



SOCIO-ECONOMIC OF PO E COMMUNE

Industrial Cassava Impact Overview

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"The project strategic focus centers on revitalizing highland ecosystems in the Central Highland through the integration of indigenous wisdom and practices, thereby fostering socio-political and ecological capital while upholding justice and dignity for marginalized local populations."

I. Background and Context

This report provides a concise socio-economic and cultural profile of *Po E Commune*, located in the *Kon Plong District of Kon Tum Province*, Vietnam. Characterized by its vast forestland and diverse mountainous landscape, the commune is home to a population of **2,270 people**, with the indigenous **H're ethnic group** comprising 95% of the community. Historically rooted in the South-Central coastal region, the H're people migrated to Kon Plong in the early 1950s and have since maintained a deep spiritual connection to the local ecosystem. Central to their cultural identity is the preservation of *community sacred forestlands*, which reflect the harmonious integration of indigenous wisdom and environmental conservation.

Indicator	Details	Source / Notes
Administration	Po E Commune, Kon Plong District, Kon Tum Province	1 of 10 district communes
Total Land Area	11,132.76 ha	Commune Report (2018)
Forestland	9,117.20 ha	Major land type
Agricultural Land	764.31 ha	Commune Report (2018)
Demographics	564 families / 2,270 people	Commune Report (2018)
Primary Ethnicity	H're ethnic group (95% of population)	Officially recognized in VN
Language Family	Mon-Khmer language family	Indigenous to SE Asia
Migration History	Moved to Kon Plong in early 1950s	Due to French-Viet Minh war
Origin Territory	Quảng Ngãi and Bình Định provinces	Lived there for centuries
Topography	Mountains, foothills, and river valleys	Varied landscape
Cultural Heritage	Community sacred forestlands	Highly protected by villagers

II. Problem Statement

Despite the deep-rooted cultural practices that have protected these ecosystems for generations, Po E Commune faces critical threats from rapid climate change, environmental degradation, and external economic pressures. The statutory recognition of community-managed sacred forests remains limited, leaving these vital natural resources vulnerable to encroachment and deforestation. Furthermore, the erosion of traditional knowledge among younger generations threatens the continuity of local governance structures, thereby marginalizing the voices of vulnerable indigenous groups in regional decision-making processes.

III. Project Objectives

To address these pressing challenges, this project seeks to achieve the following core objectives:

1. **Empower Indigenous Governance:** Strengthen the legal recognition and local management of community sacred forestlands by revitalizing the traditional customs and customary laws of the H're people.
2. **Enrich Socio-Ecological Capital:** Enhance local livelihoods and biodiversity conservation by integrating indigenous wisdom with modern sustainable agricultural and forestry practices.
3. **Advance Justice and Dignity:** Secure social, political, and ecological rights for vulnerable indigenous populations in Po E Commune, establishing a replicable framework for equity and climate resilience across the wider Mekong region.

IV. Key Finding

The H're people live in a dual descent society, which guarantees strictly equal land inheritance rights between men and women. This gender-equal worldview directly shapes their agricultural practices, grounding them in a unique cosmic perspective. This core belief forms the foundation of H're customary law regarding the management of their "*Peak Forest/Head -Upland Field/Chest - Valley Rice/ Extremities*" **Ecosystem**. This production method establishes a highly logical and dialectical relationship between the H're and their ecological home, facilitating a continuous exchange of material, energy, and information. This profound interaction embodies the concept of "**emptiness**" within the H're worldview. Guided by this philosophy, H're society naturally developed a *cyclical calendar of 12 monthly ceremonies*. These rituals celebrate the conditional

relations (nhân duyên) that yield *12 distinct types of ecological products*, gifted by their environment to sustain and advance the community.

V. The Emergence of the "New Economic Village"

When the model of the New Economic Village was implemented within the H're territory, its primary benchmark was strictly quantified by the national income standard: 41 million VND/household/year. Driven by the institutional pressure to meet this economic target, the local commune leadership was forced to deploy an immediate, single-track solution: industrial cassava cultivation. This top-down transformation was accelerated by an alignment of macro-level policies and micro-economic drivers:

1. Macro Policy Drivers

In tandem with the New Economic Village model, industrialization and modernization policies (propelled by *Resolution No. 13-NQ/TW/January 16, 2012*): aimed at basically turning Vietnam into an industrialized country toward modernity by 2020. Accordingly, *Decision No. 1980/QĐ-TTg dated 2016* stipulates the income criteria for new rural communes as follows (the per capita income in the Central Highlands region is 41 million VND/person) catalyzed the establishment of the *Vietnam Cassava Association*. This provided the legal framework for provinces to set up commercial cassava companies, which in turn acted as the institutional sponsors for building processing factories.

2. Profit-Driven Market Dynamics

Driven by market-led profit maximization, cassava companies scanned mountainous regions for high-potential areas based on **9 core principles** (which, in reality, suffered from a severe gap between theory and execution during the 2010s):

- ✓ **Techno-Economic Metrics:** (1) Securing fertile land for high yields; (2) Establishing shortest and most convenient logistics/transportation routes; (3) Exploiting cheap local labor; (4) Minimizing natural resource taxes; (5) Optimizing business taxes; and (6) Guaranteeing raw material supply to meet factory operating capacities.
- ✓ **Neglected Governance and Ethical Boundaries:** (7) Transparency in Environmental Impact Assessments (EIAs); (8) Professionalism in Biodiversity Impact Assessments; and (9) Ethical responsibility regarding the disruption of H're community structures and traditional beliefs.

✓ **The Consequence: The Rise of Free Traders**

In the **2010s**, a period marked by weak development governance and a deficit in local law enforcement capacity, the neglect or inability to oversee principles (7) through (9) combined with corporate profit-seeking motives birthed an unregulated network of **free traders** who disrupted and manipulated local agricultural and land systems.

- ✓ **Disruption of the 12-Month Cycle:** Monoculture industrial cassava farming effectively severs the "wheel of reincarnation" (the 12 monthly rituals of conditional relations), converting sacred eco-spiritual land into a mere commodity for raw material extraction.
- ✓ **Erosion of Bilineal Equality:** As cash markets and land speculation driven by free traders infiltrate the community, the traditional bilineal inheritance system (gender-equal land rights) risks being dismantled by commercial accumulation, increasing the vulnerability of indigenous women.

VI. Who exactly are these free traders?

Free traders play a triple role within the community:

1. **The "Saviors" of the H're People:** They position themselves strategically by setting up shops right at the entrance of the village, creating immediate physical accessibility.
2. **Providers of Consumer Goods:** They supply an array of items, including alcohol, cigarettes, salt, fish sauce, ice cream, candy, unregulated processed snacks, oil, gasoline, smartphones, televisions, and various goods designed to entice young children.
3. **The Credit-for-Cassava Trap:** Within one to two years, these free traders transform into an ultra-convenient credit service. They allow villagers to consume goods in advance, with the unspoken agreement that the debt will be repaid directly to the free traders in the form of harvested cassava.

VII. How the "Free Trader" Mechanism Dismantles H're Society

The triple-role mechanism of the free traders does not merely introduce a new economic model; it actively dismantles the logical and dialectical framework of the traditional H're ecosystem. By weaponizing the *Credit-for-Cassava Trap*, these unregulated actors trigger a destructive chain reaction that directly targets the community's two structural pillars: their *sacred forests* and their *bilineal (gender-equal) social fabric*.

1. The Loss of Sacred Forests (Ecological Disruption)

As villagers fall deep into the debt cycle driven by free traders, the institutional pressure to repay advances in cassava forces an urgent, unsustainable expansion of agricultural land.

- ✓ **From Rotational to Exploitative Farming:** The traditional “*Peak Forest/Head - Upland Field/Chest - Valley Rice/ Extremities*” equilibrium, which relied on the cosmic wheel of 12 monthly rituals to give the land rest, is permanently broken.
- ✓ **Encroachment into the Sacred Spaces:** Driven by the desperate need to scale up monoculture cassava yields to clear financial debts, the community is pushed to clear hillsides, ultimately encroaching into the highly protected community sacred forestlands. Culturally significant trees and ancestral domains are sacrificed to satisfy market demands, fracturing the H're's spiritual connection to their ecological home.

2. The Erosion of Gender-Equal Land Rights (Social Disruption)

The introduction of a cash-and-debt market economy via free traders directly attacks the bilineal worldview that historically guaranteed equal land inheritance rights between H're men and women.

- ✓ **The Shift from Collective Harmony to Individual Liability:** In the traditional bilineal system, land was viewed as a sacred, shared ecological space governed by custom. Free traders, however, operate on capitalistic frameworks of individual debt, legal paperwork, and collateral.
- ✓ **Disenfranchisement of Women:** As land is increasingly commodified to secure credit or pay off cash debts, external market actors and intermediaries tend to deal primarily with male household heads for transactions, side-lining women. The traditional cosmic balance of gender equality is replaced by commercial accumulation and male-dominated financial pressure, leaving H're women highly vulnerable to losing their ancestral land inheritance.
- ✓ **The Illusion of Convenience:** Predatory Advances and the Stripping of Customary Rights
The true danger of the free traders lies in the deceptive mechanics of their “*Advance Now, Pay Later*” (*Ứng trước, Trả sau*) model. Rather than an open market transaction, this is a *predatory service strategy* (*dịch vụ thủ đoạn*). Its ultimate objective the systemic exploitation of local land and labor is highly obscured and difficult for the community to recognize immediately.

Through long-term field observations, **SPERI** has clearly identified that this “Advance Now, Pay Later” mechanism functions as a sophisticated strategy to *expropriate the H're people's rights to enjoy and nourish their land* (*Tước đoạt quyền hưởng dụng và phụng dưỡng đất*). Crucially, this

dispossession does not occur through the physical eviction or separation of the H're from their "Forest-Field-Rice Field" ecological home. Instead, they remain on their land, but their role is violently transformed: from self-determining custodians of the ecosystem into indebted, landbound laborers working entirely to satisfy external market demands.

VIII. The Structural Interface Between Free Traders and the Processing Factory

Accordingly, the operational dynamic between free traders and the cassava processing factory functions through a direct supply-and-demand intermediary system:

1. Free Traders as Supply-Demand Intermediaries:

The free trader acts as a critical broker bridging the gap between local supply and industrial demand:

- ✓ **The Supply Side:** Consists of the *land and labor of Violak Village*. The villagers cultivate and harvest the cassava, delivering the raw yields directly to the free trader's hub located at the entrance of the village.
- ✓ **The Demand Side:** Driven by the raw material inputs required for the *Quảng Ngãi Cassava Factory* located in the Ba Tơ region (20 km away from Violak Village). This processing plant operates at a daily capacity of *720 tons of fresh cassava* to manufacture cassava starch.
- ✓ **Village Output:** To satisfy this industrial demand, Violak Village supplies a total volume of *1,200,000 tons of cassava per year*.

IX. Who benefits and who loses under this form of governance?

This governance framework establishes a zero-sum game where local communities and the state bear the losses, while free traders and industrial actors disproportionately benefit. The consequences are multi-dimensional, spanning socio-cultural, economic, and environmental spheres:

First, the socio-cultural fabric and economic autonomy of the H're people are severely compromised. Although they continue to manage their traditional forest-swidden-field ecosystems, ultimate decision-making power has shifted entirely to free traders (e.g., Free Trader – Mrs Lan). Driven by this market dependency, the H're have transitioned from a sustainable livelihood rooted in community solidarity to intensive industrial cassava monoculture. This shift has eradicated native crop varieties due to the ***prolonged 11-month industrial cassava crop cycle (February to November)***. Consequently, the displacement of traditional agriculture has led to the loss of

indigenous knowledge systems, including sacred rituals for seed preservation, sowing, and harvest celebrations.

Second, this dynamic inflicts severe environmental degradation on the headwater watersheds. Biodiversity loss and water pollution have intensified, driven by rapid deforestation. To repay cash advances systematically provided by free traders, the Hre are forced to encroach further on forest land to expand cassava cultivation, trapping them in a cycle of debt-driven ecological exploitation.

Finally, the state suffers significant fiscal losses due to systemic tax evasion. Free traders, in collusion with cassava factories, manipulate land resource and revenue taxes, directly embezzling fiscal revenues that should rightfully benefit the state and local farmers. Ultimately, while the government and indigenous citizens lose their resources and financial capital, free traders and industrial factories monopolize the profits generated from Hre labor and local land resources.

X. The Ethical Metric: The Fragmentation of the Socio-Ecological Body

In this context, the **ethical metric** is measured by the violent disruption of Violak Village's holistic ecosystem. In the traditional worldview, the village landscape is perceived as a complete, living body: the *Forest (Rừng)* is the **Head**, the *Upland Field (Rẫy)* is the **Chest**, and the *Wetland Valley (Ruộng)* where water converges from the forested drainage divide represents the **Extremities**.

The implementation of the industrial cassava model dismantled this sacred anatomy through a multi-stage crisis:

1. **The 3-Year Mark (Initial Fragmentation):** The ecological body began to fracture into patchy, degraded plots. The traditional calendar of 12 monthly rituals started to falter as the village labor force was entirely diverted to meet the rigid production, maintenance, and harvesting deadlines imposed by the free traders - under threat of financial penalties for non-compliance.
2. **The 5-Year Mark (Systemic Collapse):** The 12 monthly rituals, 12 festivals, and 12 sacred offerings lost their physical and spiritual anchors. The sacred forests, ancestral upland fields, and productive valleys were systematically replaced by industrial cassava monoculture.
3. **The Crisis of Indigenous Governance:** Village elders and traditional community associations (including the buffalo herding, harvesting, planting, communal granary repair, buffalo-releasing, seedling sowing, and new rice celebrations) fell into a deep systemic crisis.

They no longer possessed the authentic organic offerings required to honor *Giàng* (the Cosmos/Spirits).

4. **The Debt-Deforestation Spiral**

As sacred lands and forests were increasingly encroached upon to maximize cassava cultivation, the annual harvest paradoxically failed to clear the accumulated advances. Violak Village fell into a chronic cycle of debt deferral with the free traders, asking to carry balances over to the next season. Trapped on this predatory wheel of **“Advance Now, Pay Later”** the indigenous population continues to sink deeper into systemic debt and displacement.

XI. Stakeholder Analysis for Discussion?!

Factor Actor	Concern	Approach	Output	Effect	Impact	Theory of Change
Hre Villagers	Com -Livelihood Security & Sovereignty	Collective Sharing & Self-Sufficiency	Plenary Q & A	Plenary Q & A	Plenary Q & A	Plenary Q & A
Free Trader	Profit making	Offering individually	Plenary Q & A	Plenary Q & A	Plenary Q & A	Plenary Q & A
Cassava Factory	Tax payment	Tax evasion through smuggling cassava from free traders	Plenary Q & A	Plenary Q & A	Plenary Q & A	Plenary Q & A
Local Authority	Tax revenue	Top down & bureaucratic	Plenary Q & A	Plenary Q & A	Plenary Q & A	Plenary Q & A
YIELDS- AGREE	Community Product Enterprising & Networking	Integrated & networking with SPERI via facebook	Plenary Q & A	Plenary Q & A	Plenary Q & A	Plenary Q & A
SPERI	Social-Political- Ecological Capital Enriching	Up-date & Capacity building with connecting	Plenary Q & A	Plenary Q & A	Plenary Q & A	Plenary Q & A