



Spatial-economic Transformation, the Covid-19 Pandemic, and Possible Futures in Rural Southeast Asia*

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This article delves into the effects of the continuing structural economic transformation on the economic and development geography of Southeast Asia. An important question that will be addressed is to what extent the shift from agriculture and fisheries to manufacturing and services is not only contributing to urban economic growth, but also to rural poverty reduction. The 1997-8 Asian Financial Crisis and the Covid-19 pandemic have demonstrated that the process of urbanization is not linear. Rural areas appear to be more meaningful than anticipated in the quest for achieving livelihood security. This article discusses findings of qualitative fieldwork conducted in farming and fishing communities in Southern Thailand and Northern Vietnam amidst the Covid-19 pandemic in 2020; a year in which both countries managed to deal with the pandemic relatively well. But how were farmers and fishers affected by the pandemic and what does it reveal for achieving living standards? Based on the empirical results it discusses the implications for rural Southeast Asian futures as well as efforts to reduce spatial disparities and foster more balanced national geo-economies.

Keywords Rural Futures, Spatial Disparities, Covid-19, Southeast Asia

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I. Introduction

Spatial economic structures in South and Southeast Asia have changed dramatically since 1945. Independence meant a new phase where nation-building and economic growth became important imperatives. While former colonial nodes such as Singapore and Calcutta experienced urban expansion, new cities were also planned and built (Ortega et al., 2015; Padawangi, 2019). The latest new project is the envisaged new capital of Indonesia in Kalimantan. Meanwhile, rural areas also transformed. Self-sufficiency in rice became imperative and later also the cultivation of cash crops such as rubber, palm oil, sugarcane, tea, coffee, and spices.

This article delves into the effects of the continuing structural economic transformation on the economic and development geography of Southeast Asia. From a positive point of view, it is possible to distinguish process such as the economic geographical transformation from agriculture to manufacturing to services, from poverty to middle class, from rural villages to fancy condominiums, and from helpless farmers and fishers to actively participating citizens. However, viewing trends and patterns through a more pessimistic lens, one could also argue that Southeast Asian nations merely experienced circular rural-urban migration, the formation of huge slums, urban underemployment, increasing inequalities, and moral politics (Walker, 2008; Rigg, 2012, 2019; Kusaka, 2017; Albert et al., 2018). This article seeks to discuss the relationships between these positive and negative processes and possible rural futures. Obviously, the Covid-19 has added a complex, variegated layer of complexity to rural Southeast Asia.

The empirical inquiry in this article is based on semi-structured interviews with 240 respondents, conducted in Southern Thailand and Northern Vietnam. Three questions are addressed here: To what extent does the shift from agriculture and fisheries to manufacturing and services

not only contribute to urban economic growth, but also to rural poverty reduction? What has the Covid-19 pandemic in 2020 revealed for achieving decent living standards? And in light of these two questions, how could Southeast Asian rural areas look like in the future? Before analyzing the empirical results, this article provides a brief overview of spatial-economic transformation in Southeast Asia, employed methodology, and introduction to the research areas. The article ends with implications for possible rural futures.

II. Spatial-economic Transformation in Southeast Asia

1. Economic Growth and the Middle-income Trap

While Southeast Asia is generally more prosperous than South Asia and Sub-Saharan Africa it would be wrong to assume that there is no socioeconomic instability, uncertainty and unpredictability. The 1997-1998 Asian Financial Crisis and the COVID-19 pandemic have shown that gradual economic growth and poverty reduction can be severely disrupted by shocks. During both shocks thousands of people returned from large urban metropolises to their rural home villages because of job losses and increasing food insecurity. This form of temporary urban-rural migration also occurred in India (Aljazeera, 2020). Economists have tended to argue that countries need to foster structural economic transformation: seeking to move from low-productivity agriculture and fisheries to higher value activities in manufacturing and services associated with a process of rural-urban migration. This has indeed been the experience of successful countries like Taiwan and South Korea. However, policy makers have sometimes forgotten four complications:

- increasing disruptions due to climate change impacts,
- the lack of sufficient and reasonably paid jobs in the formal sector,
- the challenging of creating innovative capabilities, attracting foreign direct investment, and sustained economic growth, and
- the difficulty of translating economic to opportunities to weaker sections of society and to peripheral parts of the country.

The slums of Jakarta, Manila and other cities are perhaps the best evidence that a narrow focus on structural economic transformation will not succeed. Millions of people in Southeast Asia work in the informal sector and do not belong to a stable urban middle class (Rigg, 2012). It is therefore, not surprising that many decide to return to their rural home villages during uncertain times. It also explains why households do not give up rural life and return to their village after retirement. Urban life does not guarantee a better future.

Thus, Southeast Asian countries find it hard to embark on a path of structural transformation or economic transformation that culminates in a high-income status. Consequently, they seem to be locked into a middle-income trap from which it is difficult to break out. This can be partly attributed to socioeconomic shocks such as the COVID-19 lockdowns (Nikkei Asia, 2020). Success and gradual trajectories of growth are not the norm. Policymakers need to be aware of recessions and crises and think less in terms of linear periods of economic growth and job creation. Malaysia has been quite successful, but it remains to be seen to what extent the COVID-19 pandemic will impact urban labour markets. The IMF's (2021) forecast of Vietnam's GDP 2021 and 2022 growth rate was very positive in April 2021, but given the recent Covid-19 wave it is not sure whether the economy can remain its vibrancy. Thailand fell into a recession in 2020 and it will be hard to reach positive territory anytime soon (Bangkok Post, 2021a).

An important omission in the literature on the middle-income trap is the tendency to look at average living standards without much analysis on the bottom 40% of the population with respect to income levels. Due to the substantial degree of inequality (Kanbur et al., 2014) averages are becoming less relevant. How do relatively poor households navigate living in countries that experience stagnating economic transformation and are being trapped in the middle-income states that experience shocks such as the COVID-19 pandemic? It is important to personalize macro-economic phenomena (Rigg et al., 2014). Countries and statistical averages do not feel the physical and mental pains that comes with adverse impact and unintended consequences. Households do, and all the more when inequality of opportunity stymies them to improve their livelihood trajectories (Stewart, 2016). The words “average” and middle-income” obscure and hide many livelihood struggles.

2. Reducing Spatial Disparities

It is a widely held view that “the rise in spatial inequality [in Asia and the Pacific] is not a reason to reverse openness and technological progress, or stop the reform process, but rather to reorient infrastructure investment to lagging regions, and to remove barriers to migration to the fast-growing regions” (Kanbur et al., 2014: 53). Yet, such views are also deeply contested. Some persistent questions include: Should scarce funds be allocated to lagging regions without meaningful prospects of development? Does it make more sense to stimulate employment in lagging regions or facilitate labour migration to core areas? Does the proliferation of slums in the Global South constitute evidence that rural-urban migration has merely relocated, rather than addressed, poverty? Such questions will remain important when thinking through rural futures.

One common means to address poverty has been to provide cash transfers to poor households. Such transfers can be spatially targeted. Evidence from Brazil has shown that spatially blind conditional cash transfers to the poorest households during the presidency of Lula da Silva have contributed to rapid poverty reduction, with the percentage of people living below 5.50 USD decreasing from 41.7% in 2003 to 17.1% in 2014. But conditional cash transfers do not guarantee long term success. They do little to ensure long-term productive investments in agriculture, manufacturing and services, and often do not sufficiently improve livelihood stability. Between 2015 and 2018 the Brazilian poverty rate increased, reflecting trends seen in other countries. During disasters and pandemics many households fall back into poverty and resort to dramatic measures such as returning to their ancestral, rural villages or cutting down on nutritious (but expensive) food. Therefore, in addition to conditional cash transfers other policies need to be considered as well. A well-balanced and well-sequenced set of complementary policies could be more effective in reducing spatial disparities.

Higgins et al. (2010: 22) propose that universal or sectoral policies should be matched by area-based approaches that emphasize context specificity, which entails “a layering of policy instruments, with interventions and policies seeking to address the needs of specific life-cycle groups...overlaid with those focusing on the needs of other categories or groups (e.g. pastoralists, small farmers, microentrepreneurs, slum dwellers, widows, orphans, people living with HIV-AIDS, conflict-affected people...)”. As poverty is predominantly a rural phenomenon, it makes sense to focus on three specific geographical landscapes.

First, many mountainous and remote areas in the Global South, often inhabited by indigenous communities, experience high levels of poverty (Li, 2014). Due to ethnic and linguistic differences, such communities often

face, if not overt discrimination, at least various forms of social exclusion on the part of both the majority populations and by national government and its agencies. These differences make it hard for such populations to benefit from employment opportunities outside their home villages. In these cases, facilitating labour migration to core areas is not likely to work without first improving levels of human capital (learning a new language, skills formation, etc.). A second type of distinctive landscape is valleys and plains in the semi-periphery or periphery. Population densities are higher than in the mountains, there are more opportunities to make a living—in farming, manufacturing and services—yet there is a great deal of variety in living standards. Smallholders in irrigated farming areas tend to do well while people practicing dryland agriculture suffer from droughts and floods. Some farmers own their land, others work as landless labourers whether on the land of smallholders or large corporate plantations. Many households have relatives working and living in large urban centres, sometimes abroad. In countries like Malaysia and Thailand, ageing has started to transform rural, semi-peripheral areas in significant ways. Senior citizens increasingly tend to the farm while people in their thirties and forties work in Penang, Kuala Lumpur, Bangkok, other cities, and abroad.

The third type of landscape with distinctive features is coastal areas. Those close to urban areas may have relatively high population densities; those more distant may be less densely settled but still attract migrants from inland areas. While a coastal location may bestow some locational benefits, they can also face multiple stresses: land degradation, coastal erosion, salinization, overfishing, illegal fishing, unemployment, typhoons, and persistent poverty (Ferrol-Schulte et al., 2013; Finkbeiner et al., 2017). Reducing inequality—relative to the average living standards of farmers in valleys for instance—has proven to be a daunting task. A significant complication is that fishing-based households occupy a marginal position within national

political economies. This group are smaller in number than farmers and have much less influence in shaping policies concerning nation building, food security, and national prosperity.

3. The Geo-economies of Thailand and Vietnam

Both Thailand and Vietnam have witnessed dramatic changes with respect to spatial economic transformation. Thailand's transformation started earlier and was very strong in the 1980s and 1990s; Vietnam gradually started to open up its economy for foreign investors after 1986 and saw a substantial increase in manufacturing output in the 2000s. Vietnam became a member of the Association of Southeast Asian Nations in 1995 and the World Trade Organization in 2007. In both countries agriculture has remained important, especially in terms of labour, but relatively urban life has become much more vibrant. Bangkok, Ho Chi Minh City, Hanoi, and many secondary cities have expanded rapidly and many rural people have migrated to the cities on a circular or permanent basis. While absolute poverty levels have reduced significantly and the two countries are both considered as successful by many international organisations, spectacular economic growth rates have been accompanied by several worrying trends as well, most notably socioeconomic and socio-spatial inequalities and environmental degradation (Phongpaichit and *Baker*, 2016).

Thailand is classified as an upper middle-income country yet in the early 2010s almost 50% of Thai families earned less than 15,000 Thai Baht a month (500 US\$) whereas the average family income was 23,000 Thai Baht (770 US\$; Tansakul, 2014). Also, inequality of landownership is high: "The top 10 per cent of all holders (individuals and juristic persons combined) holds over three-fifths of all land and the bottom 10 per cent own just 0.07 per cent" (Laovakul,

2016: 33). The reasons for persistent circular migration, the slums in Bangkok (e.g., Klong Toey), and the desire by many people from Northeast Thailand to seek jobs abroad is that both rural and urban employment opportunities are insufficient to create stable middle-class families. The statistical status of middle-income country does not reflect realities on the ground. Thousands of households do not enjoy a living standard of around 23,000 Thai Baht, but struggle to make ends meet with an income of between 10,000 and 15,000 Thai Baht. Tourist areas like Phuket and Chiang Mai have traditionally absorbed many entrants to the labour migrants. Nevertheless, the current pandemic has demonstrated that banking disproportionately on tourism can be too risky. Approximately 550,000 tourism jobs were lost in the second quarter of 2021 (Bangkok Post, 2021b). Environmental issues like deforestation and coastal erosion further put pressures on communities in many provinces. The up-coming post-pandemic era could therefore be used to rethink the future of Thailand's geo-economy. How to foster decent jobs, spread economic opportunities to areas outside Bangkok, while reducing environmental degradation? Climate change impacts such as floods and droughts also need to be taken account into national and provincial policies well. Adaptation and mitigation will likely feature more and more in future initiatives to increase living standards.

At the start of Vietnam's reunification in 1975, it was a heavily devastated country. Between 1986, the start of the Doi Moi economic reforms and the mid-2010s, it had become a darling of the international development community. International organizations as well as NGOs praised the country's transformation from an impoverished nation into a dynamic semi-capitalist economy with a relatively effective role of the state. In a relatively short period of time, it became a global exporter of rice, tea, fruits, and seafood, investors from Japan, South Korea and others have opened up factories, and services industries have expanded as well. These

achievements are remarkable in light of the chaos and mayhem during the Anti-French resistance war (1946-1954) and the Vietnam War (1955-1975). Nevertheless, the country still has a long way to go before it enjoys average standards of living similar to Thailand or Malaysia. Thailand's GDP per capita (in US\$ purchasing power parity terms) is 19,004 versus 11,677 of Vietnam (Malaysia 29,340; Indonesia 12,882; IMF, 2021). And ethnic minorities in the uplands continue to deserve special attention. What is more, urban labour markets need to improve in order to create a more inclusive process of spatial economic transformation. As Nguyen et al. (2020: 94) states: "Farming persists in these extraordinarily vibrant zones [near Hanoi] of transformation not because of the attractions of farming, but because of the perceived shortcomings, or livelihood risks, of other forms of work. Rice cultivation provides a spatial anchor with which to pivot through time and between sectors, and thereby to hedge against an uncertain future." And similar to Thailand, Vietnam has started to experience climate change impacts, coupled with the effects of dam building in the Mekong River as well as sea level rise, sinking and salinization in the Mekong Delta (VN Express International, 2019).

4. The Covid-19 Pandemic in 2020

Although Vietnam and Thailand could be regarded as successful in terms of containing the pandemic until late March 2021, both countries have experienced significant socio-economic disruptions, most notably in Thailand. Thailand's economy declined by 6.1% in 2020 (Channel News Asia, 2021). Vietnam performed well in macroeconomic terms with a growth rate of 2.9%, but as will be demonstrated below, this does not mean that Vietnamese farmers have not been impacted. Vietnam's growth is mostly attributable to manufacturing (CNBC, 2021). At the end of 2020 Thailand

was affected by an outbreak in a large seafood market in the province of Samut Sakhon nearby Bangkok, yet this outbreak does not mean that all people in Thailand were impacted. Before delving into the research areas, it is worthwhile to briefly look more closely at Vietnam as it had been able to avoid large scale outbreaks at the time of this writing, similar to New Zealand and Taiwan. The number of Covid-19 cases by April 14 2021 was 2707 and the number of deaths only 35 (CSIS, 2021)! For a start, Vietnam's location made it look like being at high risk being heavily infected by the pandemic. Vietnam borders China and has intense economic activities with this dynamic and fast-growing country. China was Vietnam's largest trading partner in 2019 with a total export and import value of US\$ 116.8 billion. Not surprisingly, trade is especially concentrated in northern Vietnam where it borders China. To respond to the risks, the Vietnamese government acted timely and effectively to the surprise of the international community. Restrictions were put in place in order to socially distance. These decisions meant that Vietnam was able to start loosening up the partial lockdown as early as April 23, 2020, when the pandemic was only beginning to really hammer continents like Europe and the Americas. Nevertheless, the pandemic caused economic disruptions in different ways at different levels of society (Dang et al., 2020; Tran et al., 2020).

III. Methodology and Research Areas

It was decided to conduct research in areas already familiar to the co-authors in Vietnam and Thailand. This facilitated the choice of villages in both coastal and inland areas, rigorous empirical inquiry, building on existing networks with local leaders and opportunities for follow-up semi-structured interviews with key stakeholders during the evolving COVID-19

pandemic in late 2020 and early 2021. After preparatory visits, village walks, and pilot studies 240 semi-structured interviews were conducted; 60 in each of the four research areas; two farming and two fishing communities. The questions raised did not only pertain to the impact of COVID-19, but also to main achievements, challenges, and difficulties that villagers have faced in the last ten years. Originally, the questions focused more on rural inequalities, but prior to the fieldwork, the questions were tailored to the specific farm and fishing issues and trends in each research site including the impact of the Covid-19 pandemic. It is also important to distil differences between richer and poorer households because the background literature sometimes assumes that most households living outside cities are relatively poor while in reality farmers and fisherfolk are also a heterogeneous group. Purposive snowball and convenience sampling were utilized in order to create balanced groups of interviewees. The primary objective was to include interviewees engaged in farming (either as landowning or as wage labourers) and fishing (mostly boat owners as boat crews were difficult to reach). This article does *not* deal with the post-March 2021 period. Both countries experienced significant Covid-19 pandemic outbreaks from April 2021 onwards with many more daily cases and lockdowns in Ho Chi Minh City and Bangkok.

The four research areas are all accessible from urban centres and belong either to peri-urban-yet still maintaining rural characteristics-areas or coastal communities. In Vietnam research was done in Thuy Nguyen District, Haiphong. This district is very interesting since it is currently transforming from a rural to an urban district. At present 45.6% of people still live in rural areas. Thuy Nguyen in Vietnam has a total population of 310,000 people. It is fast developing and considered to be one of the best choices to invest in Haiphong due to its strategic location. One originally farming and one originally fishing-based commune were selected for our empirical

inquiry: Luu Kiem Commune and Lap Le Commune respectively. Luu Kiem has 11,666 inhabitants and has a diversified labour force. In the last two decades rice farming has gradually lost its dominance as main source of livelihood. Lap Le hosts 13,148 people and it is estimated that between 30 to 50% of the labour force is (still) engaged in fishing at sea. The fishing sector is made up of both small-scale and medium-scale fishing boats and the richest boat owners employ migrants from Central Vietnam.

The two research sites in Thailand are both in the southern part of the country, but not in the same province. The farming area is Tamode District located in Phatthalung Province, not far from the highway from Bangkok to Hat Yai and further south to Malaysia. In this district respondents were interviewed in the Tamode Sub-district (4,400 people) and Klongyai Sub-district (6,400 people). Most households cultivate natural rubber, rice, and fruits, while also engaged in wage work and some in salaried work in local government offices). On most accounts Klongyai faces more problems. The fishing community is located approximately 150 kilometres to the west-northwest (WNW) in the coastal zone of Trang Province. Interviews were conducted in Bor Hin Sub-district (1,300 households) and Khao Mai Kaew Sub-district (659 households), both located in Sikao which is situated 40 kilometres from Trang Town. In Sikao there are an estimated 460 households engaged in small-scale fisheries.

IV. The Impact of COVID-19 on Farmers and Fisherfolk in 2020

1. Traditionally Farming-based Areas

As a large amount of land in Thuy Nguyen District has been converted

from agricultural use to manufacturing and residential projects, livelihoods have become more diversified, also in the research site of Luu Kiem Commune. Rice farming is one of many choices for farmers. Farmers who have cultivated land within Luu Kiem were often granted two parcels of cultivation land in two different rice fields. It means one household will cultivate two separate rice fields at the same time. The rapid increase of residential and service-based economy in urban and peri-urban areas have urged the local farmers to invest in vegetables and fruit, freshwater aquaculture, poultry and cattle farming.

Most people in three investigated villages in, Thuy Nguyen District basked in pride that their country was able to contain the Coronavirus. Due to the timely and robust public focus on the disease between the Central Government and local government, people are well informed (Sen Nguyen, 2020). Perhaps this optimism partly explains why rice farmers have not complained much about the impact of the pandemic. Other plausible reasons are that many households keep the rice for own consumption and that the domestic rice trade was allowed to operate as usual, not surprising as a the most important staple crop in the country. However, during the national social distancing period, farmers affected as residents were required to stay home:

My family has been affected a lot by social distancing. No one goes to the market; no one buys food and vegetables. I grow vegetables and sell them cheap, very cheap [Participant 45, Phuc Nam village].

On April 10th, 2020, the Prime Minister approved the relief packet of US \$2.6 billion, targeting 4,135,000 Vietnamese people who were hardest hit. The intended beneficiaries were poor and near-poor households, people with a record of meritorious services to the country, household businesses,

employers, freelance laborers and blue-collar workers. Surprisingly, farmers appear to be out of Government support because they are neither under wage employment nor business households.

Not only farmers, but also traders and ing, manufacturing, and construction workers experienced difficulties. The following quotes illustrate that *in-situ* structural transformation and diversification do not prevent households from facing significant challenges in times of shocks:

Covid-19 affected spiritual activities because of restricting travel. So, few people go to the pagoda or visit the family graves. I have a small business of making joss-paper and I am substantially being affected by covid-19 [Participant 12, Truc Dong village].

Purchase and consumption behaviour in daily life have changed a lot. For example, people spend less money to buy milk than before. Instead of buying a box of milk, they buy only a few bottles. It directly affects my daily income. [Participant 59, Truc Dong village].

My children can earn 10 million Vietnam Dong [per month] before the covid-19. However, their salary has been reduced to 40-50 percent [Participant 10, Phuc Liet village].

Construction work? This job is unstable, especially this year. Hardly having new construction during Covid-19, I am off work a few months already. [Participant 13, Phuc Liet village].

In Tamode District, Southern Thailand, farmers were also relatively little affected. Out of 60 respondents, 33 answered that they did not experience a significant impact. Their immediate concerns are a lack of landownership, the sluggish price of rubber, mitigating floods and personal health issues. The other 27 respondents complained about travel restrictions, but did not

link them to harsh living conditions, lower incomes or other significant impacts that threatened their existing livelihoods. On the other hand, they welcomed financial support measures set by the Thai government:

If there were no supportive projects from the government i.e., state welfare card program, elderly living allowance, and COVID-19 remedial measures, we would have deeply been in financial difficulties.

Multiple respondents in both Tamode and Klongyai Sub-districts expressed similar views. Admittedly, the Tamode case might not be representative for Southern Thailand as the villagers have few contacts with the outside world. Most things happen in the immediate surroundings; there is little need to travel, traders come and buy their dried rubber or latex and there is a significant degree of local food security. The overall picture that emerges is a peaceful, yet relatively poor community. The average monthly household income is 8,275 Thai Baht (268 US\$), far below the average Thai income, but not far below standard rural households. Many rural households these days have a monthly income around 10,000 Thai Baht (324 US\$) especially since 2011 when rubber prices started to decline. Livelihoods of the poor in Tamode communities rely on their surrounding natural resources and land, particularly food security and water. The uniquely strong level of social capital is also significant for their subsistence, as the villagers' social relationships are closely tied into long-standing kinship networks, cultural gathering and social functions with reciprocal support. This is mainly due to the Tamode temple as a hub of social and cultural activities.

Despite this high level of social capital, many households remain relatively poor (for Thai standards). An important observation is that social capital cannot address the problem of lack of landownership as there is no

incentive for landowning families to give up parts of their land and as it is also difficult to distribute government-owned land to private owners. As a result, it is not surprising that 63.3 % of the poor do not expect to own any land in the next ten years. Also, 55% of the respondents stated that the lack of farmland is the most important problem in the sub-district. While land reform is not easy, it is worthwhile for policymakers to consider this option. Local social capital formation can be insufficient to bring about transformative changes and there is a risk that high inequality of land, income, and assets could culminate in social tensions (Nikkei Asia, 2021).

Studies have also been conducted of Thailand's export of chilled, frozen, and dried fruit in the period of January—April 2020 (Ministry of Commerce, 2020). Southern Thailand is also a significant source of fruit production, for example Mangosteen. That time period coincides with the first wave of the Covid-19 epidemic in Thailand and, compared with the same period of the previous year, the export value of this sector decreased by 8.6%. Based on the fruit production forecast, key fruit production in 2020 was projected to be higher than 2019, mainly due to favorable weather conditions and fruit export volumes. In 2020 the Covid-19 pandemic did not have much impact on Thailand's exports due to continuing strong demand from China.

2. Traditionally Fishing-based Areas

Fisherfolk in the research areas in Vietnam and Thailand have suffered more from the pandemic than farmers. In Vietnam this is due to a general disruption in domestic seafood trade as well as the impact of social distancing measures on labour dynamics in the fisheries sector. In Thailand it has been the combination of declines in domestic trade, international trade, the collapse of the tourism industry and the December 2020 COVID-19 outbreak in a huge seafood market that triggered a rapid decline

in the demand for seafood (Marschke et al., 2021). The two fishing-based areas roughly have a similar standard of living as the two farming-based areas, although there are outliers in Lap Le Commune with the presence of relatively rich boat owners (larger than 24 meters).

Virtually all respondents in Lap Le answered that they were affected by the pandemic, mostly because of lower prices and less availability of boat crew:

“The pandemic caused prices of caught fishery to decrease cheaper, goods were stagnant and could not be sold. Due to the pandemic, it was a very difficult time in all regions and family, not only us” (Interview BK1)

The covid-19 has impacts on fishermen. Because the government banned people to move to other places, our workers cannot come to Lap Le. As a result, our ship cannot depart because the lack of workers. Then, we had to rent a car to pick up workers from Thanh Hoa province. It costed us approximately millions VND (Interviewee LS17).

Some two-thirds of the respondents perceived the impact as strong and about a quarter as weak. But this quote shows that there are also other pressures:

“The COVID-19 did not affect ship owners like me. Only the price of the caught fishery is a bit lower. For example, normally, I could earn 150 million dong [US\$ 6505], but this trip, it decreased to 125 million dong [US\$ 5421]. I think even though the pandemic has an impact on livelihood of fishermen, it is not as severe as the climate change. This is because during COVID-19, I can still go to the sea and catch fish although the price is down. But when the climate is bad, we have to stop working and cannot catch fish” (Interview LC1 Participant 1, Lang Cap village).

A standard trip usually takes around 20 days and annual profits depend on catch and weather circumstances. Most owners of fishing vessels are indebted because of the vessel purchase.

As mentioned above most of the boat crew are not from Lap Le, but provinces in central Vietnam such as Thanh Hoa and Nghe An. During early 2020 when the Vietnamese government implemented travel restrictions, many workers who were at home could not return to Lap Le. Thus, they could not earn money; usually 10 million Vietnamese Dong (433 US\$ per trip; one trip usually lasts 20 days). Furthermore, female interviewees who are hired to patch the nets for other households also reported income loss.

Similar to the situation in Luu Kiem, it seems that the relief package targeting 4,135,000 people has not (yet) reached Lap Le. All of the interviewees, especially those who own large vessels and are indebted, shared their strong wish to have financial support from Vietnam Government and banks regarding their loans and interests. One boat owner stated:

“This year, I just paid loans and interests only 1 quarter, for other quarters, I just paid interest. From January to April, I did not earn anything. Then, in the next 3 months, I could compensate for the losses in the first three months of the year. But from August until now, whenever I depart the port, I cannot earn anything. Although the bank loosened a bit, I still have to maintain to pay them 20 million Vietnamese Dong [US\$ 867.29] per quarter” (Interviewee BK9, Participant 9, Bao Kiem village).

Owners of large boats do not belong to the poorest parts of society, but it appears that fisherfolk and fishing-based entrepreneurs have received less attention than other groups in society.

In addition to the pandemic other longer-term issues remain present. Marine fish capture and aquaculture have remained stable, but the role

of rice has decreased: from 629 hectares in 2010 to 235 hectares in 2020. Meanwhile, the number of households increased from 3026 to 3181. Climate change, natural disasters such as hurricanes, and depletion of resources, and debts have also impacted the livelihoods of fishing-based households. Another topic that we should examine future occupational diversification. Many individuals, especially older members of the community, do not have the necessary skills and education to do other work. Therefore, structural transformation at the local level can be stymied by this limitation. Without educational opportunities older fisherfolk and farmers will face serious challenges to adjust and to benefit from nationwide opportunities. This issue could be studied in other areas of Vietnam as well.

Fisherfolk in Thailand clearly belong to the bottom 40% in terms of socioeconomic status; fieldwork in the two Sub-districts in Sikao, also confirms observation. They face significantly more hardships than the fisherfolk in Lap Le. Since 1985 the non-governmental organization (NGO) Yard Fon Association has worked with the fisherfolk in Sikao. They promoted campaigns for trawler and push net abolition, fighting against invading trawlers in the nearshore areas, patrolling to prevent their fishing gears and setting up community mangrove forests. The conservation process took about eight years to achieve their goals. At present the communities remain active in coastal resources conservation by collaborating with various organizations in promoting various activities (Yard Fon Association 2010). Even though communities and NGOs have been involved in campaigns, mobilizations and networking to gain rehabilitation rights and conservation policies, small-scale fishers face persistent difficulties due to three factors: absence of landownership and difficulties to acquire land titles (similar to Tamode District), lack of government support, and a shortage of fresh water during the dry season. These three factors

hamper livelihood diversification, taking up higher value activities, and deepen existing inequalities. The following quotes reflect these challenges:

Most people in our village (Toh Bun) live in houses provided by the Community Organization Development Institute (CODI). We have no land or little land without land titles. I have no idea where our children could settle in when they set up their own families because the area is too small to fill in other houses. But it is impossible to buy a new plot of land because the land price is much far greater than our daily earning. (A respondent in Bor Hin Sub-district, Trang Province)

We have no land. The sea is our land. If we have boats, we could sustain our living. But who could guarantee us that the sea will be forever fertile for our fishing. (A respondent in Khao Mai Kaew Sub-district, Trang Province)

We are not lazy or just sitting doing nothing. We have tried to do all kinds of work—processing the leftover catches. But when there is no market, we just lose our investment. (A respondent in Khao Mai Kaew Sub-district, Trang Province)

The pandemic placed an additional layer of insecurity on their livelihoods, most notably the partial lockdown and restrictions during April-May 2020, and the early 2021 outbreak in the huge seafood market of Samut Sakhon province that affected the entire Thai seafood sector. Many people started to get worried about eating seafood and demand plummeted. Some fishers in Bor Hin Village, Sikao also complained because of a lack of local customers. As many fishers do not have supplementary jobs, they became unemployed. Whereas those who used to earn about 120-210 Thai Baht (4-7 US\$ a day) many nowadays do not make more than 60 Baht (2 US\$; Thai Post 2021). This is barely above the international poverty line of 1.9 US\$ a day. Out of 60 respondents, 40 stated that their total monthly household income is below 10,000 Thai

Baht (325 US\$); and this in a country with an average monthly household income of 26,018 Thai Baht (NSO 2019; equivalent to 14.1 US\$ per day assuming both parents work). Women who worked processing crabmeat also lost their jobs. Fisherfolk leaders told during the interviews that they requested various government agencies to provide financial support, yet, so far with very limited success.

V. Rural Southeast Asian Futures

Our findings reveal that even though Vietnam and Thailand were largely unaffected by the pandemic in 2020 from a public health point of view, the two countries experienced significant socioeconomic disruptions. Short and partial lockdowns immediately have a great impact on communities that do not belong to the middle and upper classes. Such communities often find it hard to switch quickly to other income-generating activities, make their voices heard, and receive adequate support from government agencies. Furthermore, given their location in rural areas, it is hard to receive attention from the public and the media as lockdowns are more visible in urban areas. The Covid-19 pandemic as well as other shocks provide evidence that we should not neglect rural areas. There is no such a thing as a smooth and inclusive process of rural-urban migration as countries become, statistically, middle-income countries. In sum, rather than becoming part of the middle class and catching up to the national average, as presumed in an upper middle-income country, thousands of households remain marginalized. A decade of progress can be halted or even undone during a pandemic, flood, drought, or a global commodity culminating in falling further behind the urban middle class.

In light of these challenges, and in line with this special issue, it is

worthwhile to contemplate Southeast Asia's rural future or better possible rural futures. How could rural valleys, coastal areas, as well as mountainous areas evolved amidst the continuing processes of urbanization, urban vertical farming, ageing societies, climate change impacts, automation and robotization, and persistence emergence of global environmental, economic, health, and political shocks? Writing on Thailand, Rigg (2019: 230) offers two scenarios: 1) land consolidation, modernization, and rural exit and 2) smallholder persistence and distributed livelihoods; household in which members continue to try to make ends meet by seeking jobs in multiple sectors of the economy and in multiple places (village, city, and abroad). The first scenario is what "history predicts, governments plan for, and economists expect" (Rigg, 2019: 230-231). It has also been the experience in many parts of Europe, North America, East Asia, Australia and New Zealand. However, looking at Southeast Asia current trajectories and persistent uncertainties, it seems that the second scenario is somewhat more realistic for the time being. Malaysia appears to be transitioning towards the first scenario. In 2019 agriculture accounted for 10.2% of the labour force (ADB, 2020), and by and large, Malaysian cities have been able to absorb rural-urban migrants.

Obviously rural exit has also been observed in Vietnam, Thailand, Indonesia, Philippines, Myanmar, Laos, and Cambodia, yet in absolute terms there still are hundreds of thousands of rural based households, and urban life does not offer a decent way out (Rigg, 2012). Furthermore, the pandemic appears to *reinforce* the model of smallholder persistence and distributed livelihoods. Shocks affecting rural households' livelihoods cannot be compensated for by permanent migration to the city as structural transformation and urban labour markets do not offer a decent way out of marginalization. As the risk of falling back into poverty remains high, both rural and urban spaces are needed to make ends meet. Therefore,

circular migration will continue to be an important trend in the coming decade. For instance, when automation and robotisation will really hit urban labour markets, what will redundant employees do? And how will these two trends affect the prospects for employment generation among small and medium enterprises (Gress et al., 2021)? One option is to seek work in the already crowded informal urban economy; another option is to return to their home villages and take up farming and fishing or to transform farms and coastal areas into post-productivist spaces for leisure, tourism, art, and retirement facilities (Thompson et al., 2019). The lack of decent urban employment opportunities necessitates not only an improvement in urban socioeconomic conditions and employment generation, but also a revitalization of lagging rural areas (Lui and Li, 2017). Khrishna 2017: 18) wrote on India that “Realizing more fully the potential of urbanization will, as paradoxical as it may seem, require making prior investments in India’s villages” (Krishna, 2017: 18). Investments in rural education, preparing explicitly for ageing societies, climate resilient agriculture and fisheries, land reform as well as improving the effectiveness of decentralization schemes would all contribute to such a revitalization (Rosegrant and Sombilla, 2019; Talitha et al., 2020). In post-pandemic debates it will be important to think through new alternatives with respect to endogenous development, employment generation, corporate ethics, and improving rural livelihoods such as described in Sonnenberg et al. (2021) in this special issue. Also, fostering nature conservation through new ways of human-environment interaction should be explored. Innovative connections between labour and nature could be explored in order to make rural life more shock-proof, inclusive and sustainable in the long run (Büscher and Fletcher, 2020).

Finally, from the theoretical perspective, there is a need for non-Western concepts and frameworks that can better explain processes of Asian socio-spatial dynamics. There is no gradual structural shift from rural feudalism

to post-modern, services-oriented capitalism. For instance, rural ageing has already started; even as countries such as Thailand and Vietnam are not predominantly urban-centred societies. Theorizing such novel dynamics is a task for human geographers and other scholars seeking to advance our understanding of the variegated and complex economic geographies of Southeast Asia and beyond.

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