

# URBAN DYNAMICS IN A FORMER RURAL VILLAGE

---

*A study into the influence of urban growth on the local land market and households living in the peri-urban village of Xuan Hoa, Hué, central Vietnam.*



A thesis in completing the internship as part of the MSc program in International Development Studies

Written by Reinout Vos

Faculty of Geosciences, Utrecht University

August 2015

**Urban dynamics in a former rural village.**

*A study into the influence of urban growth on the local land market and households living in the peri-urban village of Xuan Hoa, Hué, central Vietnam.*

Student name: Reinout Vos

Student number: 5571677

Email: [reinoutvos@gmail.com](mailto:reinoutvos@gmail.com)

MSc International Development Studies

Faculty of Geosciences

Utrecht University, the Netherlands

Internship cluster: Urban-rural dynamics in a peri-urban village

Internship setting: Hue, Vietnam

Host organization: Hue University College of Economics

Supervision:

Dr. Guus van Westen (Utrecht University)

Nguyen Quang Phuc (Hue College of Economics)



# TABLE OF CONTENT

---

Abstract	II
Preface	III
Executive summary	IV
List of figures	VI
List of tables	VI
List of maps	VII
List of photos	VII
Acronyms and abbreviations	VII
<hr/>	
Chapter 1: Introduction	1
Chapter 2: A theoretical background	5
Chapter 3: Contextual framework: A thematic discussion	16
Chapter 4: Conceptual model	24
Chapter 5: Research design and methodology	26
Chapter 6: Urbanization from Hué to Xuan Hoa village	32
Chapter 7: Land market of Xuan Hoa	40
Chapter 8: Household perspectives on developments in Xuan Hoa	48
Chapter 9: Discussion of findings	57
Chapter 10: Conclusion	60
<hr/>	
References	63
Appendix I: Log of interviews	67
Appendix II: Subject list semi-structured interviews	68
Appendix III: Statistics	70
Appendix IV: Masterplan Hué City and development of Thuy Van	77
Appendix V: Invitation letter	79

## ABSTRACT

The purpose of this research has been to uncover the consequences and the extent of benefit to local household derived from changes regarding the rural-to-urban conversion process. In order to research these matters a peri-urban locality in the central region of Vietnam has been investigated. By using data from in-depth interviews with local stakeholders, data coming from semi-structured interviews with local households and by looking at prior research done in the area, a picture can be painted displaying in fact these consequences and benefits. The findings have resulted into the confirmation of theoretical outcomes from other researches, done in different parts of the worlds, as well as a bringing a further nuance, specific to the case of Xuan Hoa village, Vietnam. As in Xuan Hoa much urban development takes place, also a high level of in-migrating urban households is clearly noticeable. This changes the local economic, social and physical structure of the village. Examples are more grocery shops, a change in job opportunities and modernizations such as a sound electrical grid and an improved availability of internet access. Difference in terms of consequences and benefits is mostly seen between the more affluent and the less affluent households. Those households with more money to spend are able to make more use out of modernities such as internet access and the electrical grid. The less affluent households have more benefit out of the changes in local job opportunities. Also the increased value of land and the greater ease of selling land are thought of to be advantageous. Caution should however be noted, as the level of resilience of these less affluent households might be affected by changes on the local land market.

## PREFACE

Doing research in Vietnam has been an incredible learning experience. I have gained a great deal of insight from interacting with local people and from setting up and executing a research such as this. Vietnam is an amazing country with so many different stories, types of people, customs, food and smells. I look back at my field work with enthusiasm and I hope to visit the country again soon.

In the process of making this thesis I have had the pleasure and the gift of working with people who I hold in very high regard. High because of the incredible insight and knowledge they have given me, high because of great social skills in dealing with possible respondents, and high because of the mere joy in hanging out and enjoying life. These people have been indispensable to my completion of the Master of Science program. A word of thanks is in order.

First I would like to thank my two supervisors Dr. Guus van Westen and Mister Phuc Quang Nguyen, who helped me in setting up the research design, provided me with initial contacts to important stakeholders and gave me feedback so that I could improve my skills as a researcher. Second my translator My Hanh, who was an integral part of the field work and helped me, with her flair and kindness, to be able to interview so many respondent households. She also gave me a real close insight into the lives of the Vietnamese people, her family in specific. It was a pleasure to have gotten to know her and I hope we will be friends for many years to come. Third, I would like to thank my girlfriend, well, fiancée I should say, who supported me at every step of my studies and even joined me for the entire time I was in Vietnam. She has made my life a lot easier and made the period in Vietnam one to never forget. Fourth, I would like to thank all the people that have participated in the research. They were vital to my understanding of the Vietnamese culture and to the results of this thesis. And last but not least, I would like to give thanks to my parents, grandparents and to the parents of my fiancée. Besides help with the financing of my studies, they also visited us in Vietnam. I really appreciate the effort they made in supporting me. It was fun having you over.

## EXECUTIVE SUMMARY

Partly due to the new cultural status gotten by the UNESCO world heritage foundation, but also stemming from national pressures to focus on economic growth, modernization and a closer connection to the global community, the city of Hué has been mandated to grow in size to approximately 348 km<sup>2</sup>.

In order to cater to these pressures a masterplan is developed indicating the path of urban growth for the city of Hué. Main characteristics of this plan are the growth directed toward the urban fringes of the city. And consequently, within these localities, the main population growth, the conversion of agricultural land to residential land and the construction and improvement of infrastructure can be seen. Geared at improving the competitive advantage of Hué over that of neighboring Da Nang, the city of Hué is actively trying to attract new residents and businesses. However, progress is slow and new initiatives have to be undertaken in order to provide for the wanted urban growth.

The urban fringes of Hué are appointed, in regard to theory, as peri-urban localities. As is explained by Marshall *et al* (2009) the concept of peri-urbanization is a space where people mostly commute, and which lies close to the city borders, much like a suburban area. This notion is, however, regarded to reflect most the European style of a peri-urban locality, and not that of what can be found in Asia. The practice in Vietnam confirms this understanding and reflects much more to the definitions provided by Webster (2002) and McGee (1991), who explain a peri-urban locality is more like a place in transition, from rural to urban. A blurring motion exists between both rural and urban structures and landscapes.

The locality where the field work for this research took place reflects this notion of being in transition. Rather than being a mere place of commute, the village of Xuan Hoa is connected to the city in a significant way. The development of new infrastructure, for instance, causes the village to be directly linked to the city, the north-south and the east-west highway being good examples, and impacts on the local structure. Next to Xuan Hoa still having agricultural land, the amount of residential land is growing, leading to more city-like houses and thereby giving a visible representation of this blurring motion between the rural and urban landscape.

Looking at further local changes, interesting are the effects of urbanization on the peri-urban locality as described by mainly Cali *et al* (2013) and Simon *et al* (2004). Changes in the local economic, social and physical fabric are clearly visible when a city expands. Simon *et al* (2004) and Ewing (2008) say that, due to a massive in-migration of people coming from the city, changes can be seen in regard to household size and the average age of the household. Both indicators tend to be lower compared to that of local households. By looking at the respondent households' average size and the age of the head of the household, a similar picture is seen. The household size of newcomers is averaged at four members, as opposed to by six members regarding the longtime local households. Also the average age of the head of household is different. For new households this lies between 34 and 39 and for households this is 52 years of age. Also indicating the new households are at a relatively earlier stage in life.

Next to changes in demographics, the development in regard to the economic structure is explained in more detail by Cali *et al* (2013). They bring forth the theory of the economic rural-urban linkage effect. Some of the developments relating to this theory are also at play in Xuan Hoa. For instance, a similar change towards non-farm employment, meaning that now more jobs can be found within the construction and the hospitality sector. A second is the influence of remittances, as is described by the village head who talks about remittances being used in the recent past to buy up land in Xuan Hoa. And third, due to the increased demand for urban land, rural land goes up in value.

Some developments, described by Cali *et al* (2013), do not overlap. For example, no significant perceived change is found in the price of consumption commodities. Respondents do mention a rise in the price of meat and vegetable, however this is not caused by more affluent households living in the village. Rather a general increase in living expenses and a rise in the price of pesticides is mentioned as the main reason. Due to better access to the urban market a change is visible in regard to the availability of high quality of products and a more diverse selection of products buyable in the village. However, no lower prices for these non-agricultural products have been mentioned. The price level of products is considered to be quite similar to that of the city.

In regard to the physical change in the village, many urban development projects take place. Examples are a new bridge and the improvement of roads. Additionally signs of modernity are manifesting. Households are increasingly more connected to the local electrical grid and to the internet. The government is actively trying to improve local amenities, a development that has not gone unnoticed by households living in the city. The attractiveness and the image of the village is clearly improving, and causes an impact on the local land market. Pull factors such as the improved attractiveness, but also the continuously closer position of the village to the main city and the prospect of the village one day becoming the city, are adding to pressures on the local land market. Similarly, the push factor of high land prices in the city raises buyers' willingness to move to a peri-urban locality such as Xuan Hoa, increasing its popularity even more. Findings show that the position of the sellers is becoming increasingly better and the return on a possible land sale rises.

Not unsurprisingly, most households report to be quite pleased with the developments within the village. They see their land becoming more valuable and the new and improved amenities cause for a perceived increase in standard of living. Most households describe the future as mainly being bright. Nevertheless, a nuance can be given in regard to the consequences and the extent of benefit to local households. A difference is mostly seen between the more affluent and the less affluent households. Those households with more money to spend are able to make more use out of modernities such as internet access and the electrical grid. The less affluent households have more benefit out of the changes in local job opportunities. Also the increased value of land and the greater ease of selling land are thought of to be more advantageous to this group. Caution should however be noted, as the level of resilience of these less affluent households might also be affected by changes on the local land market. The government is increasingly becoming a major player on the local land market of Xuan Hoa. New regulations, enforced land acquisitions and the government as a competitor are cause for concern, especially to the position of less affluent households.

## LIST OF FIGURES

1.	Figure 3.5.1. The political system of Vietnam	18
2.	Figure 3.5.2. Administrative structure of Vietnam	19
3.	Figure 3.7.1. Flowchart of formal land transaction in Vietnam	22
4.	Figure 4.1. Visual representation of conceptual model	24
5.	Figure 6.1.1. Historical representation of the development of Hué city	33
6.	Figure 6.4.1. Spatial view of main infrastructural works in Xuan Hoa	38
7.	Figure III.3.1. Composition job NEW Households	75
8.	Figure III.3.2. Composition job NEW Households	75
9.	Figure III.3.3. Composition job respondent Households	76

## LIST OF TABLES

1.	Table 6.2.1. Trends of urban population growth in Hue	35
2.	Table 6.2.2. Share of Hue's GDP by sectors (%)	35
3.	Table 6.3.1. Development population peri-urban localities of Hué.	36
4.	Table 6.4.1. Development land use Thuy Van	38
5.	Table 6.4.2. Construction activity Xuan Hoa	38
6.	Table 7.1.1. Development average price per m <sup>2</sup> of land Xuan Hoa (x1000 VND)	41
7.	Table III.1.1 General Overview of land size and population	70
8.	Table III.1.2 Share of Hue's GDP by sectors (%)	70
9.	Table III.1.3 Trends of urban population growth in Hue	70
10.	Table III.2.1 Development land use Thuy Van	71
11.	Table III.2.2. Development Household connected to electrical grid in Xuan Hoa	71
12.	Table III.2.3. Development Household within internet access in Xuan Hoa	71
13.	Table III.2.4. Development of concrete streets in Xuan Hoa	71
14.	Table III.2.5. Construction activities in Xuan Hoa	71
15.	Table III.2.6. General info urbanization Xuan Hoa 2014	71
16.	Table III.2.7. Population development Xuan Hoa	72
17.	Table III.2.8. Household development Xuan Hoa	72
18.	Table III.2.9. Primary activity households Xuan Hoa	72
19.	Table III.2.10. Development plots in Xuan Hoa	72
20.	Table III.2.11. Development plots in Xuan Hoa	72
21.	Table III.2.12. Number of LURC distributed by communal office Xuan Hoa	73
22.	Table III.2.13. General info land market Xuan Hoa 2014	73
23.	Table III.3.1. General info respondent Households	73
24.	Table III.3.2. Land transfers respondent Households	73
25.	Table III.3.3. Land market info Households	74
26.	Table III.3.4. Land market info by category household	74
27.	Table III.3.5. Land market info TLH Households	74
28.	Table III.3.6. Land market info LEH Households	74
29.	Table III.3.7. Land market info NEH Households	74
30.	Table III.3.8. Land market info NUH Households	74



31.	Table III.3.9. Composition by job sector respondents Households	74
32.	Table III.3.10. Composition job New Households	75
33.	Table III.3.11. Composition job local Households	75

## LIST OF MAPS

1.	Map 6.1.1. Map 1a, country of Vietnam. Map 1b, Thua Thien Hue Province. Map 1c, Hué city	32
2.	Map 6.4.1. Overview of Thuy Van commune	37
3.	Map 7.1.1. Overview of plots in Xuan Hoa	40

## LIST OF PHOTOS

1.	Photo 8.3.1. Grocery shop in Xuan Hoa	50
2.	Photo 8.3.2. Traditional Vietnamese house vs New city-like house	51
3.	Photo 8.3.3. New streetlight	53
4.	Photo 8.3.4. Former streets vs new streets	53

## ACRONYMS AND ABBREVIATIONS

ADB	Asian Development Bank
ASEAN	Associate of South Asian Nations
CIA	Central Intelligence Agency
CPV	Communist Party of Vietnam
COR	Certificate of Rights
DPC	District People Committee
FAO	Food and Agriculture Organization of the United Nations
FDI	Foreign Direct Investment
GDP	Gross Domestic Product
HCM	Ho Chi Minh
Ha	Hectare
ID	Identification
IDS	International Development Studies
Km2	Square Kilometer
WB	World Bank
LC	Land Consolidation
LEH	Local Elite Household

LURC	Land Use Rights Certificate
NA	National Assembly
NC	National Counsel
NEH	New Elite Household
NUH	New Urban Household
SEDS	Socio-Economic Development Strategy
SEDP	Socio-Economic Development Plan
TLH	Traditional Local Household
UN	United Nations
UNESCAP	United Nations Economic and Social Commission for Asia and the Pacific
UNESCO	United Nations Educational, Scientific and Cultural Organization
VFF	Vietnamese Fatherland Front
VND	Vietnamese Dong
WTO	World Trade Organization

# 1. INTRODUCTION

---

This thesis is written between the months of January and August of 2015. It is part of the curriculum of the MSc program of International Development studies. The thesis is made in order to attain to the degree of Master of Science. In the months from February until May 2015 the fieldwork for the research has been conducted. This has taken place in the village of Xuan Hoa, a peri-urban settlement which is one of the four villages within the commune of Thuy Van. The village is located in the central region of Vietnam, within the Thua Thien Hue province, and borders to the city of Hué. The research has been conducted under the guidance and supervision of Hué University, college of economics and Utrecht University, faculty of geosciences.

The focus of the research is on how the urban expansion of the city of Hué has affected the land market of Xuan Hoa and to what extent local households' benefit, derived from developments within land market and out of the urban expansion process. Using statistical indicators and the input from open and semi-structured interviews a picture will be painted displaying the current affairs of urban growth within Xuan Hoa village, the land market of Xuan Hoa, how the urban growth of Hué city affects the land market of Xuan Hoa and what the possible benefits are to local households.

## 1.1 Research problem

The demand for urban land globally, be it for residential, industrial or commercial purposes, is very high and is increasing. Estimated has been that more than two billion people are in rapid need of housing in urban centers within the next 25 years (WB, 2015). Take for instance the case of India. They are currently in need of about 40 million housing units (Cali *et al.*, 2013). The huge demand for urban space is usually met by either redeveloping already urban land, efficient use of open urban spaces or by converting rural land into urban use (Deininger *et al.*, 2008).

Generally speaking, developing countries have an even more pressing need for urban space. As these countries develop economically, the flow of people migrating towards the cities increases alongside. The above example is regarding India, but also counts for Vietnam. General trend is that cities are growing and the demand for urban space is increasing along the same lines. As Vietnam is making its transition from being a socialist state, relying heavily upon the norms and values of Communism, towards a more capitalist state, orientated around values such as economic growth and accumulation of wealth, the need for urban space grows in a parallel fashion. Vietnamese cities are becoming more important and are, to an increasing extent, becoming the hubs for a more global orientated network, connecting Vietnam to the rest of the world.

As cities in Vietnam grow, the infrastructure improves and the surrounding villages get better and more closely connected to their neighboring city. This development leads to villages transitioning into urban space. It changes the dynamic of these villages and a specific mix of urban and rural landscape comes into existence. In general, these kind of spaces are referred to as *peri-urban* areas. It are localities that are on the verge of becoming a fully urban area, yet still rural features remain visible (Webster, 2002).

In Vietnam, part of the rural to urban conversion process is the government forcing residents, living in these peri-urban localities, to part with either a portion or the whole of their, mainly agricultural land. Under the notion of being *for the benefit of the people of Vietnam*, land is made clear to facilitate the urban expansion.

In exchange for selling land to the government, local households are provided with a compensation package. However, as is often the case, this package is insufficient and causes people to struggle in regaining their level of welfare. Affected people have difficulties in finding new employment and farming at sustenance level is not a sustainable livelihood strategy (Nguyen *et al*, 2014; Hayward, 2014; Lodder, 2013). Villagers who are able to find employment in non-agrarian activities are usually the ones that take the most advantage of the urban expansion process (Nguyen, 2015a). How the level of benefit is divided, and the manner in which the urban transformation process affects all variations of local households, is the main theme of this research.

## **1.2 Research objective**

Due to urban transformation processes traditional local households suddenly experience a steep increase in household income. The compensation package, for example, is sometimes used as a means to buy other land for either agricultural or residential purpose (Nguyen *et al*, 2014). Also, due to the increased level of urban amenities and thereby accompanied increase in level of attractiveness of the peri-urban area, land possessed by local household, has the potential to bring forth an increasingly higher return. The increased attractiveness of the village causes an inflow of new urban households to come the peri-urban area. Together with the increase of local household income it makes for an interesting mix influencing both local land market as well as the rural-to-urban conversion process. To investigate how households, living in peri-urban area, are affected and benefit, the research will be focused upon the urbanization process and developments within the local land market.

The fieldwork for this research has taken place within the village of Xuan Hoa. The larger commune of Thuy Van is, by prior research, marked as being a peri-urban area. Here the growth of the city of Hué is becoming noticeable in very tangible ways. The Vietnamese government is also actively building a better infrastructure and the inflow of new urban households is very high. Furthermore, good connections with local officials exist.

The village is part of the commune Thuy Van. The whole area experiences the effects of urbanization as more land is being converted from agricultural use to urban space. The commune contains of four villages of which Xuan Hoa is the village closest to the city. For these reasons Xuan Hoa makes for an interesting and a good representative case.

The objective of the research is to investigate how the urban transformation process and local land market change have affected households living in this village and to see in what way local households have been benefitting from these changes. In this sense the research is exploratory in nature. Although some understanding exists of how the government sanctioned conversion process affects local people livelihoods (Nguyen *et al*, 2014; Hayward, 2014), no real knowledge is yet

available regarding the effects and benefits to various kinds of households living within a peri-urban area, close to Hué city.

Interesting from an academic point of view is to gain knowledge about how rapid urban conversion takes place in a peri-urban area close to one of the middle-sized cities of Vietnam. Up until now much research has been done on the effects of urbanization on the surrounding villages of Hanoi and Ho Chi Minh. Similar to the study of Hayward (2014), many of them focus on the changes in livelihood strategies, caused by forced displacement in favor of urban progress. This thesis hopes to gain a more nuanced insight into how urbanization in a middle-sized city in Vietnam affects various groups of local households, along with a focus on the development of a local land market within a peri-urban area.

As the research is being written within the framework of International Development Studies (IDS), the relevance in this regard lies mostly on the perceived benefits to local households. One of the main themes of IDS is a people-focus perspective on how a spatial phenomenon can be either advantageous or detrimental. This study aims to give further insights into how local households are possibly disadvantaged or can benefit by the central governments' decision to expand the city of Hué. The research is interesting to international agencies such as the World Bank (WB) and the Asian Development Bank (ADB). These entities have investment projects in similar areas, such as other peri-urban areas within the commune of Thuy Van and the city of Hué. Possibly, the results of this study can help them gain more insight and have an impact on their future policies.

### **1.3 Central research question and sub questions.**

To fulfill the objective of this research and arrange for a well-structured thesis a central research question has been prepared. This question includes both the specific research location and on whom the research will specifically focus upon. The question depicts the central emphasis of this research and will be, after all the data has been collected and interpreted, answered in the conclusion. The main research question is as follows:

*“What is the impact of the urban expansion process on the local land market of the peri-urban area of Xuan Hoa and to what extent do local households living in the village of Xuan Hoa benefit from the urban expansion and the change within the local land market?”*

To further structure the central research question sub questions have been set. These depict the same central theme as well, yet are further specified to make them researchable. The questions will be answered using a variety of research methods. The sub questions are as follows:

1. What are the main characteristics of the urban expansion of Hué city?

Getting an understanding of how the city of Hué is expanding is important in order to define how general urban development can be of influence on the locality. In answering this question data, brought forth by prior research and government documentation, will be used.

2. What are the consequences of the urban expansion of Hue to the village of Xuan Hoa?

Looking at what kind of practical implications the urban growth of Hué city has on the village of Xuan Hoa gains knowledge necessary to conduct the semi-structured interviews with local households. Data for answering this question has been gotten by interviewing key stakeholder and local government representatives, as well as an analyses of statistical data.

3. How does the urban expansion impact the land market of Xuan Hoa?

In answering this question the dimension of the local land market will be discussed in full extent. Meaning the current status of the local land market will be displayed, as well as the way urban expansion activities are of influence to the local land market. Data is gotten from interviews with stakeholders and semi-structured interviews with local buyers and sellers who have participated within this market in the last ten years.

4. What are the consequences of urban expansion and land market change to local households and to what extent do local households benefit?

A practical view will be given on how local households are affected by changes in the village. Input for answering this question has been gotten from semi-structured interviews with a variety of local households.

5. What kind of implications can these findings have for government policy?

To answer this question the findings to the previous sub questions will be debated in relation to the theory at hand. In doing so certain problem areas can be appointed and policy recommendations will be discussed. Answering this sub question allows for a pragmatic feedback to government policies.

#### **1.4 Outline of this thesis**

The thesis is structured in such a way that first the theoretical background for the research will be discussed. After this has been done in the upcoming chapter, the third chapter will give special attention to the contextual background, giving a closer look to the local practicalities. Chapter four is in regard to the structure of the research. A conceptual model, concisely explaining how different variables connect to each other, will be presented. The next chapter is about the design of the research. A pragmatic insight will be given of how the field work and the analyses will be conducted. As of chapter six the findings are discussed. Chapter six is in regard to the urban conversion process. Chapter seven presents changes on the local land market of Xuan Hoa. And chapter eight outlines households' perspectives. Chapter nine and ten are subsequently the analyses in regard to theory and the conclusion to this thesis. Here the findings in regard to the sub questions will be summarized and the main research question will be answered.

## 2. A THEORETICAL BACKGROUND

---

This chapter depicts the main theories and dimensions that will be used in order to understand the urbanization of Hué city, the urban conversion processes of Xuan Hoa, and be able to review the local land market. A closer look will be given to notions regarding peri-urban areas, the value of land to local households and land market processes. Only to highlight the academic debate and discard information not necessary to understanding of the research, each paragraph will be short and to the point. At the end of each paragraph a short reflection will be given regarding matters in Vietnam. A more practical view will follow in the chapter three regarding the contextual framework.

### 2.1 Urbanization and urban expansion

Over time the development of agrarian techniques and the steady increase of more specialized labor forces have created complex social organizations. History has shown that the gradual increase of agrarian activities have caused little settlements to grow into towns or into cities, and from there, advanced civilizations have arisen.

Nowadays however, still no straightforward general definition among nations of what “a town” or “a city” really is, exists. Governments generally look at statistics such as the number of inhabitants, density of the population living within a certain area, the portion of people working in non-agricultural activities and the administrative or political status, in order to differentiate between a town and a city (UNECE, 2008). Due to the fact that these statistics differ among nations, also the definition of what can be called “a city” or “a town” is not similar. However, within academic disciplines such as urban studies or related fields, the general consensus is that cities are places where individuals are enabled to produce efficiently. Cities can be seen as man-made ecosystems.

Mainly from the early 20th century and onward, cities have begun to grow very quickly. Especially cities in America, such as New York or Chicago, but also European cities such as London and Paris grew quickly. Skyscrapers, tall commercial buildings, industrial complexes, offices and big residential buildings changed the urban landscape significantly. However, at a certain point in time, people and also jobs started to move away from the city to the surrounding, more rural areas, nearby (Berube *et al*, 2002). Mainly motivated by the availability of cheap land and supported by the infrastructural improvements that followed, cities started to get less compact. A certain decentralization occurred mainly caused by urban sprawl, the natural expansion of the city, towards the cities outer fringes (Ewing, 2008).

Urban sprawl is usually associated as being uncontrolled and unplanned growth, a certain leapfrog development (Ewing, 2008). Often stimulated by national economic growth the main factors that have been identified as being the cause for this type of urban growth are population growth (1), meaning the absolute growth of people, the increase of people living in an urban area, and the restructuring of household demography. Household size tends to decrease and the amount of households tends to increase.

The second factor is the increase of car use (2), as transportation and infrastructural systems improve people can choose to live further away from the city. This is also advantageous for industries and businesses. It leads to urban fringes becoming the sub-centers for new urbanization.

The improvement of internet and communication technologies (3) also encourages urban sprawl. As a means of overcoming spatially separated parts of a city internet and communication technologies can create functional links that make the flow of information more easily and faster, hence downplaying the need for people and businesses to be in spatially close distance of each other. Further causes that support urban sprawl may include subsidies for (sub)urban development (4), external benefits derived from having more open space (5), and land-use regulations (6) that encourage low-density development of land (Ewing, 2008).

In terms of measuring these six dimensions one can look to statistics such as the 'growth rate' (1) of either the population or the growth of the amount of buildings. 'Density' (2), being the ratio between the amount of urban activity and the size of a certain area. Density tends to decrease during a certain time period and is usually relatively low in areas where urban sprawl takes place (Ewing, 2008). 'Spatial geometric measures' (3) which quantify the configuration and composition of an urban landscape. The geometric configuration in areas where urban sprawl occurs tends to be irregular, scattered and fragmented. Land-use composition is usually homogenous and segregated, meaning that there is only a small amount of different uses of land and that these are clearly demarcated. And 'accessibility' (4), meaning the length of roads, the extent of the road network, average travel time and availability and extent of a (public) transportation system. The area where the urban sprawl occurs tends to show a low level of accessibility (Ewing, 2008).

Next to the natural growth of the city, as explained by the concept of urban sprawl, urbanization can also be induced by government actions. This type of growth is often referred to as 'smart growth', meaning that the city expands in a predetermined manner, usually designed by a planning and transportation office (Geller, 2003). Also the type of growth, understood under this concept, can be used as way of mitigating and mediating the negative effects of urban sprawl. Urban sprawl can often lead to inefficiencies in the use of land causing issues such as congestion and extended travel time (1), energy inefficiencies and pollution (2), high infrastructural costs (3) and irregular loss of farmland and open land (4). To combat these issues, strategies under the concept of smart growth tend to focus on merging land for more efficient use (1), creating diverse housing opportunities (2) to avoid segregation, supplying diverse transportation options (3) to mitigate congestion related problems and protecting environmentally sensitive areas (4) so that externalities are not detrimental to the quality of the urban growth (Geller, 2003).

As described above, the urban growth, which combines population growth and the development of an area, causes land rents and value, in both urban and peri-urban areas, to go up. This process, which is also known as the economic rural-urban linkage effect (Cali *et al*, 2013), puts local residents, and especially those who are in a marginalized position, in a peculiar and possibly harmful position.



Cali *et al* (2013) describe six different ways in which urban growth can affect the population of a peri-urban or rural area. The first is via what they call, consumption linkages (1), which means that the price for agricultural products will rise due to the higher levels of income of the in-migrating urban population. The second is in regard to rural non-farm employment (2), given that urban growth is accompanied by a diversification of economic activities, new non-farm job opportunities come into existence, often leading to higher levels of income. Remittances (3) are a potential economic rural-urban linkage. Rural land/labor ratio (4), meaning that labor productivity and wages go up because of more efficient use of land and higher demand on agricultural products. Due to higher demand for urban land, rural land goes up in value (5), generating more income from rent or the sale of land. And, due to a better access to the urban market, prices for non-agricultural products tend to be lower (6).

In Vietnam the growth of its main cities seem to be highly related to the economic advancements that have been ongoing from the early 1990s and onward. Cities like Ho Chi Minh, Hanoi and Da Nang have grown tremendously in size and show a clear resemblance with dimensions of rapid urban sprawl (WB, 2011). As is the case in most developing nations, Vietnam also lacks the legal and administrative control to mediate the negative effects of urban growth or sprawl. In regard to the city of Hué, on the other hand, this seems to be the case to a lesser extent. The expansion of the city mostly stems from a political agenda in making the province of Thua Thien Hue centrally governed by the city of Hué. However more on this regard will be presented in the upcoming chapters.

## **2.2 Peri-urbanization**

Traditionally, when looking at the spatial frame for analyzing patterns of national development, one speaks of either rural or urban space. However, when a more comprehensive look is used to analyze the development of spatial patterns a differentiation can be made to either peri-urban, suburban or exurban spaces (Marshall *et al*, 2009).

Although there are some similarities between the three, the concept of peri-urbanization is usually used to fill the gap between suburban and exurban spaces. Suburban space stands for a locality on the outskirts of a city, adjacent to the city border. An exurban space is a locality that can be typified as a place where people, who work in the city close by, live and enjoy the perks of the countryside. The peri-urban area is the space in between. It is the place mainly used for commuting (Marshall *et al*, 2009).

Originally the concept of peri-urbanization stems from the French word *périurbanisation*, which was first used by the French statistical office. As is typical in Europe, the urban and rural areas are extensively managed to protect agricultural land and prevent urban sprawl. Therefore the peri-urban areas were more described as a landscape interface between agricultural land and urban characteristics, rather than a space of transition (Pumain, 2003).

Whether this Western notion of spatial differentiation is also applicable to the South East Asian landscape can be contested. Within this discussion Terry McGee seems to be a central figure. In

his paper regarding the settlement transition in South East Asia (1991) he discusses the concepts of 'Desakota' and metropolitan areas. Desakota is a combination of the Indonesian words for village (desa) and for town (kota).

In his paper he describes land, which is large and densely populated, lies between major cities, and is integrated into the economic network of the surrounding urban areas. In these areas still a variety of agricultural practices take place, however, non-agricultural practices are becoming more dominant. Because of this process, a blurring motion of what is rural and what is urban comes into existence. It creates spaces that show an increasing integration into the economic network of urban areas. The process relates more to a tangible shift of the landscape toward the urban, rather than solely the movement of people in space.

Another useful definition of a peri-urban space is provided by Webster (2002). He describes the concept as a movement of a '*rural area, located on the outskirts of established cities that becomes more urban in character, in physical, economic and social terms*'. This definition too addresses a certain process or transformation that causes the area to gradually become more urban. Together with the description of McGee (1991) these two definitions seem the most useful in characterizing the peri-urban area of Xuan Hoa and therefore fit the approach of this research. As described by a study of Nguyen, van Westen and Zoomers (2014) a clear shift from farming to non-farm practices, derived from structural transformations initiated by the Vietnamese government, is visible in peri-urban areas around Hué, Vietnam.

### **2.3 Urbanization and the value of land to peri-urban population**

The effects of urban growth on rural localities have been studied extensively (Simon *et al*, 2004; Cali *et al*, 2013; Oduro *et al*, 2014). Simon *et al* (2004), identify a number of transformations in regard to the changing urban-rural dimension of African cities. He focuses on changes in social structure, demography, land use and land use management, architecture and local economic conditions. They suggest that a massive in-migration occurs into peri-urban areas of people coming from the city and other regions. This results into rapid population growth and changes the average age, ethnic composition and the amount and average size of households in such a locality. Related to population growth are changes in the traditional social structure. An inflow of people with different cultural norms, beliefs and practices occurs, leading to a possible clash between the urban and rural lifestyle. Other aspects have to do with a change of housing characteristics. These undergo a change from a predominantly rural style towards a mixture of urban style and makeshift squatter structures (Simon *et al*, 2004).

Visual changes regarding the infrastructure, meaning roads, electricity, water pipes, sanitation and communication systems, have an impact on the landscape of the peri-urban area. Given the population growth, a higher demand is put on these kind of commodities. In developing countries however, local governments are usually outpaced, due to lack of financial and regulatory capacity, leaving basic infrastructure lacking to local demand (Oduro *et al*, 2014).

Also, due to urban growth, changes occur in the use of land. For example, farmland is being converted into residential or commercial use. This has an impact on the local economy for it creates new jobs and reduces the amount of agriculture (Cali *et al*, 2013).

The pressure on land for accessibility to the urban land market is usually accompanied with a shift from subsistence farming to more commercial farming as farmers seek to benefit from the increased urban demand for fresh farm produce (Swindle, 1998). In this sense Swindle (1998) identifies three types of farmers living in a peri-urban area, namely subsistence, semi-capitalist, capitalist farmers. A subsistence farmer (1) means someone who uses his agricultural land as its main asset to provide food to the households. A capitalist farmer (2) produces for making a profit, and a semi-capitalist farmer (3) is the one in between. The change in farming system may lead to a process of widening the inequality gap, as resource rich farmers are the ones who can cash in on the opportunities of the urban progress.

Another impact in regard to the local economy dimension is the transformation of the land market. Urbanization tends to increase the scope of economic activities and attract actors who were previously non-existent. As land is still relatively cheap and the opportunities of the city are growing, new actors such as private developers, speculators, low-income residents of the city and agro-business entrepreneurs want to buy new urban land. These new actors, and the resulting more intense level of competition, often leads to a commoditization of rural land and to a steep increase in value of land. This development has an impact on the local population of the peri-urban area, it makes them more prone to selling a part of their land (Waibel, 2006).

Hernando De Soto (2000) argues in his book '*The mystery of capital: Why capitalism triumphs in the West and fails everywhere else*', that local people in developing countries, and especially the less affluent, are often unable to reap the maximum economic benefits from their land assets. Due to restrictions to the formal land market, people cannot receive a legal title to the land, effectively making the asset of land a form of 'dead' capital. De Soto (2000) describes that this is mainly due to the extreme complication of formal procedures, exclusion by elites and high costs of undertaking these processes.

His argument has been criticized in regard to the disadvantages and dangers of informality (Smith *et al*, 2007). In developing countries, formal tenure may not be that more secure than informal tenure. Also, the titling of land has not always widened the range of opportunities to the less affluent in financial markets. In regard to Vietnam however, there are some similarities. The use of the informal market seems to be because of a lack of awareness or information on the part of land users and certification and regulations form obstacles which cause people to revert to informal ways. However, land in the sense of being '*dead capital*', seems to not be the case (Smith *et al*, 2007).

## **2.4 Land markets**

Most definitions of what a land market exactly is, agree on two distinct characterizations, being that land is partly a commodity because of the fact that it is fixed (1), in the sense that land cannot

move. And, there is an element of scarcity (2), creating a mechanism that can determine the value of land (Mahoney *et al*, 2007).

For instance, the definition of a land market as postulated by Palmer *et al* (2009) is the following: “*A land market consists of mechanisms by which rights in land and housing, either separate or together, are voluntarily traded through transactions such as sales and leases*”. Another definition comes from Dale *et al* (2006) who state that “*Land markets exist when and whenever it is possible to exchange rights in land for an agreed amount of money or services rendered*”. These two definitions both show that a land market is basically the transfer of rights, rather than the transfer of land itself. Land is, unlike most other commodities, immovable, but tradable in the terms of legal user rights. The best definition to capture these elements is the definition of Palmer *et al* (2009) and for this reason the definition will be used as a working definition for the following chapters.

For a land market to function well, basically three key ingredients are necessary: the land itself (1), a land rights system (2), and complex commodities (3) (Wallace *et al*, 2009). Wallace *et al* (2009) argue that it is not only the land itself and the legal system which governs the land market that is important, but also the marketing of complex commodities. Largely due to the fact that land is immovable, the marketing aspect is of vital concern for the creation of additional value and wealth. Although this mainly accounts for developed countries, those who are in the transition of becoming more affluent, the aspect of marketing is starting to play a larger role. It will be interesting to see whether or not this is of importance to the location of this research.

Mainly driven by economic growth, the subsequent urban expansion and government intervention, Wallace *et al* (2009) describe five evolutionary stages in which a land market develops. First there is only land and the rights to use the land is mainly past among relatives as a form of inheritance (1). Then land rights are developed and plots of land become legally assigned to a person (2). From the second stage and onward land can start to be traded, an administrative and legal system is set in place which allows people to transfer land to each other (3). This creates a market for land, the principle of supply and demand economics are coming more to the forefront in determining the value of the land (4). And finally the land market consist of complex properties for which marketing plays a vital role in determining the level of supply and demand and thereby the price of land (5). As can be seen from these stages the level of complexity grows at every step. The gradual growth goes from basically just land, towards a complex real estate market.

In order to understand the land market in Vietnam it is important to comprehend the way in which a land market can evolve. When looking at a local land market it is interesting to determine in which stage the land market exists. This limits the chance of viewing a land market within a wrong perspective. However, caution is necessary in the sense that these stages should not be viewed as too strict. In Vietnam the government has a firm control on the price of land and the governance system is different as opposed to other countries.

What can be regarded as general decree, however, are the basic functions of a land market. It is a place where the price of land is set; land is allocated to people or to companies; it brings buyers

and sellers together; and a land market plays an important role in the efficient use of land (Lall *et al*, 2009).

## **2.5 Land market processes**

There are many factors that can have an effect on a land market. In general terms these factors show a greater effect on the urban land market as opposed to the rural land market. However, when talking about peri-urban localities, urban processes that determine the land market are getting to be of greater importance. Supply and demand economics start to play a more significant role as the peri-urban locality becomes into closer contact with the city (Palmer *et al*, 2009).

In general the demand for land is shaped to a growing extent by population growth, an increase in purchasing power, a greater access to credit, household formations and locational factors such as the proximity to the city (Palmer *et al*, 2009). Furthermore, actions by the government can have an effect on the demand for urban land as well. Policies that have to do with property taxes, zoning and the construction of infrastructure, for instance, can relatively weaken or strengthen the demand for urban land.

Government policies, on the other hand, can as well have an effect on the supply of urban land. For example by making it administratively easier to merge or separate land for more efficient use or by improving the infrastructure in such a way a more efficient use of land becomes possible (Palmer *et al*, 2009). In spite of these measure, however, it remains difficult to create urban land and improve the supply of urban land. The very nature of urban land itself is that is fixed, scarce and heterogeneous. Therefore the demand side plays a larger role in setting the value of land and regulating the market.

When the demand for urban land cannot keep up with the supply of land, as is often the case in urban areas and to an increasing extent in peri-urban areas, the price of land generally tends to go up. A higher price, and also the prospect of a higher value for land creates the incentive for people, and for the government, to either sell land or make more land available to the market. If, in an urban area, the price for land becomes so high that it excludes a large enough group of people, peri-urban areas become more interesting, since land there is still available at a more reasonable price. The final outcome of this process is that the peri-urban area will grow into a fully urban area, and hence other areas, further away from the urban center, will be labeled as the new peri-urban areas.

A side effect of the increasing value of land is that speculation may occur. A good definition of this phenomena is presented by UNESCAP (1997) who state that “*Land speculation occurs when the demand for land, at the present time or in the near future, outstrips the supply of land*”. However, next to the system of supply and demand, also unreliable and inaccurate land market information may be the cause of speculation on land value. A badly governed land market could possibly provide wrong information about land price, general trends of supply and demand, and of spatial planning programs (Molen *et al*, 2008). Also, as Molen *et al* (2008) explain, speculation may lead to urban sprawl and the formation of informal settlements, creating a kind of artificial shortage on the land market. Speculation can then be reflected by developers and investors buying

land in bulk, in anticipation of higher prices in the near future. This again causes the price of land to up, now with the difference that the higher price of land is not justified by simple market mechanisms, but rather by speculation, creating unreasonable prices and hurting mainly those with low income. Governments can combat this phenomena by removing certain hurdles, such a transfer tax, regulations and other inefficiencies, all in order to increase the supply of land (Molen *et al*, 2008).

## **2.6 Land tenure systems**

The immovable characteristic of land and the aspect that land rights have to be transferred, representing either the sale or the lease of land, call for the need for special legal and administrative arrangements to be in place. What a land market requires is a well-defined system of tenure, titles and property rights (Wallace *et al*, 2009).

Some tenure systems do not allow for the free transfer and transaction of land (Wallace *et al*, 2009). According to Wallace *et al* (2009) this discourages potential investors, even if for a limited amount of time such transfers are allowed. Payne (2001) agrees with this notion and argues that the type of tenure system has an effect on the value of property, the costs of leasing is much less expensive in comparison to private ownership. According to Payne (2001) and also to Palmer *et al* (2009), a land tenure system can be identified as the mode through which land is owned or held. It represents the set of relationships between people in regard to the resource of the land and land itself. The FAO (2002) states a clear definition that says “*Land tenure is the relationship, whether it is statutory or customary, among people, as individuals and groups, with respect to land*”.

Rules of tenure guide people in how property rights, in regard to land, are distributed among society, along with its restrictions and responsibilities. In other terms, a land tenure system clearly depicts who can use the land and its resources, under what conditions and within what timeframe. The ‘statutory and customary’ dimension of the definition of the FAO represent the institutions governing the right to ownership of and the access to the land and its resources. It takes into further account the institutionalized ‘*social fabric*’ such as institutions of marriage, power and inheritance (Payne, 2001).

Challenges in regard to tenure systems have to do with issues surrounding the legislation that can differ between countries or even between different localities within only one country. Also many different forms of tenure can co-exist within the legal framework of a single country. This can have an effect the amount of transactions and the value of land and transaction costs (Payne, 2001). Payne (2001) describes three most common types of tenure, being the state, private and the communal. In regard to the state (1), land ownership is solely retained by either the national government, the provincial or local government. Most often national authorities assign land to lower levels of government for the purpose of direct management. Especially in former socialist countries, such as Vietnam, this seems to be case. Whereas in the Western world only forests fall under the direct control of the state.

The second type of tenure system is in regard to the assignment of land to a private party (2). This can either be a natural or a non-natural person, meaning a private person or a company. As opposed to the ownership by the state, land is privately owned and can be used as collateral for mortgaging. An owner of land has the freedom to do as he or she sees fit. Payne (2001) argues that this type of tenure system “*permits almost unrestricted use and exchange of land and is intended to ensure its most intense and efficient use*”. Although a high level of tenure security is provided, meaning that property rights and the legal system surrounding this aspect are very clear and well enforced, this type of tenure system is susceptible to the vagaries of the commercial market. The marketing of land and the role of complex commodities play a big part in determining the price of land and the complexity of the final transaction. It makes the system quite costly and restricts access to certain groups of people, usually the urban and rural poor.

The third type of tenure system has to do with a right to the commons (3). This means there is a community in which each member has the right to use the land owned by the community. Members may, for example, grow crops on communal land or let cattle graze on a common pasture. This system excludes those who are not a member of the community from accessing and the use of land, be it either for housing or for farming. In the Western world this type of land tenure system is hardly existent, however in parts of Asia and Africa the system still exists. Due to high urbanization rates in these parts of the world, the communal type of land tenure is increasingly under pressure. Especially in parts of Asia the pressure coming from urban land markets causes large parts of peri-urban areas to be sold and converted into urban land.

Within the system of landownership falling under state mandate, as is the case in Vietnam, local people have to be awarded Land Use Rights Certificates, also known as LURCs, when they want to use, sell or do any other type of transaction in regard to land. The LURC entails a set of rights and obligations, such as paying taxes. In theory, the ownership of land by the state is a better position for the goal of equitable and sustainable resource management. However, more than often, this tenure system is spoiled by abuse, corruption and general inefficient use of resources. Vietnam is no exception in this regard. The distribution of LURCs, is for example used as a means to influence the amount of land transfers.

In Vietnam challenges regarding the abuse of power and nepotism are at play. As the Vietnamese government, be it local or national, values land by enforcing a price per square meter fitted to their specific needs, the acquisition of land is often seen as a form of land grabbing (Hansen, 2013). Under the guise of land being *of the Vietnamese people*, and the government being the representative of the Vietnamese people, land is seized for projects that benefit most to certain individuals and private companies (Hansen, 2013).

Certain is that the goal of attaining an equitable distribution of land can only be met by having a good governance system in place. Payne (2001) argues that, not the type of land tenure system per se, but rather the identification and formulation of policies that govern the land market are the most challenging part in creating an efficient land market with equitable use of land and accessibility to

all members of society. These matter affect both the way land is being distributed, the system of supply and demand, but also the way land reforms play a pivotal role in governing such a market.

## **2.7 Land lease systems**

The access to land for either people or for companies is mostly reflected in the sale or the lease of land. In both cases this means that land rights holders, those who have the title to the land, can transfers their rights to buyers on a voluntary basis in exchange of a price and, in the case of leasing, with a specific timeframe. This timeframe is always shorter than the actual time of direct ownership the initial land rights holder has got.

In Vietnam, where the land is owned by the state, the transfer of land rights takes place in the form of a lease. Developers or people can get a Land Use Rights Certificate (LURC), issued by the state, which grants them the possibility to transfers the use of land in the form of a sub-lease. A lease is a certain contractual agreement that allows the exclusive rights for the possession and the use of land, within a fixed period of time (Hung *et al*, 2006). This time period can be as many as 999 years, however usually, a standard of 99 years is the maximum (Hung *et al*, 2006).

Typically a land lease can either be between the government and a natural or non-natural person, or between a company and an individual. The one who is the actual owner or the holder of the LURC is the one who can be regarded as the lessor. The lessee is the one who is the actual tenant. The payment is usually in the form of an annual or monthly payment of rent. When companies lease the land to individuals it can be regarded as being a sub-lease. The lease system is practiced in many developing countries, therefor many different forms exist. In Botswana, for example, land rights can be leased based on a Certificate of Rights (COR), which entails the rights to use the land can be held in perpetuity, meaning that land can also be inherited. The land itself however, cannot be sold or mortgaged, except for the buildings that are on the land (Nkwae *et al*, 2009).

In Vietnam the rights to land, for either commercial or residential purpose, can be leased up to 50 years (UN-HABITAT, 2003). Given that in Vietnam the government is the owner of all the land, a sale in terms of land being transferred to another person or company, can be seen as an exchange of the obligation to pay taxes to the government. In return the lessee or the buyer gets to use the land in the manner he or she sees fit.

In a way the tax, which needs to be paid in regard to the size of the plot, can be seen as a form or rent-payment. The tax, but also the registration fee for the actual land transfer as well as the actual registration of the LURC, can impact the ratio between formal and informal land transfers (Smith *et al*, 2007). A high tax, costs and complexity of registration can be a barrier for people to use the formal ways of transferring land. However, in Vietnam costs for procedure tend to be quite low, but attention still needs to be paid to public awareness (Smith *et al*, 2007).

## **2.8 Access to land and land reforms**

As opposed to land lease systems, the system where land is accessed through an actual sale of land, gives buyers the opportunity to own land in perpetuity. This means that, once a plot of land is



bought, the buyer can do with the land as he or she sees fit and is not limited to a specific amount of time. Usually land is developed to enhance its value or is used as collateral to get a mortgage. Land can be leased or be sold again at a higher price. Free land sale however, could lead to negative impacts in the long run, especially to those who are in a socially and economically disadvantaged position. Land and home ownership is usually a means by which people can stay in a relatively affluent position (DeSoto, 2010). When less affluent people come into distress and sell their land as a way of mitigation their current situation, they lose a source of sustainable flow of income. This has a direct effect on people's livelihood and their level of resilience. People in dire need of money could, for example, use their house or land as a means to gain rent or lease out the land. Land rights could then be transferred on only a temporary basis, without endangering the loss of long term ownership.

The possibility of selling land freely also makes land markets work imperfectly. The imperfections are mostly due to supply shortages of land causing the price of land to go up (1), the availability of credit for financing the buying or the (re-)development of land is usually lacking (2), leading to high interests, and third, the transaction costs (3), fees for legal services such as notary fees, access to information and costs not included directly in the price of land, tend to go up (Palmer *et al*, 2009). Governments try to mitigate these negative externalities and try to protect the less affluent by introducing land reforms. These measures are generally concerned with altering the institutional structures that govern matters regarding land ownership, the organization of power and control, and the use of land. The main goal is usually to distribute land more equally and help in the alleviation of poverty (Palmer *et al*, 2009).

To improve the access to land, and thereby also the system of land use rights for the less affluent, administrative and legal reforms are made. These reforms focus on three main dimensions. Tenurial reform (1), meaning the enhancement of tenure security and rights of the land user. Restitution (2), meaning the process of redistributing land to former owners. And land consolidation (3), meaning that people are allocated new plots of land, with roughly the same value as compared to their former plots of land. The latter is mainly done in Western Europe to encourage a more efficient and effective use of land (Deininger, 2003).

The effectiveness of land reform programs depend mostly on the implementation. As Deininger (2003) puts it, "*a participatory approach is vital to a successful result*". Other characteristics of a successful land reform are about having a transparent process (1), capacity building for the less affluent (2), integration into a more broad policy (3), and a decentralized implementation (4) approach (Deininger, 2003).

In Vietnam land reforms play a large part within the market, affecting land market processes. In general three different phases of land reform can be seen throughout Vietnams' history. The first is the collectivization of agrarian land during the 1950s and the 1970s (1), the second the product contract system in the 1980s (2), and the third is the household allocation plan from 1988 (3) and onward. At every step the reforms have tried to improve the access to land and the security of tenure. More on this will be presented in the next chapter.

### 3. CONTEXTUAL FRAMEWORK: A THEMATIC DISCUSSION

---

This chapter serves to provide contextual information about the national and local circumstances in Vietnam. Among the discussion are the development of Vietnams' national policies, the land reforms that have impacted the land market, a view on practicalities regarding the transfer of land and a brief description of the general urbanization trends within Vietnam. This chapter merely serves as a way of providing background information regarding dynamics related to urbanization and the land market developments in Vietnam.

#### 3.1 Current national affairs

As Vietnam is making the transition from being a centrally planned economy towards a developed, and liberal economy, the focus of the national government is towards industrialization, attracting foreign direct investments, exports and in general the promoting of economic growth and macroeconomic stability. This direction stems from the Doi Moi policies, made back in 1986 and means *open door*. It represents the path through which Vietnam hopes to make a successful transition to a socialist market economy.

The policies, made under the umbrella of Doi Moi, are generally seen as having a very positive contribution towards the development of Vietnam. High growth rates have been achieved, poverty levels are reduced and life expectancy and school enrollment have increased (Glewwe, 2004). However, Vietnams still remains a country with many problems. The level of poverty, for example, has decreased significantly in the last 30 years, but Vietnam still has about 20% of its people living below the poverty line, mainly living in rural areas (World Bank, 2013). Also, due to the focus on Foreign Direct Investment (FDI) and export, the county has become more sensitive towards external shocks of the world market, causing macroeconomic instability and new challenges concerning inequality.

Another major problem, and quite similar to the problem China faces, is the remainder of big and many state owned enterprises (Yueh, 2013). These SOEs dominate around 60% of bank lending and account for more than half of country's bad debt. Vietnam has tried to gradually make the transition to the global market, so that SOEs could keep up with the pace. But unfortunately for Vietnam, many SOEs remain inefficient due to government involvement, and are not able to compete in the same manner as most private companies can.

To combat these issues the Vietnamese government has come up with a *Three Pillar* economic reform plan, proposing the restructuring of public investments, its state-owned enterprises, and the banking sector (CIA, 2014). The State Bank of Vietnam has also reiterated its commitment to taming inflation and is relaxing its rules for lending to real estate and to private companies. This in effort to encouraged commercial banks to lower their lending rates and promote credit for production, agriculture and rural land development, exports, and small and medium enterprises.

Besides the *Three Pillar* economic reform plan, and in line with the reasoning stemming from the Doi Moi, the Vietnamese national government has created a socio-economic development strategy (SEDS). This is a 10-year plan which is further subdivided into two 5-year plans. In general this strategy gives attention to structural reforms, looks at environmental sustainability, social equity and emerging issues of macroeconomic stability. The main focus of the strategy is on promoting human resources/skills development (particularly skills for modern industry and innovation), improving market institutions, and infrastructure development (World Bank, 2014).

The 5-year plan version further underlines the need to achieve high quality and sustainable economic growth. This includes the need to restructure the economy to increase the share of high value-adding economic activities, improve the living standards of ethnic minority populations, strengthening environmental protection, and mitigating and preventing the adverse impacts of climate change and pollution.

Together with the *Three Pillar* economic reform, the SEDS continues to depict the importance of favorable conditions for the private sector and the need to gradually reduce the contribution of the state sector to GDP, while increasing the contribution from the private sector and FDI. Even more than the *Three Pillar* economic plan, the SEDP outlines the importance of environmental protection, climate change mitigation, adaption and the building of resilience to natural hazards.

### **3.2 National politics**

In the beginning of the 19th century Vietnam was a colony of France. In 1954 the grip of France fell away and Vietnam had split up into North and South Vietnam. In North Vietnam a communist regime was in charge. To the contrary of the North, the south of Vietnam was more liberal and was influenced heavily by the Western world. It did not take long before there was friction between the two parts and in 1955 the Vietnam war started.

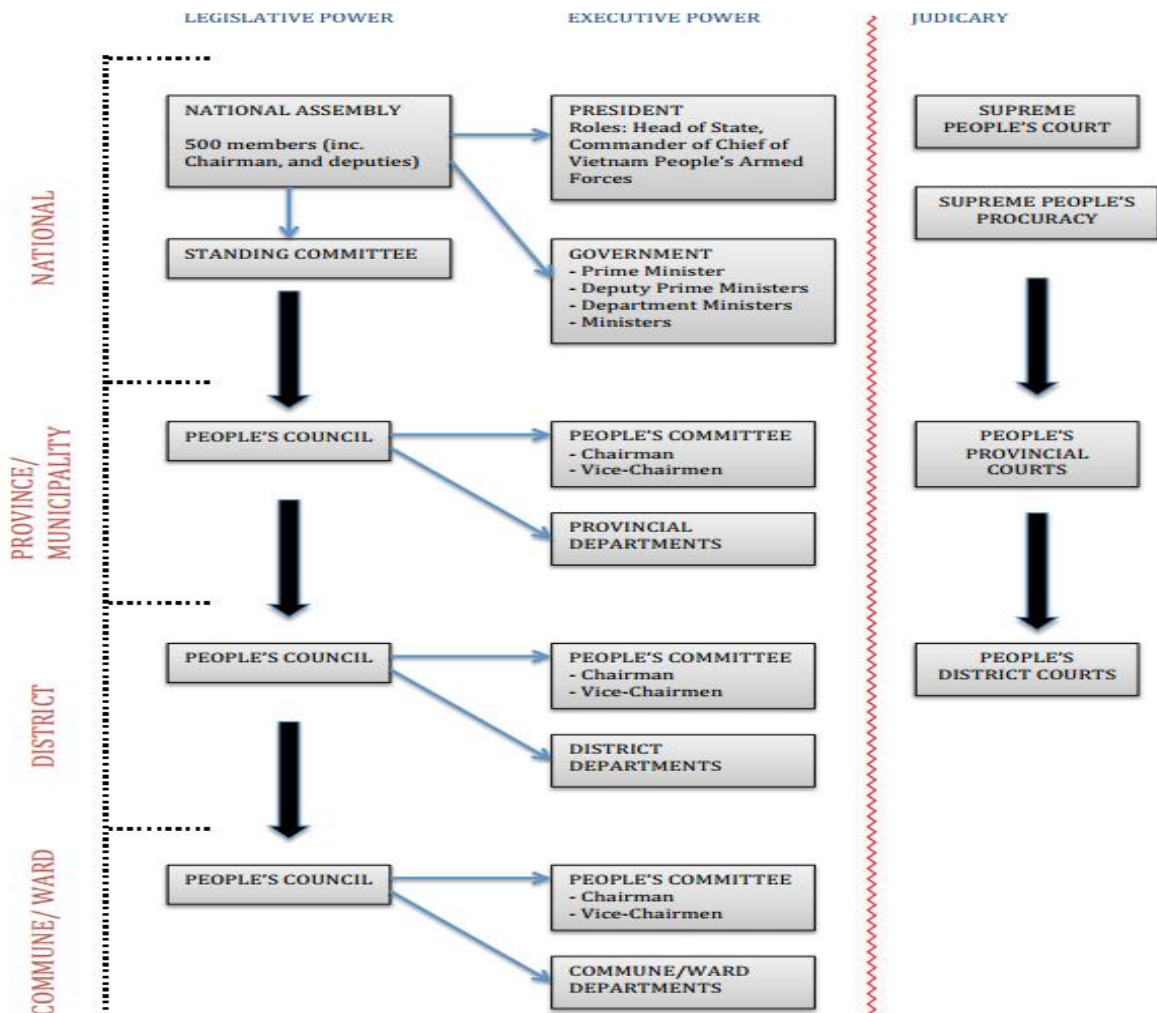
Eventually the war ended in 1976 and the two Vietnams were reunited. The Socialist Republic of Vietnam was born. It consisted of a single party system with a communist style government. Still to this day, Vietnam is being governed by the same party, called the Communist party of Vietnam. Its communistic roots are, however, slowly deteriorating as Vietnam is now in transition of becoming a developed country. In 1986 the communist party of Vietnam (CPV) introduced the Doi Moi, which were reform measures to stimulate economic growth through a focus on trade and industrialization. Then again in 1992, the new constitution was another large step away from the old communist beliefs. The new constitution formalized the ongoing free market reforms that were put in place during the 1980s, the National Council (NC, a ruling collective) was replaced by a president and a parliament of 395 electives was introduced.

Over the years Vietnam's political system has remained a one-party system, with the CPV in charge. The only political party that is allowed is the Communist party of Vietnam. Every five year there is a national congress in which 160 members choose the direction and political focus for the next five years. The parliament, which now consists of 500 members gathers twice every year to vote on important issues and make new laws (Consulate general of Vietnam, 2014).

### 3.3 Political and administrative system of Vietnam

In accordance with the philosophical framework of power called *trias politica*, as put forth by the French philosopher Charles de Montesquieu, the Vietnamese political structure has three distinct kinds of power. These three powers are identified as the legislative (1), the executive (2), and the judiciary power (3). The legislative power is represented by the National Assembly (NA), which is the parliament of Vietnam and contains of 500 members. The different people’s councils are the lower levels of the political system and elect the members of the National Assembly every 5 years. Also every five years, the National Assembly chooses the president, the prime minister and its cabinet. These people are part of the executive power and are the ones in charge of daily government affairs (Consulate general of Vietnam, 2014). The judicial power is not elected and is represented by judges that range from the Supreme Court to lower levels of people’s court. The picture below gives a representation of the political structure of Vietnam.

Figure 3.5.1. The political system of Vietnam



Source: Hayward, 2014

Although the system represents the division of power, and in theory promotes democratic decision making and preventing the dominance of one power, the actuality in Vietnam is that the Vietnamese Communist Party (VCP) influences all levels within the political system.

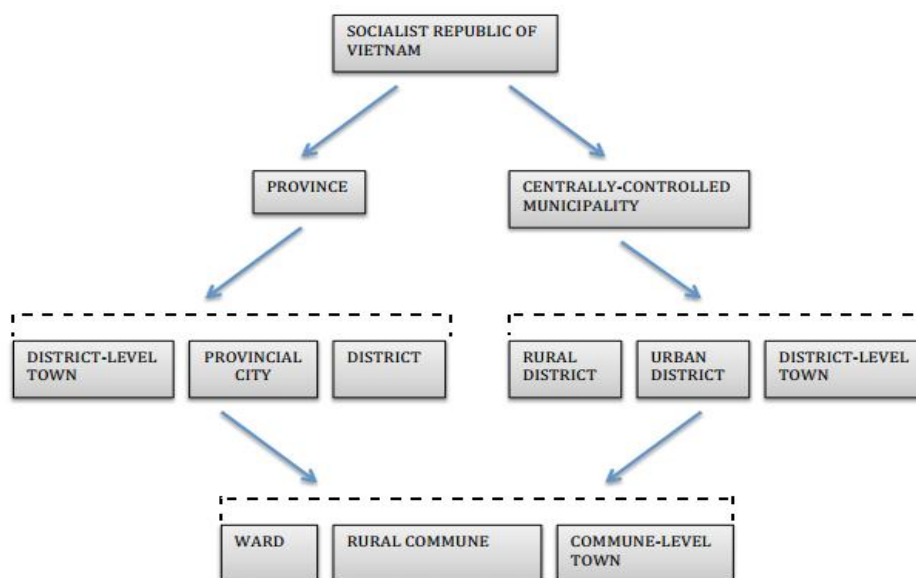
Generally the VCP decides upon all national policies and simply passes these on to the National Assembly. Close to 80% of the NA consists of VCP party members, so automatic approval is almost assumed. The NA should represent the general consensus among the national population. However only 4% (amounting around 3.6 million people) of the populace is member of the Communist Party. Therefore logically the NA seems to not equally represent the entire population of Vietnam, but rather that of most CPV members.

Also the VCP holds an influence over the judicial system. The VCP has an organization called the VFF, which stands for the Vietnamese Fatherland Front. This organization consists entirely out of party members and is present in all administrative levels. However generally viewed as merely symbolic, the role of the VFF is to monitor the executive and judicial power.

Common problems regarding a one-party system such as corruption and lack of openness and transparency exist in Vietnam. Vietnam has been trying to tackle these issues with new laws and reforms, the latest being the 2012 revision of the anti-corruption law. The success of these reforms are, as also admitted by the VCP, quite limited (Bloomberg News, 2014). However, supported by the ongoing economic growth the single top-down direction of the decision making process still works for Vietnam (WB, 2012).

Relating to the political structure, the order in which the spatial administrative units are build up represent the route in which top-down decisions are enforced from the highest to the lowest administrative unit. The next figure represents the administrative structure.

Figure 3.5.2. Administrative structure of Vietnam



Source: Hayward, 2014

Vietnam's administrative structure is quite clearly constructed. The national level is the highest level, followed by 58 provinces and five centrally controlled municipalities. The next layer are the districts, district level towns, and provincial cities. The municipalities are subdivided into rural and urban districts and also district level towns. The total amount of units at this level is 690.

At the lowest level of the administrative structure there are 11.066 units in total. As will be discussed in the chapter six, the Thua Thien Hue province will change its status to a centrally controlled municipality.

### **3.4 Urbanization in Vietnam**

Vietnam is within in a, what the World Bank describes, as a crucial period of urbanization (WB, 2012). This view is shared by the deputy prime minister of Vietnam who states “*Vietnam will have only one chance to get urbanization right. If we fail at urbanization, we will fail at industrialization and modernization*”. Deputy Prime Minister Nguyen Sinh Hung, speaking at the Vietnam National Urban Conference, November 6th-7th, 2009.

The statement displays the dedication of the Vietnamese to focus on urban expansion and general modernization towards their goal of being a fully developed country. The central government is stimulating major cities like Ho Chi Minh, Ha Noi, Da Nang and even the city of Hué to grow fast beyond its borders. The trend coincides with the general economic development of the country. Infrastructure and transportation modes are being developed to cater to a more efficient production of goods. A good example is the construction the national highway, connecting the major cities of Ha Noi, Da Nang and Ho Chi Minh. Also Da Nang in particular experiences the benefits of the deep sea port and the international airport. In Ho Chi Minh the construction of new infrastructure is used to upgrade low-income areas. And in Ha Noi large housing projects exist build especially for the urban poor and lower middle class income households (WB, 2015).

How urbanization takes place in Hué city will be further discussed in the remainder of the thesis.

### **3.5 Vietnamese land reform and land use rights system**

Given that the possession of land has a considerable amount of influence over the livelihoods strategies of Vietnamese people, land reforms in Vietnam have made important impacts. When looking at the Vietnam's history of land reforms three distinct phases can be distinguished. These are the collectivization of agrarian land (1) between the 1950s and 1970, the product contract system (2), also known as the *directive 100*, in the 1980s, and the phase where household allocation (3) of land became more important, stemming from 1988 land reform act and onward (Marsh *et al*, 2006).

During the first phase, the main use of agricultural land was done by collective farming initiatives. The government owned all the land and its produce was collectivized and redistributed among households, based on the number of family members. From the beginning of the 1980s the Vietnamese government changed their direction and had started to use a system called the *directive 100*. This system allowed the cooperatives to assign parcels of land to individual households. The

objective was to develop the agricultural sector by combining collective and individual farmers into an overall system. The Vietnamese government wanted to develop a 'family economy' where farmers had to sign a product contract stating that they are responsible for attaining to the assigned quotas. If the quota was met, farming households could sell the surplus on the open market. If the quota was not met, the households had to produce more the next year in order to compensate for the deficiency (Marsh *et al*, 2006).

After the introduction of the *Doi Moi* a new land law was constructed in 1988. This new law, also known as 'Resolution 10', focused on giving households greater space for selling and producing their products. It called for a huge de-collectivization of agricultural land. About 80 to 85% of all land had been reallocated for household use. From this moment and onward all new land reforms were focused on increasing the security of tenure and widening the rights of using the land. However, noted should be that officially, all land belonged to the state, as is still the case today. All land is owned by the state and the government acts on behalf of all the people of Vietnam (Marsh *et al*, 2006).

The new land law of 1993 made way for a new registration system. It meant the creation of more detailed maps of plots and further increased the level of tenure security by allowing people to have legal rights to transfer, inherit or mortgage land. This new system led to more efficient and better documented use of land rights. The transaction costs came down and plots could be allocated more efficiently. Before the new system, households living in the Red River Delta for example, owned about three to ten plots of land (Marsh *et al*, 2006). All were scattered around different locations. The land reform of 1993 involved a land consolidation (LC) act to reduce these kinds of fragmentation. Even though the level of land use rights was augmented and households had gotten a greater level of control over their own land, the Vietnamese government remained in tight control and allowed itself the power to appropriate land for all kinds of conversion projects, stimulating private sector involvement (Hansen, 2013). Although compensation schemes for households that lost their land, partly or whole, were set up, the value of land was decided by the government and did not reflect true market value. It affected both livelihood strategy as well as the level of resilience of households (Nguyen, 2014).

The subsequent land laws, meaning the reform acts of 2003 and of 2013, were only a small change with respect to the land law of 1993. Although the 2003 land law was made to reflect more the principles of the *Doi Moi* policies, regarding openness and transparency, the level of power of the Vietnamese government did not change. Tighter controls have been made to monitor land conversions, done by private companies. And the decision-making process in regard to the value appropriation of land and compensations schemes remains in firm hands of the Vietnamese government, giving little room for farmers to participate (Wells-Dang, 2013).

In Vietnam, and also in specific in Hué city, the debate about the appropriation of land and compensations schemes remains on the current agenda. However, emphasis should also be given to potential danger of allowing, at every step of the reforms, market forces to enter onto the land market. The new and currently ruling land law of 2013 allows again for even greater freedom in

the buying and selling of land use rights. This creates opportunities for development. Residential, commercial and industrial projects can be constructed more easily, leading to new possibilities for people to find new employment and change their livelihood strategies. However, low income and small farmer households are still in danger of enforced displacement. The danger of possible marginalization of landless poor is still very present (March *et al*, 2006).

According to also the World Bank (WB, 2012) the land market in Vietnam now displays huge issues in regard to governance and land management. The gap between the market price and the set price of land by the government is sometimes so big, that it causes large distortions onto the land market itself. The set price can sometimes be as high as 10 times lower compared to the market price. This so called two-priced system benefits developers, often state-owned, and also private investors. The artificially crafted devaluation of land can provide for significant gains, yet by undervaluing peoples most valuable asset, the Vietnamese government is, to an increasing extent, faced with land-related conflicts. It is a system that contributes to urban sprawl and is one of the leading causes for high infrastructure inefficiencies (WB, 2012).

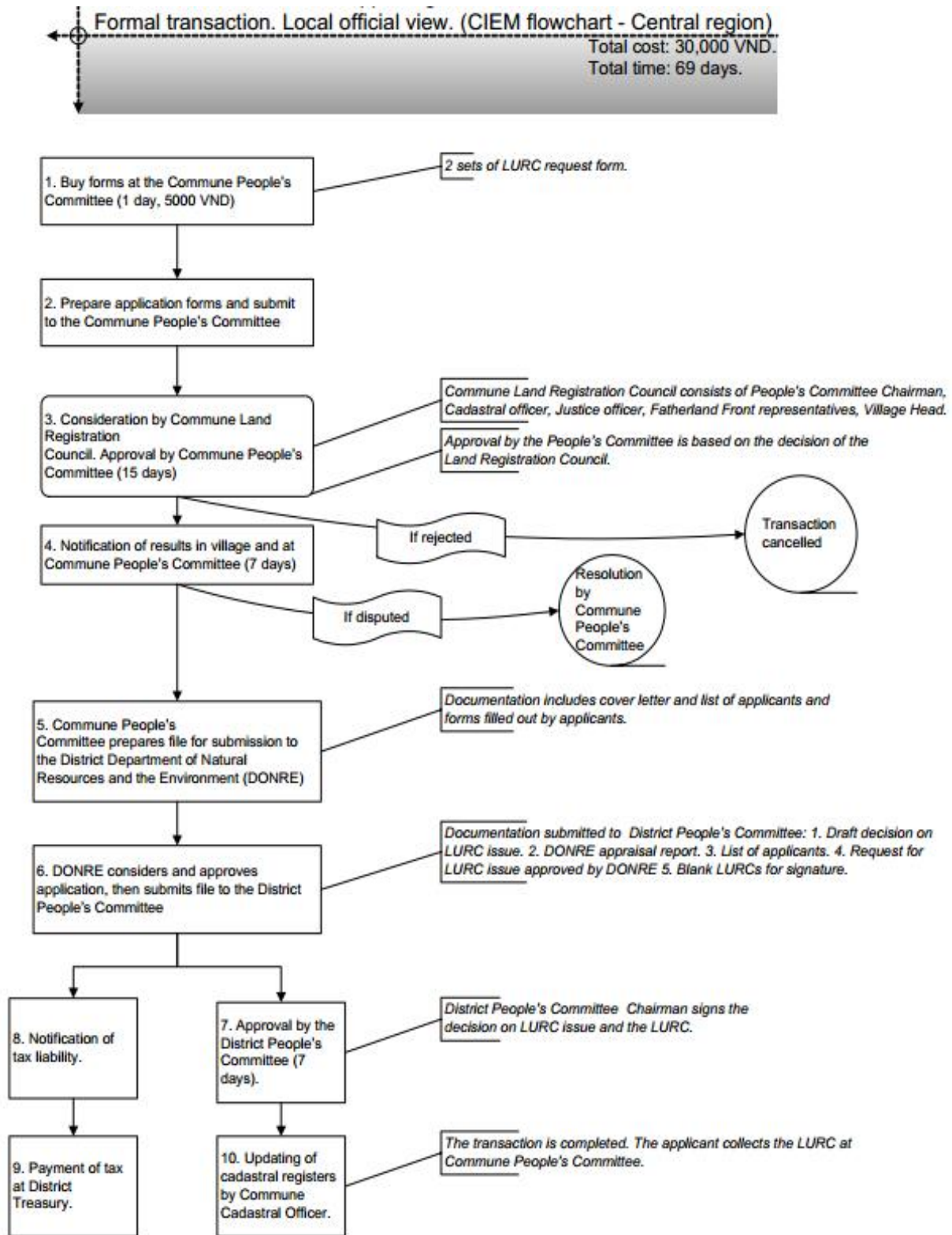
### **3.5 The acquisition of land in practice**

In practice, as of the agreement of the 2013 land laws, the buying and selling of land between households in Vietnam can be summed up in generally three steps. The first step (1) involves the signing of a reservation agreement. This legally links the buyer with the seller by contract. Possibly, at this step, a deposit needs to be paid. The second step (2), which is the most important one, is in regard to the due diligence. At this step the buyer needs to check the reliability of the seller. This can be done by looking at either the identification or registration certificate, which proofs that the seller is legally the one who can distribute the sub-lease to the land. At this step people usually use a lawyer, broker or any other kind of intermediate to sort out all the necessary documentations, such as a title certificate for the land, permission from the local planning authority, a possible building license and a relevant and trustable permission for the project.

For a precise overview on how the subsequent steps are played out between different layers of government a flow chart is presented on the next page. Here the route is displayed through of the necessary steps to enforce the regulations stemming from the land reform of 2013. After the request of to transfer lands has been approved by these institutions the last step involves a confirmation of the agreement (3) between buyers and the signing of the contract. When this is done, the buyer receives a Land Use Rights Certificate (LURC), which means that, from the moment of receiving the LURC until the end of the lease, the buyer is officially obligated to pay tax over the land to the Vietnamese government.



Figure 3.7.1. Flowchart of formal land transaction in Vietnam

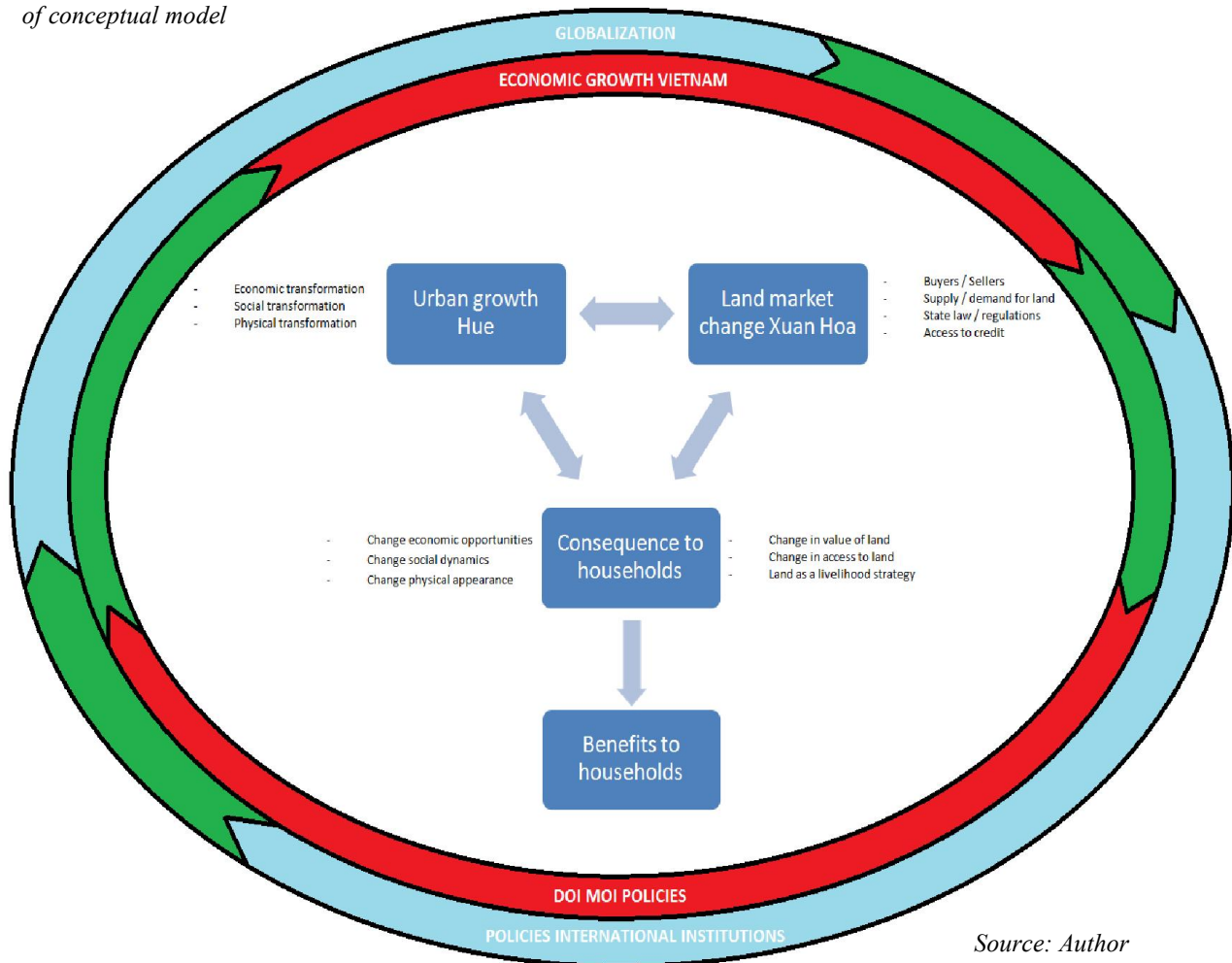


Source: Smith et al, 2007

## 4. CONCEPTUAL MODEL

Based on the theoretical and contextual framework a conceptual model has been made. This model represents all the variables that are under review within this research. The conceptual model is presented down below. The model takes into account the contextual framework, the theory and the initial goal of the research. A visual representation is made below.

Figure 4.1. Visual representation of conceptual model



The outer rings represent the contextual framework. It takes into context how the economy of Vietnam has progressed over the last 30 years. Due to the Doi Moi policies Vietnam has opened up its domestic market to the global market. Supported by international institutions, the economy of Vietnam has grown tremendously because of this change in view. A growth that still continues today. International institutions like the World Bank, the Asian Development Bank and others have continuously helped Vietnam in making policies that support economic growth. The increasing integration with the global economy causes people within Vietnam to become more affluent.

By focusing on improving local infrastructure and by creating sound environments for industry and commercial businesses Vietnam continues to attract foreign investments and also improves the situation for domestic businesses. The changing economic dynamics have an effect on all core aspects of this research. For instance, due to economic growth people have more income to spend on housing or the buying of land. Cities grow as people become wealthier. Municipalities often see opportunities to start up residential housing projects or improve the infrastructure to support further economic growth and attract more businesses.

From theory it is known that urban growth is accompanied by an economic, social and physical transformation. Through assessing data out of prior research and from data gotten out of interviews with local stakeholders, these three dimensions will be explained in full. Relating to each spatial scale, from city to village, the rural to urban transition process will be displayed. In doing so an answer will be gotten to sub question one and two.

Looking at the variable regarding the economic transformation, in practice this can be expressed in changes regarding the local economic structure, such as new businesses, new job opportunities, and the availability of different kinds of products prices. Using the method of semi-structured interviews with local households, the views of these households will be collected as a base for analyses and practical insight. In doing so the consequences and benefits derived can be extracted.

The same will be done in regard to the variables social and physical transformation. The social transformation has to do with an inflow of new people in a certain area. Especially in a peri-urban area this changes the local dynamic. Where formerly only people with a somewhat similar background were living in the locality, now more 'city folk', with a different level of income, education and values, flow into the peri-urban area. The physical transformation is in regard of the government work concerning new infrastructure and other modernizations.

All these changes, due to urban growth, can have an impact on the land market of a locality. For instance, people and businesses get more interested into the locality and causes the demand for land to go up. Also infrastructural improvements, often initiated by the government, can make a locality become more attractive and thereby increase the demand for land even more.

As the value of land increases, the level of access to land tends to decrease. To an increasing extent land becomes available to only those that reap the benefits of the economic growth in Vietnam. To the more vulnerable people, who are usually the original inhabitants of the peri-urban locality, see the selling of land as part of a livelihood strategy. However this strategy seems to be not very sustainable. By using semi-structured interviews with buyers and sellers of land and interviews with local stakeholders, a view of land market changes and current dynamics is gotten, providing an answer to the third sub question of this research.

From the afore explained variables, a picture can be painted of both consequences and benefits to a variety of local households, derived from the changing land market as well as the local developments due to the rural-to-urban conversion process, and thereby giving input to the fourth sub question. Furthermore an analyses between the theory and the findings can be presented.

## 5. METHODOLOGY AND DESIGN

---

This chapter is in regard to the methodology that is used in the gathering of data. First a description will be given of the specific type of research which has been done. From there the chapter will move on towards the discussion of the research methods. Then the general limitations and risks will then be discussed. The chapter will close with a time-planning and a discussion of the stages that have been necessary to conduct the full research.

### 5.1 Research design

The research conducted can be considered a qualitative research. The focus has been on explaining how the urban expansion of Hué has led to changes within the village and within the local land market of the village of Xuan Hoa. Emphasis has been placed on how these changes have affected households living in the village. The research aims to obtain a better understanding these local dynamics, and in this sense seeks to explain underlying processes and can thus be considered exploratory in nature. Also given that no real image exists of how various types of local households benefit from these change, confirms the exploratory approach of the research.

The further design of the research will involve a case study design (Bryman, 2008). The case in this matter being the village of Xuan Hoa. For this locality is chosen because of the high level of influence coming from the urban expansion of Hué, found in prior research (Nguyen *et al*, 2014; Nguyen, 2015c). Also good connections exist with the local village head, making access to information and people a lot easier. Preliminary data has already indicated that many residents are affected by government enforced land acquisitions and multiple urban construction works exist (Nguyen, 2015c).

Generally it is known that, in respect to a cases study design, there tend to be a problem in regard to the external validity. The outcome of the research will therefore not be generalizable beyond the borders of the village. However the findings will depict the dynamics that are at play within the a peri-urban area, making it indicative to similar areas and giving insights into the benefits derived from these processes to households living in similar peri-urban localities.

The empirical part of this research has been investigated by means of open in-depth interviews and semi-structured interviews. As is often the case in qualitative research, the open in-depth interviews are intended to provide an initial understanding on how the phenomenon of urbanization affects the local land market and to understand what urban processes are currently at play in the village.

The semi-structured interviews are used to understand what the consequences are of urban transition to local households and to see how, together with the changing land market, households can possibly benefit. Given that the third sub question is geared towards developments within the local land market, the research units were either buyers or sellers. The unit of analyses regarding the fourth sub question were household. By doing so the perspective of different varieties of households is gotten.

The main reason for choosing the technique of semi-structured interviews is because no fitting theoretical framework to assess household situation exist regarding the subject matter of this research. A survey cannot easily be created and would be too constricting. Emphasis lies on giving respondents the space to say what they want and allow for the possibility of constructing a narrative. In this sense the semi-structured interview method is considered the better option as opposed to a survey.

By way of strengthening the understanding of land market processes also two case studies regarding the functioning of the local land market have been made. These case studies will, in the form of a narrative, describe the route where the rights to use land is transferred from household to household (1), representing the way land use rights are being sold and bought among people. And the second case study will describe the route where land is transferred from a household directly to the state (2), representing the acquisition of land by the government.

Other possible routes of buying or selling land use rights have not been researched due to lack of specific cases. During the fieldwork no investors or developers were found participating on the local land market of Xuan Hoa. Also households have not yet been able to acquire land directly from the government. In terms of rent or a sub-lease of land also no representative cases exist. Therefor this side of the land market has not been researched.

Furthermore, internal validity is guaranteed by selecting those respondents who work or have to do with the local land market of Xuan Hoa. This will also meet the requirements for internal reliability. As the researcher will do both the interviews, observations and also the analysis, the inter-observer consistency (Bryman, 2008) can be called reliable. Besides, to further strengthen the internal validity, a training session was held in order to inform both the translator and the research assistant on the contents of the thesis and methods of research. The respondents for the in-depth open interviews have been selected by means of a preliminary investigation. This part will be explained in more detail in the subsequent paragraphs.

## **5.2 Collecting data**

As this research intends to show how the processes of urban expansion in Hué affect the local land market and household circumstances within the village of Xuan Hoa first a literature research has been done to see what is known already. To answer the first sub question, which is in regard to the general characteristics of the urban expansion of Hué, secondary data will be gotten from reviewing policy documents, academic articles, publications in the media and statistical data from previous research. In this way a general picture can be painted, setting the stage for further research to be conducted.

The second sub question is mainly descriptive in nature, meaning that interesting statistics such as the total amount of plots, average size of a plot, price per m<sup>2</sup>, and the change in these statistics over recent years will be investigated. Also maps will be shown displaying the current state of the land market. The secondary data has been mainly gotten from the local communal office and out of interviews with local officials.

The third, fourth sub question are in some regard more exploratory. Secondary data from statistical databases of the communal office of Thuy Van and also data gotten from the in-depth and semi-structured interviews will describe the changes on land market of Xuan Hoa and how the urbanization process has influenced local household circumstances. Furthermore, in getting a more elaborate view of the urban expansion of Hué and the land market of Xuan Hoa, open interviews have been held with relevant stakeholders such as the president of the communal office, the office statistician and an employee of the provincial Planning and Investment department. No brokers, lawyers or investors were found.

Unfortunately, due to limitation, only one government official from a higher echelon was willing to do an interview. Therefor only a limited view of the Hue city government's role can be given. The same accounts for the role of banks. Only one bank employee was willing to do an interviews. More on these limitations will be discussed in the paragraph 5.6.

Data from literature research, the open in-depth interviews, and out of other sources, gotten by answering previous sub questions, have been used as input for semi-structured interviews with households in regard to the fourth sub question. To get relevant information the respondents that have been be targeted are all land rights holders within the village of Xuan Hoa. More on the selection of these respondents will be presented in the next paragraph.

The fifth sub question, which is the last sub question to be answered and is in regard to how the findings can affect policy, will be based on a critical reflection of the data gotten. Here opportunities for local household will be analyzed and put into perspective using the academic debates described in the theoretical framework of this thesis. Departing from that point, advice for policy changes will be presented in order to augment the benefits for local households.

### **5.3 Selection methods**

For the sub questions two, three, and four, specific respondents have been selected. As mentioned before the respondents necessary for answering sub question two and three were relevant stakeholders, meaning people that have an influence on the land market and urban expansion processes. In order to get to these respondents the method of snowball sampling has been used (Bryman, 2008). Certain main organizations and central figures in the form of key informants, have been targeted.

First an interview was held with the local village head. Than the president of the communal office was interviewed. This interview led to various stakeholders outside of village domain. Unfortunately, due to limitations which will later be discussed, these stakeholders were not willing to do an interview. Only the communal office statistician was available for further questioning.

Other stakeholders, as described in theory, such as broker agencies, credit lending institutions and developers were either non-existent or beyond the borders of the, by local government approved, invitation letter. Those that could be interviewed have been asked for advice and direction on who to interview next.

To answer the fourth sub question households who have used the land market to either sell or buy land have been contacted and approached for semi-structured interviews. Noted should be that the selling and the buying of land needs to be viewed within the context of Vietnam's legal framework. This means that the buyer should be seen as the household that obtains a lease to the land from a LURC holder, who is either the government or another household

The seller is the household that holds a LURC obtained from the government, and is in the position to redistribute part or the whole of their land. Partly because of the non-existence, but also given that this research focuses mainly on the situation of the household, the seller in the sense of a private company has been disregarded. Also what can be seen as the rental market will not be used within this research. Preliminary research has shown that this market is close to non-existent within the research area.

In order to interview the most interesting households and be able to analyze the findings, certain categorizations, based on specific criteria, have been used. In this sense the method of selecting can be regarded as purposive sampling (Bryman, 2008). The main indicator that was used to first target the specific households was whether a household was either a seller or a buyer of a LURC. Besides this aspect, important was also that sale had been done within the last 10 years.

The timeframe of 10 years is chosen because research has shown that most urban construction activities have begun as of 2005. From that point in time and onward many households have engaged in either the selling or the buying of land use rights. Households that engage on the local land market are generally more prone to have a good look at local amenities. This factor made these households also the most interesting candidates to interview regarding the fourth sub question.

Regarding the analyses of the fourth sub question, a further subdivision of local households is made based on two indicators namely the length of residency in the village and local status. All households that have participated in the selling of land are long-time resident households and most buyer-households are newcomers. However within these group a stark difference can be seen between the more affluent and the less affluent. All of this has led to four distinct categories of households. Among them they differ in terms of views and in terms of benefits derived from local urban dynamics. A further description of the different household groups will be presented in chapter 8.

#### **5.4 Conducting the interviews**

The input for the open in-depth interviews have been gotten from data found in prior literature research. Questions were asked in regard to the urban growth of Hué city, the local land market and to what role the specific stakeholder plays concerning these matter. From this data a general overview has been painted.

Together with the input from theory a subject list was drawn to structure the interviews with local households. The subject list distinguished between four main subjects, being the economic, social, and physical transformation of the village and a part where respondents could answer to land

market related topics. The beginning of the interview was used to ask some defining variables such as the main source of income, name, age, seller/buyer, how much land they own and/or have sold, and how big their household is. An interview ended with summing up all the respondent's answers and a look at the general picture. This was done to confirm what the respondent had said before and give room to possible subjects not covered within the earlier stages of the interview. The final question was to turn the table, and give room to the respondent to ask a question. A more specific look at the subject list for the semi-structured interviews with local households can be found within appendix II.

## 5.5 Operationalization of the key concepts

To give a quick glance and understanding of jargon used in the research this paragraph depicts a list of key words and concepts, together with a small explanation of their definition. The list is as follows:

<i>Urbanization / urban growth:</i>	The expansion of an urban area.
<i>Peri-urban area:</i>	A locality situated close to an urban area, which is in the transition of becoming urban.
<i>Land markets:</i>	Set of institutions that govern the sale and lease of land.
<i>Land Use Rights Certificate (LURC)</i>	Documentation saying one is required to pay taxed in regards to the amount of land owned.
<i>Tenure system:</i>	The modus through which land is owned or held.
<i>Land lease:</i>	A form of transferring the rights to use land temporarily.
<i>Land sale:</i>	A form of transferring the rights to use land indefinitely.
<i>Land reform:</i>	A change of government policy in order to improve the access to land.

## 5.6 Limitations and risks

Looking at the field work done in Vietnam three main limitations can be seen. The first is the inexperience of the research with using a translator. Although a training session was held to inform both the research assistant as well as the participating translator, difficulties remained. Mostly these were in regard to making the subject of the thesis and methods to be used understandable. Due to a lack of English language skills, some questions, phrases or words had to be simplified. Especially during the first interviews some English words or phrases had to be explained in more detail. This led to some unintended giving of direction within the interviews. Later on this improved tremendously. The translator rapidly learn the subject related English words and the quality of the interviews progressed along the same lines.

Mentioned should also be that the use of a translator brings in some risk to the richness of the data. Rapidly asking follow up questions is a lot harder when answers have to be translated first. Because of this the flow of the interview is slow. This matter also brings the second limitation. Vietnamese people tend to speak only in rather vague terms in regard to their own opinions and views. They feel more save in uttering the opinion of 'the people', instead of their own believes. After the first



few interviews the translator had gotten more connected with what was interesting data for the research and often quickly asked about a respondents own beliefs. Only one time this resulted in an interview being cancelled. The line of questioning was thought to be too revealing for others to know.

The third limitation is in regard to the framework in which research was possible to conduct. In Vietnam a foreign researcher needs an *invitation letter* as a means to be able to interview interesting respondents. The letter is approved by the local government and the local host organization, in this case Hué University, and it relays a level of authenticity to the respondents. Unfortunately the invitation letter for this research was limited to only households, government officials and other possible respondents living or working within the borders of Xuan Hoa village. Stakeholders with offices outside of Xuan Hoa were not able to participate. Despite of this limitation attempts were made to interview some interesting departments, yet only two interesting stakeholders in Hué city were open to participate in an interview. The majority was not able or willing. The risk this matter brings is that the data to answer the first two sub questions can mainly be gotten from prior research and might therefor be outdated. Also, as district level committees and city department were not willing to hand over land market or urbanization related papers, the view on these matter remain limited to the views of the few stakeholder respondents and to what is already known.

In regard of possible biases within the data, regarding sub question three and four, clearly a gender bias is visible. Out of the thirty household interviews, 21 of these interviews were with men and only 9 with women. This is logical in the sense that, in most cases the man of house was the person who handled either the selling or the buying of land. Women tend to be less concerned with these matters. This bias is shown in the data by different answers in regard to, for example, what local amenities they deem important to their household.

## **5.7 Stages and general planning**

The total research consisted of five different phases. The first phase, the initial start-up, was about writing the research proposal and doing a preliminary research on relevant theoretical and contextual data. The second phase was already part of the active field work in Hué, Vietnam, and contained a period of acclimatization and laying-out the ground work for further research to be conducted, such as understanding legal procedures, mapping, gathering contact information and conducting open interviews with stakeholders. The third phase is in regard to data collection, using semi-structured interviews as its main method. This phase had to do with answering sub question three and four, and has focused specifically on targeting and extracting data from local households. After all primary data had been gotten an important period of reflection had begun. In this phase the data was assessed and an interim report was written. After the reflection period a few more interviews with households have been done in order to complete missing data. The last phase was about analyzing and reporting the field work. In this phase the actual thesis is written. Also the thesis has been handed in for review. After the review, modifications were made and a final version of the thesis has been handed in for final assessment in August.

## Findings

# 6. URBANISATION FROM HUÉ TO XUAN HOA VILLAGE

This chapter is dedicated to setting the scene for further analyses to be made in this thesis. Plans made at the national political level have stirred the city of Hué to develop a masterplan, addressing the national interest of general urban growth and progress. With the use of maps and data found within other research a picture will be drawn displaying Hue's urban expansion. Furthermore a look will be given towards how the urban growth affects peri-urban areas surrounding Hué city. In doing so the specific research area for fieldwork will be explained. This chapter aims to provide answers to sub question one and sub question two, regarding Hue's urban expansion and the impacts of this expansion on the village of Xuan Hoa.

### 6.1 Research location

The fieldwork for this thesis has been conducted within the border of the city of Hué, Vietnam. The city lies in the central region of the country between approximately 16°30'45''-16°24' degrees North latitude and 107°31'45''-107°38' degrees East longitude. About 20km from the coast and the South China Sea, the city lies at a distance of 1.060 km to the north of Ho Chi Minh and 670 km away from the nations' capital Ha Noi. The third largest city of Vietnam, Da Nang, is at around 100km away the closest large city in the area. Hue city is the current capital of the Thua Thien Hue Province and is supposed to replace the province administrative level between 2015 and 2020 (VE news, 2010). The city is about 70 km<sup>2</sup> in size.

Map 6.1.1. Map 1a, country of Vietnam. Map 1b, map of Thua Thien Hue Province. Map 1c, Map of Hué city



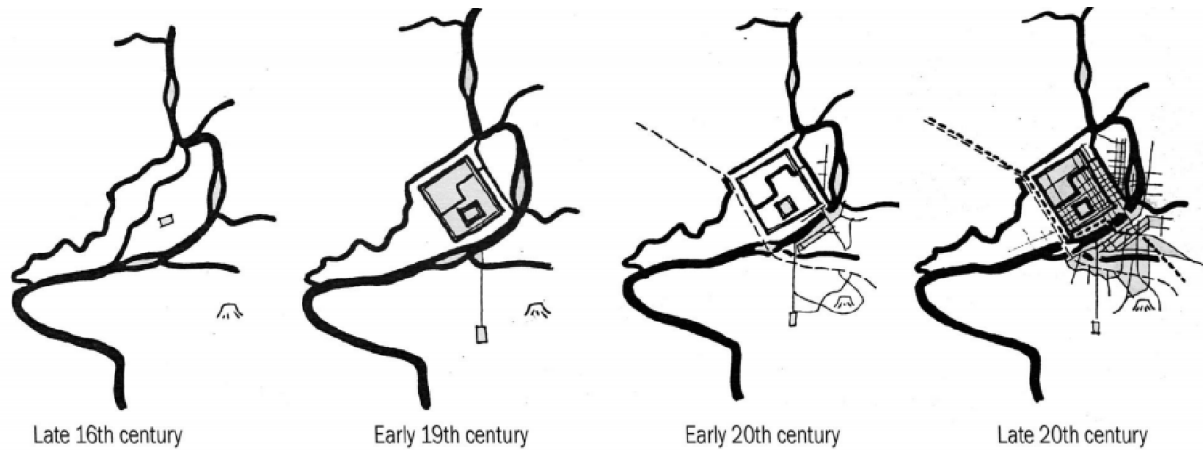
Source: Ngoc Tung, 2014

### 6.1 Development of Hué

The city of Hué has roots that go back to the year of 1558, when members of the Nguyen dynasty founded the city. Located close the geographical center of Vietnam it is of no surprise that the city was once at the heart of the cultural and political center of the country. From 1802 until 1945, when the Nguyen dynasty fell, Hue was the nations' capital. Stemming from this period in time many

cultural sightings still remain. Example are ample, such as pagodas, tombs and palaces which are part of the local landscape and are even in use today.

Figure 6.1.1. Historical representation of the development of Hué city



Source: Ngoc Tung, 2014

The city has grown gradually through time, together with its most important landmark, the Imperial City. This landmark and its near surroundings are often referred to as the “old city”. This city is actually a replica of the Forbidden City in Beijing. Damaged through wars, bullet holes are still visible, and threatened to be destroyed, the Vietnamese communist party saw it as a representative of a backward and exploitative culture, in the year 1993 the old city was declared a UNESCO World Heritage Site. The declaration by UNESCO led to a change in status of Hué city and the central Vietnamese government started to see the city’s economic potential. International tourism and the advantages of the East-West economic corridor between Thailand, Laos and Vietnam were seen as a great prospective for further integrating and promoting Vietnam and its people within the international community (Bui, 2009).

However, it was not until 2004 that the Vietnamese government started to really reflect their changed perspective within the province of Thua Thien Hue and the city of Hué. Parallel to the general idea of the *Doi Moi* policies, efforts were made to stimulate modernization and the urban expansion of the city of Hué.

A further impulse to the urbanization process came from a decision made during the 10<sup>th</sup> National Party Congress. On the 25<sup>th</sup> of May 2009 the CPV called for the province of Thue Thien Hue to become a centrally-led city as of 2020. In order to facilitate the change in the status of the province, conclusion No. 48-KL/TW aimed for Hué city to grow and become the core of the region (Ket luan so 48 – KL/TW, 2009).

In line with the decision made in 2009, now, the city of Hué has been given permission to grow from 71.68 km<sup>2</sup>, as was the size of Hué in 2012, to 348 km<sup>2</sup> by 2030. Equivalent to cities like Da Nang, Ha Noi and Ho Chi Minh state funding will be used to facilitate this urban expansion.

Although not all funding is provided from the central government. The determined ratio of funding lies at a division of 70/30. The central government provides 70 per cent and the local government provides 30 per cent of the funds.

To achieve the prospected urban growth the city government and the provincial government have, via a joint committee called the Hue People Committee, come up with the City's Master Plan 2030 and Vision 2050 (a visual representation of this plan can be found within the appendix of this thesis). The plans' main focus is to provide good quality infrastructure in order to attract new investors, businesses and people wanting to live in Hué.

The new infrastructure is aimed at connecting the surrounding satellite towns to Hué city and to providing a good initial environment to set up business parks, commercial areas and residential housing projects (Nguyen, 2015c). Most of these infrastructural project are set up within the surrounding rural land. Other projects of the masterplan are about improving the airport towards an international standard, improving the national roads in the vicinity of Hué and augmenting the local seaport (Thua Thien Hue People Committee, 2014).

In general the master plan is geared towards attracting new investments, tourists and providing real competition to the neighboring city of Da Nang. Criticism towards the master plan exist. Some villagers, mainly farmers, are disgruntled because they are forced to sell a part or the whole of their land to the local government at a very low value compared to market value. Even though compensation packages for loss of potential income and re-education exist, the compensation is generally thought of to be too low.

On the other side of the spectrum criticism exists towards the general plans of the central government. According to a staff employee of the provincial planning and investment department the plans are overly ambitious. The local government lacks the ability to provide for 30 per cent of the funds needed. Most of the financing needs to come from the selling of land to either businesses or to people. And currently, Hué is not attracting many investments and is losing out to competing Da Nang. The situation seems to lead to vicious cycle of lack of funds towards slow development, and from slow development to not being able to attract new investments.

## **6.2 Urbanization in Hué city**

Since the city's core could not be touched due to restrictions of the UNESCO World Heritage declaration, much of the urban development has taken place within the urban fringes of the city (Nguyen, 2013). Partly this is reflected in change of the number of urban wards the city has. Until 2006 Hué counted 18 urban wards and five peri-urban communes. This changed when the modernization and the urban expansion of Hué, stimulated by the national government, started to take effect. Now the city has 27 urban wards and no more peri-urban communes. The communes were all re-assigned to be part of the city.

Other aspects to which the urbanization of a city can be measured are variables such as population change and a change in population density (Ewing, 2008). Measured from as early as 2002, the

number of inhabitants has risen by a factor of 1.2. As can be seen in the table below Hué counted 304.688 inhabitants in 2002 and 346.070 inhabitants in 2012.

*Table 6.2.1. Trends of urban population growth in Hue*

<b>Year</b>	<b>Total (population)</b>	<b>Urban population</b>	<b>Urban v rural people (%)</b>	<b>Area (km<sup>2</sup>)</b>	<b>Population density (person/km<sup>2</sup>)</b>
2002	304.688	232.221	76.2	71.68	4.292
2004	314.233	251.072	79.9	71.68	4.426
2006	323.809	257.132	84.9	71.68	4.562
2008	332.947	300.577	90.3	71.68	4.691
2010	341.324	341.324	100	71.68	4.808
2012	346.070	346.070	100	71.68	4.828

*Source: Nguyen, 2015c*

Other cities such as Ho Chi Minh and Ha Noi are much bigger and have around 7 million inhabitants. Also the closest largest city to Hué, Da Nang, is with 973.000 inhabitants about three times bigger as Hué city. Yet in terms of population density, were also a rise is clearly noticeable over the years, Hué is unmatched by these much larger cities. Ha Noi, for example, has a population density of 2.059 people per km<sup>2</sup>. The number for Da Nang is 758 people per km<sup>2</sup> and that of Ho Chi Minh is 3.666 people per km<sup>2</sup> (Nguyen, 2015c). These larger cities resemble more the patterns of an uncontrolled urban sprawl (WB, 2012).

As the city of Hué also tries to attract more businesses by providing new infrastructure and facilities at the cost of rural, and mainly agrarian land, the economic structure of the city changes. The change is reflected by the influence of agriculture based businesses to the city's GDP. The portion of the agricultural sector is disappearing at the favor of businesses within the tertiary sector.

*Table 6.2.2. Share of Hue's GDP by sectors (%)*

<b>Sectors</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>
Tourism and service	67.1	68.6	69.1	69.4	70.2	71.0	71.2	72.7
Industry	31.2	29.7	29.3	29.1	28.5	27.9	27.9	26.8
Agriculture	1.7	1.7	1.6	1.5	1.3	1.1	0.9	0.5
Total	100	100	100	100	100	100	100	100

*Source: Nguyen, 2015c*

As can be seen from the table above both the industrial and agricultural sector are showing a decline. As the city develops more, the tourist and services sector are supplying a larger portion of the overall GDP. General annual GDP growth of Hué city is visible as well. Between 1996 and 2005 annual GDP showed a growth of approximately 9.5%. For the timeframe 2006-2010 this had

risen to around 14.2% per year and is also expected to remain at that level for the time period of 2011 – 2015 (Nguyen, 2015c).

Together with the change of the local economic structure, also the use of land in Hué is changing towards less space for agriculture. Already between 2011 and 2015 the amount land used for agrarian purposes has declined with 321 ha (Quyet Dinh 07/QĐ-UBND, 2014). This number is expected to decrease even further in the upcoming years as the demand for urban land continues to rise (Nguyen, 2015c).

### 6.3 Urbanization in the peri-urban areas

As has been mentioned before, most of the urban expansion projects take place in the areas surrounding Hué city. Former communities have been added to the city borders by re-assignment and by having a more direct connection to the main city via improved infrastructure. Prior research shows that there are nine localities that are in this stage of transformation towards becoming fully urban. As such, these localities display clear resemblance with what can be considered under the definition of *peri-urban*.

Similar to the general trends depicted in the previous paragraph these nine localities too show a rise in absolute population numbers and a decline of agricultural land (Nguyen, 2015a). As can be seen from the table to the right, especially Thuy Xuan, Phu Thuong and Xuan Phu show a very steep rise in population numbers. Interesting is also to note the total level of population change. In all the peri-urban areas combined, population numbers have risen with 80.5% within the time period of 2001 to 2013, a stark rise amounting to close to 65.000 more people living in these peri-urban localities.

Table 6.3.1. Development population peri-urban localities of Hué.

Locality / Year	2001	2009	2013
Vy Da	15509	19290	19309
Xuan Phu	10087	12761	13193
An Hoa	NA	9731	10677
Huong So	NA	7036	11380
An Dong	NA	15792	16316
An Tay	NA	6974	7383
Thuy Bieu	9201	9539	9853
Huong Long	9121	10154	10873
Thuy Xuan	9825	13233	14181
Phu Thuong	10727	14000	14240
Thuy Van	5685	6206	6458
Thuy Duong	10352	11144	11479
Total	80507	135860	145342

Source: Nguyen, 2015c

The research area for this thesis, however, is the commune of Thuy Van. Here also a rise in population numbers is visible, yet this is not the main reason for choosing Thuy Van and hence the village of Xuan Hoa as the prime research area. Besides the good connections with key stakeholders within the commune, as mentioned in the previous chapter, Thuy Van is interesting because most of the households affected by the local government enforced land acquisition live in this commune.

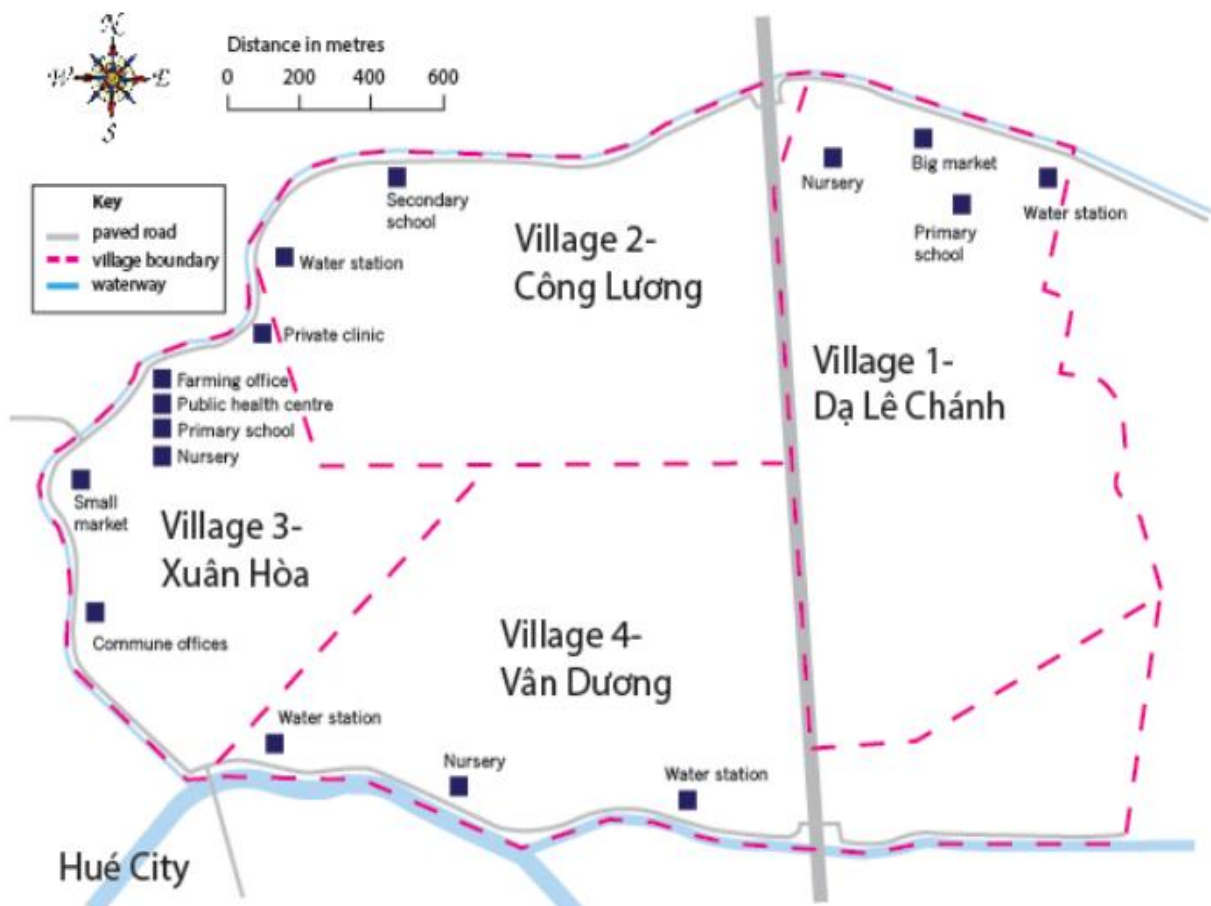
Given the second focal point of this research regarding the local land market, the land market of the commune is prone to effects coming from both general urban expansion activities to as well

the presence of the local government within the land market. According to prior research the local government has bought 99.5 hectares of land in this commune to re-issue and re-develop for urbanization purposes (Nguyen, 2015c). This amount of hectares is the second largest compared to other similar land sales within the peri-urban areas of Huế city. Among new schools and major infrastructural projects, such as a highway to the coast, are being developed within the commune of Thuy Van.

#### 6.4 Research area and the urban development

The commune of Thuy Van used to be an administrative sub-division of the Huong Thuy district-level town. However, as the city of Huế grows, the status of the commune has changed to that of an urban ward of the city of Huế. The commune is situated just northeast of the city and covers an area of 488 hectares or 4.88 km<sup>2</sup>. Latest statistics show that the commune counts 1.812 household and has a total population of 7.418 people.

Map 6.4.1. Overview of Thuy Van commune



Source: Hayward, 2014



The above map is that of Thuy Van commune and displays the division of four different villages. The waterways surrounding the commune act as a natural border and so does the circulating main road. The central area is traditionally the location which is maintained as farmland for rice cultivation, however now a big part of this land has been bought by the local government and is being redeveloped with new infrastructure and for residential purposes.

Similar to what can be described as the general trend in Hué city and within other peri-urban areas, agricultural land in the commune of Thuy Van is being used to supply to the demand of urban land. The table below shows the gradual decline of farmland as opposed to the land being used for residential purposes. Unfortunately no data in regard to 2014 is yet available, but a comparable development is to be expected.

Table 6.4.1. Development land use Thuy Van

Year	Agrarian land	Change	%	Residential land	Change	%	Total
2005	314	0	0	174	0	0	488
2008	297	-17	-5,4%	191	+17	+5,4%	488
2011	290	-7	-2,4%	198	+7	+2,4%	488
2014	NA	NA	NA	NA	NA	NA	488

Source: Communal Office Thuy Van

Major developments have been the allocation of residential plots and the north-south highway, where construction works started in 2005 and were finished by 2011. The construction for a west-east highway is already underway. This highway is supposed to connect Hué to Thuy Van through village number 3, Xuan Hoa. To cross the waterway and facilitate future traffic a new bridge is also currently being build. The developments are being displayed in the picture below.

Figure 6.4.1. Spatial view of main infrastructural works in Xuan Hoa



Source: Google Earth, 2013 and author.



Due to the close proximity of Xuan Hoa to the main city of Hue, the construction works currently being developed in the village, and the involvement of the government on the local land market, the village seems suitable to conduct further research and provide for meaningful answers to the remaining sub questions.

Similar to all the above spatial levels also in Xuan Hoa a rise in population levels can be seen. Data provided by the statistician of the local communal office shows a rise of inhabitants of 35.6%, measured between 2005 and 2014. Although no data about the village land use was available, the statistic regarding the main source of income of local household reflects the same trend of a declining involvement of agriculture.

Measured between 2008 and 2014 the number of households which have a form of agriculture as its main source of income has declined by 25%. Compared to the amount of household that do not have agricultural activity as its main source of income a rise of 63% can be seen (tables are presented in appendix IV).

Related to also the construction activities regarding the whole commune, most of projects within Xuan Hoa have started in 2005. The table to the rights gives a quick overview of all the projects initiated by the local government in Xuan Hoa. The funding for these projects are not entirely paid for by the local government of Hue city and the province. The cultural house for example, is co-funded by the government of Finland. Also the construction of the six concrete roads, in Vietnamese called *Kiêt*, are for 30 per cent co-funded by local household living alongside these roads.

*Table 6.4.2. Construction activity Xuan Hoa*

<b>Activity</b>	<b>Amount</b>	<b>Status</b>
Cultural hous	1	Pending
Resettlement	1	Finished
Concrete roa	6	Finished
Kindergarder	1	Finished
Highway	1	Pending
Gateway We	1	Pending

*Source: Communal Office Thuy Van*

Besides these construction projects, attention has been given to improving the electrical grid, the sanitation system and the availability of internet. These activities are part of the general plan to bring along modernization. They have resulted into a 20% rise of households connected to the electrical grid and a 303% rise of household with an internet connection. The statistics have been calculated within the time frame of 2005 - 2014. A more elaborate overview is presented within appendix IV.

In the subsequent chapters a closer look will be taken into how the local land market of Xuan Hoa is affected by these developments and to what extent the urban development projects impact onto the lives of local people living in Xuan Hoa village.

## 7. THE LOCAL LAND MARKET OF XUAN HOA VILLAGE

This chapter is dedicated at providing answers to the third sub question regarding the effects of the urban expansion on the local land market of Xuan Hoa village. First a representation will be given of the current status and the main characteristics of the local land market. Second the role of institutions will be explained, giving a more detailed look on how different levels of government play their part. Third the perspectives of local buyers and seller will be presented. Data is mainly gotten out of interviews with the communal office statistician, the president of the communal office, the head of the village and from interviews with 30 buyers and sellers. Noted should be that the terms ‘land sale’ and ‘buyers’ and ‘sellers’ have to be viewed within the framework of the Vietnamese land tenure system. A land sale is a reassignment of a LURC (Land Use Rights Certificate) in relation to the amount of m<sup>2</sup> bought or sold for a specific period of time, at least less than 50 years. Buyers and sellers are those who transfer the rights to use land. Buyers are obligated towards paying a tax regarding the amount of m<sup>2</sup> owned for the remaining years of the lease.

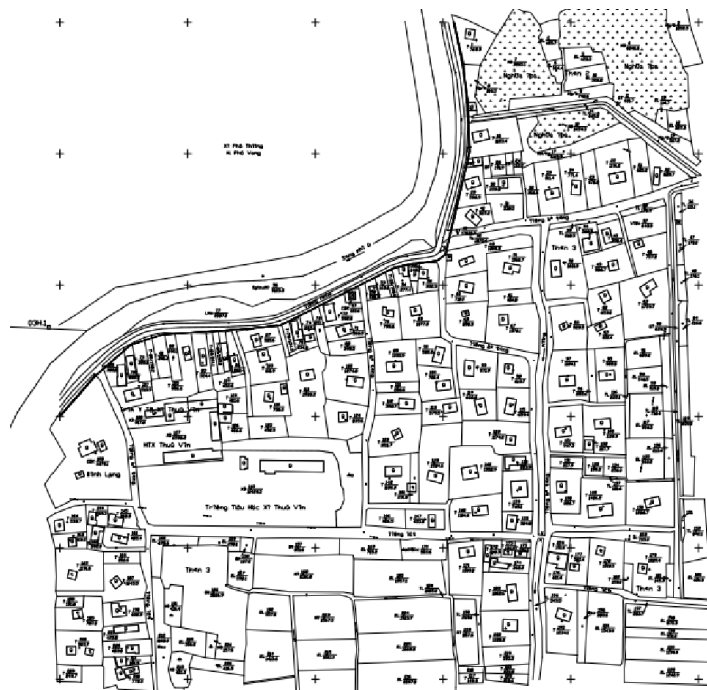
### 7.1 Xuan Hoa land market and its development

The current situation of the local land market is visually represented by the map to the right. The village is 125 hectares or, 1.25 km<sup>2</sup> in size. The plots of each individual household are the larger squares, the smaller ones represent the location of the house. Remarkable is that most of the smaller plots are located alongside the main road surrounding the whole commune. The plots that are at the back of the village are geared towards the center of the commune and are mostly of farmland.

Measured as of 2014, there are 680 plots of land in the village. The average plot size lies at 600 square meter. The largest plot is 2.300 square meter and the smallest one is

50 square meter. Due to changes within the last 10 years, a rise in population and new infrastructural works, these numbers have started to change. Measured from 2005 the number of plots has risen by 17%, meaning an absolute increase of 100 new plot. Given that the size of the

Map 7.1.1. Overview of plots in Xuan Hoa



Source: Communal Office Thuy Van

village has not changed, the statistic indicates that people have been selling parts of their land and that plots have become smaller in size.

The reason for why local people have started to sell parts of their land is not only because of government enforced land acquisitions. Coinciding with the population rise, also the value of land shows an upward motion, causing local people to be more prone on selling a part of their land. The change in land value is displayed in the table to the right.

*Table 7.1.1. Development average price per m2 of land in Xuan Hoa (x1000 VND)*

Year	Value per m2	Change %
2005	1.500	NA
2008	1.900	+26,7%
2011	2.200	+15,8%
2014	2.900	+31,8%

*Source: Communal Office Thuy Van*

Between 2005 and 2014 the value of land per m2 has nearly doubled to a 93% increase. According to the head of the village, ten years before 2005 the average price per m2 was around 200.000 VND (+/- 8 Euro) and has now risen to close to 5 million VND (+/- 200 Euro) per m2. Even though these figures are not supported by official data coming from the communal office, it does not deviate from the general trend of rising land values.

Unfortunately the communal office did not have data regarding the amount of sales in Xuan Hoa (not all land sales have to be registered at the local communal office but can also be done directly at the district office). However, the (former) president of the communal office does state that the office now manages a lot more plots of land now than before. Thereby implying towards an increase of government enforced acquisitions of land. As of 2005 the District People Committee (DPC), a committee put in charge by the Hue People Committee to facilitate the urban growth, has bought up a lot of plots in Xuan Hoa.

Also regarding the amount of land sales, the village head marks the year of 2007 as the year where the land market in Xuan Hoa had seen its highest rise. He says:

*“There were a lot of people who were looking for land here. The price was really the main focal point. There were many Vietnamese people that were working in other countries and were paying remittances to relatives. These relatives were asked to buy up land as a way of speculating on a higher price in the future. Yet after 2009, the market grew slowly. The price did not rise very much”.*

The current state of the land market is that, as of January 2015, no more land sales are allowed. In order to prevent the sale of land that could possibly be used for further infrastructural projects, the District office has ushered a stop on the distribution of LURCs. Also no date is insight for when land sales will be allowed again.

## **7.2 Role of institutions**

As has been shown by theory, the institutions that play a crucial role within a certain land market are the government, financial institutions, intermediates and governing laws regarding ownership rights and registration systems. During the field work phase for this thesis no intermediates, such as brokers or lawyers based in Xuan Hoa village, were found. Almost all respondents also say not

to have used such a person within the process of either the buying or the selling land. For these reasons the role of official intermediates will not be discussed.

Within influencing the land market of Xuan Hoa the biggest part is played by the District People Committee. An institution of the joint committee called Hue People Committee, set up by the city government and the provincial level government. The DPC is in charge of the buying and the

---

**BOX 7.1 Process of acquiring land by the DPC**

The way that the process of acquiring the land by the government goes is as follows:

- Land is designated by the DPC to be redeveloped
- Officials from the communal office come by your house and measure up the land that you have.
- The officials tell you that the DPC wants to buy your land and that there is a meeting in which all the people of whom the DPC wants to buy the land from are invited to come.
- Government officials put up a sign naming the plans of the DPC and informing the rest of villagers about the meeting.
- In the meeting the government officials explain why they want to collect the land and they set the general price point per m<sup>2</sup>. The meeting ends with the possibility for people to ask questions.
- Upon agreement to the DPC plans a compensation package for the loss of land is paid. Varying between villagers, 30.000 VND was paid per tree or bush, and 780.000 VND was paid per m<sup>2</sup>.

As this affected villager explains that refusal to cooperate at any step is an unwise decision, he says:

*“General rule is that if 60% of the villages agree to the plans, the plans will continue. Yet when you don’t agree with the plans and you do not want to move, the government will coerce you to go. It doesn’t happen very often, but if you refuse, the government will gather a counsel made out of villagers and officials from the communal office and they will decide on the best course of action. The usual outcome is that, when construction works begin, they simply push your house down. They just destroy the house. And after, life becomes even more difficult. You and your children will have difficulties in finding a job.”*

---

selling of land for redeveloping purposes. The acquired land is subsequently re-issued to different constructors, who are contracted for the development of urbanization projects such as the new west-east highway, the new bridge and the development of new residential plots. Land that is not yet being developed is put under the care of the local communal office. Yet the control still lies with the DPC.

Much criticism to the acquisition of land by the DPC exists. Most of the critique is geared towards the level of compensation villagers get. Generally this is thought of to be too low. The president of the communal office agrees with argument and says:

*“It [the forced acquisition of land] impacts the people very much. When a project like An Van Duong [name of the local urbanization project] began, people whose land was retaken for the urban expansion project were resettled in a Resettlement Area. However the land in these resettlement areas was already divided and the amount of compensation people got was usually smaller than the original market price these people could get. It has made it for people very difficult, their children will not have enough land to build a house and also not enough money to buy new land.*

*When agricultural land was retaken, especially for farmers it became very difficult to find a new job. In the future, people's life in the urban area of Thuy Van will be better, but for that to happen it will take a long time".*

The above quote already indicates other problems regarding the forced land acquisition. People are being required to move, are left with less land than before, are unable to buy new land and worry about what to leave their children to inherit. Similarly and to no surprise, local farmers are affected the most. They are forced to change the way they conduct their business, the remaining land is for example not large enough to dry rice or to produce large enough quantities for them to make profit. They need to find another line of work. These arguments are often being countered with the notion that the land people own is not really theirs, but rather of the people of Vietnam. Any compensation affected people get is merely a bonus.

The land that has been bought by the DPC and which is not used for redevelopment purposes will be sold off via an auction. The announcement for this auction has already been aired on television. Some villagers argue that the DPC, in the role of a seller of land, is a form of unfair competition. The DPC has the advantage to directly distribute a LURC, giving buyers a sense of security and also instant access to land in Xuan Hoa. Some of the villagers are worried this will lead to lower

---

#### **BOX 7.2 Process of transferring land between people**

In Xuan Hoa buyers and seller usually find each other via mutual acquaintances. This can either be through family members, friends, or via random people you meet in a coffee shop or a bar. On occasion sellers put up a sign stating they are looking for a buyer. Sometimes buyers have a general idea of where they want to live, approach the owner of the land and ask whether he or she is willing to sell some of the land. Out of one of the interviews with a seller a clear description was derived of the steps a sale of land usually goes through, he says,

*"In order to set the price for my land I looked at other people in the village that were also selling land. I talked with them and, based on my findings, I came up with a price per m2. I was not initially looking for selling some land, but a buyer came by and asked if he could buy some. The steps I undertook as a seller were as follows:*

- 1. You settle on the price: the buyer and the seller consult about the price of land. The seller proposes a price and the buyer discounts it a little.*
- 2. After reaching an agreement regarding the size, price and location, you fill out and make a copy of the government paper, popularly known as 'the red paper', regarding the land sale and of both ID cards. You give this to communal office.*
- 3. Coming from the communal office the people working for the land registry will conduct an investigation to complete all information necessary. They measure the land, and confirm the legality. If this is legal the president of the communal office will sign it off. [This step is now being done by the district office]*
- 4. The papers get send to the district office which check the sale in accordance to the provincial master plan.*
- 5. If all checks out the documents are send back and the buyer gets the LURC and is officially the one who pays tax over the land."*

From a buyers point of view you only have to help with filling out the red paper. The rest is done by the seller, the communal office and the district office. For the service provided by the government the buyer pays 0.25% of the total land sale price.

land values and more difficulties in connecting to a potential buyer. Up until now no such auction has taken place yet.

When people sell land between each other the process is mainly guarded by the communal office of Thuy Van and the district office. Officials of the land registry department of the communal office are the ones that facilitate the measurements and district office officials check whether all legal requirements are fulfilled. When the measurements are finished, the request to sell the land, also known as a *transfer document*, is forwarded to the district office where officials check if the land sale is in line with the general plans regarding the area. Also they conduct an investigation where they interview nearby neighbors, thereby legitimizing the ownership rights of the seller. When the transfer document is send back to the communal office the presidents signs off on the land sale.

The whole process, from the point where buyers and seller go to the communal office to the point where the land sale is final, takes about one to two months. Some of the respondents say that having good relations with an official in at least one of the two offices can help speed up the procedure. Also, people with such connections can be hired at a certain fee.

Coinciding with the changing status of the commune of Thuy Van, from a sub-division of the Huong Thuy district-level town to urban ward of Hué city, the role of the communal office has changed over the years as well. According to the president of the communal office, before, the office was allowed to do the investigation and land divisions itself. The district office was of no part within the procedure. Now every land sale or division needs to go through the district office. People can even choose whether or not they go directly to the district office and get the authorization from there.

Criticism to the above procedure of transferring land is close to non-existent. Only one buyer argued that having good relations within either government office is a form of nepotism. Another used an intermediary with good relations and was very pleased about the speed of the procedure. Most of the buyers and sellers interviewed refer to the procedure as ‘easy’ and ‘cheap’. Also the one to two month waiting period is generally not seen as a large obstacle. Rather it is the normal way of regulating and monitoring the local land tenure system.

### **7.3 Buyers and sellers perspectives**

During the field work phase 15 buyers and 15 sellers, living in Xuan Hoa village, were interviewed using a semi-structured technique. Among the subjects discussed were motivations for either buying or selling a plot of land in Xuan Hoa, three dimensions regarding the urbanization process, perspectives on procedures and roles of different institutions, and whether or not people were willing to buy or sell land in the near future, thus getting a sense of future prospect regarding possible changes within the land market, for instance speculation.

A more detailed picture of the respondents will be presented in the next chapter, however regarding this chapter, the emphasis will be on the position of the respondent within the land market, being either a seller or a buyer, and regarding the economic position of the respondent, whether or not a

respondent is affluent or less affluent. The position of the respondent within the land market is measured by determining whether or not a respondent has bought or sold a plot of land in Xuan Hoa within the last 10 years. The economic position of the respondent is measured by looking at the main source of income of the household.

Motivations among buyers for moving to Xuan Hoa are quite unanimous. Respondents talk about the amenities of the countryside, such as tranquility, spaciousness and an abundance of fresh air. Also the availability of relatively cheap land is quite an attraction. The possibility of acquiring land within the close vicinity of the city, mixed with the prospect of the village one day becoming part of the main city, makes for a sound investment.

Financing the land acquisition is in most cases done directly via money saved up beforehand. To those who are less affluent a loan from a bank is only rarely used. In most cases, when savings were not sufficient, money was loaned from a relative or a close friend. A bank is not the preferred method because of high costs and difficult regulations. However, the one buyer among the affluent group who did use a loan, describes the process of getting a loan as 'easy to do' and 'cheap'.

---

### **BOX 7.3 Getting a loan in Vietnam**

Based on an interview with an account manager of the Vietcom Bank, one of the top banks in Vietnam, the procedure of getting a loan goes as follows:

1. You come in and explain why you want a loan
2. Then you provide an ID card and a copy of the LURC or any other document provided by the government which explains what and how much you want to buy.
3. Now the level of income needs to be established in order to determine how much one can loan.
  - a. To determine how much one can loan first the income of all the members of the household is added together
  - b. A list of the kind of jobs of all household members needs to be provided.
  - c. After, the provider of the main source of income needs to present the amount of money made in the last 12 to 24 months. 12 months when one has a good job, 24 months when someone has a lesser job.
  - d. Then the bank employee takes a look at the standard living expenses of the household.
4. The above factors represent the variables on which a bank employee can give out a loan, how much this loan will be and what the interest is.
5. When mutual agreement is reached a contract is made and the loan will be transferred to the households account.

The level of interest depends, next to the level of household income and their expenses, on the current government system and the banking system. If the central bank has a low interest, it will be calculated into the interest of the loan. A good job in the view of the Vietcom bank is, generally speaking, when you're working for the Vietnamese government or a bank. These jobs are stable and provide a good level of income. The Vietcom Bank views a monthly income of 10 to 20 million VND (+/- 400-800 Euro) is viewed as good. Below 5 million VND (+/- 200 Euro) is bad and above 20 million VND is very good. The most important parameter though is stability of income. The account manager interviewed said that,

*"Even if one has a business with a high level of income, yet the income is very irregular, it will affect the amount of the loan and the level of the interest. Farmers, generally speaking, have no business with the Vietcom Bank. Their income is too low. They should rather go to the AgriBank."*

---

As with most banks, they tend to look at factors such as job security, stability and level of income. Reasons for selling a piece of land differ between having an immediate need for money or the opportunity of having some extra money to spend. The less affluent, usually whose main income comes from farming or construction work, decide to sell land when school tuitions need to be paid, or in order to pay for hospital bills, or to build a shrine for family members who recently passed away. The more affluent, those with stable jobs and incomes, do not have the same immediate need for money and mention the possibility of choosing ones neighbor or having some extra spending money as persuading reasons for selling a piece of their land.

As can be seen in the first paragraph of the chapter, the land market of Xuan Hoa is characterized by a rise in land value. Between the groups of buyers and sellers no real difference in terms of perspectives on why this happens can be found. All respondents point towards the infrastructural works and the improvement of city-like amenities, such as a good and reliable electrical grid, a good sanitation system and good quality roads, as the main reason for the increased land values. Though some difference can be found between the affluent and the less affluent. Those with more money to spend tend to talk about increased comfort levels, and those less affluent are mainly happy about the improved image and attractiveness of the village.

The inflow of new people is, due to increased perceived levels of competition among buyers, mentioned by some as value increasing. However, in practice a sale of land is usually between one buyer and one seller, who get into contact with each other via mutual acquaintances or by coincidence. No real room for competition is created, thereby limiting the effect of competition and making it, on a side note, understandable for why the DPC is eventually planning to hold an auction.

As the infrastructural works and other improvements done by the DPC are causing the perceived level of land value to rise, it is of no surprise that most respondents are quite happy with these changes. However, people do sympathies with the detrimental circumstances of local farmers, caused by these forced land acquisitions. Also the current stop on land sales is, by especially the less affluent, regarded as increasing insecurity and generally unwanted. People no longer have the ability to mediate sudden costs by selling a piece of land.

The general plans regarding the growth of Hué city and the prospect of the village one day becoming part of the city are generally met with enthusiasm. Only a few respondents mention being scared about possibly having more crime and losing the tranquility of the countryside. When they have the means to do so they would be prepared to move to another village, further away from the city. Most respondents, however, are not planning on moving towards another village. Either they are pleased with current developments and look forward to the future of Xuan Hoa, or do not have the means to move to another village.

Most respondents say they are not planning on either buying or selling more land in the near future in Xuan Hoa village. Those that are interested are usually the more affluent. Their motivation generally lies with providing their children with a piece of land to build a house or to have a bigger



plot to be divided between the children as a form of inheritance. Only one respondent mentioned to possibly buy a new plot because of the continuous increase of land value, and thereby betting on a future profit. However, she currently does not have the money to do so and only suggested it as a possible future project.

In the subsequent chapters a closer look will be taken into how the change within the local land market and the urban development projects of the DPC have impacted onto the lives of local households living in Xuan Hoa village.

## **8. HOUSEHOLD PERSPECTIVES ON DEVELOPMENTS IN XUAN HOA VILLAGE**

---

This chapter is in relation to the fourth sub question regarding the consequences and possible benefits to local households derived from changes within the village and the local land market. The chapter will begin by setting the stage for further analyses. First an explanation will be given of the framework in which different groups of households can be viewed. Further on, the consequences and benefits to households regarding three main dimensions of the urban transition process and the developments within the local land market will be discussed. The chapter closes with a discussion of household views on suggestions for further change and their views regarding the future prospect of the village.

### **8.1 Division of respondent households**

In analyzing the data of the interviews with local households a clear distinction can be viewed between households based on two main factors, namely length of residency in the village and local status. The length of residency has been measured by looking at whether or not a respondent household has lived in the village for more than 10 years. In 2005 most of the urban developments had begun. A difference in view is therefore a logical consequence when a household has not fully experienced the whole transformation up until now. The aspect of local status is measured by asking for the households' main source of income and by looking at the households' position within the village, meaning whether or not a household has a large plot of land and/or has a prominent position.

The division of respondent households has led to four distinct groups. Each group has been given a name in order to facilitate an easier discussion. The first two groups are the longtime residents of Xuan Hoa village and are further subdivided relating to local status. Those with good and stable jobs, such as for example a colonel within the provincial army, those with large plots of land, meaning equal to or greater than 1.000 m<sup>2</sup>, and with a prominent position in the village, such as the political head of the village, are put in the group labelled Local Elite Households, abbreviated to LEH. The other group of longtime resident households have their main source of income coming from agricultural activities or low level jobs such as for example security guard. Generally, households within this group have sold a large portion of their previously owned land already and now own less than 1.000m<sup>2</sup>. They live in traditional Vietnamese houses and are therefore labelled as Traditional Local Household, which is abbreviated to TLH. Next to the facts that all households are longtime residents in the village and that almost all are sellers of land, other similarities among the two groups of households exists. Both groups have household averaging six members and both are already in a later stage of life, meaning the children have already jobs or are close to finishing higher education. Furthermore, the average age of the households' head is 52 years old. The LEH group consists out of six respondent households, the TLH group consists of ten respondent households.

The households comprising the short time residents are subdivided according to the same indicators. The group of households labelled New Elite Households, abbreviated to NEH, consists out of a scientist working for a technological institute, a co-owner of a tourist travelling agency and a high end carpenter who has bought a very large piece of land. The group of households labelled New Urban Households, or NUH, have less stable jobs and sources of income. Examples are a tailor, a construction worker, or a coffee shop owner. The NUH group has generally bought smaller plots of land compared to the more affluent group, averaging 111m<sup>2</sup> bought compared to an average of 266m<sup>2</sup> bought by the NEH group. Similarities between the two groups of households are that both have bought land in Xuan Hoa between 2005 and 2015. Also their stage in life is quite similar, meaning households consist on average out of four members and the children are usually young and going to primary school. The NEH group consists out of three respondents, the NUH group consists of eleven respondents.

Further details about the differences and similarities regarding the interviewed households are to be found within the appendix IV, regarding the statistics.

### **8.3 Views on local economy**

Derived from theory three distinct dimension within the urban transition process are clearly visible. These dimensions have formed the basic structure for the interviews with each household, and will be used in a similar fashion to discuss the findings.

To begin with the discussion of the economic dimension. It represents a change the peri-urban locality goes through in regard to the level of job opportunities, local shops, services and other commercial amenities. Regarding the economic transformation a stark difference can be seen between those households that have moved to Xuan Hoa in the last 10 years and that of longtime resident households. Relatively new households are much more geared towards the city in terms of their shopping needs and need for services. For this reason they do not have good view on what has changed in regard to current commercial amenities. The NUH group does notice some new small grocery stores and new coffee shops. However, these are regarded as insufficient to meet their daily needs. One respondent says,

*Yeah well the people here they use it [local commercial amenities], but I normally go to the city to have a coffee there for example. [...] Normally I go to the city to buy the rice there. Because the people here, well, the quality of the rice here is not so good, it is usually rice as just raw material. So to buy rice I normally go to the city.*

NUH respondents mention they use local shops only to buy small items. Prices are thought of to be quite similar to shops in the city, yet shops lack in terms of quality and diversity of products. Some of the female respondents do notice a slight improvement in regards to products available within these local shops. Some better quality products are becoming more available locally, for example milk of the brand called Dutch Lady.

Household that are longtime resident of the village have a much better view on local commercial activities. Most see a clear increase of grocery shops and coffee shops over the last 10 years. However some mention that these shops remain underdeveloped and close down quickly due to an absence of customers. The more affluent households, the LEH group, are enthusiastic about the local commercial developments. They seem to be very willing to support these local shops and also actively use local services. One respondent says,

*“For example shoes, before people had to go to the city to buy shoes, but now they produce a lot here, that’s an example. Or before, we had to go the city to buy some grocery things, but now we just go down here and buy things like spices, clothes. [...] The economic development is quite strong. The people here they open up businesses like small food stores, internet shops or they do business with some big markets in the city like DONG BA market and An CUU market. But the main shops in the village are food stores and grocery shops”*

Both LEH and TLH groups see new and better quality services and products coming into the village. Examples are ample, new products are cooking oil, milk, electric fans and TVs. New services are high end carpentry, internet shops and motorbike repair shops. Both groups also see a slight increase in price, especially in regard to meat and vegetables. However, as some respondents mention, this has more to do with a general increase of living expenses. To the more affluent this is of no concern. And also the less affluent say the higher costs are easily mediated by

Photo 8.3.1. Grocery shop in Xuan Hoa



Source: Author

the paralleling increase in wages. Most benefit to both types of households is derived from the convenience of not having to go to the city for their shopping needs and need for services. As the new households are more geared towards the city, they do not see the full benefits of the local commercial amenities.

In terms of job opportunities in the village, especially the TLH group see new local possibilities to an increasing extent. Mostly to the benefit of the less affluent households, it has become easier in getting multiple low level jobs. Examples can be found within construction, the hospitality industry and small scale agricultural activities such as farming pigs and cultivating flowers for Têt holiday (Chinese New Year celebration). Furthermore some new job opportunities within the village for adolescents and young adult exist. Working as a nanny, for instance, has been mentioned as a good opportunity for young women. Other opportunities, however, lie mostly within the textile industry outside of the village. One respondents says,

*“Compared to ten years ago, now there are more job opportunities. This is because before there were only farming jobs, but now they chanced, they breed pigs and poultry in some breeding farm. The second change is that now they have services like two fishing restaurants VAN CHIEU QUAN and KHONG GIAN XANH, they also attract lots of customers.”*

Although difficulties remain for less affluent households in getting a well-paying and stable job, mainly due to the way the job market is structured. For instance, to get a good job a fee has to be paid to a broker of around 100 million VND (4.000 Euro). It causes the less affluent households to continue their focus on low level jobs with irregular incomes. A comment from one respondent out of the TLH group,

*“It is very difficult to find a job now, if you want to apply for government office you need to have a high education or to go to the factories you need to “pay” some money. Ten years ago, besides the work on the farm, you could do other jobs such as making a leaf hat, a ‘Non la’, or be a carpenter, but now that is difficult too. In general I feel that the level of income has gone down.”*

Similar to the view on local commercial amenities the NUH group and the NEH group do not look for job opportunities within the village. Their focus remains towards the city. Also the local affluent households, labelled LEH, rather look for a job outside the village. Apart from working for the communal office, only low level jobs are to be found within the village. Changes within the local job market do not benefit these households.

### **8.3 Transformation of social life**

The second urban transition is in regard to the changing social life of the village. As the village is being flooded with new households, coming from diverse localities, new values and different ways of living are introduced. In Xuan Hoa this is clearly noticeable. The stark contrast between the new

*Photo 8.3.2. Traditional Vietnamese house vs new city-like house*



*Source: Author*

city-like houses and the existing traditional Vietnamese houses already expresses a different lifestyle. Not all of the new houses are of the typical *tube*-style, but most do have the distinctive characteristics of having more than one floor, relatively narrow and turned towards the rear of the plot, gated, and with big square rooms as opposed to having a living space with small alcoves.

Especially the traditional local households (TLH) notice a difference between them and the new households. They describe the new households as those with high incomes, stable jobs and having a small and young family of maybe one or two children. The adults do not socialize a lot and are often much more preoccupied with their job, as opposed to enjoying life throughout the day. Only during special holidays, such as Têt holiday or a special day of worship, many are at home and join in with local festivities. Some villagers say they are not that happy with the inflow of new households. As one respondent from the TLH group says,

*“The new people are not very friendly. They go to work every day, they are used to their life in the city. They just go to work, then have dinner and go to bed. The new people are very different from the local people. They have a good job and a high salary.”*

However, the general view is that the new households are adapting well to the countryside lifestyle of Xuan Hoa. Especially positive is the high contribution of these new households to the budget for local parties and events. People are happy with the inflow of new households and see life in Xuan Hoa becoming more social. One respondent says,

*“Now there are more new people that come here. On the whole this started about 2/3 years ago until now. There are lots of people who come here to buy land and build a house. Most of these people are a couple or are small families. The new people are very friendly, they have the traditional character of the Vietnamese people. They want to live here, so they follow the local lifestyle.”*

In terms of specific benefit to the household of longtime residents both groups mention the aspect of more helping hand as very beneficial. Also having more friends and a richer social life is seen as a positive outcome. One respondent says,

*“We always help each other, especially when worshipping the spirits. And, for example, when there is a person who is sick or who passes over, everybody comes and helps, they all give something.”*

On the other side of the spectrum both the NUH and the NEH respondents talk about similar benefits and describe local people as very friendly and social. Local households are usually seen as big and derive their main source of income from a job within the village, usually farming. Some have mentioned the local people to be ‘united’.

In general, only a limited form of contact between the new and the longtime resident households exists. Examples are small talk or greeting each other upon passing. However, the degree of social relations among these groups, depends most on the line of job one has. If a job requires it to be home or in the village during the day, the respondent tends to speak very positive about their level of social relationships with local villagers. On the other hand, if a respondent has to work during



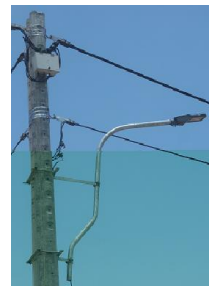
the day and has to be in the city a lot, social contact is usually only during festivities. Even though the limited contact with local households, many respondents see having good and plenty social connections in the village as beneficial to their household. One respondent out of the NUH group, for instance, sees the skill of being able to socialize with people of different cultural background as educative and praises his growing ability to adapt to other cultures.

### 8.5 Physical transformation of Xuan Hoa

The third urban transition to be discussed is regarding the physical transformation of Xuan Hoa. The dimension entails the discussion of tangible developments concerning new infrastructure, improvements of utilities and other visual changes within the peri-urban locality. As can be seen in chapter six, in Xuan Hoa many roads have been improved, from soil to concrete. Also a new highway and a new bridge are being built, and modernizations such as the improved electrical grid, the improved sanitation system and the increased level of internet access, have taken place.

To all respondent households the most striking and beneficial developments have been the improved roads, the new bridge and the new street lighting. All also mention the improved electrical grid, sanitation system and an improved level of internet access. Furthermore consensus among respondents exist regarding the change in landscape. Many plots, formerly used for agriculture, are now being converted for residential purposes and, as is especially mentioned by the longtime resident households, the local landscape is changing due to the construction of new, city-like houses.

Photo 8.3.3.  
New streetlight



Source: Author

All respondents are pleased with these developments and say they add to the comfort level and the beauty of the village. As one respondent within the TLH group says,

*“I see a lots of new roads and houses that are being built. We’ve already had an electrical and water system for a long time now, but also this is now better. The big roads make it easier to go to the city more quickly, it saves time for the people and also a lot more can be transported now.”*

Photo 8.3.4. Former streets vs new streets



Source: Author

Another respondent from the NUH group adds,

*“Yeah, well, when the system was down, now things are much better. For example, when the electrical system was down you had to go to the communal office and do some paper work. Only then they would start to change, for example, the lights.”*

To those with local businesses the developments are especially advantageous. For example, bigger trucks can now pass through the street and pick up new ornaments or bring chairs and tables for repair. The improved electrical grid allows for better machinery when making, for example, incense candles. Some respondents also mention the bigger roads as being a favorable condition for new and larger shops to come to Xuan Hoa.

Most households mention especially the concrete roads and the streetlights as adding to an increased level of safety and level of mobility. The former soil roads used have potholes, were damaging to motorbikes and, especially after heavy rains, were slowing down the speed of traffic. Now people can get around within the village, and also to the city, much easier and faster. The streetlights have increased visibility and safety at night, and also the improved electrical grid has made it possible for the streetlights to be always turned on at night. This used to only happen during special holidays and in the weekend.

Other benefits to households, especially mentioned by the new urban households (NUH), are in regard of the improved electrical grid and level of internet access. The electrical grid is beneficial to be able to use a computer, have a TV and use kitchen appliances. Also when the electricity is down it now only takes about 15 minutes to restore it. Respondents within the TLH group mention these benefits to a lesser extent. Internet access is seen as luxury and households are often not able to pay for a connection. Also some are scared of not being able to control their children in regard to their internet behavior. Advantageous is also that the price for electricity has come down a lot.

Overall, the respondent households agree that the improvements create good conditions for the future growth of the village. As all are content, criticism exists towards the speed of the developments. The NEH and the TLH argue that developments go too slow and that this is damaging to the image of the village and the position of local farmers. Some people are waiting for the government to finish their construction works so they can start repairing their house. Respondents within the LEH and the NUH are more reserved. They rather argue for faster construction and better conditions for those affected by government enforced land acquisitions.

## **8.6 Consequences of land market changes**

Similar to what has been discussed in the previous chapter, out of the analyses regarding different types of household the same picture emerges. The improvements of the infrastructure and the improvement of local utilities are the main cause for the perceived increase in land value. The image of the village is improving because of the rise in comfort levels. This is attracting a lot more people and, as a consequence, improves the position of especially the traditional local households (TLH) as a seller.



Respondents within the TLH group regard these developments as very favorable. It makes it easier for them to sell a piece of land and they earn a great deal more compared to before. The consequence of their decision to sell a part of their land is, however, often is not too much thought of. Some see the sale of land as a necessity to sustain their way of life. The consequence is that it leaves their household in a more vulnerable position than before. After land has been sold they find themselves less able to mediate sudden costs. One respondent within this group says,

*“Now there are many more houses in the village. For many houses local people have sold their land and built a house. Now they earn just enough money to support their life, there is no more money to save and build the house later.”*

The current halt on land transfers is, by especially the TLH group, met with feelings of insecurity. One respondent explains she is scared about not being able to use the sale of land to mediate sudden costs. Because of her irregular level of income, their main source is derived from farming, a loan is also not feasible. Being able to sell land was their only way of countering sudden changes. Adding to the feeling of insecurity is the issue that it remains unclear when land sales will be allowed again.

More insecurity is also caused by the District People Committee being a new competitor on the local land market. Traditional household respondents are scared the planned auction will lead towards lower land values, as local households will tend to compete with the government by asking a lower price per square meter. And, it is thought that potential buyers will rather want to buy land directly from the government, as this is more secure and a faster way of acquiring land. The current circumstance will put local households in a more precarious position toward the land market.

According to respondents within the NUH group, households coming from the city are more easily persuaded to buy a plot of land and build a house in Xuan Hoa because of the good price versus quality of life ratio. Both respondents from the NUH group, as well as from the NEH group, agree that the good local amenities provided by the government and the, relative to the city, low price of land, is a good investment for the future. A respondent says,

*“I think that everybody who is like me will all feel happy when Xuan Hoa will become the city. I think I am lucky when I had bought the land here, because that time the price was very cheap, with the price of land nowadays, you can't buy land like this.”*

As stated by some within these groups the village will continue to become more beautiful and comfortable to live, causing the value of land to rise, creating also a continuous inflow of similar households.

## **8.7 Future outlook**

Most of the households interviewed describe the future of Xuan Hoa as very positive and bright. Especially the new households are happy with the development of Xuan Hoa becoming part of the city and the city of Hué becoming better connected to the village. In their words it brings more ‘social life’, ‘busyness’ and ‘comfort’. The affluent local households (LEH) agree with this notion

and add that the local standard of living is clearly rising. Caution should be noted as some respondents within this group fear that the increased busyness will also lead to more crime. And also the advantageous of the countryside, the tranquility and the spaciousness, might diminish. However, most respondents agree that developments are going slow and not much change is expected in the near future.

When asked what changes respondents would like to see in the future most local household respondents focus on improvements regarding the level of education. According to them, local children should have the possibility of having good quality education close to their home. A big secondary school or even a department of Hué University would be a good addition to the village.

The new households tend to rather focus on future improvement regarding the level of commercial amenities in the village. Bigger roads and more streetlights should be made in order to attract bigger shops, like for instance the *Big C* (Thai supermarket chain). Also efforts should be made towards attracting big companies to settle in Xuan Hoa. Especially for the local youth, this should help them in finding good employment. Some of the new urban household (NUH) also plea for good schools and sufficient playgrounds. However, with their main focus being on the city, this is less of an issue.

In the next chapter a connection will be made between the findings written in chapter six through eight and the theory presented in chapter two. In this way a clear image can be shown of where theory out of prior research overlaps, and of how this study adds a nuance to prior knowledge.

## 9. A DISCUSSION OF FINDINGS

---

As mentioned in the introduction of the thesis, the findings of this research could possibly have implications to policy. Different layers of national government or even international organizations might be interested into the effects of urbanization and land market change onto different categories of households within a peri-urban area. By relating the findings presented in chapters six, seven and eight, to the theory presented in chapter two a nuance can be added to existing theory and certain problem areas can be appointed. The first paragraph of this chapter is concerning the urban dynamics, relating to different spatial units. The second paragraph is about developments within the local land market of Xuan Hoa. This chapter is geared at answering the fifth and final sub question of this thesis.

### 9.1 Urbanization from theory to practice

One of the overarching subjects within the research is the concept of peri-urbanization and peri-urban locality. As is explained by Marshall *et al* (2009) this is a space where people mostly commute, and which lies close to the city borders, much like a suburban area. This notion is regarded to reflect most the European style of a peri-urban locality, and not that of which can be found in Asia. The practice in Vietnam confirms this understanding and reflects much more to the definitions provided by Webster (2002) and McGee (1991). Xuan Hoa for instance is a locality in transition of becoming fully urban and is in that sense already much more connected to the city, rather than being a space of mere passing through. Furthermore, in Xuan Hoa and Thuy Van an emphasis lies on the development of infrastructure, the north-south and the east-west highway being examples. Also, as Thuy Van and Xuan Hoa still have much agricultural land, but as well have a growing number of city-like houses, a blurring or a crossing motion between the rural and urban landscape has come into existence.

Also interesting to this thesis are the effects of urbanization on the peri-urban locality. As described by mainly Cali *et al* (2013) and Simon *et al* (2004), but also lightly touched upon by Ewing (2008), changes in the local economic, social and physical fabric are clearly visible when a city expands. Simon *et al* (2004) and Ewing (2008) say that, due to a massive in-migration of people coming from the city, changes can be seen in regard to household size and the average age of the household. Both indicators tend to be lower compared to that of local households.

By looking at the respondent households' average size and the age of the head of the household, a similar picture is seen. The household size of newcomers is averaged at four members, as opposed to by the six members regarding the longtime local households. Also the average age of the head of household is different. For new households this lies between 34 and 39 and for the head of longtime local households this is 52 years of age. Indicating the new households are at a relatively earlier stage in life.

The inflow of new urban households would also be the cause for a clash of lifestyles, according to Simon *et al* (2004). However, as some respondents did mention the new households to be not very

social, unfriendly and too busy with work, the majority of the respondents are merely happy and welcome the new households. Most respondents reflect to this as the normal way of life and issues such as social segregation and exclusion seem to not be the case. Certainly one cannot speak of it being called a 'clash'.

Cali *et al* (2013) describe in regard to the economic structure several developments within the peri-urban locality. They refer to this as the economic rural-urban linkage effect. Some of these developments are also at play in Xuan Hoa. For instance in Xuan Hoa there is a similar change towards non-farm employment, meaning that now more jobs can be found within the construction and the hospitality sector as opposed to jobs in the agricultural sector. A second is that, as is described by the village head, remittances have in the recent past been used to buy up land in Xuan Hoa. And a third, due to the increased demand for urban land, rural land goes up in value.

The developments described by Cali *et al* (2013) that do not overlap with the findings have to do with a change in the price of consumption commodities. Respondents do mention a rise in the price of meat and vegetable, however this is not caused by more affluent households living in the village. Rather a general increase in living expenses and a rise in the price of pesticides is mentioned as the main reason. Also, due to better access to the urban market a change is visible in regard to the availability of more diverse and high quality products, buyable in the village. However, no lower prices for non-agricultural products have been mentioned. The price level of products is considered to be quite similar to that of the city.

The biggest problem within the urban transition of Xuan Hoa is situated in the local job market. As is especially mentioned by the local households, it has become easier to get a job or even to have multiple jobs. However, these jobs are merely low level jobs. Good and stable jobs remain unattainable to the less affluent households. Partly the problem here lies with the overall structure of the job market, which is, however, beyond the scope of the research. The fact remains that, as more farmers are being forcefully pulled out of agriculture, more jobs have to be created, be it either locally or in the city of Hué. Consequently anticipated should be an increase in commuters, but possibly the new highways and the new bridge will suffice.

## **9.2 Developments within the local land market of Xuan Hoa**

Wallace *et al* (2009) has an interesting insight into how a land market can develop. They describe five stages of growth, based a continuously increase role played by marketing and the view of land as a commodity. By assessing these stages in regard to the land market of Xuan Hoa, concluded can be that the aspect of marketing is still of low importance and that supply-and-demand economics are only just starting to play a part. Most of the households that have bought a piece of land in Xuan Hoa say they have heard of the village only via relatives or acquaintances. Also the connection to a possible seller is made in a similar way, leaving out the role of broker or other kinds of intermediates and even the necessity of marketing. In this sense the stage in which the land market of Xuan currently exists in is between stage three and four (Wallace *et al*, 2009).

Possible effects on the land market are put forth by Palmer (2009). He states that supply-and-demand economics start to play a more significant role as the peri-urban locality becomes into closer contact with the city. The demand for land is increasingly shaped by factors such as population growth, an increase in purchasing power, a greater access to credit, and locational factors such as the proximity to the city (Palmer *et al*, 2009).

The population growth, the increase in purchasing power and the attraction of locational factors are clearly visible within the findings of this thesis. For instance, in Hué the population growth has been especially geared towards the growth within peri-urban localities surrounding the city. As such the commune of Thuy Van and also Xuan Hoa village show an inflow of new people, mainly coming from the city. Also as land is getting more expensive in the city, the relatively cheap land available in Xuan Hoa is increasingly interesting to those with good purchasing powers. The new urban households are generally thought of to be more affluent than the local households. And third, the proximity to the city has been mentioned by many respondent as an attractive pull factor.

Other effects on the land market can be caused by actions of the government. They can, for instance, stimulate the demand for urban land by making favorable property taxes, zoning regulations and the construction of infrastructure (Palmer *et al*, 2009). Especially the latter is in Xuan Hoa clearly the case. The government is investing in improving the infrastructure in order to attract new buyers, be it in the form of businesses or new households.

Stimulating the supply of land can be done by the government as well. For example by making it administratively easier to merge or separate land (Palmer *et al*, 2009). In the past, this has been done in Vietnam on the national level. At every new land reform buyers and sellers were given more rights and registration systems improved alongside as well. However, currently in Xuan Hoa the government has put a stop on the distribution of land use rights certificates, making land in essence a form of *dead capital* (DeSoto, 2000) and also showing the consequences of state ownership land tenure system as is practiced in Vietnam.

This new regulation seems to possibly have a damaging effect on the level of resilience of especially the less affluent households. Due to the strong in-migration of more affluent households and a rise in land value, less affluent households have increasingly seen the selling of land as a way to mediate sudden costs and even see it as part of a viable livelihood strategy. According to DeSoto (2000) this view is potentially disastrous to these households. Because, once they sell their land, the households' level of resilience lowers. In this sense, DeSoto would probably see the stop on LURCs as a positive measure. However, as less affluent households already face difficulties in acquiring credit from banks, as is also explained by Palmer *et al* (2009), less affluent households are put in a more precarious position by the ushered stop on LURCs. It causes feelings of insecurity and concern about when land can be sold again. It certainly seems a valid point of attention for future policy decisions.

The next chapter is the last of this thesis. Here the answers to the sub questions will be summarized and an answer to the main research question is given.

## 10. CONCLUSION

---

The final chapter of this thesis, the conclusion. In this chapter a small review will be given of the finding, corresponding to each sub question discussed in this thesis. The findings are summarized and to each sub question an answer will be provided in the form of a conclusion. By doing so the chapter will return to the main research question, as has been posted in the introduction of this thesis and give a final statement. After the main research question has been answered, the chapter and the thesis as well, will end with a small postulation regarding new angles for further research.

### 10.1 Answering the research question

To begin with sub question one, regarding the main characteristics of the urbanization of Hué city. Data to this question mainly comes from prior research and government documentation regarding the urban growth of Hué. The findings show that the growth of city is mainly stimulated from a national government decision. Partly due to the cultural status gotten by the UNESCO world heritage foundation, but also stemming from national pressures to focus on economic growth, modernization and a closer connection to the global community, the city of Hué has been mandated to grow in size to approximately 348 km<sup>2</sup>.

As the center of Hue cannot sufficiently be touched, mainly because of its cultural heritage status, the urban growth is directed toward the outer fringes of Hué city. Consequently, within these localities, the main population growth, the conversion of agricultural land to residential land and the construction and improvement of infrastructure can be seen. Geared at improving the competitive advantage of Hué over that of neighboring Da Nang, the city of Hué is actively trying to attract new residents and businesses. However, progress is slow and new initiatives have to be undertaken in order to provide for the wanted urban growth.

Leading on to the second sub question, a similar picture, yet in regard to lower spatial units, can be seen. Also in the commune of Thuy Van and the village of Xuan Hoa the conversion of once agricultural land to now residential space is clearly noticeable. Furthermore, population numbers have also increased. As the in-migration of households, mainly coming from the city, develops, the village of Xuan Hoa progresses along the same line. The most visible aspect being the construction of new infrastructure and that of new, city-like houses. Additionally, signs of modernity are manifesting itself in the village. Households are increasingly connected to the local electrical grid and the internet. The government is actively improving local amenities such as the sanitation system, the electrical grid and the quality of local roads known as *kiết*.

These developments have not gone unnoticed by households living in the city. The attractiveness and the image of the village is improving, causing land values to rise. Pull factors such as the improved attractiveness, but also the continuously closer position of the village to the main city and the prospect of the village one day becoming the city, are adding to pressures on the local land market. Similarly, the push factor of high land prices in the city raises buyers' willingness to move to a peri-urban locality such as Xuan Hoa, increasing its popularity even more. In this way the

urban expansion of Hué city and its influence to the urban transition of Xuan Hoa village are impacting the local land market of the village, hence providing an answer to sub question three.

Catering to sub question four, most households report to be quite pleased with the development of the village and its influence on the local land market. They see a general increase in standard of living and describe the future of the village mainly as being bright. Nevertheless, a nuance can be made in regard to the consequences and the extent of benefit derived to different kinds of local households. Data found during semi-structured interviews with these households in Xuan Hoa suggest that especially the less affluent and longtime resident households are impacted the most by the consequences of the local urban transition. For instance, regarding the local economic structure, a change is noticeable in the provision of local job opportunities. Respondents mention a shift from jobs within the agricultural sector to jobs within construction and the hospitality sector. As other types of households rather tend to focus on job market of city, consequences to them are a lot less.

Similarly local longtime households have a keener view on changes in regard to local commercial amenities. As the urban transition unfolds, more grocery shops and coffee shops settle in the village. Also more diverse and high quality products become available, partly due to the improved connection to the city. New urban households, however, remain more geared towards the city and rather go there for their main shopping needs. They are mostly unaware of the local commercial amenities.

As the inflow of new urban households continues in Xuan Hoa, a change in the social fabric is partly visible. The new, urban style houses already seem to suggest a different lifestyle and, compared between especially the new urban households and the local traditional household a stark difference in lifestyle can also be seen. Examples are that most new households tend to have employment in the city, generally have a higher level of income and that their life tends to be focused more around work and education. However, one cannot speak of a clash of cultures, such as suggested in theory (Simon *et al*, 2004). Most new households adapt well to the countryside lifestyle of Xuan Hoa and participate during special holidays and days of worship. Beneficial to the village in this regard, is that most new households seem to contribute more money towards the funding of parties and local events.

In regard to the physical changes of Xuan Hoa, all respondent households experience the consequences and benefits of these developments. A consequence is, for example, the improved connection to the city and also to its amenities. Benefits are that these amenities are more easily accessible. Also people are now able to use a motorbike and can travel faster and safer, all due to the improved roads. Additionally the new and improved streetlights, as mentioned by respondents, cause for more saver driving at night time. The locally more affluent and the new urban households tend to use more electrical devices, such as a TV, a computer or kitchen appliances. Logically therefor the improved electrical grid and access to internet seem to benefit them the most.

The traditional local households seem to benefit most of the opportunity in getting multiple jobs outside of agriculture. Being able to get multiple jobs is good for the households' income. More

members can get a job, thereby increasing the stability of household income. And the improved electrical grid is advantageous too. Especially to those with local businesses, for they can now use higher powered electrical machinery.

In terms of benefits coming from developments on the local land market logically the higher price for land is beneficial to all households that hold land in Xuan Hoa Village. However, also a word of caution is in order regarding the consequences of these developments. As the government acquires more land and converts these to residential space, most advantage goes to the position of the buyer. Buying land from the government is generally faster and easier to do, compared to buying land from local sellers. The consequence is that local sellers need to possibly lower their price in order to be competitive. As most of these households are already put into a precarious position by the current stop on the distribution of land use rights certificates, their level of resilience is lowered even further.

In relation to the main research question, concluded can be that most real benefit goes to those households that can afford to buy land in Xuan Hoa and make use out of the modernities brought forth by infrastructural improvement. Among new households low awareness exists about local amenities and these households remain strongly connected to the city. The households already living in the village benefit too, mainly of higher value of land, the new job opportunities and the increased connectedness to the main city. However, these advantages are merely beneficial to the extent governing institutions allow them to be.

## **10.2 Suggestions for further research**

Within this research proven has been that the local economic structure is changing due to the rural-to-urban transition of the locality. In doing so, opportunities for local business seem to increase. However, as the new and more affluent households remain geared towards the commercial amenities of the city, interesting would be to research what factors would make local businesses more attractive to this new audience. There seems to be a disparity between the perceived quality of local products and services, and that of the city. Partly the lack of diversity in products available might be an explanatory factor. However, the group of households labelled the Local Elite Households seem to speak very highly of the quality of local services and products. Further research into this issue might be beneficial to the local economic development of localities such as Xuan Hoa, and might also help the city of Hué in attracting more business.

Another suggestion has to do with reviewing the structure of the Vietnamese job market. Although not entirely related to the circumstances of a peri-urban locality, interesting would be to look further into the effects of brokers. The amount of money that needs to be paid in order to secure a good and stable job seems to act as a significant barrier, causing especially the less affluent to remain in precarious position with close to no sights of improvement. Unclear remained whether the 100 million VND, as has been mentioned by respondents, had to be paid as a form of bribe. However, interesting might be to investigate this matter in further depth.



## REFERENCES

---

- Barslund, M., Tarp, F. (2007). *Formal and Informal Rural Credit in Four Provinces of Vietnam*. Department of Economics, University of Copenhagen: Copenhagen.
- Bryman, A. (2008). *Social Research Methods*. Oxford University Press: Oxford. Third Edition
- Bui, D.T. (2009). *Tourism Industry Responses to the Rise of Sustainable Tourism and Related Environmental Policy Initiatives: The Case of Hue City, Vietnam*. PhD Dissertation, Auckland University of Technology, Auckland.
- Berube, A., & Forman, B. (2002). *Living on the Edge: Decentralization within Cities in the 1990s*. Brookings Institution: Washington DC.
- Bloomberg News (2014). *Vietnam Falling Short in Tackling Corruption, Says Party Chief*. Bloomberg News. Available at: <http://www.bloomberg.com/news/2014-05-06/vietnam-falling-short-in-tackling-corruption-says-party-chief.html> (Accessed 29-12-2014)
- Cali, M., Menon, C., (2013). *Does Urbanization Affect Rural Poverty? Evidence from Indian Districts*. *The World Bank Economic Review*, 27 (2), 171-201.
- CIA (2014). Country profile South East Asia: *Vietnam*. Available at: <https://www.cia.gov/library/publications/the-world-factbook/geos/vm.html> (Accessed 28-12-2014)
- Consulate General of Vietnam (2014). *Constitution and political system*. Consulate General of Vietnam in Houston. Available at: <http://vietnamconsulateinhouston.org/en/constitution-and-political-system/political-system> (Accessed 28-12-2014)
- Dale, P., Mahony, R., Maclaren, R. (2006). *Land markets and the modern economy*. Royal institution of Chartered Surveyors: London.
- De Soto, H. (2000). *The Mystery of Capital: Why Capitalism Triumphs in the West and Fails Everywhere Else*. Black Swan: London.
- Deininger, K., Songqing, J. (2008). *Land sales and rental markets in transition: Evidence from rural Vietnam*. *Oxford Bulletin of Economics and Statistics*, 70 (1), 67-101.
- DiGregorio, M. (2011). *Into the land rush: facing the urban transition in Hanoi's Western suburbs*. *International development planning review*, 33 (3), 293-319.
- Dowall, D. (1993). *Establishing urban land markets in the People's Republic of China*. *Journal of American planning Association*, 59 (2), 182-192.
- Duong, P.B. (2013). *Reviewing the development of rural finance in Vietnam*. *Journal of Economics and Development* 15 (1), 121-136.

- Ewing, R.H. (2008). Characteristics, causes and effects of Sprawl: *A Literature Review*. *Urban Ecology* 2008 (6), 519-535.
- Feder, G., Feeny, D. (1991). Land Tenure and Property Rights: *Theory and Implications for Development Policy*. *The World Bank Economic Review*, 5(1), 135-153.
- Geller, A.L. (2003). Smart Growth: *A Prescription for Livable Cities*. *American Journal of Public Health*, 93 (9), 1410-1415.
- Glewwe, P., Nisha A., Dollar, D. (2004). *Economic growth, poverty, and household welfare in Vietnam*. The World Bank: Washington DC.
- Hayward, D. (2014). *Making the Right Moves: A study of mobility and development in the peri-urban village of Dạ Lê, central Vietnam, using the sustainable livelihoods approach*. Faculty of Geosciences, Utrecht University: Utrecht.
- Huế University (2012). Research and Innovation: *Remarkable results of science and technology*. Available at: [http://hueuni.edu.vn/portal/index.php/en/tintuc/detail/research\\_innovation/research\\_innovation/3383](http://hueuni.edu.vn/portal/index.php/en/tintuc/detail/research_innovation/research_innovation/3383). (Accessed at 26<sup>th</sup> of January 2015)
- Hansen, K. (2013). Land Law, Land Rights, and Land Reform in Vietnam: *A Deeper Look into "Land Grabbing" for Public and Private Development*. Independent Study Project (ISP), 1722.
- Hung, V.P., MacAulay, T.G. (2006). Land transactions in the North of Vietnam: *a modeling approach*. International association of agricultural economists: Cold Coast
- Leaf, M., (2002). A Tale of Two Villages: *Globalization and Peri-Urban Change in China and Vietnam*. *Cities*, 19 (1), 23–31.
- Lodder, E. (2012). Pressure on land in peri-urban Vietnam: *The impact of agricultural land conversion and the need for livelihood diversification in Thuy Duong commune*. Faculty of Geosciences, Utrecht University: Utrecht.
- Mahalingam, A., Vyas, A. (2011). *Comparative evaluation of land acquisition and compensation processes across the world*. *Economic & Political weekly*, 46 (32), 94-102.
- Mahoney, R., Dale, P., McLaren, R. (2007). *Land Markets: Why are they required and how will they develop?* International Federation of Surveyors: Copenhagen.
- Marshall, F., Waldman, L., MacGregor, H., Mehta, L., Randhawa, P. (2009). *On the Edge of Sustainability: Perspectives on Peri-urban Dynamics*. STEPS Working Paper 35. STEPS Centre: Brighton.
- Marsh, S.P., MacAuly, T.G. (2006). Land reform and the development of commercial agriculture in Vietnam: *Policies and issues*. *Australian agribusiness journals* (10).

- Molen, P. (2007). *Some measures to improve transparency in land administration*. Paper presented at the strategic integration of surveying services, FIG working week 2007.
- Ngoc Tung, N. (2014). *The Ancient Town Heritage in the Urbanization Process*. Hue University / University of South Australia.
- Nguyen, P. Q., Westen, A.C.M. van, Zoomers, A. (2014). Agricultural land for urban development: *The process of land conversion in Vietnam*. Habitat International 41, 1-7.
- Nguyen, P. Q., Westen, A.C.M. van, Zoomers, A. (2015a). *Effects of Farmland Conversion for Urban Development on Livelihoods in the Peri-urban Areas of Central Vietnam*. Unpublished.
- Nguyen, P. Q., Westen, A.C.M. van, Zoomers, A. (2015b). Livelihood reconstruction after land loss: *What are the determinants of household income in Hue's peri-urban areas, Central Vietnam?*. Unpublished
- Nguyen, P. Q. (2015c). Entering the tourism city of Vietnam: *Overview of urban growth and peri-urban transformation in Hue*. Unpublished.
- Nkwae, B., Dumba, D. (2009). *From Certificate of Rights to Long-Term Leaseholds in Botswana*. Department of Civil Engineering-Geomatics Section, Department of Home Economics. University of Botswana: Gaborone.
- Oduro, C.Y., Adamtey, R., Ocloo, K. (2014). Urban Growth and Livelihood Transformations on the Fringes of African Cities: *A Case Study of Changing Livelihoods in Peri-Urban Accra*. Environment and Natural Resources Research 5(2), 81-98.
- Palmer, D., Fricska, S., Wehrmann, B. (2009). *Towards improved land governance*. Land tenure working paper 11, FAO, 60.
- Payne, G. (2001). Urban land tenure policy options: *Titles of rights?* Habitat International, 25(3), 415-429.
- Pumain, D. (2003). Urban Sprawl: *is there a French case?* HAL, Centre pour la Communication Scientifique Directe, Paris.
- Scheyvens, R. (2014). *Development Fieldwork: A practical guide*. Sage Publications: London. Second edition.
- Simon, D., McGregor, D., Nsiah-Gyabaah, K. (2004). The changing urban-rural interface of African cities: *definitional issues and an application to Kumasi, Ghana*. Environment and Urbanization 16 (2), 235-248.
- Sivam, A. (2002). Constraints affecting the efficiency of the urban residential land market in developing countries: *a case study of India*. Habitat International, 26(4), 523-537.

Smith, W., Williamson, I., Burns, A., Trang Kim Chung, Nguyen ThiVinh Ha, Hoang Xuan Quyen (2007). *The impact of land market process on the rural poor in Vietnam*. Department of geomatics, The University of Melbourne: Victoria.

UNDP (2007). *Governance indicators: A users' guide*. UNDP: New York.

UNECE (2008). *Spatial planning: Key instrument for development and effective governance with special reference to countries in transition*. UNECE: Geneva.

UNESCAP (1997). *Urban land policies for the uninitiated*. UNESCAP.

Truong, T.T., Ranjith, P. (2011). *Consequences of the two-price system for land in the land and housing market in Ho Chi Minh City, Vietnam*. *Habitat International* 35 (1), 30-39.

Van Le, Lyne, M., Ratna, N., Nuthall, P. (2006). *The Farmland rental market in North Central Vietnam: Outcomes and constraints*. Faculty of Commerce, Lincoln University: Lincoln.

VEN (2010). *Thua Thien Hue on Its Way to Be a Centrally-Governed City*. Thuan Hoa: Hué.

Waibel, N. (2006). *The production of urban space in Vietnam's metropolis in the course of transition: Internationalization, Polarization and newly emerging lifestyles in Vietnamese society*. University of Gottingen: Gottingen.

Wells-Dang, A. (2013). *Promoting Land Rights in Vietnam: A Multi-Sector Advocacy Coalition Approach*. The World Bank: Washington DC.

World Bank (2012). *Vietnam Development Report 2012*. Vietnam Development Information Centre: Hanoi.

World Bank (2015). *Overview of urban development*. Available at: <http://www.worldbank.org/en/topic/urbandevelopment/overview> (Accessed at 9th of August 2015)

Yueh, A. (2013). *Power and economic transition*. BBC News. Available at: <http://www.bbc.com/news/business-23755593> (Accessed 29-12-2014)

Zoomers, A. (2010). *Globalisation and the foreignisation of space: seven processes driving the current global land grab*. *Journal of Peasant Studies*, 37(2), 429-447.

## APPENDIX I: LOG OF INTERVIEWS

### Interviews stakeholders

Date	Name	Location	Function
26-2-2015	Mr. Hung	Xuan Hoa	Village head
6-3-2015	Mr. Ho Dinh Toan	Xuan Hoa	President communal office
11-3-2015	Mr. Quoc	Xuan Hoa	Statistician communal office
3-4-2015	Anonimous	Hué city	Accountmanager Vietcom Bank
7-4-2015	Mrs. Truyen	Hué city	Deputy head general division of the planning and investment department

### Interviews households

Date	Name	Location	Group of analyses
4-3-2015	Mr. Truong Van Ngoc	Xuan Hoa	Traditional Local Household (TLH)
4-3-2015	Mr. Huynh Giang	Xuan Hoa	New Elite Households (NEH)
4-3-2015	Mrs. Tran Thi Sam	Xuan Hoa	Local Elite Households (LEH)
6-3-2015	Mr. Tran Van Tuan	Xuan Hoa	Traditional Local Household (TLH)
6-3-2015	Mrs. Thuyen	Xuan Hoa	New Elite Households (NEH)
9-3-2015	Mrs. Tryinh Thuy Van	Xuan Hoa	Traditional Local Household (TLH)
9-3-2015	Mrs. Phan thi hoai tam	Xuan Hoa	New Urban Households (NUH)
11-3-2015	Mr. Phi	Xuan Hoa	Local Elite Households (LEH)
11-3-2015	Mr. Duc	Xuan Hoa	Traditional Local Household (TLH)
11-3-2015	Mr. Singh Sang	Xuan Hoa	Traditional Local Household (TLH)
11-3-2015	Mr. Le Bang	Xuan Hoa	New Elite Households (NEH)
12-3-2015	Mr. Hoang Hai	Xuan Hoa	Traditional Local Household (TLH)
12-3-2015	Mr. Tho	Xuan Hoa	New Urban Households (NUH)
12-3-2015	Mr. Tom	Xuan Hoa	New Urban Households (NUH)
16-3-2015	Mr. Ho Dinh Hoa	Xuan Hoa	Local Elite Households (LEH)
16-3-2015	Mrs. Tran Van Danh	Xuan Hoa	Local Elite Households (LEH)
16-3-2015	Mr. Naht	Xuan Hoa	New Urban Households (NUH)
16-3-2015	Mr. Toan	Xuan Hoa	New Urban Households (NUH)
24-3-2015	Mrs. Lien	Xuan Hoa	Traditional Local Household (TLH)
25-3-2015	Mr. Phuong	Xuan Hoa	Local Elite Households (LEH)
27-3-2015	Mrs. Hanh	Xuan Hoa	Traditional Local Household (TLH)
27-3-2015	Mr. Tung	Xuan Hoa	New Urban Households (NUH)
3-4-2015	Mr. Hung	Xuan Hoa	Local Elite Households (LEH)
3-4-2015	Mr. Dinh le	Xuan Hoa	Traditional Local Household (TLH)
3-4-2015	Mr. Tuie	Xuan Hoa	Traditional Local Household (TLH)
6-4-2015	Mrs. Huong	Xuan Hoa	New Urban Households (NUH)
6-4-2015	Mrs. Troit	Xuan Hoa	New Urban Households (NUH)
18-4-2015	Mr. Hang Thanh Sy	Xuan Hoa	New Urban Households (NUH)
22-4-2015	Mrs. Ha	Xuan Hoa	New Urban Households (NUH)
24-4-2015	Mr. Binh	Xuan Hoa	New Urban Households (NUH)

## APPENDIX II: SUBJECT LIST SEMI-STRUCTURED INTERVIEWS

---

The following list of subjects and questions is used as a guideline for the interviews with local households. During the interviews questions have been altered or phrased differently to make them more understandable to the respondent. Therefor the following list merely represents an indication of what has been asked during the interviews with local households. On average most interviews took close to 45 minutes. The shortest one was 21 minutes and the longest interview took one hour and 18 minutes.

### II.1 List of subjects

Demography and other defining variables

- ✓ Name?
- ✓ Age?
- ✓ Buyer or seller? And how long ago? Why?
- ✓ How long live in the village?
- ✓ Household main activity / source of income?
- ✓ Size of the household?
- ✓ Size of the plot? Owns more than one plot? Change in recent years?

Urbanization, Economic transformation regarding last 10 years

- ✓ Commercial activities? More shops or restaurants or café?
- ✓ Can you now buy different kinds of products in the village that was not available 10 years ago? Examples? Difference in price?
- ✓ Looking for a job in the village? Do you think that now, compared to 10 years ago, there are new and more job opportunities available in Xuan Hoa? Examples? Good for you and your household?
- ✓ How has the households level of income changed in the last 10 years? Why?
- ✓ Do you think the use of land has changed over the last 10 years? Example?
- ✓ You have now mentioned some economic changes in your village, which ones do you see as the most positive for you and your household? Why? Negative ones?
- ✓ Do you think these changes affect the value of your land? How?

Urbanization, Social transformation regarding the last 10 years

- ✓ Do you notice more people living in Xuan Hoa?
- ✓ Why do you think these people come to live here?
- ✓ Are new people (=for seller) / those who already live (=for buyer) here different? If so, how? Where do they come from? Different size in household?
- ✓ Social relations? Do you have a lot of contact with them?

- ✓ You have now mentioned some social changes in your village, which ones do you see as the most positive for you and your household? Why? Negative ones?
- ✓ Do you think these changes affect the value of your land? How?

#### Urbanization, Physical transformation regarding the last 10 years

- ✓ Have you seen a change in regard to the network of roads and buildings being build?
- ✓ Other government activities?
- ✓ Have internet access and the electrical network improved?
- ✓ Do you see any other physical changes in Xuan Hoa?
- ✓ You have now mentioned some physical changes in your village, which ones do you see as the most positive for you and your household? Why? Negative ones?
- ✓ Do you think these changes affect the value of your land? How?

#### Land market changes

- ✓ When you bought / sold the land, what was the procedure?
- ✓ What did you have to do at the communal office?
- ✓ How did you get into contact with a buyer / seller?
- ✓ How did you settle on a price?
- ✓ Did you use an intermediate? If so, who was it and what was his function?
- ✓ Seller: How did you get your land in the first place?
- ✓ Buyer: Did you get a loan from a bank? If so, which bank? How did that go? Easy? Expensive?
- ✓ About the whole procedure of buying / selling land, could something have gone better?
- ✓ Do you think you will buy / sell more land in the near future?
- ✓ Do you think that the economic, social and physical changes will make it easier or more difficult to buy / sell land in the near future?
- ✓ Will the increase in land value be a factor in your decision to buy / sell land in the near future?

#### In general terms:

- ✓ What is your opinion on how Xuan Hoa is changing?
- ✓ What do you think of the city becoming more close to Xuan Hoa?
- ✓ What do you think of the government who is stimulating these changes?
- ✓ If you were president, is there anything that you would like to see changed in the future?
- ✓ Do you maybe have anything else to add to what you have previously said?
- ✓ Do you have any questions to me?

End of the interview. Thanks for the participation!

## APPENDIX III: STATISTICS

This appendix is in regard to the statistics mentioned within this thesis. In presenting these statistics a division is made between general statistics coming from other researches done prior to this research, the numbers provided by the communal office of Thuy Van and the statistics made by the author. The latter are especially geared towards explaining the difference between groups of households made for the analyses.

### III. 1 Statistics out of other research

*Table III.1.1 General Overview of land size and population*

Subject	Hue				
	Vietnam	Province	Hue City	Thuy Van	Xuan Hoa
Surface area (km <sup>2</sup> )	331.210	5.033,2	83,3	4,9	1,25
Population (x1000)	92.948	1.114	345	7.418	1.940

*Source: Nguyen, 2015c and Communal office Thuy Van*

*Table III.1.2 Share of Hue's GDP by sectors (%)*

Sectors	2005	2006	2007	2008	2009	2010	2011	2012
Tourism and service	67.1	68.6	69.1	69.4	70.2	71.0	71.2	72.7
Industry	31.2	29.7	29.3	29.1	28.5	27.9	27.9	26.8
Agriculture	1.7	1.7	1.6	1.5	1.3	1.1	0.9	0.5
Total	100	100	100	100	100	100	100	100

*Source: Nguyen, 2015c*

*Table III.1.3 Trends of urban population growth in Hue*

Year	Total (population)	Urban population	Urban v rural people (%)	Area (km <sup>2</sup> )	Population density (person/km <sup>2</sup> )
2002	304.688	232.221	76.2	71.68	4.292
2004	314.233	251.072	79.9	71.68	4.426
2006	323.809	257.132	84.9	71.68	4.562
2008	332.947	300.577	90.3	71.68	4.691
2010	341.324	341.324	100	71.68	4.808
2012	346.070	346.070	100	71.68	4.828

*Source: Nguyen, 2015c*



### III. 2 Statistics from the communal office of Thuy Van

Table III.2.1 Development land use Thuy Van

Year	Agrarian land	Change	%	Residential land	Change	%	Total
2005	314	0	0	174	0	0	488
2008	297	-17	-5,4%	191	+17	+5,4%	488
2011	290	-7	-2,4%	198	+7	+2,4%	488
2014	NA	NA	NA	NA	NA	NA	488

Source: Communal office Thuy Van

Table III.2.2. Development Household connected to electrical grid in Xuan Hoa

Year	Number of HH	Change	%
2005	350	0	0
2008	365	+15	+4,3%
2011	380	+15	+4,1%
2014	420	+40	+10,5%

Source: Communal office Thuy Van

Table III.2.3. Development Household within internet access in Xuan Hoa

Year	Number of HH	Change	%
2005	65	0	0
2008	70	+15	+23,1%
2011	120	+50	+71,4%
2014	252	+132	+110%

Source: Communal office Thuy Van

Table III.2.4. Development of concrete streets in Xuan Hoa

Year	Roads / total	Change	%
2005	5 / 16	0	0
2008	7 / 16	+2	+40%
2011	8 / 16	+1	+14%
2014	11 / 16	+3	+38%

Source: Communal office Thuy Van

Table III.2.5. Construction activities in Xuan Hoa

Activity	Amount	Status
Cultural house	1	Pending
Resettlement area	1	Finished
Concrete road	6	Finished
Kindergarden Thuy Van	1	Finished
Highway	1	Pending
Gateway West (bridge)	1	Pending

Source: Communal office Thuy Van

Table III.2.6. General info urbanization Xuan Hoa 2014

General info urbanization Xuan Hoa 2014 (2005 = 100)			
Subject	2014	Increase	%
HH connected to electricity	420 Households	+70	+20%
HH connected to Internet	252 Households	+197	+303%
Local roads developed	11 of out 16	+6	+120%
Finished construction activities	8	-	-
Pending construction activities	3	-	-

Source: Communal office Thuy Van

Table III.2.7. Population development Xuan Hoa

<b>People living in Xuan Hoa</b>			
<b>Year</b>	<b>Number of people</b>	<b>Change</b>	<b>%</b>
2005	1.431	NA	NA
2008	1.671	+240	+17%
2011	1.831	+160	+9,6%
2014	1.940	+109	+6%

Source: Communal office Thuy Van

Table III.2.8. Household development Xuan Hoa

<b>Households living in Xuan Hoa</b>			
<b>Year</b>	<b>Number of HH</b>	<b>Change</b>	<b>%</b>
2005	NA	NA	NA
2008	406	0	0
2011	468	+60	+14,8%
2014	490	+22	+4,7%

Source: Communal office Thuy Van

Table III.2.9. Primary activity households Xuan Hoa

<b>Households based on primary activity in Xuan Hoa</b>			
<b>Year</b>	<b>Agrarian HH</b>	<b>Non agrarian HH</b>	<b>Total HH</b>
2005	NA	NA	NA
2008	196	210	406
2011	164	304	468
2014	147	343	490

Source: Communal office Thuy Van

Table III.2.10. Development plots in Xuan Hoa

<b>Plots of land Xuan Hoa</b>			
<b>Year</b>	<b>Plots</b>	<b>Change</b>	<b>%</b>
2005	580	0	0
2008	620	+40	+5,8%
2011	645	+25	+4%
2014	680	+35	+5,4%

Source: Communal office Thuy Van

Table III.2.11. Development plots in Xuan Hoa

<b>Average price per m2 (x1.000 VND) in Xuan Hoa</b>			
<b>Year</b>	<b>Price</b>	<b>Change</b>	<b>%</b>
2005	1.500	0	0
2008	1.900	+400	+26,7%
2011	2.200	+300	+15,8%
2014	2.900	+700	+31,8%

Source: Communal office Thuy Van

Table III.2.12. Number of LURC distributed by communal office Xuan Hoa

Number of LURC given out in Xuan Hoa	
Year	LURC
2005	12
2008	6
2011	15
2014	4

Source: Communal office Thuy Van

Table III.2.13. General info land market Xuan Hoa 2014

General info land market Xuan Hoa 2014 (2005 = 100)		
Subject	Absolute	%
Increase number of plots	+100	+17%
Average price m2	+1.400 VND	+93%
	Number	Unit
Total LURC distributed last 10 years	37	certificates
Biggest plot in the village 2014	2300	m2
Smallest plot in the village 2014	50	m2
Average plot size 2014	600	m2
Highest price paid per m2 2014	3200	(1000x)VND
Lowest price paid per m2 2014	2800	(1000x)VND

Source: Communal office Thuy Van

### III. 3 Statistics regarding respondent households

Table III.3.1. General info respondent Households

General info of respondents		
Subject	Amount	Unit
Number of sales	15	sell
Number of buys	15	buy
Average m2 bought	141,4	m2
Average m2 sold	290,3	m2
Average m2 own LOCAL (n=16)	144,4	m2
Average m2 own NEW (n=14)	890	m2

Source: Author

Table III.3.2. Land transfers respondent Households

Land transfer per year			
Year	Buy	Sell	Total
2005	1	7	8
2006	0	1	1
2007	1	0	1
2008	1	0	1
2009	1	4	5
2010	5	0	5
2011	1	3	4
2012	1	0	1
2013	0	0	0
2014	4	0	4
2015	0	0	0
Total	15	15	30

Source: Author

Table III.3.3. Land market info Households

General info respondents	Amount	Unit
Number of respondents	30	people
Number of sellers	15	people
Number of buyers	15	people
Local residents	16	people
New residents	14	people
Man	21	people
Woman	9	people
Average age head HH local	51	years
Average age head HH new	35	years
Average HH size local	5,6	people
Average HH size new	3,9	people

Table III.3.4. Land market info by category household

Categorized by group	Amount	Unit
Number of TLH	10	people
Number of LEH	6	people
Number of NUH	11	people
Number of NEH	4	people
Average age head TLH	51	years
Average age head LEH	52	years
Average age head NUH	39	years
Average age head NEH	34	years
Average HH size TLH	5,3	people
Average HH size LEH	6	people
Average HH size NUH	3,8	people
Average HH size NEH	4	people

Table III.3.5. Land market info TLH Households

Statistic land market Traditional Local Households		
Subject	Amount	Unit
Average m2 sold TLH	275	m2
Average m2 own TLH	583	m2
Portion sold of own TLH	47	%
Largest plot size own TLH	1.500	m2
Smallest plot size own TLH	150	m2
Largest plot size sold TLH	520	m2
Smallest plot size sold TLH	55	m2

Source: Author

Table III.3.7. Land market info NEH Households

Statistic land market New Elite Households		
Subject	Amount	Unit
Average m2 bought NEH	266	m2
Largest plot size NEH	387	m2
Smallest plot size NEH	150	m2

Source: Author

Table III.3.9. Composition by job sector respondents Households

Composition by job sector in Xuan Hoa	
Category	Number of jobs (n=30)
Primary	13
Secondary	2
Tertiary	9
Quaternary	6

Source: Author

Table III.3.6. Land market info LEH Households

Statistic land market Local Elite Households		
Subject	Amount	Unit
Average m2 sold LEH	322	m2
Average m2 own LEH	1.400	m2
Portion sold of own LEH	23	%
Largest plot size own LEH	2.090	m2
Smallest plot size own LEH	1.000	m2
Largest plot size sold LEH	700	m2
Smallest plot size sold LEH	100	m2

Source: Author

Table III.3.8. Land market info NUH Households

Statistic land market New Urban Households		
Subject	Amount	Unit
Average m2 bought NUH	111	m2
Largest plot size NUH	200	m2
Smallest plot size NUH	70	m2

Source: Author

Table III.3.10. Composition job New Households

Composition job sector NEW Xuan Hoa	
Category	Number of jobs (n=14)
Primary	1
Secondary	2
Tertiair	7
Quaternary	4

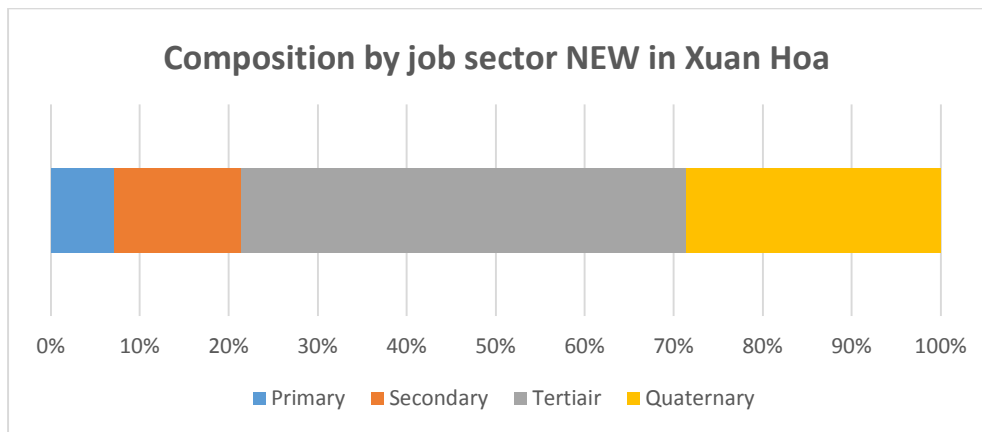
Source: Author

Table III.3.11. Composition job local Households

Composition job sector LOCAL Xuan Hoa	
Category	Number of jobs (n=16)
Primary	12
Secondary	0
Tertiair	2
Quaternary	2

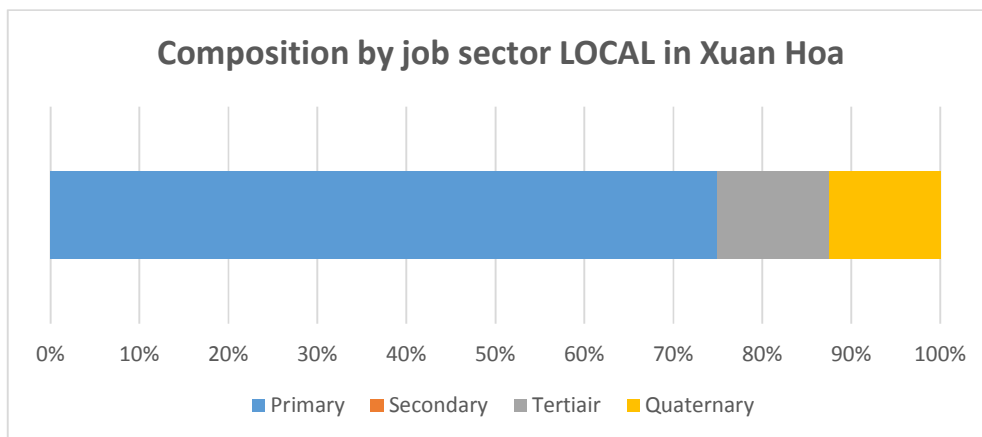
Source: Author

Figure III.3.1. Composition job NEW Households



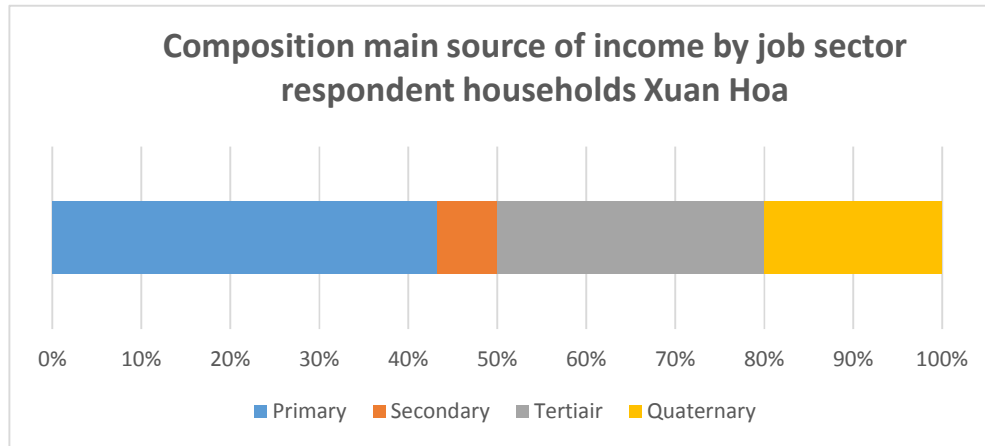
Source: Author

Figure III.3.2. Composition job NEW Households



Source: Author

Figure III.3.3. Composition job respondent Households






Map IV.2: Urban development plan Thuy Van commune



Source: Hayward, 2014



## APPENDIX V: INVITATION LETTER

<b>ỦY BAN NHÂN DÂN THỊ XÃ HƯƠNG THỦY</b>	<b>CỘNG HÒA XÃ HỘI CHỦ NGHĨA VIỆT NAM <u>Độc lập - Tự do - Hạnh phúc</u></b>
Số: 98 /UBND	Hương Thủy, ngày 22 tháng 01 năm 2015
Về việc người nước ngoài đến nghiên cứu trên địa bàn.	
Kính gửi:	
- UBND xã Thủy Vân; - Trưởng Công an thị xã Hương Thủy.	
<p>UBND thị xã Hương Thủy đã nhận Công văn số 60/SNgV-LTHTQT ngày 19 tháng 01 năm 2015 về việc cho phép nghiên cứu sinh nước ngoài đến nghiên cứu thực địa tại địa phương và Công văn số 24/ĐHK-T-KHCN-HTQT ngày 12/01/2015 của Trường Đại học Kinh tế Huế về việc giới thiệu học viên người nước ngoài đến nghiên cứu thực địa trên địa bàn xã Thủy Vân, thị xã Hương Thủy. Ủy ban nhân dân thị xã có ý kiến như sau:</p>	
<p>1. Đồng ý về người nước ngoài đến nghiên cứu thực địa để hoàn thành luận văn tốt nghiệp cao học, chuyên ngành Nghiên cứu phát triển quốc tế theo Công văn số 24/ĐHK-T-KHCN-HTQT ngày 12/01/2015 của Trường Đại học Kinh tế Huế ( Kèm Công văn số 24/ĐHK-T-KHCN-HTQT ngày 12/01/2015 ).</p>	
<p>2. Giao Công an thị xã phối hợp với UBND xã Thủy Vân tổ chức nắm tình hình và nội dung nghiên cứu của học viên theo đúng thời gian, mục đích, nội dung nghiên cứu và địa điểm nghiên cứu; không cho phép học viên nghiên cứu ngoài chương trình, kế hoạch đã được thống nhất.</p>	
<p>Nhận được Công văn này, yêu cầu Trưởng Công an thị xã; Chủ tịch UBND xã Thủy Vân kịp thời triển khai thực hiện nghiêm túc.</p>	
<p><b>Nơi nhận:</b></p> <ul style="list-style-type: none"><li>- Như trên;</li><li>- Sở Ngoại vụ (b/c);</li><li>- Trường Đại học kinh tế Huế;</li><li>- Đ/c Lê Văn Chung-PCT UBND thị xã;</li><li>- VP: LĐVP+ CVPT;</li><li>- Lưu VT.</li></ul>	<p><b>TM. ỦY BAN NHÂN DÂN KT. CHỦ TỊCH PHÓ CHỦ TỊCH</b></p>  <p><b>Lê Văn Chung</b></p>

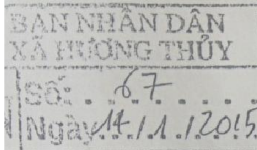
ĐẠI HỌC HUẾ  
TRƯỜNG ĐẠI HỌC KINH TẾ

Số: 24.../ĐHKTKHCN-HTQT  
V/v: Xin phép hướng dẫn học viên nước ngoài  
đến nghiên cứu thực địa

CỘNG HÒA XÃ HỘI CHỦ NGHĨA VIỆT NAM  
Độc lập - Tự do - Hạnh phúc

Thừa Thiên Huế, ngày 12 tháng 01 năm 2015

Kính gửi: - Sở Ngoại vụ Tỉnh Thừa Thiên Huế  
- Sở Công an Tỉnh Thừa Thiên Huế (Phòng PA61,PA83)  
- Ban Hợp tác quốc tế Đại học Huế  
- UBND Thị xã Hương Thủy, TT-Huế  
- UBND Xã Thủy Vân, TX. Hương Thủy, TT-Huế



Căn cứ vào thư giới thiệu của Trường Đại học Utrecht - Hà Lan ngày 09 tháng 12 năm 2014 về việc gửi 01 học viên cao học đến thực tập tại Trường Đại học Kinh tế - Đại học Huế và nghiên cứu thực địa tại thành phố Huế, Trường Đại học Kinh tế - Đại học Huế đã đồng ý và gửi thư chấp nhận đến Trường Đại học Utrecht. Thông tin về học viên:

STT	Họ và tên	Giới tính	Ngày tháng năm sinh	Quốc tịch		Số, loại hộ chiếu	Nghề nghiệp và nơi làm việc
				Gốc	Hiện nay		
01	Reinout Vos	Nam	13/09/1982	Hà Lan	Hà Lan	NRJ42D4L9, loại P	Học viên cao học, chuyên ngành nghiên cứu phát triển quốc tế, Khoa khoa học địa lý, Trường đại học Utrecht, Hà Lan.

Thời gian: Từ ngày 02/02/2015 đến 31/05/2015

Mục đích: Nghiên cứu thực địa để hoàn thành luận văn tốt nghiệp cao học, chuyên ngành nghiên cứu phát triển quốc tế.

Nội dung nghiên cứu: Nghiên cứu tác động của quá trình đô thị hóa đến sự phát triển thị trường đất đai ở vùng ven đô

Địa điểm nghiên cứu: Xã Thủy Vân – Thị Xã Hương Thủy – Thừa Thiên Huế

Địa chỉ tạm trú: 53 Hàm Nghi, Phước Vĩnh, TP Huế.

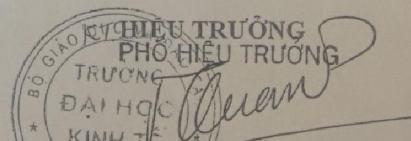
Người hướng dẫn nghiên cứu: ThS. NCS. Nguyễn Quang Phục, Khoa Kinh tế và Phát triển, Trường Đại học Kinh tế - Đại học Huế.

Để tạo điều kiện thuận lợi cho học viên hoàn thành luận văn tốt nghiệp và tăng cường mối quan hệ hợp tác giữa hai trường, Trường Đại học Kinh tế kính mong nhận được sự hỗ trợ từ phía các cơ quan hữu quan và được sự đồng ý bằng văn bản của Sở Ngoại vụ.

Xin chân thành cảm ơn

Nơi nhận:

- Như trên;
- Lưu VT, KHCN-HTQT.





UBND TỈNH THỪA THIÊN HUẾ  
SỞ NGOẠI VỤ

CỘNG HÒA XÃ HỘI CHỦ NGHĨA VIỆT NAM  
Độc lập - Tự do - Hạnh phúc

Số: 60 /SNgV-LTHTQT  
V/v cho phép nghiên cứu sinh  
nước ngoài đến nghiên cứu thực  
địa tại địa phương

Thừa Thiên Huế, ngày 19 tháng 01 năm 2015

Kính gửi: Trường Đại học Kinh tế

Sở Ngoại vụ nhận được Công văn số 24/ĐHK-T-KHCN-HTQT đề ngày 12/01/2015 của Trường Đại học Kinh tế về việc xin phép cho học viên nước ngoài đến nghiên cứu thực địa tại địa bàn xã Thủy Vân – Thị xã Hương Thủy dự kiến từ ngày 02/02/2015 đến 31/05/2015.

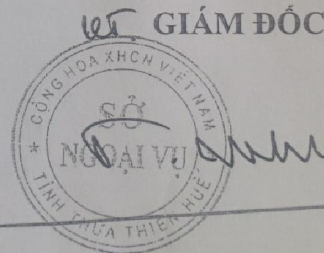
Về nguyên tắc, Sở Ngoại vụ đồng ý để nghiên cứu sinh trên đến hoạt động trên địa bàn Thị xã Hương Thủy và đề nghị Trường Đại học Kinh tế làm việc cụ thể với UBND Thị xã Hương Thủy, UBND xã Thủy Vân - Thị xã Hương Thủy và phải được sự đồng ý, thống nhất của chính quyền địa phương về nội dung, địa điểm, thời gian đoàn triển khai hoạt động tại địa phương.

Sở Ngoại vụ xin thông báo để Quý trường được biết.

Trân trọng./ . *KS*

**Nơi nhận:**

- Như trên;
- Công an tỉnh (PA61, PA83);
- UBND Thị xã Hương Thủy;
- UBND xã Thủy Vân;
- BGD;
- Lưu: VT, LTHTQT, B.



PHÓ GIÁM ĐỐC  
*Trần Công Phú*



**HUE UNIVERSITY  
COLLEGE OF ECONOMICS**

*100 Phung Hung St., Hue City, Vietnam*

*Tel: +84.54.3529139 - 3529435 \* Fax: +84.54.3529491 \* Website: www.hce.edu.vn*

*22 December, 2014*

**To Whom It May Concern,**

We are very pleased to inform that Mr. Reinout Vos, a master student in International Development Studies at Utrecht University, the Netherlands has accepted to do his internship at the Hue College of Economics in the period of 05 February – 31 May 2015. His internship is expected to carry out a research on the urbanization and land conversion in peri-urban zones around the Hue City and the impacts of these processes on farmers' livelihoods.

Mr. Nguyen Quang Phuc, a lecturer in our college as well as a PhD Candidate at Utrecht University, Netherlands will be his supervisor during the time of internship in Hue City, Vietnam.

The Hue College of Economics, Hue University will support a work place and formal procedures related to his visit. All the expenses associated with this internship will be paid by Mr. Reinout Vos.

We are looking forward to welcoming Mr. Reinout Vos to the Hue College of Economics, Hue University, Vietnam.



Yours sincerely,

*Tan Quan*  
Dr. Trong Tan Quan  
Vice-Rector

College of Economics - Hue University