

Impact of capital resources on the livelihood of Thai people resettled by Ban Ve Hydropower Plant in Thanh Son commune, Thanh Chuong district, Nghe An province¹

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Abstract: *Thai people has resettled by the construction of Ban Ve Hydropower Plant in Thanh Son commune, Thanh Chuong district, Nghe An province for about 15 years (2009-2024). Most people commented that although their current infrastructure and life are better than in the old residence, compared to the general level of Nghe An province, the lives of resettled people are still at an average level, the rate of poor households remains high, and people's livelihoods keeps facing many difficulties. Many reasons lead to the above situation, i.e., some households have not been given enough land for production, and extreme weather has affected crop productivity and output. The paper uses the sustainable livelihood theory of the UK Department for International Development (DFID) with five sources of capital (human, natural, financial, social, physical) to evaluate the current life and livelihood of resettled Thai people in Thanh Son commune.*

Keywords: Livelihood, Capital for Livelihood, Thai Ethnic Minority, Resettlement, Ban Ve Hydropower Plant, Nghe An Province

1. Introduction

Over the past two decades, hydropower development in Vietnam has significantly contributed to the nation's economic

growth. However, it has adversely affected the livelihoods of hundreds of thousands of people due to displacement and resettlement. Despite government efforts to secure the livelihoods of resettled populations, various challenges such as a lack of arable land, land disputes, and change of living environment persist.

Studies on the impact of hydropower construction on local populations post-

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resettlement livelihood in Vietnam have been of much interest to various organizations and researchers, such as the Center for Natural Resources and Environmental Studies (2001), Khuc Thi Thanh Van (2007), Nguyen Thi Thuy (2010), Vi Van An and Bui Minh Thuan (2012), Tran Van Ha (2012), Pham Quang Hoan (2012), Duong Tuan Hai (2013), Nguyen Ngoc Thanh (2016), Pham Quang Linh (2017), and Le Hai Dang and Pham Quang Linh (2023). These studies have highlighted the changes in living conditions experienced by resettled populations due to hydropower projects in Vietnam, noting improvements in infrastructure and welfare systems, while addressing ongoing challenges that contribute to persistently high poverty rates, such as insufficient agricultural land, poor-quality land, and substandard housing conditions in resettlement areas.

The Ban Ve Hydropower Plant, located at 19°20'22"N, 104°29'1"E, was initiated in 2004 at the upper Nam Non River and commenced operations in 2010. The main dam and power plant are situated in Ban Ve, Yen Na commune, Truong Duong district, Nghe An province. In addition to generating electricity, this project contributes to annual flood control for the downstream region, provides water for domestic use, improves the environmental ecosystem, and promotes tourism. Despite the substantial benefits, the Ban Ve Hydropower Plant poses challenges and adverse impacts on resources, the environment, and local ethnic communities residing in the area. The reservoir's inundation area affects 34 villages across 09 communes in Truong Duong and Ky Son districts, with a total of 2,949 households, and 14,217 people impacted (including

2,445 Thai households, 427 Khmu ethnic households, 64 Odu households, and 13 Kinh households) (Hydropower Project Management Board 2, 2003: 6). The affected populations have been resettled across three districts: Thanh Chuong, Tuong Duong, and Ky Son in Nghe An province. In Thanh Chuong district, the majority of resettled individuals are concentrated in Thanh Son and Ngoc Lam communes. This paper examines the livelihoods of the Thai people resettled in Thanh Son commune, based on field data collected in early 2024 (including in-depth interviews - IDIs, focus group discussions - FGDs, document reviews, and secondary data) in Thanh Tien and Thanh Duong hamlets, Thanh Son commune.

2. The impact of capital resources on the Thai ethnic group's livelihoods in the field site

In Vietnam, over the past two decades, sustainable livelihood frameworks, notably the Sustainable Livelihoods Framework developed by the Department for International Development (DFID), have been extensively discussed and applied in research on the livelihoods of ethnic minority communities. According to the DFID sustainable livelihoods framework (1999), people utilize five distinct types of capital to reduce poverty and secure their livelihoods: natural; human; social; physical; and financial capital.

2.1. The impact of human capital

Human capital is a pivotal element in household livelihoods, as individuals, in any type of production, directly engage with production inputs to generate final outputs. Abundant human capital provides a significant advantage in enhancing household livelihoods and fostering local socio-economic development.

By the end of 2023, Thanh Son commune comprises 967 Thai households with 4,108 people, accounting for 70.8% of the commune's total population (Thanh Son People's Committee, 2023b). On average, each household consists of 4.2 members, of which approximately two-thirds are of working age (from 15 to 62 years old) and one-third are beyond working age (IDI with specialized statistical official of Thanh Son commune). Most workers are in good health, with a low prevalence of chronic illness, representing a strength in the human resources of the resettled households in Thanh Son (IDI with medical official of Thanh Son commune).

The educational attainment reflects the quality of Thai ethnic labor force. The survey conducted by the authors of 97 household heads in Thanh Tien village indicates that 8 household heads completed up to 12th grade (7.7%), 41 completed up to 9th grade (39.3%), and 48 completed between 5th and 8th grades (53%). Thanh Duong village has 298 households with 1,229 people, of which 30% of household heads aged 18 to 30 have completed 12th grade, while 30% of heads aged 40 to 60 have completed lower secondary education, and 70% have completed primary education. Overall, most household heads are between 18 and 40 years old and have education up to 9th grade (lower secondary level). Elderly people over 70, predominantly women, exhibit lower proficiency in the standard language. This educational profile facilitates the adoption and application of new technological advancements in production and livelihood enhancement among these households.

However, the proportion of workers who have received training beyond the secondary level (from their previous

residence) is relatively low, with only about 30% having attended at least one training session (e.g., in animal husbandry, crop cultivation) organized by the Center for Agricultural Extension of the district.

The impact of human capital is also assessed through the local residents' perspectives on their access to education and healthcare. In our focus group discussions, the majority of respondents reported a significant improvement in education since resettlement. This represents one of the positive aspects of the resettlement process, offering greater educational opportunities for future generations. Access to medical services and health care is similarly well-regarded by the locals. Improved transportation and proximity to the commune center have facilitated better healthcare access for them.

2.2. The impact of natural capital

Production land is considered a crucial resource for household economic development as it enables residents to engage in agricultural activities which are necessary for food security and the establishment of new livelihoods. Prior to resettlement, Thai people predominantly relied on agricultural production, with shifting cultivation as the primary activity. The average cultivated land area ranged from 3 to 10 hectares per household, with some households managing over 30 hectares. The key crops included upland rice, maize, cassava, and various legumes. Additionally, households engaged in livestock farming (e.g., cattle, pigs) and planted acacias (approximately 2-3 hectares per household). Planting acacia and livestock farming were vital for increasing their income and sustaining family livelihoods.

Upon resettlement, the total natural area of the commune is 7,402.53 hectares. The land distribution relative to the total natural area is as follows:

- *Agricultural land area: 6,945.23 hectares, representing 93.82% of the total natural area, categorized as:*

+ Agricultural production land area: 1,894.19 hectares (25.59%);

+ Land area for paddy fields: 125.66 hectares (1.70%);

+ Land area for other annual crops: 77.79 hectares (1.05%);

+ Annual crop land area: 203.45 hectares (2.75%);

+ Perennial crop land area: 1,690.74 hectares (22.84%);

+ Forestry land area: 5,025.60 hectares (67.89%);

+ Production forest land area: 2,886.63 hectares (39%);

+ Protection forest land area: 2,138.97 hectares (28.90%);

+ Aquaculture land area: 24.52 hectares (0.33%);

+ Other agricultural land area: 0.92 hectares (0.01%).

- *Non-agricultural land area: 334.68 hectares, comprising 4.52% of the total natural area, categorized as:*

+ Residential land area: 40.82 hectares (0.55%);

+ Special use land area: 135.14 hectares (1.83%);

+ Land area for religious sites: 0.43 hectares (0.01%);

+ Land area for cemeteries and funeral facilities: 12.53 hectares (0.17%);

+ Land area for water bodies (rivers, streams, canals, etc.): 144.24 hectares (1.95%);

+ Land area for special use water bodies: 1.51 hectares (0.02%).

- *Unused land area: 122.62 hectares, accounting for 1.66% (Thanh Son People's Committee, 2023a: 3).*

In general, following resettlement, there has been a marked reduction in the land area available to the population, which poses a substantial threat to food security and household income.

The climate in the resettlement area is notably harsh, limiting agricultural productivity to a single rice crop per year. Winter and spring are characterized by frost, cold winds, and insufficient rainfall, which hinder crop development. Additionally, the region is prone to frequent flooding during the rainy season and recurrent droughts during the dry season, both of which adversely affect the availability of natural resources for the residents.

Access to water resources represents a significant challenge for the resettled communities as many resettlement sites are situated on steep, mountainous terrain that complicates well drilling for domestic use. Although some communities manage to drill wells, water scarcity during the dry season remains a severe issue, significantly impacting their daily life.

2.3. The impact of financial capital

Financial capital is instrumental for resettled populations, especially in the early stages following relocation. The financial resources available to these households primarily comprised compensation payments and various support measures. Each household received support as follows:

- Food assistance: For the first three years, each resident received 30 kg of rice per month for a period of four months each year.

- Livestock subsidies: A one-time allocation of VND 2,000,000/household in the initial year of resettlement.

- Healthcare assistance: A one-time grant of VND 100,000/person upon resettlement.
- Electricity subsidies: VND 10,000 per person for three months.
- Educational support: Students were provided with a set of textbooks at no cost for the first academic year in the new location.
- Funding for well drilling and excavation.
- Support for land reclamation to facilitate agricultural production.
- Payment of 24 months of food assistance.
- Assistance in agricultural development, including subsidies for short-term crops (Thanh Chuong People's Committee, 2021: 2).

With state backing, resettled communities have initially stabilized their life. Some economically viable models for agriculture, livestock raising, and services have emerged, generating employment opportunities and ensuring stable income streams. Numerous farming households have progressively integrated advanced scientific and technological practices, adopting high-yield and high-quality crop varieties and livestock. The economic structure has undergone a transformation, with agriculture, forestry, and fisheries comprising 69% of the economy, services 25%, and industry and construction 6%. The average income per household stands at VND 19.481 million per annum (VND 4.594 million per capita per annum). In general, the primary sources of income for resettled families include sales of agricultural and livestock products, forestry cultivation and exploitation, wages and allowances, as well as doing services and doing business far away, which significantly contribute to the community's financial resources (Thanh Son People's Committee, 2023).

Currently, several households in Thanh Son Commune engage in tea cultivation, with an annual yield divided into eight harvest cycles. Each cycle generates approximately VND 12 million, amounting to an average annual income of VND 100 million (Le Hai Dang and Pham Quang Linh, 2023). This income is predominantly reinvested into the acquisition of land and the procurement of machinery and equipment necessary for agricultural production, including pumps, plows, and rice harvesters.

Feedback from focus group discussions indicates that the majority of respondents report a shortage of capital for production at various levels, exacerbated by their limited access to financial resources.

Households primarily secure loans from banks, family members, or informal lenders with high interest rates. However, many of them face significant barriers in obtaining loans from any source due to various reasons, which is a substantial obstacle to production development.

The underlying causes of the capital shortfall among households include limited accumulation of savings from production activities; pervasive reluctance to borrow from banks due to fear of repayment failure; lack of collateral for commercial bank loans; and inability to meet high-interest repayments associated with commercial or informal credit.

Most residents in Thanh Son commune seek loans from the Social Policy Bank as their primary source of financing. However, the maximum loan amount provided by the Bank is capped at VND 100 million per household for those with land use certificates. Moreover, the Bank's funding is restricted to poor, near-poor, and certain special groups, which further constrains

economic development opportunities for other households.

2.4. The impact of social capital

The relocation of the entire commune to a new residential area has effectively preserved familial, clan, and neighborly ties in their near-original state.

Relationships within families and clans among the Thai people are manifested through various life-cycle rituals such as “*làm vía*” (*a traditional ritual in which descendants make a final gesture of filial piety towards their parents and the community bids farewell to ancestors to ensure their spirits depart in peace*), as well as weddings, birthdays, funerals, and ancestral commemorations. Within Thai customs, the elements of family, clan, and neighborly relationships hold equal significance in providing both emotional and material support. In funerals or when a member faces hardship, families within the village are present to offer support and assistance. The notion that “neighbor’s business is my business, and vice versa” has become an entrenched custom and longstanding practice among the Thai people. Accordingly, people who come to help with funerals, building new homes, or wedding ceremonies prioritize these communal obligations over their personal tasks without hesitation. Solidarity and mutual aid during times of difficulty have become an ingrained practice, with each community member voluntarily adhering to this collective ethos.

Furthermore, the community relationships among Thai people are extended through other forms such as sharing information about agricultural practices, livestock management, and trading and production activities.

The neighborhood among Thai people, including those who have been resettled in Thanh Son commune, are characterized by strong bonds, with a shared experience of joys and sorrows and a collective concern for issues closely related to daily life.

The clan organization (*xính*) of the Thai people in resettlement areas remains preserved and is maintained with a high degree of formality and rigor. Each clan is led by a leader referred to as the clan chief (*cốc họ* or *trưởng họ*). Clans convene annually on the 25th or 26th of the twelfth lunar month. On these occasions, descendants articulate their reverence and gratitude towards their ancestors, revisit the clan’s cultural heritage, and consider the event an opportunity to reinforce their responsibilities and duties to the family and clan. The clan chief, on behalf of the clan, provides an overview of the year’s accomplishments concerning cohesion, economic progress, and the reinforcement of clan customs, ensuring that descendants remain cognizant of and adhere to these traditions.

Among the Thai people, familial relations within the same clan are notably intimate and cohesive, with a heightened propensity for support and resource-sharing more with each other than with outsiders. When a household requires capital for agricultural production, animal husbandry, or commercial enterprises, they primarily seek loans from within their clan. Likewise, when a family sells assets or products, priority is given to clan members first, then to outsiders. Those clan members who have prospered while working afar customarily return to help their relatives first, then neighbors.

In the resettlement areas, the Thai people actively engage in various socio-political

organizations such as the Youth Union, the Women's Union, the Elderly Association, the Veterans' Association, and the Farmers' Association. The Elderly Association and the Farmers' Association have a relatively large number of members, whereas participation in the other associations remains comparatively low.

At the field site, youth participation in the Youth Union and Women's Union is markedly low, primarily because a significant portion of working-age individual frequently engage in migratory labor, often spending months away and returning home intermittently for short durations. Consequently, their transient circumstances lead to a diminished inclination towards active participation in these two organizations. Moreover, the Youth Union's activities lack creativity and appeal; particularly, initiatives supporting economic development have been inadequately prioritized, resulting in low youth participation.

In the realm of commerce, the Thai community's social network is notably extensive. The result of the interview with Mrs. V.T.D of Thanh Duong hamlet, who specializes in weaving and embroidering Thai women's garments, reveal that she has established a robust sales network predominantly comprising Thai people. This network includes approximately 300 women of varying ages from Thanh Son commune, the resettlement area, as well as from the previous settlement. Additionally, she has developed a product distribution network among the Thai community in Laos. This underscores the significant impact of ethnic cohesion on participation in these social networks.

Currently, participation in two social networks, Facebook and Zalo, is exceedingly

prevalent among the Thai resettlers in Thanh Son commune. Interviews with users across various age groups and occupations reveal that these social media platforms bring them substantial benefits. For instance, Mrs. V.T.D, the proprietor of a weaving and embroidery enterprise, utilizes both Facebook and Zalo primarily for product promotion. She regularly updates her personal profiles with the latest images of her creations which have garnered significant attention of clients, even strangers who come to her and gradually become her loyal customers. Meanwhile, for Mr. L.V.O, the head of Thanh Duong hamlet, Facebook and Zalo serve not only as efficient, rapid, and cost-effective communication channels with his children who are engaged in distant work but also as valuable tools for more effective village management.

2.5. The impact of material capital

Material capital encompasses assets such as housing, transportation infrastructure, machinery, and means of production.

In terms of infrastructure: The Ban Ve hydropower resettlement program has invested in the construction and enhancement of vital infrastructure, including electricity grids, road networks, educational facilities, healthcare centers, cultural centers, and irrigation systems to secure sufficient water for agricultural purposes. Consequently, these developments have significantly alleviated the hardships faced by the local population. *Regarding residential and agricultural land:* Resettled households have been allocated land as follows:

- Residential land and adjacent garden plots averaging 1,350 m² per household;
- Agricultural land averaging 1.3 hectares per household;

- Forestry land averaging 0.79 hectares per household;
- Aquaculture land averaging 750 m² per household (Thanh Chuong District People's Committee, 2021: 3).

Fieldwork results in Thanh Son commune indicate that each household received approximately 400 m² of residential land in accordance with the resettlement program's regulations, equal to an average of 94 m² per person. The average residential and ancillary area is 14.5 m² per person, of which the largest household is 47 m² per person and the smallest is 9m² per person. Overall, after resettlement, the allocated agricultural land per household fell short of their expectations.

In the resettlement area, the majority of households have engaged in the cultivation of acacia trees. However, given the 4-5 year growth cycle before the trees can be exploited, this work significantly impacts household income. The scarcity of arable land, particularly irrigated paddy fields in Thanh Son commune, is causing considerable difficulties for families (the commune has only 111 hectares of rice paddies). Households without paddy fields primarily work for hire to earn income to cover their daily living expenses.

Furthermore, the insufficiency of cultivable land, coupled with its poor quality, has been highlighted through focus group discussions, with the majority indicating that the soil's quality is inadequate, resulting in low agricultural yields.

Regarding production materials and household amenities: Agricultural production resources, which are of substantial value, predominantly include cattle such as buffaloes and cows. Most households possess these resources,

some households have few livestock, from 1-2, while others have up to 5-10. Transportation means, such as bicycles and motorbikes, are commonly owned by many families. However, machinery for production, such as tractors, pumps, and trucks, is only affordable to those with sufficient economic resources.

Overall, the infrastructure system represents a significant advantage of the resettlement area, contributing to improved living standards and facilitating economic development for households therein.

3. Conclusion

This research explores five facets of capital (human, natural, financial, social, and material) pertaining to the livelihoods of the Thai ethnic resettlers from the Ban Ve Hydropower project. The resettlement process in the new locale has produced several positive outcomes for the Thai community in Thanh Son commune, including substantial investment in and integration of infrastructure at resettlement sites, establishment of a reliable electricity supply, enhancement of transportation networks, and the provision of educational and healthcare facilities that adequately address community needs. Additionally, residents have easier access to the market than in the former place of residence. However, notable challenges remain, such as a deficit in land resources, including both arable land for annual crops and forestry plots. The inadequate quality of soil has led to diminished agricultural productivity and yields, adversely affecting household incomes and contributing to elevated poverty and near-poverty rates. Therefore, it is crucial to address these limitations promptly to further elevate the quality of life for the resettled population □

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