

A Note on Forest Land Concessions, Social Conflicts, and Poverty in the Mekong Region

Keith Barney¹

Large-scale forestry and tree plantation concessions in the Mekong region have been established in different historical periods, and in very different political contexts. In many cases, forest land concessions have been associated with land-use and livelihood conflicts with surrounding communities. Conflicts are typically based upon a local loss of access to customary resources, and are thus founded upon divergences between customary and statutory resource tenure systems.

The World Bank (2003) notes that the failure to integrate and adapt legal forms of land and resource tenure with the reality of local livelihood practices almost invariably leads to conflict. At times open hostilities and violence can result. The task of mapping social and communal conflicts over access to resources associated with forestry and land concessions in the Mekong region is at once a historical question—with roots extending well into the colonial period (Peluso and Vandergeest 2001)—and a contemporary one, involving new layers of contestation to struggles over property rights, political economy, and social justice.

There is a significant and growing body of evidence, drawn from the Mekong region and elsewhere, that large-scale plantation and forest land concessions do not contribute to effective local poverty alleviation, but rather undermine viable, alternative approaches to rural development which respects the moral, customary, and in some cases legal claims of rural communities to their historical lands.

This briefing note represents an initial overview of existing documentation regarding large-scale (> 5,000 hectares) forest land and plantation concessions, and social conflicts in the Mekong region. The overview was undertaken in association with the Rights and Resources Initiative. A couple of observations might be made here.

First, data on concessions and social conflicts are highly uneven across the Mekong region; there has been no systematic study conducted which would attempt to gauge, with defined empirical parameters, the extent to which forest land concessions are associated with community resource conflicts, or their relationship to rural poverty reduction.

Secondly, what specifically would constitute a “community resource conflict,” and what would constitute “coercion,” are complex questions, which would require further clarification. Certainly, narrowing the analysis to only *violent* conflict would elide the majority of cases of community–state or community–company livelihood conflicts in the region. The use of violence, for example, by police, or paramilitary, can also remain as a background threat, but which is not necessarily acted upon.

While a valid research focus, a focus only upon “spectacular,” or violent conflict, would also have the effect of minimizing the commonplace nature of how most displacement effects from forestry and plantation developments are visited upon rural communities, and how this in turn undermines livelihood capabilities and practices, especially forms of common property resource management. A focus on violence also distracts from how the legal regime in a state,

¹ Department of Geography, York University, Toronto, Canada. E-mail: kbarney@yorku.ca

or ambiguities in its interpretation or application, can produce displacements. Yet, the outcomes of these forms of such everyday, coerced, even “legal” forms of displacement can be extremely damaging to community well-being and undermine any poverty-reduction benefits that might accrue to local communities from forest land concessions.

The question of history also arises: how far into the past does one go in considering processes of forest land concessions and displacement? The reader is referred to the literature on development-induced displacement (DID), for a fuller treatment of the relationships between property, poverty, development, and displacement (e.g. Vandergeest et al. 2006).

Thailand is a useful starting point for considering this question in mainland Southeast Asia, as it shows most clearly a transition from resource conflicts over logging of valuable natural forests, to resource conflicts over “degraded” plantation concession land. At the time of the 1989 logging ban, over 300 timber concessions were active in Thailand. The Royal Forestry Department then controlled some 44% of the total national land area, despite the fact that actual national forest cover had declined to 15% or less (see Vandergeest 1996). The end of the logging boom in Thailand spelled the dissolution of legal commercial logging concessions, although the Forest Reserve territorial area has largely remained under de jure State tenure.

An overall understanding of the extent of the land and resource conflicts through the period of active logging and land concession enactment in Thailand is difficult to achieve. The Bangkok Post (1988) noted 12 high profile incidents of eucalyptus-linked protests in Northeast Thailand between September 1985 and April 1988. Masaki (n.d.) provides further details of 20 instances of local resistance to plantation development in the northeast of the country between 1985 and 1990, including local demonstrations against forest authorities, destruction of plantation nurseries, and arson of eucalypt plantations. The 1991–1992 “Green Isan” (*khor jor kor*) Project, involved a military-government proposal to plant 5 million *rai* (800,000 hectares) with fast growing trees in Northeast Thailand. The project was withdrawn after the restoration of a democratic government in Thailand, although Lohmann (1995) cites estimates of 40,000 families displaced due to this project.

The Thai pulp and paper sector controls few large-scale landholdings, relying largely upon outgrower systems for access to wood fiber. Advance Agro directly owns and manages 30,718 hectares of plantation land (SAFCOL 1997), while Siam Pulp and Paper holds 1,440 hectares of plantation land in Kanchanaburi and Kampang Phet provinces (Barney 2005a). Barney (2004; 2006) has outlined some of the dynamics of local dispute associated with the acquisition and commercialization of land by Advance Agro in Thailand’s eastern provinces.

In the **Lao People’s Democratic Republic (Lao PDR)**, the actual locations of the production forest estate have only recently been demarcated, although in reality logging by State enterprises has often not been confined to State production forests only (e.g. World Bank et al. 2001). Barney (2007) reported an in-depth case study of the dynamics and local outcomes of the enactment of the State Land and Forest Allocation Program in relation to new plantation concessions.

Key problem areas for plantation concessions in Lao PDR include the zoning of swidden fallow lands and village-managed landscapes as “degraded forest” available for commercial plantation developers, and a lack of local rights to participation and representation in the land-zoning process. The eradication or stabilization of swidden through commercial tree planting continues to represent official State policy in Lao PDR. While there are initiatives underway which could act to strengthen communal claims to upland forest land (GTZ 2007), there are also strong forces behind plantation investments into Lao PDR, which have the potential to

override what have been to date rather ad hoc efforts behind sustainable management and regulation of this sector.

Data from the Lao Committee for Planning and Investment (2007) indicated that a minimum of 150,000 hectares had been granted to six plantation companies (involving rubber and eucalyptus), representing an investment of US\$500 million. A further five companies had applied for concessions over a further 70,000 hectares, representing an investment of US\$142 million. GTZ (2006) reports on a range of other plantation schemes in the country. It is likely that there will be continued pressure on capital-short Lao State agencies over the coming years to allocate land for concession-style developments for foreign direct investments, although the legal-institutional framework for managing and regulating this process is still very much under development.

In **Cambodia**, the situation with respect to concessions and social conflict is arguably the most severe in the region. Global Witness research in Cambodia from 1996 to 2003 documents the history of resource conflicts with the logging sector and its relationship to control over State power in Cambodia.

The direct linkages between access to timber concessions and struggles over State power (Le Billon 2000; 2002) have likely declined in recent years, with the general decline of the timber boom. Recent Ministry of Agriculture, Forestry and Fisheries data show that as of the end of 2006, 57 “economic” land concessionaires (with investments in agro-industrial crops), holding Government-issued contracts, controlled a full 943,000 hectares in Cambodia. A further nine companies held “agreements in principle” with State actors, covering an additional 63,000 hectares.

Various reports, often based on detailed local level fieldwork, show consistently that land and resource conflicts are a frequent feature of land concession activity in rural Cambodia, consistently leading to local impoverishment and even direct use of violence (NGO Forum, n.d.; NGO Forum 2005; ARD and USAID 2005; LICADHO 2005; CHRAC 2005; Barney 2005b; UNHCR 2004).

In **Viet Nam**, 5.364 million hectares of forest land are controlled by some 347 State Forest Enterprises (SFEs) and Agro-Enterprises; 136 of these SFEs involve forest landholdings of greater than 5,000 hectares. There are few reports available on SFE-community conflicts in upland Viet Nam.

At the time of establishment a State-managed forest enterprise system was viewed by Vietnamese authorities as an appropriate route to rural development, even though almost all of these SFEs removed some forest land from local control. McElwee (2001; 2004) has published reports that describe struggles over illegal logging, and conflicts involving SFEs, upland minorities, and lowland migrants in the context of a coffee commodity boom in Viet Nam’s central highland provinces. Nguyen Quang Tan (personal communication) has documented a recent example from Thua Thien Hue Province, of a community-company conflict over “unused” land, in which the community’s rights to the land were upheld by State authorities.

The SFE reform process is proceeding, albeit unevenly, in Viet Nam. Viet Nam is promoting decentralization, forest protection, and commercialization of the forest estate system, and the allocation of natural forests to smallholder managers (World Bank 2005). Indications are that approximately 217 SFEs will be reformed into State-owned business companies, 94 will become forest protection management boards, and 11 will be disbanded (personal communication with officials of the Ministry of Agriculture and Rural Development, March, 2007).

Barney (2005c) provides data on the locations of some 36,500 hectares of joint venture commercial woodchip plantation land in the central coast of Viet Nam, and some 91,000 hectares of plantation land held by State Raw Material Companies. There is little indication of the existence or extent of local resource conflicts associated with such commercial plantation activity in Viet Nam.

In the **Union of Myanmar**, there is well-established literature on the relationship between control over logging concessions and military conflict, ethnic insurgency, and State repression by both colonial authorities (e.g. Bryant 1997), and the post1989 State Law and Order Restoration Council (SLORC)/State Peace and Development Council (SPDC) governments in Yangon (e.g. Noam forthcoming; Kahrl et al. 2004; Brunner et al. 1998).

Reports in recent years have focused on the role of the Chinese in uncontrolled logging in northern Myanmar, particularly involving Kachin State. One informed observer writes: "The particularly complex political landscape in Kachin State incites further conflict among the Burmese regime, the various ethnic resistance groups, and the local Kachin people from Chinese logging companies clear-cutting large swathes of forest in this hostile northern region... the insurgent border economy meshed with the SPDC's military command economy" (Noam 2005: 41).

In the Myanmar tree plantation sector, there have been recent media reports of large-scale Chinese investment in rubber and biofuel (jatropha) plantations. Reports from Myanmar link forest land concessions and tree plantation projects with forced work and corvée labor programs in the countryside.

While this brief overview study is by nature a rough sketch of available literature on forest land concessions and conflicts in the Mekong region countries, it is hoped that this highlights the potential usefulness of a more systematic, field-based research effort. Such an empirical research project could draw further attention to the overall extent of the problem, and how the dynamics and outcomes of forest land concession conflicts vary across different political contexts and in relation to different forms of customary and legal resource management regimes, and local property claims.

While forest concessions generate income and should, in principle, be able to contribute to poverty reduction, in reality this has not generally happened in the countries reviewed in this paper. In fact concessions have frequently been granted at the cost of the livelihoods of the poor, sometimes leading to greater impoverishment.

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