, before reviewing the links between land and labour. Finally, I provide some concluding comments.

Before proceeding, however, some explanation regarding methodology is required. The data presented in this article have been intermittently collected during fieldwork in Laos over the last 15 years. During the first decade I was a full-time resident in southern Laos, thus giving me continual access to the field, both directly through frequent visits to villages and via friends and colleagues from areas of interest. Over the last few years I have not resided full-time in Laos but have still spent substantial periods there each year. In addition, I have also relied on data collected by indigenous and ethnic Lao colleagues working for the Global Association for People and the Environment (GAPE), a non-government organization (NGO) that I was executive director of for over a decade, between 2001 and mid-2010.

The Government of Laos and the Early History of Land Concession Development

On December 2, 1975 the Lao People’s Democratic Republic (Lao PDR) was officially established, with the Lao People’s Revolutionary Party taking full control of all aspects of the Lao state. With the strong backing of the Socialist Republic of Vietnam, which had taken control of Vietnam during the previous months, and the Soviet Union, the Lao PDR government established a political system that modelled other Soviet–bloc countries, and was committed to a one-Party political system based on Marxist–Leninist principles.

The limited agriculture cooperatives established after 1975 failed and were quickly abandoned. Other economic reforms were instituted in the mid-1980s, including the New Economic Mechanism (Chinthanakan Mai in Lao) (Evans 1990). Many were strongly supported by the International Monetary Fund (IMF), the World Bank, the Asian Development Bank (ADB), and various Western
government-supported bilateral and multilateral aid agencies, which promoted foreign direct investment and export oriented economic development based on market principles. Fully state-owned companies and factories (what few existed) were also shut down (if not economical), privatized, or most commonly, transformed into ‘state enterprises’ (*lat vixahakit* in Lao).3 However, despite the gradual dissolution of the various aspects of socialist economic policies and practices that were part and parcel of the government of Laos’ early foundations, the political system established in 1975 has remained intact, without implementing any significant political reforms.

Unlike the former French colonies of Indochina – Cochin China, Annam, Tonkin and Cambodia – Laos was exceptional in not being subjected to the development of large-scale plantations during the French colonial period.4 The lack of rubber development in Laos was a direct consequence of the inland country’s relative remoteness, the abundance of land in the other parts of French Indochina, and the relative lack of large numbers of reliable and cheap labourers in Laos (Baird 2010a). In other words, geographical factors were crucial.

The sustained violent conflict that began only a few years after the withdrawal of the French from Laos in 1954 also prevented the development of plantation agriculture during the early post-French period. And then, in 1975, when the Lao PDR was established, the continuing instability in much of rural Laos – largely owing to generally low-level but sustained armed conflict resulting from continued right-wing and neutralist resistance to the new government of Laos and their Vietnamese mentors – was not conducive to the development of large-scale plantation agriculture.

While the government of Laos became increasingly open to direct foreign investment from capitalists in the late 1980s and 1990s, investors initially showed little interest in developing large-scale agricultural plantations. Continuing insecurity, poor infrastructure, and a bureaucratic and opaque government, as well as tense relations between Thailand and Laos, prevented most plantation-oriented investment. However, relations between the governments of Laos and Thailand began to improve after 1988 when the Chatchai Choonhaven government in Thailand shifted its foreign policy towards Vietnam, Cambodia and Laos (former Indochina) significantly by declaring that the Thai government wanted to transform ‘battlefields into market places’ [*ao sanam lop pen sanam kan kha*]5. Laos experienced relative peace and stability beginning in the 1990s, especially in the south, where armed rebel activities ended in 1990 (Ruohomaki 2000). Even in northern Laos, where rebel activity continued to linger on, conflict declined.

### The Pakson District Land Concession Case Study

In the early 1990s some foreign companies began pursuing large-scale concessions to develop plantation agriculture in Laos. One of the first was the Thai firm, Asia Tech Company, which in November 1990 requested a 16,000 hectare economic land concession on the Bolaven Plateau in Pakson District, Champasak Province, southern Laos. A year later the government of Laos approved the concession for a 30-year period, taking a five percent ownership in the project. After surveying the land, however, the government found only 12,404 hectares that could be given to Asia Tech (Lang 2002). I had the opportunity to interview many of the ethnic Jrou (*Laven*) indigenous upland farmers impacted by the concession in the mid-1990s. Although I did not directly publish on this fieldwork, I provided Chris Lang with much of the data that he later wrote about in 2002 (Lang 2002).

In 1992 Asia Tech began developing a eucalyptus plantation, and then in 1995, after the eucalyptus experiment failed, efforts were made to develop an *Acacia mangium* plantation, although almost all the trees died. Conflicts with indigenous people in 19

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3 State enterprises are essentially companies that operate with more independence than state companies and are supposed to be managed based on profit-led market principles, or what has been called a “Socialist business accounting system” (Evans 2002).

4 However, the French did try to develop plantation agriculture involving coffee and tea on the Bolaven Plateau in present-day Pakson District, Champasak Province. This included promoting direct French investment in plantation agriculture on the Plateau.

5 Although the government of Laos was initially quite sceptical of Thailand’s new policy, fearing that Thailand was trying to orchestrate a new way of dominating Laos, relations between the two countries have gradually improved.
villages located within the concession area accelerated in 1996-1997 when Asia Tech planted pine trees on 900 hectares, clearing forests and enclosing land, thus preventing local people from grazing cattle and accessing forests, including forest strips at the edges of their coffee plantations that were crucial for preventing coffee plants from dying due to excess exposure to frost during the cold season (see, also, Watershed 1996). Some indigenous peoples resisted the expansion of the plantations by setting fires in the dry season that destroyed some of the pine trees.

In 1997, the Ministry of Agriculture and Forestry removed 4,000 hectares from the Asia Tech concession, but rather than return the land to the indigenous population, it was given to other companies to plant coffee and other crops. Finally, the so-call Asian financial crisis\(^6\) of 1997-1998 devastated many Thai companies, including Asia Tech, thus bringing an end to their efforts to develop plantations in Champasak Province (Lang 2002). The first major attempt at accumulation by dispossession through large-scale agricultural plantations had failed.

Crucially for this paper, during the 1990s the government of Laos still had some hope that small farmers could transform themselves into producers of commodities for export. The government was strongly promoting the idea of producing for export, or \textit{phalit sin kha pheua song oke}, but hoped that peasants, including indigenous peoples, would be the drivers of these changes, transforming from a largely subsistence to an export oriented economy. This is reflected in the government-supported land use planning that occurred during this period, which emphasized the demarcation and organization of land types and the allocation of land to small farmers to produce crops for export (Fujita and Phanvilay 2008). Therefore, while the government was still interested in potentially allocating ‘unproductive’ or ‘empty’ land to investors to increase agricultural production and export opportunities, they were primarily focused on encouraging small farmers to expand their production capabilities to increase exports. Thus, there was little motivation to drive them from their conditions of production in order that they might more easily be integrated into the wage-labour economy. As is demonstrated through the next case study, however, the view of the state towards small farmers, and especially indigenous farmers, has gradually changed in recent years, even if the rhetoric of support for the land rights of small farmers has not been totally abandoned (see, for example, Lao People’s Revolutionary Party 2011).

The Bachieng District Land Concession Case Study

During the late 1990s and early years 2000s, Laos and the region were still recovering from the 1997-1998 Asian financial crisis, but as the regional and global economy recovered and expanded new opportunities for developing economic land concessions became available in Laos and other countries in mainland Southeast Asia. In particular, the growth of the manufacturing power of India and especially China became important as demand for commodities increased in Asia, and globally, resulting in expanding demand for raw materials. This led to dramatic price rises of various commodities, the most important for the development of new land concessions in Laos being rubber (\textit{Hevea brasiliensis}) (Alton et al. 2005; Vongkhamhhor 2006). Other crops, such as jatropha, which has potential to produce bio-fuels, also began being promoted due to climate change concerns, and the push to reduce greenhouse gas emissions. Concessions were also allowed to cultivate other crops, such as cassava and corn (see Dwyer 2007).

Thus, beginning in the early 2000s, and especially after 2003-2004, there was a rapid increase in demand for economic land concessions in Laos, as well as other previously marginal areas, including Cambodia, Burma, and more remote parts of China, Vietnam and Thailand (Ziegler et al. 2009; Cheang 2008; Luangaramsi et al. 2008; Shi 2008; Thanh Nien News 2007, 2009; Manivong and Cramb 2008; Myanmar Times 2006). This coincided with the government of Laos becoming less confident in the ability of small farmers to increase their agricultural production in order to produce for export markets. In fact, the increases in production expected to result from Land and Forest Allocation (LFA)

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\(^6\) Glassman (2003) points out that despite being called the ‘Asian financial crisis’ it did not only have Asian origins.
(initially beng din beng pa and later mop din beng pa in Lao) in the early 1990s had largely failed to materialize (see MAF 2005), and by mid-1996 Prime Minister’s Decree #6 was released, which made it clear that the government was thinking more about the possibility of issuing large land concessions to foreign investors. In addition, when the 1999 Land Law was revised in 2003 the provision that required unused land to be returned to the state was removed, apparently as a way of ensuring that land speculation would be easier. Finally, this period also coincided with the rapid deterioration of government faith in the original socialist ideals of the Lao PDR government and the increasing penetration of market economics, thus leading to an increasing propensity for officials to engage in corrupt behavior (Stuart-Fox 2006), including central, provincial and district officials accepting bribes to provide investors with economic land concessions, and village headmen receiving payments to find land for investors (Baird 2010a). Essentially, the combination of expanded demand for land concessions in Laos, less faith in the ability of semi-subsistence farmers to increase their contribution to production for export, and a growing propensity for corruption amongst government officials created the ‘perfect storm’ that led to a massive boom in large-scale land concessions in Laos.

Investment in rubber plantations has recently increased dramatically in Laos, and there are now monoculture rubber plantations in all provinces of the country, with the earliest dating back as far as the 1990s, but most having been developed since the mid-2000s (Dianna 2007). Although it is uncertain exactly how many hectares of rubber have been planted in Laos – due to the ‘free-for-all’ nature of the issuing of land concessions at various scales of government, including at the national, provincial and district levels – it has variously been suggested that rubber be limited to 150,000, 200,000 and most recently 300,000 hectares throughout the country (Vientiane Times 2008d; Pongkhao 2009b; 2010a and b). Rubber planting may, however, have already exceeded the 300,000 hectare limit (Pongkhao 2010a), especially considering projections for the large amount of rubber Vietnamese companies plan to cultivate in Laos (Thanh Nien News 2009).

Rubber planting continued throughout 2008-2009 when rubber prices dropped considerably due to the economic crisis. Even now, rubber prices remain below their peak of a few years ago, but have risen considerably (Pongkhao 2010a). Rubber tree planting is continuing in various parts of Laos as of this writing.

Research indicates that the rapid transformation of landscapes from mixed agricultural/forest lands to monoculture rubber plantations has had dramatic social and environmental impacts (see, for example, Baird 2010a; Kenney-Lazar 2010; Barney 2009; Thonmanivong et al. 2009; Village Focus International 2008; Luangaramsi et al. 2008; Lao Biodiversity Association 2008; Hanssen 2007; Dwyer 2007; Chamberlain 2007; Obein 2007).

Probably the most vivid example in Laos of large-scale rubber development and its negative social and environmental impacts – and certainly the best documented – is in Bachienthaleunsouk (Bachien) District, on the foothills of the western side of the Bolaven Plateau in Champasak Province, an area largely populated by a number of historically upland indigenous ethnic groups, including the Jrou (Laven), Souay, Brou (Taoi), and Brao (Lave), the main groups in Bachien. I am not suggesting that what has happened in Bachien is typical of the overall circumstances in Laos, as experiences involving Chinese rubber concessions and contract farming in northern Laos differ considerably. Still, the circumstances in Bachien do approximate what has transpired with other Vietnamese rubber concessions in southern Laos (see, for example,

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7 I am indebted to Mike Dwyer for pointing out PM Decree #6 and the changes in the Land Law to me.

8 For more information about declines of regional rubber prices in 2008, see Chun and Nguon (2008).

9 The government of Laos recognizes 49 ethnic groups and well over 100 sub-groups, even though there are undoubtedly more groups than that. In any case, about a third of the population are ethnic Lao and another third are included in other Tai language speaking groups. The remaining third speak languages in the Mon-Khmer, Sino-Tibetan and Hmong-Ieu Mien language families. These latter groups are sometimes considered to be the ‘indigenous peoples’ of Laos, although the concept of ‘indigenous peoples’ is not recognized by the government of Laos, at least in the sense of providing people with special rights. Instead, all peoples are considered to have equal rights under the law (Baird 2010b). In southern Laos, virtually all the indigenous peoples speak languages in the Mon-Khmer family.
Based on my own extensive discussions with indigenous farmers affected by land concessions in Bachieng, research conducted by GAPE (see Baird 2010a), and other investigations in the district (Luangaramsi et al. 2008; Obein 2007; Chamberlain 2007), many rural people there are upset about the enclosure and loss of agricultural and forest lands, with compensation for agricultural land being low, and even less or nothing for fallow swidden fields. Compensation for lost common grazing lands is also not being paid, as the land has been classified as ‘state land.’ Crucially, the government of Laos has also maintained a development policy which has advocated the ‘fixing of villages’ and occupations, and the eradication or reduction of swidden agriculture (see Baird and Shoemaker 2007; Evrard and Goudineau 2004; Vandergeest 2003). In particular, it is hoped that large-scale plantations can replace swidden agriculture. Illustrative of one of the government of Laos’ concerns about swidden agriculture, the Vientiane Times (2010a:1) wrote,

To encourage funding from private and government organisations or domestic and foreign countries and to provide permanent jobs for farmers and villagers, it is essential that a return to slash and burn [swidden] cultivation is avoided.

Swidden cultivation is seen as a threat to foreign investment and development more generally. There is also considerable prejudice about those most commonly associated with swidden agriculture, the indigenous peoples who are seen to be ‘backwards’ and holding back the ‘development’ of the country (Baird and Shoemaker 2007; Evrard and Goudineau 2004; Vandergeest 2003).

In some cases agricultural land has been bulldozed at night without warning. I heard of one instance in which peoples’ perennial crops, including pineapples, fruit trees and coffee were clandestinely cleared at night during a village festival (boun ban in Lao), when villagers let their guard down. They awoke the next morning to find the landscape completely transformed. Changes in landscapes and associated livelihoods are taking place over very short periods of time, with most land being converted within a week or two, a few days, or even just one night.

According to Obein (2007), in the 33 villages in Bachieng impacted by the Viet-Lao Rubber Company,10 83 percent of the agricultural land had been lost to rubber by the end of 2006. Of those, 18 villages were left with 10 percent or less of their agricultural lands, and of those, four had no agriculture land whatsoever. Obein was critical, but suggested that some of the villages with hardly any land should be relocated, although he acknowledged that internal resettlement can result in various negative serious social and environmental impacts (see Baird and Shoemaker 2007; Evrard and Goudineau 2004; Vandergeest 2003). More recently, large numbers of families impacted by these plantations have moved into large organized settlements called ‘nikhom’ in Lao. The idea is that the people can live in these rubber plantation company-developed settlements and work on the plantations, thus solving the problem of land-less people while providing the company with labour at the same time. As of 2010, the Lao-Viet company was planning three ‘nikhom’ in the middle of their plantations (Mana Southichak, personal communication, May 30, 2011).

Common forests and pasture lands crucial for the collection of non-timber forest products (NTFPs), hunting and fishing, and the grazing of livestock have been lost, and biodiversity has been severely impacted, transforming people’s livelihoods both directly and indirectly. For example, one village that does blacksmithing as its main occupation reported losing access to crucial firewood that is important for blacksmithing. Sneddon (2007) has emphasized the need to consider the role of biophysical changes resulting from primitive accumulation. In the case of Bachieng, mixed agricultural lands have been cleared, as have communal forests. This has also led to dramatic changes in adjacent aquatic resources.

Indigenous people in Bachieng frequently report going from producing 90 percent of their own food, and buying only 10 percent, to having to purchase 90 percent of the food they consume and only being able to produce 10 percent (see, also, Luangaramsi et al.

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10 12,644 people were being affected by the Viet-Lao Rubber Company plantations (Obein 2007).
In many cases, however, people have managed to retain larger portions of their land, thus making the proletarianization process much more partial. For example, based on a survey of 189 families in six villages affected by rubber plantations in Bachiang, it was found that the number of families who were able to grow enough rice to eat for 11-12 months a year fell from four in five in 2003 to just one in five in 2007 (Baird 2010a). The impacts of rapid change on the abilities of rural peoples to produce food for family consumption should not be underestimated. The implications of not having food to eat are real, as are the psychological implications of dramatic livelihood shifts, especially for older people. 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. Some migration has also occurred, both within Laos and to neighbouring Thailand.

The roles of people in society have been transformed together with their socio-economic conditions, thus leaving some without their old roles but not easily able to transition into new satisfactory ones. For example, older women used to help weed the fields, but now there are no fields to weed. Men in their fifties were the masters of their agricultural lands, but they are now without their land while not being allowed to participate in the wage-labour economy due to being classified as too old to work for the rubber companies (see below). Many point to the fact that they previously worked their own hours, but now have little choice but to send some family members to work for the very companies that stole their land.

Large-scale land concessions have been controversial not only in Bachiang, but in Laos more generally. Indicative of the upheaval that has occurred, in May 2007, after two high-profile land concessions were investigated, including the rubber plantations in Bachiang District, the Lao Prime Minister at the time, Bouasone Bouphavanh, declared a moratorium on issuing of new economic land concessions throughout the country (Vientiane Times 2007b). This was followed, in the second half of 2008, by the provincial governments in both Xekong Province in southern Laos and Luang Namtha Province in northern Laos declaring that they would not allow the expansion of rubber plantations within their respective political boundaries (Vientiane Times 2008a and c; Pongkhaoo 2009a). Although the national concession moratorium, which was never strictly implemented, was revoked in mid-2009, it was reintroduced, albeit in a more watered down form, just a few weeks later, apparently due to pressure from the National Assembly, which has been inundated with complaints from rural constituents (Vientiane Times 2009a and b; 2010c). Whereas the National Assembly was once considered simply a ‘rubber stamp’ for Party and government policies, recently National Assembly members from different parts of the country have complained openly about economic land concessions (Sengdara 2010; Pongkhaoo 2010b). The former Minister in charge of the National Land Management Authority, the ex-neutralist General, Khammouane Boupha, has also become an outspoken critic of land concessions in Laos (KPL 2008; Vientiane Times 2008b; 2009c; 2010b).

**Focusing on Labour**

So far the research conducted on land issues in Laos has tended to focus on the types of land concession agreements that have been negotiated, and the impacts on the environment and the livelihoods of rural people who have lost their agricultural lands, forests, and streams to land concessions. However, the situation in Bachiang over the last few years (see, in particular, Baird 2010a; Luangaramsi et al. 2008) indicates that labour issues are extremely important to locals, including the largely indigenous population living near large plantations in Bachiang. It even seems at times that there is more concern about labour issues than with the loss of land.

Some of those in Bachiang who have lost land to rubber concessions have been underpaid for their labour. The minimum wage according to the Lao labour law is supposed to be 25,000 kip/day, but in reality, villagers have sometimes only being paid 18,000 kip/day. 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 employment during the slow season. This is a serious concern, because sometimes villagers cannot make enough income to make ends meet. Luangaramsi et al. (2008) found that the average number of working days per year in Bachieng was less than a quarter of the working year, thus making it very difficult for people to make a living through working on the plantations.

Companies have also frequently failed to pay labourers in full so as to prevent them from abruptly resigning. The idea is that if people are owed money, they will not sacrifice it by quitting without providing adequate notice. This appears to be a common strategy used by employers in Laos to control the labour force, one that the government does not appear to be cracking down on. Essentially, the companies are doing their part to transform local people through introducing new forms of labour discipline. Rules designed to control the labour force are particularly despised by villagers, but are especially important for capitalists.

Another concern of indigenous people in Bachieng has been that they are punished by not being allowed to work for 15 days if they are deemed to have missed a day of work without justification, or if they miss a day they are sometimes not paid for the previous few days. In some cases they are only paid if they are able to work 15 days in a row. Sometimes if workers miss three consecutive days, they are fired, frequently without being paid for previous work. Workers often have a hard time not being able to rest when they feel like it, or choose to take an afternoon nap. Labourers in Bachieng also report that when at work, they are often expected to take shifts that are longer than permitted by law. A couple of years ago the head of Champasak Province’s Governor’s office promised to launch an investigation to determine whether payments to labourers by the rubber developers were appropriate; however it does not appear that much has come from this investigation, if it even happened. Some believe that officials are unwilling to do much due to the corrupt payments they are receiving from companies.

One serious problem reported by people in Bachieng is that middle-aged people are not being hired as labour by the rubber companies. For example, Dak Lak Rubber Company, from Vietnam, one of the three rubber companies operating in Bachieng, only allows those between 18 and 35 to work as day-wage labourers, while those working for another one of the three companies, Viet-Lao Rubber Company, must be between 18 and 45 years old. The weak, sick or disabled are also prohibited from working on the plantations. Women are also not allowed to bring young children to work with them, a common practice in government and other jobs in Laos. Overall, in February 2008, research done in two villages in Bachieng found that 64 percent of those who wanted to work in the plantations were not being employed as full-time labourers, despite losing a considerable amount of land to rubber companies.

Labourers on the plantations are also 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 workers have been forced to work in areas containing recently applied chemicals. Spraying has also been done next to villages on windy days, irritating and likely harming people. Those who work on the rubber plantations are not, however, receiving any health benefits, and those not working for the companies who have been negatively affected by spraying are also not receiving any company compensation or specific assistance.

There are, however, 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 the places that are being transformed, and more of a need for paid employment as labourers due to lacking land-bases to make a living. Still, overall, there is significant evidence that
the indigenous peoples are generally unhappy about being forced to rely on insecure and poorly paid employment on plantations. This is indicated by the emotion that people show when speaking about various labour problems. Many are also resentful with both legal and illegal Vietnamese labourers working for the rubber companies. In one case, an ethnic Brao elderly man unable to work in the plantations because of his age expressed his concerns about illegal Vietnamese labourers. In an animated way, he described, in his own language, how fun it was to watch the illegal Vietnamese workers run when someone dressed up in a Lao policeman’s uniform and walked out into the plantations, seemingly to confront them. He laughed with joy when he described how the scared Vietnamese ran from the police. At first, I thought he was describing something that actually occurred, but later I realized that he was simply presenting how fun it would be if someone was actually brave enough to be so brash. His performative narrative was a way of letting off steam and discursively expressing his frustrations with labour problems without doing anything that could get him in trouble with the authorities. This is reminiscent of the type of character assassination and other forms of resistance commonly encountered amongst peasants (see Scott 1985).

**Economic Land Concessions as a Means for Transforming Labour**

The primitive accumulation process occurring in Laos today is partially justified on the grounds that taking land away from peasants is a sure-fire way to indirectly compel them to enter the wage-labour market associated with plantations. The Lao politicians and officials who advocate this transformation are hoping to revamp the relations of production so as to develop a capitalist society involving a small number of capitalists and many more wage-earning workers. Essentially, they want to introduce new economic imperatives to society so as to transform Laos’ economy into something ‘modern’ and ‘developed.’ We can see the roots of what is happening in Laos within John Locke’s deeply influential treatise on government (1689), in which he considered that Native Americans had failed to generate recognizable profits, so therefore even though they clearly mixed their labour with the land, their property claims were considered to be less valid than those of European settlers focused on “improvement” (Locke 1988).

Over the last decade or so I have heard government of Laos officials refer to this as being an important part of what is frequently referred to as “development” (kan phattana in Lao). It is this condition – combined with the enclosure and expropriation of land and resources – that links what is happening in Laos so closely with Marx’s primitive accumulation or Harvey’s accumulation by dispossession. Many politicians and officials in Laos believe that even if land must be forcibly taken from peasants, before the former occupants are coerced into providing cheap labour, the trauma that people endure is warranted because the expected changes make the suffering worthwhile in the long run. The sense that indigenous people need to sacrifice now for a better life in the future is a similar narrative to what is frequently stated in relation to resettling people from the uplands to the lowlands (Baird and Shoemaker 2007; 2008). There have also been examples of the resettlement of indigenous people in the northern province of Phongsaly in order to serve as labour for tea plantations (Vanina Bouté, personal communication 2007), and in Luang Namtha Province ethnic Akha people were apparently moved from a remote area to near a main road in 2006 with the idea that their labour was needed for cultivating rubber. The reason stated for moving the people was to locate them closer to government services, but people were told that one of the advantages of resettlement would be that they could work on the rubber plantations for wage-labour. Furthermore, soon after being resettled many of the relocated people were taken to work for a plantation (Bill Tuffin, personal communication, June 1, 2011; see also Lyttleton 2004).

Illustrating the mind-set of the highest levels of the Lao People’s Revolutionary Party, the 9th Political Report of the Central Committee states,

> Our Party has also sought to improve and raise the capacity and efficiency of the economic management of the state, increased the strict management of national resources and environmental protection,
for instance, forest protection linked with reforestation promotion to expand green areas across the country. At the same time, we have carried out land allocation across the country, and adopted a national policy on the sustainable use of land and natural resources. [Lao People’s Revolutionary Party 2011:2]

Crucially, the same document also states:

Our party and state should clearly define poor areas and focal development areas … and allocation of land for people's settlement and livelihood in association with the creation of permanent jobs to bring an end to slash and burn cultivation. [Lao People’s Revolutionary Party 2011:13]

At a lower level of government, the Director of the Champassak provincial Agriculture and Forestry Department, was quoted by the Vientiane Times (2007a) as stating, in specific reference to economic land concessions for rubber in Bachieng:

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?

Reflecting a similar perspective, but this time in the context of internal resettlement of uplanders to the lowlands, an ethnic Brao official in Phou Vong District, Attapeu Province, southern Laos, stated,

The Brao are being moved to the lowlands because they have been poor in the mountains for centuries. How will anything change if they don't move to the lowlands? [Baird 2008:285]

These sorts of comments can be heard frequently in Laos, and they indicate how government officials at various levels, including sometimes indigenous officials, have internalized certain ideas that justify their involvement in promoting concessions that do not benefit the government or local people. When applying primitive accumulation as a concept it becomes easy to see how the establishment of large-scale plantations is seen by some as a vehicle for transforming the landscape and the people in the name of ending swidden agriculture, promoting ‘fixed livelihoods,’ and ultimately compelling people to enter the wage-labour economy. Summarizing the overall situation, a Lao development worker commented,

Lao officials take subsistence economy as inferior to a more modern, cash income economy. By allowing a big investor to modernize the production mode over the same piece of land (which often means totally changing what is produced there), officials believe that poor, subsistence villagers will do better with compensation for relocation and cash income jobs. It will also be better for the overall economy. It makes economic sense from the perspective of raising land productivity – income earned per hectare of land. … Of course, another perspective is that government earns revenues from a large company but not from subsistence farmers. It also raises efficiency in government revenue collection. Revenue collection cost for government also reduces substantially going with a large investor (collecting tax from one company versus hundreds of villagers who cannot pay).

Increased Mobility of Labour and Capital

Today’s improved transportation and communications have generally facilitated the movement of labour in ways that were much less possible in the past, and this time-space compression is greatly influencing the circumstances in Laos today. Whereas many Lao officials are motivated to promote economic land concessions partially because they want locals to be hired as wage-labourers, the Vietnamese investors in southern Laos appear to be less concerned about accessing local labour, except to maintain favourable relations with the government of Laos and prevent unrest in plantation areas. The companies would, it appears, rather import Vietnamese labour into Laos to work on the rubber plantations, and once tapping begins, and more labour is required, more Vietnamese labour is expected to arrive for tapping the rubber trees. This, in fact, mirrors the situation during the French colonial period, when the French tried to promote Vietnamese immigration into Laos because it was felt that Vietnamese labour was more efficient and industrious than Lao labour, a view that persists today (see also Hodgdon 2008). Moreover, with transportation routes in better condition than
ever, and the Vietnamese labour force being even more used to travelling than in the past, bringing labour from Vietnamese is easy, provided that the government of Laos allows it to happen.

It appears that the Vietnamese intend to take advantage of 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” (Government of Laos 1994). Therefore, by claiming that certain jobs require foreign labour, possibly because Lao labour has not performed well, it is possible to justify hiring more foreign labourers at the expense of locals. Moreover, hundreds of thousands of Lao people are travelling every year to Thailand to work, most illegally, thus reducing the amount of available labour for plantation work in Laos, and making it easier for the Vietnamese to justify importing labour from Vietnam. The Vietnamese concession owners generally find it easier to work with Vietnamese labour, which they are more familiar with and are more easily able to control. Most Vietnamese companies also seem to prefer importing labourers from Vietnam because they believe that they work harder for lower wages and are more dependable. One can see similar patterns in the logging industry in Laos, as well as in the construction industry, both of which are dominated by Vietnamese labour. The inability or unwillingness of Lao officials to clamp down on illegal Vietnamese labour has also made it possible for plantation owners to hire illegal labour from Vietnam. The ability for companies to access Vietnamese labour, either legally or illegally, is thus a crucial factor, as it has resulted in a particular dynamic in Laos that is linked to labour mobility and availability.

Another important difference with the past is that investor capital is much more mobile and able to transcend national borders than previously. Now, foreign capitalists can invest in plantations, and once a single cycle of planting has been completed, and the trees are cut and sold, the investor is not required to reinvest profits in tree planting. Therefore, investors can no longer claim that they are “in it for the long run.” This is especially true for Vietnamese investors, who are able to move capital between Laos and Vietnam quite easily, partially due to the ‘special relationship’ between Laos and Vietnam (see Lao People’s Revolutionary Party 2011), and also because of the geographical conditions in the region, including the long porous border between the two countries, which makes it easy for Vietnamese to transfer capital between the two countries. Ultimately, this ability to insert and remove capital from Laos makes periods of boom and bust based on Vietnamese capital mobility much more likely.

**Primitive Accumulation in a Nominally Socialist Country**

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. [The first few lines in an article about rubber plantations in Bachieng, *Vientiane Times* 2007a]

Some may be surprised that such rampant primitive accumulation is being allowed and even promoted by many in a country like Laos, one of the few nations left that espouses a Marxist-Leninist political philosophy, and whose main support base during the revolution were the indigenous peoples now being largely disenfranchised due to economic land concessions. We should not, however, be so surprised, as Marx thought that primitive accumulation and capitalism were necessary to pass through before capitalism would eventually plant the seeds of its own destruction, making it possible for socialism to emerge (Marx 1976). It was, however, Vladimir Lenin who proposed to jump frog an era of private capitalism through the development of what he called “state capitalism” (Bander 1963), an idea that Kaisone Phommihane, the former Prime Minister and President of Laos, also promoted in 1986 through the New Economic Mechanism, with the hope that this path would eventually lead to socialism (Evans 2002). As Marx (1976:915-916)
put it, the state frequently works “to hasten, as in a hothouse, the process of transformation of the feudal mode of production into the capitalist mode, and to shorten the transition.” The same can be said to be happening today. Since one of the key requirements of primitive accumulation is forcing people from semi-subsistence economies to ones dominated by wage-labour, only governments that are not obliged to respond to political opposition, and tend to support the implementation of top-down policies – such as has long been the case in Laos – are in the position to really make all aspects of primitive accumulation occur. Furthermore, the profits from rubber plantations can be expected to largely be exported back to Vietnam rather than being reinvested in Bachieng. Thus, the end result may be more sustained conditions of primitive accumulation, the type of problem warned of by Harvey (2003) and Moore (2004).

The types of so-called economic or neoliberal ‘reforms’ being promoted by the IMF, World Bank, ADB and other Western donors actually fit well with Leninist ‘state capitalism,’ except that one emphasizes the private sector while the other is focused on state control. But crucially, both are linked to accumulation by dispossession, and this is especially possible when backed up by an authoritarian political system such as the one in Laos. Furthermore, the lack of transparency and accountability in Laos tends to result in the type of ‘behind doors deal making’ and corruption that is frequently occurring (Stuart-Fox 2006).

Conclusions

One of the things that struck me during my field research in southern Laos was how much labour issues were of interest to the indigenous peoples who have lost land to concessions, even to the extent of overshadowing concerns about losing land. There are various possible explanations for this. First, labour is something that is intimately connected to the people; it relates directly to their bodies, an idea that Marx himself recognized (Marx 1976). The government of Laos has recently redefined many village forests, and some villager agriculture lands, especially those used for swidden agriculture and in fallow, as ‘public’ or ‘state’ lands, enclosing the commons through discursively transforming the land into ‘state land’ (see Locke 1988; Moore 2004), and thus ‘legally’ separating the people from their conditions of production, the land. Thus it is much more difficult to separate one’s labour from oneself, which probably results in people feeling more confident to complain about their labour conditions than with their loss of land.

In addition, indigenous peoples’ concerns about labour conditions may represent a proxy for resentment about losing land, both agricultural and common lands, a concern that they are prevented from complaining about openly because the state has (re)defined the land taken from them as being ‘state land’ rather than their ‘villager land.’ It is hard to know how closely these issues are linked, but many of those in Bachieng who I have spoken with – and are concerned about losing their land – frequently bring up labour problems. To most, it would appear that land and labour are parts of the same package.

Many indigenous peoples would probably be willing to accept the loss of at least some of their land if they were provided with opportunities for good and stable employment, but once they realize that the land they have given up is not bringing them the secure and well-paid employment which has frequently been vaguely promised to them, their tendency is frequently to feel cheated. This is part of the reason why so much resentment has been generated against rubber companies in southern Laos.

Crucially, this paper has demonstrated that applying Marx’s framing of primitive accumulation is useful for analyzing what is happening in relation to large-scale land concessions for plantations in southern Laos today, and potentially in other parts of the world as well. It is also evident elsewhere in Laos and in relation to other kinds of land and resource concessions in the country, including those related to mining and hydropower dam development, and there is considerable potential for fruitfully framing various ‘development’ activities in Laos in relation to primitive accumulation. Sneddon (2007) has, for example, usefully applied the concept to fisheries in Cambodia.

One of the main points of this paper is to demonstrate that the motivations of the government of Laos in agreeing to large-scale economic land concessions is partially to propel the rural population from the semi-subsistence livelihoods directly into
an economy dominated by wage-level. Even if suffering follows, such drastic measures are justified as a necessary evil, something required to ensure that the long-term normative ‘development’ prognosis is good. As Hodgdon wrote, quoting a high-level official in the Department of Forestry in Vientiane about the government’s resettlement of upland indigenous peoples from the uplands to the lowlands of Laos,

We see that the resettlement policy is not working for everyone. … But, in fact, it will remain a main element in the development approach we will take in Laos. If you look at it objectively, all it is really doing is implementing through policy what has taken place naturally all over the world throughout history. … Societies develop, and as they do, certain ways of living have to be changed, for the good of the whole nation. It is painful in some cases; but sometimes we have to ask our people to starve for a day, to sacrifice, to make the country stronger.

[Hodgdon 2008:64]

These comments clearly indicate the sentiment of many in the government of Laos who believe that forcing people out of subsistence and semi-subsubsistence economies – whether through resettlement, the eradication of swidden agriculture, or in the cases highlighted in this paper, the enclosure of upland agriculture lands or common forests – will ultimately bring about positive ‘development.’ This is not, however, only the case in Laos; but is similarly occurring in other nominally socialist countries, such as Vietnam and China (see, for example, Webber 2008).

Understanding what large-scale economic land concessions are doing in countries such as Laos is crucial, especially where subsistence economies remain important, and indigenous peoples are still living ‘close to nature.’ As has already been widely reported, ‘land grabbing’ through various means, including the issuing of large economic land concessions, is frequently responsible for serious environmental impacts, ones that are negatively impacting on both biodiversity and rural livelihoods (GRAIN 2008; Cotula et al. 2009; Ziegler 2009; FIAN 2010; Zoomers 2010). There has been, however, less written about how the process of land and resource expropriation is integrally intertwined with efforts by governments to integrate rural populations into the wage-labour economy. This is important for many in the government of Laos, thus making what is happening as much the result of state policy and practices as due to the investment of private capital. Finally, the primitive accumulation framework helps us look beyond the enclosure and dispossession aspects of land grabbing, as important as they are, and directs us to analyze the circumstances of enclosure in tandem with labour issues, a useful endeavour indeed.
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