

# THE GLOBALIZATION OF URBAN FORMS IN HANOI

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*La mondialisation des formes urbaines à Hanoi, deuxième  
partie*

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## ACRONYMS & ABBREVIATIONS

ACVN	Association of Cities of Vietnam
ADB	Asian Development Bank
AHPM	Administrative Housing and Property Market Management
AHPMM	The Administration of Housing and Properties Market Management
ASEM	Asian Free Trade Area
ASEAN	Association of Southeast Asian Nations
APEC	Asian Pacific Economic Cooperation
APSA	Asia Planning School Association
ARCASIA	Architect Regional Council of Asia
AFD	Agence française de développement
AFTA	Asian Free Trade Area
AUSAID	Australian Aid
BRT	Bus Rapid Transit
CBO	Communication Based Organization
CBD	Central Business District
CDIA	Cities Development Initiative for Asia
CDS	City Development Strategy
CG Meetings	Consultancy Group Meetings
CIEM	Central Institute of Economic Management
CPC	Commune People Committee
CSO	Civil Society Organization
DACP	The Department of Architecture and Construction Planning
DANIDA	Danish International Development Agency
DFID	Department for International Development (UK)
DONRE	Department of National Resources and Environment
DOC	Department of Construction
DPC	District People Committee
DPI	Department of Planning and Investment
FDI	Foreign Direct Investment
FIA	Foreign Investment Agency
FINIDA	Finland International Development Agency
GAP	Global Action Plan
GES	Global Equipment Services
GSO	General Statistic Office
HANCORP	Hanoi Construction Corporation
HAIDEP	Hanoi Integrated Development and Environment Programme
HAPI	Hanoi Authority of Planning and Investment
HAU	Hanoi Architecture University Hanoi
HAUPA	Hanoi Authority for Urban Planning and Architecture
HCAO	Hanoi Chief Architect Office
HCMC	Ho Chi Minh City
HNTTP	Hanoi New Town Plan
HPC	Hanoi People Committee
HSO	Hanoi Statistic Office
HUD	Housing and Urban Development Corporation
HUPI	Hanoi Urban Planning Institute
IDG	International Data Group
ICT	Information Communication Technology
IITA	Institute of Information Technology Advancement (RoK)
IMF	International Monetary Fund
IMV	Institut des métiers de la ville
JBIC	Japan Bank for International Cooperation
JICA	Japanese International Cooperation Agency



KEXIM	Korean Eximbank
KFW	KreditAnstalt fur Weideraufbau
KRF	Korean Research Foundation
KTT	Khu tap the
LUP	Land Use Plan
LUR	Land Use Rights
LURC	Land Use Right Certificate
MoC	Ministry of Construction
MoNRE	Ministry of Natural Resources and Environment
MPI	Ministry of Planning and Investment
MOLISA	Ministry of Labour, Invalids and Social Affairs
MONRE	Ministry of Natural Resources and Environment
MOET	Ministry of Education and Training
MOF	Ministry of Finance
MOT	Ministry of Transport
NA	National Assembly
NCC	National Convention Center
ODA	Official Development Aid
OMA	Office for Metropolitan Architecture
PAR	Public Administration Reform
PC	Phuong Nam Corporation
PMU	Project Management Unit
SAS	Stands for an older joint venture with the Swedish government
SDC	Swiss Agency for Development Cooperation
SEDP	Social Economic Development Plan
SIDA	Swedisch International Development Agency
SOE	State Owned Enterprise
SOM	Skidmore, Owings and Merrill Architects
SSP	Saigon Software Park
TIA	Technical Infrastructure Authority
TUPWS	Transport and Urban Public Works Department
RoK	Republic of Korea
TIA	Technical Infrastructure Authority
UCE	University of Civil Engineering Hanoi
UDA	Urban Development Authority
UIA	International Union of Architects
UNIS	United Nation International School
UNDP	United Nations Development Program
VAT	Value Added Tax
VINACONEX	Vietnam Construction and Import, Export Corporation
VNCC	Vietnam Construction Consultant Cooperation
VCP	Vietnamese Communist Party
VAA	Vietnamese Architectural Association
VEF	Vietnam Education Foundation
VIAP	Vietnamese Institute of Architecture and Urban and Rural Planning
VINACONEX	Vietnam Construction and Import, Export Corporation
VNUP	Vietnamese Urban Planning Association
VUPDA	Vietnam Urban Planning and Development Association
VUF	Vietnam Urban Forum
VUFO	Vietnam Union of Friendship Organisation
WTO	World Trade Organization
WB	World Bank



## INTRODUCTION

This report presents the results of research analyzing the changes and transformation in urban form related to the rise of a cosmopolitan regime in Hanoi. The research examines the changes in regime and urban form since the start of the Doi Moi period. The latter refers to the renovation period in which the country is changing from a command economy to a socialist – oriented market economy.

The underlying hypothesis of this research is that the globalization of urban spaces is characterized by the rise of cosmopolitan urban regimes and urban forms. Through the concept of cosmopolitan urban regime, we designate the importance, for the functioning of local governance, of flows of capital, persons and knowledge which link the relevant urban space to others geographically distant cities and regions. The urban forms produced in the context of such regimes, i.e. the material dimensions of the globalization of urban spaces, constitute the core of this research. The major aim of this research is to analyze how exchanges of knowledge across long distances mould the forms of contemporary cities and, in turn, how these forms shape the urban culture of those cities. The research focuses, in other words, on the material culture of cities, whereas the large majority of studies dedicated to urban globalization has been devoted to the role of financial flows or international migrations.

Based on an interdisciplinary approach and methodology (urban geography, urban anthropology, science studies and political science), the research develops an original approach of the relations between *forms* and *flows* in the transformation of urban space. The research conducted in Hanoi is part of a comparative research program, a similar research has been conducted in Europe, Palermo Italy (2007-2008), and is conducted in parallel in Ouagadougou, Burkina-Faso.

The case-studies, Hanoi in Vietnam and Ouagadougou in Burkina-Faso, have been chosen according to three criteria. First, both cities are (still) in the periphery or semi-periphery of the world-economy. Second, they both are stepping out of a period of relative isolation related to a situation of economic underdevelopment or to the political choices of their Nation-State. Third, they have been in recent years under the influence of an important intensification of global flows relating them to others cities and regions in the world. Our fieldwork uses three types of methods: documentary research, analysis of statistical data, qualitative observations and interviews. It focuses on a “biographical” study of a carefully selected sample of built forms. The choice of case-studies enables us, on the one hand, to study a process of urban globalization in areas rarely considered by the existing research and, on the other hand, to examine the globalisation of urban forms “in the making”. The results of this analysis will be confronted with the results of the recent research conducted in the city of Palermo, in Italy. These three studies spanning over three continents will help us develop an understanding of various unexplored aspects of the globalization of cultures and cities.

The objectives of this first report are threefold:

First, to analyze *to what extent and how local governance became more cosmopolitan*, second, *how new built form in Hanoi is related to these forms of governance*, and third, *into what extent these new urban forms ‘produce’ new urban cultures*. These answers will verify or not the hypotheses: (1) the globalization of culture manifests itself in local governance through the rise of cosmopolitan urban regimes (2) these regimes are at the origin of cosmopolitan built forms, or, in other words, forms shaped by the intensification of the mobility of people, capital and ideas, and (3) these newly built forms are expressive resources used by the local population in their identity positioning.

The structure of the report is kept simple. Part one will seek to understand the changing nature of local governance in Vietnam and Hanoi since economic reform (1986). Part two identifies the changes in urban forms and urban flows related to these changes, and part three examines to what extent 12 selected cases of buildings and places are used by the local population in their identity positioning.

*Cosmo-what?*

The term Cosmopolitan has been used in many ways, for many purposes and as such can have different meanings. Therefore here a short intermezzo explaining what we mean with the term. The use of the term *cosmopolitan* which we refer to in our research has been developed by Ola Söderstrom in the initial research conducted in Palermo. Here a summary of the term cosmopolitan as he develops and uses it<sup>1</sup>:

Cities are transformed under variable historical and social conditions. One way of characterizing this phenomenon is to talk about regimes defined as *systems of local governance*. In this research we assume that an analysis of processes dealing with contemporary situations exposed in urban form can be understood as *instances of a cosmopolitan city-building regime*. As such, we talk about a *city building* regime instead of an *urban* regime to point to specific aspects of local government related to transformations of the urban fabric. We do not mean that this regime is today a universal feature of urban centres, nor that it has no historical precedent, but that it is an important feature of contemporary processes of urban change.

In other words, cosmopolitan city building regimes are all related to more or less explicit agendas established by arrangements of public and private actors in which translocal flows play a crucial role. This regime manifests itself through hybrid forms, mingling different aesthetics and typological solutions, and relies on a series of actors' competence to navigate between different cultural references.

Analyses of urban regime change are based on general diagnoses of governance change in terms of political economic theory (Brenner 2004; Hall and Hubbard 1998; Harvey 1989) or political histories of local governance (Stone 1989; Stone 2005). In this research we follow a slightly different route, focusing on *changes* in urban forms. Though we will not therefore develop a classical urban regime analysis, we will use it to frame the analysis of these forms. It will allow us to locate them within a historically shaped system of action, comparable to other systems of action elsewhere, instead of considering them as free-floating, idiosyncratic urban features.

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<sup>1</sup> Söderström, O. "Forms and Flows in the contemporary transformations of Palermo's city centre". In Guggenheim, M. and Söderström, O. *Re-shaping Cities: How Global Mobility Transforms Architecture and Urban Form*, London, Routledge, chapter 10.

CHAPTER 1. REGIME CHANGES  
SINCE *DOI MOI* 1986

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This first part of the report aims to answer the question: to what extent and how did local governance in Vietnam become more cosmopolitan since the introduction of the Doi Moi policy? To answer this question in more detail we examine here existing literature, legal documents and Vietnamese views of how the government has become more cosmopolitan, and how this is related to a changing urban form in the city Hanoi. A series of interviews and meetings were held with Vietnamese involved in urban planning, policy making, and in cultural, social and economic fields (Appendix 0). The examination is structured in four parts: (1.1) Transformation of Governance in Vietnam; (1.2) Change in Urban Governance in Hanoi; (1.3) Evolution of the Urban Planning Process, and; (1.4) Evolution of the Master Planning Process.

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## 1.1 TRANSFORMATION OF GOVERNANCE IN VIETNAM

The renovation or Doi Moi policy that Vietnam applied early 1986 towards today and which resulted in increased international interactions early 1990s, has become the main engine to power socio-economic development of the country ever since. A new era started to take shape in Vietnam – **the economic transition period** – where the socialism-based centrally-planned economy transformed into market economy with emergence and direct participation of the private sector, local and foreign alike.

Doi Moi has consisted in policies promoting the integration of Vietnam into the world economy, creating a market oriented economy and establishing a system of new institutions that are appropriate to the changing conditions of Vietnam's society and economy (Vu Tuan 1995; Trinh & Parenteau 1991; Vu Duc Hoa 1993). The regime was not replaced by a 'complete different regime'. In essence, Doi Moi in 1986 was a policy that introduced market mechanism into the hitherto 'centrally commanded economy'. The process of actively implementing new policies started after the 1992 Constitution.

It can be said that, in Vietnam's contemporary history, this is the radical move that blew winds of changes over visions, thinking and approaches to national development adopted by the government, and thus it was, from the very beginning, strongly supported by the people. Such renovation approach in the globalization trend has resulted in obvious achievements in the country, though certain aspects such as architecture and urban planning are seen by many observers as problematic.

However, despite all the socio-economic changes, it has not led yet to any opening for change in the political domination of the Communist Party. The introduction of reform policies that occurred in Vietnam after 1986 were centrally concerned with the introduction of the market economy, the dismantling of some components of the planned economy and greater integration into the global system (McGee 2009; Luan 2002; Phe 2002; Leaf 1999; Masima 2006). And it has been the liberalization of the market economy which dominates the process of urbanization and changes of urban forms in Vietnamese cities. For political changes, the majority view in Vietnam at this moment is that Vietnam needs to capture a new momentum in its political reform process<sup>2</sup>.

"Contrary to the need for constant reform, the speed at which the public administration system is able to keep up with the wider socio-economic changes in Viet Nam is very disappointing in general. Economic success in Viet Nam in the past 7 years, from 2000-2007, particularly in 2006-2007 that saw new peaks in FDI and in GDP per capita, and after the country overcame the 1997 Asian Financial Crisis, might have blunted even further the lack of urgency seen in PAR beginning in late 1990s." (UNDP 2009:2).

Thus the regime by itself did not transform greatly. However, the regime initiated a set of policy changes which facilitated economic reform and greatly impacted social and cultural life in Vietnam. Today the actions by local and national governments are at the core of the nature of socio-economic changes and transformations in the built environment. This first part of the report aims to answer the question: to what extent and how did local governance in Vietnam become more cosmopolitan since the introduction of the Doi Moi policy? To answer this question in more detail we examine here Vietnamese views of how the government has become more cosmopolitan, and how this is related to a changing urban form in the city Hanoi. A series of interviews and meetings were held with Vietnamese involved in urban planning, policy making, and in cultural, social and economic fields (Appendix 0). The examination is structured in four parts: (1.1.1) Context Doi Moi; (1.1.2) Key-Changes since Doi Moi (1.1.3) New Impulses in urban form; (1.1.4) Chart Actors in Urban Form.

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<sup>2</sup> Information based on our interviews, and observations. This information is well exposed in Vietnam: it can be obtained from written and orally expressed views from society and government. See also recent UNDP report Government Organization Structure and Excellent Public Services: The case of Vietnam and some recommendations for change (UNDP August 2009).

### 1.1.1 Context Doi Moi

Today Vietnam is still largely an agricultural country in search of a path to rapid industrial and economic growth. In the terminology developed to delineate the transformations that occurred in Central and Eastern Europe, Vietnam is a 'transitional' economy. However, differences prove bigger than the similarities (Nhuan & Math y 1991; Szelenyi 1996; Geertman 2007; McGee 2009). Vietnam is somehow inspired by the experience of its neighboring countries and by the model denominated as the 'East Asian developmental state'<sup>3</sup>. At the same time Vietnam is different from most of its neighbors, with the notable exception of China (and Laos), with its transition from a centrally planned economy to a 'socialist market economy'.

In other words the specific national and international context in which Doi Moi evolved (issues at stake, modalities, timing, external constraints, etc.) brought forth a unique process that does not match up with the explanatory paradigm adopted for the European 'transitional economies'<sup>4</sup>. Instead a comparison with the Chinese has proved to be more useful. Although it must be said there are many differences between China, and Vietnam, there are also some striking similarities between these two countries.

Leaf (1999) and Geertman (2007) emphasize the important role of institutions and actors in the urbanization process<sup>5</sup>. Terry McGee identified similarities between the Chinese and Vietnamese 'systems' (2009:65-66). "First, in both countries, urbanization is deeply influenced by the socialist legacy, second, decentralization policies have greatly encouraged the production of urban space by city governments<sup>6</sup>, third the increasing commodification of land markets that has long been occurring unofficially and officially from the early 1980s has facilitated urban growth in both countries, fourth, an acceleration of economic growth in both Vietnam and China of which an important part is the integration into the global economy, has led to rapid change particularly in the largest cities. In this process urban spaces are repositioned, to attract local and international investment as such become part of strategies to achieve rapid economic growth and as well as image positioning. In other words, there has been an entrepreneurial turn in both countries since the 1990s. However in Vietnam it slowed down after 1997 (Asian financial crisis) but is again developing since 2006 (new liberalizing investment policies). Another big difference between the two countries is that China moved much more vigorously to introduce fiscal and administrative decentralization and reduce government fiscal transfers that forced the city governments to behave in a more entrepreneurial manner to increase income." (McGee 2009 page 65-66). To understand the differences between China and Vietnam, or better, to understand the uniqueness of the process of institutional changes in Vietnam, we need to have some knowledge of the period before the Doi Moi policy was initiated: 1976 – 1985.

The Doi Moi policy grew from actual development practices in Vietnam, from the restrained socio-economic development ten years after the war against the Americans was put to an end (1975 – 1985).

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<sup>3</sup> Theory, which emerged in the late 1980s and early 1990s and was advocated mainly by political scientists, argues that the key to East Asia's success is the "developmental state," which is said to be autonomous and strong, with a coherent corporate goal: development. "State intervention in "late industrializers" is pervasive and seeks deliberately to "set the prices wrong" in order to create competitive advantage (Alice Amsden, *Asia's Next Giant*, 1989).

<sup>4</sup> In the European transitional economies the breakdown of the communist regimes was closely related to ideological change by the population. In Vietnam the liberalization of the economy was generated due to economic needs, not due to ideological change by people. In fact: Vietnam is still a communist country.

<sup>5</sup> Leaf sees the production of space in both Vietnam as China as being a product of two space-producing impulses of "structure" and "spontaneity". The first response for control by the state in its various forms, while spontaneity arises from individual or household decisions that may or may not be in accord with state policies (Leaf 1999). Geertman views these two impulses as a form of "organizing systems" distinguishing between intentional and autonomic directed systems. Here the top-down system is seen as being primarily driven by the state and the autonomic system as being a self-organized system. Of course this division simplifies a much more complex set of space producing processes that include negotiation, resistance and compromise between the two driving impulses that are the result of historical, cultural and place specific understandings. Based on this view which emphasizes the important role of institutions and actors in the urbanization process.

<sup>6</sup> However, McGee (2009) notes that in China the process of fiscal decentralization has had far more dramatic impact than in Vietnam, forcing Chinese city governments to be aggressively entrepreneurial in their effort to increase their income.

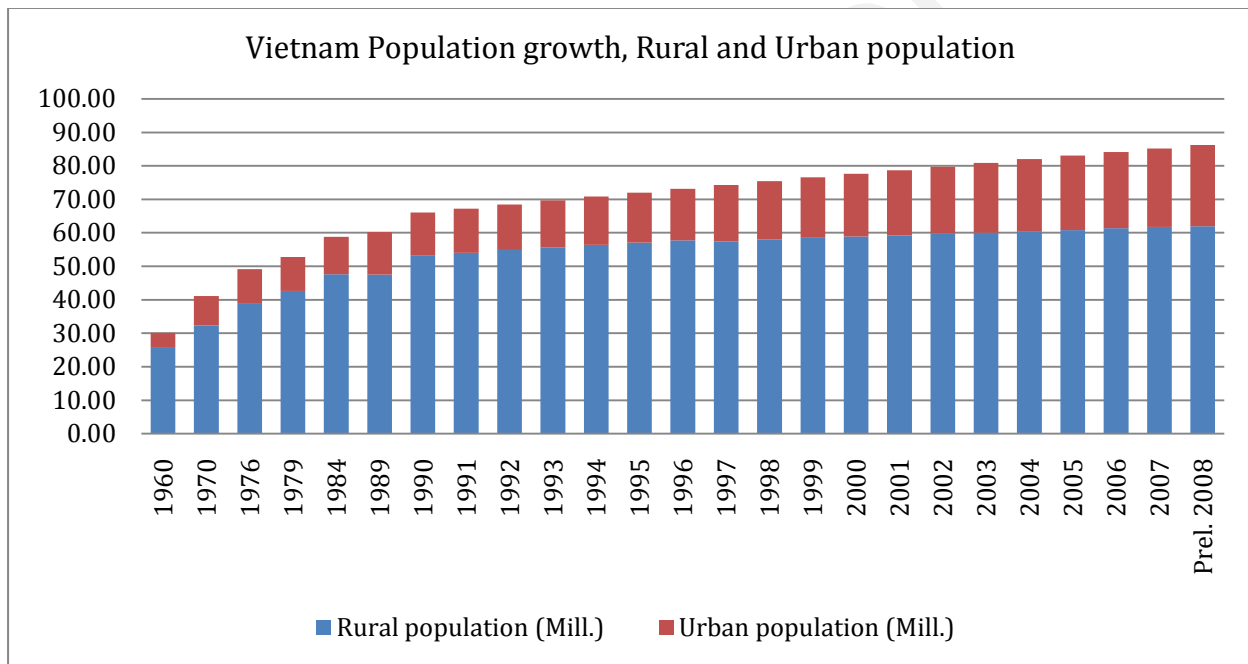


Renovation towards a market economy and higher roles of the private sector at the time in Vietnam was like swimming in an ocean of difficulties. It was a struggle as it was put against directly the socio-political vision of the socialism.

In the post-war period (1976-1985), a series of trends and events took place that were conflicting with each other. The government on the one hand was on top of the world after the great victory but also found itself on the bottom because of damages and losses brought by such war. The gap was then gradually growing between idealism and reality, between dreams and daily demands and needs. In fact, it was the serious limitation of the centrally-planning mechanism and the lack of capacity that blocked the country from further development.

Outside the country, there were objective difficulties, including political, socio-economic crisis in the socialist block, the embargo enforced by the US government (until 1994), conflicts with neighboring countries<sup>7</sup> and natural disasters all had their strong impacts on many aspects of Vietnam. During these post-war years the country was in an isolated position and remained closed to the rest of the world. The economy was underdeveloped and affected by depression. In fact, urbanization was decreasing (table 1.1, graph 1.1).

**Graph 1.1.1 Vietnam Population growth, rural and urban population**



Source: Vietnam National Institute for Urban and Rural Planning, [gso.gov.vn](http://gso.gov.vn)

<sup>7</sup> Shortly after the end of the war with the Americans, the Vietnamese fought the Red Khmer and Pol Pot in Cambodia. The last period of fighting in wars ended with the 1979 border war with China.

**Table 1.1.1 Population Growth Hanoi 1995 – 2008 (thous.)**

	Total	Urban	Rural
1995	2.43	1.27	1.16
1996	2.49	1.34	1.15
1997	2.56	1.46	1.10
1998	2.62	1.50	1.13
1999	2.69	1.55	1.13
2000	2.74	1.59	1.15
2001	2.84	1.64	1.20
2002	2.93	1.72	1.21
2003	3.01	1.83	1.17
2004	3.08	2.00	1.08
2005	3.15	2.06	1.09
2006	3.24	2.11	1.13
2007	3.29	2.15	1.14
Prel. 2008	6.12	2.57	3.55

Source: gso.gov.vn

The implications could not be greater: in contrast to China, which had been able to boost its economy after connecting with the international capital market (1979), Vietnam experienced a difficult and slow economic growth due to the American trade embargo. Furthermore, the Vietnamese have developed a great resistance towards international partners (a fear for foreign interference), most likely related to the long years of foreign aggression and thus to globalization. This relation to foreign countries during the first years of Doi Moi created very particular urban patterns and forms in the country: an urban development largely based on national and local resources rather than foreign capital – which is a great difference compared to developments in China and other Pacific Asian cities during the same period (Geertman 2007:41-60).

Within this specific Vietnamese context, the first developments in urban form and rebuilding of the country in general started with tapping into the potential of Vietnamese citizens' entrepreneurial capacities. It was here where the first actions with participation from the people, such as assigning land to farmers, contracting out agricultural outputs, or the "government-people working together" ideas in urban housing, among others, achieved a certain success (Loan 2002; Phe 1997). Due to the lack of capital and human resources but with an enormous motivation for change it was necessary to start experiencing with these people-state partnerships. Today these are well known in Vietnam under term *xóa bỏ rào chắn* or *barrier breaking measures*, and it was upon these that the Doi Moi Policy was born in Vietnam. This is quite different from the context in Eastern Europe and the Soviet Union where reforms were closely related to

ideological change. Doi Moi was not a radical political regime change. Vietnam today is still a centrally led communist country. But what it did, and this has been very beneficial for people's daily life, is that it resulted in positive changes in terms of the satisfaction of basic needs: housing, health, freedom of movement. On the other hand, the possibility to 'make money' and 'posses houses, motorbikes and cars' has intensified characteristics such as greediness and selfish behavior in society. These aspect will be discussed in more detail in part 3 of this report.

Doi Moi was launched in December 1986 at the Sixth Party Congress. Throughout two decades of war, Northern Vietnam had pursued a socialist model guided by a Marxist-Leninist ideology that did not recognize private ownership. Doi Moi constituted a double shift in this context: Vietnamese society had to shift at the same time from orthodox socialism to a specific kind of market economy and from a agricultural society characterized by many (feudal and colonial) traditional factors to an (ever more) industrialized<sup>8</sup> and modern society.

In 1991 at the VII General Meeting of Vietnam Communist Party - policy for foreign relationship, the government declared that *Việt nam muốn làm bạn với tất cả các nước trong cộng đồng quốc tế, phấn đấu vì hòa bình, độc lập, phát triển*<sup>9</sup>, which means *Vietnam want to be friend with all countries in international community, striving for peace, independence, and development*. Today this is known in the slogan *Vietnam wants to be friends with all countries in the world*. It shows the swift change from isolated socialist state to an open economy, known as the open-door policy and intensification of far-reaching integration in economy, culture and social affairs with all countries in the region and the rest of the world. However, the process of actively implementing new liberalizing policies opening the country to the word started after the 1992 Constitution.

### 1.1.2 Key- Changes since Doi Moi

The liberalization process of Doi Moi is concentrated in three key components: privatization (1.1.2.1), decentralization (1.1.2.2) and 'democratization of socio life' (1.1.2.3), parallel with these transitions, governance changed from one actor, the State, to a diversified to a plural system of governance in which we find four groups of key actors in urban development in Hanoi (1.3).

#### 1.1.2.1. Privatization of the Economy

The Socialist Republic of Vietnam has had four constitutions, adopted in 1946, 1959, 1980, and 1992. The current constitution was amended in 2001. The first three changes in the constitution were due to the permanent state of war and restlessness (Harrington 1994). For the privatization process, the 1992 Constitution has been very important since it stipulates that, instead of a centrally run economy, Vietnam would have a 'multi-sector economy in accordance with the market, based on state management and socialist orientations. According to this constitution land was to be assigned to individuals on long leases. The autonomy of state enterprises was guaranteed but the 'private capitalist economy' was given an explicit role. Furthermore, foreign investors were given ownership rights and guarantees against nationalization. The 1992 Constitution meant a new division of power between national and local governments. "A decentralization of power took place in which the role and power of the local government increases, while the leading role of Party organizations is reduced" (Luan 1996:184).

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<sup>8</sup> Industrialization was, although on a small scale, introduced in Vietnam by the French, during the period of colonization. This is also very different with the changes in the already industrialized (before the start of communism) post-socialist European countries.

<sup>9</sup> official website of Vietnam Communist Party - " A brief on Vietnam History" article  
[http://www.chinhphu.vn/ctdtcp/vi/nuocchxhcnvn/thongtintonghop/thongtintonghop\\_lichsu.html](http://www.chinhphu.vn/ctdtcp/vi/nuocchxhcnvn/thongtintonghop/thongtintonghop_lichsu.html)

Equitization (privatization) of SOEs has been at the core of the policy debate in Vietnam over the last decade but the government's attitude seems ambivalent. To give a brief indication of this process in Vietnam we refer here to a paper by Sjöholm, who compared Vietnam with other countries and found that "the progress on equitization has been relatively modest and SOEs continue to dominate the Vietnamese economy. Equitization in Vietnam is found to target small SOEs and no larger ones, and it does not address the efficiency problem with state ownership since the state typically remains a controlling share of the equitized SOEs" (Sjöholm, 2006: 1). A recent report by the UNDP (2009) discussing the PAR process in Vietnam, writes that SOEs "often prefer to remain under the wing of the MoC while they have certain benefits from it" (UNDP 2009).

As late as August 2001, at the Third Plenum of the Ninth Central Committee, the VCP continued to declare that "the state sector of the economy (in which state enterprises are the main pillars) shall occupy a leading role and this role is closely associated with the country's move towards socialism and stable economic and social development."<sup>10</sup> Before the Ninth Party Congress in 2001, party documents declared that it was the long-term policy of the VCP to develop a "commodity-based multi-sectorial economy operating in accordance with the state-managed and socialist oriented market mechanism"<sup>11</sup>.

### 1.1.2.2. Decentralization

The current legal authority structure contains both vertical and horizontal dimensions. The first vertical dimension deals with the relationship of the National Assembly and the government with People's Councils. According to the 1994 Law, People's Councils are under the supervision and guidance of the National Assembly Standing Committee and the central government, which ensures the legality of the council's documents<sup>12</sup>. Another vertical dimension deals with the relationship between the central government and People's Committees. The existing legal documents integrate local government into the political and public administration system to form a unified apparatus, treating the People's Committees at all levels as the local representatives of the central government<sup>13</sup>. The 1992 Constitution and its revised clauses in 2001 grant the Prime Minister the power to endorse the appointment of the heads of the provincial People's Committees, and if necessary to remove them. People's Committees at the district and commune level are under the supervision of the People's Committee at the higher level. Government ministries administer their local line agencies along a vertical line (*doc*)<sup>14</sup> giving instructions to local line agencies through circulars or directives and recommending the local People's Committee to pass implementing laws to apply the ministry's ruling at the local level. Heads of local line agencies report to both their line agencies at the upper level and to their People's Committee, and report to the People's Council when necessary. Thus in the de-centralization process the role of the Communist Party of Vietnam is absolute, the leading role was confirmed in the Constitution and has not changed till today.

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<sup>10</sup> "Thong bao Hoi nghi lan thu ba Ban Chap hanh Trung uong Dang khoa IX" (Communique of the Third Plenum of the 9th Central Committee), *Lao Dong*, August 23, 2001.

[http://www.laodong.com.vn/pls/bld/folder\\$.view\\_item\\_detail\(12867](http://www.laodong.com.vn/pls/bld/folder$.view_item_detail(12867)

<sup>11</sup> for a detailed step by step overview of Doi Moi reforms see SUJIAN GUO, 2004. Economic Transition in China and Vietnam: A Comparative Perspective. In *Asian Profile* Vol. 32, No. 5 October, 2004

<sup>12</sup> The process of guidance and supervision is outlined in detail in two key legal documents: Ordinance on the National Assembly's Standing Committee's supervision and guidance of, and the Government's guidance and inspection, of People's Committees dated 15-2-1996; and Government Decree no. 60 ND-CP of 7-10-1996 on the Government's guidance and inspection of the People's Councils in the implementation of legal documents issues by upper echelons (Fforde, Adam, 2003, p.11).

<sup>13</sup> (Fforde, Adam, 2003, p.11).

<sup>14</sup> In Vietnamese, a clear distinction is made between the 'vertical' – *doc* - relations between state organisations within the hierarchy (e.g., that between a Ministry and the corresponding Department at province level), and those 'horizontal' – '*ngang*' – relations between state organisations at the same level (e.g., that between two Departments at province level). Organisations within a vertical hierarchy such as a Ministry and its local equivalents are referred to as a 'branch' – '*nganh*' – in distinction to those within a locality (*lanh tho*), with the difference referred to as that between state management by 'branch' and by 'locality.'

With the start of Doi Moi, the political system in Vietnam continued as in the pre-Doi Moi period. Since around 1946, the province (or city), district, and commune<sup>15</sup> (or in a city, ward) have been the three official levels of local government in much of Northern Vietnam<sup>16</sup>. Each has a People's Council, People's Committee, and branches of the Communist Party and mass-organizations of the Fatherland Front<sup>17</sup>. Since the end of the war and reunification, these three levels and sets of institutions have been firmly in place in most parts of the nation (Kerkvliet 2004, p.5). The number of communes, districts, and provinces has fluctuated over time, due to population growth and periodic amalgamations and separations. Provinces (including cities), for instance, numbered 38 in 1978, 46 in 1990, and 57 in 2000 (Kerkvliet 2004, p.5). As of late 2002, Vietnam had four municipalities (Hanoi, Ho Chi Minh City, Haiphong and Danang) under direct control of the central government, and 57 provinces. In 2000, there were 604 districts and 10,387 commune-level units nationwide.

The redefinition of central-local government authority relations has been an element of the public administration reform program (PAR), itself endorsed by the Eighth Plenum of the Central Committee (VII Congress) in 1995<sup>18</sup>. The PAR program has focused on the restructuring of the organization of the government bureaucracy, the simplification of administrative procedures, the rebuilding of the civil service system, and the restructuring of the public finance system. The PAR program has also advocated the decentralization of responsibilities between central and local government units.

The first key aspect of PAR focuses on the redefinition of authority relations between central and local government and functions of local government units in the areas of planning and management. The second key aspect focuses on the reallocation of financial responsibilities. In the late 1990s, the process of decentralization was both reinforced and furthered by two political reform programs adopted by the Vietnamese Communist Party (VCP): the promotion of grassroots democracy, and the Resolution of the Fifth Plenum of the VCP Central Committee of the IX Congress on reform at the grassroots level - commune, ward, and district town - political systems.

The Vietnam Development Report 2010 *Modern Institutions*, of the World Bank, focuses on devolution and accountability. They argue that these are the two aspects that are at the essence of Vietnam's experience in the past two decades (World Bank, 2009, p.i). They distinguish two types of accountability: "upward accountability focusing on the compliance with rules, dictates, and instructions coming from the hierarchy, and downward accountability, focusing on the results that the person or body is entrusted to deliver. A person or body concerned with upward accountability emphasizes adherence to rules. Those concerned with downward accountability serve their clients. Both forms of accountability are needed" (World Bank, 2009, p.i).

Due to devolution and decentralization responsibilities and accountabilities change, and according to the World Bank report this demands from both local as central government great efforts.

"The extent of devolution from the national government to the provinces in Vietnam is, by any objective measure, quite large. With new authority, the provinces are, more so than in the past, able to align their mix of services with local desires." (World Bank, 2009, p.iv)

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<sup>15</sup> Commune is the common translation in English for this smallest section, however more clear would be sub-district. Most, if not all, scholars use commune in the literature and we will use commune as well in this report.

<sup>16</sup>The province, district, and commune are the three local levels of administration stipulated in the 1946 Constitution (*Hien Phap nam 1946, dieu thu 57*, p.404). In cities, at least in Hanoi, the ward did not come about until 1980. From 1945-80, however, there was a third level of administration, called "smaller area" (*tieu khu*), which the ward subsequently replaced. (Kerkvliet 2004, p.19).

<sup>17</sup> According to the Constitution, districts did not have People's Councils until 1959. *Hien Phap nam 1946, dieu thu 58*, p.404; *Hien Phap nam 1959, dieu 78*, p.424. (Three constitutions discussed in Kerkvliet 2004, p.19)

<sup>18</sup> See Thaveeporn Vasavakul & Adam Fforde 2002.

While this can lead to confusion and conflicting actions by different local governments<sup>19</sup>, the World Bank writes in the same report that in the process of devolution “the role of whole governmental apparatus is becoming more important than ever” (World Bank 2009, p.ii).

In the report they present a series of time lines depicting changes in devolution and accountability. The time-lines<sup>20</sup> capture not only specific events, but give a sense of the cumulative changes that have taken place. Responsibility for land use management<sup>21</sup> was given to local governments in 1993, 2001 and 2003 (Annex I). New responsibility in public investment was given to local governments in 1996, 1999, 2000, 2005, 2006 and 2007 (Annex II). Responsibility in Socio-Economic Development Planning<sup>22</sup> was given to local governments in 1989, 2003, 2005 and 2006. Aside local governments other sections of public society have been given more freedom and responsibilities regulated by the government. A new framework for mass-organizations<sup>23</sup> was introduced in 1989, after 1996, they were given more responsibility each year up to 2009 (Annex IV). Since 1989 the State, the Party and social organization were allowed to set up media agencies, they were given more freedom and responsibilities in 1999, 2002, 2005, 2006, 2007 and 2008 (Annex V). In 1992 Civil Society Organizations were given a legal framework, they were given more freedom and responsibilities yearly in the period 1995-2009. The last three, the mass organizations, the media and civil society have been given different responsibilities in anti-corruption policies<sup>24</sup>.

Research about the decentralization process in Vietnam, conducted in 2003 by Adam Fforde for AUSAID, concluded that the decentralization policies have been applied differently in the municipalities and provinces and with varying degrees of success.

In 1996, Luan wrote that many people in Vietnam worried that the broadening of powers for the local authorities will lead to an evolution that might lead to a weakening of the governing system because of possible tendencies towards localized autonomy and separation (Luan 1996:184). Today these worries seemed to be grounded, while the process of de-centralization in Vietnam results in unclear not transparent governance. As such Vietnam is suffering from a high amount of corruption (as recently documented in the Corruption Perception Index 2009, compiled by Transparency International<sup>25</sup> and the UNDP anti-corruption papers 2009). Today, corruption is a reason for growing discontent and frustration among the people. Especially related to new investments in properties and land there is a lot of discontent among people and professionals in Hanoi.

“The role between government and investors is very unclear in Vietnam, we can’t tell, it is not open who is investing where and how. What is clear is that the voice of the government is different from the people. We are investigating ourselves which actor is responsible for some new urban development’s”. (Interview with landscape architect and activist Ms. Van Tran Thanh<sup>26</sup>)

“It is estimated that there are around 744 invested projects in Hanoi. However, the new Master Plan seems does not seem to take these projects into account since the information about invested project’s is not open” (several informal talks with Dr. Khoi, University of Civil Engineering Hanoi<sup>27</sup>).

The quote of Ms. Van is one of many complaints we have heard in interview. In addition to the reports by

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<sup>19</sup> for example one region can implement policies which are beneficial for them, however which are harming a neighboring province

<sup>20</sup> To our report we will add the time-lines of the sectors presenting key changes which are related to our topic, globalization and changes in urban form since Doi Moi.

<sup>21</sup> Will be discussed in 1.3.1.3

<sup>22</sup> Will be discussed in 1.3.1.1

<sup>23</sup> Will be discussed in 1.2.4

<sup>24</sup> Mass-organization in coordinating and disseminating the Law on Anti-Corruption, CSOs on participating in anti-corruption, and the media is explicitly allowed to report on anti-corruption cases, to request and receive information on cases showing signs of corruption, and to be protected while reporting on corruption, aside they are made responsible for disseminating anti-corruption policies.

<sup>25</sup> www.transparency.com

<sup>26</sup> 30 / 05 / 2009

<sup>27</sup> During January and February 2010

World Bank, UNDP and the Corruption Perception Index 2009, our own experience in conducting this research shows that the governmental system is not transparent. It is diffuse and unclear in its organization and as such enables many gaps for informal agreements between public and public sector, and private and public section, relations which are dominated by kinship and friend relationships.

While this intensifies corruption, pressure from the international community has forced the government to take measures, including a law on anti-corruption issued on June 1st 2006. Foreign agencies (World Bank, UNDP, ADB) have been giving considerable development assistance to Vietnam aimed at improving “governance” – both the ability of government to make and implement policy and the ability of citizens to know about and influence what officials do, and they have been actively involved in anti-corruption. Meanwhile criticism inside and outside the country range from saying that officials are not doing enough to contending that good governance under Communist Party rule is possible” (Kerkvliet 2004:5). Since 2007 Media, Mass-Organizations and CSO are made responsible to actively participate and disseminate this law (Nguyen Vien Kieu Thi, ea 2009; Annexes IV, V & VI).

### 1.1.2.3 Democratization of Social Life

Aside privatization and decentralization, another important pillar of Doi Moi is the “democratization of social life” which was started by a promulgation of decrees and resolutions<sup>28</sup> on practicing “democracy at the grassroots level”. These orientations are encapsulated in such well publicized slogans as government “for the people, by the people, and of the people (*cho dan, do dan, vi dan*) and “the people know, discuss, implement, and evaluate” (*dan biet, dan ban, dan lam, dan kiem tra*). This resulted in the possibility for the people to take part in the course of local development and management (Minh Nhut Duong 2004). The Grassroots Democracy Decree issued as 29/1998/ND-CP in May 1998, later amended by Decree 79/2003/ND-CP in July 2003 recognized the importance of publicizing information and include active participation of the citizenry in making decisions. However, a decade after the Decree, there are limited results.

“Party leaders claim to have high regard for what people want and need; and they take pride in trying to make policy that serves the people and the nation as a whole. At the same time, Vietnamese officials acknowledge considerable shortcomings” (Kerkvliet 2004:5).

“There is an overwhelming number of reports and anecdotal evidence about the avarice and malignance of the bureaucracy basking in the glory of the power it exudes over the people, and the indifference and incompetence that have become its middle name” (UNDP 2009: 2)

Thus, although the ‘grassroots democracy’ the communist regime in Vietnam still produces resolutions, documents and slogans to govern the country, in which the voices of citizens remain relatively absent.

Minh describes it as follows, “the Decree is a policy to set forth the development of a democratic system in Vietnam”, however he says “there is an initial distinction between Asian Confucian values and the Western liberal values discourse. More unique to the Vietnamese context is the socialist guiding principles of centralized democracy (*tap trung dan chu*) that allows the central authorities to direct the flow of democratic rights to citizens” (Minh 2004 page 3). While existing legal documents integrate local government into the political and public administration system to form a unified apparatus, the People’s Committees are treated at all levels as the local representatives of the central government<sup>29</sup>. As a result “the principles of greater participation and more access to information are clear. However, the mechanisms for participatory planning and for information provision are less clear” (World Bank 2009,

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<sup>28</sup> Decree 29/1998/ND-CP on “The promulgation of regulations on the exercise of democracy in communes”, published in *Official Gazette* No 18, 30 June 1998; available online at: [www.un.org.vn/donor/civil/GDDecree%2029.doc](http://www.un.org.vn/donor/civil/GDDecree%2029.doc).

<sup>29</sup> (Fforde, Adam, 2003, p.11).

page 27). “The inconsistent implementation of the Decree and the absence of commitment to the process by many local leaders make the overall implementation disappointing” (Minh 2004, page 33). As such in Vietnam participation of the private sector and civil society remains limited, and even local governments are still perceived as local representatives of the central government. In this political system, the Communist Party of Vietnam is absolute, the leading role was confirmed in the Constitution and has not changed till today. And the following quote indicates that democracy is also not on top of this list for most Vietnamese people:

“... You can talk much more freely, and you can also criticize the government, even in the newspaper. So that shows a lot of changes. But there are still things not allowed; for example, some legacy cannot be changed. You cannot have a different political organization apart from the government..... People in Vietnam after the war want to make a better living condition. So their priority today is not freedom”. Mr. Nguyen Quang, program manager UN Habitat<sup>30</sup>.

Mr. Quang has developed many ideas new to the Vietnamese situation, and has been critical to official planning strategies since the early 1980, working as a, architect, journalist, urban planner and since 2007 as program manager of UN Habitat<sup>31</sup>.

However, in other interviews we also received many very critical views on the people – government relations in general and on the grand ideals of the government for the country and city Hanoi which is distorted from reality.

“ It is still as we say in Vietnam *‘pheap vua thua le lang’* (the law of the King is secondary to the customs of the village). We don’t have a strong hand. Everyone tries to bend the rules of the law. As a result Hanoi is a spontaneous city.” Quote from interview with Dr. Hoang Dao Kinh, vice president Vietnamese Architects’ Association<sup>32</sup>.

“The main actors in urban development in Hanoi are the people of the municipality of Hanoi. But this system is so fragmented that all energies are dispersed. We have a chairman but he can’t decide anything because he has a Party on top of him, a People Committee next to him, and under him many departments that do things by themselves. His function is more symbolic. Therefore there is also no line in urban development, everything is fragmented. All power is divided”. (Anonymous Vietnamese Architects’ Association<sup>33</sup>).

As a direct result of the liberalizing laws of Doi Moi, the structure of the city building regime, changed, from the State as the only powerful actor, to a plural system in which we can identify four key groups of actors which influence current changes in urban form in Vietnam.

### 1.1.3 New Actors in Urban Form in Vietnam

Terry McGee (2009, p.60) recently identified three impulses which influence current changes in urban form in Vietnam: (1). Government or Quasi-Governmental Impulses, (2) Entrepreneurial Impulses (3). Popular Sector Entrepreneurship, and we add, (4). Civil Society Organization (CSO) impulses. Here an overview of these impulses, a detailed analysis of the role of the different actors in urban form will follow further in this report (1.2.3).

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<sup>30</sup> Date interviews: 29 September 2009.

<sup>31</sup> Mr. Quang studied in Cuba from 1974 till 1981, after arriving back in Vietnam he did not get the freedom to apply what he learned in Cuba, to give more opposition to official governmental policies he became a journalist in 1985. However, in 1994, he moved back to his profession but now more focused on social development, not on building. Now he could not develop his ideas, due to a lack of knowledge. He applied for a scholarship from the Asian Institute of Technology, here he learned how to work under a market economy and about the field of urban planning. Here he received a PhD degree in 2002. After he worked as a consultant in Vietnam, and since 2007 he is the program manager of UN Habitat.

<sup>32</sup> 27.05.09

<sup>33</sup> idem



### 1.1.3.1. Government or Quasi-Governmental Impulses

This group represents:

- All the external forces working with the government (e.g. flows of ODA, being member of the WTO and ASIAN);
- National (e.g. the national state): national forces working with globalization and sub-national partners to advance on the goals of the national government;
- Regional (e.g. provincial): at these levels authorities are vigorously competing to attract global forces particularly in the coastal zones that are accelerating the process of urbanization;
- Sub-regional (e.g. cities, districts, wards, commune).

The government tries to reduce the potential for urban problems through master plans that attempt to regulate incompatible land-use, create the plans for infrastructure that try to make urban space more livable and economically competitive. Secondly they make their larger urban regions more competitive at an international scale by investing in special economic zones and other places that attract foreign direct investment. Thirdly they permit the development of quasi-government banks<sup>34</sup> and development companies<sup>35</sup> that are often controlled by the municipal administrations.

A result is competing local governments, to position their urban locality to capture more economic benefits. The Vietnamese government has embraced urbanization as a major component of development. More details about these developments in special economic zones will be discussed in section 1.3.2.

### 1.1.3.2. Entrepreneurial Impulses

- Bureaucratic entrepreneurial impulses
- Private entrepreneurial impulses

MoC as at the local level the HPC (and other PC of cities in Vietnam) show vigorous efforts to create cities that are more attractive to foreign investment through the development of industrial zones, the creation of a facilitative infrastructure and new upper and middle income housing areas. As such central and local governments have now the responsibility for both entrepreneurial activities and city development. We see an emergence of 'quasi' government organizations that city governments have set up to facilitate the city development process. In Hanoi the main actors are state owned enterprises (SOEs) like the Housing and Urban Development Corporation (HUD) under the MoC (see chart 1.1.4). As mentioned in the previous sub-section, many SOEs today are under the process of equitization (privatization). The largest equitized SOE active in urban development in Hanoi is the company VINACONEX .

The private sector entrepreneurs make up a separate category but they are playing an increasingly important role in the production of urban space. They are diverse groups including the directors and managers of large enterprises, in joint partnership with foreign companies, real estate developers and large scale retailing, industrial and information enterprises. Finally, there is a small group of very large private entrepreneurs that have developed Internet business and retailing franchises etc. The Internet

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<sup>34</sup>for example Vietcom Bank, in Vietnam it is common that employees working for a state company are only allowed to open a bank account at a certain state bank and receive their salary at that bank (only since the start of the millennium employees in Vietnam use a bank, before salaries were paid in cash). Today all household bills are still in cash, and many workers in the private sector are still paid in cash). Information from our own experience, and talks with employees of SOE who receive salaries at Vietcom Bank.

<sup>35</sup> For example urban development companies under the wing of the municipality.

business in Vietnam is booming, in particular the USA is recently largely investing in this sector<sup>36</sup>. According to Vietnam *Economics News Online* (issued on November 09, 2005), IT was in 2005 the most subsidized economic sector in Vietnam. It enjoys many incomparable privileges including tax and investment incentives, such as low corporate tax rates, exemption from value added tax, exemption on tariff for imported materials that are directly used for the production of software, etc<sup>37</sup>. Software parks are popping up in Vietnamese cities<sup>38</sup>, Hanoi's software park is located in the south west area of the city *Ho Chi Minh City Hi-Tech Park*, this will be discussed later in this report (section 2.3).

There is also an increasing number of foreign educated and overseas Vietnamese who are involved in the process of economic development and play an important role in overseas investment (details 2.2.2). For example, the shopping center Vincom is an investment by a Vietnamese living in Ukraine (see case study Vincom part 3).

### 1.1.3.3. Popular Sector Entrepreneurship

These are the activities of households that use their household resources to create employment and through self-directed construction and living environments. The process whereby individual households developed (semi-informal) housing in the urban areas began in the 1980, with the development of the 'un-official land-market' particularly by adding improvement on existing housing (Phe 1997; Loan 2002; Geertman 2007). This process accelerated after 1991 with the Ordinance on Housing that gave people the right to own their house for an extended period. In 1993 the Land Law was passed that gave house owners a 'land-use right' to their property. This law created an environment in which what Geertman describes as 'self-building' by households dominated Hanoi's residential construction being responsible for an average of 70% of all new residential construction in the period between 1995-2000 (Geertman 2003). Since 2000 there has been an increase in scale and proportion of state and large scale housing, while the government started to issue regulations to put a hold on 'land-lot division' developments'. However the popular sector remains important. Interesting enough is that the popular sector in Vietnam is not creating slums but middle-class housing representing their ideals of dreamhouses (Geertman 2001, Everts 2000).

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<sup>36</sup> In 2007 Intel announced an investment of US\$300 million to build a semiconductor assembly and test facility in Ho Chi Minh City. Later this investment was raised to one billion dollars. This marked the first such investment by the semiconductor industry in Vietnam. Another U.S.-based firm, International Data Group (IDG), the world's leading technology media, research, and event management organization, pledged to help Vietnam develop its information and communication technology (ICT) industry. IDG was growing at 6% in Vietnam and has invested more than US\$100 million in Vietnam by mid 2007. In mid July 2007, the U.S.' Global Equipment Services (GES) company was granted an investment certificate in HCM City. GES will invest \$36 million to build a hi-tech centre inside the HCM City Hi-tech Park. GES plans to hire around 500 Vietnamese engineers. The GES plant will begin to operate in September 2008. ([http://www.business-in-asia.com/vietnam/vietnam\\_ict.html](http://www.business-in-asia.com/vietnam/vietnam_ict.html), issued on 24/12/2009).

<sup>37</sup> By way of example, businesses involved in software production and services, both local and foreign invested, are exempt from corporate income tax (28%) for four years from the date they generate their first taxable income. Software products will receive a 0% Value Added Tax (VAT) and be free from export tax.

<sup>38</sup> Currently, Vietnam has 8 dedicated operational software parks. Three of these are in HCMC and the rest are in Hanoi, Haiphong, Dan Nang, Hue and Can Tho. Saigon Software Park (SSP) was the first software park in Vietnam started in 2001 and with technical support from CISCO is one of the countries most advanced. Quang Trung Software City, which was first approved in 2004 but opened in the same year as SSP – 2005 – is the other main software park. Quang Trung Software Park occupies an area of over 430.000m<sup>2</sup> with an additional 10 hectares available for expansion. The area includes lots of green spaces and an attractive environment. It is reachable from the Tan Son Nhat International Airport in 15 minutes and from the downtown area of the City in 30 minutes. With the exception of Quang Trung Software Park and SSP, the majority of the other dedicated software parks are running at way under capacity and generally not at the highest level of efficiency as none of them are located in areas that to date have attracted considerable offshore investment. To this point, HCMC and Hanoi continue to be the focus of most software development and advanced education for the country as a whole.

Today there are regular conflicts of interests between local governments and private investors with local communities. Local governments give priority to economic growth in order to attract more investors over the well-being of communities in Hanoi. Land allocation and resettlement are leading causes of concern by the Vietnamese Fatherland Front<sup>39</sup> (World Bank 2009, p. 44). Resettlement is often involuntary, and when voluntary the compensation price is very low. The same World Bank report writes “People have not only complained through formal submission of complaints, but even by going to the residences of party leaders and the state, and to the sessions of the National Assembly and People’s Councils (World Bank, 2009, p.45). City wide there are also many examples of conflicts caused due to entrepreneurial ambitions of the HPC. However, CSOs are increasingly successful in preventing such developments. Further in this report we will discuss the example of Thong Nhat Park (see section 1.2.4), is one of the many examples illustrating these conflicts. All these practices are blocking sustainable growth of the city Hanoi.

#### 1.1.3.4. CSOs impulses

Impulses from the popular sector and other civil society organizations are also increasingly influencing urban form. They group together and can give oppositions to urban development (Mass-Organizations, Associations, NGOs, INGOs and CBOs). They are at the same time able to organize neighborhoods and on community scale be actively involved in urban development (CBOs),

- CSOs which influence specifically urban form civil society: Local NGOs as Action for the City
- Local CBOs as To Dan Pho
- Local Associations as Vietnam Urban Planning Association (VUPA) and Vietnam Architectural Association (VAA), Association of Cities of Vietnam (ACVN), and the Vietnam Federation of Civil Engineering Association
- International NGOs (INGOs) (e.g. HealthBridge from Canada)

CSO are not completely new since Doi Moi. A law stipulating the right to associate was already adopted in 1957, yet only 25 association or societies were established during 1957-1967 and 30 during the twenty year period from 1967 to 1986 (World Bank 2009. p.111). However, since Doi Moi CSO have been growing steadily. National Associations grew from 100 in 1990 to 400 in 2008, Provincial Associations grew from 300 in 1990 to 6000 in 2008 (Ministry of Home Affairs NGO department 2008, published in Phuong 2007). What needs to be emphasized is that civil Society, as it exists in Vietnam, remains dominated by organizations that maintain close ties to the state, although there have been changes that somewhat ease the entry and facilitate voice of civil society organizations (Norlund 2007, World Bank 2009). In the first decade after Doi Moi mass organizations received increased independence over their management and finance, and more forms of civil society organizations were allowed to be established and to operate (Annex IV). In the second decade mass organizations have gained greater authority to undertake numerous public affairs activities, and additional forms of civil society organization (Annex VI) were allowed to be established and to operate always based on the principle of self-finance.”More recently organizations were devolved authority to undertake new public affairs especially in the areas of anti-corruption, service delivery grassroots democracy, PAR, and law making” (World Bank 2000, p. 3). Local CSOs exist of the Fatherland front and other Mass-Organizations which are closely linked to the Party and others are Associations, Non-Membership organizations and Community Based Organizations (CBOs) (Norlund 2007).

Action for the City is a local NGO (2006), which concentrates on urban issues in Hanoi. They are heavily influenced with international ideas about development. The founder studied in the USA, and people who work at this NGO have education backgrounds in Australia and other countries. The NGO represents a new generation in the city (founder and workers are between 28-35 years old). They adopt international

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<sup>39</sup> Umbrella Mass Organization (29 organizations are under the Fatherland Front)

concepts, for example 'Global Action Plan'<sup>40</sup>, which is an international concept that at this moment is the core of the business of Action for the City (from interview with Ms. Tran Thi Hai, around 29 years, Program Coordinator Action for the City<sup>41</sup>). Action for the city concentrates on "partnering with local and international groups to creatively improve the living quality of Hanoi. We invite you to join hands with us to make Hanoi and other cities of Vietnam green, beautiful and livable"<sup>42</sup>.

"Global Action Plan (GAP) is a network of international organizations working together to empower people to live and work in an increasingly sustainable manner. The GAP project in Vietnam is initially based on developing environmental sustainability in the workplace, where employees are engaged in addressing relevant climate change issues.

Action for the City, in conjunction with other international NGOs, has developed a plan of action to create a more carbon neutral office. Three key areas of focus have been identified as being important for carbon reduction; transport, energy and paper usage. Over the next few months, each workplace involved in this project will endeavor to reduce their carbon footprint through taking actions on these areas<sup>43</sup>.

The local organization, *To Dan Pho*, the local associations, the international NGO *HealthBridge* from Canada and the decentralized cooperation with the *Institut des métiers de la ville* from France, will be introduced in more detail in the section 1.2.5.

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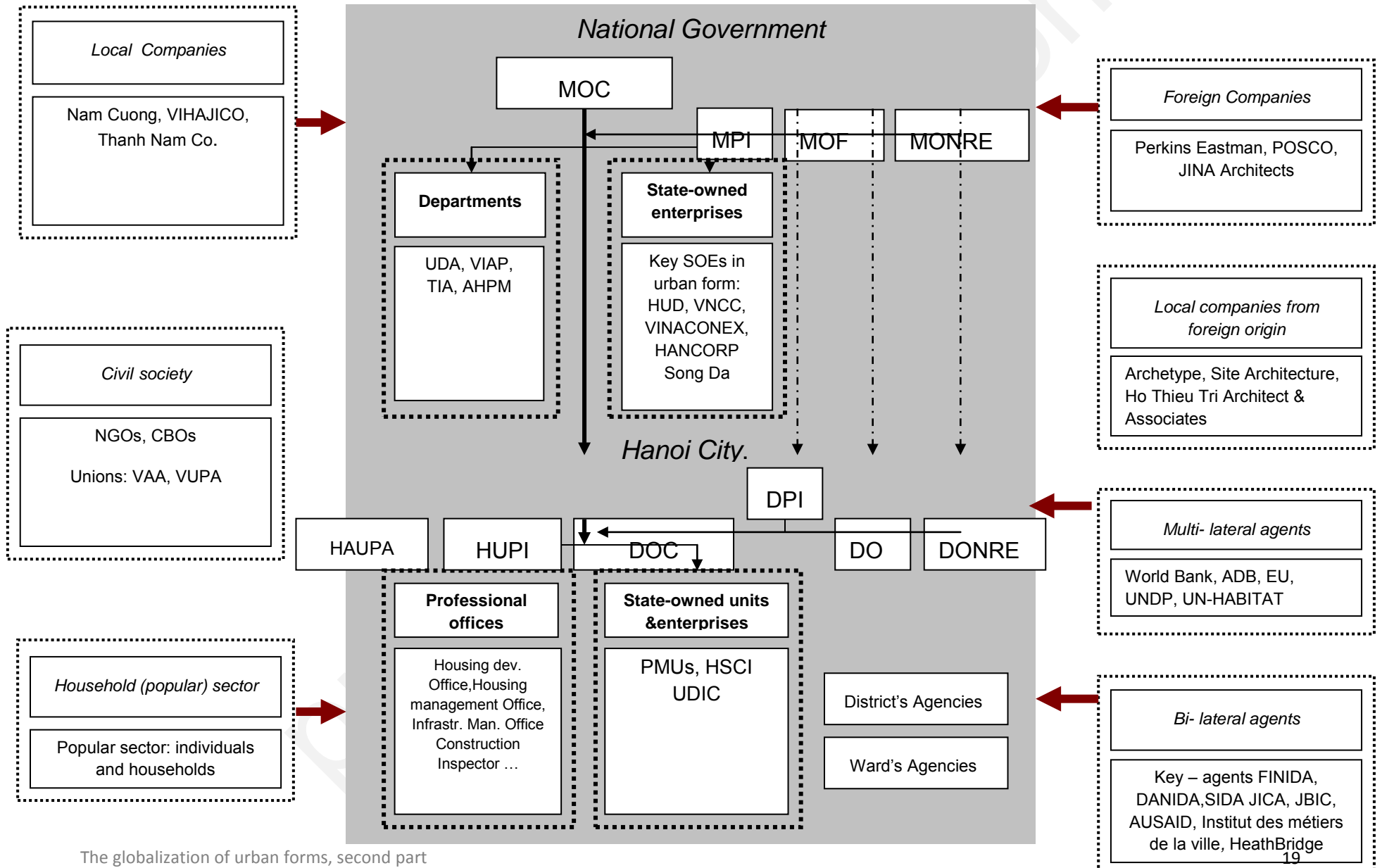
<sup>40</sup> <http://www.globalactionplan.org.uk/>

<sup>41</sup> 18/12/2009

<sup>42</sup> <http://www.vidothi.org/en/> issued on 20/02/2010

<sup>43</sup> <http://www.vidothi.org/en/index.php/programs>. issued 20/02/2010

### 1.1.4 Chart Public-Private actors in urban form in Hanoi



*Synthesis 1.1 Doi Moi is a set of policy changes which exist of three key components: privatization, decentralization and 'democratization of socio life'. However, they have developed with varying degrees of success. The Vietnamese regime is ruled by one Party and the central government does not ground its strategy based on the voices of citizens, in addition the central government still has a strong influence on what local governments do. At the same time the governmental system is not transparent, relations are dominated by kinship and friend relationships, the condition enables many gaps for corruption. This context creates a governmental system which is weak in managing and implementing strategies set for the country.*

*As a direct result of the liberalizing laws of Doi Moi, the structure of the city building regime, changed, from the State as the only powerful actor, to a plural system in which we can identify four key groups of actors which influence current changes in urban form in Vietnam: (1) Government or Quasi-Governmental organizations; (2) Entrepreneurial actors of both private and public sector (3) Popular Sector Entrepreneurship; (4). Impulses by Civil Society*

## 1.2 CHANGE IN URBAN GOVERNANCE IN HANOI

This section examines the changes in urban governance and its relations with foreign flows in four parts: (1.2.1) Urban governance Hanoi; (1.2.2) International Influences in Hanoi; 1.2.3. Role new International Actors in Hanoi 1.2.4 Role of Civil Society

### 1.2.1 Urban Governance Hanoi

Hanoi is a Class Special city<sup>44</sup>, a centrally managed city. This means the city is both under the central as the local government. The Class Special cities are significantly different in function and degree of autonomy to act than are lower level urban areas (Classes 2-5). The Class Special cities through their People Committees have identified distinct development styles. They have special attention on national levels and foreign advisors are invited to participate in city development. For Class Special cities, as Hanoi, master plan are prepared by the MoC. In contrast, to a significant extent, lower level cities lack identity, being creatures of the provinces. "Class 1 cities, as Ho Chi Minh City and Hanoi, have within the hierarchy of cities in Vietnam, 'a special status because they are the main players as respectively economic center and national capital of Vietnam" (Ngo Trung Hai, 2003).

Aside this the city of Hanoi as a capital has special laws, 'the Laws for the Capital'. This is a set of Decrees that have been issued in 1960, 1978, 2000. The newest one will be approved in May 2010. These laws are only applicable in the capital Hanoi and nowhere else in the country.

The law for the Capital in 2000 says that: "Hanoi must remain comprehensively and sustainably in socio-economic, science and technology and cultural development. Hanoi has to ensure the construction of basic infrastructure of a rich, civilized, modern but traditional socialist capital city. Hanoi has to improve the material and mental life of its people to become a prestigious city in the region and deserve the title *Heroic Capital*<sup>45</sup>."

On the central level, the Ministry of Construction is the authorized government agency to take responsibility for construction, architecture, construction planning, urban utilities, industrial zones, economic zones, high tech zones and urban development; conducting State's management over public services as provided for by the laws.

Regarding management, the Ministry of Construction has several departments and authorities to conduct the tasks. Those related to State's management over architecture and urban construction planning include:

- Urban Development Authority (UDA) assists the Minister to conduct State's management over urban development.
- The Department of Architecture and Construction Planning (DACP) provides advisory services for the Minister to conduct state's management over architecture, construction planning, including regional construction planning, urban construction planning, planning for development of residential zones, industrial zones, economic zones, high-tech zones and important border zones
- The Administration of Housing and Properties Market Management (AHPMM) assists the Minister to conduct State's management over housing, public offices, property businesses, and to conduct national focal programs on housing development.
- The Technical Infrastructure Authority (TIA) assists the Minister to conduct state's management over urban utilities, industrial zones, economic zones, high-tech zones, including urban transport, water supply, drainage, sewerage, waste water treatment, lighting, greeneries, cemeteries, solid wastes in urban areas, industrial zones, economic zones and high-tech zones.

<sup>44</sup> Vietnam's urbanization policy today is based on a hierarchy of places dating from 1972; a class system ranging from Class 1 to Class 5 (Geertman 2007, page 102). For these cities master plans are prepared by MoC and foreign advisors are consulted. Recently the Class 1 city has changed its name into 'Class Special City'.

<sup>45</sup> *Cac van ban cua Dang va Nha Nuoc ve Thu do Ha Noi*" 2004. Documents of Communist party and Government on Hanoi capital" published by HPC in April 2004, Page 8. Document in Vietnamese, here translated into English.

- The Vietnam Institute for Architecture and Urban and Rural Planning (VIAP) assists the Minister in urban development, and masterplanning.

Besides, in provinces and cities, departments of construction are in charge of architecture and construction planning in their respective jurisdictions, except for the case of Hanoi and Ho Chi Minh City who have an additional authority named as Hanoi Authority for Urban Planning and Architecture (HAUPA) (see chart 1.2.1), and HCMC Department of Urban Planning and Architecture

Major enterprises directly under the Ministry of Construction (see chart 1.1.4) related to design, construction, architecture and urban planning include:

- Song Da Corporation
- Vietnam Construction and Import, Export Corporation<sup>46</sup> (VINACONEX)
- Housing and Urban Development Corporation (HUD)
- Hanoi Construction Corporation (HANCORP)
- Vietnam Construction Consultant Cooperation (VNCC)

All these state-owned enterprises in the field of construction are currently under reformation process towards equitization and planning to establish three major economic groups. Standing beside state-owned enterprises are a large number of emerging private enterprises also involved in urban construction and development.

Moreover, associations – which are quite typical for the Vietnamese management apparatus – play a role in decision making. They support and assist these enterprises in. These associations include the Association of Vietnam's Architects, the Association of Vietnam Urban Planning (see chart 1.1.4 & table 1.1).

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<sup>46</sup> This SOE is under the process of equitization, some professionals (Mr. Nghiem) inform us they are already private, other say they are not or they are 'in between' (Prof. Thong).



**Table 1.2.1 Associations in Urban Form in Vietnam**

<i>Name</i>	Vietnam Architects' Association (VAA)	Vietnam Urban Planning and Development Association (VUPDA)
<i>Date of establishment</i>	6/3/1958	2/2/1998
<i>Function &amp; Aim</i>	<p>VAA is a voluntary political, social, creative professional organization of architect in the whole country</p> <p>VAA is under the control of Vietnam Communist Party and State. VAA's activity is to contribute practically toward country development</p> <p>VAA is to unite and encourage architects' talent</p> <p>VAA is to protect the right of organization member in professional activity under Vietnam Law</p>	<p>VUPDA is a social, professional organization on urban planning, urban management, and urban development</p> <p>VUPDA is to unite professionals on urban – rural planning, urban design, landscape design, urban management, environment activist, consultant, lecturer, researcher on urban planning and development</p> <p>VUPDA is to protect legal right of organization's member</p> <p>Main function of VUPDA is to consult, to oppose, to assess in urban planning and development process.</p> <p>VUPDA collaborates with Government bodies, Research Institution, Education Institution, and other social organizations in research activity, legislation document making, investment consultant, and training.</p> <p>VUPDA deploys knowledge, experience, law on urban planning and development in order to raise awareness</p> <p>VUPDA protects legal right and guides professional activities for professional groups</p> <p>VUPDA carry out exchange activities, international collaboration under Vietnam law</p>

Source: www.ashui.com, kienviet.net.

In general, the structure of local governance is not much different from the one in the command economy<sup>47</sup>. However, since the introduction of Doi Moi, certain institutional and administrative changes have occurred in Hanoi, reflecting the trend of de-concentration of power from central to local authorities. Instead of the structure itself, responsibilities changed and departments have been re-organized. Compared with the past under centrally planned economy, today Hanoi authorities have

<sup>47</sup> We could not find any information on the structure of the local government of Hanoi before Doi Moi. In an interview with the former Chief Architect Mr. Dao Ngoc Nghiem 28/10/2009, he said that in 1986, basically the governmental structure was the same. But he said "the names and the functions of the departments changed a little bit. For example, at that time, there was no Department of natural Resources and Environment. We only had department of land and department of housing. After 1996, these two departments merged and formed department of natural resources and environment. In 1986, we still did not have Department of Transportation and Communications. We had Department of Public Transportation".

more power in city planning and management, concerning the investment mobilization and planning, land use administration and housing production and particularly with the preparation and implementation of master and detailed plans.

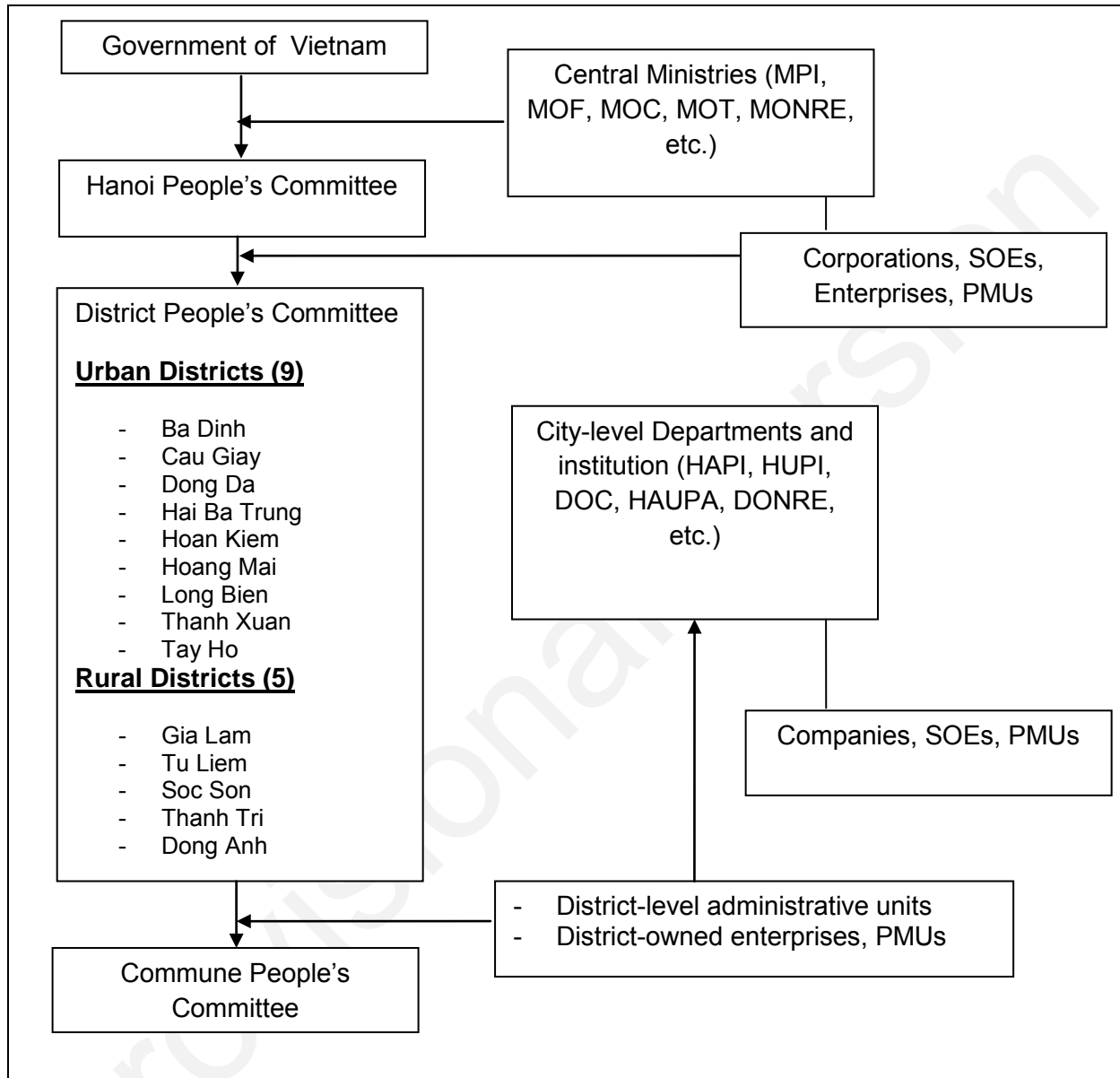
The Hanoi People's Committee (HPC) oversees several departments responsible for managing urban development and providing local public services (see chart 1.2.1). Under the city authority are the district people's committees (PCs) and the commune / ward PCs who also have prescribed powers and responsibilities (table 1.2.2). There are several departments, boards, and advisory agencies that report to HPC. The key departments involved in urban development and planning are:

- (i) Hanoi Authority for Planning and Investment (HAPI);
- (ii) Department of Natural Resources, Environment and Land (DONRE);
- (iii) Hanoi Authority for Urban Planning and Architecture (HAUPA);
- (iv) Department of Construction (DOC); and,
- (v) Transport and Urban Public Works Department (TUPWS)
- (vi) Hanoi Urban Planning Institute (HUPI).

Many of these departments also have profit centers known as state-owned enterprises (SOEs) and project management units (PMUs) within their organizations that implement urban and infrastructure development projects, as well as provide urban services. More details about the roles of these different department in urban development see section 1.3.1 *Evolution legal basis urban planning process*.

HUPI in previous time belonged to Hanoi Authority for Urban Planning and Architecture. Since 2009, HUPI is directly under the control of HPC. ([vungthudo.xaydung.gov.vn](http://vungthudo.xaydung.gov.vn))

## 1.2.2 Chart Urban Governance Hanoi



Source: HAIDEP Study, JICA 2007, page 2-27.

**Table 1.2.2. Key Departments Involved in Urban Planning and Policy in Hanoi**

Department	Function
Hanoi Authority of Planning and Investment (HAPI)	<ul style="list-style-type: none"> <li>- Prepare the socioeconomic plan for Hanoi</li> <li>- Advise the PC on implement action of development projects</li> <li>- Monitor implementation of various projects</li> <li>- Grant certificate of Bussiness registration</li> <li>- Coordinate with other HPC departments and institutions about overall planning and implementation</li> <li>- Evaluate development projects including projects funded with ODA</li> </ul>
Department of Natural Resources, Environment and Land (DONRE)	<ul style="list-style-type: none"> <li>- Prepare long-term, 5 year, and annual plans for the management of natural resources (mineral resources, water resources), environment and housing land (land-use plans) with inputs from the districts and the communes.</li> <li>- Administer land including allocation and leasing of land</li> <li>- Implement all laws and regulations on land use, land, environment, natural resources</li> <li>- Issue LURC</li> <li>- Prepare cadastral maps</li> <li>- Prepare statistics on land dealings including land transfers, auction of LURCs, etc.</li> </ul>
Hanoi Authority for Urban Planning and Architecture (HAUPA)	<ul style="list-style-type: none"> <li>- Prepare urban master plans/ urban construction plans for the city</li> <li>- Evaluate detailed plans of urban development projects</li> <li>- Issue planning certificate for development projects</li> <li>- Recommend long and short term urban development policies/ proposals for the city</li> </ul>
Department of Construction	<ul style="list-style-type: none"> <li>- Assess and approve technical design of civil and construction works</li> <li>- Issue construction permits</li> <li>- Compile information on construction prices</li> <li>- Regulate consultancy practice and building contractors</li> </ul>
Transport and Urban Public Works Department	<ul style="list-style-type: none"> <li>- Prepare annual and 5 year sector plans for the construction and repair of urban and rural transportation networks, traffic facilities, and transportation units</li> <li>- Manage the construction of transportation facilities, water supply and drainage system, sanitary system, parks and public lighting</li> <li>- Run transportation project management boards, maintenance organizations and business enterprices including bus companies and construction companies</li> </ul>

Source: HAIDEP Study, JICA 2007, page 2-28.

There have been many re-organizations to de-centralize power in the organization of the governance system. Investigating this is beyond the scope of this current research. However, we give here one example of the shift from the Hanoi Chief Architect Office (HCAO), to the establishment of HAUPA. The status as capital city (with special Decrees) and as central city (Class Special city) gave Hanoi under the Decision of the Ministry Council (No. 256/ MC), in 1991, the HCAO. As such the city authorities received major roles in the institutional planning and management. "The Government mixed the experiences it had from Russia and Singapore. And they thought that it was needed to have an individual (a Chief Architect) to consult for the government in dealing with chaotic urban development and urban forms" (Mr. Nghiem, last Chief Architect, and the first director of HAUPA)<sup>48</sup>.

<sup>48</sup> Interview: 28.10.09.

The HCAO had all the tasks regarding plan preparation and implementation, site selection and allocation approval, construction project evaluation and others are under the responsibility of this agency. However, in the ten years of operation many power conflicts occurred which led to the closure of HCAO, and the establishing of HAUPA. The establishment of HAUPA to replace the HCAO is one of the key-changes of de-centralization of power in the Hanoi City Government.

Despite the many re-organizations to de-centralize power, Hanoi authorities still face constraints from the centralized planning mechanism. For example, according to Government Decree 91 CP, both Hanoi People's Committee and MoC have similar roles in directing, assessing and monitoring the urban planning and management of Hanoi.

"Hanoi People's Committee and its subordinates do not have independent and discretionary powers in investment mobilization. The fiscal system still relies in central control and approval as required in a unitary state. That means, the central government retains full responsibility and authority for revenue assignment and resource mobilization. Local administrative units can do what they are authorized to do by the central government" (Quang 2002:89).

Therefore, local planning and development initiatives are subject to approvals by the central government agencies before their implementation. This makes it complicated (due to long bureaucratic procedures and overlapping laws) not only for Vietnamese, but also for foreign actors to work in the capital city. However, since Doi Moi Hanoi has received many flows of ODA, FDI and ideas influencing urban form in Hanoi.

### **1.2.3 Role of international Actors in Hanoi**

As capital and central city, Hanoi has received high flows of ODA and FDI influencing the city (section 2.2.2). In addition new ideas (section 2.2.3) how to develop the city came from different sources all over the world. Foreign agents and entrepreneurs have worked with both the MoC and the HPC. The first international agent involved in urban development since the start of Doi Moi was France in 1986, they prepared ideas for a new master plan for the city. Other key-projects came in the following years (excluding the several master plans): Australia in 1988 they researched the West Lake area, Sweden, & New Zealand researched the ancient quarter in 1999, Indonesia started in the same year Ciputra International City (up to today), the World Bank initiated the discussion platform Urban Form in 2001, Korea started the Red River Project (2004-2009), Japan started its infrastructure developments since 2005, Canada started awareness raising projects for a Green City in 2007, and France is setting up a new bus system in Hanoi since 2008.

**Table. 1.2.3 Key - initiatives in urban development in Hanoi (FDI, ODA and ideas) by foreign agents working with the Vietnamese government 1988 - 2009**

year	Country	Name Agent	Type of agent	Type of investment	Level of governmental cooperation	Content Project	Initiative
1988	Australia	AusAid	Bilateral	ODA	HPC	Urban planning and Management focus on old quarter and West Lake	Foreign agent
1999	Sweden	SIDA	Bilateral	ODA	HPC (HAUPA)	Research old quarter	Foreign agent
1999	New Zealand		Bilateral	ODA	HPC (HAUPA)	Research old quarter	Foreign agent
1999 - today	Indonesia		Project Developer	FDI	HPC	New International City	Foreign agent
2001-2007		UNDP, World Bank, SDC and others	Multilateral & bilateral	MoC	Vietnam Urban Forum	World Bank & SDC	Foreign Agent
2004-2009	Korea		Bilateral	ODA & FDI	HPC	Red River Project	Foreign agent
2004	Denmark	DANIDA	Bilateral	ODA	MoC	Sustainable Development of Cities en environment including Hanoi, Haiphong, HCMC and Nam Dinh	Foreign agent
2005-2007	Japan	JICA	Bilateral	ODA	HPC (HAUPA) & MoC	HAIDEP & Infrastructure	Invited by HPC
2007	Canada	HealthBridge	INGO	ODA	HPC (HAUPA)	Workshop about green Hanoi	Foreign agent
2008	Canada & USA	HealthBridge & University of Hawaii	INGO & Academic Institute	ODA	MoC (VUPA)	Seminar 'Hanoi a Livable City for All'	Foreign agent
2008	France	Institut des métiers de la ville	Bilateral	ODA	HPC	Planning & heritage for the French quarter and other French buildings in Hanoi. Setting up new bussystem in Hanoi.	Foreign agent

Source: Interviews with former director of HAUPA and former Chief architect Mr Dao Ngoc Nghiem<sup>49</sup>, former team member HAIDEP Ms. Pham Thuy Loan, Mussel Clement IMV<sup>50</sup>. Participation of authors seminar 'Hanoi a Livable City for All'<sup>51</sup>, Final HAIDEP report 2007 by JICA.

<sup>49</sup> 18/11/2009

<sup>50</sup> 27/01/2010

<sup>51</sup> 01/07/2009

“Total donor disbursements to Vietnam amount to roughly USD 1.5 billion annually. Loans constitute around 67 per cent while grants account for 33 per cent. The major multilateral donors are the World Bank and the Asian Development Bank followed by the EU and the UN-system. Bilaterally, Japan is by far the largest contributor followed by France, the UK and Denmark. Germany, Sweden, the Netherlands and Australia are also important bilateral donors. While most donors are aligning their assistance to the Vietnamese priorities as reflected in the Socio-Economic Development Plan, some important donors are not ready to give priority to a sector program approach but prefer the traditional project approach with high visibility and own financial controls. Infrastructure receives the largest share of donor resources followed by education, agriculture, health, water and sanitation, natural resources and fisheries” (DANIDA, Vietnamese-Danish cooperation 2006, page 17).

Before Doi Moi it was China, the former USSR and other socialist countries that provided ODA to Vietnam. However, during the war with the Americans other ODA agencies entered Vietnam. The first agencies delivering ODA came to Vietnam in 1969, the UN and SIDA from Sweden. Other Scandinavian bilateral agencies followed shortly after, Denmark with DANIDA in 1971, Finland with FINIDA in 1972. From other regions the first were the Netherlands and Australia in 1973. Since the start of Doi Moi, many other bilateral agents came to Vietnam. From Korea in 1987, Germany in 1990, the UK 1992, France in 1994, Switzerland (SDC) and Japan (JICA/JBIC) in 1995, and the US in 2000. Other multilateral agents than the UN came after the 1990s. The European Commission / European Union, only entered Vietnam in 1990, followed by World Bank and ADB, both agents entered after the American embargo was lifted in 1993. In urban form in Hanoi SDC, SIDA, World Bank, DANIDA, FINIDA, are mostly involved in capacity building, ADB, JICA and France in building up infrastructures (Annex VII).

Substantial assistance has been channeled into the transport sector in the last ten years. The most significant donors are the development banks including ADB, JICA/JBIC, Kreditanstalt fur Weideraufbau (KfW), Korean Exim Bank and the World Bank, together with bilateral donors including AFD, DFID, Ausaid and Finland.

ADB supports to the development of metro systems in the country's two largest cities, Hanoi and HCMC is new and ambitious. Each city authority has established a new board responsible for planning and implementation. As ADB notes, the first metros in the country, staff is inexperienced in managing such technically, financially and organizationally complex and demanding projects (2009. ADB. P. 30-31). Therefore in HCMC, the board will itself be the investment owner, responsible for developing and managing the metro (2009. ADB. P. 30-31).

JICA/JBIC support to the transport sector since 1992 to 2001 has accounted for about two-fifths of all their support to Vietnam (JBIC's ODA Operation in Vietnam, April 2008). Future support will be in Highways, bridges, expressways, airports and deep seaports.

The World Bank has been a major past donor, notably including the joint financing of National Highway 1 with ADB, with JICA funding large bridge repair and replacement. Future World Bank support will be mainly for rural roads and urban transport network in larger cities. However, AFD and the Government of France are co-financing with ADB in the rail sector. Korean Exim Bank co-finances the Southern Coastal Corridor Project, and may help finance the planned Hanoi-Lang Son Expressway (2009. ADB. P. 30-31).

In Hanoi ODA in urban form is largely focused on infrastructure funded and developed by JICA, WB, ADB and France. The first three are mostly involved in infrastructure and road implementations. JICA has completed several ringroads, bridges and flyovers in the city. The IMV from France is currently developing a program called Ecotrans project, in which they develop a rapid bus-system, improve bus-stops, and provide trainings to bus-drivers. They are also developing an east-west subway system. This first subway in Hanoi is funded by the Ministry of Finance's Emerging Country Reserve and the *Agence française de développement* (AFD). Ongoing engineering studies are being directed by the French SYSTRA consortium (international consulting engineers for rail and urban transport). In partnership with the AFD, IMV will provide technical assistance to the Hanoi People's Committee<sup>52</sup>.

Presently, there are about 500 foreign NGOs operating in Viet Nam, majority of which come from Western Europe, North America, and the Asia-Pacific region. The Regulations on the Operation of

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<sup>52</sup> Information summarized from: <http://imv-hanoi.com>

Foreign Non-Governmental Organizations in Viet Nam promulgated in accordance with Decision No.340/QD-TTg dated 24 May 1996 of the Prime Minister, have created a favourable legal environment for foreign NGOs to work in Viet Nam. In order to assist the Prime Minister in addressing questions relating to foreign NGOs, the Prime Minister established the Committee for Foreign Non-Governmental Organization Affairs (herein referred to as the Committee). The President of the Vietnam Union of Friendship Organisations (VUFO) has been assigned as Executive Member of the Committee. VUFO bears the principal responsibility for aid mobilisation and for relations with foreign NGOs<sup>53</sup>.

The People's Aid Coordinating Committee (PACCOM), the specialized and functional body of VUFO, was established on 10 June 1989. The organisational structure of PACCOM includes Director, Deputy Directors and Programme Coordinators, working in four desks (Administration, Europe, North America, and Asia-Pacific). To facilitate foreign NGOs' activities in Viet Nam, PACCOM has its network with close and effective collaboration of focal points for foreign NGO affairs at the central level and in all 64 provinces and centrally administered cities. PACCOM is entitled to perform the following tasks: (1) To reinforce the partnership between foreign NGOs and Vietnamese institutions and localities; (2) To facilitate foreign NGOs' activities in Viet Nam, and assist local partners in their relationship with foreign NGOs ; (3) To gather and disseminate information concerning the activities of foreign NGOs in Viet Nam; conduct studies and reviews on the activities of foreign NGOs, and assess the needs of different localities, and (4) To participate, with concerned agencies, in guiding and monitoring the implementation of the Regulations, laws and policies relating to the operations of foreign NGOs; and recommend to the Government proper policies for the operation of foreign NGOs in Viet Nam<sup>54</sup>.

To coordinate the many flows of ODA coming to Vietnam, the international donor community gathers since 1999 every year in Consultancy Group Meetings (CG Meetings). This meeting brings together participants from the Government of Vietnam and representatives of about 50 bilateral and multilateral donors to Vietnam. Vietnamese and International NGOs and representatives of the Vietnam Business Forum participate as observers. Consultative Group meetings provide a forum for discussions between the Government of Vietnam and its development partners on economic policy issues, strategies for reducing poverty, and ODA effectiveness.

The Government delegation includes senior representatives from key ministries and governmental bodies, including the Ministry of Planning and Investment, Ministry of Finance, and the State Bank of Vietnam. The Consultative Group for Vietnam is co-chaired by the Minister of Planning and Investment and the Country Director of the World Bank in Vietnam<sup>55</sup>. Prime-Minister Nguyen Tan Dung attended the recent meeting in 3-4 December 2009. The two-day event focused its discussions on practical topics as sustaining macro-economic stability, reforming State-owned enterprises; sustainable poverty alleviation; administrative reforms; modernizing public services; environment protection and climate change; and anti-corruption<sup>56</sup>. Specific attention throughout the whole meeting was for anti-corruption and more transparency. This message was especially delivered by the EU donor countries which gave a statement that Vietnam needs "free press, free Internet and a vital civil society to combat the biggest challenges facing the country". The statement was delivered in a speech by the Swedish Ambassador, Mr. Rolf Bergman the 3th of December 2009, Sheraton Hotel Hanoi.

In addition to the CG Meetings, since 1993 the International NGOs in Vietnam are organized in the VUFO-NGO Resource Center. This center was established through a partnership between INGO's working in Vietnam, and the Vietnam Union of Friendship Organisation (VUFO). The INGOs first started the INGO RC in 1993, since 1998 they started a partnership with VUFO. Its objective are to: "promote, facilitate and contribute to the sharing of information, resources and experiences within and between INGOs, their partners and local organization, in order to improve the quality and impact of their work in Vietnam; and strengthen relationships and enhance dialogue between INGOs and other development 'actors' in Vietnam, including governments agencies, donors and local organizations.

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<sup>53</sup> [www.ngocentre.org.vn](http://www.ngocentre.org.vn)

<sup>54</sup> idem

<sup>55</sup> According to Ms. Phan Huong, a retired director at MPI, the CG Meetings are follow ups of the informal round the table meetings organized by the UN before the World Bank came to Vietnam in 1993. Informal talk 18 / 12 / 2009.

<sup>56</sup> Information from attendance CG meeting 3-4 December 2009. Sheraton Hotel Hanoi.



The NGO RC had 137 members in 2009, but many others use the center as well, including national NGOs and institutions, international and national researchers and donors<sup>57</sup>.

To control the INGO's a Committee for Foreign NGO Affairs (COMINGO) was established on 24 April 2001 under Decision 59/2001/QQ-TTg of the Prime Minister, to bring together key government ministries and other bodies to assist the Prime Minister in guiding and addressing issues relating to foreign NGOs in Vietnam. COMINGO has the following key tasks: (1) Proposing guidelines and policies relating to foreign NGOs in Vietnam; coordinating with relevant agencies to provide guidance, monitoring, and oversight for the implementation of laws and policies relating to the operations of foreign NGOs; (2) Considering the issuance, amendment, or withdrawal of INGO Permits (for Operation, for establishing a Project Office, or for establishing a Representative Office) according to the regulations on the operation of foreign NGOs in Vietnam promulgated in conjunction with Decision 340/TTg of the Prime Minister dated 24 May 1996; (3) Periodically reporting to the Prime Minister on the operations of foreign NGOs in Vietnam, and (4) Carrying out tasks related to foreign NGOs in Vietnam as assigned by the Prime Minister<sup>58</sup>.

The Consultative Group Meeting of December 2000 determined that urban development and management would be one of the priorities in Vietnam over the next decade. It was recommended that a "Vietnam Urban Forum" (VUF) be established, bringing together a wide range of stakeholders and the donor community, with the Government taking a key role. The Forum would be a platform for partners to share experience and draw lessons learned which would contribute to further development of policies in order to implement the urban development and management in Vietnam.

The Vietnam Urban Forum was established at the initiative of the Government and UNDP in mid-2001. The Swiss Agency for Development Cooperation (SDC) took the lead role in sponsoring its secretariat in Hanoi. The first meeting of the Forum was held in Hanoi in May 2001 in which UN-HABITAT presented a research paper on urban transition in the country. Since then the Forum has assumed a central role in urban policy debate and consultation. In 2003 the "ownership" of the Forum was transferred to the Ministry of Construction, which is also the agency responsible for urban development. A number of consultation meetings have been held since then, and donors have eagerly utilised the Forum to present their views and the findings of the urban project they financed. Each year the Consultative Group on Vietnam convenes to deliberate on development issues and how best to channel external support<sup>59</sup>.

Flows of foreign investments come to the capital through new foreign entrepreneurs, key groups in Hanoi are: (1) foreign companies investing and developing properties in Vietnam including Ciputra from Indonesia and Posco E&C from Korea developing Northern An Khanh; (2) overseas Vietnamese investing in the private sector and popular sector, like Vincom towers, Highland Coffee, and selfbuild housing; (3) foreign design & consultancy companies opening branches in Hanoi, like the Dutch companies Urban Solutions; (4) and foreigners opening new local companies in Hanoi such as the offices Archetype and Site Architecture. A short outline of foreign companies in Vietnam:

The South Korean POSCO E&C is a general construction company established in December 1994, aiming for a global engineering & construction company based on expert engineering technologies, know-hows, and man powers with skills and experiences from the integrated steelworks of POSCO which has one of the world-wide competitiveness in ironworks. In Korea they developed Songdo International Business District in South Korea and in Hanoi they are currently developing the new town An Khanh<sup>60</sup>. POSCO E&C has a representative office in Hanoi and they also are one of the three partners developing the newest master plan for the city.

Keangram is Posco's competitor in Korea. They are also a general construction company, are very large, and were established in 1950. Currently building Keangram tower in Hanoi, which is competing to be the 17<sup>th</sup> highest building in the world.

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<sup>57</sup> *International NGO partnerships for development; An overview of information sharing and co-ordination through the INGO Working Groups during 2009*, VUFO – NGO Resource Center 2009. P. 5.

<sup>58</sup> [www.ngocentre.org.vn](http://www.ngocentre.org.vn)

<sup>59</sup> <http://www.fukuoka.unhabitat.org/project/project.php?sn=55&la=1>

<sup>60</sup> [www.poscoenc.com](http://www.poscoenc.com)

There are many Asian companies in Hanoi. These companies come and go, but are the key companies ones active at present. Korean companies dominate in FDI in properties. We asked some professionals in Hanoi why Korean companies come to Vietnam. " I think that Korea is quite near to Vietnam and there are also cultural similarities. We have something like first come first serve, so they have more chances here. We also have Taiwanese or Chinese investors but they only think about industry. Koreans have more ideas about urban development, so that's why they came first" (Mr. Long, architect and urban planner at HUPI<sup>61</sup>). Mike Douglass professor urban and regional planning university of Hawaii and specialist in urban development in Asia said that these companies are not allowed any more to build more in Seoul were the government has given a halt to property developments. Now, he says, they come here, compete with each other, and they can do everything here what they are not allowed to in Korea<sup>62</sup>. These companies are very big and in the frontline in the regions were new opportunities arise. The following provides an overview of foreign architects in Hanoi, and there reasons to come to Vietnam.

Claude Cuvelier, the founder and chairman of Site Architecture in Vietnam. He first came to Vietnam in 1997 when the company CBC part of the French company Vinci, send him to Vietnam as advisor in the Hilton Hotel project in Hanoi. He stayed six months, and decided to stay in Vietnam. Site Architecture first started as representative office with the main office in Paris. In 2003, the Vietnamese law allowed foreign companies to open, and the same company with the same people opened the local Site Architecture Vietnam<sup>63</sup>. Today Site Architecture also created a group, Site Asia with three other partners, of which one is Viet Kieu French. The main company is based in Paris from which projects are developed all over the world<sup>64</sup>. In Part VI of this report we will discuss Pacific Place, which is one the designs of Archetype.

The founder and chairman of Archetype in Vietnam, the French Francois Magnier, first traveled to Vietnam for the French Ministry of Foreign Affairs to supervise the construction of the French Embassy in Hanoi. He stayed for six months in Hanoi and saw the potential for business in Vietnam. Archetype opened a representative office in Hanoi<sup>65</sup>. In 2003 they opened 'Archetype' in Vietnam, as Site Architecture, which is the same company but now a local business. Archetype, which started in Vietnam, has grow out in Archetype Group of which Archetype Vietnam is a part. The group today has 350 employees from 20 nationalities and as offices in Vietnam, Cambodia, Thailand, India, UAE and France<sup>66</sup> In part IV of this report we discuss Big-C and Trang Tien, both designs by Site Architecture.

Aside from foreign architects, many of which are French architects opening companies in Hanoi, there are the Viet Kieu, the Vietnamese who came back to Vietnam since Doi Moi.

Mr. Ho Thieu Tri (1945), a French architect from Vietnamese origin. He was born in 1945 in Long Xuyen, South Vietnam, but fled during the war with the Americans from the South of Vietnam to France in 1974. At the time he already graduated from Saigon Architecture University in 1973. He lived in Paris where he continued his studies and started to work in architecture with Pierre De Vinoy Architect and CR Architecture based in Paris. He applied for French citizenship. Mr. Tri worked in Shanghai from 1993-1994, on his way back to Paris he took a detour visiting Hanoi. He heard about the completion for the Opera house renovation and become the selected architect for the renovation. Mr. Tri stayed in Hanoi and opened a representative office. As with the other foreign companies he opened the local architecture company HTT architects and associates in 2003<sup>67</sup>. He is now based in Hanoi. In the future he is planning to move back to the South "it is not easy for a Southerners to live in the North<sup>68</sup>". HTT architects today has grown out into a group of over 100 architects and designers. "I am a foreign architect working in Vietnam. As for friendship, I feel like I am 100% Vietnamese. I have many foreign friends, and we don't see each other regularly but we still keep contact. Now living and working in Vietnam, I see them more friendly<sup>69</sup>" In part IV of this report we will discuss the renovation of the Opera House, and the new Hang Da market, both designs by Mr. Ho Thieu Tri. Another example of a Viet Kieu architect is Mr. Le Cuong.

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<sup>61</sup> Interview 23/11/2010

<sup>62</sup> From personal talk 27/03/2010

<sup>63</sup> From interview with Mr. Claude Cuvelier 13/11/2009

<sup>64</sup> <http://www.site-archiconcept.com>

<sup>65</sup> From interview with Mr. Michel Cassagnes 05/11/2009

<sup>66</sup> <http://www.archetype-group.com>

<sup>67</sup> <http://www.htt-group.com>

<sup>68</sup> From interview with Mr. Ho Thieu Tri 15/12/2009

<sup>69</sup> idem

Mr. Le Cuong (73 years) is a French architect of Vietnamese origin. He was born in Vietnam, but during the war with the French he was sent by his parents to France for study. He left for France at an early age in 1951, just before the independence from France. He went to school in Paris and studied architecture in Paris from 1960 to 1962, and then studied architecture in Switzerland, Lausanne. After he completed his studies, he worked and taught in Paris for two years, and then moved to the USA to study urban design at Harvard University USA from 1970 to 1972. He worked for one year in Boston, and back to Paris to work in architecture. Mr. Le Cuong came back right after the opening of Vietnam to the world, in 1987. Mr. Le Cuong came back to Vietnam because as he said "After the start of Doi Moi I think I should do something for Vietnam. I think that I was very lucky. I love my country". Mr. Le Cuong has an office of 10-15 people and they have flexible working locations, changing from Hanoi, Hue and HCMC. Mr. Le Cuong says 'my work is 100% foreign', which is 'international'<sup>70</sup>. In part IV of this report we will discuss Tan My Design, a modern shop in the old quarter of Hanoi, which is a design by Mr. Le Cuong.

Finally, there are examples of strong foreign influences in Vietnamese who went for long periods abroad to study and now have high positions in SOEs in Vietnam. An example is Dr. Hoang Huu Phe (1954) he is the director of Vinaconex R&D, a research and consultant firm within Vinaconex JSC. He studied in Kiev at the Institute of Civil Engineering in the Ukraine, from 1972 to 1978. After, he worked at the Research and Design Institute for Higher Education Buildings, Ministry of Education in Hanoi. Then from 1987-1988 he studied at Asian Institute of Technology, Division of Human Settlements Development, Bangkok, Thailand. From 1988 – 1991 he became research associate at this institute. Then in 1991 he started with his PhD studies at the Development Planning Unit, University College London. He lived in London for 10 years and travelled to Vietnam involved in consultancy jobs. In 1999 he moved back to Vietnam and became associate in the Vinaconex Corporation. Dr. Phe is the designer of our case THNC, the first high rise residential towers in Hanoi, which are similar like towers elsewhere in the region.

Dr. Phe is an example of many Vietnamese who went to study in the Pre-Doi time in socialist countries and who since the start of Doi Moi continued their studies in capitalist countries. Many people of this generation today have high positions and have a mixture of socialist -capitalist influences in ideas applied for Vietnam. Other examples are Mr. Nguyen Quang programme manager at UN-HABITAT who studied in Cuba, and after at the AIT in Bangkok, or the director of the Institute of Sociology, who studied (with Dr. Phe) in Ukraine, after he studied in Australia, or Prof. Nguyen Quoc Thong editor in Chief who studied architecture in Poland, and after studied architecture in France.

FDI, ODA and new ideas, which come through capacity building give, in theory, the local government the knowledge and means to develop a city with a vision, and a strong strategy for its future urban development. However, the local government has difficulties using these new opportunities fully. We can't identify one particular strategy which the city building regime is taking, and no one in our interviews can give us a strong vision or strong opinion about the cities development. Different approaches are offered by foreign advisors, however they do not take off in Hanoi. One example is Cities Alliance and administered by the World Bank CDS (City Development Strategy).

### 1.2.4 Foreign urban strategies for Vietnam

This CDS has been tested in 7 Vietnamese cities<sup>71</sup>, however, not in Hanoi. The World Bank's CDS is, according to Mr. Quang, program manager at UN-HABITAT not tested in Hanoi because: (i) Ha Noi is a big city (the capital of Viet Nam), therefore, the formulation and implementation of a CDS is very complicated (with different layers of stakeholders at national, city, district and sub-district levels), the local authority is not pro-active as well as the CDS funding available is limited; and (ii) Hanoi had received an UNDP supported project on "Strengthening the Capacity Building for Urban Planning and Management" with a multi-sectorial investment planning approach (which is similar to CDS) and the results of this project was not very successful thus the plan was not institutionalized". Mr. Nghiem, former chief architect and first director of HAUPA, argued that CDS in Hanoi was not tested while it does not fit under the 'laws for the capital' of the city<sup>72</sup>. Ms. Loan involved in CDS in Da Nang gives

<sup>70</sup> Interview with Mr. Le Cuong 04/11/2009

<sup>71</sup> Ho Chi Minh City, Haiphong, Da Nang, Dong Hoi, Nam Dinh, Can Tho and Halong

<sup>72</sup> Interview 18/11/2009.

the following arguments why it is not applied in Hanoi: "You know, Hanoi is a very strange city. All the leaders of Hanoi are not Hanoians, They are from provinces, even mountainous provinces, were brought to positions in Hanoi for easy control... So CDS is a kind of thing that can be more easier in Da Nang because it is quite autonomous, you know, far from the central. Actually Da Nang has a strategy. They want Da Nang to become something like Singapore, you know, kind of environmental city. They mobilize resources from World Bank and others to do a lot of investment in infrastructure. ..Da Nang is more transparent and has more community participation. People care for the city.... Hanoi is like a city between central city and local city. And even the central government and local government in Hanoi fight with each other most of the time.."

When we asked Mr. Bach former official of the HPC<sup>73</sup>, why the HPC does not have relations with World Banks and some other key international donors in Vietnam, he explained that HPC at present has difficulties keeping and establishing new relations with foreign agents, especially the donors. Due to the many bureaucratic procedures and the low salaries (Appendix VIII) people do not have time. Secondly, since the merge of Hanoi with Ha Tay province 50 percent of the people at HPC are from Ha Tay Province<sup>74</sup>. They don't speak English and are not used to relate with foreigners. In addition he says that "a lot of problems appeared because there were a lot of differences between Hanoi and Ha Tay in the way of thinking, in culture and the way of working and doing things. My colleagues found it difficult when they had to share the works with people with lower capacity. That's the problem. At the leadership level, the leaders at Ha Tay are even at lower level than normal staffs in Hanoi. But now they are in leadership, and they give instructions to others...It's an embarrassing situation...."<sup>75</sup> However, there are still many ambitious people at HPC, and some inspired officials at HPC did develop their own CDS approach.

The CDS approach has been explored for Hanoi by a few ambitious officials<sup>76</sup>, they received funding from the EC fund *AsiaUrbs* (2007) to do it. However, this remained largely knowledge exchange and a learning process, the result was never implemented. "The officials learned from visiting European cities in this project" (Mr. Tran Xuan Bach, UN Habitat, former official at HPC<sup>77</sup>). More recently the HPC is testing CDIA.

This initiative was co-founded initially as a partnership between the Asian Development Bank (ADB) and the German Federal Ministry for Economic Cooperation and Development (BMZ) in October 2007. Since that time, the program has welcomed the participation of the Swedish International Development Agency (Sida) and the Spanish Government as funding members. Further external support agencies, national and city governments, and private financing sources are considering to join the CDIA effort in supporting the common task of Investing in Asia's Urban Future<sup>78</sup>. The Cities Development Initiative for Asia (CDIA) is a multi-donor program established to assist medium sized Asian cities to bridge the gap between their development plans and the implementation of their infrastructure investments. CDIA uses a demand driven approach to support the identification and development of urban investment projects in the framework of existing city development plans that emphasize one or more of the following impact areas: Urban environmental improvement, Urban poverty reduction, Climate change mitigation or adaptation. To facilitate these initiatives at city level, CDIA provides a range of international and domestic expertise to cities that can include support for the preparation of pre-feasibility studies for high priority infrastructure investment projects as one of several elements.

CDIA's Core Management Team/ Secretariat is based in Manila, Philippines in close proximity to ADB (one of its funding partners). The Initiative is governed by a Program Review Committee comprised of representatives from its major funding agencies with advisory inputs from a Panel of experts from the region as well as a Stakeholder Forum providing demand side analysis for CDIA services<sup>79</sup>. Unfortunately we were not able to get more information about the process of this initiative in the city of

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<sup>73</sup> Interview 23 / 11/ 2009

<sup>74</sup> One department had before around 100 employees, now its are 200 employees, according to Mr. Bach they search for work, but often don't have anything to do.

<sup>75</sup> 23/11/2009

<sup>76</sup> However, by now they moved out of the HPC, while they 'could not apply what they learned'.

<sup>77</sup> 23/11/2009

<sup>78</sup> <http://cdia.asia/about-cdia/background/>

<sup>79</sup> idem

Hanoi. According to Mr. Long of HUPI<sup>80</sup> this strategy has more potential for success than CDS while in contrast to the World Banks CDS, the CDIA provides the local government with funding. If this strategy will produce results still remains to be seen.

Aside all the international influences on strategies for the urban development of Hanoi, the city of Hanoi is active in setting up new international relations and positioning the city on the international stage. First, through visits of officials of the HPC who go for training abroad in funded capacity building program, often prefunded by key bilateral agents as SIDA, and multilateral agents as EU, World Bank and UNDP.

Second, Hanoi is active in international relations through the participation in international city networks as the earlier mentioned CDIA network. And other relations are established through relations of Vietnamese networks with international ones. The VAA (Vietnamese Architectural Association) is member of the International Union of Architects (UIA) and the Architect Regional Council of Asia (ARCASIA). Hanoi invited the presidents of the different Asian Associations (representatives came from Japan, Malaysia, Laos, Singapore, Thailand) to the Conference held in 2006 in Hanoi for the 80 year existence of the VAA. The relations in these networks are established by the representatives of the organizations, as such individual Vietnamese urban professionals do not have much direct contact with people in other international networks. Most relations with international professionals are established while working with them or abroad for training, or in projects in Hanoi. Other networks are established through universities, Hanoi Architectural University is member of APSA (Asia Planning School Association). Hanoi Architectural University hosted the 7th APSA conference in 2003. Professors of HAU visit the other conferences held in the region.

Third Hanoi is active in hosting international events which promote the city on the international stage. Examples are the Asian Seagames of (2003), and the Indoor Asian Games (2009).

Fourth Hanoi is submitting an application to the UNESCO for the classification of the Thang Long Imperial Citadel complex as a World Heritage site<sup>81</sup>. HPC knew about UNESCO while there are already UNESCO heritage sites in Vietnam<sup>82</sup>, the organization has a representative in Hanoi and there is an UNESCO Committee in Vietnam. Former Chief Architect, and first director of HAUPA, Mr. Nghiem went in 2006 to New York to present the site. It is expected to have Thang Long Imperial Citadel listed as one of the UNESCO World Heritage site by April 2010<sup>83</sup>.

As an alternative to the actions in urban development and internationalization by the State, the private sectors and communities and other CSOs are much more focused on and bringing about practical outputs. The very first group which active in building the city Hanoi since Doi Moi, have been the residents which dominated Hanoi's residential construction (architecture & urban structures in neighborhoods) being responsible for an average of 70% of all new residential construction in the period between 1995-2000 (Geertman 2003). This sector was directly influenced by foreign concept through media, foreign visitors to Hanoi and by Vietnamese visiting other countries bringing back with them new ideas and money (Geertman 2001). Since the start of the Millennium direct influences of international development approaches can be seen as well in the new developing Civil Society in Vietnam.

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<sup>80</sup> Interview 23/11/2009

<sup>81</sup> The citadel is a highly significant place in Vietnam's national history. The complex covers approximately 50 hectares. It corresponds to the areas of the Forbidden City and Imperial Citadel which were first built during pre-colonial times. While most of the original buildings were destroyed during wars, many relics remain underground that have been unearthed by archaeologists, including many architectural vestiges and artefacts from the period during which Vietnam was under Chinese domination and from more recent dynasties. All over the site, cultural layers appear and are testimonies of continual cultural and physical changes during a period of over 13 centuries. The Vietnamese authorities are hoping to get the Thang Long Imperial Citadel listed as one of the UNESCO World Heritage site in time for the millennial of Hanoi, in 2010. Sources: <http://whc.unesco.org/>

<sup>82</sup> Like Ha Long Bay

<sup>83</sup> Interview with Mr. Nghiem 18/11/2009/

### 1.2.5 Role of Civil Society

There is a trend at international bilateral and multilateral agencies to promote public participation and to try to mobilize civil society organizations in urban environmental management. The World Bank plays a leading role in this global approach, which is sometimes identified as 'the good urban governance approach' (World Bank 1999). Governance here refers to a relationship between the state and civil society, which supports the development of local capacities, empowerment, decentralized management and initiatives. "Urban civil society in this context is understood to include the private sector, community based organization (CBOs), and NGOs; it is assumed, within this paradigm, that these organizations do exist" (McCartney in Parenteau & Thong 2005).

Vietnam however, is a bit different from other countries in this respect, and civil society in Vietnam today is emerging upon the historical relationship between the state and the people in Vietnam (Kerkvliet 2003, Geertman 2007, Koh, 2006).

"In Vietnam, the citizen society concept did exist once in form of local communities, such as groups and associations in rural villages. "Village rules" – the documents that regulate activities and participation of the communities in village levels, which is a necessary self-management form. The Ordinance 34/2007 by the Party on conducting democracy at grass-root level (commune level), as a new form of the "village rule", together with the Decision 80/2005 by the Prime Minister on construction management all regulate responsibilities of communities in investment supervision and monitoring through Supervision Committee under the Father's Front. These are the fundamental documents that allow effective involvement and participation of communities in urban and architecture development" (DANIDA 2008).

Civil Society, as it exists in Vietnam, remains dominated by organizations that maintain close ties to the state. Since Doi Moi mass organizations received increased independence over their management and finance, and more forms of civil society organizations were allowed to be established and to operate (Annex IV). In the second decade mass organizations have gained greater authority to undertake numerous public affairs activities, and additional forms of civil society organization (Annex VI).

In the discussion here we will use the ideas of Kerkvliet (2003), Koh (2006), Vinh (2002), Leaf (1999) and Geertman (2007), who emphasize that there is some kind of mediating space in between people and state in Vietnam. They understand that the state in Vietnam plays a central one, yet at the same time they notice a certain loyalty and flexibility towards societal wishes and changes by the same state. It is from this view we can understand the specific nature in which civil society in Vietnam is slowly developing today.

Kerkvliet captures it very well in his identification of three interacting interpretations of the governance system in Vietnam (Kerkvliet 2003). The first he calls the 'dominating state' interpretation that shows the Communist party, government ministries, police, and other agencies of the state having tremendous powers not only over policymaking and implementation but also over the media, religion, and organizations for various sectors of society. The second he calls the 'mobilizational corporatist' interpretation, which highlights the role of official organizations in both mobilizing support from the state and being a channel through which people's concerns can influence what state agencies do. The third he calls the 'dialogical interpretation', which incorporates the individuals, groups, and social forces outside official channels that also affect the political system. Thus, state agencies do not completely control policymaking and implementations. "People can ignore the state's rules on some matters. They can also go beyond official channels to make their views and concerns known" (Kerkvliet 2003: page 54).

In his excellent study of state society relations in the wards of Hanoi, David Koh theorizes the interaction of state and society with the 'state-disaggregation' approach that examines low-level interactions of state-society relations (Koh 2006). This approach allows one to look at different levels of state-society relation interactions. It is an approach that shows that state and society are not necessarily separate and are frequently in interaction. In Vietnam (as in China), at the local level, there is a considerable amount of societal influence on the party-state as well as on the conduct and outcome of politics in which, through mediation and accommodation, new or hybrid ways of doing things arise. The new way, says Koh, may contradict the directives or values of the party-state and they exist alongside the official ways of doing things. He further says that such societal influence on

the party-state develops from the lack of clear differentiation between public and private roles (2006:9). "In Vietnam, local officials often have to play dual roles of being party-state agents and of being a part of the local community. When the values of the two roles clash, mediation of state power often occurs. It dilutes local officials' sense of being state officials, but enhances their sense of being part of the local community" (Koh 2006:9)

Actual practice in urban development in Vietnam in recent years shows direct participation and involvement of the private sectors and communities in a number of urban construction, planning and management. And as an alternative to the more idealist planning by the State which produces more images for the city than actual development, these are much more focused on and bringing about practical outputs.

The impact from the private sector participation is obvious and clear. However, the impact of local communities has not been properly attended, though certain success has been observed. In many cases, it is thanks to the involvement of the unofficial sector, specifically local self-managed unions whose influence are getting more and more effective, though they are not a part of the official organizational structure. The fundamental and overt reason for this is that roles of local communities are not clearly defined in existing policies and also in the implementation steps. On the other hand, the private sector and communities are always provided with insufficient information to identify correctly investment opportunities. Moreover, concerns and demands of private investors are not attended appropriately by local governments either. Hence, in existing urban development methods, benefits of stakeholders have not been ensured and harmonized. Parenteau & Thong (2005) say that "in broader terms, there is a need to tap into all possible roles and potentials of citizens and to conduct privatization in all aspects related to architecture and construction as well as urban environment protection". Prof. Thong working for the MoC says in a personal conversation<sup>84</sup> that, in Vietnam, this issue has started to get attention and searches for implementation.

The notion of civil society, in the viewpoint of many, means the space for public activities between the Government and the people, where activities for the benefits of communities and the countries are implemented. "Citizen society requires for democratic administration and coordination among factors of the community beyond the top-down command mechanism" (Parenteau & Thong 2005).

Therefore, participation of organizations and communities at grass-root levels is currently much encouraged. They include official and unofficial unions and the local people. Actual project implementation shows that involvement and participation of the unions tend to improve effectively and remarkably households' income and life of related communities, and to enhance relationship between local governments and people, as well as to improve living environment in the neighborhood.

On the other hand, regarding international cooperation and mobilization of international support/aid in the globalization for urban development and growth, beside the conventional Government - Government connection, normally conducted via official organizations (political-social-technical organizations) such as the Father's Front, Unions, there are other grass-root organizations established and operated based on voluntary and self-managed manner. These organizations are non-government organizations and they are the one to strengthen connection with NGOs of other countries, contributing positively to economic development and exchanges that meet international practices.

The organizational structure adopted in Tan Trieu Commune, Hanoi City is the typical case for grass-root level. (see Chart 1.2.5.1).

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<sup>84</sup> January 2010

### 1.2.5.1 Civil society in the communes Thang Xuan an Trieu Khuc

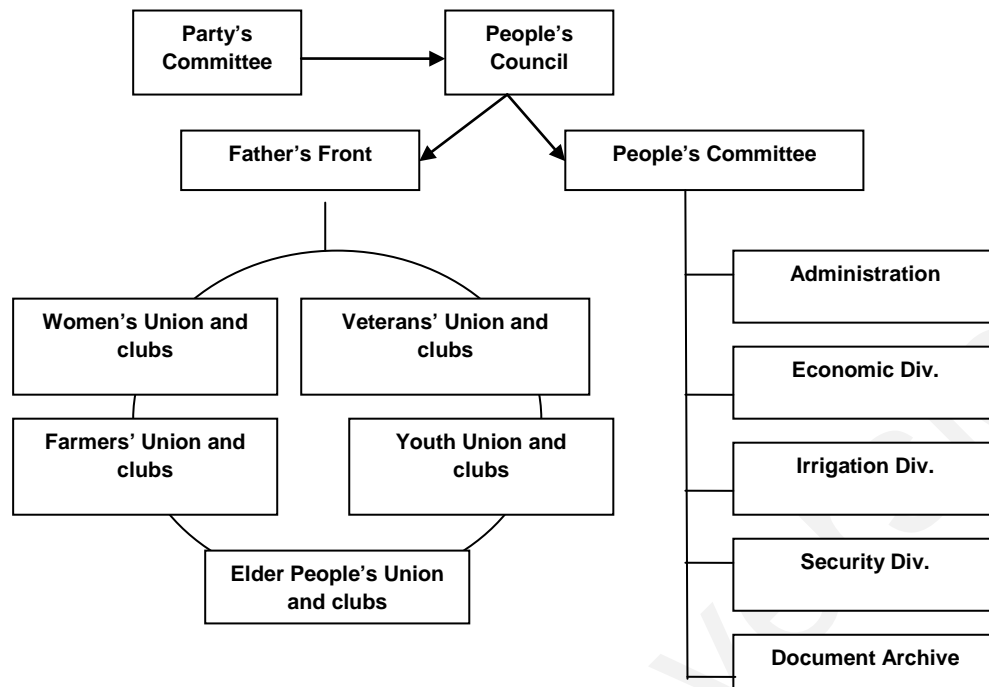


Chart 1.2.5.1 Civil society in the communes Thang Xuan an Trieu Khuc

Between 2001 and 2004, former professor Nguyen Quoc Thong of the Hanoi Architectural University, current editor in Chief at MoC, and professor René Parenteau of the School of Urban Planning of the University of Montreal conducted research aiming to assess the role played by Vietnamese civil society organizations in real urban environmental management situations. The purpose was to find out the difference between the kinds of civil society organizations that are familiar in the West and those that exist in Vietnam. They focused on the planning and management of environmental infrastructures and services, the delivery of environmental services, and environmental conflict resolution. They conducted five case studies, three on urban environmental projects (road, water, waste) and two on community environmental rehabilitation programs (Thanh Xuan and Trieu Khuc districts).

As also indicated by Koh (2006) & Kerkvliet (2003) and others, they found a space in between state and the people. It is a space especially filled by large, recognized unions (under the Fatherland Front) and local groups of residents called *To Dan Pho*. A *To Dan Pho* is an informal organization which has its roots in the traditional model of village organization that is called the *giap* (Geertman 2007: 133). It is made up of residents of a street, block, and a building, and is not under Socialist Party organization. A *To Dan Pho* takes care of the problems of daily life in its area. There is not that much known about the exact organization of the *To Dan Pho*'s except that they represent households, are not necessarily organized by the Party, and participation in them is voluntary and based on place of residence. Koh's investigated the *To Dan Pho* which he translated as 'resident groups' (Koh 2006).

What these investigations indicate is that the *To Dan Pho* or resident group is an organization organized by society though with remaining linkages and some control from the state. The research of Thong and Parenteau, shows that the Party and people committees are tightly knit, yet at the same time, non-political organizations as the *To Dan Pho*'s have great autonomy. Thong and Parenteau show that in organized participatory projects, unions and groups are continuously overlooked; their action plans have to be approved, and a good part of the funds they raise go back up along the vertical line. "there are not that many union groups in the public space – no more than two to four – each one with a specific mission, and none are encouraged to partner with others" (Parenteau and Thong 2005:248). However, they represent great potential, argue Nguyen Quoc Thong and



Parenteau, as they can be rapidly mobilized, their cadres are considered competent, honest, and devoted. They have experience in informing the public and in raising funds for humanitarian causes. Still, Nguyen Quoc Thong and Parenteau note, there are whole parts of civil society that are not included, for example, all of the informal sector, all of the small merchants, a good number of small scale private industries and services, and a growing number of young people. They also represent great potential, they say, but their participation in urban and environmental management is not possible for the moment.

Thus there is great potential in civil society for cooperation in constructing the built environment. In addition it has been proved that civil society is also able to prevent some large scale urban developments to take place in Hanoi. In 2008 civil society prevented the green lung of the city, Thong Nhat Park, to become a local form of Disneyworld, an entertainment park, only accessible by the ones who can afford it, and replacing the green and quiet park with mechanical leisure and noise pollution for the surrounding area.

#### *1.2.5.2 Role of civil society in preventing the redevelopment of Thong Nhat Park*

The construction of Lenin Park, which recently regained its original name: Thong Nhat Park, "Unification Park" - began in 1958 under the direction of President Ho Chi Minh and with the voluntary labor of Hanoi residents. The park is located in a former dumping site. The park represented an ideal of social equality and common interest. Since 1960, the park has become deeply linked to the memories of Hanoi citizens and visitors alike. In February 2007 news was released in the Vietnamese press of the plans to develop a small Disneyland in Thong Nhat Park.

According to the news articles, the investment company Vincom JSC was willing to spend 1,500 billion Dong (85 million USD) for the project, turning the park into the No1 entertainment site in Hanoi with state of the art games, sports and cultural items, on land and water. In addition a 60.000m<sup>2</sup> entertainment complex would be built, including a 5-star hotel, shopping centre, discotheque and 3D cinema. To meet the demand for parking, 500 parking lots were to be set up under the trees in the park. In further articles, Vincom JSC promised to keep the park open to the public for morning exercise between 4-7am, while charging entrance fees from 9am<sup>85</sup>.

One of the main arguments for redeveloping the park given by the chairman of Vincom JSC, Le Khac Hiep is the lack of entertainment opportunities for tourists. This was the starting point of a debate which continued throughout 2007, where leading architects and planners took a stand against the Disneyland project. After losing much green and water space in Hanoi over the past 15 years to construction, it seems this was the project that tipped the scale. The concept of turning this well-used park into an entertainment facility with entrance fees stirred the emotions of Hanoians, and of course the thought of a Disneyland in this symbolic park added further to the opposition.

This process shows the involvement of different kinds of groups in society, from professional organizations, to local and international NGO's, all collaborating for a common goal: preventing Thong Nhat Park to be destroyed. Interestingly enough, it was a Canadian NGO, HealthBridge (formerly PATH Canada), which initially stirred up the process<sup>86</sup>. They started a counter campaign. In this campaign they followed a strategy in which they searched for alliances to create a front, they used the power of the media and created public pressure. They posted information on the internet, a Hanoi forum, an overseas student forum, an urban planning forum and at an architecture forum. They attended a *Livable Cities* Workshop in Ho Chi Minh City to raise the issue among urban planning professionals and met with professionals: architects, urban planners, writers, historians, lawyers and local NGO's. This eventually led to a front group including the Vietnamese Urban Planning Association, and persons with high credibility in Vietnam as Professor Nguyen The Ba – former head of Architecture University and Chairman of VUPA, landscape architect Ms. Tran Thanh Van and Lawyer Cu Huy Ha Vu. A seminar was organized which was attended by Vietnamese professionals, NGO's, people of the national government and Hanoi People Committee, and international

<sup>85</sup> VietNamNet 2007-02-02, 2007-02-23, 2007-03-27

<sup>86</sup> from talks with Ms Tran Thi Kieu Thanh Ha (27.06.09 & 19.10.09). She was media officer at the time at HealthBridge.

specialists<sup>87</sup> on urbanization in Vietnam. Landscape architect Ms. Tran Thanh Van showed in her presentation an inventory of public parks in different western cities, like New York and Paris, and suggested that in Hanoi all green and public spaces were at risk for being taken for commercial purposes (Van, 2007).

The eventual responses from the Hanoi People Committee (HPC) were a meeting on Aug 7<sup>th</sup> 2007, between HPC and the investors. They rejected the Disneyland Project and asked the investors to design another investment proposal. On Aug 17<sup>th</sup> 2007, an official document stated that the renovation of Thong Nhat Park should take place and contain the following aspects: (1) Restore the green spaces of the Park for the purpose of resting and relaxing of the public; (2) Everyone can use the park for doing exercise and resting without paying; (3) Trees planned by former leaders must be protected; (4) Any construction should be within 10% of the Park's area<sup>88</sup>.

The example shows the emergence of a dynamic civil society which is shaped by actions of both local and international actors, and which is in this case facilitated by media and the modern means of the Internet.

What should be noted is, despite the success of 2007, in 2009 Thong Nhat Park became once again the target of commercial developers. This time a Novotel was planned inside the Park (violating once again the regulations set by the HPC). The initiative came from a joint-venture called: SAS Hanoi Royal. SAS stands for an older joint venture with the Swedish government. However after researching Ms. Tran Thanh Van and others discovered this name was a cover up. The Swedish did not operate any more under that name. Instead behind the name were: Vinacapital, Adecco Asiatic Pacific (French), and a Singaporean company Asiatic Pacific. In the whole process there were no Swedish actors. In the same interview with landscape architect Tran Thanh Van she said that she thinks "the name is used to cover up the real actors, and she says this land is taken illegally". Furthermore she said "This land is public land, and can't be developed by the private sector". In response Mrs. Tran Thanh Van wrote an open letter to the President of Accor Asiatic Pacific protesting that the project under construction of a four-star hotel is occupying one hectare of Thong Nhat Park. Again her articles on the Internet and other media exposure proved successful. The park today, is not victim of any commercial developer and instead the local government started to redevelop its lake. However, Ms. Tran Thanh Van is currently still researching who the exact responsible persons were that allowed commercial investors to get hold on the park. For an exact analysis of this last process we would need to investigate and increase fieldwork focused on a new emerging civil society in Hanoi. However, that would reach way behind the aim of our research.

Today the discussion about Green and public spaces is continued among professionals, interest groups and policymakers. On the 1<sup>st</sup> of July 2009, a seminar was organized by HealthBridge, the University of Hawaii and VIAP. The seminar was addressing the Livability of Hanoi, and addressed again the lack of green and open spaces in the city. In addition HealthBridge, VIAP and the Cultural Development & Exchange Fund of the Danish Embassy jointly published the Vietnamese version of the famous Danish architect Jan Gehl's *Life in between Buildings*<sup>89</sup>. The book was launched the 30<sup>th</sup> of October 2009 in Hanoi, and is presented to the mayor of Hanoi City. While the present mayor of Hanoi is a trained architect, he showed interest to the regional director of HealthBridge (from personal talk with Debra Efroysom regional director HealthBridge 30.10.09). On the 18<sup>th</sup> of December 2009, six weeks after the book launch, the MoC organized a seminar around public spaces in Hanoi. Further impact can't be traced yet, while the developments are very recent. However, increasing awareness for open spaces and a 'Green city' is today becoming an important ideal for the city of Hanoi, exposed through several new initiatives around this theme by international and local NGOs in the city.

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<sup>87</sup> Participants: Representatives of Government Office, Ministry of Construction, Hanoi Department of Construction, Department of Architect and Urban Planning, Vietnam Urban Planning, Association, Vietnam Construction, Association, Vietnam Architectures, Association and other professional organizations, Former leaders of Hanoi, Media, NGOs: Ford Foundation, VINCOM and Unification Park Co.Ltd. (from unpublished documentation provided by HealthBridge)

<sup>88</sup> This information was received from Hellberg & Johansson 2008, a detailed analysis of the process can be found in their report.

<sup>89</sup>The same book has been translated in Bangla language by Healthbridge, in Bangladesh it has had great impact said the regional director at the booklaunch in Hanoi. She said that the President of Bangladesh issued a new policy in which each large scale housing project from now on should include recreation space for children.

As mentioned in the beginning of this section civil society in Vietnam is by itself quite restricted, and it has to deal with a large top down planning process, which does not leave much space for civil society organizations. The next section gives an overview of the evolution of this planning process.

The last subsection, analyses how the local government became more cosmopolitan by examining the master planning process (1.4) and the urban planning process (1.3).

*Synthesis 1.2: As Class Special city, the governance of the city Hanoi is both the responsibility of local and central government. As such many power struggles occur between local and central government. For foreign agents this means that they have to deal with a large bureaucratic apparatus, which is not transparent and suffers from corruption, a situation which makes Hanoi difficult for foreigners to operate (FDI, ODA and ideas). Aside this, the city is governed under the special 'Laws for the capital' which restricts urban development orientations. This makes the city less open for new foreign ideas on urban development. The failing of World Banks CDS in Hanoi is one example of it. In addition the HPC is suffering from the recent merge with Ha Tay province (2008) which lowers their capacity to build international relations (language problem, and people from Ha Tay are not experienced in international relations).*

*More direct international influence, participation and involvement have been established with the private sectors and communities in a number of urban constructions, planning and management projects. The first influence has been the popular sector, since 2000, this sector emerged from residents that semi-formal constructed their own houses and neighborhoods, altogether producing 70% of the housing stock in the 1990s (Geertman 2007). This sector was influenced by new media, and new ideas from Vietnamese visiting other countries, and new international people entering Vietnam. Direct influences of international development approaches can be seen as well, as the World Banks public participation, like the neighborhoods Thang Xuan and Trieu Khuc. It shows a new emerging civil society, although restricted in Vietnam, there is more freedom of the Vietnamese citizens to participate. And recently more initiatives take place as the process initiated by the Canadian NGO HealthBridge that successfully involved different kinds of groups in society, from professional organizations, to local and international NGO's, all collaborating for a common goal: preventing the central park of Hanoi, Thong Nhat Park to be destroyed in 2007.*

*Internationally the city Hanoi has been promoted, to a limited extent, though visits of officials of the HPC who go for training abroad in funded capacity building programs (SIDA, World Bank, UNDP), through participation to international professionals networks (VAA member of UIA and ARCASIA), HAU member of APSA, through hosting international events as the Seagames (2003) and Asian Indoor Games (2009), and lastly, through the submission of an application to the UNESCO for the classification of the Thang Long Imperial Citadel complex as a World Heritage site.*

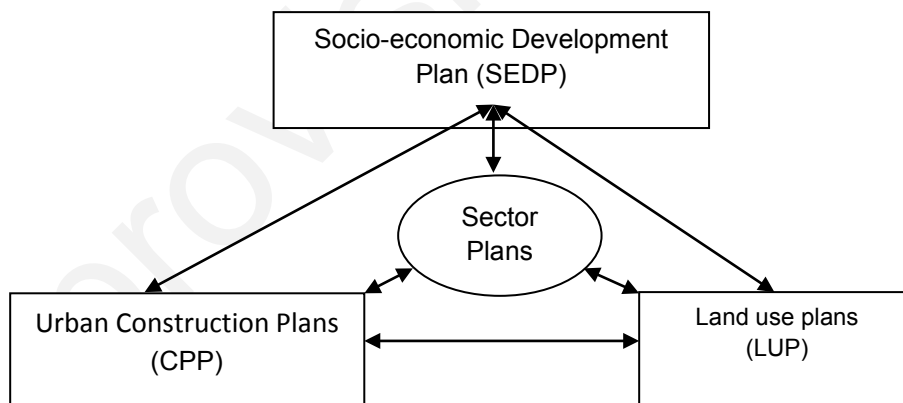
## 1.3 EVOLUTION OF THE URBAN PLANNING PROCESS

During the socialist period, urban planning in Vietnam has been an ongoing practice of producing fixed presentations for land use and urban form. During the command economy, it was practiced by architects and engineers educated in Soviet style: rational zoning plans prepared by the state, to be filled with socialist modernist design without considering contextual factors. Before 1986, there was no urban planning profession and it was architects that made planning schemes for the state. Urban planning as a profession by itself is therefore a very new and young profession in Vietnam. Today still most professional urban planners in Vietnam are educated as architects, and did not learn how to see socio-economic processes as part of the urban planning process. As a matter of fact 'urban planning' is still called 'construction planning', as a consequence urban planning is not perceived as a process, but as a means to design blueprint plans. Therefore despite the great transition which has taken place in social economic processes and changes in education, most planning and urban policies, continue the practice of zoning schemes as produced in the pre-1986 period. Only, with a big difference that the ideal image of Hanoi as a socialist city representing equality among people, moved drastically to the image of Hanoi as a successful socialist oriented marked economy. In recent years many Vietnamese professionals went to Singapore to learn from their experiences<sup>90</sup>. The result is that the urban planning practice, which is still mostly a state activity, is not able to cope with the rapid changes in the city. This section examines the functioning of this planning system for the development of the city in two parts: an examination of the changes in the legal system (1.3.1), an example: the evolution of master planning (1.3.2).

### 1.3.1 Evolution legal basis urban planning process

The planning system at the city level in Vietnam comprises many components such as transportation, public work, industrial development, social development, and, most importantly, three types of sector plans (fig. 1.3.1):

- *Socio-Economic Development Plans (SEDPs)*, responsible by MPI,DPI ;
- *Construction plans* (regional level, city level and detail level), responsible by MOC, Authority of Planning and Architecture (for Hanoi and Ho Chi Minh City) or DOC (for other municipalities);
- *Land-use plans* responsible by MONRE, DONRE.



**Figure 1.3.1 Framework for development planning in Hanoi**

Source: JICA 2007, page 2-29

<sup>90</sup> For the design of Vincom towers the architects of the governmental design agency (SOE) VNCC visited Singapore to learn from their ways of buildings (interview 03.11.2009 & 02.06.2009 with Arch. Tran Duc Toan), Dr. Hoang Huu Phe (15.06.2009), director of the Architectural Design and Urban Development department of the SOE Vinaconex also told us they visit Singapore for the same purpose, the recent HAIDEP report (2007) by JICA also refers frequently to Singapore in its report (referring mostly to Singapore's RMT system).

**Table 1.3.1 List of the institutional responsibilities of preparing the various development plans in Hanoi.**

Type of plan	Level of authority	Prepared	Approved	Implemented	Monitored
SEDP	National	MPI	National Assembly	All govt. agencies	MPI
	Hanoi SEDP	HAPI	Govt.	All Hanoi City level agencies	HAPI
	District	DPC	HPC	All district agencies	DPC
	Commune	CPC	DPC	All commune agencies	CPC
Construction plans	Regional Construction Plans	MOC	Prime minister	Relevant ministries / provincial People's Committees	MOC
	Urban Construction Plans				
	General Plan	HPC (HAUPA)	Prime minister	HPC, ministries/ Hanoi govt. dept./ agencies	HAUPA
	Detail Plan for grades 1,2,3 urban areas (1:2000)	HPC (HAUPA)	HPC	DPC, district govt. dept./ agencies	HAUPA
	Detail plan for grades 4 and 5 urban area	DPC	DPC	DPC, district govt. dept./ agencies	HAUPA
	Detail plan (1:500)	DPC	DPC	DPC, district govt. dept.	HAUPA
Land-used Plans	National	MONRE	Govt.	Govt.	MONRE
	Hanoi City	HPC (DONRE)	Govt.	HPC (DONRE)	DONRE
	Districts	DPC	HPC	DPC	DPC
	Wards (within urban areas)	DPC	HPC	CPC	DPC
	Communes outside urban areas	CPC	DPC	CPC	DPC
	Land for defense purpose	Ministry of Defense	Govt.	Ministry of Defense	Ministry of Defense
	Land for security purpose	Ministry of Public Security	Govt.	Ministry of Public Security	Ministry of Public Security

Source: Figure 1.3.1 & Table 1.3.1 : JICA 2007, page 2-29

*Socio-Economic Development Plans (SEDPs).*

The socio-economic development plan is a tool which was already used before Doi Moi period. At the national level, MPI prepares the socio-economic development plans and all input resources to the economy, they ask subordinate enterprises to maximize their outputs. The development plans and sectoral plans usually are based on goals of the national central government. First MPI identifies the socio-economic development plans on the national and regional and city levels in combination with sectoral plans. After, they investigate the resources and ask other agencies to accomplish these plans.

Based on the development plans and sectoral plans, MoC prepares the Construction Plans, which mainly translate all development plans or sectoral plans into physical plans. There are two kinds of construction plans, master plan, general plans or district plans, and detail plans.

MoNRE prepares the land use resources for the development targets. This ministry cooperates with MoC to complete the general plan and detail plan and they are reviewers in the application process. This ministry also manages the land use certificate and other environmental resources in the economy. Its function in planning control is very limited in the urban planning system in Vietnam.

MPI has a significant role in the planning but its functions are mainly in distributing resources and preparing resources based on the desire of the central government and communist party, which is not demand driven market economy. The desires of the central government are based on idealistic and ambitious goals. After, MoC and MoNRE translate those plans from MPI, without regard for local context, into physical and land use plans. Their task is to detail out the sectoral or socio-economical plans

In the reform period the approach to prepare SEDPs has been improved, yet in essence, the approach remains similar as in commanded economy. In SEDP, the targets are set, then resources are distributed from the public budget. In the era of global integration, new resources such as refund and non-refund ODA from various nations, loans from financial organization like World Bank, ABD, JBIC and others, are emerging as new resources for development. Private sector resources are also utilized through various schemes of Public – Private Partnership. However, in reality, resources from the private sector from both domestic and foreign are not fully taken into account in SEDPs. The Vietnamese government has a great power in the strategy for urban development.

As JICA puts it in their HAIDEP report “ urban sector management is to a great extent affected by the existing prescribed powers to approve investment projects and development plans. Under the current laws of the country, the Prime Minister has the authority to approve large investment projects known as Group A projects. The influence of the central government is also seen in the development plan approval process. For example, the Hanoi socio-economic development plan (SEDP), Hanoi City land-use plan, and the urban construction general plan have to be approved by the Prime Minister. Hence urban sector management in Hanoi has to take into account the powers and authority of central government ministries as well as local authorities at the city, district, and commune levels” (JICA 2007, page 2-28).

### *Construction Planning*

Urban planning – officially called “construction planning” in Vietnam is in essence the urban planning practice. Urban planning in Vietnam is governed by the Construction Law (2003) and the Urban Planning Law (since January 1<sup>st</sup> 2010).

Construction planning in Vietnam has several tiers and scales:

- Regional planning for a territory of a region covering several cities or urban areas;
- Master planning (or general planning) for cities, districts in big cities and urban areas;
- Detail planning (scale 1/2000 or 1/500) for elaborating master plans into manageable tools for controlling and guiding investment.

As compared to the other two sectors: socio-economic planning and land use planning, urban planning is slowest in reforming in its content and methodology in the new context of the market – oriented economy and globalization. The methodology and principle of making construction plans in Vietnam is still in its embryo stage. Thus far, the blueprint approach is still in practice, in which

architect and planner create the development of the city on white canvas, and decide how the city should grow spatially through their drawings.

This planning approach has been introduced to Vietnam in the 1960s through the channel of the former socialist countries like Russia, Poland, East Germany and others. This linear approach was part of the command economy and was similar to other former socialist economies. Development was undertaken and resources were allocated by only one actor – the Government. However, today in the context of the market economy urban development is driven and shaped by various actors – each with different motivations and objectives. Therefore, the blueprint approach is no longer appropriate. Despite several improvements in the legal framework, the legacy of this planning tradition is still reflected in the existing planning practice.

In 2009, the Urban Planning Law was promulgated, and is taken into operation from 1<sup>st</sup> of January 2010 onwards. In this new law some renovations toward more strategic, structural planning is introduced. For example: the general plan should be more structural, more strategic in content, and be followed by the zoning plan (with a certain level of land use control). After this, the detailed plans will be prepared for implementation. However, although some efforts are made the remaining essence of urban planning remains linear physical planning.

The sector receiving the most reforms, which have had great impact on urban development in Vietnam, is the land sector.

#### *Land use plans*

Since 1986, the land management system in Vietnam has been changed to enable a market mechanism, reflected in frequent modifications in the Land Law. The major changes are summarized in the table 1.3.2

**Table 1.3.2 Changes in land use planning in Vietnam 1986-2009**

	Content/ major changes	Commend
Before 1986	Land was publicly owner without any powers of sitting land users	
In 1986	Renovation policy	Changing agricultural production from Cooperatives to families and individuals
Land Law 1988	Authorizing the legal long term (permanent) allocation of land to individuals and families for their agricultural production and living	
Land Law 1993	Acknowledging 5 rights of individual land users to land <ol style="list-style-type: none"> <li>1. Right to change uses</li> <li>2. Right to transfer</li> <li>3. Right to lease</li> <li>4. Right to inherit</li> <li>5. Right to pledge</li> </ol>	Recognizing land market in relation to real estate market
1994 Ordinance	Stipulate Rights and Responsibilities of domestic organizations and foreigner in relation to land	
Land law 1998	Adding three more rights to individual land users: <ol style="list-style-type: none"> <li>6. Right to lease LUR</li> <li>7. Right to guarantee</li> <li>8. Right to use land as capital contribution</li> </ol> Acknowledging 6 rights of domestic organizations to land <ol style="list-style-type: none"> <li>1. transfer</li> <li>2. lease</li> <li>3. leasing LUR</li> <li>4. pledge</li> <li>5. guarantee</li> <li>6. use land as capital contribution</li> </ol>	Extending the LUR market: both individuals and organizations can enjoy basic rights to participate in the market  LUR market is legally recognized as a constituent part of the property market
Land Law 2003	One-price system to replace dual-price system Land allocation via bidding, project bidding	

Source: Unpublished paper of Pham Thuy Loan and Ochi Takeo, "Development control system in Vietnam – comparison with China", University of Tokyo. 2009

The Land Law of Vietnam (version 1988 to version 2003) defines that land is publicly owned<sup>91</sup>. The State on behalf of the people will function as single owner operating governmental management of all land. The State allocates land to organizations and individuals for the permanent and sustainable use of land, via the granting of land use right. In short, the land ownership of all types of land belongs to the public yet land use rights (LUR) are held by organizations and individuals for their uses in

<sup>91</sup> State keeps authority to: Decide the land use through authorized land use planning; Decide the time limit for land allocation and land use; Decide land allocation, and time total land area for land lease and land giving; Decide to allocate, lease, reclaim, and change land uses; Decide the land price and collect the land use right fee, land use tax, land use profit by land transaction; Adjust benefits which land use right holder may have but not from their investment; Allocate land use right to land users through land allocation, land lease, acknowledge LUR of permanent land users, and stipulate rights and responsibility of land users.



accordance with plans and regulations. Land users – individuals and families now have 8 rights<sup>92</sup> regarding land, which enable individuals and organization to participate in the land market.

With the provision of the Land Law, together with a reform in housing and property management, the real estate market – one of the most important elements of the market economy - has come into existence in Vietnam. The market can be classified into a primary market and a secondary market. The **Primary market** is the market in which the supply of land is made by the Government to meet the land use demand for the socio-economic development and defense of the whole nation. The supply of land is based on authorized land use planning, through governmental decisions on land allocation, land leasing or land use changes. The **Secondary market** is the market of Land Use Right (LUR) among land users through practicing their rights such as transfer, lease, inherit, pledge etc.

The secondary land market is operating by a market mechanism where the price is based upon the interrelation between demand and supply of land. The primary market is based on the predominantly local ask-give mechanism (*co che xin cho*)<sup>93</sup>. This means that land allocation is largely and strongly manipulated by personal relations between key members in the government and developers. Thus, the good relations of developers with the government give them privileges in land allocation, and our sources say this is the corner-stone of their business implementation<sup>94</sup>.

“I would say that the mechanism is not transparent. They stock the lands, and they even ask for very high prices for outsiders. But the money for the budget is very little. For example, you buy a piece of land, and in the contract, the price in paper is very low. But you have to pay more than that. For example, for my house I wanted to buy a plot, and in the contract, the price is only 2 millions VND per m2. But I have to pay 5 millions VND in reality, and they ask me to pay in cash, not through any kind of bank accounts. And I ask why in the contract it is just 2 millions per m2 but I have to pay 5 millions, and they say that this contract is for the government. So if you don't buy, then you go. I'll find others. The market price is 5 millions, and you have to sign the contract which states just 2 millions. If I agree to buy, I pay them 5 millions per m2, but when they do the tax procedures, the money is very low, you know. And the money is in cash, so no one can record that”. (Ms. Pham Thuy Loan, teacher UCE, Hanoi, 19/11/2009).

During the years from 1993 to 2003 (before the last modification of the Land Law in 2003) this land supply mechanism together with the dual-price system has created a huge budget loss as much as 70 billions USD<sup>95</sup>.

In his study about the landmarket in Vietnam, Nguyen Truc Anh (2006a) identified three characteristics of the landmarket in Vietnam. First, land use right can replace landownership. This is a very important characteristic of the land transaction in Vietnam. With this, the land use right can be sold or transferred in the market. The land lease system is dominant and it replaces all other types of land transaction types. Secondly, the state monopolizes all sources of land supply for urban development. In practice, the government will choose an SOE to develop the land and deal with the transfer of land use rights. Thus, the land market is a constrained market because the municipality decides which land parcel should be put into the market. Third, the land use system is a dual system that involves both the market and non-market mechanism. This is reflected in the two-land price systems and the free distribution of land to state work units.

Since the adjustment of the Land Law 2003, these weaknesses of the very low price in the primary land market have been improved by the promulgation of a single price system: land use right bidding, project bidding, which enlarges the domain for negotiation between developers and original land users. However, in practice, the proportion of land allocation by bidding covers as little as 0.1% of the

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<sup>92</sup> Right to change uses, right to transfer, right to lease, right to inherit, right to pledge, right to lease LUR, right to guarantee, right to use land as capital contribution; while domestic organizations shall enjoy the following rights to land: transfer, lease, leasing LUR, pledge, guarantee, use land as capital contribution.

<sup>93</sup> From interviews with several professionals: Dr. Prof. Arch. Hoang Dao Kinh, Association of Architects, 27/05/09; Mr. Tran Xuan Bach, UN Habitat 23/11/2009; Dr. Trinh Duy Luan, director of Institute of Sociology, informal talk January 2010; Dr. Tuan Anh, senior economist Vietnam Institute of Economics and editor in chief of the Vietnamese economic review, 10/11/2009, Dr. Pham Thuy Loan, teacher at the University of Civil Engineering Hanoi 19/11/2009.

<sup>94</sup> Source: Unpublished paper of Pham Thuy Loan and Ochi Takeo, “Development control system in Vietnam – comparison with China”, University of Tokyo. 2009

<sup>95</sup> Unpublished paper of Pham Thuy Loan and Ochi Takeo, “Development control system in Vietnam – comparison with China”, University of Tokyo. 2009

total land resources for urban development<sup>96</sup>. There remains a large gap between price set through bidding (the highest price achieved in Hanoi in 2008 is 80 millions VND/m<sup>2</sup>) and price set by the government (3 millions/m<sup>2</sup>)<sup>97</sup>.

For the development of urban forms the understanding of the changes in land-use are very important factors. Aside the SEDP it is the functioning of the land-market which influences which actor has access to land, and as such were urban form is going to be developed.

The different types of plans, the SEDPs, the land-use plans and the construction plans, and other types of plans by the various departments in the city are most of the time overlapping and not working together very well. "All these plans influence each other and need to be coordinated especially when they are reviewed. Each plan is prepared by different departments reporting to different ministries and people's committees at different administrative levels. Plans are also prepared at various levels of government, i.e. national, provincial, district, and commune". (JICA 2007, page 2-28). Due to the many departments and a lack of coordination the planning system in Hanoi suffers from many delays and costly burdens. For foreign actors this creates an environment that is very difficult and risky to operate in. If foreign actors want to participate in building the city Hanoi they have to fit in the plans already made by the governments for the SEDP, and must fit in the construction law. Most land is monopolized and developed by SOEs, who will sometimes invite foreign consultants. For foreign investors, the procedure in Hanoi is complicated. They have to deal with many departments of HPC, which again need to check with the central government. A complicated and time-consuming process. "First they go to DPI, after DPI needs to consult with the MPI for approval of the project. At the same time they need to ask the approval of DONRE, and sometimes also other departments others. Aside HPC, also the districts in the city have to approve the project, depending on the site of the project" (Mr. Long, urban planner at HUPI)<sup>98</sup>.

Although foreign actors can operate 100% independent since 2006, our interviewees<sup>99</sup> informed us that most foreign investors operate in a joint-venture with a Vietnamese company because of the complexity of the process. The local company will arrange the licenses for development, and according to them also the practice of the local ask-give mechanism (*co che xin cho*), or 'envelope culture', is as such widely participated in by foreign investors to speed up the process<sup>100</sup>.

The next section will analyze deeper how foreign influences arrived and are used since Doi Moi by the Vietnamese local and central government, through an investigation of the participation of foreign advisors in the master planning process in Hanoi since Doi Moi.

### 1.3.2 Evolution of the master planning process Hanoi

Master planning in Vietnam started during the period of French colonization and transformed during the command economy as a tool for the development by the central state. It is today moving towards a mixture of central state ideology and control, within a highly dynamic newly emerging context with numerous private and public local and international actors. This section will describe and analyze the evolution of master planning and the role of international actors in this process since the start of Doi Moi. The section will first introduce briefly the roots on which the process was born in Vietnam.

#### 1.3.2.1 Pre-Doi Moi Master planning

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<sup>96</sup> idem

<sup>97</sup> idem

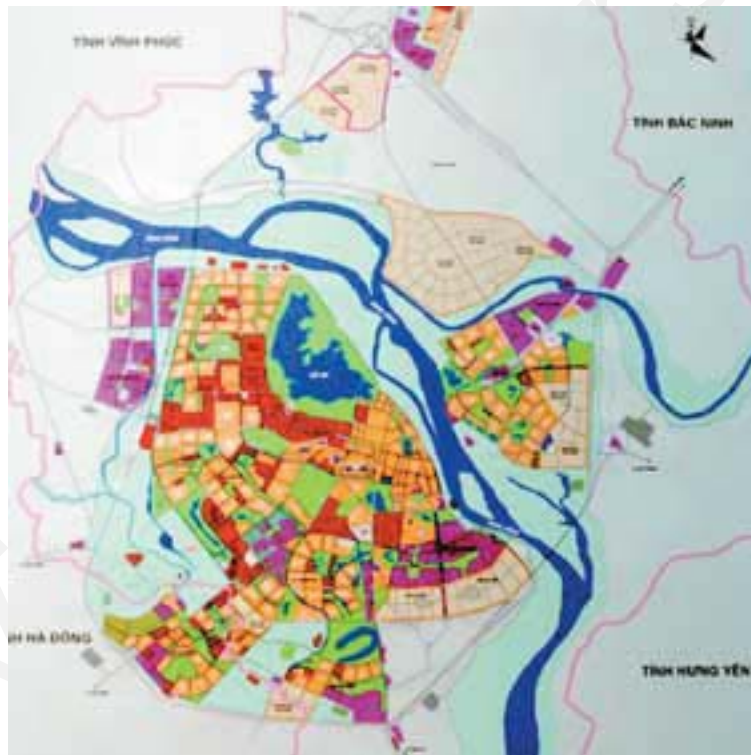
<sup>98</sup> 23/11/2009

<sup>99</sup> From interviews with several professionals: Dr. Prof. Arch. Hoang Dao Kinh, Association of Architects, 27/05/09; Mr. Tran Xuan Bach, UN Habitat 23/11/2009; Dr. Tuan Anh, senior economist Vietnam Institute of Economics and editor in chief of the Vietnamese economic review, 10/11/2009, Dr. Pham Thuy Loan, teacher at the University of Civil Engineering Hanoi 19/11/2009.

<sup>100</sup> This practice remains limited to investors mainly from the Asian region (interviews with Mr. Tran Xuan Bach former official HPC, 08/06/2009 & Mr. Hoang Dao Kinh, Vice president VAA, 27/05/2009).

During more than 80 years of colonization, the French contributed greatly in building up and opening Hanoi to the outside world. The city was the administrative capital of the French colonial territory Indochina and was reconstructed to become a little Paris in Asia (Logan 2000). The French made for the first time a master plan for Hanoi, moving from building individual buildings to creating a vision with urban plan for city development. The first plan was made by Ernest Hébrard, one of the leading modernist architects and urban planners in France at the time (Logan 2000). The first master plan as it is perceived today is from 1961 (figure 1.3.2.1), shortly after the establishment of the Socialist Democratic Vietnam. This first plan covered a timeframe until 1980, was based on socialist orientations targeted for housing, industrial development and public building. At the same time, however, another Hanoi master planning project was formulated in this period, with support from architect I.A. Antyonov of the former Soviet Union (Logan 2000). It is here that the planning method of “blueprint” – linear planning which we referred to in the previous section was introduced in Vietnam. The third master plan of Hanoi (which was adjusted) in 1972 identified a dispersed urban structure both to deal with the destroyed parts of the city due to the American war, and to deal with flooding (broken dyke of the Red River) in December 1971. This master plan proposed for the first time satellite cities for Hanoi (Vinh Yen and Phuc Yen).

**Figure 1.3.2.1 Master plan Hanoi 1961**



Source: HAIDEP project Trang Tien exposition Hall August 2006. Photograph by Stephanie Geertman, first published in Geertman 2007, page 177.

After the victory of the American war and reunification of the country, Hanoi was extended to 2136 km<sup>2</sup> (1978). In 1981, the Hanoi master plan (figure 1.3.2.2) to 2000 was established with the help of the experts from the Institute of Urban Construction of Leningrad. It predicted that the population of Hanoi in 2000 will be 1.5 million. The planning is still focused on the development of existing Hanoi.

**Figure 1.3.2.2 Master plan Hanoi 1981**



Source: HAIDEP project Trang Tien exposition Hall August 2006. Photograph by Stephanie Geertman, first published in Geertman 2007, page 177.

Thus, before Doi Moi, the theoretical models of planning in socialist countries was introduced in Vietnam and put into practice in the city. The following part of this section will detail the changes in master planning since the start of renovation period.

#### *1.3.2.2. Master planning since Doi Moi*

Ten years after the master plan was established in 1981, the issue of re-formulating it was mentioned. In December 1991, Hanoi's administrative boundaries were adjusted to 921km<sup>2</sup>. The master plan of Hanoi to 2010 prepared by the Institute of Rural and Urban planning was approved by the Council of Ministers (today the Prime Minister has this task) in Decision No. 132CT on April 18, 1992.



**Figure 1.3.2.3 Master plan Hanoi 1992**



Source: HAIDEP project Trang Tien exposition Hall August 2006. Photograph by Stephanie Geertman, first published in Geertman 2007, page 177.

#### *Master plan 1992*

This first master plan since Doi Moi did not have any active participation of foreign consultants (Former Chief Architect and first director of HAUPA Mr. Nghiem<sup>101</sup>). However, the plan was heavily influenced by research already conducted for the master plan by the French (1986-1988) (Prof. Nguyen Quoc Thong, editor in Chief at MoC<sup>102</sup>). The French were the first after Doi Moi invited for this task by the Vietnamese government and laid down the basis for the combination of heritage protection (and commercial high-rise development Logan 1995; Genuit and Rijkssen 1994). The French were chosen at the time while the Vietnamese were familiar with the French, as such they were the first foreign advisors active in the city since the opening of the country to the world (Prof. Nguyen Quoc Thong<sup>103</sup>).

This 1992 master plan was not based on actual socio-economic developments and could not keep up with the new emerging market economy. In the 1990s a new property market emerged and urban development and urban growth was much greater than the prognosis of this first master plan. First FDI

<sup>101</sup> Interview 18 / 11 / 2009

<sup>102</sup> 19 / 11 / 2009

<sup>103</sup> 19 / 11 / 2009

came to Vietnam, in particular from the Asian region. The modern hotel zone on the shores of West Lake, and in the Hai Ba Trung district started to develop, and in the French quarter, foreign agents renovated old French villa's. Hotels were the first new high-rise buildings which dotted the old cityscape. To deflect development pressures away from the existing city, the Master Plan was adjusted in mid-1996 and transformed into Hanoi New Town Plan (hereafter HNTP). This master plan was approved, this time, by the prime minister in the decision No. 108/1998/QĐ-TTĐ on June 20, 1998 with a supplement of areas that was allowed to be adjusted by authorities.

#### *HNTP 1998*

The master plan in 1998 (figure 1.3.2.4), which planned up to 2020, proposed for an expansion to the northern part of Red River and formed a modern urban area known as Hanoi New Town. Population in the south part of Red River was expected to be 2.5 million people and 1 million people will be accommodated in the Hanoi New Town and another 1 million people will be distributed to the satellite towns in the west of Hanoi as Mieu Mon, Hoa Lac, Xuan Mai town.

**Figure 1.3.2.4 Master plan Hanoi 1998**



Source: HAIDEP project Trang Tien exposition Hall August 2006. Photograph by Stephanie Geertman, first published in Geertman 2007, page 177.

The HNTP is the first master plan that was not just influenced by foreign ideas, but had foreign advisors actively participating in preparing the master plan. These foreign advisors came from countries with market economies. The corporate, San Francisco-based Bechtel and engineering design consultants prepared the master plan in 1997, while finance came from the South Korean

Daewoo Corporation. The official version is that “It was the chairman of Hanoi who invited Daewoo, Bechtel, OMA and SOM to work on this master plan... they were chosen because they were the most famous companies at that time ...the chairman of Hanoi People’s Committee chose them together” (Prof. Nguyen Quoc Thong<sup>104</sup>). This indicates an active role of HPC in the selection of the foreign consultants. However, the unofficial version gives different indications: “Daewoo and Bechtel had some relation with the People’s Committee” (Mr. Bach, UN-HABITAT and former official HPC<sup>105</sup>). “Daewoo took the initiative to approach the HPC. Daewoo had already developed Daewoo Hotel and the connected business center at Kim Ma ... Through this project they got a connection with the Chief architect at that time ...And it was Daewoo who advised the government to work with SOM and OMA” (Ms. Pham Tuy Loan, teacher at UCE Hanoi<sup>106</sup>). The former Chief Architect and first director of HAUPA, Mr. Nghiem described it follows:“They did not ask for money. They did the consultancy totally for free. ....We paid the living cost for experts of Daewoo, Bechtel and OMA. Later, we gave them some priorities in investment. For example, we gave Daewoo the chance to research the West Lake Area (<sup>107</sup>)”.

From the above we can argue that actually the HPC did not actively approach the foreign advisors, Daewoo approached the HPC, and advised them to work with the other foreign consultants. This means that in the whole selection process of foreign consultants the HPC was passive. Also in the actual development of the city Hanoi, the role of the foreign advisors has not been very great, while the Vietnamese only used the foreign consultants designs and plans as ‘suggestions and references’ (Mr.Nghiem<sup>108</sup>).

However, during the preparation of Hanoi New Town Plan, new theoretical models of urban planning such as multi-polar city, new urbanism, transit oriented development were new concepts introduced to Vietnamese professionals. In addition, during the process a group of Vietnamese experts were sent on study tour to advanced countries in the world to learn from these experiences. This influenced their practice later on. One of them is the well-known architect in Vietnam Ky Thanh, who told us “the working style and architectural styles he learned to work with at working with OMA in Rotterdam for three months for the HNTP has had great influences in his architectural designs”<sup>109</sup>.

In the 1998 master plan the northern part was proposed by the foreign advisors, and the Vietnamese developed master planning the Southern part<sup>110</sup>. The north was depending on FDI, and due to the Asian Financial crisis in 1997, the area had not potential at that time. It caused bankruptcy for Daewoo. At the same time JICA had implemented new infrastructure in the South, and here this instantly created urban growth. The whole area became very attractive for development. It was boosted with a Special Economic Zone, a University Area, and a High Tech Park. The area is planned to be the center of a one million people New Town by 2020 (People Committee of Ha Tay Province 1997, JICA 1999). As such the South of Hanoi became the main orientation for urban growth at the end of the 1990s. The HNTP in the north became known as ‘a hanging plan’, referring to an outdated plan without any integration with the socio-economic development (Mr. Bach, UN-HABITAT and former official HPC<sup>111</sup>).

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<sup>104</sup> 19/11/2009

<sup>105</sup> 23/11/2009

<sup>106</sup> From interview with Mr.Dao Ngoc Nghiem 12 / 11 /2009

<sup>107</sup> From interview with Mr.Dao Ngoc Nghiem 18 / 11 / 2009

<sup>108</sup> idem

<sup>109</sup> Informal talk with Ky Tang in July 2001.

<sup>110</sup> From interview with Mr.Nghiem 18 / 11 / 2009

<sup>111</sup> 23/11/2009

**Figure 1.3.2.5 Corridor 21, Son Tay Hoa Lac Mieu Mon**



Source: Ha Tay Province 1998. First published in Geertman 2007, page 184.

Since the start of the millennium the Vietnamese economy developed fast, and in 2006 the new investment law made it possible for foreign investors to invest 100%. In addition Vietnam participated further in the international communities through the accession of Vietnam into a series of international organizations such as ASEM, ASEAN, WTO. It marks a new stage of Vietnam on the way of global integration. This context also creates more opportunities for bilateral and multilateral donors with different countries in the world, as well as the opportunities to receive support from international organizations such as JICA, UNDP, World Bank.

Within this new condition, JICA, who was already developing Hanoi's infrastructure and is one of the largest donors in Vietnam in urban development approached the Vietnamese Government to give technical assistance to Hanoi's People Committee in preparing a new master plan for Hanoi. This new master plan has been developed under the name HAIDEP (the Comprehensive urban development Program for Hanoi Capital City), during the period from November 2004 to early 2007.

#### *HAIDEP 2007*

The official version says that the Japanese were approached by the HPC (Mr. Nghiem first director of HAUPA and former chief architect, Mr. Nghiem<sup>112</sup>). However, the unofficial version tells us that "The Japanese government wanted to extend business development in Vietnam .... JICA asked HPC already...they suggested that HPC wrote a proposal to the Japanese government to ask for support...after JICA would take that letter and submit to the Japanese government..they were the active ones .. (Ms. Loan, teacher at UCE and former team member at HAUPA<sup>113</sup>). So also here HPC was not active in the selection process, and also not in the idea for having a new master plan. The Japanese approached actively the HPC.

In this project the Japanese, studied again HNTP, previously managed by, Daewoo, for the Hanoi People Committee. JICA now, for the first time in Hanoi's master planning process since Doi Moi, based their planning on the socio-economic context, and researched new population projections and economic structures for 2010 and 2020 (HAIDEP 2007). JICA proposes the development of the transport network, new urban centers, a plan for spatial control up to 2020, and a greenbelt for Hanoi. This development has its focus on gradually expanding Hanoi with the ring roads. Its main aim is to refocus the extension of Hanoi city on the Northern bank.

<sup>112</sup> Interview 18 / 11 / 2009

<sup>113</sup> Interview 19 / 11 / 2009



Figure 1.3.2.6 HAIDEP Ring roads & Bridges Proposal



Source: Visit of HAIDEP project Trang Tien exposition Hall August 2006. Photograph by Stephanie Geertman, first published in Geertman 2007, page 194.

Figure 1.3.2.7 HAIDEP Greenbelt & Sattelites



Source: Visit of HAIDEP project Trang Tien exposition Hall 2006. Photograph by Stephanie Geertman, first published in Geertman 2007, page 196.

Figure 1.3.2.8 HAIDEP Light-rail system



Source: Visit of HAIDEP project Trang Tien exposition Hall 2006. Photograph by Stephanie Geertman, first published in Geertman 2007, page 196.

Figure 1.3.2.9 HAIDEP Light-rail Train



Source: Visit of HAIDEP project Trang Tien exposition Hall 2006. Photograph by Stephanie Geertman, first published in Geertman 2007, page 197.

HAIDEP was stopped, it was as Mr. Nghiem (former chief architect, first director of HAUPA, and involved in all the approval process of master planning in Hanoi), again who told us here that as the other master plans 'HAIDEP is just a reference', and he explained, it does not fit within our law system. Ms. Loan, teacher at UCE and former team member at HAUPA<sup>114</sup> argued that long term developments like this do not fit into the plans of a local government while the people on their posts change every 4 years positions. Many professionals are disappointed stopping this project while they argue the project is very rich and appropriate, however the results are still used widely by many foreign and local consultants, and researchers<sup>115</sup>.

Thus, after HAIDEP, Hanoi in 2008 was again without a clear master plan. Meantime the city keeps extending in the southwest with the most important and economic valuable project in Ha Tay province the Vietnamese government approved in August 2008, to the expansion of the administrative boundaries of Hanoi to a scale of 3344km<sup>2</sup> with a population of 6.23 million people. This decision has made Ha Tay province part of Hanoi City. And with the approval, the city becomes one of the 12 largest cities (in area) in the world.

"Well, we<sup>116</sup> didn't know this before august last year (2008)! This is all secret, no one knows how this decision is made. But you know it do you? Anyways, the Prime Minister himself signed this decision" (Dr. Hoang Doa Kinh, Vice President Vietnamese Association of Architect).

Half a year after the announcement, the Prime Minister Nguyen Tan Dung on April 24 2009<sup>117</sup>, gave the argument for the extension: "it is needed for the importance of the capital keeping pace with Vietnam's growing population, which is expected to reach 130 million within 40 years"<sup>118</sup>.

In order to perform the Hanoi new expanded plan, Vietnam's Government has invited the international consulting partnership PPJ: POSCO E& C (Korea), Perkins Eastman (USA), and JINA (Korea) together. They have been selected by the Vietnamese Government as international consulting contractors to develop the master plan for the extended Hanoi .

#### *PPJ 2009*

The consultants of PPJ are the first ones ever in the master planning process who were invited and financed by the central Vietnamese government. The Ministry of Construction (MoC) signed on the 26<sup>th</sup> of December 2008 the contracts worth a combined US\$6.4 million with the group of three foreign consultants and local subcontractors (SG: The Vietnam Institute for Architecture, Urban and Rural Planning (VIAP), who also contributed in the master planning in 1998)<sup>119</sup>.

For this master plan twelve consultants were selected. "We made some letters of invitation to send to companies that we have projects like this; and if you are interested, please send us your information..... we send this to companies who work quite good and very long time in Vietnam ..... Also we just searched on the Internet to find good companies and sent the emails directly to them. And we put an advertisement on the website of MoC. Some companies work in Vietnam and just hear about the competition. Some companies have big networks and they can tell each other" (Mr. Hoang Long, former official at VIAP, current urban planner at HUPI, was involved in the selection process<sup>120</sup>).

The twelve tenders presented their ideas to a Board with members of architect associations and administrative officials (of MoC HAUPA, MPI) and this board chose 6 consultants. After these 6 were

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<sup>114</sup> Interview 19 / 11 / 2009

<sup>115</sup> Interviews with Mr. Hoang Long, urban planner at HAPI, Ms. Pham Thuy Loan, UCE, Mr. Tran Xuan Bach, Prof. Nguyen Quoc Thong

<sup>116</sup> Architecture and or urban planning professionals

<sup>117</sup> At the presentation of the first version of the plan prepared by PPJ.

<sup>118</sup> <http://english.vietnamnet.vn/social/2009/04/844220/> issued on 10 / 01 / 2010

<sup>119</sup> <http://rol.vn/weben/tintuc/tintucdiaoc/2008/12/27/091721/8807/> issued on 10 / 01 /2010

<sup>120</sup> 23/11/2009

presented to the Prime Minister, who chose PPJ from these six. As in the selection process in the other two master plans, there is an unofficial story: “In theory, the government chose the best among twelve tenders. But in reality, it may be a different story” (Ms. Pham Thuy Loan, teacher at UCE Hanoi<sup>121</sup>). Mr. Bach former official at HPC, and at the time of this master plan member of one of the losing tenders confirmed this. “Our plan was very good, we worked with ANMEC, the Japanese consultancy company also involved in HAIDEP, our plan was only 2 million”. Both interviewees indicated that the selection process of PPJ was influenced by personal ties and relations of Perkins Eastman with the Vietnamese government. According to Mr. Bach, it was Perkins Eastman who selected the two other Korean companies to work in a joint venture with them<sup>122</sup>. Thus here, in comparison with the selection of foreign advisors for the other two master plans the HPC was more active in approaching foreign advisors, however Mr. Bach and Ms. Loan both indicate that they might have been influenced in the selection process by certain benefits selecting one company over the other.

**Figure 1.3.2.10 PPJ Master plan 2009**



Source: <http://www.skyscrapercity.com/showthread.php?t=898752>

The first proposal, presented in April 2009, aimed at development that embodies four ‘pillars of sustainability’ – economic, environmental, social and cultural, and emphasizes preservation of a ‘green corridor’ in the rich rice growing areas of the former Ha Tay Province. (Ha Tay, to the west of the city center, was annexed to Hanoi a year ago.) PPJ experts say that the capital city’s plan needs to address many concrete issues, including transport, public spaces, land management, and urban management<sup>123</sup>. Another one was presented in July, and the last version was presented in November 2009. Many adjustments were made. However, there has been a continuing critique on the project from Vietnamese urban professionals on the planning of PPJ.

Mr. Dao Ngoc Nghiem, Hanoi’s former chief architect, and Huynh Dang Hi, of the Urban Planning Association both commented that PPJ didn’t discuss population density and population distribution, a necessary foundation for developing infrastructure<sup>124</sup>.

Hanoi City Chairman Nguyen The Thao said that a national administrative centre that is not closely connected to the current city center will be a ‘dead city,’ so it should be based in the Tay Ho Tay area

<sup>121</sup> 19/11/2009

<sup>122</sup> 23/11/2009

<sup>123</sup> idem

<sup>124</sup> idem

(west of the West Lake). He also asked PPJ to clarify its conception of 'green corridor' to avoid eliminating existing villages<sup>125</sup>.

At a recent informal meeting (20/03/2010) with urban professionals Prof. Nguyen Tuong Tien, vice president Hanoi Construction Cooperation under the Ministry of Transport said "the government invites foreign consultants and at the same time Vietnamese urban planners have no voice". He proposed to form an opposing group, and meet frequently, and in addition to open an Internet forum to create an alternative plan to PPJ, and present this to the Prime Minister. This meeting was organized by the NGO HealthBridge and the Hanoi Construction Cooperation. The discussion was a result of a presentation by the Canadian senior policy analyst for a regional government in Ontario, Kristie Daniel who compared urban development and transport, strategies in Toronto Canada, Dhaka Bangladesh, and the challenges for Hanoi.

However, despite critiques, and the interesting new development in CSOs in Hanoi, it is envisioned that the plan will be approved by the Government in time for its promulgation on the occasion of the 1000<sup>th</sup> Thang Long – Hanoi anniversary (October 10, 2010). From an informal talk with Prof. Lan Quang Cuong<sup>126</sup>, teacher at the University of Civil Engineering and member of the advising committee for the Hanoi Master Plan, we know that the final assessment will be made by a team of Australian professionals.

The master planning process is mostly a product of politicians who decide the growth directions of the city, and there is a lack of connection with Vietnamese urban professionals and others that distances these plans from the population. In addition, the lack of connection with the real socio-economic situation results in costly plans for the city budget. This is a view shared by urban professionals in the city:

"In the management and direction at a nationwide scale as well in large cities like Hanoi, the leadership (national and municipal) often set forth tremendous commitments/determinations which found their expression in resolutions, documents and slogans, etc. But the real capabilities and skills to devise execution policies in order to translate these political determinations into reality were very weak. Moreover, the inefficient mechanism of management, direction and administration has made many direction decisions become wishful thinking, lack a scientific and practical basis and an all-round and sustainable vision and consequently, infeasible." (From an informal talk with Dr. Trinh Duy Luan, Director Institute of Sociology, November 2009)

"We experience slow urban development. I don't agree with what has been done. In the city the Communist Party Chief is most powerful. Second most powerful is the Chairman of the People's Committee. Every important decision in urban development has to be decided by him. Now mostly the politicians construct Hanoi. Even the chairman of the People Committee is active in urban development. He is trained at the University of Civil Engineering, he is an architect. But he can't make any effective management. Two reasons for this, he does not have a good staff, the mechanism to work is not good. The People Committee Chief is very confused and does not know how to control urban development in Hanoi. After one year appointment he could not do anything significant." (Mr. Tran Xuan Bach, former official HPC, current UN-HABITAT, 08/06/2009).

An example of confused orientation might also be the Red River Project, which is a cooperation of HPC with the city of Korea. The plan is becoming so large that the Vietnamese government is thinking of incorporating this project in the new master plan. However, this project receives a lot of opposition from the population and from professionals.

Although the red river project is not a master planning project, we would like to introduce it briefly to explain how other big projects are realized in Hanoi. Red River Project (figure 1.3.2.9). In September 2006, it was announced in the media that South Korean experts, with experience in construction on the banks of the Han River, which passes Seoul, would aid local authorities in devising appropriate developments for the banks of the Red River. Agreements were made between the city of Seoul and the HPC. According to architect La Kim Ngan, deputy director of the Rural and Urban Zoning Institute,

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<sup>125</sup> idem

<sup>126</sup> February 2010



the river will become a central part of the city as development progresses<sup>127</sup>. Vietnamese and Korean experts presented a draft plan in 2007. The plan envisions a new urban center rising on either side of the river, an area of international financial buildings, high-class apartment buildings and parks, and ample green space. The developers propose to build a new 42 kilometer dike on the river's eastern side and upgrade the current 33.8km dike on the river's western side<sup>128</sup>. Of the total capital required for this huge project, \$7.1 billion, \$1.9 billion is earmarked for construction and \$1.6 billion for site clearance and compensation for local residents. According to Korean experts, funding for the project will include both private capital and Korean government assistance. Payback will be realized from the sales of land and houses<sup>129</sup>. The Hanoi Department of Planning and Architecture introduced this plan at the Trang Tien Exhibition Hall in September 2007. After nearly one year spent collecting opinions from the people and experts, the draft plan was amended and made public in late 2008. It has been reported that 37.8 percent those who studied the model agreed with the project completely; 30.5 percent agreed with most elements of the project; 27 percent agreed with a part of this project and 4.6 percent didn't agree at all. Many people doubted the project's feasibility because of its huge investment capital, the number of people who have to be resettled, problems of flood control in the Red River, and environmental and cultural impacts<sup>130</sup>.

The Hanoi authorities determined to go ahead with the Red River project early in July. People's Committee Chairman Nguyen The Thao formally requested to Prime Minister Nguyen Tan Dung to urge Seoul to assist Hanoi technically and financially, with a view to have the plan's early approval and completion under an agreement between the chief executives of Hanoi and Seoul<sup>131</sup>.

On Vietnam.net, many professionals and non-professionals have given their opposition to this project. "The plan, once implemented, will not only take away this sacred land but also destroy one particularly special characteristic of Hanoi – its flower villages. Hundred-year old flower and bonsai villages such as Nghi Tam, Quang Ba and Tu Lien lie outside the river dike. If this plan goes ahead they will have to move" (Ms. Architect Tran Thanh Van, landscape architect<sup>132</sup>)

On the same forum Phan Van Quynh, Geology Faculty, Ha Noi University of Sciences says that the Han River in Seoul has very different characteristics and when you research the geology of the Red River you can see the plan does not suit Hanoi. "The annual water level of the Hong River can exceed 122bil cu.m with total alluvia topping 80mil cu.m. This is what the Han River doesn't have. High sediment levels can cause water levels to rise, posing immeasurable danger when we try to stop and narrow the flow... The Red River, together with its vitality and green trees, is the artery of Hanoi. We cannot use it wastefully or against its natural position. This means environmental improvements are vital for areas outside the dike to modernise and improve Hanoi. It's important that the public have all the available information on this<sup>133</sup>".

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<sup>127</sup> <http://english.vietnamnet.vn/biz/2006/09/608348/>, issued 16 / 02 / 2010

<sup>128</sup> <http://english.vietnamnet.vn/reports/2009/07/860955/>, issued 16 / 02 / 2010

<sup>129</sup> idem

<sup>130</sup> idem

<sup>131</sup> idem

<sup>132</sup> www.Vietnam.net, she posted on 12/11/2007

<sup>133</sup> www.vietnam.net forum, he posted on 11/12/2007

**Figure 1.3.2.11 Red River Project**



To give an idea of how Vietnamese urban professionals personally perceive the city (thus not the official view of what the city is or should become), we end this chapter with an overview views of Vietnamese urban professionals on the city Hanoi, examples for its development and how they would like the city to develop in the future.

## 1.4 RECENT VIEWS ON CURRENT URBAN DEVELOPMENT OF...

In this section we discuss the views given to us by some important urban professionals in Hanoi. All of them oppose the recent PPJ masterplan and all here present their own personal ideas of how they perceive the city of Hanoi, and how they think the city should develop in the future.

### 1.4.1 ...Hanoi?

Hanoi is seen as a city of human scale, and a city of greenery and water, and feng shui (spiritual orientation on keeping balance between, water and earth, heaven and earth and people with people, and people with nature):

“A city of human scale, with greenery water. The model I love is a small cozy city maintaining the character of human scale. There is no international example”. (Dr. Nguyen Truc Luyen, around 75 years, president VAA<sup>134</sup>)

“Hanoi is a city of water” (Mr. Nguyen Quang, around 50 years, program manager UN-HABITAT<sup>135</sup>).

“After the decision to make Hanoi three times larger August 2008 there are many things to discuss and decide. For many people in Hanoi, we are on a crossroad. Hanoi used to be 1000 km<sup>2</sup>, since August 2008 Hanoi is enlarged to 3400 km<sup>2</sup>. For me working in culture, the question is: how to create a new Hanoi, which is the cultural capital of Vietnam? ...

Hanoi is also perceived as a traditional city, which used to be the example in its cultural life for the rest of the country, however due to urbanization and in particular what we best call ‘ruralization’, there is worry for the degradation of this culture, and worry for Hanoi as status as capital for Vietnam:

“...Traditional Hanoi was only 18km<sup>2</sup>, the old quarter and the surrounding villages and fresh waters. During the socialist time Hanoi became about 1000 km<sup>2</sup>. However, only 100km<sup>2</sup> of this portion is really urban. All the rest is really rural: no city, no infrastructure....

...Today the government enlarges Hanoi three times, however, the previous problems with Hanoi are not even solved yet. How to make from Hanoi province a modern city is not easy, but to be a capital it will be even more difficult....

...Before August 2008, Hanoi was a small capital. Today they want to make it a large capital. In Vietnam people always see lifestyles and people in Hanoi as the example. People used to be proud of Hanoi’s origin. Last century Hanoi became one big village. Many original people left to other countries or to Saigon. Then, Hanoi started to be occupied by people from other provinces. Hanoi started to lose its character, its status as a cultural capital. Today people in the government even speak the same language as people in the streets. During socialism, all people were considered as the same, equal, the number of people went up, and with this the cultural life of the city went down. People were only busy with ‘surviving’. There was no intelligent aristocratic, all people spoke the same language, this was all bad for the status for Hanoi as a cultural capital of Vietnam”. (Dr. Prof. Arch. Hoang Dao Kinh, vice president VAA<sup>136</sup>)

“Hanoi is my hometown, I am the third generation. Beautiful and traditional. Despite all the recent changes, it is a historical city, with a deep and unique culture. I am proud to be Hanoian” (Mr. Tran Xuan Bach, former official HPC, current UN-HABITAT, 08/06/2009).

The already quoted Mr. Luyen, Mr. Bach and Mr. Kinh represent two different generation of original Hanoians. We experienced in all interviews (also with users, part IV) that it especially is the original Hanoians who emphasize the traditional culture of the city Hanoi.

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<sup>134</sup> 28.05.2009

<sup>135</sup> 29/09/2009

<sup>136</sup> 27/05/2009



Another younger generation urban professional emphasized the dynamics of the fast developments in Hanoi, and the new scale introduced in the city:

“Hanoi is traffic jams. I think it is very vibrant, developing very fast, and it is starting to be like one of cities in the world like fast development, big buildings and things like that.” (Ms. Tran Thi Hai, around 29 years, Program Coordinator Action for the City, 18/12/2009).

The former chief architect, and first director of HAUPA, Mr. Dao Ngoc Nghiem wrote the following for the evaluation workshop of this project:

“Hanoi is a continuously developing city with an inheritance of more than 2000 years. Therefore, the transformation from rural communities to urban is natural. Hanoi is the city, which has the planning-architecture, construction techniques, and arts reflecting the integration of its culture with the human civilization of many big countries in region in the world. Hanoi is also a rare city with natural landscape inside the city. It creates urban landscape with green trees, water surfaces, rivers and diversified plants<sup>137</sup>”.

#### 1.4.2 ...A model city for Hanoi?

Most say there is no city which is really a model for Hanoi. However, Dr. Nguyen Lan, of the older generation says:

“Paris. Old streets go together with new developments. And new areas around the old city. Good combination of old and new...In a conference in San Francisco they asked me why new hotels are not good in the old streets of Hanoi. I answered, while because like in Singapore, there all the old streets got destroyed. And there are many other alternative ways to develop a city”. (Dr. Nguyen Lan, retired, former Chief Architect; currently General Secretary, chief executive office, Association of cities of Vietnam (ACVN); Vice Chairman of Vietnam Urban Planning & Development Association<sup>138</sup>).

Two others of the older generation say there is no example for Hanoi. Dr. Nguyen Truc Luyen<sup>139</sup> says there is no example for Hanoi, and Dr Kinh says :

“Not really, only that Hanoi is really like many Asian cities. What is special about Hanoi is the model of co-existing especially related to it land-ownership. Hanoi has its own approach, an Asian City with a soft, elastic approach. The tragedy is that people with power show there will. From Party to Congress, and from Congress to Congress. The system of bureaucracy is too large to control anything. Sometimes life in Vietnam just goes its own way. There is for example a lot of difference between the newspapers and official announcement and real life.

In Vietnam there is no complete control as in China. We have two market systems, one official by the government and one the black market. We changed to the new situation (from planned to liberal market) very quick and soft. Not like in the USSR and China, where this went with force. In Hanoi we have the saying “*Phép ma thua lệ làng*”. Meaning: the kings rules come after the rules of the villages”. And this is typical for Hanoi until today. This was even true during the closed socialist times”. (Dr. Prof. Arch. Hoang Dao Kinh, vice president VAA<sup>140</sup>).

This suggests that although Vietnam has a one Party State, they can not control many activities in the city, and actions based on informal relations are important in understanding urban governance and urban development and can dominate the development of the city Hanoi. Due to the informality it is unclear what is developing where, amounts of investments are not clear, and who is undertaking what action is not open knowledge.

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<sup>137</sup> Text prepared for the workshop “The Question about Identity”, discussing the identity and vision for the future of the city Hanoi 28/01/2010.

<sup>138</sup> 03/06/2009

<sup>139</sup> 28.05.2009

<sup>140</sup> 27/05/2009

"I think why Hanoi is not suffering from the economic crisis like a lot of cities in the world is because there is not too much control from the government" (Mr. Nguyen Quang, around 50 years, program manager UN-HABITAT<sup>141</sup>).

Mr. Bach, representing the younger-middle aged group of urban professionals, also references China. But this time for different reasons, including as an example of a sustainable and green city :

"Maybe Singapore and Nanjing (South China), because these cities do very well in sustainability. Even though many people think Chinese cities don't, many do. The landscape in china is not always just destroyed...Actually Hanoi does not have a role model, it is typical and this should be developed. The traditional value rural-urban should be preserved. Hanoi should develop it own character and identity. I see this as river, lake and a green character. This can be preserved and exist side by side with a Hanoi which is modern". (Mr. Tran Xuan Bach, former official HPC, current UN-HABITAT, 08/06/2009).

Ms. Hai, the younger generation, refers for similar reasons to Chiang Mai in Thailand, and cities such as Amsterdam and Barcelona. She thinks Hanoi can have many different models, to create a city of diversity.

"I like Hanoi to be like Chiang Mai a city which is something like Hue. Because it is quiet and has more spaces. I think the level of concentration now in Hanoi is something like Bangkok. I don't know how Bangkok can be Chiang Mai because they have more land. The reason I like Chiang Mai and I compare to that because they also have unique things, the old quarters, you know, the heritage there, but also they have areas for development. Or maybe I haven't been to many cities to compare. Actually I want it to be more cosmopolitan or I don't think it becomes something like Amsterdam, even though I realize Amsterdam, but it is very easy in sense of a lot of modern influences in that one. And it would be nice if it would be something like Barcelona, good transport system but not too many people". (Ms. Tran Thi Hai, around 29 years, Program Coordinator Action for the City<sup>142</sup>).

Mr. Dao Ngoc Nghiem, does not have a particular city in mind, he says:

"Hanoi accepted many outside impacts, and selected parts of it to create its own characteristics... We need to identify the characters and the heritage of the city, create the orientation for urban development on both preservation and expansion of the city.....The awareness for the whole community of heritage preservation for the whole management system needs to be increased, and this should remain also part of the process of developing new urban areas..." (Mr. Dao Ngoc Nghiem, former Chief Architect, and first director of HAUPA<sup>143</sup>)

### 1.4.3 ...Current and future internationalization of Hanoi?

Vietnamese urban professionals think Hanoi will be an international city with high rise buildings. However, this is not the way they want the city to develop, but they think this is the city's destiny:

"Since 1986 untill now more internationalization, however in the future this will be much stronger. Now we are part of the WTO, and take part of the globalization process. Vietnam can't stay out of this system. ...My concern is: How to keep the identity of Vietnam. We don't know how to do this in effective ways". (Dr. Nguyen Truc Luyen, president VAA<sup>144</sup>)

"My concern is: how to preserve the values of the traditional culture, learning, eating, community organization etc. Today 90% of the citizens are from villages, they don't give a good example to the rest of Vietnam. Our language is not sophisticated any more, and even in

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<sup>141</sup> 29/09/2009

<sup>142</sup> 18/12/2009

<sup>143</sup> Text prepared for the workshop "The Question about Identity", discussing the identity and vision for the future of the city Hanoi 28/01/2010.

<sup>144</sup> 28.05.2009

Ho Chi Minh City people will talk about Hanoi as: what example can this city give as a capital city?" (Dr. Prof. Arch. Hoang Dao Kinh, vice president VAA<sup>145</sup>)

"The way I want the city to develop is different from the way it will develop. I would like to see it with less people, and less investment in big buildings or things like that but rather than to make it a livable city, ...small public spaces, equality, and also spaces for different groups to do things in here, the transportation, etc. But the way I see I don't have a clear picture of the city in kind of 20 next years. But I think it gonna be modernized with higher big buildings". (Ms. Tran Thi Hai, around 29 years, Program Coordinator Action for the City<sup>146</sup>).

"In the future there will be many international companies in Hanoi. Hanoi want to become an international city...when I watch movies about old Hanoi I get emotional" (Mr. Tran Xuan Bach, former official HPC, current UN-HABITAT<sup>147</sup>).

Urban professionals would like Hanoi to preserve its traditional culture, its green and water bodies, and they long back for the quietness which was still in the city 15 years ago. However, they accept the city is internationalizing and will become similar building types (high rise) as in other cities in the region / world.

The new international influences have changed the idea of what the city is and how it should develop.

"Now I consider much more than before the way Hanoians live, and the traditional architecture in Hanoi. My concern is now: how to absorb international influences without ruining the local character of the city. How to find a balance" (Dr. Nguyen Truc Luyen, around 75 years old, president VAA<sup>148</sup>)

Mr. Dao Ngoc Nghiem gave the following opinion:

"The development orientation for Hanoi is that it should become a big city in the region and in the world with a vision of the next 30 or 40 years. Also, it must be a modern, sustainably developed city with its own unique characters. At present, Hanoi has potentials and has advantages, but the right direction and solutions are still needed. And he says, Hanoi should be the city friendly with ecology and people. It's also the trend of the World". (Mr. Dao Ngoc Nghiem, former Chief Architect, and first director of HAUPA<sup>149</sup>)

*Synthesis 1.3 The urban development process in Vietnam is a continuation of the Pre-Doi Moi practice, and based on three key- plans Socio-Economic Development Plans (SEDPs) ; Construction plans (regional level, city level and detail level); the Land-use plans. Both the urban construction plan and the land-use plan are prepared within the context of the Hanoi SEDP. The SEDP and Construction Plan have received limited reforms, making their procedures bureaucratically complicated and difficult for international actors. The land-use plans have received most reforms. However, the state still monopolizes land. In addition the three plans are prepared by different agents with different responsibilities, which make the process to get approval for projects very time consuming and full with bureaucratic complications.. To invest and develop land and properties, and overcome all the complexity of the bureaucracy the international agents mostly choose work under a joint-venture with a local partner.*

*The master planning process gives us four characteristics of how local governance adopts foreign influences in building the city Hanoi. First, HPC works with foreign actors, however is mostly passive in initiating projects with them. The Vietnamese government has only been pro-active in initiating the first (1992) and the last (2009) master plan for Hanoi. The 1998 HNTP and HAIDEP were both initiated by*

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<sup>145</sup> 27/05/2009

<sup>146</sup> 18/12/2009

<sup>147</sup> 08/06/2009

<sup>148</sup> 28/05/2009

<sup>149</sup> Text prepared for the workshop "The Question about Identity", discussing the identity and vision for the future of the city Hanoi 28/01/2010.

advisors from other countries, HNTTP by the Daewoo corporation from Korea and HAIDEP by the bilateral agents JICA from Japan.

Second, the master planning process shows how difficult it is for foreign ideas to be adopted by the Vietnamese government. The ideas are used as references, the Vietnamese government does not implement the complete designs by foreign consultants, and in from all the master plans up to 2008 not one did result in actual urban developments based upon the ideas of foreign advisors.

Third, the master planning process since Doi Moi shows that a lot of production has been done for the envisioning of the future of the city Hanoi. However, most remains theory, it does not match with the actual development (HAIDEP did but was not approved), and is more based on grant ideas and idealism by the government.

Fourth, the master planning process shows that the process of internationalization, through the interaction with foreign consultants and agents by itself is influencing the ideas of urban planning in the city, due to international fieldtrips made by Vietnamese urban professionals and the knowledge exchange from working with international consultants.

Vietnamese urban professionals do not believe any more in modernizing the city without respecting its traditional culture and diversity (as before Doi Moi). Today they would like to keep a green city with waterways, which is less crowded and keeps its traditional cultures. They also would like an international city, and they search for a combination. At the same time however, most feel frustration while their voices are not taken into consideration enough in official planning. It seems like Vietnamese urban professionals have replaced the idea of homogeneous urban form and equality for a diverse urban form which is a mixture of traditional culture, the context of the city's landscape and new international influences. At the same time however, politicians continue to master plan the city with help of foreign consultants very much in a pre-Doi Moi fashion (one image for the city Hanoi), which however, can't be realized in the new dynamic socio-economic condition.

CHAPTER 2. ANALYSIS OF  
CHANGES IN URBAN FORMS AND  
FLOWS

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This second part of the report aims to answer the question: *how is the new built form in Hanoi related to these forms of governance?* To answer this question in more detail we examine here the changes in international flows in and out of Vietnam and Hanoi, by analyzing qualitative data and existing academic and Vietnamese views of how different international flows have influenced new built form in Hanoi. As, in part I, also here a series of interviews and meetings were held with Vietnamese involved in urban planning, policy making, and in cultural, social and economic fields (Annex 0). The examination is structured in four parts: (2.1) Historical background: flows and forms in Hanoi before 1986; (2.2) Change in International flows; (2.3) General survey of new built form since Doi Moi , and end with; (2.4) Synthesis – Changing flows & transitions in New Urban Form.

## 2.1: HISTORICAL BACKGROUND: FLOWS AND FORMS IN HANOI BEFORE 1986

### 2.1.1 Pre-modern Vietnam

The history of Hanoi as a Vietnamese capital began in the eleventh century. In 1010, the Emperor Ly Thai To defeated the northern feudal invaders, bringing an end to 1000 years of Chinese domination he moved the capital from Hoa Lu to Dai La, which is a part of present day city Hanoi (Trung 1997:1; Hung 1997:1; Luan 1997:168). The choice of the capital of Vietnam at that time was based on the traditional planning concept of geomancy described by Luan as “river-in-front-and mountain behind” (Luan 1997:168). The city was divided into two parts: the royal city (*hoang thanh*) and the commoners’ city (*kinh thanh*) (Luan 1997:168; Thong 2001:17). This was exposed in the architecture of the city that has two parts: the citadel (*thanh*) and the market place (*thi*). *Thanh Thi* in Vietnamese refers to a city or an urban area. Modeled on the Chinese city of the time, the social order of Hanoi was reflected in the spatial separation ‘*thanh-thi*’ with two main castes of mandarin and commoners (Trung 1997).

Despite changes in its political role during the feudal period, ancient Hanoi was always the center of economic activities. By the 17th century, the city was given another name, *Ke Cho*, or market place, to reflect the importance of its economic and commercial activities (Logan 2000; Luan 1997, Hy 2002). Market people concentrated in the web of dense villages and hamlets in and around the center of the city, and these villages and hamlets again concentrated in diverse quarters, in streets, in *Ke Cho* – the market town (Logan 2000:39). Within Thang Long, the rural culture mixed with official Confucian structures exposed in the open city walls and the urban and rural mixtures even in the formal city (citadel).

In 1802-1883 period, the Nguyen rulers unified the country in 1802 and moved the capital to Hue. Hanoi was no longer the capital. Emperor Gia Long demolished the citadel and Hanoi’s urban structure changed greatly. The commercial town rapidly grew (Logan 2000; Luan 1997). Trade streets were specialized and the traders worked as cooperatives. This structure still presents in contemporary Hanoi, even outside the Thirty Six Street area. However, the economic momentum did not transform Hanoi into a capitalist city as it occurred in other cities (Luan 1997:169; Hy 2002:276).

Thus, in pre-modern Hanoi most influences came from China. However, in the pre-colonial period there were other influences, including the closed citadel of Hanoi, built in the 19th century, which was not a perfect copy of the Chinese citadel but was a mixture of different kinds of influences at that time. This citadel has been constructed, as a Vauban style fortress, yet based on strict Confucian principles. The knowledge of Fort design of the French military, Vauban, came to Vietnam when one of the survivors of the former ruling Nguyen family in the South joined forces with a priest of the French society named Pigneau de Behaine (Logan 2000). The French volunteers trained his army and navy and built forts based on Vauban designs. This has been used in many cities in Vietnam (Hue is most famous). In Hanoi, this resulted in a French style fortress with a temple in the middle orientated upon the rules of geomancy, which consequently, has a different orientation than the fortress itself. In 1873, French captured the Citadel in 1873, and after 1883, they took control and started to reside on a more permanent basis in Hanoi.

### 2.1.2 French Colonization (1884 – 1954)

The French had a mission called ‘*la mission civilisatrice*’ (Logan 2000; Tønnesson 2002; Wright 1991; Schenk 2005a:58). One of the parts of ‘*mission civilisatrice*’ was the imposture of French culture in the city. Many Vietnamese public buildings were replaced by the French. The French filled many lakes, developed industry on the Northern bank of the Red River, set up a rail-network, and a tram in Hanoi. From the late 1890s, the French changed their approach and turned to improvements of a more ‘sophisticated’ nature. In 1888, Hanoi was proclaimed a municipality and began to take on the appearance of a ‘western-like’ town, especially Paris, with similarities in buildings and urban structures. A ‘Town Planning and Architecture Service’, was established in the 1920s with the beaux-arts trained urbanist, Ernest Hébrard as head. Today, the only area left from master planning in Hanoi city is ‘the French Quarter’, which was part of Ernest Hébrard’s master plan. It is structured with a generous grid pattern of streets 20-30 meters wide. The French quarter exists of some 80 to 90

building blocks (Koperdraat and Schenk 1998:1). During the French administration row-houses, shops, offices, etc. were build in this quarter, but above all a sizeable number of 'villa's (idem)

In 1900 Hanoi as capital of Indochina was the laboratory of colonial France for other colonies. Colonialism in Hanoi was one of a colonial city imposed by force. However, the Vietnamese city generally did not present a single dominant cultural image in this period. The growing separation between colonists and local population is a common characteristic of colonial cities. However, in Hanoi this separation was not as strict as it was for example in English colonial towns. In this period Vietnamese were influenced by French culture due to their present but also by exchanges to France by the Vietnamese elite. Between 1945 and 1954 the Viet Minh defeated the French administration and in 1954 the Democratic Republic of Vietnam was proclaimed in Hanoi.

### 2.1.3 The Socialist City (1945-1986)

The establishment of the Democratic Republic of Vietnam was soon followed by the framework for economic aid from the Soviet Union in the Economic and Technical Cooperation Agreement of May 1955. The Democratic Republic Vietnam became a full member of the Soviet bloc with membership to the *Comecon*, the international bank for Economic Cooperation and the Soviet sponsored International Investment Bank. Under the treaty, Hanoi government was permitted to run an annual trade deficit with the Soviet Union of up to 150 percent of its exports. According to Buu Hoan, 60 percent of Vietnam's total foreign trade was with the Soviet Union (in Logan 2000:185). The Soviet Union was also involved in implementing 300 projects in Vietnam, of which 30 percent were in the industrial sector. It provided Vietnam's fuel, lubricants, iron ore, and cotton, and 95 percent of its motor vehicles (Logan 2000:185). It started an industrialization processes in Vietnam; the French colonial government also had set up some industries but these were very few and remain incidental in comparison with the new industries set up with aid from the Soviet Union. In return, Vietnam provided foodstuffs and industrial raw materials such as coffee, tea, rubber. Vietnamese now went to study in Russia and other former socialist countries, specialist from socialist countries as Russia came to Vietnam. In addition to the importation of a central economy, as in the USSR at that time, Vietnamese also went to Russia for work from 1955-1990, and students went in large numbers to be educated in Soviet and Eastern European universities. Russian, Polish, German, and Czech replaced French as second languages of North Vietnam's intellectuals. Among party members were many intellectuals, for them it was the only option they had (Marr 2002:273). These intellectuals, members of the party went to study in foreign universities.

The development of the new republic did not develop smoothly and the country suffered repeatedly from warfare, either on its own soil or in neighboring Cambodia. Most influential has been the war with the USA. From the 1950s, the United States had begun providing assistance to the French colonial authorities in their war against Ho Chi Minh's nationalist forces. This was the second Indochina war that ran from 1955 to 1975. Only part of this was, in fact, the 'Vietnam War' (or 'American War' to the Vietnamese). The first bombs were unleashed on Hanoi on June 29, 1966.

### 2.1.4 War with the USA & Socialism (1960 - 1975)

The results of ongoing bombing in Hanoi were acute housing shortages and considerable problems in running the city. But the American intervention did not affect the physical urban form of Hanoi greatly. However, socially and culturally, the war has had great impact on creativity. From the Vietnam War up to the onset of Doi Moi, North Vietnam and Hanoi, in particular, was isolated from the world. At that time, communication conditions, media, and tight control by the state did not allow exchanges of ideas. Since 1954, the state had a monopoly on radio broadcasting (with the Voice of Vietnam). Very few families possessed radio receivers. In the 1960s, all private print shops and publishing houses had been nationalized, and all production of books and serials were placed under the control of the party state, or Fatherland Front organizations. As with media, intellectuals and the arts also were extremely controlled. During 1964-1972, intellectuals and the media used to mount anti-imperialist campaigns. This limitation on creative and innovative development combined with widespread poverty generated a situation in which there were no means to realize suitable new housing and urban planning to reshape the city until after the war. The influences of the state over people's lives were overwhelming during wartime, and negotiating with people was negligible.



Thus, during the war time (1960-1975), capital and information accessed Vietnam into a very limited extent. The press, radio, newspapers were propaganda tools to be used only for resistance war activities: especially, the news from abroad about anti-war movements in US and other corners of the world. The capital came from outside, if there was, was for buying goods (like foods, medicine) to serve the army at war.

After the war, the decade 1975-1986 was the most difficult period for Vietnam because aid from the USSR, China and other countries stopped. The backward centralized planning and subsidized system had led Vietnam society nearly to bankruptcy.

### **2.1.5 Doi Moi Period (1986- present)**

After the launch of Doi moi policy (1986), relationships between Vietnam and Western countries gradually changed. Foreign donors came to Vietnam through development cooperation programs. At the beginning (the end of 1980s), economic integration and engagement with the West were considered carefully by the state. The attitude was skeptical, especially with sensitive issues like democracy, private sector development, human rights or civil society, etc. As a result, the foreign aid did not get a full hand in the development in Vietnam at that time, and it played a minor role during the first years of Doi Moi.

Since the 1990s, it became more obvious for the state that economic development under the course of market needs more inputs like capital, technologies, knowledge, experts and information. The attitude of the State gradually changed to more open and friendly cooperation. Sweden, Finland, and the UNDP were the first who came to Vietnam as donors for development (Annex VII). Several of the major international donors established official relations with Vietnam in 1993. The US embargo was lifted 1994 and Vietnam-US relations were normalized in 1995.

As a result, official development assistance (ODA) has become a more and more important capital flow to support Vietnam in its economic development. During the second half of the 1990s and the first half of 2000s, ODA has gradually shifted from a big capital source for large-scale infrastructure development to a resource for policy institutional reforms at both central and local levels (Kokko 2008). The capital flow of ODA also has "decentralized", i.e. before it was centralized by MPI, now it goes directly to the province level with a real demand-based planning.

After more than 20 years of Doi Moi implementation, due to rapid economic growth, the role of ODA will reduce and be replaced by the new flow of FDI that is entering the country. The role of ODA may be changed in its substance, from 'money; it is changing to bringing knowledge to the country. Foreign assistants more and more focused on the introduction of new ideas, the pressure for change and provide opportunities for the government to discuss its policies and strategies. There are also some areas suitable for ODA support like public administration, anti-corruption, leadership training or higher education.

The next section examines the changing international flows that entered Vietnam since Doi Moi in more detail.

## 2.2 INTERNATIONAL FLOWS

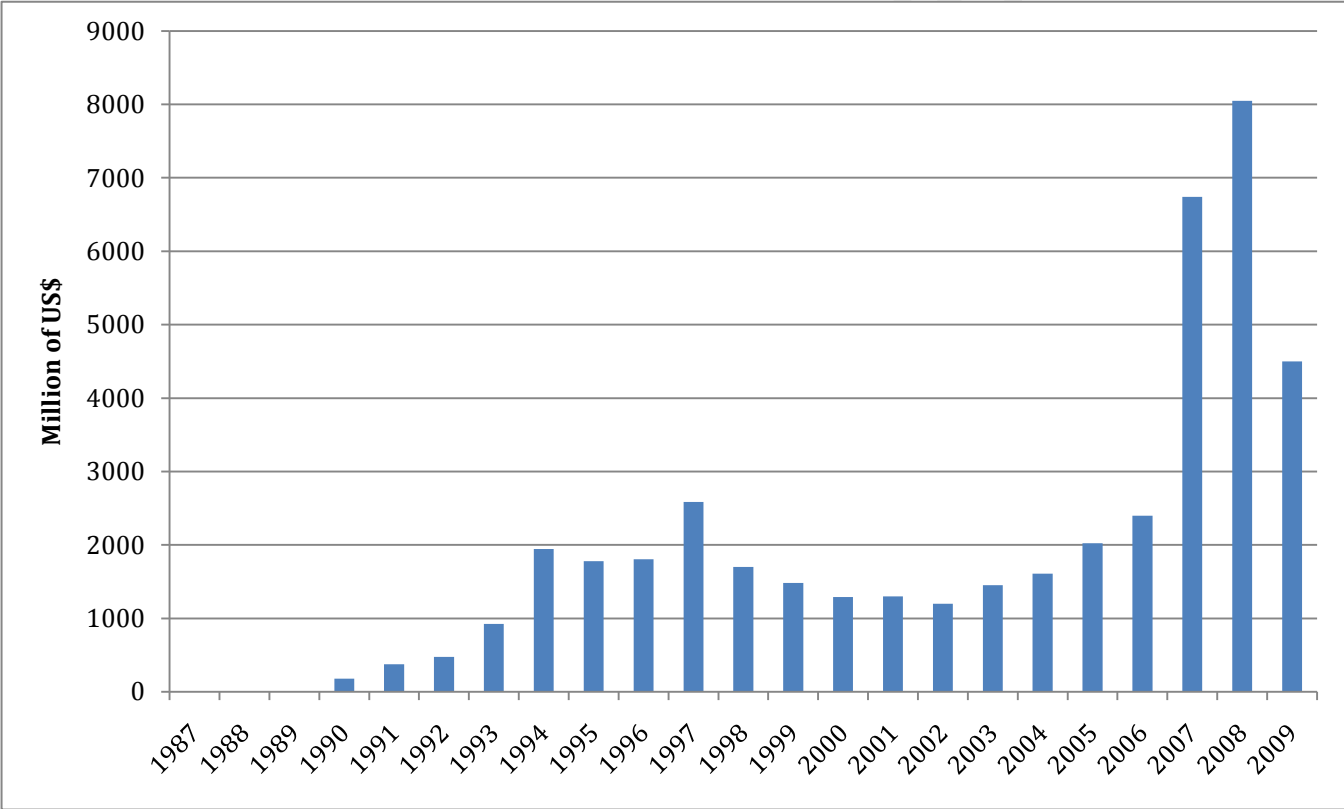
This section focuses on the international flows that came to Vietnam since the start of Doi Moi, it is organized in four sections. The first three sections present the changes in flows of capital (2.2.1), people (2.2.2) and knowledge and ideas (2,2,3) through charts and tables. The last section (2.2.4) sketches the socio-economic changes in Hanoi and Vietnam related to these charts and tables presenting these changes through.

### 2.2.1 Flow of capital

This sub-section discusses the flows of capital in and out of Vietnam and Hanoi since the start of Doi Moi focusing on four sectors: (I) Foreign Direct Investment, (II) Remittances, (III) Official Development Aid, and (IV), Import and Export.

#### I Foreign Direct Investment

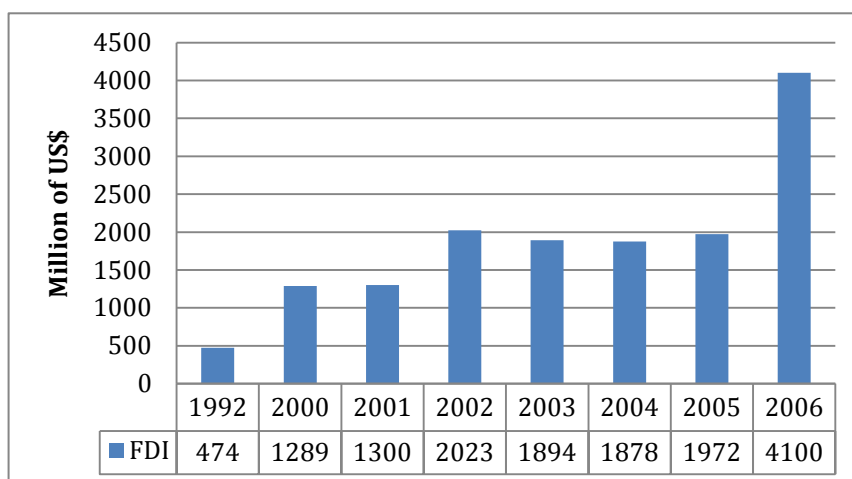
Graph 2.2.1.1 FDI flows Inward Vietnam (million U.S. dollars)



Source: United Nation<sup>150</sup>

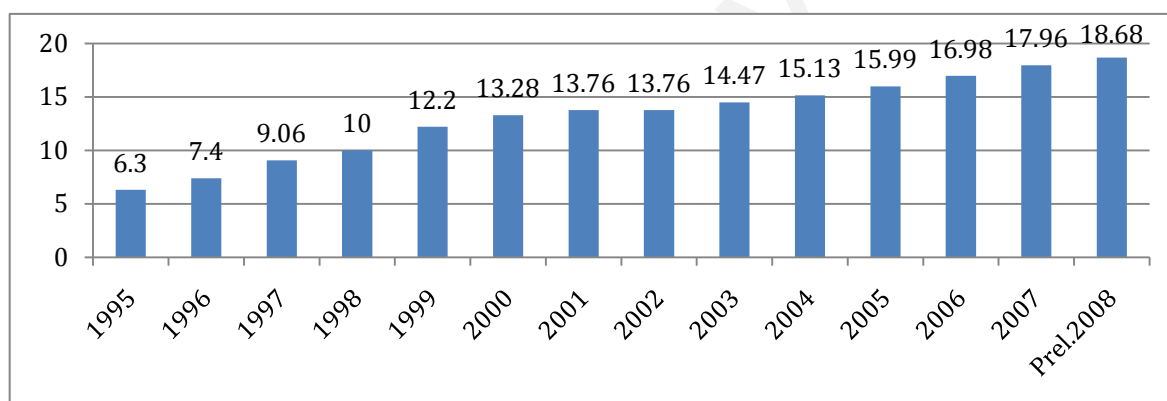
<sup>150</sup> <http://www.unctad.org/>

**Graph 2.2.1.2. FDI flows Inward Vietnam (million U.S. dollars)**



Source: Appendix 3 part of ADB, 2007.

**Graph 2.2.1.3 Structure of GDP at current prices by FDI (unit: %)**

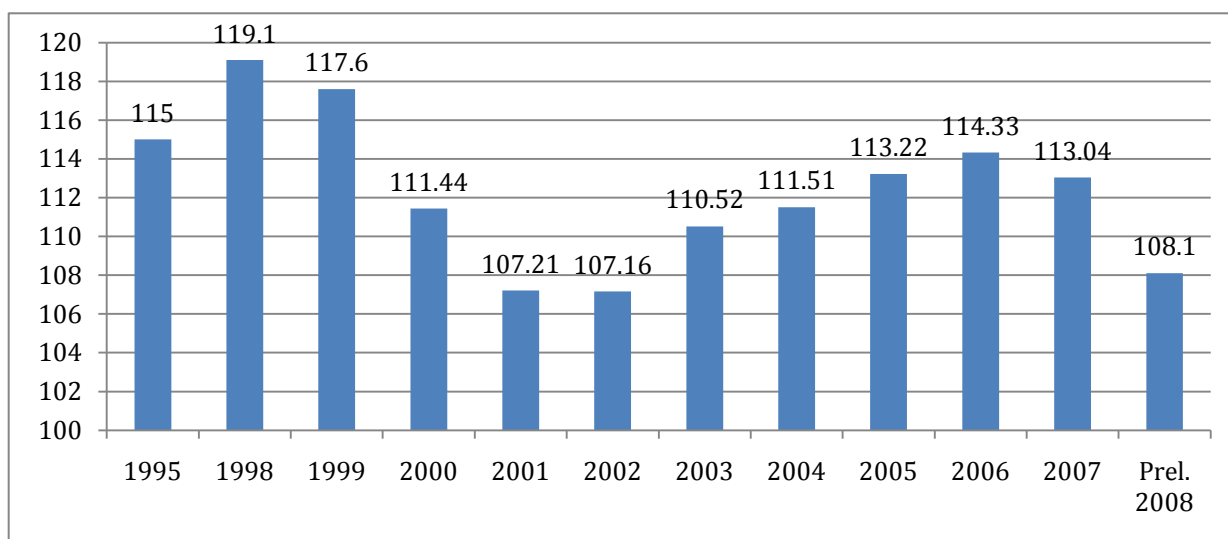


Source: Period 1995 - 1997 – General Statistic Office 1999 page 27; Period 1998- 1999 - General Statistic Office 2001a page 17; Period 2000 - 2001 - General Statistic Office 2004 page 20; Period 2004 - 2005 - General Statistic Office 2007 page 36; Period 2006 - 2008 - General Statistic Office 2009 page 40

Both charts clearly show that FDI increased sharply after the opening of the economy to foreign investors in 1987. “From a complete ban prior to 1987, FDI inflows picked up to \$180 million in 1990, before surging to \$2.6 billion in 1997, on the back of the overall dynamism in the region and optimism over the pace of reforms in Viet Nam”. (United Nation 2008 page 5)

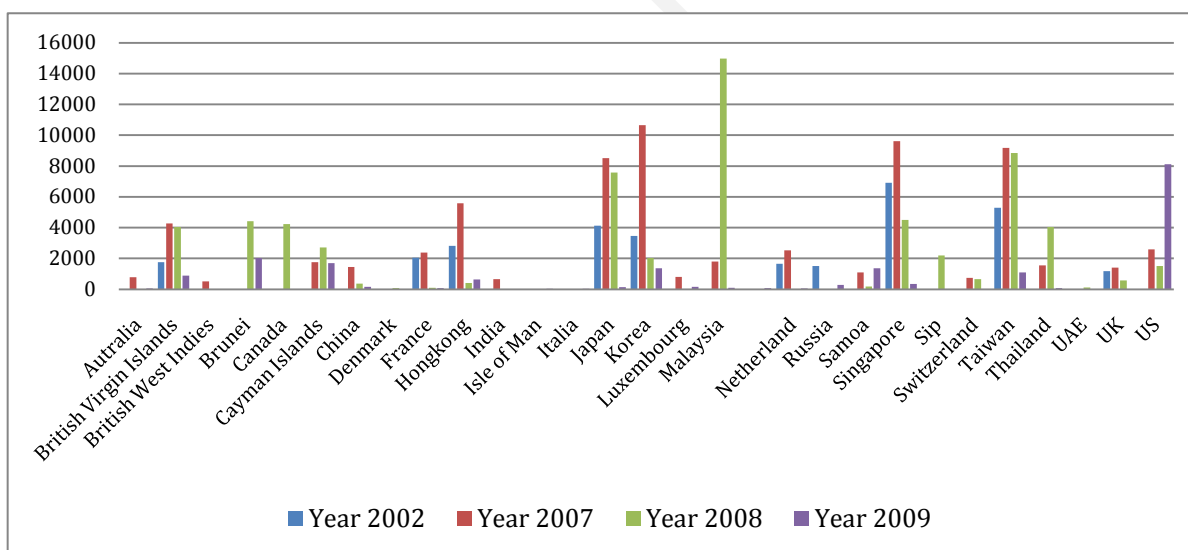
However, the statistical data of FDI statistic for the year 2002 shows some differences between the source of the United Nation and ADB. ADB’s chart demonstrates an increase in FDI flows to reach a peak of \$2 billion in 2002, a slight slowdown in the period 2003-2005, and then a sudden jump to \$4 billion in 2006. While the UN’s chart depicts a different trend; FDI growth fell down for consecutive years to \$1,2 billion in 2002, and then recovered to \$2.3 billion in 2006, before surging up to 6,7 billion in 2007.

**Graph 2.2.1.4 Index of GDP by ownership - Foreign directed invested sector (unit:%)**



Source: Year 1995 – General Statistic Office 2001 page 20; From 1998 to 2000 – General Statistic Office 2003 page 22; From 2001 to 2002 – General Statistic Office 2007 page 38; From 2003 to 2008- General Statistic Office 2009 page 41

**Graph. 2.2.1.5 Top FDI investors in Vietnam by registered capital (mill. USD)**



Source: Year 2002 – Vietnam Investment Review, No 563/July 29 – August 4, 2002 published by Doand 2002 page 3; Year 2007 – Foreign Investment Agency of Vietnam<sup>151</sup>; 2008 – General Statistical Office 2009 Page 110, 111; Year 2009 – unpublished data of Foreign Investment Agency of Vietnam

<sup>151</sup> <http://fia.mpi.gov.vn/> (in Vietnamese)

**Table 2.2.1.1 FDI licensed during the 1988-2008 period split according to localities**

	Number of projects	Registered capital (m USD) *
<b>VIETNAM</b>	<b>10,981</b>	<b>163,607.2</b>
<b><i>Red River Delta region</i></b>	<b><i>2,790</i></b>	<b><i>33,627.1</i></b>
Hanoi	1,498	20,228.2
<b><i>Northern Midland and mountainous region</i></b>	<b><i>325</i></b>	<b><i>1,823.1</i></b>
<b><i>Northern central and Central coastal region</i></b>	<b><i>690</i></b>	<b><i>43,886.8</i></b>
Danang	165	3,080.3
<b><i>Central Highland</i></b>	<b><i>147</i></b>	<b><i>1,334.3</i></b>
<b><i>East Southern region</i></b>	<b><i>6,462</i></b>	<b><i>71,857.8</i></b>
Dongnai	1,031	14,752.8
Ba Ria - Vung Tau	226	16,896.1
Hochiminh city	3,234	29,245.8
<b><i>Mekong River Delta region</i></b>	<b><i>505</i></b>	<b><i>7,876.5</i></b>
* Including the added capital of projects licensed from previous years		

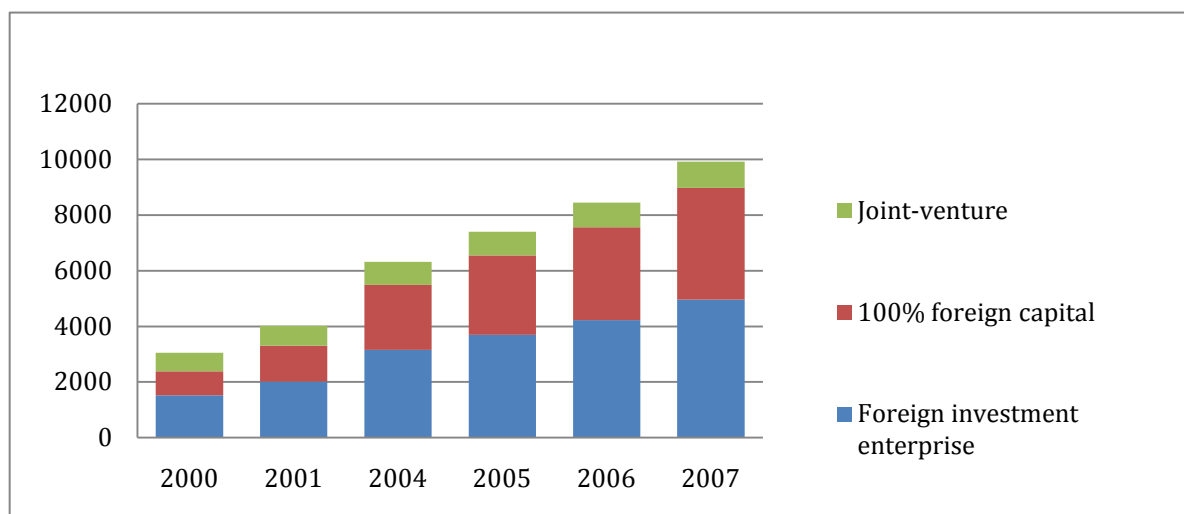
Source: unpublished data of Foreign Investment Agency, 2008

**Table 2.2.1.2 Spatial distribution of FDI property projects in Hanoi 1988-1997**

Distance from Center	FDI Property Projects number	%	Capital Investment (mill. USD)	%	Land Area (sq. m)	%
0-2 km	27	55.1	750	54.95	80,354	29.63
2 -5 km	20	40.82	536	39.27	144,630	53.33
5-8 km	2	4.08	79	5.79	46,200	17.04
8 km	0	0	0	0	0	0
Total	49	100	1,365	100	271,184	100

Source: Data Compiled from Hanoi Chief Architect's Office HCAO (published by Quang & Kammeie, 2002, page 384)

**Graph 2.2.1.6 Number of acting enterprises as of annual 31 Dec. by types of enterprise (unit: enterprise)**



Source: Year 2000, 2001 – General Statistical Office 2008 page 77; Year 2005, 2006, 2007 - General Statistical Office 2009 page 79

**Table 2.2.1.3 Total of number of industrial enterprises of foreign invested sector in Hanoi (unit: enterprise)**

Year	2000	2003	2005	2007
Total	100	140	179	228

Source: Year 2000, 2003 - Hanoi Statistic Office 2006 page 124 ; Year 2005, 2007 - Hanoi Statistic Office 2008 page 124

**Table 2.2.1.4 Export / Import by type of management in Vietnam (Mill.USD)**

Year	Exports		Imports	
	1994	1995	1994	1995
Value of exports	4054.3	5448.9	5825.8	8155.4
Central	1945.8	2531.2	3111	3475.4
Local	1947.4	2477.6	2114.3	3211.9
FDI	161.1	440.1	600.5	1468.1

Source: General Statistic Office 1997 page 207

In 2007, FDI contributed 1.691 billion USD, accounted for more than one-third (39%) of the city's export value. (Hanoi Statistic Office, 2008)

**Table 2.2.1.5 Exports in Hanoi (mill. USD)**

Year	2000	2003	2005	2007
Export turnover	1402	1819	2861	4358
Direct export	1118	1305	1655	2254
Non - state economy	102	175	296	413
Foreign invested	182	339	910	1691

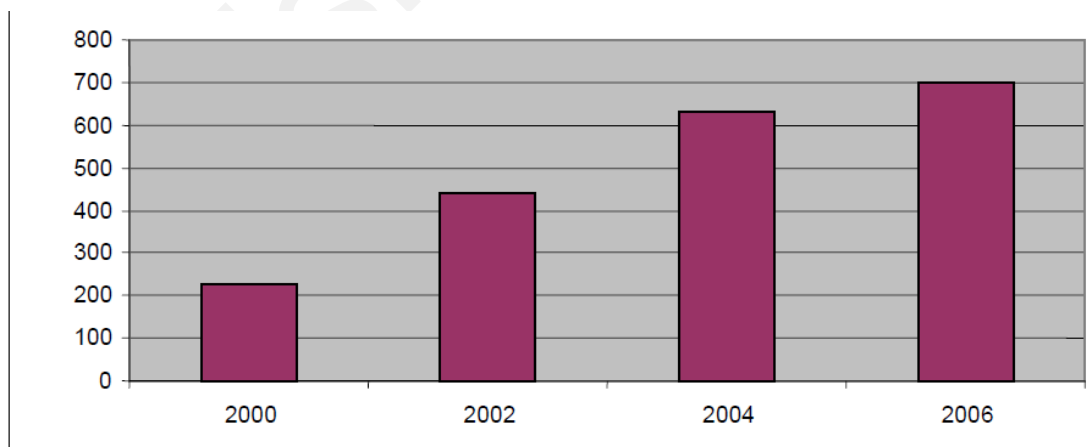
Source: Year 2000, 2003 - Hanoi Statistic Office 2006 page 144 – 223; Year 2005, 2007 - Hanoi Statistic Office 2008 page 144 – 223

**Table 2.2.1.6 Imports in Hanoi (Unit: Mill. USD)**

	2000	2003	2005	2007
Imports turnover	3886	6833	10516	14946
Direct import	3195	5034	7218	10404
Non-state economy	394	1038	1825	2317
Foreign invested	297	761	1473	2225

Source: Year 2000, 2003 - Hanoi Statistic Office 2006 page 145-224; Year 2005,2007 - Hanoi Statistic Office 2008 page 145-224

**Graph 2.2.1.7 Employment generalized by FDI (thousand persons)**



Source: General Statistic Office (published by Kien, 2008, page 5)

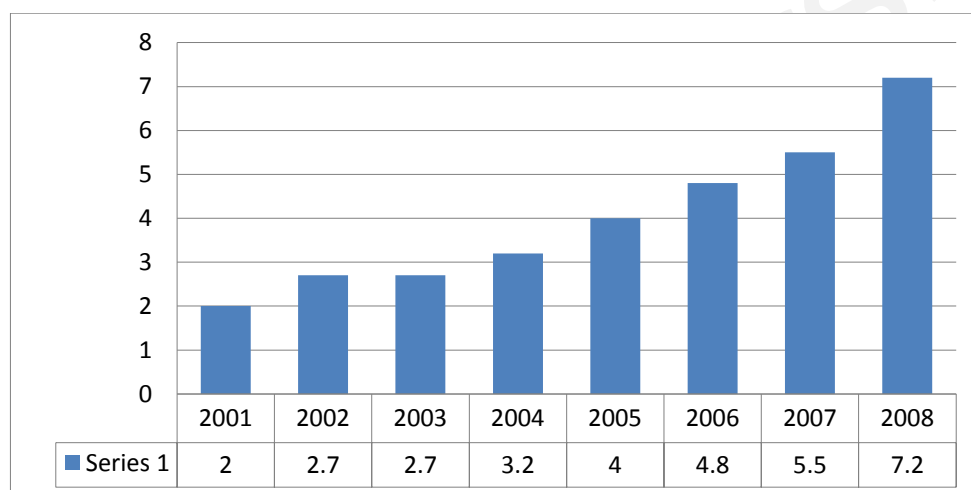
**Table 2.2.1.7 Number of Labours in foreign directed investment in Hanoi**

Year	
2000	26015
2005	61679
2007	92889

Source: Year 2000, 2005 - Hanoi Statistic Office 2006 page:117-118; Year 2007 – Hanoi Statistic Office 2008 page:176-177

## II Remittances sent to Vietnam

**Graph 2.2.1.8 Amount of remittance sent to Vietnam period 2001-2008 (bill.USD)**



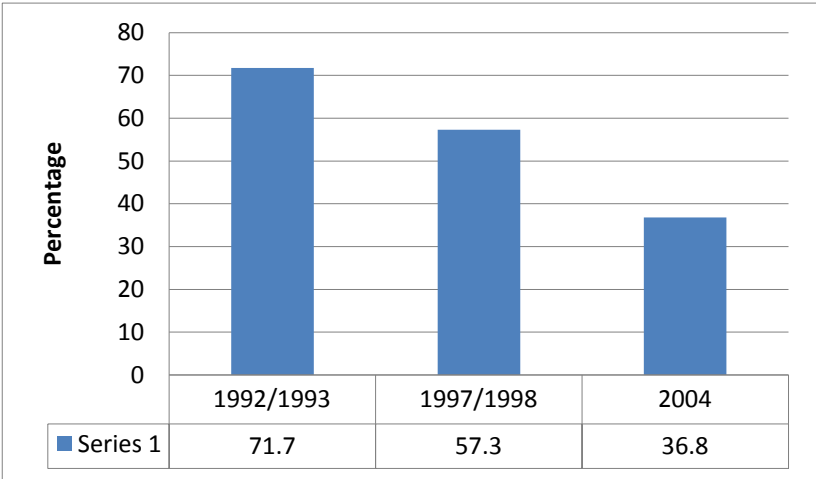
Source: Period 2001-2006 – Dilip Ratha and Zhimei Xu<sup>152</sup> ; Period 2007-2008<sup>153</sup>

<sup>152</sup> <http://siteresources.worldbank.org/INTPROSPECTS/Resources/334934-1199807908806/Vietnam.pdf>

<sup>153</sup> VnBusinessNews.com, 18/11/2009

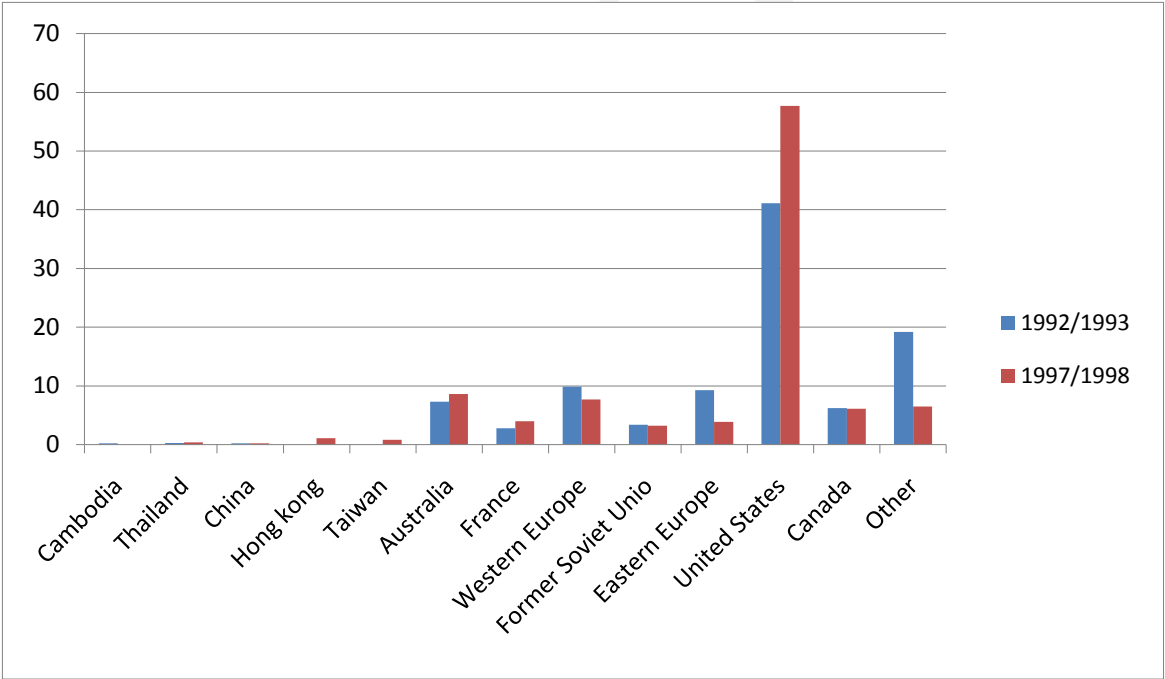


**Graph 2.2.1.9 Share of international remittance in total remittances (percentage)**



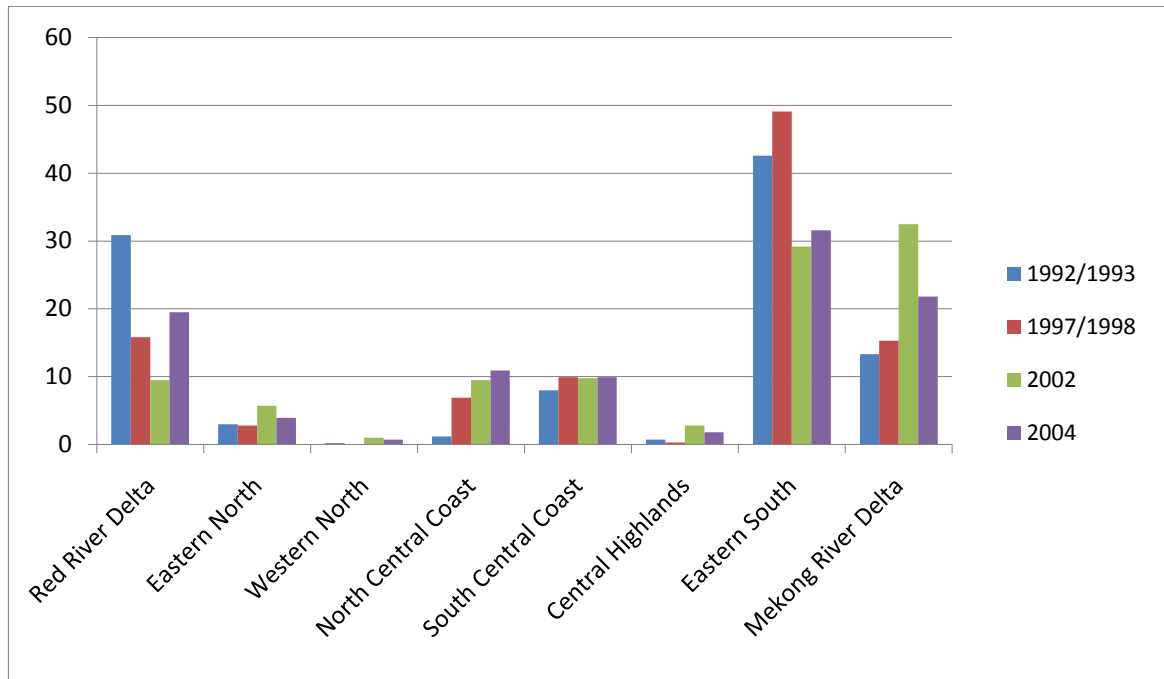
Source: Pfau and Long 2008 page 13

**Graph 2.2.1.10 International remittances by origin (percentage)**



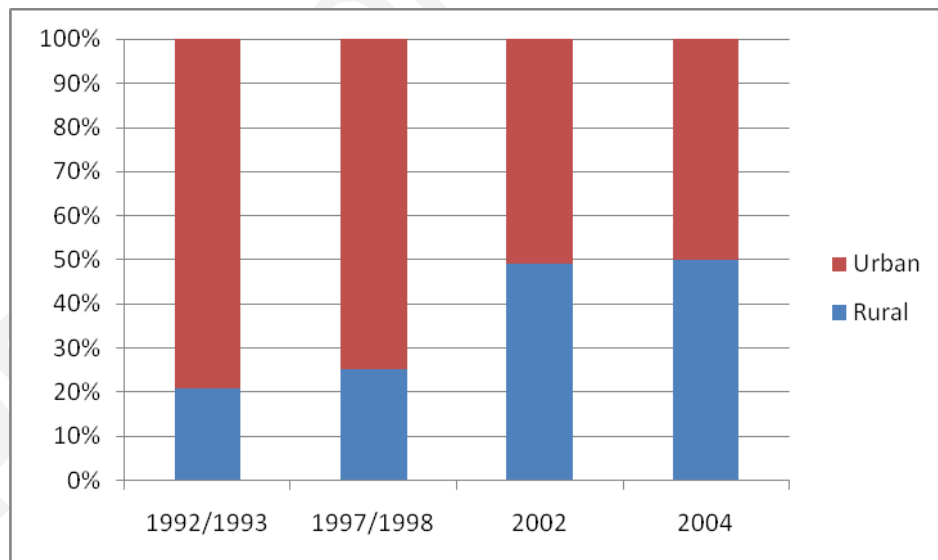
Source: Pfau and Long 2007 page 103 and 104

**Graph 2.2.1.11 Flow of Overseas Remittances to Vietnam by region (percentage)**



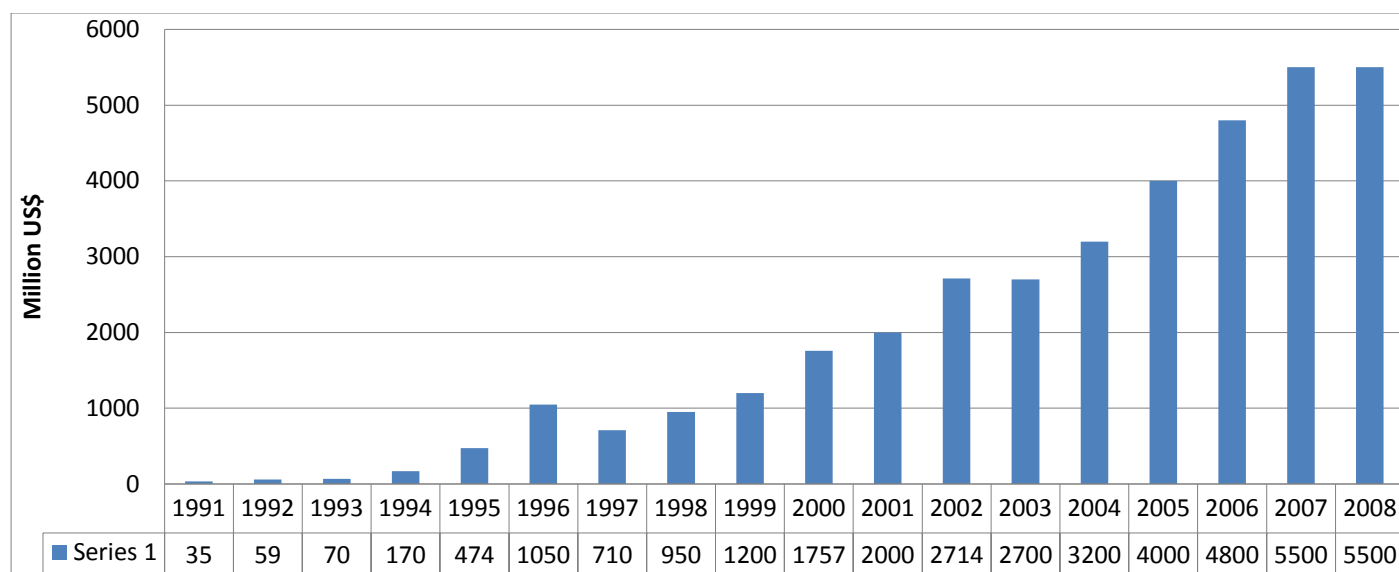
Source: Pfau and Long 2008 page 14

**Graph 2.2.1.12 Flow of Overseas Remittances to Vietnam by urban/rural (percentage)**



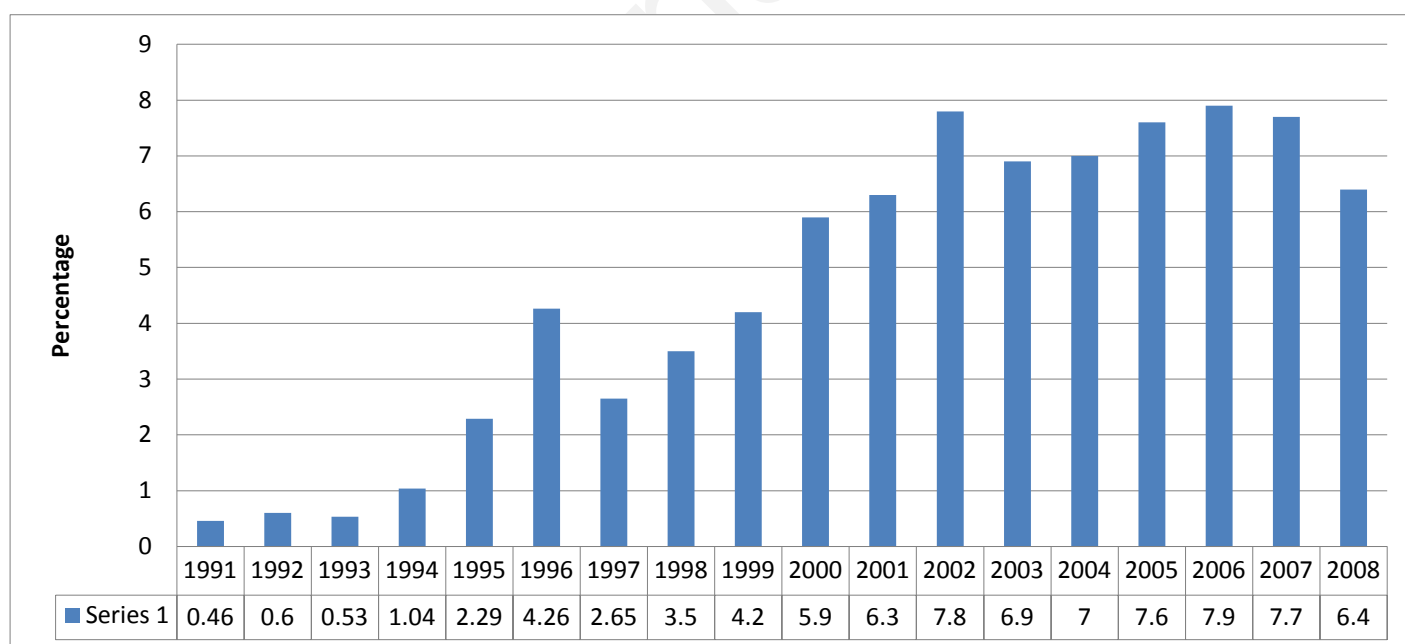
Source: Pfau and Long 2008 page 14

**Graph 2.2.1.13 Remittances from Vietnamese migrant workers (million US\$)**



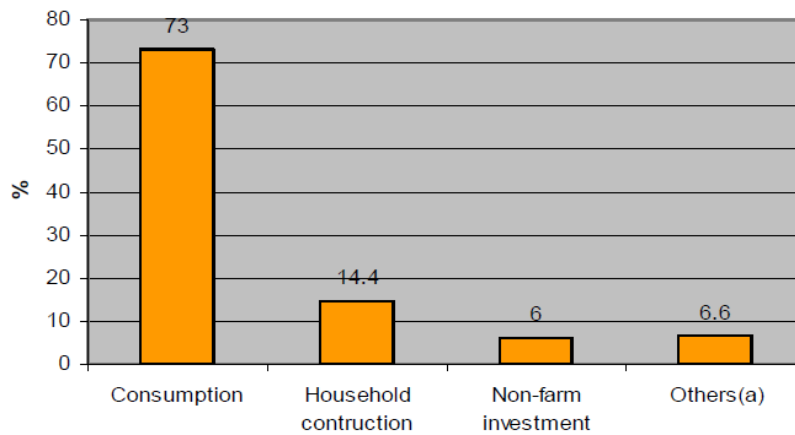
Source: Period 1991-1998 – IMF 2006 page 38; Period 1999 – 2008 – Hernandez –Coss (2005), IMF (2009), World Bank (February 2009) published by Thao 2008 page 15

**Graph 2.2.1.14 Worker Remittances as percentage of GDP (%)**



Source: Period 1991-1998 – IMF 2006, page 38; Period 1999-2008 - Coss (2005), IMF (2009), World Bank (February 2009), Economist Intelligence Unit Report (2009) published by Thao 2008 page 18

**Graph 2.2.1.15 Use of remittance (%)**

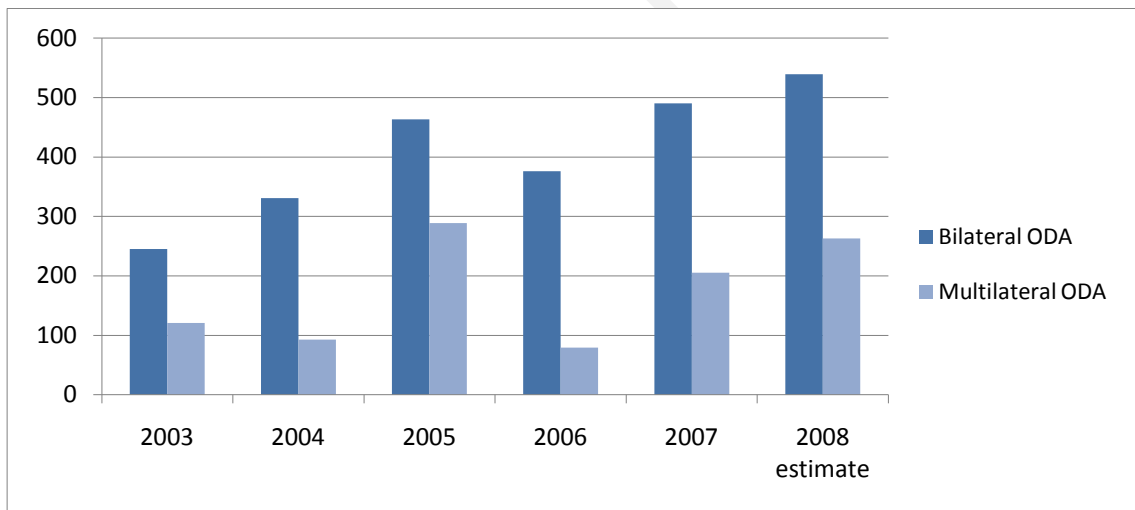


Source: Pfau and Long (2006) published by Thao, 2008, page 19

III Donation

***ODA in general***

**Graph 2.2.1.16 ODA by Main Categories (Net Disbursement) (USD Million)**



Source: Korea Economic Cooperation Development Fund, 2009, appendix 2

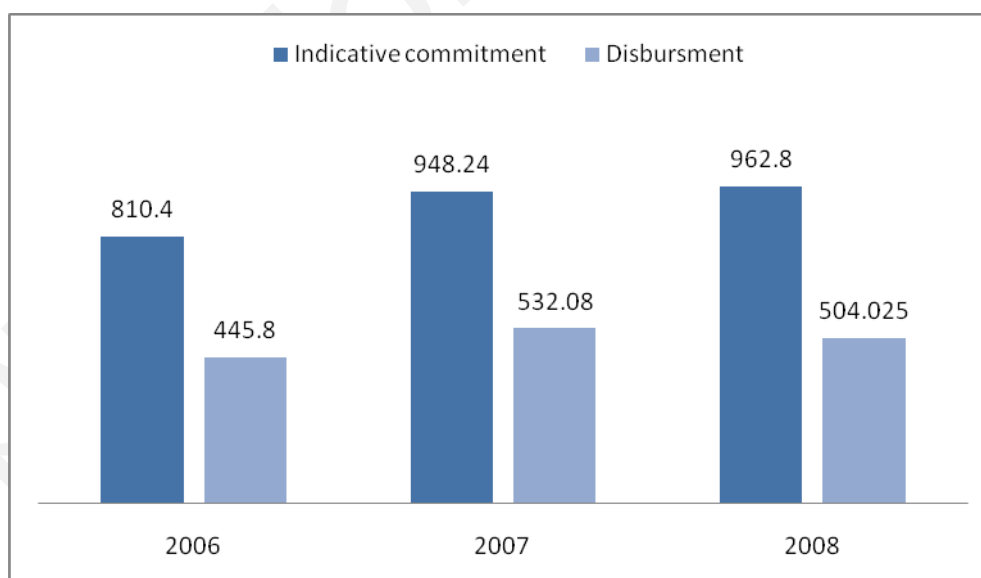
**Table 2.2.1.8 Sectoral Committed ODA Structure (From 01/01/2009 to 17/11/2009)**

<b>Sector</b>	<b>Committed ODA (million USD)</b>	<b>Structure (%)</b>
Agriculture, irrigation, forestry, aquaculture in line with agriculture and rural development –hunger eradication and poverty reduction	1,336.4	24.74
Transportation	899.15	16.65
Water supply and drainage, and urban development	678.63	12.56
Energy	818.33	15.15
Health, education and training, environment, science technology, and other sectors (including developing institutional framework, capacity building...)	1,669.07	30.90
<b>Total</b>	<b>5,401.62</b>	<b>100</b>

Source: Partnership Group on Aid Effectiveness 2009 page 4

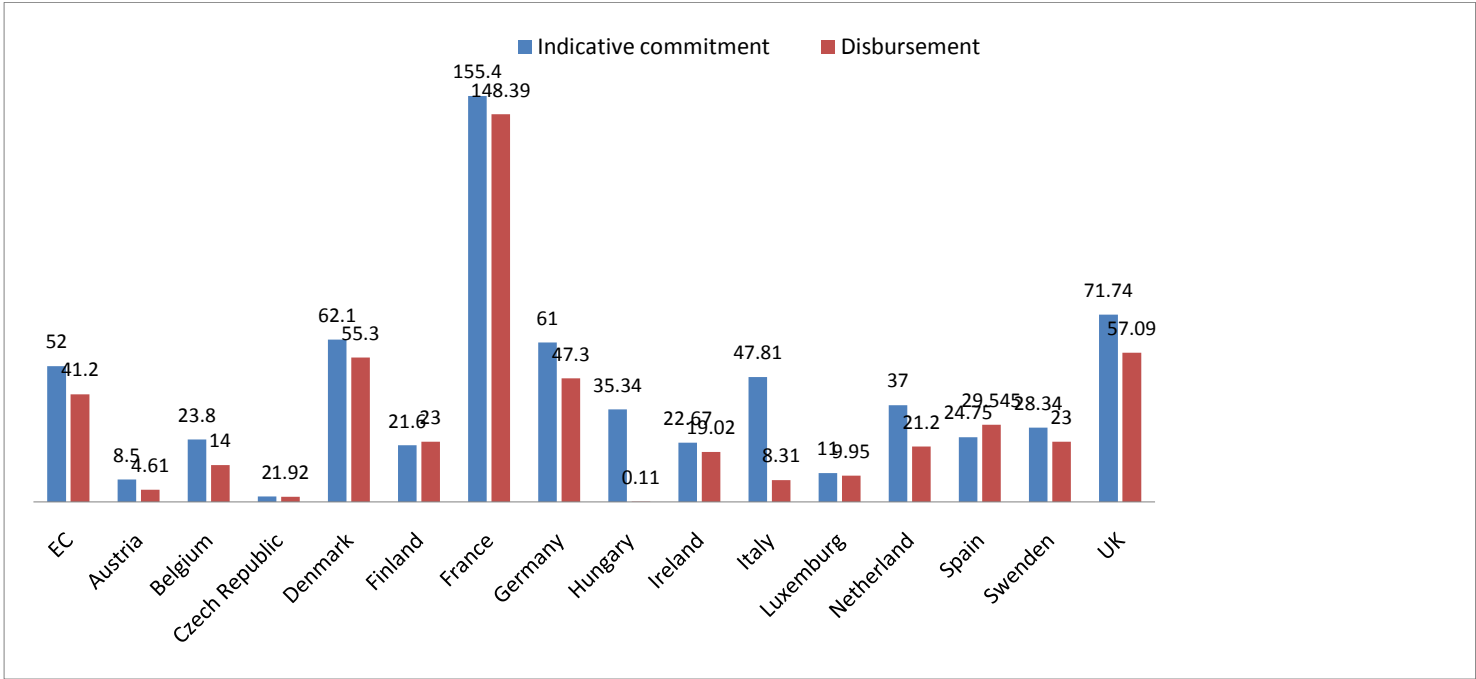
### EU ODA

**Graph 2.2.1.17 EU ODA Indicative commitment and disbursement 2006-2008 (in EUR million)**



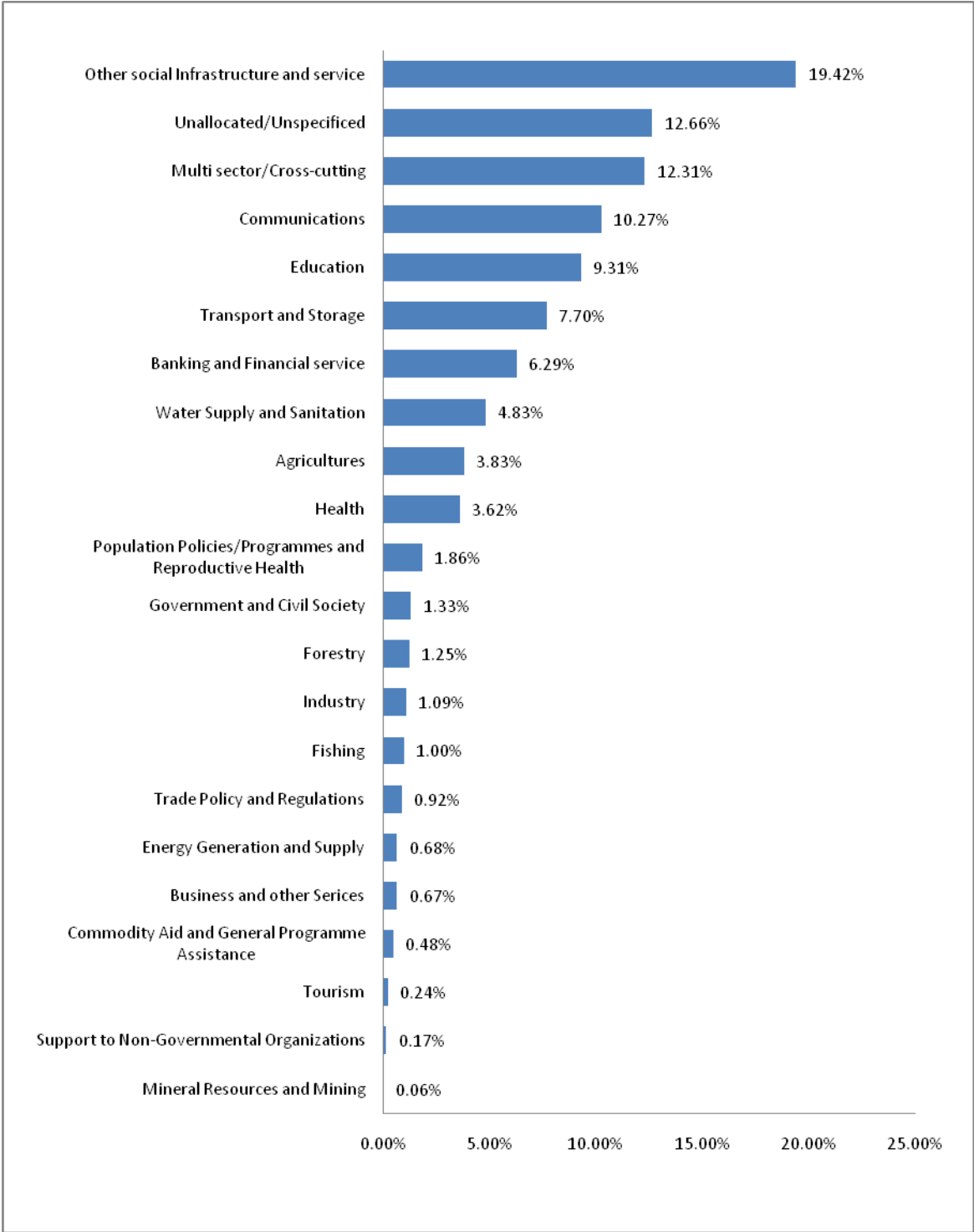
Source: CG Meeting, Blue Book 2007 - 2009 published by EU Member States Embassies, EC Delegation in Hanoi 2009, page 29

**Graph 2.2.1.18. EU ODA Indicative commitment and disbursement by donor in 2008 (In EUR million)**



Source: 2008 CG Meeting published by EU Member States Embassies, EC Delegation in Hanoi 2009, page 27

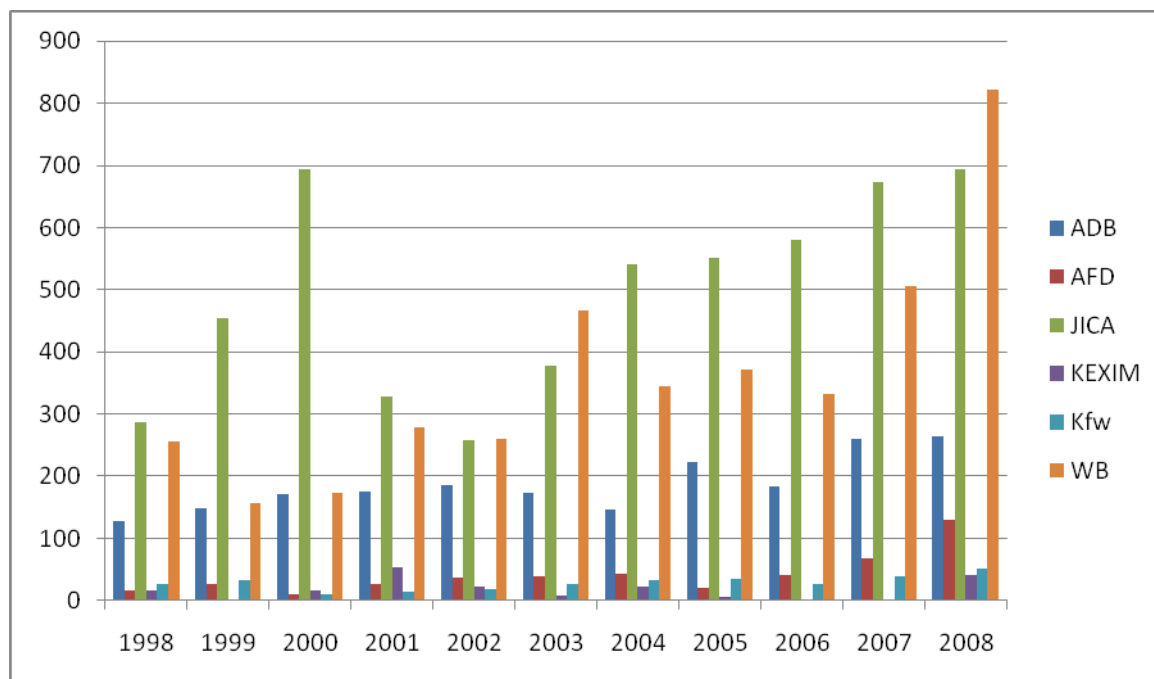
**Graph 2.2.1.19 EU ODA Disbursement by sector in 2007**  
 (As a % of total EU disbursement in 2007)



Source: Development Assistance Database published by EU Member States Embassies, EC Delegation in Hanoi 2009.

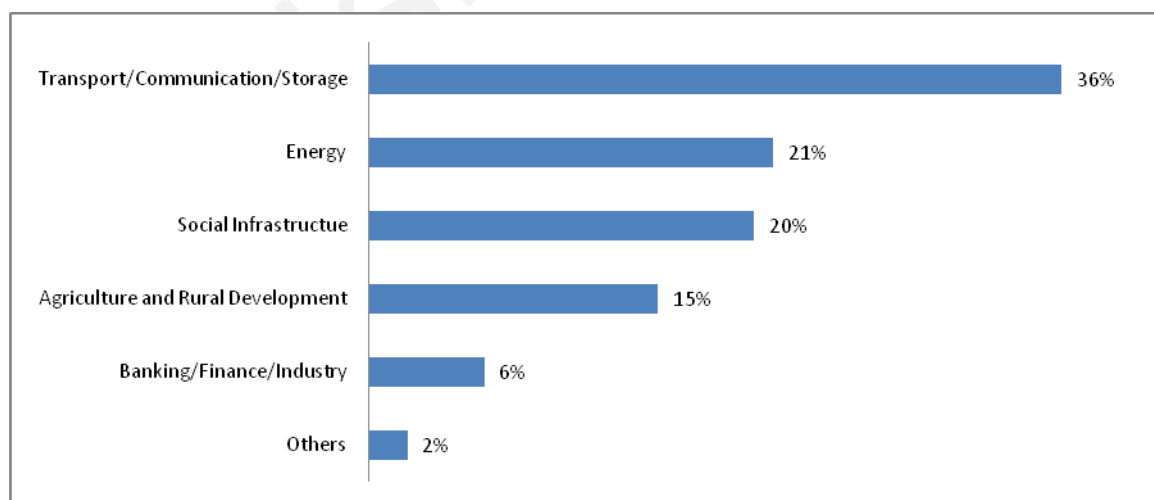
## Six Banks ODA

**Graph 2.2.1.20 Six Banks ODA disbursement in 1998-2008 (US\$ Million)**



Source: ODA IMTF, 2009, page 10

**Graph 2.2.1.21 Six Banks ODA Sectoral Distribution of Ongoing Public Sector Portfolio ( As of 31 December 2008)**



Source: ODA IMTF, 2009, page 12



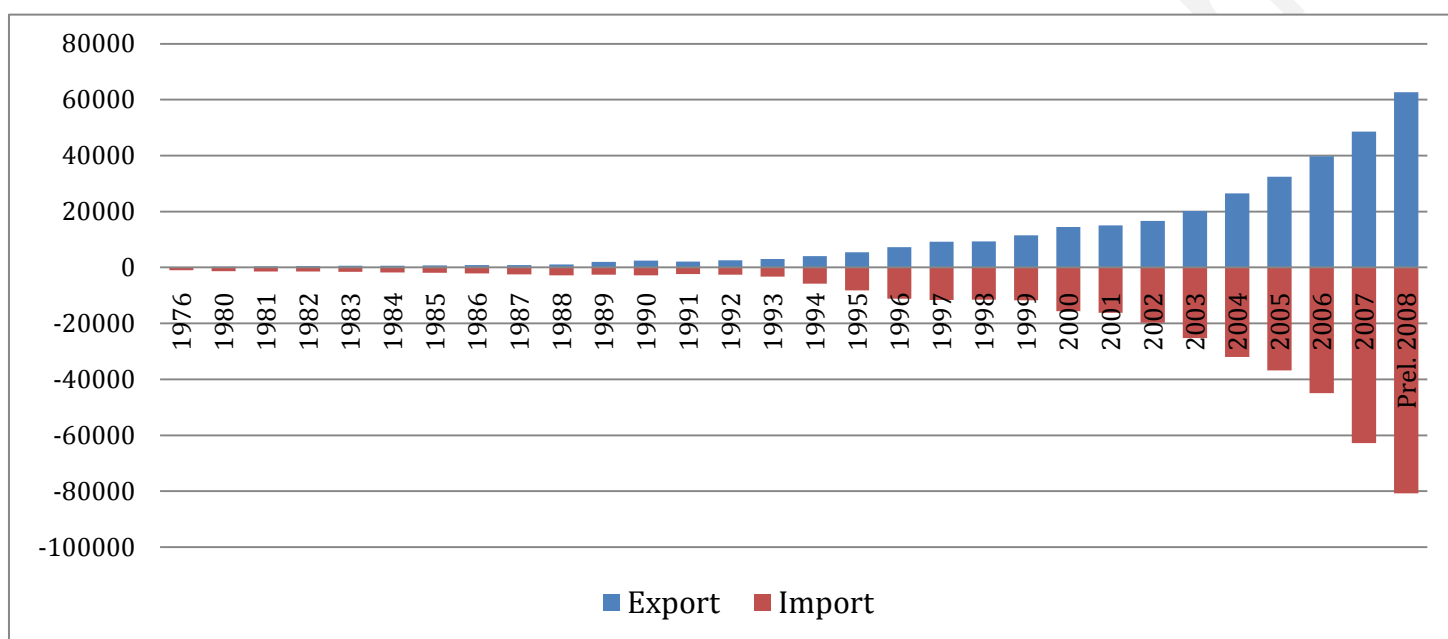
#### IV Export – Import

**Table 2.2.1.9 Total value of export 1980 - 2009 Hanoi HCMC Hai Phong Da Nang(unit: Mill.USD)**

	Ha Noi	HCM City	Hai Phong	Da Nang
Total value of export	4358	18303	1217	450

Source: Hanoi Statistical Office 2008 page 39

**Graph 2.2.1.22 Foreign trade turnover (million Ruble/million USD)<sup>154</sup>**



Source: Year 1976 – General Statistic Office, 1991, page 104; From 1980 to 1996 – General Statistic Office, 1997, page 206; From 1995 to 2000 – General Statistic Office, 2005, page 92; From 2001 to 2008 – General Statistic Office, 2009, page 141

<sup>154</sup> Value of exports and imports with communist countries was in ruble, with other countries in dollar

## 2.2.2. Flow of People

This section discusses the flows of people in and out of Vietnam and Hanoi since the start of Doi Moi focusing on nine sectors: (I) Vietnamese leaving Vietnam for holidays, (II) Vietnamese refugees in other countries, (III) Labour export, (IV), Vietnamese studying in foreign countries, (V) Overseas Vietnamese re-migrating to Vietnam, (VI) Foreigners entering Vietnam, (VII) Foreigners emigrating to Vietnam, and (VIII) Migration in Vietnam.

### I Vietnamese leaving Vietnam for holidays

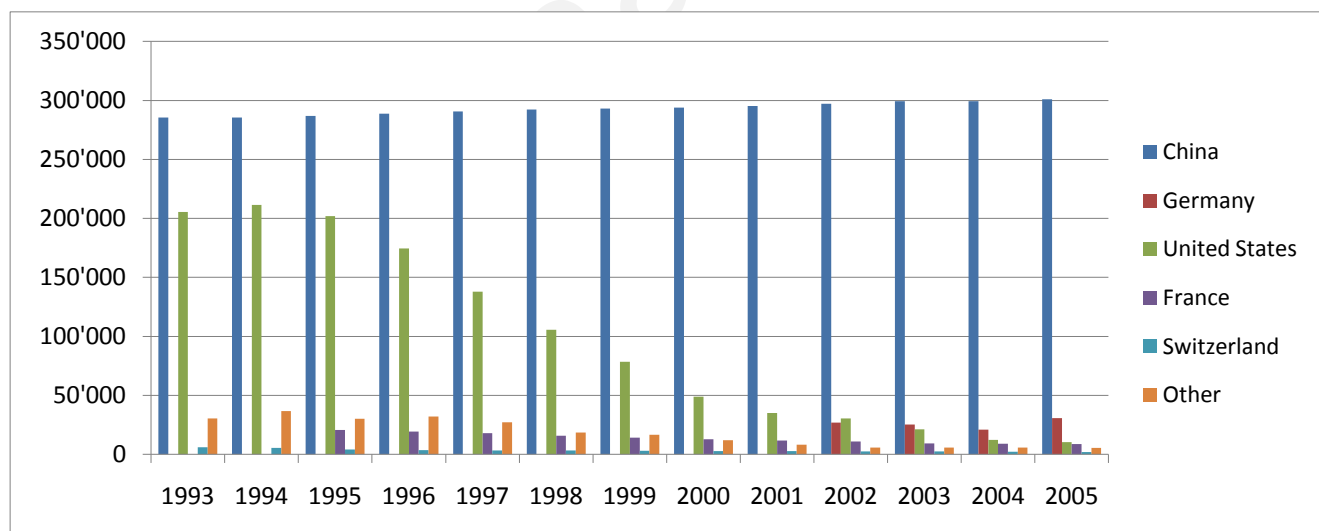
**Table 2.2.2.1. Vietnam Visitors from Hanoi to foreign countries (Unit: thousand)**

Year	2000	2003	2005	2007
Vietnam Visitors from Hanoi to foreign countries	20	26	46	49

Source: Year 2000, 2003 - Hanoi Statistic Office 2006 page 146-147, Year 2005, 2007 - Hanoi Statistic Office 2008 page 225-226

### II Vietnamese Refugees

**Graph 2.2.2.1 Refugee population, end of year-main countries of “asylum” (main countries in 2005)**



Source: UNHCR, 2004, page 513; UNHCR, 2007, page 547

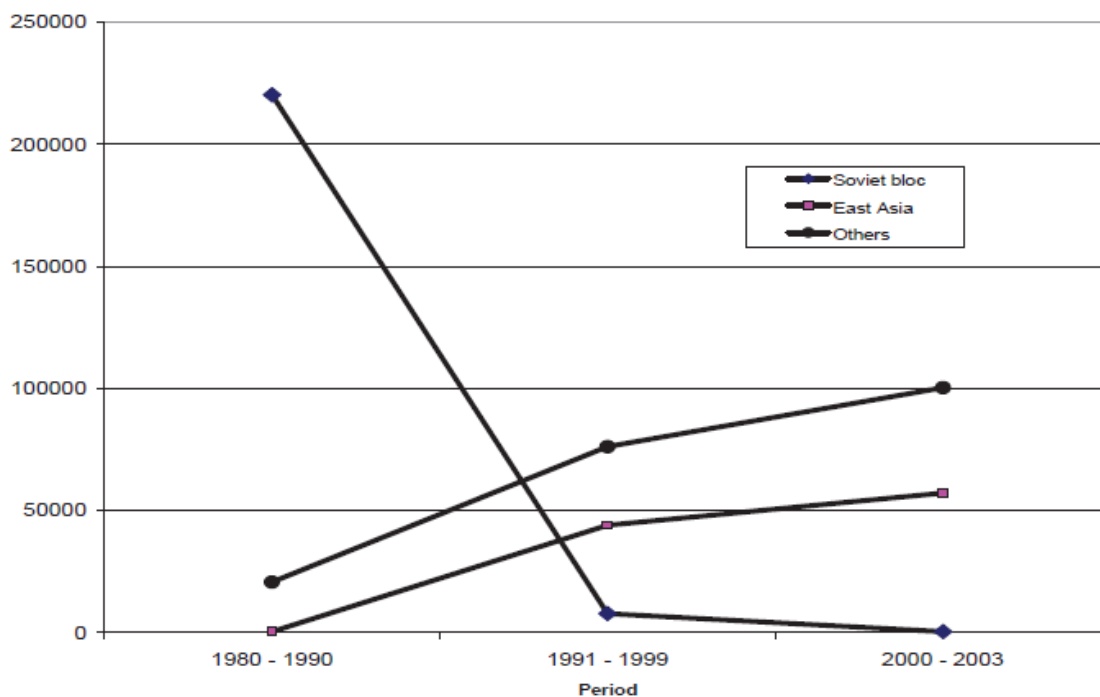
### III Oversea Vietnamese re-migrating to Vietnam (people who left in 1954 or in 1975)

Since Vietnam started opening to the world, more and more overseas Vietnamese have returned to their home country. “Vietnamese Government statistics say about 280,000 *Viet Kieu* returned for tourism or business in 1999—more than triple the 87,000 who came in 1992. Only 8,000 visited in 1988<sup>155</sup>”.

<sup>155</sup> Asianweeks, 04/05/2000

#### IV Labour export

**Graph 2.2.2.2 Vietnamese workers major regions of destination, 1980 – 2003**



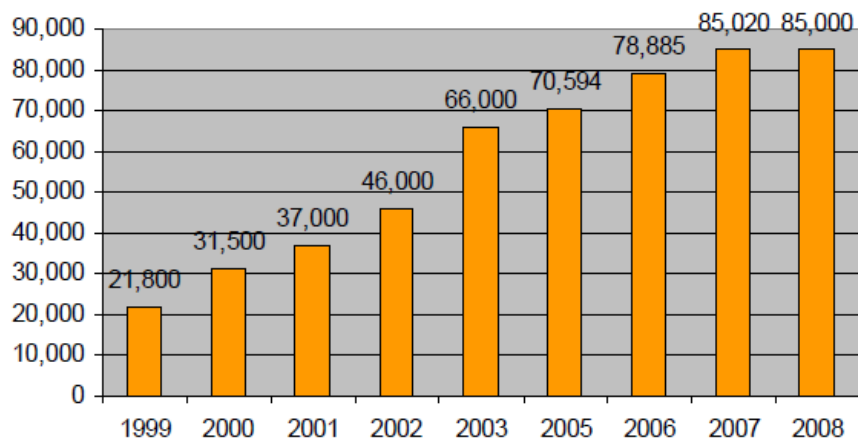
Source: Anh 2008 page 4

**Table 2.2.2.2 Number of Vietnamese worker working abroad categorized by destination (Unit: thousand)**

Year	2001	2002	2003	2004	2005	2007
Total	36.168	46.122	75.7	67.447	70.59	79
Japan	3.249	2.202	2.264	2.752	2.5	5.5
Malaysia	23	19.965	39.624	14.567	19.5	26.7
Taiwan	7.782	13.191	27.981	37.144	20.75	23.6
South Korea	3.91	1.19	4.226	4.779	3.85	12.2
Others	21.204	9.574	1.605	8.205	10.9	11

Source: Ministry of Labour, Invalids and Social Affairs (MOLISA) - Central Institute of Economic Management (CIEM) – Vietnam Economy 2007 (Data published by Thao, page12, 2008)

**Graph 2.2.2.3 Number of Vietnamese overseas working according to labour**



Source: Ministry of Labour, Invalids and Social Affairs (MOLISA) (data published by Thao, 2008, page12)

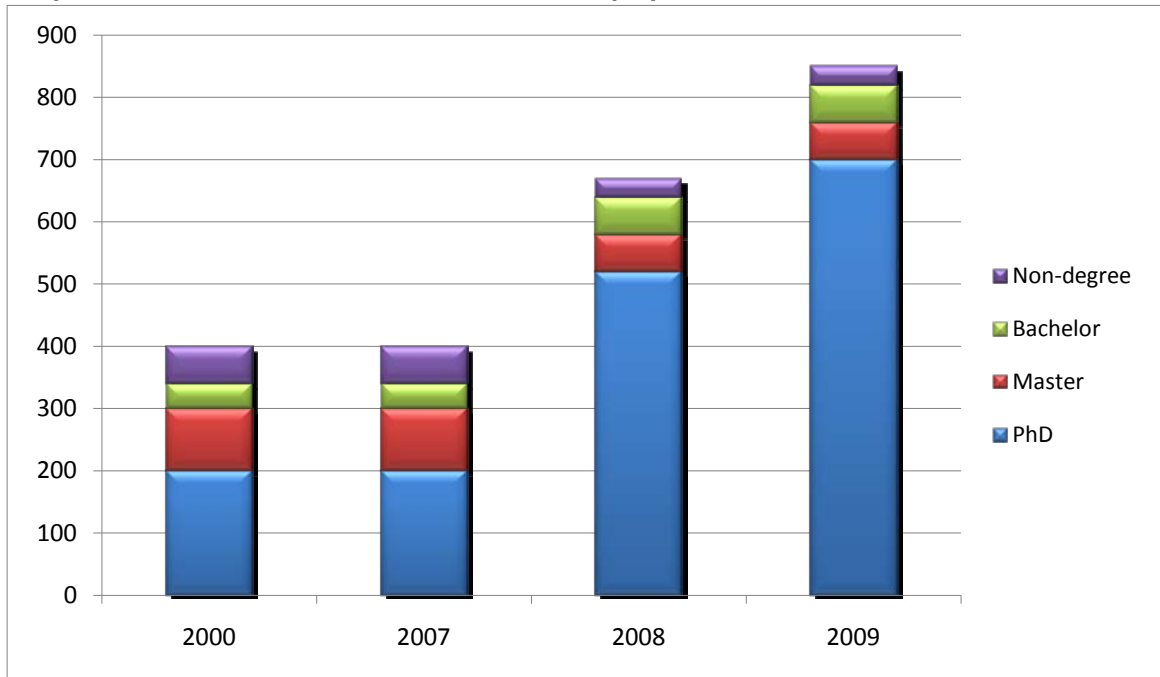
V Vietnamese studying in foreign countries

**Table 2.2.2.3 Vietnamese people training in foreign countries (unit: person)**

	Total	Post graduate	College university degree	technical worker
1986-1987	4188	273	725	3190
1987-1988	4766	275	616	4123
1988-1989	6777	312	645	5820
1989-1990	1945	340	600	1005

Source: General Statistic Office 1992 page 145

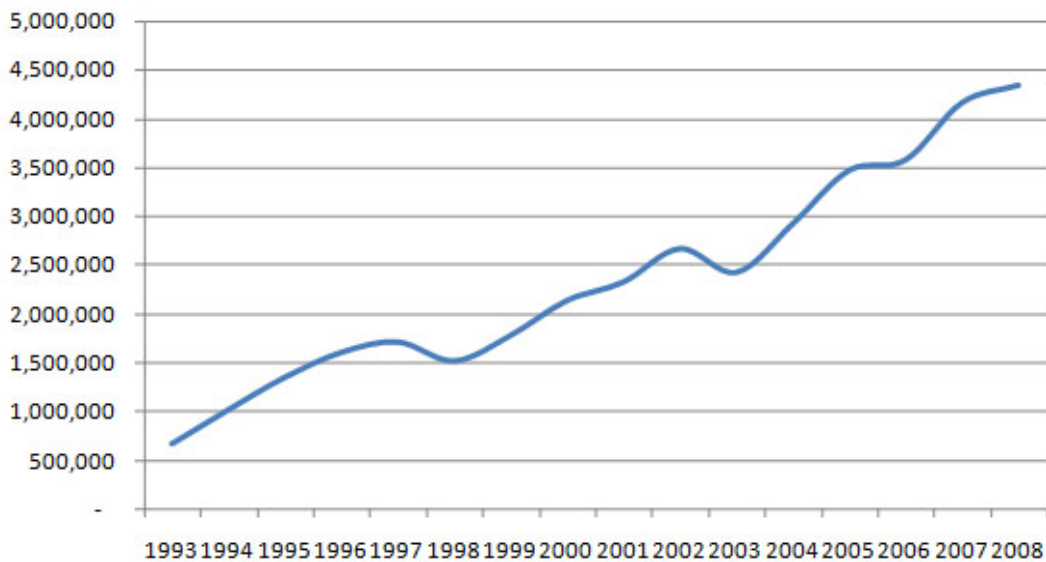
**Graph 2.2.2.4 The Annual Number of Scholarships persons**



Source: Vietnam International Education Development<sup>156</sup>, 2008

VI Foreigners entering Vietnam

**Graph 2.2.2.5 International visitor to Vietnam (person)**

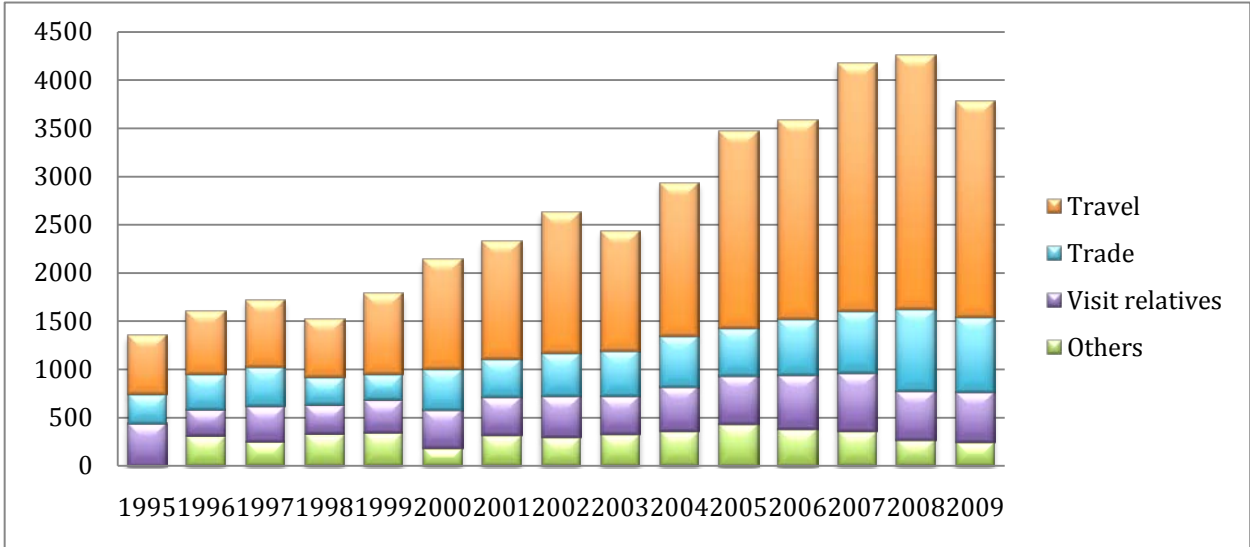


Source: Vietnam National Administration of Tourism<sup>157</sup>

<sup>156</sup> www.vied.vn, issued on 29/9/2008

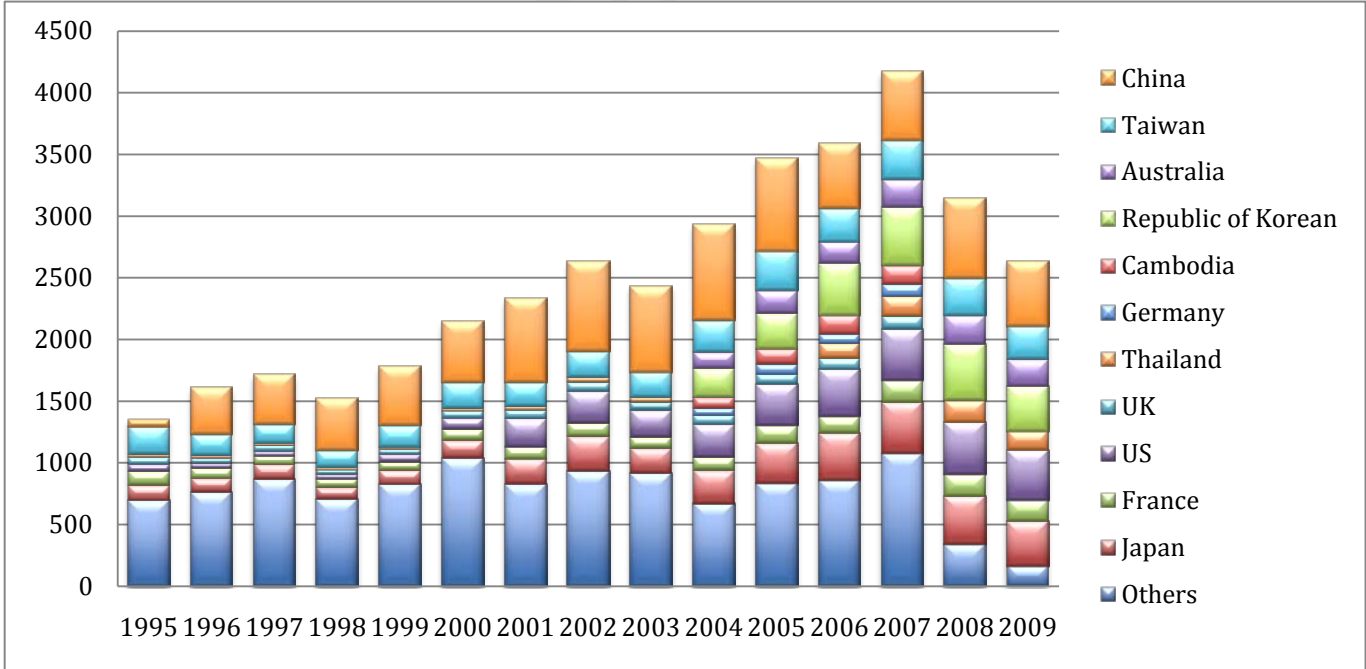
<sup>157</sup> www.vietnamtourism.gov.vn (in Vietnamese), issued on 11.03.2010

**Graph 2.2.2.6 International arrivals in Vietnam in 1995-2009 breakdowns in purpose (thous. person)**



Note: Year 1995, purple color shows the share of “visit relatives” and “others”. Source: Vietnam National Administration of Tourism <sup>158</sup>

**Graph 2.2.2.7 International arrivals in Vietnam breakdown in origin countries (thous. person)**



Source: Vietnam National Administration of Tourism <sup>159</sup>

<sup>158</sup> idem  
<sup>159</sup> idem

**Table 2.2.2.4 Domestic Tourist arrival in Hanoi (Thousand)**

	2000	2003	2005	2007
Domestic tourist arrival in Hanoi	2100	3024	4250	5163

Source: Year 2000, 2003 - Hanoi Statistic Office 2006 page 146-147; Year 2005,2007 – Hanoi Statistic Office 2008 page 225-226

**Table 2.2.2.5 Number of hotel, restaurant, and tourist enterprises in Hanoi (enterprises)**

	Hotel, restaurant		Tourist	
	2005	2007	2005	2007
State enterprises	16	17	9	8
Non-state enterprises	591	700	284	500
Foreign directed invested enterprises	21	31	2	2

Source: Hanoi Statistic Office 2008 page 197

**Table 2.2.2.6 Number of Hotels, Guest houses in Hanoi**

	1980	2000	2003	2005	2007
Sector of Domestic economy	11	293	445	648	603
Establishment with Foreign capital		17	15	15	17

Source: Year 1980 – General Statistic Office 1983 page 13; Year 2000, 2003 - Hanoi Statistic Office 2006 page 146-147; Hanoi Statistic Office 2008 page 225-226

**Table 2.2.2.7 Number of trade hotel and restaurant, service enterprises in Hanoi**

	1980	2000	2005	2007
Hotel. Restaurants	11	285	628	748
Tourist service	5	75	295	510

Source: Year 1980, 2000 - Hanoi Statistic Office 2006 page130; Year 2005, 2007 - Hanoi Statistic Office 2008 page 196-197

VII Foreigners emigrating to Vietnam temporarily or permanently

**Table 2.2.2.8 International migration stock of Vietnam**

Date	Amount
2005	21,105
2000	27,712
1995	27,124
1990	27,887
1985	28,364
1980	38,976
1975	4,616
1970	4,282
1965	3,972
1960	3,660

Note: International migration stock is the number of people born in a country other than that in which they live. It also includes refugees. Source: World Development Indicator Database published by Nation Master <sup>160</sup>

**Table 2.2.2.9 American student going to Vietnam**

Year	US Study Abroad Students Going to Vietnam
2008/09	n/a
2007/08	652 (up 18.5%)
2006/07	550
2005/06	390
2004/05	346
2003/04	283
2002/03	286
2001/02	218
2000/01	188
1999/00	142
1998/99	95

Source: Institute of International Education, 2009

<sup>160</sup> www.nationmaster.com , issued on 11.03.2010



## VIII Migration in Vietnam

**Table 2.2.2.10 Internal Migration**

	Period	In the same province	From other province	To other provinces	Abroad and Not stated
All country	1993-1998 (1)			1.2 million	
Ha Noi	1997 to 2001 (2)		161000		
Ho Chi Minh City, Ha Noi, Binh Duong, Quang Ninh and Da Nang	2002÷2004 (3)		408,250		
Ha Noi	1/4/2006 ÷ 31/3/2007 (4)	35,449	47,123	33,508	2,618
Ho Chi Minh city	1/4/2006 ÷ 31/3/2007 (4)	154,943	191,179	53,323	2,347

Source:(1) General Statistic Office 2001a; (2) Lao dong journal, Aug. 21, 2002; (3) General Statistic Office 2007 page 56 ; (4) unpublished data of General Statistic Office, 2009

### 2.2.3. Flow of Culture

This section discusses the flows of culture in and out of Vietnam and Hanoi since the start of Doi Moi focusing on five sectors: (I) Opening of foreign restaurants, (II) Development of foreign Magazines, Books and Libraries, (III) Opening of galleries/arts and craft shops/cinema's/theaters (IV), Development of foreign TV shows broadcasted in Vietnam (V) Development of Telecommunication, (VI) Development of the Internet, and (VII) Development of international education in Vietnam, and (VIII) Vietnamese going abroad to study.

### I. Opening of foreign Restaurants

**Table 2.2.3.1 Number of Vietnams' KFC stores in 7/2009 (store)**

	Province	Stores
1	Total	68
2	Bien Hoa	2
3	Can Tho	1
4	Dak Lak	1
5	Ha Noi	14
6	Hai Phong	2
7	Hue	1
8	Ba Ria	1
9	Ho Chi Minh city	44
10	Vung Tau	2

Source: Kentucky Fried Chicken Company<sup>161</sup>

**Table 2.2.3.2 Opening of KFC stores in Vietnam in the period 1998-2006**

Year	Number of KFC stores
1998	1
2005	14
2006	17
2008	44
2009	71

Source: 1998<sup>162</sup>; 2005, 2006<sup>163</sup>; 2008<sup>164</sup>; 2009<sup>165</sup>

<sup>161</sup> [www.kfcvietnam.com.vn/News.aspx](http://www.kfcvietnam.com.vn/News.aspx) issued on 12 /12 /2009 (in Vietnamese)

<sup>162</sup> <http://nhatban.net>, issued on 5/5/2006 (in Vietnamese)

<sup>163</sup> <http://vnbrand.net>, issued on 28/11/2007 (in Vietnamese)

<sup>164</sup> <http://thesaigontime.vn>, issued on 25/2/2008 (in Vietnamese)

<sup>165</sup> [vietnambradingnews](http://vietnambradingnews), issued on 9/9/2009 (in Vietnamese)

**Table 2.2.3.3 Opening of Lotteria stores in Vietnam in the period 1997-2009**

Year	Number of Lotteria store
1997	1
2003	7
2006	30
7/2008	55
2009	80

Source: 1997, 2003, 2006<sup>166</sup> ; 2008, 2009<sup>167</sup>

## II Development of foreign Magazines, Books and Libraries

**Table 2.2.3.4 Books published under the management of the Ministry of Culture and Information from 1980 to 1995**

Year	Total		Of which			
	Title	Mill. Copies	Book in Vietnamese language (title)	Books in Vietnamese language (edition - thouds of copies)	Books in Foreign language (edition - thouds of copies)	Newspaper and magazines (edition – thouds. of copies)
1980	1524	29.8	1154	28624	169	
1986	2285	59.6	2233	59141	446	254967
1987	2089	65.2	2041	64785	457	313670
1988	1930	58.8	1900	58416	415	317178
1989	2659	48.5	2607	48001	530	333345
1990	2923	38.2	2892	38123		291192
1991	3429	65.1	3043	62432		297300
1992	4707	71.5	3971	69759		445785
1993	5581	83	4848	81442		352670

<sup>166</sup> www.landtabrand.com, issued on 19/5/2007

<sup>167</sup> vietnambrandingnews, issued on 9/9/2009 (in Vietnamese)

1994	7020	114.1	6069	105953		470380
1995	8186	169.8	8083	169663		433200

Source: From 1980 to 1989 – General Statistic Office 1992 page 145; From 1990 to 1995 - General Statistic Office 1997 page 290

**Table 2.2.3.5 Total number of Books and Libraries in the period in Vietnam 1980 - 1995**

Year	Libraries	Books in Libraries (thouds. Copies)
1980	375	8904
1987	568	22363
1988	566	12548
1989	565	12345
1990	565	12586
1991	550	10945
1992	560	11648
1993	566	12737
1994	578	13568
1995	575	14519

Source: From 1980 to 1989- General Statistic Office 1992 page 163; From 1990 to 1995- General Statistic Office 1997 page 289

**Table 2.2.3.6 Total number of Books and Libraries in Hanoi in the period 1980 - 2007**

	1980	2000	2003	2005	2007
Libraries	13	11	11	13	15
Books in Libraries (thouds. of copies)	587	333	381	420	578

Source: Hanoi Statistic Office 2006 page 205-206, Hanoi Statistic Office 2007 page 287-288

### III Opening of galleries/arts and craft shops/cinema's/theaters in Vietnam & Hanoi

**Table 2.2.3.7 Number of Art, entertainment and recreation enterprises in Hanoi (unit: enterprises)**

Year	2005	2007
State enterprises	3	4
Non-state enterprises	55	100
Foreign directed invested enterprises	4	1

Source: Year 2005 - Hanoi Statistic Office 2006 page 127; Year 2007 - Hanoi Statistic Office 2008 page 202

**Table 2.2.3.8 Cinema's & Performing arts in the period 1990 – 1995 in Vietnam**

Year	1990	1991	1992	1993	1994	1995
<b>Cinemas</b>						
Number of movie showing groups	1239	1024	848	888	660	530
Number of movie houses	325	296	280	278	243	220
Number of shows (thous)	464,6	406,5	460,9	482,7	463,8	438,3
<b>Performing arts</b>						
Number of professional performing art groups	182	160	168	164	159	157
Number of playhouses	83	74	77	87	91	80
Number of performances	28148	22957	27386	28095	26844	24780

Source: General Statistic Office 1997 page 289

**Table 2.2.3.9 Performing arts and cinemas in Hanoi in the period 1980-2007**

Year	1980	2000	2003	2005	2007
Movie houses	14	10	10	4	5
Movie showing groups	25	10	10	9	5
Shows	1634	2708	4713	8641	7061
Attendance (thousand)	15.3	606	733	433	503

Turnover (mill.dongs)	12	2000	7000	8000	6000
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Source: Year 1980 - General Statistic Office 1983 page 29, Year 2000, 2003 - Hanoi Statistic Office 2006 page 205 -206; Year 2005, 2007 - Hanoi Statistic Office 2008 page 287-288

**Table 2.2.3.10 Performing arts 2000-2007 in Hanoi (shows, attendance, turn-over)**

Performing arts	2000	2003	2005	2007
N.of professional performing art groups	6	6	6	6
Number of playhouses	6	6	4	4
Number of performances	1948	1922	2625	2873
Number of attendance (thousand)	706	620	1085	1188
Turnover (bill.dongs)	7	9	12	18

Source: Year 2000, 2003 - Hanoi Statistic Office 2006 page 205 -206; Year 2005, 2007 - Hanoi Statistic Office 2008 page 287-288

#### IV Development of foreign TV shows broadcasted in Vietnam

**Table 2.2.3.11 Development of TV shows broadcasted in Vietnam**

	Amount of channels	Vietnamese channels	Foreign channels
1960	2	2	-
2003	73	45	28

Source: <http://www.vtc.com.vn/> (In Vietnamese)

#### V Development of Telecommunication

**Table 2.2.3.12 Number of telecommunication enterprises**

Year	1980	2005	2007
State enterprises	1	3	5
Non-state enterprises		22	68
Foreign directed invested enterprises		1	6

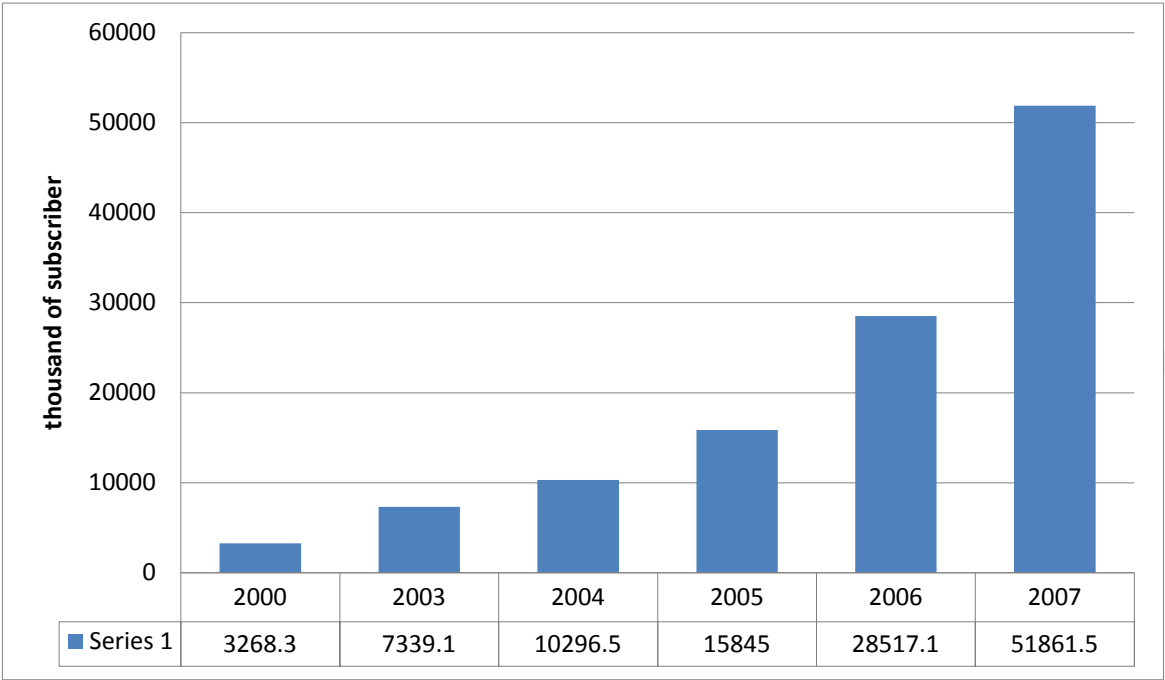
Source: Year 1980 - Hanoi Statistic Office 2006 page 127; Year 2005, 2007 - Hanoi Statistic Office 2008 page 201

**Table 2.2.3.13 Total of cell phone's subscribers in Hanoi and Ho Chi Minh city (thousand of person)**

Year	2000	2003	2004	2005	2006	2007
Hanoi	471.8	933.4	1034.7	1334.9	1620.2	1911.4
HCMC	699.8	1228	1333.1	1606	1992.8	2385.6

Source: General Statistic Office 2008 page 519–520

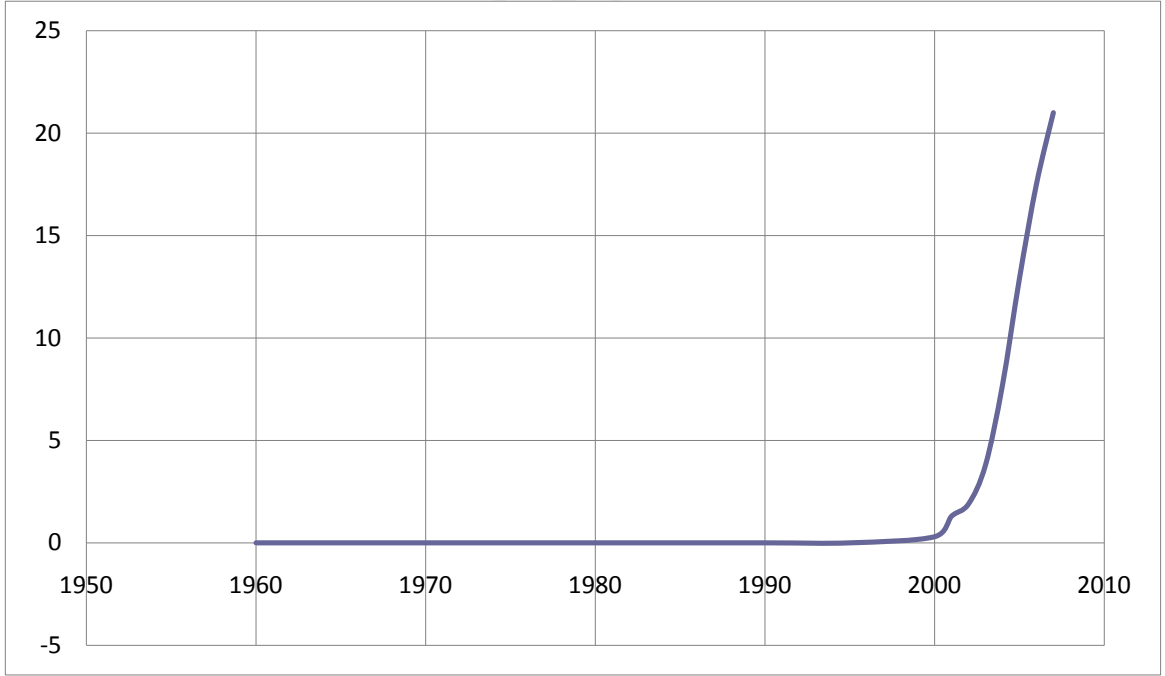
**Graph 2.2.3.1 Total of mobile phone's subscribers in Vietnam 2007 (thousand of subscriber)**



Source: General Statistics Office 2008 page 519–520

VI Development of Internet

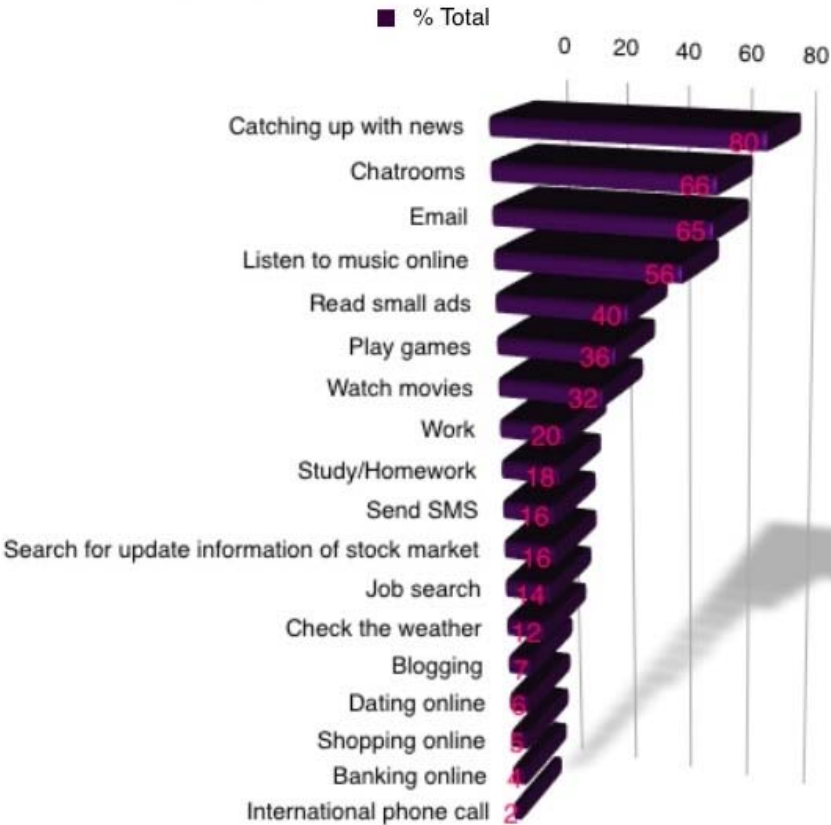
**Graph 2.2.3.2 Internet users in Vietnam (per 100 people)**



Source: International Telecommunication Union, World Telecommunication Development Report and database, and World Bank estimates, published in <http://datafinder.worldbank.org/internet-users/chart>



Graph 2.2.3.3 The use of Internet in Vietnam

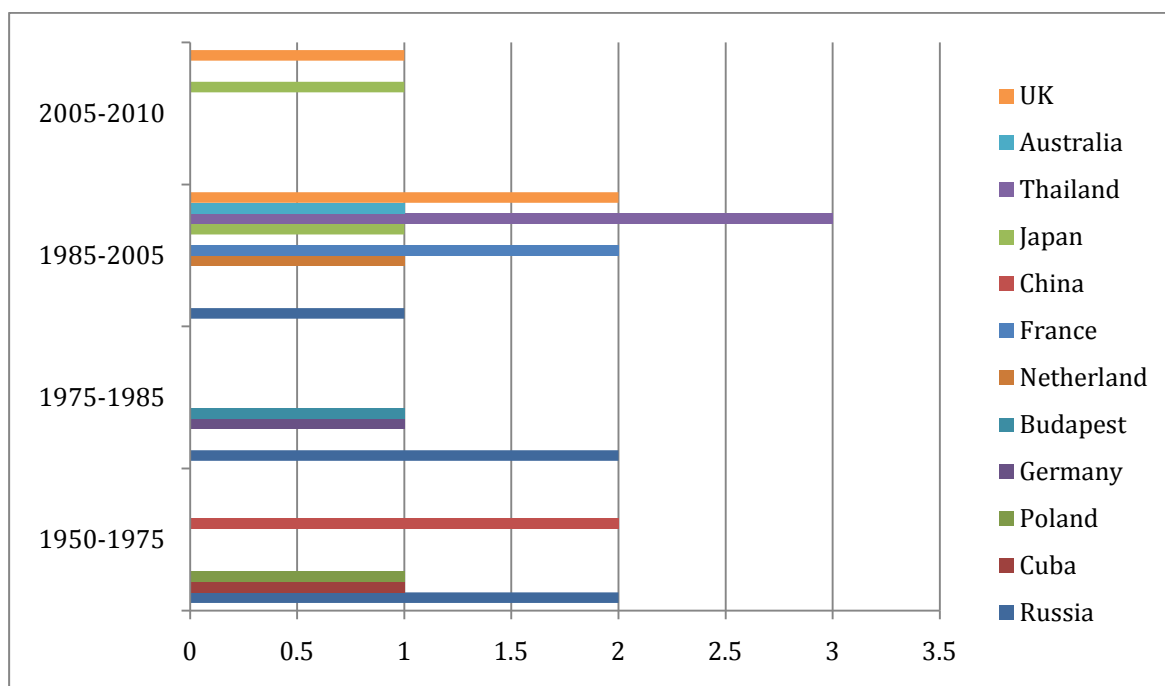


Source: Nielsen Marketing<sup>168</sup> Graph: Runckel & Associate

<sup>168</sup> www.acnielsen.com, issued on 23/11/2009

VII Vietnamese going abroad for studying

**Graph 2.2.3.4 Countries of Vietnamese students studying abroad (person)**



Source: From interviews, Annex 0 (The time is based on starting time of the course)

VIII International Education in Vietnam

**Table 2.2.3.14 Number of Apollo English Education and Training schools (amount of schools)**

	Ha Noi	Ho Chi Minh City	Hai Phong	Da Nang
1994		1		
2008	3	2	1	1

Source: Official website of Apollo<sup>169</sup>

<sup>169</sup> www.apolloedutrain.com

## 2.2.4 Flows of Capital, People and Ideas and Knowledge

### Capital Flows

The most important impact of renovation is the change in urban economic life. The core of economic renovation is to build a socialist market-oriented economy regulated by the state. The previous absolute domination of the state economic sector is being replaced by diversification, which includes non-state ownership forms and types of employment, such as private and joint-venture capitalist economic enterprises (Beresford 1988; Vylder 1995; Dixon and Kilgour 2001), and the new participation of foreign enterprises, foreign investment and new international trade.

Due to this new economic situation, the GDP in Vietnam has tripled between 1995 and 2008 (Graph 2.2.1.3). In Hanoi, the structure of GDP also changed with the gradual increase in industrial production. In 1991, industry accounted for 25.9 percent of Hanoi's GDP, 66.0 percent for trade and services, and 8.1 percent for agriculture. In 2002, the distribution was 38.8 percent for industry, 58.8 percent for trades and services, and 2.4 percent for agriculture (HSO<sup>170</sup>). FDI flows have concentrated in industrial enterprises, in 2000 Hanoi counted 100 enterprises based on foreign investment, in 2007 this almost tripled (Table 2.2.1.3). The GDP of Hanoi reflects the increasing role of the city (HSO<sup>171</sup>). Hanoi's GDP in 1993 was 7,700 billion VND which was 5.6 percent of the national total. Hanoi's GDP in 2008 was 61,619 billion VND, accounting for 12.5% of nationwide (HSO<sup>172</sup>).

Export turnover increased between 2000-2007 with a factor of 2,5 (Table 2.2.1.5), import increased with a factor of 3,5 (Table 2.2.1.6). Foreign invested exports increased 9 times in the period 2000-2007 and foreign invested imports increased in that same period 7,5 times. Foreign trade turnover was, in 1976, almost zero, but since 1994 it has increased greatly (Graph 2.2.1.22). The largest export flows since 1980 are received by HCMC, Hanoi is second after HCMC; to be specific, HCMC is exporting almost four times more than Hanoi (table 2.2.1.9). Import / Export is one of the four key new capital flows since Doi Moi. The other flows are, FDI, Remittances and ODA.

Vietnam opened its doors to foreign investors in 1987, and since 1988 FDI flows have witnessed sharp peaks and falls (Graph 2.2.1.1; 2.2.1.4; 2.2.1.6). After the lifting of the American trade embargo in 1994, it peaked from 1994-1997, after which it dropped due to the Asian financial crisis (1997). The downtrend from 1995 to 2002 was also a result of internal factors, including a difficult regulatory environment, discriminatory pricing and trading restrictions (United Nation, 2008). In comparison with other countries in the Asian region, due to the internal factors, FDI did not come back after the recovery of the Asian crisis in 1998. Since the acceleration in structural reforms in the early 2000s, the improvements in the investment framework and in addition since the bilateral trade agreement with the USA in 2001 and the joining of the WTO in 2006 FDI started to peak again. Most FDI in Vietnam goes to HCMC and Hanoi is the second city receiving high FDI flows in Vietnam. For the period 1988-2008, in the total registered capital of 163 billion, Hanoi has accounted for nearly 13%, and Ho Chi Minh 20%.

FDI which came to Vietnam since Doi Moi came from 82 countries and territories together responsible for registered capital of US\$ 85.05 billion. The biggest flow of FDI comes from within the Asian region (60% of the registered capital) followed by European countries (29%) and American countries (4%) (Graph 4). The FDI flows from the Asian region is dominated by four leading ('Tiger') countries South Korea, Singapore, Taiwan and Japan, together they contributed 55% of total invested capital into Vietnam (FIA Vietnam<sup>173</sup>).

Changes in the economic structure first led to changes in the structure of the urban labor force. Prior to renovation, 80 percent of the labor force worked for the state sector; by 1993, the proportion dropped to between 50 and 60 percent (Luan 2000a), by 2006, this figure accounted for only 9,11 percent (GSO, page 53, 2007). Implications of economic renovation on the changing labor force in Vietnam are two-fold. The state is forced to reorganize to improve its efficiency. Moreover, the working

<sup>170</sup> HSO data published in Geertman 2007 page 166

<sup>171</sup> idem

<sup>172</sup> Hanoi Statistical Yearbook 2008, 2009, page 57

<sup>173</sup> <http://fia.mpi.gov.vn/> issued on 10/03/2010 (in Vietnamese)

people are increasing their participation in the non-state sector, which is growing as a consequence of renovation (Luan & Vinh 2001; Luan & Schenk 2000). For Hanoi, Leaf notes that 70, 000 workers moved out of the state sector (Leaf 1999). Luan mentions that the state sector has also changed its face and style of work to adapt to the new conditions (Luan 1997a).

“There was a significant flow of labor from the state sector to the private and individual economic sectors, and to the large informal sector. This restructuring is very specific for the city of Hanoi since it was a city of state employees for thirty years. This was in contrast to Ho Chi Minh City where the labor force in the state sector was only 39 percent in 1989, which had dropped to 24 percent in 1994” (Leaf, Luan, Quang and Brahm, 2000). Since Doi Moi, FDI is contributing greatly to new employment (Graph 7), and in 2000, 26 thousand laborers were employed in FDI generated jobs. In 2007 this amount counted four times that number.

Foreign investment sources were used for various sectors and purposes, of which the construction and urban development, and development of industrial zone and new urban area accounted for 77.6% on number of project and 60% on registered capital by the end of 2007 (FIA Vietnam<sup>174</sup>). This has exerted a noticeable impact on the change of the built form of the capital (table 2). “During the period 1988–1994, FDI projects have been concentrated in the real estate development and telecommunication, but after 1994 they shifted to industrial and other sectors. FDI in hotel, office, and urban development represents nearly 60 percent of total capital investment.” (HSO, 1999; 2001; quote by Quang et al, 2002, page 381). More than 55 percent of the foreign investment projects related to property in the whole city and nearly 30 percent of the total capital investment are concentrated in the innermost zone (with a radius of 2 km) of Hanoi (Table 2) (Quang et al, 2002, page 384). “High-rise structures with foreign capital were primarily erected on land previously occupied by factories, public buildings, or open space, to avoid resettlement costs. The high-rise buildings have construction permits, but their locations have not been coordinated between the agencies that are in charge of city planning and development control.” (Quang & Kammeier, 2002, pages 383, 384, 385).

Since Doi Moi, Vietnamese living overseas were able to send money to their relatives in the country. This flow has increased considerably. In 2001, two billion USD was sent to Vietnam, and in 2008 this amount grew to eight billion USD (graph 2.2.1.8). In the first period of remittances, 1992/1993, they came largely Vietnamese living in the USA (the refugees from the war with the Americans). Other countries where remittance came from in that early period were Canada, Australia, Western Europe (also largely from the refugees from the war with the Americans), former Eastern Europe and the former Soviet Union (from Vietnamese who resided in these regions due to exchanges with socialist regimes in the closed command economy), and France, where Vietnamese refugees went in the colonial period and as refugees after independence from France in 1954. Since the late 1990s Vietnamese also go abroad to work and remittances since also come from within the Asian region (Thailand, China, Hong Kong, Taiwan) (Graph 2.2.1.9). The largest amounts of remittances are received in the Eastern South & Mekong River Delta (both region HCMC). Most people who left Vietnam after the war with the Americans were from the South. Hanoi is the second place to receive high amounts of remittances in Vietnam. In the period 1992-1998 most overseas remittances in Vietnam went to urban areas (respectively 80-85%), since the period 2002-2004, the rural and urban areas received an equal amount of overseas remittances. Where in 1991 remittances were only 0,5 percent of the GDP, by 2002 they counted for 7,8 percent of the GDP, in 2008, they counted for 6,4 percent of the GDP.

The last capital flow is ODA, it exists of bilateral and multilateral ODA (Graph 2.2.1.16). “Total commitment ODA from 1<sup>st</sup> January to 17<sup>th</sup> November 2009 accounts for US\$ 5,401.62 million, which is 36.62% higher than ODA commitment in the same period of 2008. Key donors with large committed ODA amount are: Japan (US\$ 2,112.28 million), WB (US\$ 1,445.86 million), and ADB (US\$ 1,330.7 million)”. “Large amount of committed ODA programs/projects mostly focus on transportation, water supply and drainage, and urban development”. (CG Meeting 2009, page 3)

Bilateral ODA is the highest, it counted in 2003 for almost 250 million USD which went up to almost 550 million USD in 2008. Multilateral ODA counted in 2003 a little higher than 100 million USD, and reached in 2008 nearly 250 million USD. Agriculture, irrigation, forestry, aquaculture in line with agriculture and rural development –hunger eradication and poverty reduction receives almost 25% of

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<sup>174</sup> <http://fia.mpi.gov.vn/> issued on 10/03/2010 (in Vietnamese)

ODA, Transportation receives almost 17 %, Water supply and drainage, and urban development almost 13 %, Energy 15 %, and Health, education and training, environment, science technology, and other sectors (including developing institutional framework, capacity building) 30 % of total ODA (Table 8). From the European countries, France is dominating in ODA, other European countries sending high amounts of ODA to Vietnam are Denmark, UK, Belgium and Germany, in addition the EC as independent organ sends ODA (Graph 2.2.1.17). Highest ODA disbursement in 2008 was social infrastructure and service (Graph 19) The Six Banks<sup>175</sup> has provided 80% ODA funding for building works investment (CG Meeting 2009, page 5). It is worth to note on the sharply growth of six banks' commitment in transport and social infrastructure. At the end of 2008, transport sector accounted for the largest share of six banks' financing. "The net commitments to the transport sector increased by more than US\$ 2.4 billion (+51%) in two years, particularly because of major new commitments by ADB (an increase net commitment to transport of some US\$ 1.6 billion) but also by the WB (US\$ 540 m)". Net commitment to social infrastructure (including urban upgrading and water/waste water projects) of some US\$ 1.5 billion (+58%) was led by JICA/JIBC (net new commitments of US\$ 1.1 billion). (Sixth Joint Portfolio Performance Review, Page 11, 2009).

Among various donors, Japan is the prominent ODA provider. Concerning about the sectoral distribution of Japan funding, Mr Bach<sup>176</sup> - UN-HABITAT & former Chief Representative Urban Solutions Hanoi Office – said that Japan focus on infrastructure development; to be specific, JICA has funded over \$ 6 million ODA in infrastructure, conducting various projects, including huge works like bridges in Bai Chay, Ha Long, Quang Ninh, and smaller ones, such as underground tunnel in Kim Lien – Ha noi (Interview with Mr Luan<sup>177</sup>). In addition, JBIC provides loans for urban infrastructure projects. (Interview with Mr Bach<sup>178</sup>)

Clarifying the role of the World Bank, Mr Bach<sup>179</sup> explains that the "World Bank gives money for the government to develop infrastructure; recently loan projects for new water treatment in Hanoi and urban transport projects. They also provide some aids for researches and surveys in order to provide new thinking, new approaches, and new concepts in urban development such as technical assistant projects to city development strategy. In addition, they support money for Vietnam in capacity building".

The UN agency for human settlement, UN Habitat, just set up their local office in Vietnam in 1996 or 1997, mostly working on small-scale projects in small provinces because of limited funding. "Recently, their work is expanding, including three technical assistant projects, estimated about 250,000 USD per project, urban housing policy, and CDS". However, UN Habitat has no projects with Hanoi People's Committee. (Interview with Mr Bach<sup>180</sup>)

The role of two large organizations, IMF and UNDP, is said to be weak in Vietnam development process since the IMF's funding is very limited (Economist Tuan Anh<sup>181</sup>) and UNDP hasn't had any project recently (Mr Bach<sup>182</sup>).

Hanoi now is facing with barrier in communication between donors and government officers. According to Mr Bach<sup>183</sup>, "Hanoi had only six to seven people who could talk with the donors,

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<sup>175</sup> The Six Banks (Six Development Banks) include the Asian Development Bank (ADB), Agence Francaise de Développement (AFD), Japan International Cooperation Agency (JICA), KfW Development Bank (KfW), the Korean Eximbank (KEXIM) and the World Bank (WB). Recently, this group of banks was joined by KEXIM; in previous time, the group was known as "The Five Banks". Established in 1966, ADB comprised of 48 members from Asia and Pacific and 18 members from other parts of globe. AFD is a bi-lateral development finance institution established in 1941 that works on behalf of the French government. The ODA operation was transferred from JIBC to JICA as of October 1<sup>st</sup>, 2008. Current JICA organization is formed in 2003 as independent administrative institution under the law of Japanese Government. The KfW shorted for Kreditanstalt für Wiederaufbau was initiated since 1948 in Germany. The World Bank's delegates are from many countries attended the Bretton Woods Conference held in 1944. IMTF, page 6, 2009)

<sup>176</sup> 23/11/2009

<sup>177</sup> Idem

<sup>178</sup> Idem

<sup>179</sup> idem

<sup>180</sup> Idem

<sup>181</sup> 10/11/2009

<sup>182</sup> 23/11/2009

<sup>183</sup> Idem

approach them and persuade them to come to Hanoi, before merging with Ha Tay province. Now Hanoi has more, but even staff from Ha Tay province cannot speak English.”

These new capital flows generate economic changes and they are basic in the changes in Vietnam and Hanoi because they generate further modifications in all other aspects of urban social life. Enabled by new policies giving Vietnamese new freedom to move large amounts of people flows have been generated since the start of Doi Moi.

*In sum, before Doi Moi capital flows were solely activities of the central state, and foreign trade only limited to countries of the former socialist countries. Since Doi Moi, capital flows diversified and is now differentiated with several new key actors, and flows: Export, Import, FDI, remittances and ODA are the main capital flows in and out of Vietnam. For Hanoi the spatial consequences are several. New flows of export/import create new industrial zones, and new products are available for the construction industry. New FDI has boosted urbanization in the inner city of Hanoi, new hotels, offices. High-rise structures with foreign capital were primarily erected on land previously occupied by factories, public buildings, or open space, to avoid resettlement costs. Since the start of new urban areas, FDI is also concentrating in the suburbs and new towns, although still in a limited extend, SOEs have the leading roles in these newly developing urban area. The high-rise buildings have construction permits, but their locations have not been coordinated between the agencies that are in charge of city planning and development control. Remittances have greatly contributed to the development of selfbuild housing. Especially in the first Doi Moi period when FDI was still low, and in the late 1990s, after the Asian crisis, when FDI withdraw from Vietnam and did not come back till after the bilateral trade agreement with the USA in 2001. While many construction sites have been put on hold, the self build sector constructed the largest part of the city Hanoi in the 1990s. ODA has been important in urban development with JICA as biggest donor, JICA, World Bank and ADB are responsible for the new road infrastructure, including new bridges, flyovers and new tunnels in Vietnam and Hanoi.*

## People Flows

Under the command economy (1945-1986), urbanization was restricted under strict state control. The control by the state over land and properties was taken in 1953 with what is known today in Vietnam as the “Revolution in land”, in which the state confiscated all private land by force (Nguyen Khac Vien, 1999) with the aim to equally distribute it among the people. This meant that people were forced to move by the state to new locations for working and living; mostly people were moved into the collective industrial areas outside cities. Since 1986, the Doi Moi policy changes in Vietnam gave citizens more freedom to move. Before 1986, only when receiving a *ho khau* (family registration), one had access to the city and its public services as housing, employment, education, health etc<sup>184</sup>. Strict difference in Vietnam was made between rural and urban citizens. Since Doi Moi this has liberalized into a large extend and people from both rural as urban areas have now more freedom to move and migrate to other places. It generated a massive movement of people in the country.

Vietnam Census 2009 demonstrates that within five years (2004-2008), 6.57 million people migrated in the same province and from/to other provinces, which is a sharp increase compared with this figure in Vietnam Census 1999 5.19 million people<sup>185</sup>. In four years, from 1997-2001, Hanoi got an additional 161,000 migrants from other provinces, which equaled the population of a precinct<sup>186</sup>. Recently, when implementing the Law on Migration, the General Department of Police revealed that about 2.2 million migrants meet the conditions for registration of permanent residence (being in continually temporary residence for one year upward and having legal residential places) in major cities, mainly HCMC and Hanoi. The former alone had about 800,000 urban migrants who satisfied conditions for becoming urban citizens<sup>187</sup>.

Since 1986, the migration movements in Vietnam have been difficult to control and a large floating population in Vietnam has emerged falling inbetween all the mazes of the law. Since 1986,

<sup>184</sup> Similar with China were this is called *hukou* (Geertman, 2007, chapter 3).

<sup>185</sup> un.org.vn, issued on 11/01/2010

<sup>186</sup> Lao dong journal, issued on 21/8/2002 (in Vietnamese)

<sup>187</sup> Tuoi Tre journal, issued on 07/6/2007 (in Vietnamese)

urbanization has increased steadily, which will be close to 40 percent urbanized in 2020 as predicted by the UN, and the urban–rural transition will be completed in 2035 (Webster 2003).

Dang Nguyen Anh (2005) identifies three main areas affected by the socio-economic changes since 1986 related to migration. The first change involves the change in the agricultural sector, where collectivization and the introduction of the household contract system unbound farmers from their land. The increasing commercialization of agriculture has been of major significance in dispersing the rural workforce and encouraging the move away from rural to urban areas. Second, in the emerging industrial and technology sectors, Vietnam's incorporation in the global economy has resulted in an increase of foreign direct investment into the country. As a result, migrant workers are attracted to areas where foreign investment has created industrial hubs. Despite the continuation of the household registration system in urban centers, it no longer acts to limit the acquisition of essential goods and access to employment. Third, parallel to this process, community based social networks that connect places of origin and destination expanded, in turn influence population mobility. The development of transport systems, telecommunications, and mass media across regions has facilitated spatial mobility and enhanced social contacts between rural and urban areas.

In addition to the internal migration there are the Vietnamese overseas who migrated back to Vietnam since the introduction of Doi Moi. It is estimated that three-quarters of 2.5 million Vietnamese outside the country (Graph 2.2.2.1) live in the United States, Canada or France, in which the vast majority is refugees who fled after the failure of U.S. in the South Vietnam on April 30, 1975 (Tini Tran/AP<sup>188</sup>). Until 1995, most Vietnamese refugees who resettled to Western countries, “64 percent were accepted by the US, 12 percent went to Australia and 12 percent to Canada. Among European countries, France received the largest number, although this number only represents 3 percent of total resettlements.” (Merli, page 7, 1997).

Since Vietnam started opening to the world, more and more overseas Vietnamese have returned back to their home country. “Vietnamese Government statistics say about 280,000 *Viet Kieu*<sup>189</sup> returned for tourism or business in 1999—more than triple the 87,000 who came in 1992. Only 8,000 visited in 1988.” (Tini Tran/AP<sup>190</sup>).

Moreover, many policies from the government have been issued to draw *Viet Kieu* coming home. “In 2007, an amended Nationality Law meant that a greater number of overseas Vietnamese were able to hold dual citizenship. A visa exemption scheme also came into law making it easier for overseas Vietnamese to purchase houses in their adopted countries and, as well, government offices were established overseas to continue supporting citizens. During New Year celebrations in 2009, State President Nguyen Minh Triet declared *Viet Kieu* were “an inseparable part of the Vietnamese Nation and that the Party and State create best possible conditions for them to return and contribute to the homeland”<sup>191</sup>.

According to Dr. Luan<sup>192</sup>, Director of The Institute of Sociology, most refugees were from the South, and only a limited number from the North. He said the reason for Vietnamese leaving their homeland is different between Vietnamese from the North and the South; while a large number of Southerners fled due to political reasons, Northerners live overseas to escape the poverty.

Observation on the change in the overseas Vietnamese attitude toward Vietnam, Dr Luan<sup>193</sup> explained the contrast in attitude between the older and young generation. While the older generation keeps conservative hostile behavior to the *Viet Cong*<sup>194</sup>, the younger generation (born overseas) have “open eyes, open hearts, and open arms”, they are willing to come back to Vietnam to see the development or to set up a business.

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<sup>188</sup> Asianweeks, issued on 04/05/2000

<sup>189</sup> Overseas Vietnamese

<sup>190</sup> Asianweeks, issued on 04/05/2000

<sup>191</sup> <http://www.universityworldnews.com/>, issued on 20/12/2009

<sup>192</sup> 07/12/2009

<sup>193</sup> idem

<sup>194</sup> Viet Cong was the Vietnamese Socialist Army in the North, the veterans still carry with them this pride and identity, often they still wear army cloths.

Next to internal migration and the re-migration of overseas Vietnamese, there are other new flows of people since the start of Doi Moi. Labour flows, Vietnamese studying in foreign countries, foreigners emigrating to Vietnam, and foreigners entering the country for temporary stays.

The destination for the first flow of labour export (Graph 2.2.2.2 & 2.2.2.3, table 2.2.2.1) in early 1980s was former Soviet Union and East of European countries, with “the number of migrant to Soviet Union, Germany, the Czech Republic, and Bulgaria about 244,000” (Thao, 2008, page 10). “In the early 1990s, Vietnam labour export entered into a new process which targeted to non-traditional markets as Libyan, Arab countries and newly developed Asian countries such as Japan, South Korea, Taipei, Malaysia, and Singapore. As a result, international labour migration has increased significantly since the late 1990s with East Asia and some Middle East countries being the major destinations of Vietnamese workers. Late 1990s, the number of Vietnamese laborers working in Asian countries rapidly increased due to the shortage of labour in these countries and their policies on importing unskilled and semiskilled labour. Labour migration from Vietnam will scale up in the future because of close trade links between Vietnam and the East and Southeast Asian nations. Taiwan, Japan, South Korea, Laos and Malaysia are important ‘importers’ of Vietnamese workers. At the same time, the oil-rich Gulf countries become a promising market for Vietnamese workers.” (Thao, 2008, page 10&11).

“Labor export has been part of official government policy in Vietnam since the 1980s, when the government started sending workers to Eastern bloc countries. However, it did not play a significant role until the 1990s. Compared with other Southeast Asian countries, Vietnam entered the international and Asian labour market fairly late and has not yet been a major exporter of labour in the region”. (Thao, 2008, page 10&11)

“The background and mechanism of labor export system in the 1980s were fundamentally different from those in 1990s and 2000s. In the first ten years, the government signed a “labor cooperation” agreement with former Soviet bloc, which set the number of workers to be dispatched, areas of work, wage levels, etc. Since 1990s, labor export activities have been subject to licensing, and enterprises are responsible for recruiting and dispatching workers”. Therefore, Vietnam made the transition from a labor cooperation schemes to a labor export system based on commercial activities by individual enterprises under supervision of MOLISA . (Anh, 2008, page 4).

According to the Ministry of Labour, Invalids and Social Affairs (MOLISA), in recent years, about 70,000 workers went to work overseas annually and to date, about 500,000 Vietnamese are working in 40 countries and territories. In 2005, more than 70,000 workers were sent to 18 countries and territories (mostly to Malaysia, Taiwan, the Republic of Korea, and Japan)<sup>195</sup>. In 2009, Vietnam planned to send 90,000 labors abroad in 2009. However, because of the global economic recession, many labour markets are narrowed, and instead only 75,000 workers are working overseas. Recipients of the largest number of Vietnamese labours in 2009 are Taiwan (13,200 persons), the RoK (5,550), Japan (3,800), the United Arab Emirates (3,051), Libya (2,660), Macao (2,349), Malaysia (1,660), Russia (1,484) and other countries (11,880)<sup>196</sup>

Another outward people flow are students. “Studying abroad is getting more and more popular among Vietnamese students. Some 10,000 Vietnamese people study overseas every year”, said The chairman of the Vietnam International Education Consultant Association Tran Xuan Nhi (Chinh 2009 page 2). “Over 60,000 students in Vietnam are now studying overseas, according to the Foreign Press Center and based on statistics from MOET” (Runckel, 2009).

“Each year there are approximately 25 U.S. Government Fulbright Fellowships and around 40-50 U.S. Government Vietnam Education Foundation (VEF) Fellowships available for masters degree students only. Additionally there are approximately 10 Canadian government scholarships, 70 scholarships to study in the UK, 200 scholarships for study in France, 150 for study in Australia, 70 short-term and 10 long-term scholarships in Thailand. Another estimated 20,000 students are studying abroad each year on institutional scholarships or on their own finances. These figures are further growing yearly as the government implements its so-called 10,000 PhD program with a goal of creating 20,000 new PhDs by 2020 through training abroad”(Runckel, 2009).

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<sup>195</sup> www.molisa.gov.vn issued on 13/01/2010 (in Vietnamese)

<sup>196</sup> Vneconomy.vn, issued on 04/01/2010



Studying abroad (Table 2.2.2.3, Graph 2.2.3.9) has been done primarily in three ways. First, the State scholarship programs includes 322 project (Training State Officials in Institutions Overseas with the State Budget), the IITA, KRF, Fulbright scholarship, etc. "Students who go in this way just make up about 2% of the total across the country".(Chinh, 2009, page 2-4). Second, students also seek scholarship on their own. "Their traditional education destinations are developed countries or countries famous for their education environment, including the United States, the UK, Singapore, Japan, etc. The student number of this kind is even smaller than the previous one, which constitutes about 0.5% of the total and only 0.02% of them may return to home" (Chinh, 2009, page 2-4). The last one is self-initiated study abroad. "This form can be classified into three smaller kinds: cultural exchange program, through study-abroad consulting service and self-application of students without help from consulting service." "None of them volunteer to come back to the home country and try every attempt to remain at the destination countries to make up the huge amount of money for studying abroad they had spent." Cultural exchange program extends to one year, aiming at students of secondary school and upper secondary school. "Their favorite destinations are often major developed countries; mainly the US. Students follow this way, accounting for 10% in the number of student learning from 6<sup>th</sup> grade to 12<sup>th</sup> grade. About 15% of secondary and high-school students prefer study-abroad consulting service. Self-application of students without help from consulting services is employed by 5% of the total number over Vietnam. (Chinh, page 2-4, 2009)

Regarding destination countries where Vietnamese students go to study, English-speaking countries such as Australia, America or European countries are the most attractive destinations. The universities in those countries promote themselves in Vietnam through education forums and education fairs. (Interview with Prof Thong<sup>197</sup> – Editor in Chief MOC)

Aside Vietnamese studying overseas, there is also a new flow of foreign students at Vietnamese universities. "The first group of French students came to Vietnam in 1986. In fact, there was just one French student in Hanoi at that time." (Interview with Prof. Thong<sup>198</sup>).

An informal electronic newspaper writes that increasing number of foreign students from developed countries (France, UK, Japan, Australia or the US) arrive Vietnam for bachelor or master's degree, most of them join collaborative exchange programs (*đào tạo liên thông*). In the academic year 1998/1999 there were 95 American students at Vietnamese universities, in 2007/2008, this increased by 18,5 % to 652 (Table 20). This exchange program is considered as the core of a Project named "Advanced training program in Universities in Vietnam period 2008 - 2015" which objective is to deploy at least 30 advanced training bachelor- level programs in several universities in Vietnam up to 2015. The project is expected to draw about 3000 foreign students, and at least 700 international specialists giving lecture and doing research. Four main reasons are attributed to the growing number of international students. Firstly, good teaching quality is provided because lecturers are international professors or Vietnamese lecturers who got degree in foreign countries. Secondly, the students will get international certificates upon their graduate. Thirdly, the joint training centers are well - equipped with independent library systems. Fourthly, tuition and living expense in Vietnam are much lower than developed countries. Moreover, foreign students also have chances to experience a different culture, making friends with students coming from various nations. Thibault Harpel, a French student studying master course of Law at Hanoi National University, said: "The reason I study in Vietnam is that teaching quality and certificate are the same with foreign country, and I can stay in an Asian country for more than a year. This is an advantage to hunt job in international company. As globalization is onward, the more knowledge on other countries you comprehends, more easily integrating you are taken. Employees are expected to regard you higher rate for your open mind and creativity!" Working at big corporation in developed countries is the objective of international students, and studying in Vietnam is considered as good step for their future career.<sup>199</sup>

The students are part of the flow of foreigners that temporarily or permanently emigrate to Vietnam (Table 2.2.2.9 & 2.2.2.10). Since the 1980s many foreigners came to Vietnam, some hold permanent residents, most are temporary in Vietnam. In 2007, according to statistics of the Ministry of Construction, the number of foreigners working and holding a Permanent Resident in Vietnam was more than 81.000, among them 25.000 being investors, 54.000 working in economy, education, health

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<sup>197</sup> 29/11/2009

<sup>198</sup> Idem

<sup>199</sup> Bayvut.com.au, 02/7/2009 (in Vietnamese)

care, etc<sup>200</sup>. In 2009, statistic of MOLISA shows a figure of more than 75.000 foreign labors working in Vietnam<sup>201</sup>. However we know from our own observation and experience that many foreigners living and working in Vietnam stay on tourists visa's to avoid taxes and complicated procedures. Thus the numbers might be not completely matching reality.

According to a survey taken by related agencies, from 5/2009, the Police Department of Ho Chi Minh City has estimated a number of 50.000 foreign labors in Ho Chi Minh City<sup>202</sup>. This figure is followed by Hanoi 15.357, and Hai Phong 3.500<sup>203</sup>. Among the top 10 countries with the largest numbers of guest workers are China, Japan and the Republic of Korea, which supplied more than half of the total<sup>204</sup>.

Foreign arrivals to Vietnam has increased greatly. Whereas in 1993 Vietnam had around 600.000 international arrivals, in 2008 this number increased to nearly 4,500,000 (Graph 27). Most visits are from foreign tourist, but these visits also include trade, overseas Vietnamese visiting relatives and others (Graph 2.2.2.6).

The number of international visitors was expected to fall due to the global financial crisis as the economic recession has forced foreign tourist to cut their spending. To cope with such difficult situation, the Ministry of Culture, Sports and Tourism planed to advertise images of Vietnam internationally through worldwide television advert, including UK's BBC World TV channel (the image of the country was broadcasted in the Asia- Pacific, North America and Europe regions for about 14 weeks), South Korea's KBS, CNN of the US<sup>205</sup>. As a result, since 2000 the tourist flows and industry is steadily growing (Tables 2.2.2.4 - 2.2.2.8).

"Between 1990 and 2000, the number of foreign visitors to Hanoi has grown from 47,000 to 320,000 per year, while domestic tourism increased from 22,000 to 530,000 annual visitors." (HSO, 1995; 2001; published by Quang et al, 2002, page 383 ).

Aside from foreign visitors, Vietnamese also leave Vietnam for tourism (Tab 2.2.2.1). Before Doi Moi, Vietnamese citizens could not all get a Passport and leave Vietnam. And people flows were limited to people working or studying in one of the former socialist countries. Even inside the country people could not travel and the concept of leisure and tourism was absent, due to war and movement restrictions. Since the 1990s people are able to get Passports and the concept of leisure and travelling has become very popular. In recent years, overseas tours have become a trend among Vietnamese tourists, where as domestic tours lost its attraction. "In 2007, departures in Vietnam grew by 20% to reach 1.2 million travelers. This combined with new tourism developments and rising consumer confidence will result in 22% growth in tourism every year between 2007 and 2012, according to Euromonitor International, faster in percentage terms than Vietnam's neighbours China and India"<sup>206</sup>. The statistic of several tourist companies such as Redtour and Vietnam Tour shows that in 2009 around ¾ of Vietnamese tourist book an overseas tour<sup>207</sup>.

"Destinations still close to home, such as China, Singapore, Thailand and Malaysia, will dominate, although opportunities for long-haul package tours will grow significantly as they attract consumers in the higher income bracket," concluded Chitakasem in her presentation<sup>208</sup>. "For personal travel, Thailand (45%) was the most frequently visited regional destination, followed by Singapore (40%), China (28%), and Malaysia (10%)" (Cheung, 2005, page 11). Recent years has witnessed the change in popularity, Hong Kong and Macau dominate the tourism market<sup>209</sup>. "For business travel, Thailand (35%) was the most frequently visited Asia/Pacific destination, followed by China (34%) and Singapore (28%)"(Cheung, 2005, page 11).

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<sup>200</sup> Nguoiladong, 05/6/2007 (in Vietnamese)

<sup>201</sup> Sai gon tiep thi, 01/6/2009 (in Vietnamese)

<sup>202</sup> Sai gon tiep thi, 01/6/2009 (in Vietnamese)

<sup>203</sup> vietnamnet, 02/6/2009 (in Vietnamese)

<sup>204</sup> vietnamnet, 27/4/2009 (in Vietnamese)

<sup>205</sup> Thanhniennews, 2008 (In Vietnamese)

<sup>206</sup> www.euromonitor.com, issued on 19/05/2008

<sup>207</sup> VnExpress, issued on 19/12/2009 (in Vietnamese)

<sup>208</sup> www.euromonitor.com, 19/05/2008

<sup>209</sup> VnExpress, issued on 19/12/2009 (in Vietnamese)

The popularity of foreign tours is attributed to several reasons. First, “the number of higher-income earners is growing in Vietnam with close to 700,000 households at a monthly disposable income of over US\$500. This represents high purchasing power locally. We don't expect this to slow down either and by 2015 this group will more than quadruple to over 3.4 million households”, said Euromonitor Research Manager Parita Chitakasem in her presentation<sup>210</sup>. Second, sell-off campaign in Hong Kong, Singapore has encouraged customer combining travelling and shopping purpose, said Mr. Nguyen Cong Hoan, Vice Deputy of Red Tour Company<sup>211</sup>. Third, “the number of airlines and travel operators in the region has also risen remarkably over the past few years. In 2007, as many as 100 new outbound travel agencies were established and low cost carriers have developed a strong presence in the market. This has spurred more competitive pricing with average prices of travel products 20-40% less than two years ago”<sup>212</sup>). Lastly, “E-commerce is also emerging in a big way for the travel and tourism industry with Vietnam already holding 12 million internet users in 2007. The Vietnam National Postal and Telecommunication Corporation plans to create over 2,000 free internet access points in key cities over the next two years, including Hanoi, Ho Chi Minh City, Nam Dinh, Nghe An and Da Nang, Daklak and Can Tho, opening up opportunities for travel focused marketing in this new and dynamic distribution channel. Local travel retailers such as Vietravel, Saigontourist and Appex Vietnam are already bringing e-commerce to their business models and selling their tours online with other players likely to follow suit”<sup>213</sup>.

*In sum, Hanoi's population today exists largely of people who came from the country side or temporary migrants from rural areas, and in a smaller proportion migrants from other urban areas, and international permanent and temporary migration. The farmers have been unbound from their land, and migrant workers are attracted to areas where foreign invests which resulted in industrial hubs, the development of transport systems, telecommunications, and mass media across regions has facilitated spatial mobility and enhanced social contacts between rural and urban areas. People flows from outside Vietnam who came are the overseas Vietnamese, they come largely from the USA, Canada and France, the places where the majority of refugees went after the war with the USA. Policies from the government have been issued to draw Viet Kieu coming home. As second, flow emerged as Vietnam made the transition from a labor cooperation schemes to a labor export system based on commercial activities by individual enterprises under supervision of MOLISA. International labour migration has increased significantly since the late 1990s and now shifted to countries in Southeast Asia and some Middle East countries being the major destinations of Vietnamese workers. Third flow are the students who study abroad, they go through State scholar ship programs, seek scholarships on their own, or in other self-initiated ways. Were before Doi Moi students went to soviet countries and learned Russian, German or Spanish (Cuba). Today english-speaking countries such as Australia, America or European countries are the most attractive destinations. The universities in those countries promote themselves in Vietnam through education forums and education fairs. In addition, also a number of foreign students from developed countries (France, UK, Japan, Australia or the US) arrive Vietnam for bachelor or master's degree, they come through an exchange program which is considered as the core of a Project named “Advanced training program in Universities in Vietnam period 2008 – 2015. Fourth flow is tourism, foreign arrivals to Vietnam has increased greatly, and Vietnamese who could not travel before Doi Moi started to visit other countries, China, Singapore, Thailand and Malaysia, dominate.*

The combination of the large proportion of rural migrants which bring today a new rural socio-economic lifestyle to Hanoi, and at the same time the new international people flows and capital flows greatly influence the lifestyles in the city which becomes a mixture of rural and urban, traditional and international. A new lifestyle which is influences the new cultural flows entering the country which come together with the new economy and flows of people and due to new communication technologies and media.

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<sup>210</sup> [www.euromonitor.com](http://www.euromonitor.com), issued on 19/05/2008

<sup>211</sup> VnExpress, issued on 19/12/2009

<sup>212</sup> [www.euromonitor.com](http://www.euromonitor.com), issued on 19/05/2008

<sup>213</sup> idem

## Cultural Flows

Since Doi Moi, the changes in lifestyle have been assisted by new cultural flows entering the country. There has been an explosion in the media in the 1990s. In 1993 it was estimated that there were over 500 official newspapers and journals in the country, the majority of which are printed and circulated in Hanoi (Phe 1997:170). The amount of libraries in Vietnam in 1995 almost doubled in comparison with 1980 (Table 2.2.3.9). Hanoi added two more libraries since Doi Moi, however, the number of books and libraries in Hanoi in 2007 remains similar with 1980. Some older books were removed after Doi Moi, and some new ones are added, which makes the amount today almost similar as in 1980. In addition foreign books entered Vietnam as well, in 1995 there were three times more foreign books under the management of the Ministry of Culture and Information (Table 2.2.3.8).

According to Dr. Luan, in 1980s, accessing books was difficult because only big cities like Hanoi had the public library. For example the National Library which was set up in the French time, is located in Hanoi. In some provinces, they had a public town library. (Interview<sup>214</sup> with Dr Luan - Director of Institute of Sociology)

“Before the 1990s, the main source of information and knowledge was books; at that time, there was no Internet. Vietnamese students went abroad to study and brought foreign books with them when they came back. Though some exchange programs, libraries and books were also provided. The number of books was not big, but it was sufficient... Even at that time, the government provided some money for purchasing some kinds of magazine.” said Prof. Thong<sup>215</sup>.

Prof. Thong also said “Lecturers and teachers could borrow books home, but students could only sit at the library and read. They were not allowed to borrow books home. Also, they could not copy the books; there was no photocopy machine at that time. Students could copy things from the books since the appearance of photocopy machine in 1995 or 1996.”

According to Prof. Thong and Dr. Luan, before the 1990, books were mainly from Russia or from other Western countries but with outdated contents. Also, there was a reduction of financial capability to purchasing foreign books, which is attributed to the limited number of oversea literatures. The order of foreign books had to be made though “a body of government who is in charge of importing books—XUNHASABA” (Interview with Dr. Luan<sup>216</sup>).

“The number of capitalist books increased in the 1990 due to exchange programs and improved relationships between Vietnam and other countries. In addition, they can ask for support and sponsorship from Vietnamese companies” (Interview with Prof. Thong<sup>217</sup>). “Recently, around ten institutes take part in a program called JDP from the US, providing American literature and translates literature into Vietnamese. For example, in the last three years, IOS received every year maximum 30 journals in English from literature review to social reviews. Moreover, JDP give IOS money every year to select and translate five of the best articles in the journals into Vietnamese to help students who cannot read in English.” (Interview with Dr Luan<sup>218</sup>)

### *Books on urban development and architecture*

Mr Long<sup>219</sup> - Hanoi Urban Planning Institute - said that most of architecture books are illustration books, while textbooks for researching are few, which attribute to poor ability of Vietnamese in English.

About domestic architecture magazines' development, Prof. Thong<sup>220</sup>, explains that the Construction Magazine (*Tạp chí Xây dựng*) has been established for “50 years”, followed by the Architecture Magazine (*Tạp chí Kiến trúc*) “30 years”, Vietnam Architecture Magazine (*Tạp chí Kiến trúc Việt nam*)

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<sup>214</sup> 07 /12/2009

<sup>215</sup> 19 /11/2009

<sup>216</sup> 07/12/2009

<sup>217</sup> 19/11/2009

<sup>218</sup> 07/12/2009

<sup>219</sup> 23/11/2009

<sup>220</sup> 09/11/2009

"15 years", Planning and Construction Magazine (*Tạp chí Quy hoạch Xây dựng*), Constructor Magazine "20 years" (*Tạp chí Người Xây dựng*), Tender Magazine (*Tạp chí Mỹ thuật*) "3 years", Real estate Magazine (*Tạp chí Bất động sản*) "3 years", Beautiful Houses Magazine (*Tạp chí Nhà đẹp*) "20 years", Land and Housing Magazine (*Tạp chí Nhà và đất*) "2 years".

Concerning foreign architecture magazines, also according to Prof. Thong<sup>221</sup>, "the Russian architecture magazine was the first foreign magazine known in 1960s. Other origins were Poland, Slovakia, and Germany. From 1986, French architecture magazines have been popular in Vietnam; for example, the AA magazine, and A&T (*Architecture et Technique*). These magazines appeared even before initiating exchange programs. They were imported by Foreign Book Publishing House. French magazines were chosen instead of other countries because French things were very familiar".

Among various architecture imported books, Japanese architecture magazine (JA) is the most popular. In general, architecture students now are under influenced by many countries' styles and the influence depends on the characteristics of each student. However, the number of students who get influences from Japan is quite big. (Interview with Prof. Thong<sup>222</sup>)

In addition to the new books, new TV channels, national and by satellite, and the Internet influence society with ads, entertainment, from where lifestyles, clothes and architecture are admired and extracted for emulation (see Drummond and Thomas 2003; Drummond 2003; Minh and Thuy 2003; McNally 2003; Marr 2002).

The first television broadcasts in Vietnam were in the 1960s when the United States set up two channels (one Vietnamese language and one in English) in Saigon. The national broadcaster Vietnam Television (SOE), or VTV, was established in Hanoi with technical assistance and training from Cuba in September 1970. "VTV has its own film production company, the Vietnam Television Film Center, or VFC, which makes made-for-television movies and miniseries. However, only about 30% of the entertainment programming shown on VTV is made locally. The rest is imported and dubbed in Vietnamese. Shows include Korean and Chinese serial melodramas, which are the mainstay of nightly programming on VTV3. Aside from news and current affairs programming, VTV1 devotes itself to orchestral concerts, ballets, traditional theater and ethnic minority culture shows<sup>223</sup>".

VTV today broadcasts in nine channels (from VCTV1 to VCTV9) and is available internationally via satellite since 2003. And since, they offered the system of cable television VCTV, including many translated programs from Reuters, ESPN, Discovery Channel, BBC, Australia Network, plus many original channels (Disney Channel, CNN, StarWorld, DW-Asia (English-German) and others from Hong Kong, China and Japan) but users have to pay for these programs.

With 73 channels transmitted through the Viet Nam Television, in which around 30-40 foreign channels (VTCV, 2009), "the influence of RoK and Chinese TV serials, Hollywood films and cultural, artistic and sports exchange activities has much affected the lifestyle, fashion and consumer habits, etc. of the Hanoi youth" (see Geertman 2001; Drummond 2003; Minh & Thuy 2003). Specifically, the MTV channel catches huge attention, i.e. around 85% of the middle income class watch MTV every day, creating a big chance for businessmen because young audiences change their fashion to wearing Jeans and sport shoes, eating fast-food, using digital stuffs, and consuming more cosmetics<sup>224</sup>. A survey shows that a large proportion of audience love to watch Disney channel, accounted for 38.82%, followed by HBO (34.12%), and Star movie (21.18%); whereas Vietnam's television channels just get 17.65% for VTV3 and 9.41% for VCTV3<sup>225</sup>.

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<sup>221</sup> idem

<sup>222</sup> idem

<sup>223</sup> <http://www.xemtvonline.com/> issued on 27/02/2010

<sup>224</sup> thethaovanhoanews, issued on 02/02/2010 (in Vietnamese)

<sup>225</sup> vn-zoom.com issued on 02/02/2010 (in Vietnamese),

Vietnam's telecom market developed greatly since the late 1990. In 1995 there was 1% telephone line coverage in Vietnam, by May 2003 this was 7.35% coverage<sup>226</sup>. The market was worth US\$2 billion in 2005 (Table 33). Its teledensity is at 18.41 per 100 people, meaning that Vietnam's telecom industry is expected to grow. Annual growth in the telecommunication sector is running approximately 25% (Ca et al, 2009, page 359; Ken Zita 2006 page 1). Especially, between 2001 and 2004, the country's telecom sector grew 47.8 percent each year<sup>227</sup>. "In the period 2005-2006, Vietnam's ITC growth rate has been double the average in the Asia region and triple the world average expansion rate" (Ca et al, 2009, page 1). The International Telecommunication Union has also named Vietnam as the world's second fastest growing telecom market, after China.

Foreign telecom companies were invited to enter the market by participating in the equitization/privatization of State-owned enterprises (SOEs). "In the past, Vietnam's telecommunications industry was partially opened to foreign telecommunication companies, but mainly as suppliers of equipment and finance in the building of network infrastructure for transfer to Vietnamese local operators". However, with Vietnam's accession to the WTO, limitations on foreign companies providing telecommunications services was relaxed<sup>228</sup>.

The first mobile network of Vietnam (MobiFone), officially became operational on April 16, 1993<sup>229</sup>. (Table 2.2.3.16). Since the mobile phone network has grown rapidly, two other providers joined the market (Viettel and VinaPhone). In 2007, mobile phone density is estimated at 27.16 subscribers per 100 inhabitants (Ca et al, 2009, page 359). Vietnam is the second fastest growing mobile market in the region, after China (Ken Zita 2006, page 12)

The Internet officially appeared on November 19, 1997<sup>230</sup>. The initial infrastructure had a speed of only 64kbps for international connections and bandwidth enough for about 300 users<sup>231</sup>. The first customers were high-ranking officers in agencies and offices, who used the Internet for the purpose of introducing it to the higher ranking leaders, persuading them in this way to open the entrance door for the Internet for all Vietnamese people. Today the Internet is not only present in the cities, but also spread over all 64 provinces, from dense population places to remote villages. The Decree No. 55 (2001) erased the monopoly of the SOE VNPT in the usage of technical infrastructure and allowed the foundation of other internet providers. In 2003, broadband ADSL service began to be offered widely, but still not satisfying customers' usage demands. Bandwidth improvement, therefore, is a foundation to develop value added services. Ministry of Posts and Telematics and Ministry of Education and Training also signed the agreement to bring the Internet to schools. In 2005, the boost of content services came about. Starting with the first four basic services (email, web, information store and access), Internet Vietnam today already has almost all modern services in the world such as chatting, VoiP, Internet TV, music, video on demand, unified communications<sup>232</sup>. Internet today is widely used in Vietnam and its use is growing steadily (Graph 2.2.3.14).

However, Vietnamese use mostly domestic websites (Alexa.com, 2007). Catching up with news is the most popular purpose, followed by the use of chat rooms, which has become a prominent means for communication inside Vietnam, and in Hanoi, inside the city. It is completely accepted in Vietnam that people in offices chat during working hours, with each other and outsiders. What seems likely is while living is very dense in Vietnam, and privacy is scarce that chatting, as text messaging have become extremely popular forms of communication. Aside this specific use of the Internet in Vietnam (Graph 2.2.3.15), the visits of sites is also different than in other countries, it has some restrictions.

The government regulates access to the Internet by its citizens extensively, through both technical and legal means. A study conducted by the OpenNet Initiative<sup>233</sup> (ONI) finds that the Vietnamese state attempts to block citizens from accessing political and religious material deemed to be subversive

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<sup>226</sup> [http://www.epic.com.vn/resources/WTO\\_accession\\_telecommunication\\_sector.pdf](http://www.epic.com.vn/resources/WTO_accession_telecommunication_sector.pdf), issued on 04/01/2010

<sup>227</sup> <http://www.buyusa.gov/asianow/vtelecom.html>, issued on 04/01/2010

<sup>228</sup> idem

<sup>229</sup> <http://www.lookatvietnam.com/2008/09/15-years-of-mobile-phones-in-vietnam.html>, issued on 05/01/2010

<sup>230</sup> <http://www.tapchibcv.gov.vn/News/PrintView.aspx?ID=17885>, issued on 05/01/2010

<sup>231</sup> idem

<sup>232</sup> Summarized from <http://www.tapchibcv.gov.vn/News/PrintView.aspx?ID=17885>, issued on 02/02/2010

<sup>233</sup> <http://opennet.net/studies/vietnam#toc2a>, issued on 20/10/2009

along various axes. They report “The technical sophistication, breadth, and effectiveness of Vietnam's filtering are increasing with time, and are augmented by an ever-expanding set of legal regulations and prohibitions that govern on-line activity. Vietnam purports to prevent access to Internet sites primarily to safeguard against obscene or sexually explicit content. However, the state's actual motives are far more pragmatic: while it does not block any of the pornographic sites ONI tested, it filters a significant fraction - in some cases, the great majority - of sites with politically or religiously sensitive material that could undermine Vietnam's one-party system. Vietnam's Internet infrastructure and market are dynamic and fast-changing, but it seems inescapable that the state's on-line information control will deepen and grow”.

“Vietnam focuses particular effort on blocking access to sites related to topics that challenge the state's political orthodoxy, such as those treating political dissidents, political democracy, or the proposed Vietnam Human Rights Act in the United States Congress. Sites on topics related to domestic religious faiths, such as Buddhism and Caodai, are also subject to blocking, though less extensively. ONI experienced that in nearly all cases, sites in the Vietnamese language are far more likely to be blocked than sites in English or French.”<sup>234</sup>

One typical example is blocking facebook.com in Vietnam. “On 27, August, 2009, Vietnam’s Ministry of Public Security sent an official dispatch to prominent internet providers in Vietnam, ordering them to halt their users’ access to 8 websites, including facebook.com. The reason behind this order is explicitly stated in the dispatch: For security reasons and to fight against propagative activities that oppose the Party and the Government... This act of political censorship clearly manifest the government’s recognition of the threat posed by Facebook, specifically its power to communicate and publicize” (CNN<sup>235</sup>, 10/11/2009). At the end, CNN put a question on whether this action intentionally pulling Vietnam out of the world’s moving forward motion. Google is about to abandon its business in China due similar issues, Chinese State censorships on Google and sending spyware to users of Google in China (The Wall Street Journal 15/03/2010, front page news). If the Vietnamese will develop its censorships similar as its Northern neighbor is for now hard to say.

According to statistics of the Vietnam government in 2005, “Vietnam ranks third in the world with a 27.48 percent increase in the number of internet users over the past four year”(Ca et la 2009 page 359). In a survey by Asia Digital Marketing Yearbook<sup>236</sup> in 2007 the number of Internet users in Vietnam was 17<sup>th</sup> highest in the world. In 2008, the density was estimated 23.75 internet users per 100 inhabitants (Ca et al, 2009, page 359), and there were 20,669,285 Internet users as of November, 24.0% of the population. “The extent of internet use is not the same among regions, with 86 percent of Internet use concentrated in Hanoi and Ho Chi Minh City and limited use and poor connections in rural areas” (Ca et al, 2009, page 359).

Next to the new communication enabled by mobile phones, and the new media television and internet, there have been some changes in cultural places as through the Opening of new international restaurants, galleries/arts and craft shops/cinema’s/theaters.

Since Doi Moi, new traditional theater, the cinema and other performing arts started to develop again (Table 2.2.3.11-2.2.3 14). Before 2006, cinema’s in Hanoi were in bad condition, dirty, noisy and hot places, so people did not want to come there. Since the new Cinema Law took effect in 2006, which permits the private sector to do business in this field, private entertainment companies have built international – standard cinema complexes in big cities like Hanoi, Ho Chi Minh City, Hai Phong, Da Nang, Dong Nai. Up until now, Vietnam just has ten cinemas to meet international standard<sup>237</sup> Typical examples are Galaxy, Diamond Cinemas, and Mega Star. Galaxy has joined hands with US’s Warner Bros to build modern projection room for 3D and 4D movies<sup>238</sup>. Diamond Cinemas is joint venture between Fafilm Vietnam and Good Fellas. Mega Star’s share holders include Phuong Nam Corporation (PNC) of Vietnam and Envoy Media Partners Ltd. based in the British Virgin Island.

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<sup>234</sup> <http://opennet.net/studies/vietnam#toc2a>, issued on 20/10/2009

<sup>235</sup> <http://www.ireport.com/docs/DOC-354181> , issued on 21/10/2009

<sup>236</sup> [www.asiadma.com](http://www.asiadma.com), issued on 21/10/2009

<sup>237</sup> Saigontimes, issued on 05 / 01 / 2010 (in Vietnamese)

<sup>238</sup> vietnamnet, issued on 09/ 09 / 2009 (in Vietnamese)

“The Ministry of Culture, Sports and Tourism’s statistic shows that in 2009 the number of cinemas in Vietnam is less than 100 and most of them are located in Hanoi (nine box offices totaling 26 projection rooms) and Ho Chi Minh City (19 cinemas with 65 projection rooms)<sup>239</sup>”

In the 1990s, Vietnamese used videotapes because people prefer to watch at home with the whole family because it was cheaper and convenient. Since the late 1990s this shifted to DVDs. Today, watching DVDs at home is still popular and DVDs are inexpensive copies of films from the Asian Region, Japan, Hong Kong, China, and from the USA and Europe. However, since the new comfortable cinema complexes in the city “young people realize that they also need to set up relations with others. It presents a big change in the way Vietnamese enjoy culture.” (Dr. Luan, director Institute of Sociology<sup>240</sup>)

The art market developed first through foreign visitors and expatriates living in Vietnam. Currently it is also developed through local fairs as Vietnamese people start to collect art works to decorate their houses (interview with well known painter Pham An Hai<sup>241</sup>). Art is sold to foreigners living in Hanoi such as embassies and restaurants (interview with Artist and gallery worker Thach)<sup>242</sup>. Also there is a trend that foreigners come to Vietnam and get interested in Vietnamese’s art. Businesses in art start to organize meeting for well-off people in Hanoi to explain the benefits of investment in art and also to know about the local fairs<sup>243</sup>. Aside this, Vietnamese artists receive much funding from international organizations, mostly from Sweden and France. Buildings as the Germans Goethe Institute are central places, they organize artist’s exhibitions which are mostly visited by foreigners living in Hanoi (interview with Pham An Hai and Mr. Thach). Pham An Hai, tell us the art market is mostly outside Vietnam, he travels frequently all around the world to promote and sell his artworks. Aside Arts, Performances and the cinema, a trend has developed to visits international fast-food restaurants.

In Vietnam and Hanoi, there are two new international fast food chains which dominate the market of foreign restaurants. Lotteria from Japan (Table 24), is a fast-food chain similar with McDonalds, the other is KFC from the USA (Table 2.2.3.5 & 2.2.3.6). Lotteria opened its first store in 1997, in Ho Chi Minh City, the same time with KFC. However, Hanoi had to wait for almost ten years for both restaurants to open their doors in the capital. This is said to be due to the more complicated bureaucratic and business environment in Hanoi<sup>244</sup>, due to the slow change of habits of Vietnamese people<sup>245</sup>, and due to the lack of good locations. According to Mr Nguyen Anh Tuan – Sales manager of Lotteria, 70% of consumers were foreigners in 2007. Surveys by Lotteria also showed that the percentage of the population familiar with the restaurant was 20% in 2000 ,50~60% in 2005, and 80% in 2007<sup>246</sup>.

While in most countries fast-food restaurants are seen as a quick fix and little else, a recent survey conducted by AC Nielsen demonstrates that more than 70% of the interviewees are middle and higher incomes. Fast-food restaurants are still much more expensive than local fast-food alternatives. As such, Vietnamese come here for other reasons including to enjoy the environment and services there<sup>247</sup>. They also are prefer international fast food over local restaurant due to the many cases released in the news about unsafe food in food-stalls and local restaurants<sup>248</sup>. Also fast-food restaurant with modern-style interior, tasty foods, new service style is recognized to be a modern for the stylish young people<sup>249</sup>. The higher incomes appear to be the frequent consumers, with more than 27% interviewees said that they go to the restaurant at least once a week<sup>250</sup>.

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<sup>239</sup> idem

<sup>240</sup> 07/12/2009

<sup>241</sup> 15/09/2009

<sup>242</sup> idem

<sup>243</sup> idem

<sup>244</sup> <http://newhanoian.xemzi.com/en/aska/answers/qid/1833>, issued on 31/01/2010

<sup>245</sup> <http://english.vietnamnet.vn/lifestyle/2007/08/734010/> issued on 31/01/2010

<sup>246</sup> [lantabrand.com](http://lantabrand.com), issued on 18 /01/ 2010 (in Vietnamese)

<sup>247</sup> [vietnambrandingnews](http://vietnambrandingnews.com), issued on 09 / 09 / 2009 (in Vietnamese)

<sup>248</sup> <http://english.vietnamnet.vn/lifestyle/2007/08/734010/>

<sup>249</sup> [vietnambrandingnews](http://vietnambrandingnews.com), issued on 27 / 01 / 2010 (in Vietnamese)

<sup>250</sup> [vietnambrandingnews](http://vietnambrandingnews.com), issued on 09 / 09 / 2009 (in Vietnamese)



McDonalds in Vietnam is still absent. They did a survey on Vietnamese fast-food market in 1997. The low frequency of consuming as well as low income were the reasons blaming for the lack of interest of McDonald's in Vietnam. In 2007 McDonalds explored again the Vietnamese market; they wanted to open a restaurant near the central Hoan Kiem Lake. However, they went home without opening any stores. Officially the argument by McDonalds was the beef quality in Vietnam was not good enough. However, in several forums and published articles it is because they could not find a suitable partner for franchising<sup>251</sup>. For this reason KFC is franchising to Singaporean or Malaysian companies, and in the case of Lotteria, the parent company does the work itself in Vietnam<sup>252</sup>. The absence of the franchising concept and the difficult environment and the proof it can go wrong is a reason that Vietnamese companies are find risk full for the foreign parent companies to start business with<sup>253</sup>.

A Vietnamese website writes that with the increasing number of foreigners that come to Vietnam for different purposes (tourist, business, etc), the number of international restaurants and bar also increases to satisfy their demand. They argue that those restaurants are mainly located near the offices or residing places of the foreigners. They also mention that international restaurants and bars opening in Vietnam though "the franchised business which started from 1990s"<sup>254</sup>. It took these brands (KFC, Lotteria, etc) about 10 years waiting for the fast-food industry to boom. It is now that the Vietnamese, especially the young generation, seem to embrace it.

The younger generation is experiencing another cultural change. Today, Vietnamese parents send their children to international kindergartens, and to international universities in Vietnam. It influences the children, the students as well as their parent, other family members and friends. In general there are four trends developing in this field recently.

First, learning English as first foreign language has replaced learning Russian (before Doi Moi). English education centers have has mushroomed in both Hanoi and Ho Chi Minh City. The Ministry of Education estimated more or less 300,000 students studying in 450 centers nationwide, in which various well-known schools including Apollo, Language Link, Cleverlearn, RMIT, British Council, ETC<sup>255</sup>. In addition, studying foreign languages other than English also has become popular in Vietnam. Many courses of rarely used languages such as Portuguese, Spanish, Italian, Thai are opened and attract a lot of young people mostly high school students and college students.<sup>256</sup>

Second, there is the opening of international kindergartens, secondary schools and highschools. At present there are 29 international schools in Vietnam, mainly located in Ho Chi Minh City and Hanoi<sup>257</sup>. In those international schools, the majority are the children of foreigners who live and work in Vietnam, however, also a high number of Vietnamese children from rich families (mainly are entrepreneurs, Embassy officers, and employers of foreign companies), and the children of the families which spouse are foreigners go here. Since 1995, Vietnamese pupils have made up 5 to 8% in the Little System House school, 11% of 550 (37 nationalities) in (United National International School (UNIS), (from 2 year to 18) in Hanoi. In the Singaporean-Australian Kinder World 95% is Vietnamese<sup>258</sup>. Some international schools change their policies and put holds on the large steam of Vietnamese entering the schools, which is perceived as being not beneficial for the international student, and thus multi-cultural focus of these schools. There is also a small proportion of Vietnamese children in the Alliance Française (from 2 year to 18). The Vietnamese children as such learn fluent English and French, and from our own observation we see that parents start to communicate in these foreign language with their children as well. The main reason to send children to these schools is that

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<sup>251</sup> <http://english.vietnamnet.vn/reports/2007/08/735828/> issued on 31/12/2009

<sup>252</sup> <http://english.vietnamnet.vn/reports/2007/08/735828/> issued on 31/12/2009

<sup>253</sup> The case of Chicken Town is an example. Chicken Town restaurants appeared in late 1990s and it was successful with fried chicken. However, those restaurants disappeared quietly after a period of time because it sold other kinds of fruit and broke up the standard model of franchising (<http://english.vietnamnet.vn/reports/2007/08/735828/>) issued on 31/12/2009

<sup>254</sup> Daily business news, issued on 15/10/2009 (in Vietnamese)

<sup>255</sup> [www.laodong.com.vn](http://www.laodong.com.vn), issued on 12/07/2009 (in Vietnamese)

<sup>256</sup> [www.anninhthudo.vn](http://www.anninhthudo.vn), 05 / 12 / 2009 (in Vietnamese)

<sup>257</sup> [www.chametaing.net](http://www.chametaing.net) , issued on 05/02/2009 (in Vietnamese)

<sup>258</sup> [www.english-school.org](http://www.english-school.org) , issued on 31/01/2010 (in Vietnamese)

parents think the language is an asset in the carriers of their children, and the learning environment is more open, creative and professional than the Vietnamese schools<sup>259</sup>.

Third, at university level, recent time has witnessed the rise in international education, mostly in three ways: exchange programs; international universities; and, foreign-owned universities. According to Prof. Thong-Chief editor of Magazine of Construction<sup>260</sup>, “the cultural and student exchange programs between universities started since 1980s. After that, the short-term trips and courses of experts and officials were also held”. He<sup>261</sup> told us there have been many education co-operations in the fields of architecture and urban planning field between Hanoi Architecture University (HAU) with Canada and France. “HAU officially cooperated with France in 1984. They have the student exchange programs annually, and then, they open a master program taught in French at HAU. The lecturers are French teachers, French-speaking and also Vietnamese ones.”

The RMIT University in Melbourne, Australia is the first one who set up a foreign branch in Vietnam, establishing under a project with ADB<sup>262</sup>. “In 1998, RMIT was invited by the Vietnamese Government to establish campuses in Vietnam, and a licence was granted in 2000 from the Ministry of Planning and Investment to deliver undergraduate, postgraduate, training and research programs. However, they can’t deliver Masters in Philosophy because the Vietnamese government does not allow subjects as sociology and psychology due to possible sensitive political topics, which might lead to oppositions to the government<sup>263</sup>. Teaching began in Ho Chi Minh City in 2001 and in Hanoi in 2004. The total student population on both campuses now exceeds 5,000, having grown rapidly from small beginnings in 2001.”<sup>264</sup> However, 12 years up until now has witnessed slow growth of foreign-funded university; only three universities have been established, including RMIT, Dresden Vietnam Polytechnic University, and the British University Vietnam<sup>265</sup>. Nowadays, “many international groups gave a strong indication of their interest in Vietnam’s education sector, not content to wait till January 2009, the deadline for the country’s WTO commitment to permit foreign universities to open branches. The country’s tertiary education is considered potentially for huge foreign investors because almost all of the country’s universities are woefully substandard”<sup>266</sup>. For example, in 2007, a Malaysian company named Berjaya Land Barhad signed 3.5 billion USD contract with the Managing Board for the Northwestern Urban Region of Ho Chi Minh City to build an international university city on an area of 880 ha<sup>267</sup>. It’s interesting to know that even in foreign-owned universities; student has to pass courses related to communist ideology and Ho Chi Minh’s political theory which has been ordered by government of Vietnam since 2005”<sup>268</sup>. In addition the foreign universities can’t offer Masters in Philosophy, while they are not allowed to include sociology and psychological classes in their curriculums. These could include sensitive issues related to the communist regime and potentially cause for oppositions to the regime<sup>269</sup>.

International universities are operated in both types, private and public universities. To be specific, the Bac Ha International University is the first non-State international university, officially approved on November 2007<sup>270</sup>. “The Griffith University of Australia, Cambridge College and the NPU of the US are major partners of Bac Ha International University. The CEO of Bac Ha International University said that the university will have foreign and overseas Vietnamese teaching staff. Almost 200 lecturers, including professors, associate professors and doctors, have been invited to give lectures at the university. He also said the university will cooperate with internationally reputed universities in training and scientific research programmes.”<sup>271</sup> Besides, Vietnam National University is the first state international university, obtaining the decision for establishment by on May 2003. “Its

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<sup>259</sup> From personal talks with several parents who send their children to *UNIS, Alliance Française, and Little System House in Hanoi*.

<sup>260</sup> 19/11/2009

<sup>261</sup> idem

<sup>262</sup> www.timeshighereducation.co.uk issued on 31/01/2010

<sup>263</sup> From personal talk with English teacher at RMIT 16/03/2010

<sup>264</sup> www.rmit.edu.vn issued on 31/01/2010

<sup>265</sup> Vietnamnet, date of issue 03/02/2010

<sup>266</sup> Vietnamnet, date of issue 19/09/2007

<sup>267</sup> idem

<sup>268</sup> chronicle.com, date of issued 04/02/2010

<sup>269</sup> From personal conversation with an English teacher at RMIT in Hanoi

<sup>270</sup> www.nanowek.com, date of issued 04/02/2010

<sup>271</sup> idem

internationality is reflected in international academic environment, including all degree programs, teaching staff, languages of instruction, academic and research infrastructure. Its publicity is reflected in the long-term support from the government and other funding agencies and organizations at all levels – from local national to regional and international.”<sup>272</sup>

Last but not least, it is worth mentioning that since the WTO accession with the governments policy is to actively build international relations with international universities and Vietnamese ones. In the 2006-2007 school year, the Ministry of Education and Training has allowed nine key universities to apply 10 advanced curricula that is similar in content, training process, methods of assessment and management of well-known universities in United State, Britain, and Canada<sup>273</sup>. In addition, cooperation with foreign partners and methods of training in foreign languages are other priorities in educational reform plan.<sup>274</sup>

Aside the new international education in Vietnam, as already mentioned in the people flows, Vietnamese students are also studying abroad. Places of study since Doi Moi have changed as well (Graph 2.2.3.4). Before 1986, the destination was limited on few communist countries, including Russia, Cuba, Poland, and East German. The open door policy has widened the chance on studying overseas. Today students tend to choose English speaking countries, such as United States, Australia, and the United Kingdom and Singapore<sup>275</sup>. In addition there are still many students learning French in Vietnam, and starting to study in France. China has become popular destination due to the close geographical distance and inexpensive price, the fee estimated around 1/5-1/10 in compare with other countries<sup>276</sup>. Through our own observations, in recent years, the young generation are starting to choose Japan to further study because Japanese culture, especially modern fashion and music is attractive<sup>277</sup>.

Recent time has not only showed a change of location were student study oversea, but also witnessed the change in the means of oversea study. In the 1990s, most students studied abroad by state scholarship. Nowadays, “many families are ready to spend tens of thousands of US dollars on their children’s education, regarding it an investment in their future; for example, spending over US\$ 60,000 on an 18-month master’s course in the United States, or some \$ 30,000 in Australia, is common among the elite in Vietnam, where annual per capita income still stands bellow \$1,000”<sup>278</sup>. One reason for this trend is attributed to high rate of unemployment, i.e. Ministry of Education’s statistic in 2006 demonstrated up to 37% of Vietnamese student graduate cannot find a job<sup>279</sup>. Other sources inform us that due to environment in Vietnamese schools and universities ‘local diploma’s can’t be taken serious’.

For the architectural and urban planning educations these flows are of significant importance. Today in Hanoi there are two architectural universities, the University of Civil Engineering, and the Hanoi Architectural University, both operate under MoC. At these schools most teachers have been taught socialist urban planning and architecture in the pre-Doi Moi time. Actually before Doi Moi there was no urban planning, only zoning by the central state. Architecture is in general still seen as a technical profession. And urban planning in Vietnam is in its embryo stage. And today many teachers and students complain there is still not enough information about for example commercial buildings (Mr. Quoc, 38 years, studied architecture in France<sup>280</sup>). Also the libraries do not have many up to date materials. As such the exchanges with other countries have become very important for knowledge development, how to build commercial buildings, new residential towers and how to research and design an urban area. Of course the change is from homogenous socialist planning to diversentiation. But the question is how to differentiate? From the professionals interviewed for the object biographies of this study, and from talks with our collaborators at the University of Civil Engineering we know creative thinking is also something new and still underdeveloped. Many young professionals today learn on the job from foreign consutants they work with (more details see object biographies). At the

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<sup>272</sup> <http://www.hcmiu.edu.vn/en/lichsu.php> date of issue 31/01/2010

<sup>273</sup> Vietnamnet, 29/01/2010; [www.people.com.cn](http://www.people.com.cn), date of issue 29/01/2010

<sup>274</sup> Vietnamnet, date of issue 19/01/2010

<sup>275</sup> [www.thanhniennews.com](http://www.thanhniennews.com), date of issued 23/01/2010

<sup>276</sup> <http://duhoc.hn-ams.org/modules.php?name=News&file=article&sid=124> (in Vietnamese) 23/01/2010

<sup>277</sup> One of the authors and a contributor both did their PhDs in Japan.

<sup>278</sup> [www.thanhnien.news.com](http://www.thanhnien.news.com), date of issue 23/01/2010

<sup>279</sup> idem

<sup>280</sup> Interview 10/11/2009

universities most teachers in their thirties have PhDs from Japan, England or France. They bring new knowledge for differentiation and they slowly change blueprint planning into something more based on socio-economic conditions. Also the foreign universities collaborating with these universities give considerable input. Both students and teachers learn from these new flows of ideas and knowledge, and it will slowly change the profession in Vietnam.

*In sum, before the 1990s, the main source of information and knowledge was books. Since Doi Moi new foreign books from the USA, Europe and the Southeast Asian region came to Vietnam. In addition many new means of media and communication brought new cultures and ideas to Vietnam. Instead of two channels of the national provider VTV since the 1960s, today the company broadcast in nine channels (from VCTV1 to VCTV9) and offers the system of cable television VCTV, and hosts 73 channels, of which 28 foreign channels. The influence of RoK and Chinese TV serials, Hollywood films and cultural, artistic and sports exchange activities has much affected the lifestyle, fashion and consumer habits, etc. of the Hanoi youth. In addition Vietnam's telecom market developed greatly since the late 1990, in 1998 the first mobile phone network opened, after two were added and today Vietnam is the second fastest growing mobile market in the region, after China (Ken Zita, 2006 page 12). The Internet officially appeared in on November 19, 1997<sup>281</sup>. In 2007 the number of Internet users in Vietnam was 17<sup>th</sup> highest in the world. However, the government is strictly regulating its content it has great impact on accessibility of information and communication within and outside Vietnam.*

*For the cultural sector, new cinema dominates. Since the new Cinema Law took effect in 2006, international standard cinema's opened in Hanoi and HCMC, a new cinema culture developed. Films come from the Asian Region, Japan, Hong Kong, China, and from the USA and Europe. It increases social contacts between young people. The art market is developing since the entrance of foreign diplomats and tourists to Vietnam. And it remains dominated by the international market. Investment in art is a concept in the making and currently introduced to the well-off in Vietnam. Art expositions are largely funded by international organizations (Sweden and Germany) and gather point are places of international agents, like the German Goethe Institute, housed in a restored villa central Hanoi. International restaurants are dominated by new fast-food chains, in Hanoi KFC (USA) and Lotteria (Japan). They started to operate after the franchising concept was launched in Vietnam in the early 1990s, however the difficult bureaucracy and business environment, the lack of good locations and the slows change in food tastes by Vietnamese made these companies wait a decade before it started to boom in Vietnam, especially in Hanoi. In HCMC the market developed earlier and faster, most fast-food restaurants, Hanoi is second. A last great change in culture are the international schools, Vietnamese people massively have started to learn English instead of Russian as a second language, and parents send their children (2-18 years) to international schools in Vietnam. Aside that, foreign international universities started to open branches in Vietnam (from Australia, Germany, UK and the USA). These international universities also attract international students, coming from the USA, Europe and the South East Asian region. Vietnamese students from parents who can afford these studies as such have great influences from the cultures of the origin countries of foreign students, from the international professors, and from the different approach of learning. Aside the booming of new international education in Vietnam, many student study in foreign countries, and the destinations to study abroad changed since Doi Moi, were as destination before were a few communist countries, including Russia, Cuba, Poland, and East German, today students mostly go to English speaking countries, such as United States, Australia, France, the United Kingdom and Singapore<sup>282</sup>, and China.*

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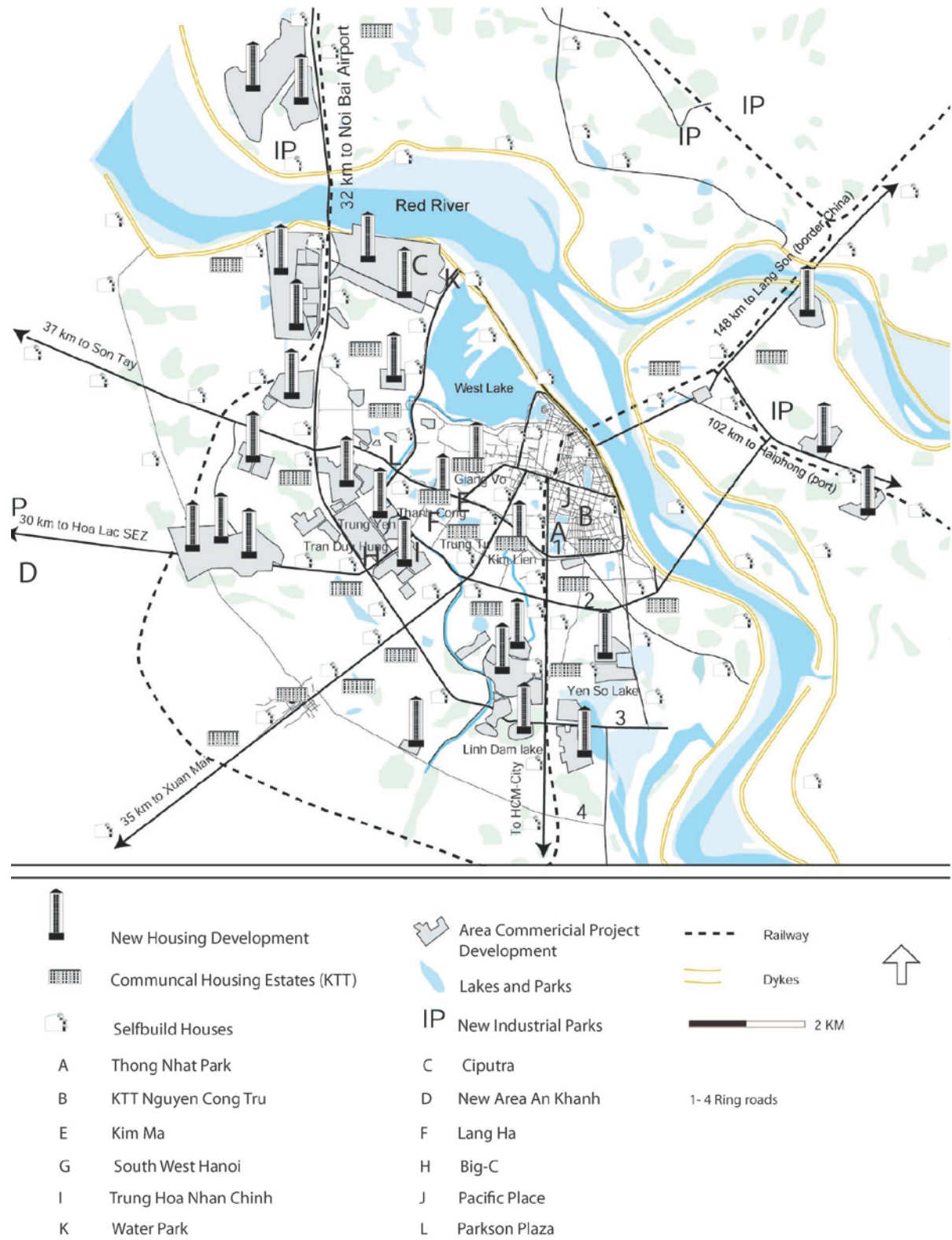
<sup>281</sup> <http://www.tapchibcvn.gov.vn/News/PrintView.aspx?ID=17885> date of issue 23/01/2010

<sup>282</sup> [www.thanhniennews.com](http://www.thanhniennews.com), 23/01/2010

## 2.3 GENERAL SURVEY OF NEW BUILT FORM SINCE DOI MOI

Hanoi has a long history of development. Historical periods have left their traces on the city and have sculptured its physical structure, its morphology and spatial characters that can be seen clearly today. Today, into a great extent we can still recognize a spatial mosaic of districts and areas formed with their distinct characters. The ancient quarter (known as the 36 street-quarter) formed during pre-modern and feudal Hanoi; The French quarter – the western quarter on the south of Hoan Kiem lake – formed during the French colonial time; the KTTs (*Khu Tap The*) – models of work unit's housing that scatter the second spatial ring of Hanoi – formed during the period of non-market subsidize economy; the landscape of popular housing - known as self-reliant housing characterized by rows of town houses with diversity styles, forms, color is typical feature of the post reform period and during the 1990s. Today due to changing policies and the international flows entering Vietnam new structures in urban form are emerging and the existing ones are transforming. The impact of these changes in urban form can be identified on three interrelated levels: (2.3.1) transformations in circulation, from walking city to motorized city (dominated by motorbikes); (2.3.2); transformation of the skyline (from a low rise living to new high rise living, new high rise offices, new high rise hotels), and (2.3.3) ) transformations in spatial specialization, from equal distribution to increasing spatial and functional specialization (new housing areas, new commercial areas, new towns). During this analysis we will identify eight categories of objects and places of which we assumed they influence the identity positioning of Hanoians. The last section (2.3.4) will synthesize the categories as introduction to the selected cases studies in Part III.

Figure 2.3.1 Survey Urban Form Location Map



Drawing by Stephanie Geertman. First published in Geertman 2007, modified for this report.



### 2.3.1. Transformations in circulation

In the period before Doi Moi, Hanoi's urban movements were restrained to a minimum. First, Hanoi's urban structure was based upon the socialist ideal of autonomous spatial units in which people lived and worked. In Hanoi, this ideal was far from completely accomplished but it reduced movements of people in the city to a minimum. Second, transport in Hanoi was restrained because of war<sup>283</sup>. Since Doi Moi, the liberalization of movements and functional specialization because of the introduction of the market economy has greatly increased motorized transport in Hanoi. It transformed Hanoi from a city of restrained growth, emptiness, and silence to a largely spontaneous city dominated by continuous flows of noisy motorbikes competing for space in the streets. It also transformed the city from largely public transport to a private transport. The Vietnamese capital is characterized by the lowest use of public transportation and the highest proportion of private transportation of all Asian capitals<sup>284</sup>, with a pre-dominance in motorbike traffic<sup>285</sup>.

**Figure 2.3.1.1 Traffic Hanoi – South Hanoi**



Author: Nguyen Quang Ninh 16/03/2010

Functional specialization and movements of people who want to escape the overcrowded city center have spread Hanoi into the surrounding areas. The liberalization of the market economy resulted in rising incomes and imports from foreign countries, which steadily increased cheap motorbike imports from China since the 1990s. The implications of accelerated growth in motorized (cycle) traffic circulations is severe; it pollutes the urban environment and exhausts existing infrastructure. The high density of traffic on roads in Hanoi are a consequence of the rapid increase in traffic volume, which has been developing much faster than new road constructions in the city. The existing road network is based on a city with almost no private traffic movements, consisting only of a dense small-scale road network in the historic center and a few wide radials, the French boulevards, and the artillery roads of the socialist city command economy, these large-scale roads remained largely empty, only a few bicycles and trucks used the roads. Today, these roads are filled with 10 or 20 rows (depending on the street width) of motorbikes commuting from home to work. During rush hours, they come to complete

<sup>283</sup> For example due to evening clocks permitting people to access the streets, and while war itself made it often dangerous to commute.

<sup>284</sup> By 1999, the modal share of buses in Hanoi accounted for less than 6% while it accounted for 70% in Manila in 1996, above 50% in Jakarta in 1985, and above 45% in Bangkok in 1995 (JBIC 1999: II).

<sup>285</sup> Motorbike ownership in Hanoi is reaching high rates compared to income levels, and this despite high import-taxes (70% to 100%) and registration fees. Four households out of five in Hanoi own a motorbike and two out of five own at least two (AFD 2008). The rise of motorbike ownership has turned a city where, in 1990, over 80% of trips were made by bicycles to one where, in 2005, nearly 65% of the 6.3 million daily journeys were made on motorbikes (ABD 2006). The constant increase in motorcycle ownership is now also becoming paralleled by a growing number of cars. In 2005, only 2% of households in Hanoi owned cars, representing less than 4% of the city's modal share. But between 2004 and 2007, new vehicle registrations in Hanoi increased at a two-digit rate, reaching 20% over the last two years (Hieu Nguyen Ngoc 2009).

standstill. In addition to motorbike's, car-ownership is steadily raising in recent years<sup>286</sup> due to rising incomes and this is causing for even more congestion and pollution in the city.

Due to new motorized transport, housing and working areas can be more separated. And to relieve the road densities and connect the city to new extended areas, JICA prepared the transport master plan for the Ministry of Construction. In this plan, the existing radials are upgraded and extended, and four new ring roads (see figure 2.3.1) including new bridges over the Red River are constructed. Most of these proposals are realized or under construction. However, the result is that the congestion is not getting less, instead the new roads and bridges are only enablers for more motorized traffic to enter the city.

At the same time this new road system is only building a network on the larger scale of the city, and does not integrate most interiors bordered by the radials and ring roads. The areas within interiors are locally managed (by the *phuongs*) and exist in labyrinths in the inner city of Hanoi- little lanes called *ngo* that can only be accessed by foot or (motor) bicycle and are sometimes without pavement. It has created a great contrast between interiors where people commute on foot and (motor) bicycle that have village like informal characters and the exteriors (spaces of ring roads and radials) where high-rise offices are located and busses and cars commute in the roads.

**Figure 2.3.1.2 Traffic in a Ngo.**



Author Nguyen Quang Ninh 16/03/2010

**Figure 2.3.1.3 Flyover South Hanoi**



Author Nguyen Quang Ninh 16/03/2010

<sup>286</sup> In 2005, only 2% of households in Hanoi owned cars, representing less than 4% of the city's modal share. But between 2004 and 2007, new vehicle registrations in Hanoi increased at a two-digit rate, reaching 20% over the last two years (Hieu Nguyen Ngoc 2009).



Public transport in Hanoi exists of busses, cars, motorbike taxis, and a few *cyclos*. The latter is a bicycle taxi better known as *pedicap* or the *rickshaw* (India). Up to 2003 the few busses in the city were characterized as not very reliable and shortcoming in service. They remained limited in use by elderly people, people traveling with large or heavy luggage, and long-distance traveling students. The car taxi started after the liberalization of the enterprise law in 1995, they were cheap in use due to price wars (low petrol price). However, motorbike taxis remained preferred in the inner city. Car taxis are not fast on a road dominated by motorbikes and the car cannot access into the interior streets (*ngo*). In result, the small busses and motorcycle taxis (*Xe Om*) dominate public transportation in Hanoi.

Since 2002, the public bus service *Transerco* has been extended: from 11 to 34 lines and services improved greatly. However, motorbikes continue to dominate the city's streets<sup>287</sup>. As alternatives to compete with private transport, JICA recommended the HPC proposed for two bus rapid transit (BRT) lines which are currently awaiting funding approvals by the World Bank. In parallel, two rail-based projects are also in the making: a 12.5 kilometre east-west light rail transit line partly financed by France and a new metro line linking downtown Hanoi to its international airport (15 kilometers to the north), financed by the Japan Bank for International Cooperation (JBIC) (see Fig. 5.4) (ISTED 2006). These two projects were originally expected to be completed for the Hanoi's 2010 millennium celebrations but have suffered significant delays. In contrast to the development of public transport, the road infrastructure has developed greatly.

The improvements of road infrastructure and the rapid increase of the numbers of motorbikes and cars (instead of walking and bicycles) changed the sense of distance. Today, one can travel 15-20 kilometers in half an hour. This has facilitated the process of migration to Hanoi. The migrants mostly settled down in the 1960s suburbs, 3-7 km from the inner-city center. At the same time, people from inner city Hanoi are now thinking about moving to new sub-urban areas. The latter is a more recent process while new sub-urban areas only since recently started to develop (2000). These areas are being developed within a 10-25 kilometers distance from the city. In the near future, it is likely that many people, not only from outside Hanoi but also people from the inner city will move to these new suburban areas. This has great implications for new circulation and newly developing spatial patterns and urban form.

*In sum, Since Doi Moi, the liberalization of movements and functional specialization because of the introduction of the market economy has greatly increased motorized transport in Hanoi. Car ownership started to raise in recent years, due to rising incomes, however, motorbike transport continues to dominate the city. The government and international agents (France Japan, World Bank) put public transport high on the agenda, however the modal share of private transport remains the highest in of Southeast Asian cities. Due to new motorized transport, housing and working areas can be more separated, which enables spatial specialization.*

### 2.3.2 Transformations in the skyline

Although Hanoi had been transformed by the French, the city had a low-rise profile prior to 1945: Vietnamese shop houses, village houses, and French villas with only peaks from pagodas and churches. This low-rise structure was only marginally heightened in the 1945-1986 era. Hanoi in the socialist command economy sprawled outwards rather than upwards. Most buildings prior to 1945 were three floors or less in height. New buildings constructed in the 1960s reached four floors, in the 1970s five floors, and as an exception in the city, ten floors in the 1980s (socialist housing blocks).

<sup>287</sup> . The new busses reach far into the periphery (see [www.hanoitranserco.com.vn](http://www.hanoitranserco.com.vn)) and can be taken for only 1000VND to 2000 VND (respectively 0.03 USD to 0.06USD) until the end of the line. Aside the increase bus lines and their low price (that in the 1990s was also this cheap), it has been the better promotion of busses, better waiting houses, and better quality of busses (*Mercedes* and *Daewoo*) which made the public bus popular in use within months in 2005. However, in comparison with motorbikes, the bus is not a competitor (yet). The modal share of motorbike trips increased from 20.5 percent in 1995 to 63.8 percent in 2005. The busses that made a big jump from a modal share of 0.7 percent in 1995 to 6.7 percent in 2005. However, the modal share of 6.7 percent can, of course, not compete with the 63.8 percent of private motorbike use in the city (data published in Geertman 2007:195).

The buildings in the socialist command economy in Vietnam were built from inexpensive concrete and the buildings had an international socialist architectural style representing sober homogeneous architecture. In this sense, Hanoi differs in a significant way from cities in Europe or the US in its urban form. When US cities, especially in the 1970s, were growing rapidly into the vertical dimension and diversifying in built form, Hanoi remained very flat and new buildings were all uniform. New built forms in Hanoi between 1945 and 1986 very much resembled buildings in other socialist countries in the former USSR, Eastern Europe, and East Asia (China, North Korea) (Pédelahore de Loddis 2001). However, due to war and poverty in Hanoi, the buildings were not very well maintained, and the rural culture continued in the blocks and not all residents worked in the factory belonging to the estate. Also, the socialist land use structure and use of urban form in Hanoi was never implemented as rigid and controlled as it was an example in China. Thus, due to the Vietnamese culture and war, land use and urban form developed in a particular socialist variant for Hanoi (see Geertman 2007).

Since the late 1990s, one of the most visible aspects of Hanoi's changing urban fabric is the growth into the vertical dimension. In the newly developing South East Asian cities, Tokyo, Seoul, Taipei, Hong Kong, and Singapore, the construction of high-rise buildings have become an important indicator for success of the cities since the 1970s. After economic reform in China, Chinese cities rapidly caught up with this trend, Shanghai buildings went up to 30 floors in the 1990s (Gaubatz 1999). In Hanoi, this trend developed as well yet in a very different way. In Hanoi, while high-rise buildings began dotting the city in the 1990s, these high rises remained incidental. The great amount of migrants, and citizens who just wanted to extend their living space constructed (in a spontaneous way) a large amount of the built environment in the 1990s. This low rise self-building extended the city and filled all the voids in Hanoi during the 1990s. It is only since with the increased flow of FDI, at the start of the millennium, that international style high-rise towers are extending the city into the vertical dimension, yet still not comparable in number and scale as elsewhere in the Pacific Asian region.

The particular character of high-rise development in Hanoi and slow growth of the 'global' high-rise towers in a sea of a rapidly growing local low-rise urban fabric is directly related to the economic downturn in the second half of the 1990s, the Vietnamese complicated policies and politics, and the Vietnamese attitude towards high-rise living. Due to a stressful and difficult environment for foreign investors in the second half of the 1990s, many proposed and licensed high-rise buildings and towers in the 1990s have not been realized. From the high-rise buildings that did develop, most of them were hotels. Towers that were developed for offices remained empty. After several years of no action at the beginning of the second millennium, Vietnamese companies started to take over sites from foreign developers. The empty high-rises designed for offices were and still are been reprogrammed and redeveloped, mostly into exclusive apartments and hotel complexes for local and foreign businessmen.

Due to a change in land-law, investment and property law (2003) and new investment law (2006), there has been increasing interest by foreign investors in Hanoi, and the high-rise market since is steadily improving.

A recent unpublished quick survey conducted by Pham Thuy Loan, University of Civil Engineering shows that there are as many as 300 high-rises building above 11 stories, most of them were constructed in recent years. There is a tallest building complex in Vietnam, called Keangnam Landmark Towers which is under construction and scheduled to be finished by 2010. This complex includes three tower: Tower A – 70 stories for 5-star hotel, high-class apartment for rent, office and commercial; Tower B and C – both 47 stories – providing 900 high-class apartments for sale, with total investment of 500 millions USD from Korean FDI. The tower is located in the South-West of Hanoi, the growth hub of the present city.

**Figure 2.3.2.1 Keangram Landmark Towers**



Author Nguyen Quang Ninh, 16/03/2010

*In sum, due to downward flows of FDI and the difficult bureaucratic environment, the largest part of the built environment developing during the 1990s was low rise self-building. Today the city is a hybrid mixture of a large sea of popular housing and a new emerging skyline of international style high-rise towers, which slowly are extending the city into the vertical dimension. The 70-stories Keangnam Landmark Towers, in the South West of Hanoi, is an example of the trend, however in number and scale this is still far behind elsewhere in the Pacific Asian region.*

### **2.3.3 Transformations in spatial specialization**

Since economic reforms, Hanoi is experiencing a process of increasing spatial and functional specialization. This is articulated in three interconnected ways<sup>288</sup>: reorganization of the city around multiple business nodes and service centers, increased district specialization, the establishment of large-scale development zones and new urban areas, and the development of new leisure areas.

Since Doi Moi the economic structure of the city shifted from 'industry-trade-service' to 'trade-service-industry' and the greater roles were granted to private and mixed economic sectors. Supply-demand interaction and competition, driven by market-mechanism have been put in operation, particularly in the domain of trade and services that is evidently defined in the central districts (Loan 2002). What occurred in Hanoi is a spatial and functional specialization which reorganizes the city around multiple business nodes.

In the central part of Hanoi, a new *function - spatial* division driven by the 'open door' and the 'market-oriented' policies can be observed. Since the beginning of the 1990s the *36-street Quarter*, originally a market place, was further developed into a *domestic business center*. In parallel, there appeared a modern trend to restructuring the urban economy to accelerate the development of services, especially IT, communication, banking, international business transactions, etc. This trend has initially resulted in the embryonic development of an *international business and financial center*, appearing in the French Quarter. Thus, the central area of the city has divided into spaces in different function and physical characteristics.

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<sup>288</sup> Published in Geertman 2007, page 197.

Figure 2.3.3.1 Domestic business in Old Quarter



Author: Nguyen Quang Ninh, 18/03/2010

The domestic business center development is either based on the continuation or diversification of available merchandise circulated in the *36-street Quarter*. It is coincidentally expanded and developed by “lining up” some name-by-goods wards and streets to the south and the east of the city. About twenty of such streets and wards have been established, for example: electronic appliances street (on Hai Ba Trung street), garment street (on Tran Nhan Tong street) or ‘home-interior furniture’ street (on Ham-long street). Hanoi remains a city characterized by small businesses and services and a large informal sector, differing from the ‘supermarket – highway’ model generated in developed countries. The forming of the Domestic Business Center creates places and urban forms which are produced by the local private sector. They are centralized in the pre-Doi Moi city, the 36 street quarter, the French quarter and the socialist housing estates. This sector transforms small scale buildings for **local commercial services**, the first category for further analysis in part III.

Parallel to the function – spatial division in the 36-streets quarter, an international business center emerged as a new spot in Hanoi’s metropolitan picture. Foreign investment, foreign representative offices and banks, resulted from the open-door policy, are mostly headquartered in the French quarter (about 30 establishments) (Luan, 2000). In Ly Thai To Street, for example, there is the State Bank and a chain of 17 foreign banks branches and representative offices, it is a typical case of gentrification in Hanoi. Within its surrounding environment, there are another 26 banking institution. The French quarter, therefore, already carries features of an International CBD. The appearance of high-rises and renovated buildings in post-modernist style is an evidence of the change of the city physical form.

Aside from the local and international business emerging in the 36-streets and French quarter, these two quarters have also been the focus for **heritage protection**, the second category for further analysis in part III. The city’s architectural and urban heritage combines exceptional monuments and compounds such as pagodas, temples, the citadel, and government buildings scattered through the urban fabric. And throughout the 1990s and 2000s, there have been many preservation-oriented development projects. During this period, more than twenty development projects, funded by ten different organizations, addressed the issue of preserving the built heritage of the Old Quarter and the Colonial Quarter. These preservation projects set out with a relatively narrow focus on architectural preservation but progressively embraced wider concerns about tradition, including the preservation of immaterial heritages such as traditional economic activities and lifestyles (Labbe 2009, page 15). Aside from the large scale renovation of the Opera house and some governmental villa’s, only very few pagoda’s and shop houses are today under the process of renovation.

The first international business centers outside the 36 street areas and French quarter were Lang Ha and Kim Ma, they had impulses from the peak in FDI in the first half of the 1990s the construction of new radials and ring ways: the Lang Ha road and the widening of the road Kim Ma. Kim Ma is an existing street, once built upon one of Hanoi’s canals (Kim Ma canal). Kim Ma is located southwest of the inner city center, the road is parallel with the ring roads and has a connection with the radials going to the north, west, and south of the city. Lang Ha is an extended radial from the 1990s connecting to the southwest, the north (the international airport Noi Bai), and inner city Hanoi. With the new road that connected the areas to the center, the highway to Ho Chi Minh City and the airport, they

became hot spots for foreign investors and foreign representative offices. Both international business districts house many embassies that have relocated from the French quarter to these districts. Kim Ma consists of high class hotels, a high class shopping center, and foreign representative offices (in the Daeha Business Center) Lang Ha is more specialized in middle-class foreign hotels and entertainment, especially tuned for Asian business people and diplomats (Taiwanese and Korean restaurants, Singaporean bowling Club), and also attracts more well-off local residents. The American embassy located in Lang Ha, will be moved to the new urban area Ciputra. In this already gated city, another gated compound will be developed housing both the embassies office as the ambassadors' residence.

Since the increasing economic situation beginning at the start of the new millennium, many new international centers have been added to Hanoi, often centered in or around buildings. And, they are combinations of local and international **multi-use complexes**, the third category for further analysis in part III. We can find them in the French quarter (Trang Tien, Pacific Place, Vincom, Hanoi Towers) and in the suburban areas (Big-C and Parkson). In addition to these new multi-use complexes offering places for international business, **places to host international events**, in the suburbs are emerging as well, they are the fourth category of our research. The My Dinh National Stadium, which was built to serve the SEA Games 22 (2003). The National Convention Center (NCC) for the joining of Vietnam to APEC (2006). While the stadium is now closed all year round, and just open for several football matches a year, the NCC is used to host other local and international trade fairs and other international events. The NCC is an alternative for seminars and conferences that were before held at the Cultural Palace in the center of Hanoi, or in the many hotels constructed in Hanoi by FDI in the 1990s. The first places which were hosting international conferences and seminars in Hanoi were the hotels which developed in the 1990s with FDI. These hotels are still largely used for these events.

At the same time, with the emergence of new multi-use complexes for business and services a local trade network with centers in the villages, socialist housing estates, and other places has taken over the streets since the start of the Doi Moi policy. Many local specialized business 'streets' like De La Thang, specialized in carpeting (figure 2.3.7) have emerged in Hanoi even far away from the Thirty Six Street Area<sup>289</sup>. This informal trade network is also creating a new use of public spaces in Hanoi. Many sidewalks, and other open spaces in the city, are used by vendors, selling products and food. Street foods in Hanoi are very popular, by all classes in society.

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<sup>289</sup> For instance, *De La Thanh*, which will be part of the future first ring road, has developed as a dyke road specialized in wood, *Pho Cau Giay* into a radial in the southwest specialized in shoes, and the radial *Pho Son Tay* in the southwest specialized in electronics. In addition, many semi-informal markets and semi-informal distribution places have developed in Hanoi. The most well known informal market that specialized as a distribution center of electronics and smuggles ware from China is the '*Cho Troi*', 'Sky Market' in the socialist housing estate Nguyen Cong Tru. Another example is the second hand cloth market in the socialist housing estate Kim Lien (in the command economy Kim Lien was the informal center for hair dressers). Another type of (informal) specialization is what is called the '*cho coc*' or 'frogmarket' by the Vietnamese, referring to the researcher's term, 'mobile market'. The mobile markets are the bicycles and baskets where people sell from while they move around the city. These mobile markets have distribution centers functioning at night in places where in the day another function will take place.



**Figure 2.3.3.2 Wood business De La Thanh**



Author Nguyen Quang Ninh 18/03/2010

**Figure 2.3.3.3 Street Vendor**



Author Nguyen Quang Ninh 18/03/2010

It is an active policy of the HPC to replace the traditional markets based largely on informal trade with new closed markets. The new markets are similar to shopping malls, and it is unlikely the traditional market will return in these buildings. This transition is part of the emergence of new multi-use complexes, and as such they belong to this third category. The transition from tradition markets to shopping malls facilitated the process of gentrification in the 36-street area and the French quarter. At the same time even with the active policy of the State to reduce the informal sector, it continues to tolerate the informal sector. It is only on certain days and times that the informal market is strictly guarded and removed from the streets. In Hanoi today we can see a kind of hybrid emerging of new closed commercial centers with at the same time an informal trade sector which continues to exist right next to it.

The second articulation of spatial and functional specialization in Hanoi is increased district specialization. Increased district specialization is most clearly visible in the increased separation of housing areas from manufacturing and commercial districts. Regarding housing, policy-reform and innovations were put into practice in accordance with the economic reforms. The goal was to change the nature of housing from public goods to private property, to reduce the financial burden of providing new housing and maintaining existing state-owned stock. As a result, the most significant impact of Doi-Moi on housing is the emergence of a new channel of housing supply by private sector. The boom of private construction activities was facilitated by the recognition of housing as commodity and new legal documents consolidating and facilitating market transactions. Another reason for the increased separation of housing areas from manufacturing and commercial districts has been the process of 'the privatization of the land market' through the provision of long-term leases since the 1993 land-law. It motivated citizens to move out of the dense city and 'multi-family' housing<sup>290</sup> to different locations

<sup>290</sup> Multi-family housing in Hanoi emerged due to the distribution of residential space by the State late 1950s. Many families were removed from large houses and put together in one single house. Since Doi Moi many families try to get their original family houses back. Multi-family housing makes the process of gentrification

inside the city to seek for more space and economic profit. This first private housing sector in Vietnam was the **popular housing**, the fifth category of our research (the semi-informal sector discussed in section 1.1.3.3.).

**Figure 2.3.3.4 Popular housing.**



Author Nguyen Quang Ninh. 18/03/2010

Due to war and the subsequent economic embargo of the US that lasted until 1994, the State was left with no capacity to relocate people in newly built houses. As a solution, the Vietnamese State distributed plots of land to people on which they constructed their own houses (Luan and Schenk 2000; Geertman 2003). This enabled popular housing to develop as formal housing. And since 2000, citizens from dilapidated neighborhoods and people living on sites designated for other kinds of new urban projects are relocated to new urban housing projects mostly in areas extending the city, yet the heritage of division of plots dominates the cityscape and is still a popular practice of local governments. The new popular housing developments have been adopted as formal housing section and is done by large commercial property developers, state-owned enterprises and partly still involving the household sector (Geertman 2007).

The proportion of housing space produced by individual households started to decrease in the early 2000s. By 2008, private households produced just over half of Hanoi's urban housing (HSO 2009: 215). This situation was closely tied to the changing dynamic of Hanoi's housing production during the same period. By the late 1990s, central and municipal authorities developed an urban development model referred to as "new urban areas" (*khu do thi moi*). New urban areas are large-scale integrated developments displaying standardized urban forms and consumer-oriented architecture (Douglass and Huang 2007; Waibel 2006). Examples are My Dinh, with its well known high class housing *The Manor* (Figure 2.3.3.5) and the new area with high rise housing *Trung Hoa Nhan Chinh* (Figure 2.3.3.6). Both also have low-rise housing in their locations. They are characterized by the use of a so called "synchronous planning approach" where the infrastructure system and public facilities are developed concurrently to mixed-use residential constructions.

A large portion of new urban areas are new **commercial housing** projects, which is the sixth category of our further research in Part III. This trend took off more seriously after 2005 when the Hanoi city government established a Housing Development Program, a program from 2005 to 2020 in order to tackle the housing problems, such as housing shortage, disordered housing development. Since there are about 150 commercial housing development projects in Hanoi, scales vary from 5 – 500 ha. They are mostly distributed along the 3<sup>rd</sup> spatial belt of Hanoi. However, In the current housing market, households with enough capital or good connections to the state are seizing opportunities to improve their lives, constructing many buildings themselves and taking advantage of regulatory loopholes in order to speculate in the land market. But others, looking for affordable housing, are finding that the cost of even modest housing has become much steeper. The poor, in particular, encounter great difficulties to access housing (Labbé 2009, page 30).

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different and slower than most other countries, while houses can't easily be sold from multi-families. These multi-family houses create since Doi Moi mixtures of build form while all the different families extend now different parts of one house to create more living space. As such one house is divided into several houses, often still with one main entrance. In a way these are local compounds, they have gates which are locked at night.

**Figure 2.3.3.5 The Manor**



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**Figure 2.3.3.6 Trung Hoa Nhan Chinh**



Author Nguyen Quang Ninh 16/03/2010

In general, the strategy of creating distinct new housing areas differs greatly from the work-housing units in the pre-Doi Moi period that was based on the idea to live and work in one place. Therefore, the development of distinct new housing areas in the new developing parts of Hanoi has directly been accompanied in the creation of new specialized industrial districts and new towns. In the socialist command economy, the industrial location trend was to disperse industry widely throughout the city in order to foster the work-unit ideal by achieving integration of housing and factories and urban and district level self-sufficiency. Since the start of the Doi Moi period, the trend has been to move industry out of the central city and into the outlying areas. This has been accomplished to some extent through the actual relocation and consolidation of existing industries, but primarily through the establishment of new industrial enterprises.

The reorganization of old industrial zones and the construction of new industrial zones is an approach to industrial development in all socialist cities in transition. The approach in Hanoi is very local specific: slow development of the areas due to the Asian financial crisis and due to local politics and complicated land clearance procedures. Territorial development is different due to specific land use: a high dense web of local traditional villages that use the land intensively for agriculture. On top of that, Hanoi differs in knowing two additional local specific industrial developments. In Hanoi, with its traditional trading culture, a local sector of small and medium enterprises developed rapid in the



1990s. The second local specific development are production clusters which have been planned in traditional craft villages. There is no specific data available of these two zones in Hanoi. In contrast to the old and new industrial zones that were initiated through planning, these two local specific industrial developments are intensifications of and or formalizations of spontaneous industrial developments in Hanoi.

The third major articulation of land use specialization in Doi Moi Hanoi is carried out through the development of **new towns**, the *seventh* category of our research in Part III. Key developments are Ciputra North West Hanoi and Anh Khanh South West Hanoi. On 18 August, 2006, Vietnam Construction & Import – Export Corporation (Vinaconex) and Posco Engineering & Construction joined hands to cooperate in investment and construction North An Khanh New City Project. According to the signed contract, Vinaconex and Posco E&C will co-operate in constructing North An Khanh New City project (Ha Tay – Hanoi) located along Lang – Hoa Lac highway, belonging to areas of communes An Khanh, Lai Yen, Song Phuong, Van Canh in Hoai Duc District, Ha Tay (Hanoi). An Khanh New City Development Joint Venture Company Limited was established to manage and execute the project<sup>291</sup>. This project is part of the large new urban area emerging in the South West of Hanoi, about 30km from inner city Hanoi, the area is boosted by new infrastructure, a new highway No.1 connecting Hanoi with HCMC, a new high-tech park part of a new Special Economic Zone, universities are relocated here from the inner-city and new (international) universities are planned to be set up here. This development is part of the policy to develop a multi-polar urban region consisting of autonomous satellite cities dispersed around the existing agglomeration. The idea of multi-polar development was first introduced in the 1998 master plan, and re-introduced by the Japanese in HAIDEP (2007), and by in the current master plan for Hanoi, 'Large Hanoi', prepared by the Korean-USA consortium PPJ.

The new town Splendor in Anh Khanh is a project under construction, a massive 264 hectares urban development on the western side of Hanoi. The US\$2.57 billion zone is invested and built by a joint-venture consisting of the SOE Vinaconex and South Korean POSCO E&C<sup>292</sup>. The first phase of the project, expected to be completed by 2012, will offer 1,000 villas and apartments, office blocks, retail centers and public infrastructures. The project is marketed as an "eco-friendly" and "international environment" with "fresh air, dreaming spaces created by artificial lake, flowers gardens, green areas" where residents will have a "one-stop life" with "high-class international schools, and other functional spaces such as entertainment, culture, office, shopping center" available on site. The project is also strongly oriented towards security and global aspiration: "at Splendor, you can meet the model of New York economic center, fashion and culture center of Paris, tourist and entertainment center as Dubai, Sydney...symbol of global life." The project is expected to be completed in 2020<sup>293</sup>. Splendor is under development. Currently the only new town developed in Hanoi, is Ciputra. They had approval in 1999, and had its first residents in 2004.

**Figure 2.3.3.7 Splendor**



Source: [www.ankhanhjsc.com](http://www.ankhanhjsc.com)

<sup>291</sup> <http://www.ankhanhjsc.com/index.php?menuid=119>, date issued 01/03/2010

<sup>292</sup> They are also one of the three partners of PPJ, in the current master planning project for 'Large Hanoi'.

<sup>293</sup> <http://www.ankhanhjsc.com>, issued on 01/03/2010

**Figure 2.3.3.8 Ciputra**



Source: [www.ciputra.com](http://www.ciputra.com)

The new town Ciputra, marketed as Ciputra International City<sup>294</sup>, covers 301 hectare on former peachtree fields, a 100% FDI project by the Indonesian Ciputra group. The City is further marketed as 'The Main Gate to Ciputra Hanoi International City has been dubbed "The Gate to a New Lifestyle". The elaborate gate highlights the entrance to a new existence, connecting all those who pass under its arches into a new modern living concept. The modifications of this gate, with its intricate detailing, and sixteen statues of horses taking flight, can be seen as a reflection of the community's transition to a modern urban lifestyle<sup>295</sup>. 'Ciputra Hanoi International City is 301 hectares and is a new world-class satellite city in Hanoi, the economic, political, and cultural center of Vietnam. It is located only minutes away from Noi Bai Airport and Hanoi CBD<sup>296</sup>.

The new towns are part of a peri-urban transition affecting many lives of people living in the villages and active in agriculture in these areas.

The fourth articulation in land use specialization are new **leisure places**, our last category for further analysis in part III. Since economic renovation, Vietnamese people have more freedom to decide how to schedule time, in particular related to work. Leisure time has become more important; citizens demand more comfort not only in the material sense but also in experience. In the new consumer economy and with increasing incomes, semi-public commercial leisure spaces have developed in Hanoi. In the command economy, Hanoi citizens had limited leisure time and space, yet accessible spaces were free of charge for everyone. In contrast, since Doi Moi, public spaces have changed to semipublic spaces as a fee is charged to access the spaces. The consequence is that use of these spaces becomes limited to the more affluent citizens. For example, Thong Nhat Park (discussed in 1.2.5) used to have free access in the command economy and now charges (although very low) a fee. Also, the city of Hanoi has developed significant new leisure places, like the Hanoi Waterpark that opened in 2001 on the east side of West Lake and new tennis and Golf Clubs which emerged in and around Hanoi. These are spaces which are not for daily leisure and not always affordable by the common citizen. As a consequence, citizens search for leisure space in streets, sidewalks, shores of the lakes but also on construction sites, cleared sites waiting for construction or formal (political) spaces for leisure (see also Thomas 2002). Every evening between 16-19h, people are jogging and walking in the gardens of Ba Dinh square in front of the Ho Chi Minh Mausoleum, and at the same time the square in front of the Lenin Statue is used by children to play, people play badminton and the space is used for new commercial activities (vendors sell foods and small toy-cars can be hired for children). Thus, the new concept of leisure space is articulated in Hanoi with the development of some highly controlled formal places, yet at the same time, the Vietnamese authorities tolerate informal use of space, even of political spaces. Actually today in Hanoi there is a lot of pressure on open and green spaces, spaces for leisure are becoming scarce, and this is activating an increasing discontent from citizens (as we have seen in the Thong Nhat Park discussion 1.2.4). Aside the lack of private space at home due to living in extended families, this might be a reason that some new service places as hotels, restaurants and bars are very popular and supply citizens with leisure space. Hanging out for

<sup>294</sup> On busses in Hanoi

<sup>295</sup> <http://www.pagekirkland.com/home.asp?pageid=1BD2BEB963118660&projectid=14B436E0FA6E2F40>, issued on 01/03/2010

<sup>296</sup> <http://www.ciputra.com/?url=overseas/index/67>, issued on 01/03/2010

hours alone or with friends at coffee places ordering just a few drinks is very common in Hanoi. Aside this, the hotels have been the first places which offered swimming pools, health-clubs and international foods and drinks. They have been the first places for Vietnamese to experiment these different forms of leisure. Due to a lack of open space and clean, and dense living, or just living in extended families, many Vietnamese find privacy and leisure time bars and restaurants and even hotels.

**Figure 2.3.3.9 Children playground in Thong Nhat Park**



Author Nguyen Quang Ninh. 18/03/2010

**Figure 2.3.3.10 Children playing at Lenin Square**



Author Nguyen Quang Ninh. 18/03/2010

*In sum, since economic reforms, Hanoi is experiencing a process of increasing spatial and functional specialization. This is articulated in three interconnected ways<sup>297</sup>: reorganization of the city around multiple business nodes and service centers, increased district specialization, the establishment of large-scale development zones and new urban areas, and the development of new leisure areas. In the development of these three processes eight categories of new urban places and buildings are emerging: First, buildings with local commercial services, they are centralized in the pre-Doi Moi city, the 36 street quarter, the French quarter and the socialist housing estates. The second category is heritage protection, the city's architectural and urban heritage which combines exceptional monuments and compounds such as pagodas, temples, the citadel, and government buildings scattered through the urban fabric. Third category is are multi-use complexes, new specialized international and local business centers the French quarter (Trang Tien, Pacific Place, Vincom, Hanoi Towers) and in the suburban areas (Big-C and Parkson). Fourth category are the places to host international events, in the suburbs (Stadion, NCC); the fifth category is popular housing, the first housing sector in Vietnam, a semi-informal housing sector by households. Sixth category are the new commercial housing projects, developing since the start of the millennium, and scattering all around*

<sup>297</sup> Published in Geertman 2007, page 197.

the city; seventh category are the development of new towns; concentrated in the Southwest (Ciputra) and Northwest (Anh Khanh) of the City; the eight, and last category are new leisure places including new semi-public spaces as green parks, golf clubs, the water park, new use of open spaces, like vendors on sidewalks, and the newly opened hotels, restaurants and bars.

### 2.3.4 Selection of new urban places and objects

The three transition processes (transition in circulation, new skyline, and spatial specialization) are integrated processes and are all influencing new urban places and objects. As addressed the processes have produced several new types of urban places in the capital. For our purpose we summarized here the eight categories identified of objects and places in the above analysis. Table 2.3.4 sums up the categories and introduces the cases which will be detailed in Part III of this report.

**Table 2.3.4.1 Selection of Objects**

	Category	Case chosen in Hanoi (Part III)
1.	New Urban Areas	1. Ciputra
2.	Popular Housing	2. Selfbuild Housing
3.	Commercial Housing	3. Trung Hoa Nhan Chinh 4. Pacific Place
4.	Multi-Use Complexes	5. Big-C 6. Trang Tien 7. VinCom 8. Hang Da Market <i>Pacific Place</i>
5.	Local Commerce & Service	9. Geo-Spa 10. Tan My
6.	Hotels, restaurants & bars.	11. Hilton Hotel 12. ChicoMambo 13. Highland Coffee
7.	Places for International Events	14. National Convention Center
8.	Heritage Protection	15. Ma May 16. Opera 17. Goethe Institute

## 2.4 SYNTHESIS – CHANGING FLOWS & TRANSITIONS IN NEW URBAN

### 2.4.1 Flows generating new urban forms

Before Doi Moi capital flows were solely activities of the central state, and foreign trade only limited to countries of the former socialist countries. Since Doi Moi, this flows has diversified with several new key actors, and new key flows: Export, Import FDI, remittances and ODA are the main capital flows in and out of Vietnam. For Hanoi the spatial consequences are several. New flows of export/import create new industrial zones, and new products are available for the construction industry. New FDI has boosted urbanization in the inner city of Hanoi, new hotels, offices. High-rise structures with foreign capital were primarily erected on land previously occupied by factories, public buildings, or open space, to avoid resettlement costs. Since the start of new urban areas, FDI is also concentrating in the suburbs and new towns, although still in a limited extend, SOEs have the leading roles in these newly developing urban area. The high-rise buildings have construction permits, but their locations have not been coordinated between the agencies that are in charge of city planning and development control. Remittances have greatly contributed to the development of selfbuild housing. Especially in the first Doi Moi period when FDI was still low, and in the late 1990s, after the Asian crisis, when FDI withdraw from Vietnam and did not come back till after the bilateral trade agreement with the USA in 2001. While many construction sites have been put on hold, the self build sector constructed the largest part of the city Hanoi in the 1990s. ODA has been important in urban development with JICA as biggest donor, JICA, World Bank and ADB are responsible for the new road infrastructure, including new bridges, flyovers and new tunnels in Vietnam and Hanoi.

Before Doi Moi, people flows were highly restricted, and Hanoi population exists only of people with a resident permit for urban areas (urban citizens) and informal residents. Hanoi's population today exists largely of people who came from the country-side or temporary migrants from rural areas, and, in a smaller proportion, migrants from other urban areas, and international permanent and temporary migration. The farmers have been unbound from their land, and migrant workers are attracted to areas of foreign investment which resulted in industrial hubs, third the development of transport systems, telecommunications, and mass media across regions has facilitated spatial mobility and enhanced social contacts between rural and urban areas. People flows from outside Vietnam who came are the overseas Vietnamese. They come largely from the USA, Canada and France, the places where the majority of refugees went after the war with the USA. Policies from the government have been issued to draw *Viet Kieu* coming home. International labour migration has increased significantly since the late 1990s and now shifted to countries in Southeast Asia and some Middle East countries being the major destinations of Vietnamese workers. Third flow are the students who study go abroad. Were before Doi Moi students went to soviet countries and learned, Russian, German or Spanish (Cuba) today english-speaking countries such as Australia, America or European countries are the most attractive destinations. In addition, a number of foreign students from developed countries (France, UK, Japan, Australia or the US) arrive to Vietnam for bachelor or master's degree. Fourth flow is tourism, foreign arrivals to Vietnam has increased greatly, and Vietnamese who could not travel before Doi Moi started to visit other countries, China, Singapore, Thailand and Malaysia, dominate.

These new people flows greatly influence the lifestyles in the city which becomes a mixture of rural and urban, traditional and international. This new lifestyle is also greatly influenced through the new communication technologies and media.

Before Doi Moi the main sources of information was books. Cultural exchanges with people outside the country, or even outside the city of Hanoi, were very rare. Since Doi Moi new foreign books from the USA, Europe and the Southeast Asian region have come to Vietnam. And the flows of new international people brought with them new ideas and cultures. In addition many new means of media and communication brought new cultures and ideas to Vietnam. The change from 2 channels to 73 TV channels, of which 28 foreign channels gave great influence of RoK and Chinese TV serials, Hollywood films and cultural, artistic and sports exchange activities has much affected the lifestyle, fashion and consumer habits, etc. of the Hanoi youth. In addition land lines and the mobile phone network has developed and Vietnam is the second fastest growing mobile market in the region, after China (Ken Zita, 2006 page 12). The same rapid increase we could see for the Internet, which started in 1997 counted today a number of Internet users which is 17<sup>th</sup> highest in the world. However, with



strict content regulation by the Vietnamese government, the latter has great impact on accessibility of information and communication within and outside Vietnam.

For the cultural sector, new cinema dominates in Vietnam. Since the new Cinema Law took effect in 2006, international standard cinema's opened in Hanoi and HCMC, a new cinema culture developed. Most new cinema's can be found in HCMC, Hanoi is the second city counting new international standard cinemas. Films come from the Asian Region, Japan, Hong Kong, China, the USA and Europe. It increases social contacts between young people. The art market is developing since the entrance of foreign diplomats and tourists to Vietnam. And it remains dominated by the international market. Investment in art is a concept in the making and currently introduced to the well-off in Vietnam. International restaurants are dominated by new fast-food chains, in Hanoi KFC (USA) and Lotteria (Japan). However, they developed much later in Hanoi than HCMC, and count less branches in Hanoi than HCMC. In addition new knowledge and ideas come to Hanoi through new foreign international universities which started to open branches in Vietnam (from Australia, Germany, UK and the USA). These international universities also attract international students, coming from the USA, Europe and the South East Asian region. Vietnamese students from parents who can afford these studies have great influences from the cultures of the origin countries of foreign students, from the international professors, and from the different approach of learning. Aside the booming of new international education in Vietnam, many students study in foreign countries, and the destinations to study abroad changed since Doi Moi, were as destination before were a few communist countries, including Russia, Cuba, Poland, and East German, today students mostly go to English speaking countries, such as United States, Australia, France, the United Kingdom and Singapore<sup>298</sup>, and China.

These new international flows are interrelated with the new urban forms emerging in Hanoi. Some of the flows are directly boosting new urban development. ODA from Japan has built Hanoi's new road network, enabling space for the new means of transport, the private car, and for the millions of motorbikes. FDI has boosted new industrial areas and new urban areas to emerge in suburban Hanoi, and some in the inner city of Hanoi. Remittances were largely used for the popular sector, and overseas Vietnamese have made new investments in properties. The new domestic people flows are of course first boosting urban growth and greatly pressure the cities available space, and pressuring the city to extend in its suburbs. The new international exchange asked for new international office space, and international people bring with them new ideas and knowledge, which changes the cities culture. New ideas from the southeast Asian region, the USA and Europe, means people choose housing aesthetics that are similar to the choices available in these countries. In addition, new ideas change people's perceptions of work style, choice of clothing and how they relate to each other, from a socialist equal lifestyle toward a lifestyle with individual characteristics. The new flows at the same time are also facilitated by new urban forms. These urban typologies were generated due to three new processes of change in the city: change in circulation, change to high rise living, and increasing spatial and functional specialization.

#### **2.4.2 Urban form generating new international flows**

Since Doi Moi, the liberalization of movements and functional specialization because of the introduction of the market economy has greatly increased motorized transport in Hanoi. Car ownership started to rise in recent years, due to rising incomes. However, motorbike transport continues to dominate the city. The government and international agents (France Japan, World Bank) put public transport high on the agenda, but the modal share of private transport remains the highest in of Southeast Asian cities. Due to new motorized transport, housing and working areas can be more separated, which enables spatial specialization.

Due to downward flows of FDI and the difficult bureaucratic environment, the largest part of the built environment developing during the 1990s was low rise self-building. Today the city is a hybrid mixture of a large sea of popular housing and a new emerging skyline of international style high-rise towers, which slowly are extending the city into the vertical dimension. The 70-stories Keangnam Landmark Towers, in the South West of Hanoi, is an example of this trend. However, in number and scale this is still far behind elsewhere in the Pacific Asian region.

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<sup>298</sup> www.thanhniennews.com, issued on 23/09/2008

Since economic reforms, Hanoi is experiencing a process of increasing spatial and functional specialization. This is articulated in three interconnected ways<sup>299</sup>: reorganization of the city around multiple business nodes and service centers, increased district specialization, the establishment of large-scale development zones and new urban areas, and the development of new leisure areas. In the development of these three processes eight categories of new urban places and buildings are emerging: First, buildings with local commercial services, they are centralized in the pre-Doi Moi city, the 36 street quarter, the French quarter and the socialist housing estates. The second category is heritage protection, the city's architectural and urban heritage which combines exceptional monuments and compounds such as pagodas, temples, the citadel, and government buildings scattered through the urban fabric. Third category is are multi-use complexes, new specialized international and local business centers the French quarter (Trang Tien, Pacific Place, Vincom, Hanoi Towers) and in the suburban areas (Big-C and Parkson). Fourth category are the places to host international events, in the suburbs (Stadion, NCC); the fifth category is popular housing, the first housing sector in Vietnam, a semi-informal housing sector by households. Sixth category are the new commercial housing projects, developing since the start of the millennium, and scattering all around the city; seventh category are the development of new towns; concentrated in the Southwest (Ciputra) and Northwest (Anh Khanh) of the City; the eight, and last category are new leisure places including new semi-public spaces as green parks, golf clubs, the water park, new use of open spaces, like vendors on sidewalks, and the newly opened hotels, restaurants and bars.

Thus, the new international flows generate new urban typologies, and at the same time the new urban typologies generate new urban forms. Altogether they generate new cosmopolitan urban citizen. The following part, will analyze these new cosmopolitan cultures in more detail in specific chosen case studies.

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<sup>299</sup> Published in Geertman 2007, page 197.

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# CHAPTER 3. SYNTHESIS OF CHAPTER 1 AND 2

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This section discusses to what extent we have replied to the first two research questions and to what extent we verified the initial hypotheses. This section is structured into two part: (3.1) Question 1: What are the specific forms of local governance related to the globalisation of culture? or how did local governance become more cosmopolitan? Hypothesis 1: the globalisation of culture manifests itself in local governance through the rise of cosmopolitan urban regimes. And (3.2); Question 2: How is the new built form in Hanoi related to these forms of governance? Hypothesis 2: These regimes are at the origin of cosmopolitan built form, or, in other words, forms shaped by the intensification of the mobility of people, capital and ideas.

## 3.1 QUESTION & HYPOTHESIS 1:

*Question 1: What are the specific forms of local governance related to the globalisation of culture? or how did local governance become more cosmopolitan?* Hypothesis 1: the globalisation of culture manifests itself in local governance through the rise of cosmopolitan urban regimes. To answer the question and verify the hypothesis in this subsection we summarized the main findings of part 1, Regime Change (3.1.1 -3.1.3 ), followed by a synthesis (3.1.4) of the answer to Question 1 and to discuss whether or not it verifies Hypothesis 1.

### 3.1.1 Towards a more cosmopolitan regime change in Vietnam

In Part one of this report we have identified three key components of Doi Moi: privatization, decentralization and 'democratization of socio life'. Due to the process of privatization, a property and land market emerged, decentralization has given new powers to local governments and democratization of socio-life has increased power for local citizens. It has meant a big change from the State as one actor, to a plural system, based on multiple actors:

(1) Government or Quasi-Governmental actors: all external forces working with the government including regional, national and sub-regional impulses, international forces including multilateral agents such as UNDP, ADB and World Bank, and other bilateral agents such as JICA and the joining of WTO and ASIAN.

(2) Entrepreneurial Impulses: first are the bureaucratic entrepreneurial impulses, MoC as at the local level the HPC (and other PC of cities in Vietnam). Central and local governments now have the responsibility for both entrepreneurial activities and city development. SOEs have a central role in this development. Second are private entrepreneurial impulses, which are diverse groups including the directors and managers of large enterprises, in joint partnership with foreign companies, real estate developers and large scale retailing, industrial and information enterprises. Finally, there is a small group of very large private entrepreneurs that have developed Internet business and retailing franchises etc.

(3) Popular Sector Entrepreneurship: these are the activities of households that use their household resources to create employment through self-directed construction and living environments. The process whereby individual households developed (semi-informal) housing in the urban areas began in the 1980, with the development of the 'un-official land-market' particularly by improving existing housing (Phe 1997; Loan 2002; Geertman 2007).

(4). Civil Society Organization (CSO), the popular sector and other civil society organizations as Mass-Organizations, Associations, NGOs and INGOs and CBOs. They group together and give opposition to urban development. At the same time they are able to organize neighborhoods and are able to be actively involved in urban development on a community scale. INGO's significantly influence local civil society organizations and they are especially active in capacity building (training, workshops).

Parallel with these three processes the country opened its doors for foreign exchanges. The State has established new international relations not only relations by the central state, but with other socialist states as in the pre-Doi Moi period. Since Doi Moi both local governments and the central government establish relationships with governments from other countries and cities in the world. The new market economy has also given local government new entrepreneurial activities. As such, the governmental system has greatly diversified and has become much more dynamic than before. In addition, governance is also influenced by CSOs and international actors. The three key components of Doi Moi, privatization, decentralization and 'democratization of socio life', have developed with varying degrees of success. The Vietnamese regime is ruled by one Party and the central government does not ground its strategies on the voices of citizens. The central government still has a strong influence on what local governments do. At the same time the governmental system is not transparent and relationships are dominated by kinship and friendship. This condition enables corruption, which has become a matter of national concern (anti-corruption law, 2006). This context creates a governmental system that is weak in managing and implementing strategies set for the country. For international partners it creates an environment difficult to operate in.

### 3.1.2 Towards a more cosmopolitan urban governance in Hanoi

The difficulty for foreign agents to operate with the local government in Hanoi is due to its complicated environment. As class 1 / special city, the governance of the city Hanoi is both the responsibility of local and central government. As such, many power struggles occur between local and central government. For foreign agents this means that they have to deal with a large bureaucratic apparatus, which is not transparent and suffers from corruption. Aside from this specific character as a class 1 / special city, the city is governed under the special 'Law for the capital' by which new (international) urban development orientations have to be in line with this law. This makes the city less open for new foreign ideas on urban development. Although the HPC is influenced by training by foreign agents, travels to foreign countries and working with foreign advisors, not many foreign concepts are applied. This is due to its complex environment based on restriction by special laws for the capital and since the merge with Ha Tay province, the human capacity at the HPC at present. The failing of World Banks CDS in Hanoi is one example of a foreign concept which could not be applied due to the complex environment. In addition the HPC is suffering from the recent merge with Ha Tay province (2008), which lowers the capacity to build international relations (language problem, and people from Ha Tay are not experienced in international relations).

More direct international influence, participation, and involvement have been established with the private sectors and communities in a number of urban constructions, planning and management projects. The first influence has been the popular sector. Since 2000, this sector emerged from residents that semi-informal constructed their own houses and neighborhoods, altogether producing 70% of the housing stock in the 1990s (Geertman 2007). This sector was influenced by new media, and new ideas from Vietnamese visiting other countries, and new international people entering Vietnam. Direct influences of international development approaches can be seen as well, as the World Banks public participation, like the neighborhoods Thang Xuan and Trieu Khuc. It shows a new emerging civil society, although restricted in Vietnam, is demonstrating more freedom of the Vietnamese citizens to participate. Recently, more initiatives are occurring as a result of civil society organizations. For example, the Canadian NGO HealthBridge has successfully involved different kinds of groups in society, including professional organizations, local NGO's, and international NGO's, that all collaborated on a common goal: preventing the central park of Hanoi, Thong Nhat Park to be destroyed in 2007.

Internationally, the city Hanoi has been promoted, to a limited extent:

- through visits of officials of the HPC who go for training abroad in funded capacity building programs (SIDA, World Bank, UNDP);
- through participation to international professionals networks (VAA member of UIA and ARCASIA), HAU member of APSA;
- through hosting international events as the Seagames (2003) and Asian Indoor Games (2009), and finally;
- through the submission of an application to the UNESCO for the classification of the Thang Long Imperial Citadel complex as a World Heritage site.

### 3.1.3 Towards a more cosmopolitan urban planning process

The urban development process in Vietnam is a continuation of the Pre-Doi Moi practice and is based on three key- plans: Socio-Economic Development Plans (SEDPs); construction plans (regional level, city level and detail level); and, land-use plans. Both the urban construction plan and the land-use plan are prepared within the context of the Hanoi SEDP. The SEDP and Construction Plan have received limited reforms, making their procedures bureaucratically complicated and difficult for international actors. Land-use plans have received the most reforms, and as a result land-use in Hanoi has become very diversified. However, the state still monopolizes land. In addition the three plans are prepared by different agents with different responsibilities, which makes the process to get approval for projects very time consuming and full of bureaucratic complications. Although the new investment law in 2006 allowed foreigners to invest 100% by themselves, most international agents choose to work under a joint-venture with a local partner to overcome all the complexity of the bureaucratic and time-consuming procedures.

The urban planning tool that received by far the most influence from foreign agents, is the master planning process for Hanoi. At the same time the master planning process gives us four characteristics of how local governance adopts foreign influences in building the city Hanoi. First, HPC works with foreign actors but is mostly passive in initiating projects with them. The Vietnamese government has only been pro-active in initiating the first (1992) and the last (2009) master plan for Hanoi. The 1998 HNTP and HAIDEP were both initiated by advisors from other countries, HNTP by the Daewoo corporation from Korea and HAIDEP by the bilateral agents JICA from Japan.

Second, the master planning process shows how difficult it is for foreign ideas to be adopted by the Vietnamese government. The ideas are usually used as references. The Vietnamese government does not implement the complete designs by foreign consultants, and when all the master plans up to 2008 are examined, not one resulted in actual urban developments based on the ideas of foreign advisors. Third, the master planning process since Doi Moi shows that a lot of effort has gone into creating a vision for the future of the city of Hanoi. However, most of the vision remains theory. It does not match with the actual development (HAIDEP did but was not approved), and is more based on grand ideas and idealism by the government. Fourth, the master planning process shows that the process of internationalization, through the interaction with foreign consultants and agents, is by itself, influencing the ideas of urban planning in the city. This is due to international fieldtrips made by Vietnamese urban professionals and the knowledge exchange from working with international consultants.

### 3.1.4 Synthesis answer Question 1 & verification Hypothesis 1

*Question 1: What are the specific forms of local governance related to the globalisation of culture? or how did local governance become more cosmopolitan? And verification of Hypothesis 1: the globalisation of culture manifests itself in local governance through the rise of cosmopolitan urban regimes*

In general, the Vietnamese regime since Doi Moi has become more cosmopolitan. Since the opening of the country and the development of the other key components of Doi Moi, privatization, decentralization, 'democratization of socio life', has directly resulted in a change from the State as the only powerful actor, to a plural system including international actors. We can identify four key groups of actors which influence current changes in urban form in Vietnam: (1) new external forces working with the government, the government or quasi-Governmental actors (bilateral, multilateral, international trade organizations etc); (2) Entrepreneurial Impulses, bureaucratic entrepreneurial impulses and city development (MoC as at the HPC level) SOEs have a central role in this development, and the other private entrepreneurial impulses; (3) popular sector entrepreneurship, households that create self-directed construction and living environment; and, (4) the new emerging CSOs, comprised of the popular sector and other civil society organizations such as Mass-Organizations, Associations, NGOs and INGOs and CBOs. All four groups of actors are collaborating with international agents, which creates a diversified governmental system and each group of new actors that has emerged is by itself influenced by new international ideas. At the same time, however, internationalization is restrained. The governmental system in general is bureaucratically complex, not transparent and weak in managing and implementing strategies set for the country. For international partners it creates an environment difficult to operate in.

The local governance in Hanoi has been given new powers since Doi Moi, and became more dynamic than in the pre-Doi Moi period. However, the local government is still largely directed by the central government. And although, the HPC is influenced by training by foreign agents, travels to foreign countries and working with foreign advisors, not many foreign concepts are applied due to Hanoi's complex environment based on restriction by special laws for the capital. In addition since the merge with Ha Tay province (2008) half of the officials at HPC come from province Ha Tay, don't speak English and are not able to build international relations. Others are too busy with daily bureaucratic work, and outside the job consultancy which is needed due to low salaries. The city Hanoi is promoted internationally, due to exchanges and the UNESCO application. However, it is not promoted widely by the HPC. More direct international exchange and influence is thought the involvement and new establishments with the private sectors and communities in a number of urban constructions, planning

and management projects. Although restricted in Vietnam, there is more freedom of the Vietnamese citizens to participate, and this has resulted in newly emerging CSOs who are influential in building the city Hanoi.

The urban planning process in Hanoi is still based on system of three key- plans Socio-Economic Development Plans (SEDPs); Construction plans (regional level, city level and detail level); and, Land-use plans. The land-use sector has received great reform, leading to a vibrant land market. It diversified land-use in Vietnam greatly. However, the state still monopolizes land. And in addition the three plans are prepared by different agents with different responsibilities, which make the process to get approval for projects very time consuming and full of bureaucratic complications. It restrains international cooperation in urban development. And although the new investment law in 2006, allowing foreigners to invest 100% by themselves, most international agents choose to work under a joint-venture with a local partner to overcome all the complexity of the bureaucratic and time-consuming procedures.

The urban planning tool has received by far the most influences of foreign agents is the master planning process for Hanoi. Both central and local governments are participating in this process for the city Hanoi. The master planning process gives us four characteristics of how local governance adopts foreign influences in building the city Hanoi. First, HPC works with foreign actors, but is mostly passive in initiating projects with them. Second, the master planning process shows how difficult it is for foreign ideas to be adopted by the Vietnamese government, as all off the ideas remain 'references'. Third, the master planning process since Doi Moi shows that a lot of production has been done for the vision of the future of the city Hanoi. However, most remains theory and it does not match with the actual development. Fourth, the master planning process shows that the process of internationalization, through the interaction with foreign consultants and agents, is, by itself, influencing the ideas of urban planning in the city.

In developing the current city, the State at present replaces the opinion of Vietnamese urban professionals for the opinion of foreign ones. However, the Vietnamese urban professionals have expertise to create a vision for the city. They do not believe that Hanoi should be built without respecting its traditional culture and diversity (as before Doi Moi). Today they would like to keep a green city with waterways, which is less crowded and keeps it traditional cultures. They also would like an international city, and they search for a combination. At the same time however, most feel frustration while their voices are not taken into enough consideration in official planning. It seems like Vietnamese urban professionals have replaced the idea of homogeneous urban form and equality for a diverse urban form that is a mixture of traditional culture, the context of the cities landscape and new international influences. At the same time however, politicians continue to master plan the city with help of foreign consultants very much in a pre-Doi Moi fashion (one image for the city Hanoi), which can't be realized in the new dynamic socio-economic condition.

## 3.2 QUESTIONS & HYPOTHESIS 2:

*Question 2: How is new built form in Hanoi related to these forms of governance? and does this verify Hypothesis 2: These regimes are at the origin of cosmopolitan built form, or, in other words, forms shaped by the intensification of the mobility of people, capital and ideas.* To answer the question and verify hypothesis 2 in this subsection we summarized the main findings of part 2; (3.2.1) Flows generating New urban forms; (3.2.2) Urban Forms generating new international flows, followed by; a synthesis (3.1.3) of answer to Question 2 and into what extent it verifies Hypothesis 2.

### 3.2.1 International flows generating new urban forms

Before Doi Moi international capital flows were very limited and strictly limited to activities of the central state, foreign trade took only place with countries of the former socialist block. Since Doi Moi, this flow has diversified with several new key actors, and new key flows: Export, Import FDI, remittances and ODA are the main capital flows in and out of Vietnam since Doi Moi. For Hanoi the spatial consequences are several. New flows of export/import create new industrial zones, and new products are available for the construction industry. New FDI has boosted urbanization in the inner city of Hanoi, new hotels, and offices. High-rise structures with foreign capital were primarily erected on land previously occupied by factories, public buildings, or open space, to avoid resettlement costs. Since the start of new urban areas, FDI is also concentrating in the suburbs and new towns. The high-rise buildings have construction permits, but their locations have not been coordinated between the agencies that are in charge of city planning and development control. Remittances have greatly contributed to the development of self-build housing. This was especially the case in the first Doi Moi period when FDI was still low, and in the late 1990s, after the Asian crisis, when FDI withdraw from Vietnam and did not come back till after the bilateral trade agreement with the USA in 2001. While many construction sites have been put on hold, the self build sector constructed the largest part of the city Hanoi in the 1990s. ODA has been important in urban development with JICA as biggest donor, JICA, World Bank and ADB are responsible for the new road infrastructure, including new bridges, flyovers and new tunnels in Vietnam and Hanoi.

Before Doi Moi, people flows were highly restricted, and Hanoi's population consisted only of people with a resident permit for urban areas (urban citizens) and informal residents. Hanoi's population today consists largely of people who came from the country side or temporary migrants from rural areas, in a smaller proportion migrants from other urban areas, and international permanent and temporary migration. The farmers have been unbound from their land, and migrant workers are attracted to areas of foreign investment, which resulted in industrial hubs. In addition, the development of transport systems, telecommunications, and mass media across regions has facilitated spatial mobility and enhanced social contacts between rural and urban areas. People flows from outside Vietnam include the overseas Vietnamese who come largely from the USA, Canada and France, the places where the majority of refugees went after the war with the USA. Policies from the government have been issued to draw *Viet Kieu* home. International labour migration has increased significantly since the late 1990s and now countries in Southeast Asia and some Middle East countries are the major destinations of Vietnamese workers. An additional flow includes students who study abroad. Before Doi Moi students went to Soviet countries and learned, Russian, German or Spanish (Cuba), whereas today English-speaking countries such as Australia, America or Britain are the most attractive destinations. In addition, a number of foreign students from developed countries (France, UK, Japan, Australia or the US) arrive in Vietnam to obtain bachelor or master's degree. A final population flow is tourism. Foreign arrivals to Vietnam have increased greatly, and Vietnamese who could not travel before Doi Moi started to visit other countries, such as China, Singapore, Thailand and Malaysia.

These new people flows greatly influence the lifestyles in the city, which becomes a mixture of rural and urban, traditional and international. This new lifestyle is also greatly influenced through the new communication technologies and media.

Before Doi Moi the main sources of information were books, and cultural exchanges with people outside the country, or even outside the city of Hanoi were very few. Since Doi Moi new foreign books from the USA, Europe and the Southeast Asian region came to Vietnam. And the flows of new international people brought new ideas and cultures. In addition many new means of media and



communication brought new cultures and ideas to Vietnam. The change from 2 channels to 73 TV channels, of which 28 foreign channels gave great influence of RoK and Chinese TV serials, Hollywood films and cultural, artistic and sports exchange activities has greatly affected the lifestyle, fashion and consumer habits, etc. of Hanoi youth. In addition land lines and the mobile phone network has developed and Vietnam is the second fastest growing mobile market in the region, after China (Ken Zita, 2006 page 12). The rapid increase of the Internet, which started in 1997, has resulted in 17<sup>th</sup> highest internet usage in the world. However, with strict content regulation by the Vietnamese government, the latter has great impact on accessibility of information and communication within and outside Vietnam.

Where before Doi Moi the cultural sector was dominated by activities of the State, including the State orchestra and State (socialist propaganda) paintings (posters), today the cultural sector has diversified. New cinema dominates in Vietnam. Since the new Cinema Law took effect in 2006, international standard cinema's opened in Hanoi and HCMC, a new cinema culture developed. While most new cinema's can be found in HCMC, Hanoi is the second city counting new international standard cinema's. Films come from the Asian Region, (in particular Japan, Hong Kong, China), the USA and Europe, and bring new lifestyles and cultures from these countries to Vietnam. The new cinema's as 'places', have increased social contacts between young people. The art market is developing since the entrance of foreign diplomats and tourists to Vietnam. Art in Hanoi is now mostly realistic art, with many romantic and impressionist influences. Many artist copy other artists from other countries. The art market remains dominated by the international market. Investment in art is a concept in the making and currently introduced to the well-off in Vietnam. Another global culture entering Hanoi are the international restaurants which is dominated by new fast-food chains, such as KFC (USA) and Lotteria (South Korea). They developed much later in Hanoi than HCMC and therefore, the capital counts less branches than HCMC. In addition new knowledge and ideas come to Hanoi through new foreign international universities, which started to open branches in Vietnam (from Australia, Germany, UK and the USA). These international universities also attract international students, coming from the USA, Europe and the South East Asian region. As such young people experience a new way of learning, which is shifting away from an Asian 'master-culture' to a more free learning style based on innovation and creativity. Some say, this might be the generation pushing big changes in the political and economic system in the near future.

### 3.2.2 Urban forms generating new international flows

Since Doi Moi, the liberalization of movements and functional specialization because of the introduction of the market economy has greatly increased motorized transport in Hanoi. Car ownership started to rise in recent years, due to rising incomes. However, motorbike transport continues to dominate the city. The government and international agents (France Japan, World Bank) put public transport high on the agenda. Despite encouraging public transport, the modal share of private transport remains the highest in of Southeast Asian cities. Due to new motorized transport, housing and working areas can be more separate, which enables spatial specialization.

Due to downward flows of FDI and the difficult bureaucratic environment, the largest part of the built environment developing during the 1990s was low rise self-building . Today the city is a hybrid mixture of a large sea of popular housing and a new emerging skyline of international style high-rise towers, which slowly are extending the city into the vertical dimension. The 70-stories Keangnam Landmark Towers, in the South West of Hanoi, is an example of the trend. However, in number and scale this is still far behind elsewhere in the Pacific Asian region. The new high-rises enable the process of stratification in society, where new middle-class and well-off move to high rise apartments, and work in high rise offices far away from the overcrowded and polluted ground floor. Stratification is further increased by the new process of spatial and functional specialization.

Since economic reforms, Hanoi is experiencing a process of increasing spatial and functional specialization. This is articulated in three interconnected ways<sup>300</sup>: reorganization of the city around multiple business nodes and service centers; increased district specialization, the establishment of large-scale development zones and new urban areas; and, the development of new leisure areas. In

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<sup>300</sup> Published in Geertman 2007, page 197.



the development of these three processes eight categories of new urban places and buildings are emerging:

- Buildings with local commercial services (Geo-Spa, Tan My) - are centralized in the pre-Doi Moi city, the 36 street quarter, the French quarter and the socialist housing estates.
- Heritage protection (Ma May, Opera House, Goethe Institute) - the city's architectural and urban heritage which combines exceptional monuments and compounds such as pagodas, temples, the citadel, and government buildings scattered through the urban fabric.
- Multi-use complexes - new specialized international and local business centers located in the French quarter (Trang Tien, Pacific Place, Vincom, Hanoi Towers) and in the suburban areas (Big-C and Parkson).
- Places to host international events – located in the suburbs (Stadion, NCC);
- Popular housing - the first housing sector in Vietnam, a semi-informal housing sector by households.
- New commercial housing projects - developing since the start of the millennium, and scattered all around the city;
- Development of new towns- concentrated in the Southwest (Ciputra) and Northwest (Anh Khanh) of the City;
- New leisure places - includes new semi-public spaces such as green parks, golf clubs, the water park, new use of open spaces, like vendors on sidewalks, and the newly opened hotels, restaurants and bars (Hilton hotel, ChicoMambo, Highland Coffee).

### 3.2.3 Synthesis answer Question & verification Hypothesis 2

*Question 2: How is new built form in Hanoi related to these forms of governance? Does this verify Hypothesis 2: These regimes are at the origin of cosmopolitan built form, or, in other words, forms shaped by the intensification of the mobility of people, capital and ideas.*

Before Doi Moi international flows were strictly under control by the State. Since Doi Moi to Vietnam, capital, people flows, and flows of ideas & knowledge have been greatly liberalized, which has enabled the emergence of a new cosmopolitan built form.

Before Doi Moi international capital flows were very few and strictly limited to activities of the central state. Foreign trade only took place with countries of the former socialist block. Since Doi Moi, this flow has diversified with several new key actors, and new key flows: Export; Import FDI; remittances; and, ODA are the main capital flows in and out of Vietnam since Doi Moi. It has greatly boosted urban development in the city Hanoi. However, in Hanoi these flows started not immediately in 1986, but in the early 1990s, after the lifting of the American Embargo. In addition due to the Asian crisis in 1997, and a complex bureaucratic environment, these flows did have some downturns. As a result the local popular sector invested in Hanoi's built fabric the most in the 1990s. Since the start of the millennium the situation improved and FDI and ODA increased. Many new urban areas and offices are being built, which is creating a hybrid city of low rise popular housing with incidental high rises, scattered new urban areas in a large seas of popular housing, and peri-urban areas mixed with agricultural land and villages.

Before Doi Moi, people flows in and out of Vietnam and Hanoi were highly restricted. Hanoi's population consisted only of people with a resident permit for urban areas (urban citizens) and informal residents. Hanoi's population today is largely a mix of people who came from the country-side or temporary migrants from rural areas, a small proportion of migrants from other urban areas, and international permanent and temporary foreigners. International people flows have diversified into eight groups: Vietnamese leaving Vietnam for holidays, Vietnamese refugees in other countries,

Labour export, Vietnamese studying in foreign countries (USA, Australia, Germany, Japan, China), overseas Vietnamese re-migrating to Vietnam (from Canada, USA, France, Australia), foreigners entering Vietnam, foreigners emigrating to Vietnam, and migration within Vietnam from rural areas. These flows enabled the emergence of new industrial hubs, and new work and housing locations with international standards. The domestic people flows increased the population of the city, which has resulted in increased pressure and demand for more space. Both international and rural migrants bring new ideas and knowledge, and create a city that is a mixture of rural, traditional, and international lifestyles coming from the Southeast Asian region, the USA, Australia and Europe.

Before Doi Moi, cultural flows were restricted to exchanges of Party members and bright students with countries in the Soviet block. Today the cultural sector has diversified. New cinemas and other new media such as the Internet and cable TV bring new lifestyles to Vietnam. The increase in mobile phones and landlines enable increasing (local and international) communications. The art sector has started to develop, new international foods are available, new international school and universities are developed, and students and professionals study and train abroad in places such as the USA, Canada, Australia and Europe. These cultural flows have changed Hanoi from an city were citizens live egalitarian lifestyles, to a city where people aspire to individuality and lifestyles associated with the USA, Europe, Australia, and the Southeast Asian region (RoK, Hong Kong, Singapore, Japan). An important characteristic of Hanoi's new cosmopolitan lifestyle is, not just the strong influence of the Southeast Asian region, but the regulation of information flows through the Internet, which is regulated by the government. This means that the new freedom of expression, is actually not that free: citizens are not allowed to give any critique on the Vietnamese government.

The new international flows generate new urban typologies and at the same time the new urban typologies generate new urban (cosmopolitan) cultures. The three international flows (capital, people and ideas & knowledge) are directly producing the three transition processes: from walking and bicycles to motorized transport; the change to functional specialization; and, the change from low-rise to high-rise living. This has resulted in a specific urban form. Motobikes are still dominating cars in Hanoi, partly due to the dense road network and partly due to the economic situation. And, the modal share of public transport is the lowest in Asia. The new skyline and functional specialization produces new buildings and places in the city Hanoi but they are all heavily influenced by typologies in other Southeast Asian cities while the popular sector is probably most influenced by the USA, and Europe. There are eight identified categories of new urban places which are examples of a new cosmopolitan built form that will be analyzed in more detail in part III of this report; (1) New urban areas; (2) Popular Housing; Commercial Housing (3); Multit-use complexes (4); Local commerce & service (5); Leisure places (6); Places for international events (7), and; Heritage protection (8).

CHAPTER 4. ANALYSIS OF THE  
BIOGRAPHY OF A SAMPLE OF  
NEW URBAN FORMS

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This fourth part of the report aims to answer the third research question: *Into what extent produce the new urban forms (identified in Part II) new urban cultures?* It will verify or not Hypothesis 3: these newly built forms are expressive resources used by the local population in their identity positioning. To answer this third research question we analyzed a sample of new urban forms in Hanoi. To answer this third research question, several methods were used:

- Investors, designers and clients (Appendix 0) were interviewed to determine the conception and use process
- Existing literature in which the urban forms were promoted was examined
- Users were interviewed to help clarify the use process
- Observations were conducted through mapping each of the cases

The following examination is structured in two parts: (4.1) Selection of the objects, and (4.2) Object biographies, which presents the results of the cases studies. This chapter is supported by the booklet (Appendix IX), which presents all the materials collected for each case.

## 4.1 SELECTION OF OBJECTS

Chapter 2 of this report identified eight categories of different building types that emerged as a result of the new initiatives of the increased cosmopolitan urban regime in Hanoi. The different categories have many overlapping issues and therefore many cases can be placed in more than one category. The cases are organized into categories based on what aspect was focused on in the research<sup>301</sup>. Before going to the analysis of each case, we will first introduce briefly the choice for each case per category. For the location of each map see Location Map Appendix IX.

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<sup>301</sup> For example, Pacific Place is a multi-use complex, but we focused on the commercial housing in this place. Therefore, this case belongs in this research to that specific category. Similar with the shop house Ma May, has mixed functions as well. However, we focused on the heritage aspects and as such it belongs in the heritage category. The same is true for THNC, which is a new urban area. However, we did not focus on the area, but on the apartments, and it is in the category of commercial housing. In contrast for Ciputra we did focus also on the whole area, and it is based on the category new urban areas. The last one to address is Hilton hotel, which is obviously placed in the category 'hotels, restaurants and bars'. However, it is also an important place for international events, but that was not our prime focus.

**Table 4.1 Selection of Objects**

	<b>Category</b>	<b>Selected cases</b>
1.	New Urban Area's	1. Ciputra
2.	Popular Housing	2. Selfbuild House in Dinh Cong
3.	Commercial Housing	3. Trung Hoa Nhan Chinh 4. Pacific Place
4.	Multi-Use Complexes	5. Big-C 6. Trang Tien 7. VinCom 8. Hang Da Market
5.	Local Commerce & Service	9. Geo-Spa 10. Tan My
6.	Hotels, restaurants & bars.	11. Hilton Hotel 12. ChicoMambo 13. Highlands Coffee
7.	Places for International Events	14. National Convention Center
8.	Heritage Protection	15. Shop House Ma May 16. Opera House

Ciputra has been selected because it was the first 100% foreign invested new urban area in Hanoi, and it was the first area of its kind in Hanoi.

In the self-build housing category, we chose the self-build house in Dinh Cong because this house is located in a new urban area. And it is specific for Vietnam, to have selfbuild private houses in new urban areas. In addition, this house is owned and designed by an architect who studied in Japan. This is the type of self-build house with direct influences from another country, and it is these houses that influence others people's choices in the designs for their houses. Finally, we were able to collect the information about this house because the owner and architect is a member of the team conducting this research.

For commercial houses we choose Trung Hoa Nhan Chinh because this was the first high-rise residential tower that had a similar design, in aesthetic and height, compared to other high-rises in the Asian region. Second the architect in charge of this design, just before starting this project, lived in London for 10 years. Third, this housing project is located in the Southwest of Hanoi, which is seeing the fastest growth, at present, in the city. The second case, Pacific Place, was chosen because it replaced inner city industry with what is, at present, the most expensive and luxurious residential tower in inner city Hanoi. The residences are located in a building which has multi-functional use, and has become a new upper-class international business center in the middle of the French quarter, which is right next to the historical and monumental Cultural Palace (a place that once stood for equality).

For multi-use complexes we have four cases. We initially selected only the markets Big-C and Vincom. Big-C was chosen because it is the first out-of-town shopping center for middle class citizens, which is a completely new concept in Hanoi. It is located in the same fast growing Southwest area as THNC, it is built on paddy field. Vincom was chosen because it was the first shopping mall in the center of Hanoi with standards equal to ones in Hong Kong and Singapore. It is also the most popular new shopping center at present. In addition, its history is interesting because it is replacing an old socialist weapon factory. Hang Da market is chosen because it is representative of a trend that is seeing the replacement of all traditional markets in Hanoi. Hang Da was chosen because it is one of the most historical markets in the center of Hanoi, and its new design is done by a French (Vietnamese origin) architect.

Trang Tien Plaza, appeared in the process as an extra case because we were having difficulty interviewing the designers and investors of Big-C. We replaced the Big-C case with Trang Tien Plaza. However, the architect of Trang Tien Plaza was also the architect of Big-C. And during the interviews of Trang Tien Plaza, we also asked questions about Big-C. Through his connections, we managed to interview the architect who both did Big-C and Trang Tien Plaza. However, Trang Tien makes an interesting extra case because it was the first shopping mall in the center of Hanoi and it has a history of a socialist department store. During the research we also found that the process of implementation was very specific for the Vietnamese situation (see case).

For local the commerce and services category we chose Geo-Spa and Tan My for their specific locations. Geo-Spa is a new international place inside an old socialist housing estate. It provides service to its customers with international products in a very local environment. Tan My is a new international place located in the middle of the historic old quarter. In addition Tan My was chosen because it is a traditional Vietnamese family business that has internationalized. They consulted a French (with Vietnamese origins) architect, who used very modern materials in its design. Aside from this Tan My and Geo-Spa are both products of Vietnamese local business culture, and it shows how they are influencing to actively create new international places and are producing new cosmopolitan cultures.

For the hotels, restaurants and bars category, we selected the Hilton Hotel because this was the only hotel from which we could find materials and conduct an interview with an involved person. Most hotels in Hanoi were developed in the 1990s and have international investors and clients, which resulted in documents and people being hard to trace. ChicoMambo was chosen because it is a surprisingly 'cosmopolitan looking new bar', it is part of the Japanese Yamaha Town, and it is very popular. The place is located on the same site as Vincom Tower, the old weapon factory. Highlands Coffee was chosen because it is a very dominant new place in Vietnamese cities, it has a very strategic location, and it is the first place with such a strong brand in Hanoi. In addition, the founder and owner is a Vietnamese who has lived most of his life in the USA. For Highlands Coffee we could not interview anyone involved in the conception process. However, we still included the case because it is a very prominent place in Hanoi and in Vietnam at present and it is a place, we assumed, would have a great impact on the development of new urban cultures.

The National Convention Center was chosen because the building itself is a product of new initiatives in urban form by the regime and it is a building that has become a new symbol for the city. At the same time the building has become a venue for many new cultural events. Finally, the place was chosen because it is located in the rapidly growing Southwest area.

For heritage protection we have chosen the cases with direct influences from other countries. The Opera house has been the first large-scale renovation in Hanoi. Although it was done by the central government, architects from France were consulted in the process. The shop house at Ma May was the first shop house to be renovated in the old quarter with international support that came from the city Toulouse in France. Appendix IX, the booklet with all the materials of the objects, also includes the Goethe Institute. This is a renovation of a villa done by the government of Germany. We can't discuss it in this report, because the materials were provided to use at the last minute. But, it is just additional to the materials for interest.

## 4.2 OBJECT BIOGRAPHIES

This section presents the results of the fieldwork of 16 cases, in object biographies. For each case there is an addition user synthesis (Appendix X), and the addition Booklet with Materials (Appendix IX).

### 4.2.1 Biography Ciputra

#### 4.2.1.1 General description of Ciputra

Ciputra is located in the Northwest of Hanoi, about 7,4 km from the city center and 21,5 km from Noi Bai International Airport. Ciputra is located between Lac Long Quan street and West Lake (East of Ciputra), and the Dyke road Au Co. The area is largely built on former peach tree fields, belonging to the commune Phu Thuong, and other agricultural fields (Location Map Ciputra Appendix IX). As explained in Part II, Ciputra is a new town, which has been marketed as 'Ciputra International City', and, when finished, it will cover 323 hectares of former agricultural fields. The total registered investment of the project is \$2.11 billion USD which was licensed on December 30, 1996<sup>302</sup>. At the time, the construction of these new urban areas was divided into three phases<sup>303</sup>:

- Phase 1: (from 2002 – 2005) with the building area of 1, 6 million square meters
- Phase 2: (from 2006 – 2008) with the building area of 1, 5 million square meters
- Phase 3: (from 2008 – 2010) with the building area of 400 thousand square meters.

Due to many delays, the project is currently in its second phase. Ciputra is the first new urban area constructed by a cooperation of foreign (Indonesian) and Vietnamese investors. The project was invested in by Nam Thang Long Development Co., Ltd – a joint venture between Ciputra Group (Indonesia) and the Investment and Development of Urban infrastructure Corporation (UDIC), operating under the HPC<sup>304</sup>.

#### 4.2.1.2 Analysis Conception Process Ciputra<sup>305</sup>

##### I / Actors

In 1995, the investor Ciputra,<sup>306</sup> from Indonesia, approached the Hanoi People Committee and introduced the idea of developing a new urban area for Hanoi<sup>307</sup>. This was a new concept in Vietnam. The ideas, the design, and the planning came from the Indonesian investor Ciputra<sup>308</sup>. The HPC decided to build Ciputra on the peach tree fields. After investigating the potential of the Indonesian investor by sending officials to Indonesia, the government leased the land in 1995 for a rather cheap price because of financial crisis happening in around that time<sup>309</sup>. "I myself had to go to Indonesia for

<sup>302</sup> <http://www.vafie.org.vn/default.aspx?mod=detailnew&cat=106&nid=70> - issued 29 Dec, 2009. Language: Vietnamese

<sup>303</sup> <http://vietbao.vn/Kinh-te/Quy-hoach-khu-do-thi-Nam-Thang-Long/10785284/175/> - issued 29 Dec, 2009. Language: Vietnamese.

<sup>304</sup> <http://www.austdoorvietnam.com/index.php/d-an-tieu-biu/27-khu-o-th-nam-thng-long-ha-ni-ciputra-hanoi> - issued 29 Dec, 2009. Language: Vietnamese.

<sup>305</sup> Based on Interviews with Mr Nguyen Quy Phong, vice director of Architect Division No.1 of VNCC, on 9 November 2009 and Mr Dao Ngoc Nghiem, Director of Hanoi Authority of Urban Planning and Architecture, on 18 November 2009

<sup>306</sup> <http://www.ciputra.com>

<sup>307</sup> Interview with Mr Nghiem, 18/11/2009

<sup>308</sup> Interview with Mr Phong, 9/11/2009

<sup>309</sup> Interview with Mr Nghiem, 18/11/2009

many times to investigate the potential of Ciputra. It was a hard struggle to keep beautiful plot for us and put Ciputra far away” (Interview with Chief architect at the time Mr. Nghiem).

HPC issued a letter to confirm that Ciputra was given the license to invest in the land, and, as such, they got the LURs<sup>310</sup>. The Indonesian investor was also the developer and Ciputra started a joint venture with UDIC, a SOE working under HPC. The latter owned the land. The Indonesian Ciputra designed the master plan of the area and the architecture. Vietnamese consultants submitted and changed designs to comply with the Vietnam building code and living costs, and to adjust them to local lifestyles. This included the SOEs, UAC<sup>311</sup> for designing working under HPC, and VNCC<sup>312</sup> for construction work<sup>313</sup>, working under MoC. “Firstly, the foreign consultant would make the concept; I mean they did the concept design. After they finished the concept design, they gave it to VNCC and we developed the design. By developing the design, we made more details, and comply with Vietnam standards and Vietnamese living cost” (Mr. Phong, architect at VNCC)

HPC decided the location of Ciputra. The Indonesian Ciputra came by themselves and introduced the idea to HPC. The HPC approved the idea because at that time Ciputra was very a remote and deserted area<sup>314</sup>. At that time, Vietnam didn't have an idea how to develop an urban area. Therefore, the government decided to build Ciputra, and as well Phu My Hung in HCMC, with foreign expertise as examples for Vietnamese companies<sup>315</sup>

## II / Local - Foreign nexus

By working with foreigner partners, and travelling to Indonesia, the Vietnamese learned a different working style, and learned how to develop a concept and implement it. According to Mr Phong, who was involved as a consultant at the time the VNCC<sup>316</sup> was formed, the great difference from Vietnamese colleagues was that foreigners researched the context carefully before designing, and then as he said “create a reasonable and a creative concept... they don't think the same way, the same track as Vietnamese architects do”. Vietnamese architects also broadened their knowledge on how to plan and to design public spaces and the landscape for the new urban area. From the point of view of Mr Phong, foreign architects concentrate much more on the surrounding living environment of residences.

Local elements mostly come from habits in daily life. Mr. Phong gave, as an example, the kitchen. The way Vietnamese cook, he says, is different from the Westerner. “Vietnamese cooking style quite smells, so the design separates the kitchen totally with other rooms in the apartment, a closed kitchen. Moreover, wet areas like the bathroom are directly located to the outside, having more fresh air. Another routine is that when Vietnamese finish washing of clothes, they need to hang them. Therefore, the space for washing areas and clothes-hanging areas is close to each other, but different from the Vietnamese apartments, in the Ciputra apartments they cannot be seen by outsiders<sup>317</sup>.”

The Indonesian designers copied several samples of work they had already done in different countries in Asia, and combined the ones they thought suitable for Hanoi. They changed the planning and landscape to adjust with the Vietnamese situation. Mr Phong said : “They took a sample from here, a sample from there. They did not copy an entire township. They also invited other foreign architects to make designs<sup>318</sup>”. Mr. Phong says he does not have problems with foreign architects designing the apartments (instead of Vietnamese architects). “I think it is reasonable because they wanted to bring a special quality for the apartments to sell for rich people. So maybe they thought that the French architect with many experiences in design the Western building must be better than local architects.... We are behind in our skills. We don't argue on whether they are good ones or bad ones. You should imagine, the foreign architects, they have experiences in designing 10 buildings or 20 buildings like this. And of course they are better choices than a Vietnamese architect who just designs the first or

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<sup>310</sup> Interview with Mr Phong, 9/11/2009

<sup>311</sup> <http://www.uac.com.vn>

<sup>312</sup> <http://www.vncc.vn>

<sup>313</sup> Idem

<sup>314</sup> Interview with Mr Nghiem, 18/11/2009

<sup>315</sup> idem

<sup>316</sup> 9/11/2009

<sup>317</sup> Interview with Mr. Phong, 9/11/2009

<sup>318</sup> idem



the second high rise building in his life. We now have chances to work with foreign consultants and learn from them day by day<sup>319</sup>”.

### III / Users

Ciputra is designed for rich people in Hanoi and foreigners<sup>320</sup>. According to Mr. Nghiem<sup>321</sup>, the target was 60 % foreigners. However, at that time, there were very strict rules for foreigners to buy a house. Nowadays, the policy has been relaxed and it is estimated that nearly 50% people living in Ciputra are foreign. However, the figure given by Mr Phong is 70%<sup>322</sup>. A note to make here: foreigners do not buy as Mr. Nghiem suggests, but rent houses from Vietnamese in Hanoi, including in Ciputra. Other users are the international schools, UNIS, Singapore Kinderworld.

### IV / Future strategy

They planned to build a golf court with nine holes in the center of Ciputra. This has not been built yet, but will be built in the near future. Moreover, investors are planning to bring some new ideas to this area. An example includes creating green areas inside apartments in the North of Ciputra near Red River<sup>323</sup>. In the recent future the US embassy will move from the inner city to Ciputra<sup>324</sup>.

### V/ Promotion

In the first brochure of apartments, Ciputra was promoted with the phrase “Ciputra Hanoi Apartments; *The Key to Change Your Life*” and as “*There are certain moments when we are presented with the opportunity to make changes better our lives*” (from brochure 2004). In the brochure this new lifestyle is communicated with photographs of white people playing tennis and shopping in a grocery-store, Asian people dining, and children at a playground. Every face smiles in the brochure. Ciputra is currently promoted as “*Ciputra International City*” on the Ciputra Hanoi website<sup>325</sup>, and on several real estate websites<sup>326</sup>. The phrase can be read on busses driving in Hanoi, which accompany the drawing of the master plan. Foreigners will find the place through Internet or it will be advised to them before they arrive to Hanoi. For Vietnamese the area has been in the media since it has been under construction.

### VI/ Perception of Hanoi by actors involved

Mr Phong<sup>327</sup> looks at Hanoi as a too crowded city, that is noisy and has many traffic jams. He also points out that Hanoi’s identity is created by the unique old quarter.

He has several cities in mind as example for Hanoi in the future. First he mentions Korean cities as examples because HPC is planning to approve the Red River by Koreans. However, after asking what his personal idea is, he considers Paris as best example for Hanoi: “I think they maybe some cities in Europe, like Paris. We can learn from them because they have the same idea and the same situation with us. They developed the city along the Seine River. And they connect the two sides by bridges. They also have to maintain many old quarters. They have the same situation with Hanoi. We have to find solutions to ensure that the old quarter with ancient buildings won’t be affected when we develop the city”<sup>328</sup>.

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<sup>319</sup> idem

<sup>320</sup> idem

<sup>321</sup> 18/11/2009

<sup>322</sup> Interview with Mr Phong, 09/11/2009

<sup>323</sup> idem

<sup>324</sup> Interview with Mr Nghiem, 18/11/2009

<sup>325</sup> <https://www.ciputrahanoi.com.vn>

<sup>326</sup> <http://www.hanoiproperty.com>; <http://vietlonghousing.com/>; <http://www.hanoihousehunter.com>

<sup>327</sup> idem

<sup>328</sup> idem

#### 4.2.1.3 Analysis Use Process Ciputra<sup>329</sup>

##### I/ Motivation for coming and using Ciputra

Our interviewees<sup>330</sup> at Ciputra all moved to this area between 2004 and 2008, they all live in a villa (180m<sup>2</sup>), except one who lives in an apartment (150m<sup>2</sup>). Most of them had already moved out of pre-Doi Moi housing late 1990s. At that time they moved from tube houses and socialist estates to one of the earlier new housing areas, mostly high-rise buildings with maximum 17-18 floors in the suburbs of Hanoi (Linh Dam, Dinh Cong). Only two of the families which we interviewed came directly from a tube-house in the old quarter, and one came from the rural areas surrounding Hanoi. The other interviewees who already moved to new housing areas in the 1990s only lived there for 2-10 years. People who move to Ciputra move here for several reasons, they escape from the crowded inner city, to the spacious and green space and large houses in Ciputra. Some of the retired people just move because their children moved there (they just moved with them). And they move because of the unique place of the city, the good security. In addition they moved while several international schools are located here.

With one exception, all of the interviewees live in extended families. A young couple without children lives with the parents of the husband. All others have one or two young children, and most of the time a maid/ nanny lives with them as well. In one of the cases two adult married children live with their parents. All of the interviewees use the facilities in Ciputra, the swimming pool, tennis courts, they go jogging. A big change from their previous places were they did not have any open or green spaces for these activities, most of them emphasize Ciputra is very good for their health. Also the retired people are very active using the services as green spaces. Our interviewees use aside the small shopping centers in Ciputra still the traditional markets in the direct surrounding village (*Xuan La*), and some still use some other facilities as well outside the 'International City' as schools and sport facilities, they used these places before moving and do not want to change. Others send their children to 'Singapore Kinderworld' the international school inside Ciputra (for children from 2-18 years). Most mention the place is very good for children, for their health, and safety. Most of the interviewees don't think there are other residential places like this in Hanoi. One interviewee said he heard that Ciputra is similar with new areas as *the Manor* (Southwest Hanoi) and *Lake View* in Hoang Hoa Tam. Another person says Ciputra is similar with the new town *My Hung* in HCMC. They all say they know the place through friends, one said also from the Internet. Some interviewees mentioned the price of their villa's. They purchased the houses for around 400.000 USD in 2006. One says his house is now, 2 million USD (5 times increased in price). Most of the interviewees commute by car, ones says her villa is Jakarta style designed. As such the residents in Ciputra create an upper class new lifestyle in the newly build gated city, separating themselves from other in the city.

Our interviewees think that Ciputra is widely known in Hanoi and Vietnam, but not in the Asian region. Some said people who pay attention to real-estate know Ciputra. Most of the retired interviewees said they don't know about these things because they stay mostly at home.

##### *Like and dislike*

People love the green environment in Ciputra, clean public space, waste collection (by Ciputra International city management) and clean roads, and they love the community organization and the privacy they have here. They also love the security and management in general. They love it that power cuts are announced<sup>331</sup>. At the same time they also complain about the homogenous aesthetics, only palm trees for example (which is uncommon to Hanoi), and only one villa type, people like to have more influence on the organization and aesthetics of their house. But they are happy with the many rooms which fits the Vietnamese extended family. They are also happy with guards, however, they also complain that the traffic guards do not stick to the regulations themselves. Some complain the area is too far from work, and that there are not enough supermarkets in the area. Others

<sup>329</sup> Appendix X Synthesis user interviews includes all quotes and detailed references.

<sup>330</sup> Based on six recorded and three non-recorded interviews, total nine interviews. Six out of the nine interviewees are retired, only three of them at working age (around 35). Ciputra is an expensive place to live, people are very occupied in their jobs, as such it was hard to interview people with working ages, they don't want to spend the little time they have off the job with us, for that reason two third of our interviewees here is retired. However, many retired people could also inform us what their children are doing in Ciputra.

<sup>331</sup> In most part of the city this is unannounced, power can fall out by itself but in here they mean the power cuts for repairs.

complain about the construction quality and they would have liked a larger garden. There is also complain about the electricity system, which is located inside the walls, Vietnamese have difficulties to repair the system when it falls out. Last complain is the traffic, which flows into Ciputra from outside, while the gates are not locked (yet), everyone can get in Ciputra, it is not a completely isolated area (yet). One interviewee says that only foreigners and overseas Vietnamese understand that new urban areas also need green public spaces. In short, it suggest that residents like to have more influence on their immediate environment than now in Ciputra, thus more individual lifestyles, at the same time the suggestion is made that residents associate with foreign lifestyles.

II/ the other residents and relations among residents in Ciputra.

#### *Communication with neighbors*

Most of our interviewees in Ciputra communicate with neighbors due to outdoor activities you can do here, but in the previous areas they had more contact with neighbors. This is especially said by the people coming from the inner-city center. Other interviewees who used to live in other new urban areas, said they do have contact but not so much, which they told us, is an advantage. They said in the inner city there is not enough privacy due to 'too many communications', in the new areas people respect each other privacy more.

#### *Who are the other residents?*

Our interviewees say that the people living in Ciputra respect privacy of others, and take control over their lives, take responsibilities and know about the world, and they have high incomes. In the previous area people were more mixed, with mixed incomes. A retired resident living with his son said that people are very selfish in Ciputra, and look down at other people. It suggests he distinguishes himself from the new lifestyle in Ciputra, and just lives there because his son lives in the place

III / New & local elements Ciputra according to users

Many interviewees said Ciputra has nothing local, however they also mention the community activities are Vietnamese, and the rectangular division of plots in Ciputra is Vietnamese. Others say the houses are influenced by the Vietnamese ways of living (extended family). New is the arrangement with a homogenous housing style, with porches and gardens around the houses. While in other areas in Hanoi people built private houses according to their own individual tastes, this is different in Ciputra. What is also new is the service (guards, waste collection). Most don't know where the new influences come from, a few mention the Indonesian investor. The new homogenous foreign urban form increases the bonding in the area, most have in common that people still live in extended families' however they all aspire a 'foreign' lifestyle.

IV / Re-positioning identity users Ciputra

Most important lifestyle change for people living in Ciputra is that they feel more comfortable, more relaxed, they do not have to take care of thief's, they feel more secure. In addition they feel more healthy in the new green environment. And very important, people experience more privacy than before. In addition some mention that they have to change their daily routines, and they are more responsible and feel more in control over their own lives. It suggest a process of individualization by residents living here.

"I have to improve my awareness myself, take more responsibility and control, and be more active, and also adjust my routine to adapt to life here". (Mr. Bui Chinh Thang, Vietnamese, 57, retired, Ciputra, Hanoi. 03.12.2009).

V / Ciputra & changing identity Hanoi according to users

Interviewees said: 'I do not understand why foreigners are impressed by Hanoi', and another said "Hanoi is something like a small market of China". (Anonymous, unknown, retired, Ciputra, Hanoi. 25.10.2009). That residents are feeling quite detached from the city Hanoi is also suggested by the following quote:

"Hanoi is lacking a vision on development and urban planning. The leadership should have better vision for the development of the city in the future". (Mrs. Nguyen Thi Lien Minh, Vietnamese, 73 years, Ciputra, Hanoi, 25.10.2009).

However, people originating from Hanoi still feel attached to the city:

“Hanoi is my motherland. I love Hanoi, its stands for peace, heritage and Hanoians are sophisticated and intelligent” (Doan Thuc, 70 years, retired, 11 –T6 Ciputra – 06.06.2009, non-recorded interview).

#### *Ciputra & Re-positioning Hanoi*

One third of the interviewees believe that Ciputra can't change Hanoi's identity, they just see it as an addition to the existing city. The person who originates from Hanoi said:

“Foreigners in Ciputra make Hanoi now more rich, more modern good for its identity. The traditional culture of the city is changing” (Doan Thuc, 70 years, retired, 11 –T6 Ciputra – 06.06.2009, non-recorded interview).

It again suggests that residents in Ciputra feel less connected to the traditional culture and search for modernization in associating with foreigners. Another interviewees answer gives similar suggestions:

“If Hanoi has more areas like this, it will become a modern city. However, management mechanism should be improved along with the development of urban areas”. (Mr. Nguyen Duc Huong, Vietnamese, 75 years, retired, Ciputra, Hanoi, 25.10.2009).

#### **4.2.1.4 Observations Ciputra<sup>332</sup>**

##### I/Immediate environment

Ciputra is located on previous peach tree fields, and is surrounded by villages and remaining agricultural land (see immediate environment Ciputra). There is a sharp contrast between the area of Ciputra and its surrounding. Inside Ciputra it is quiet, a few cars drive here and a lost motorbike, and people walk. Directly outside the Ciputra area, motorbikes dominate, and all public space is used for parking or local business activities (Figure Ciputra 2). The whole area is enclosed by walls (Figure Ciputra 1), only in one part of Ciputra this wall is transparent (Figure Ciputra 5). In this part the boundary of Ciputra is very close to an existing community, here the residents of that community can look into the Ciputra area (Figure Ciputra 5). Ciputra is accessed by gates (Figure Ciputra 4).

##### II/ Building Style

The building Style in Ciputra is similar with New Urbanism (Figure Ciputra 4). Here the style is similar with neighborhoods in Indonesia and Malaysia. The building style of the high-rise towers, is similar with the ones in Singapore and Hong Kong (Ciputra 3), however the entrances are over decorated with gold and shiny ornaments, which is more similar with Arabic decoration which can be seen in Indonesia and Malaysia. Most of the area in Ciputra is covered by villa's, in a lesser extended apartments. The villa's and apartments have large bedrooms, suitable for extended families. The organization of the apartments has Vietnamese elements. The living room is one large 'guestroom' which is near the entrance of the house, and all the bedrooms are attached to this living room. Foreigners living in Ciputra complain about the 'strange' lay-out of the apartments<sup>333</sup>. The villa's have some local characteristics, some of them have fences which have Vietnamese traditional symbols in them, some villa's have small tempels on their roofs, and we can see the traditional mirrors hanging on top of doors, to keep evil spirits away from the houses.

##### III/ Use

Half of the residents in Ciputra are foreign. Most Japanese and Koreans live in the high-rise apartments, and Europeans, Americans tend to dominate in the villa's. Vietnamese live in both the apartment and the villa's. In the morning people leave Ciputra by car to go to work. Nannies or parents bring their children to the international schools in the area. Some children go to school by schoolbus. In the daytime the area is very empty, grandparents (living in the extended families), walk through the neighborhood and some sit on benches in the playground. Older people in Ciputra are servants, gardeners, and traffic guards. Or the small trucks of Ciputra International management which water the greenery in the area, and collect waste. Between 15h-17h30 nannies with Vietnamese and foreign

<sup>332</sup> All references to images and figures can be found in Appendix IX: Booklet Materials

<sup>333</sup> From personal talks with relations in Ciputra

children use the playground and other public spaces. Foreign children mix with Vietnamese, teenage children rollerblade or skateboard in the area. After 17h30 some parents also use public space with their children. At this time the central lights in Ciputra light the area, at special days like Christmas or Tet (Vietnamese Newyear), there are special lights (Christmas lights or Lantarns), or decorations (Spring festival etc). Some people from outside Ciputra come with children to use the playgrounds. Between 18h-20h cars enter Ciputra, people come back from work. After 20h the area is quiet again. In the weekends we can see foreign and Vietnamese parents cycling with children, and families visiting the sport fields of UNIS, play tennis and go swimming. When you would not know this is Vietnam, you would think you are in a North American suburb. In the weekend UNIS rents out its large sport fields to sport clubs, mostly foreign ones, however many Vietnamese attends them.

#### IV/Local and new aspects

Inside the houses we can see some local traditions and habits. For example the garden is used, as in the villages, as an extension of the kitchen (Figure Ciputra 6 and 9). And inside the villa's there is always one room on the upper floors of the house (connected with heaven) which is for family ancestor worship (Figure Ciputra 13 & 14), and when the family does business inside the house there is also a traditional worship place for business (Figure Ciputra 14), which is always located on the ground floor (connected with the earth). We also see some houses which still use the villa's as the self build shophouses are used. The use the living room for multi-purposes, and they use it still as a guestroom, located on the street side (Figure Ciputra 8), and they do not use all the different bedrooms for their children, children and parents as in the traditional and culture of dense living, still sleep together in one room, and on hard bamboo beds (Figure Ciputra 17). On one of the houses, we have seen that the full-time maid, was not offered a room in the house, but she had her private space on top of the car in the garage (Figure Ciputra 11 & 19). These last photographs were taken without permission of the family

At the same time with the local aspects, aside the new building style, spacious with garden, we see Vietnamese families starting to apply other new aspects as well. Ad to hang basket ball nets (Figure Ciputra 7). And we can see kitchens which are ordered from Ikea in Sweden (Figure Ciputra 12), and 'French country style' interiors (Figure Ciputra 10 & 11), with fake fireplaces (Figure Ciputra 16).

#### 4.2.1.5 Socio-economic change Ciputra

##### I/Commercialization

Ciputra shows a change from living in equally distributed housing, to a group of people who can afford to live in larger and luxurious housing, and exclude themselves from others. At the same time the price which is now attached to land and housing has changed many families into property brokers. Families have bought villa's and apartments here, and now lease them to foreigners. Villa's are leased for 2.500 USD – 4.500 USD a month<sup>334</sup>, apartments for 800-2.500<sup>335</sup> a month. The area has generated an exceptional source of income for the owners here. Villa's bought in 2004 for 400.000 USD are today worth 2 million USD. The area attracts not only the upper-class Vietnamese, but as such also makes them even wealthier. It shows a sharp polarization process in Vietnamese society.

##### II/Toward new rich communities

Residents in Ciputra, have similar incomes and status, they drive 4-wheel drive cars, use supermarkets instead of open and fresh markets, play tennis at tennis courts, and play golf. Half of the residents in Ciputra are foreigners, Vietnamese in Ciputra feel very much bonded with them, and sometimes even look down at 'uncivilized' Vietnamese living outside Ciputra. The users of Ciputra say that they feel 'more civilized' living in Ciputra, from people elsewhere in the city. Users say: only when more 'Ciputra's' are built this can change Hanoi's identity, however they all not confident this will happen and blame it to Hanoi's management system. Ciputra is also promoting the new lifestyle through is ads as *The Key to Change Your Life* and *"Ciputra International City"*, it communicates new foreign lifestyles as alternative to escape from the existing crowded city.

<sup>334</sup> <http://www.hanoiproperty.com>, issued on 26/03/2010

<sup>335</sup> idem

### III/Individualization

At the same time within this new homogenous community people say they experience more privacy. 'People here know the limit', people connect, but respect each other's private space. This is perceived as something much more 'civilized' than the other parts of the city. The sense of privacy and individuality is also seen in the different styles inside the houses, and residents complain they are not allowed to change much to their houses: they want to differentiate more, and have houses which are more in tune with their own tastes. Most residents in Ciputra at some point lived in a self build house, and they want to differentiate themselves more from others than now is possible in Ciputra.

### IV/ International City, American suburb, or Hanoi?

Ciputra is promoted as an 'International City', however working and living is separated in Ciputra, except the international schools, there are no workplaces for people living in Ciputra. Other work is done by lesser well off citizens, the security guards, and people working in the few small supermarkets, on the tennis court, in the swimming pool. They are the ones who occupy Ciputra in the daytime, together with the retired parents living with their working children. The working age residents commute everyday to new (international) business centers far ways from Ciputra (near the center of Hanoi). For services most people here commute by car to large shopping malls, and other services needed outside the area (Vietnamese schools for example). As such Ciputra 'International City' is not really a 'City' yet, it has much more associations with the American suburb. However, altars inside the houses, and the mirrors hanging on gates, or traditional Vietnamese characters in gates, still communicate you are actually in Hanoi.

### V/From the State as one actor to multiple actors in developing the city

The Indonesian company Ciputra partnered with UDIC working under the HPC. Local consultants were involved of VNCC, under MoC. In this project we witness how the Vietnamese state keeps strong control on development in large projects like this. There is not joint venture with private Vietnamese companies, but with State companies. These now commercialized and have profit units, as such the profit of this project goes to the benefits of the State Companies. A situation typical for the market economy as it is operating in Vietnam. Global interaction, however, is controlled.

### VI/Foreign actors as teacher for local young professionals

The young Vietnamese professionals have learned how to develop an urban area from working with the Indonesian company. At the same time they travelled to Indonesia, where they could witness the in fact new concepts of planning. It influenced them greatly. In the Vietnamese universities, urban planning is in an embryo stage, before Doi Moi, there was not professional in urban development, and at present teaching remains limited to technical zoning plans. Considering socio-economic context is still new, as well as designing public and green spaces for people in urban areas.

### VII/From one concept to multiple ideas for Hanoi

Mr. Phong of VNCC sees Paris as best example for Hanoi, due to the similarity of a river in the city and the historic center. He is concerned with preserving old quarter in Hanoi. The users in Ciputra see the city as one with an inefficient management mechanism, and do not feel much bonding or are proud for the city Hanoi. Only the few persons who originate from Hanoi feel bonded with the city and relate to the city with terms as peace, heritage, sophistication and intelligence.

## 4.2.2 Biography Self build house

### 4.2.2.1 General Description Object

The self build house, of our case study, has been built in Dinh Cong new urban area, one of the new commercial new urban areas. High-rise housing is built here, at the same time, plots of lands are sold (long term lease), and people can built their own row-house or villa's with some restrictions on the heights of the houses.

Dinh Cong new urban area is one project of the series of new urban projects in Hanoi developed in early 2000s (see Part II). Dinh Cong new urban area covers 54 hectares and is located in the south of Hanoi on previous paddy field (Location Map Self build House Appendix IX). It is a typical example of housing types in the new urban area in Hanoi, existing of self build villas, and row houses and multi-story apartment buildings. This self build house is a row house, and like other row houses and villas, the owner purchased the land plot. In this case it was 115 m<sup>2</sup>, and the volume of the house which has been built is 400m<sup>2</sup>. The house is financed on the owners' savings. The designer of the house is the daughter of the owner, Ms. Pham Thuy Loan. She received a master in architecture from the UCE in Hanoi. She designed the house from Japan, during the time she was working on her PhD on urban planning at the university of Tokyo in Japan (1997 – 2002). The design was made in 2001, and the construction was divided into 2 periods. The construction of the main structure and the walls started in 2003 with budget of 250.000.000 VND (around 10.000 USD), the finishing and furniture was completed in 2005, with an additional cost of 750.000.000 VND (around 30.000 USD)

### 4.2.2.2 Analysis of the conception process self build house in Dinh Cong<sup>336</sup>

#### I/ Actors

One family, parents and two daughters own this house. The parents invested money from savings, Ms. Loan and her sister who lives in Russia invested as well. Ms Loan did her PhD dissertation on housing development in Hanoi. She knew about the new urban area and possibility to buy here. She suggested to her parents to buy the land because it was quite cheap and had good infrastructure.

Because both Loan and her sister studied architecture, they designed the house by themselves. However, her sister only contributed in the beginning. Loan had in Japan advice of a fellow student, Mr. Vo Trong Nghia. Mr. Nghia received in 2009 the prestigious International Architecture Award (IAA) at the World Architecture Festival 2009. He has had great influence in the design of this house and is an example of young architects creating a new Vietnamese – Asian modern architecture.

#### II/ Local - Foreign influences

According to Loan, the house is the combination of architectural Japanese spaces, and technology from Vietnam.

Other local elements come from the demands of the parents. In Vietnam, culturally, parents live with their sons. The house owner's parents only have daughter, so they are supposed to live with no one. But still, they wanted a house with spaces for all members. Therefore, the house was designed with a lot of rooms and each room has its own bathroom. Local elements can be seen in Phong Thuy rules applied inside the house, like putting a tree in front of the kitchen, otherwise this space would have direct connection with the front door. The guest room, according to Loan, also embraces Vietnamese culture. Different from Japanese houses were the living room, dining room, and kitchen is on the ground floor, this house has a guest room on the ground floor and dining room and kitchen room on the first floor. Designing guest room right at the entrance of the house, and exposing here valuable attributes to show off with outsider, is according to Loan, a very Vietnamese tradition, a legacy of communal life in which the community, in this case, the family, shows its identity and status.

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<sup>336</sup> Interview with Mrs Pham Thuy Loan, architect & house owner, 19/11/2009

In Japan natural materials are very popular to use in construction, especially wood. Therefore, Ms. Loan applied wood in her house. The idea of a glass roof also comes from Japan. According to Ms. Loan no one in Hanoi designed a glass roof in an individual house at that time. The design of the entrance is strongly influenced by Japanese architecture, not only carefully designed to give a pleasant feeling, but also the functional space where people take their shoes off or put small things like envelopes is well designed. There is a level, one step to create this space and keep the main floor clean. This is different from Vietnamese architecture, in which an entrance is not designed, and there is no functional 'space' as the entrance.

The idea of the interior design also comes from Japan, simplicity and functional. According to Loan, Japanese philosophy is that beauty comes from the convenience and simplicity. So Japanese don't use much colorful lights and colorful things. She tried to apply that ideology in her house, which is quite contrasting with Vietnamese popular culture, dominated with using many colors and mixtures of styles and decorations.

The parents needed to adjust to this house; they are the ones putting the plant in front of the entrance of kitchen to adjust the house to Phong Thuy. In addition they were scared of the open voids in the house, as such Ms. Loan designed a metal structure later to cover them. According to the parents "many people in the street think we are crazy", because this house does not have metal bars in front of the windows, and people can 'look right in the house'. People think the house is not safe.

### III/ Users

The house has been designed for the parents and the two daughters, however, one lives in Russia, and the other married (Ms. Loan) and lives with her husband's parents in a house in the neighbourhood.

### IV/ Future Strategies

Related to the above, Ms. Loan thinks some of the rooms could be rented out to others, all the rooms, have bathrooms. However, if this will happen depend on the parents. For now half of this house is not used.

### V/ Promotion

The house was broadcasted on TV twice, in the program "*Nha Dep*" (Beautiful Houses).

### VI/ Perception Hanoi by actors

Ms. Loan sees Hanoi as a "chaotic and rural city"; she does not have an example for Hanoi in mind.

#### 4.2.2.3 Analysis of the use process self build housing<sup>337</sup>

Because our case only has two inhabitants, we interviewed in addition residents of six other selfhouses at various in Hanoi, to give a better idea of the general uses of these houses in Hanoi.

#### I / Motivation for using self build houses

The interviewees<sup>338</sup> on various locations constructed them between 1999 and 2007. Prices of construction and land vary for different types of floor areas from between 21,000 USD- 35,000 USD. Half are extended families; the other half are married couples with children. All of the interviewees say there are other houses in Hanoi similar to theirs. Some say this is due to height regulations, others say this is due to people imitating each other's housing styles, or 'because the architect also designed other houses', or one says 'just coincidence'.

For our case we know there was an architect involved, for all of our interviewees at various locations they also consulted an architect. And all know the architect through personal ties, 'my friend introduced me to him', he was my classmate', he is my brother', I know him working at the MoC', and:

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<sup>337</sup> Appendix X Synthesis user interviews includes all quotes and detailed references.

<sup>338</sup> Based on six interviewees



"Yes, I know the architect. His father is my husband's colleague. His name is Nguyen Dinh Toan". (Mrs. Nguyen Thi Kim Chi, 65 years, retired, No.A10, Lot.20, Dinh Cong, Hanoi)

Our interviewees all moved for more space, more comfort, more air in the house (more windows). They moved from cramped places in the old quarter or in socialist housing estates to houses that they build and own themselves. Some of them moved into new urban areas in the outskirts, where they have a better environment (more space), and where people are more similar to each other.

"It's a 3 storey-house. I think it's quite convenient for my family. My new house is much more convenient than the old one. The old one is only 16m<sup>2</sup> in comparison with the 90m<sup>2</sup> new house". (Mr. Phan Sy Hieu, middle aged, No.39, Alley 61/17, Phung Chi Kien Street, Cau Giay, Hanoi)

Our two interviewees of our Self build house in Truong Chinh Street in Dinh Cong, used to live nearby. They moved also because of more space and more comfort and privacy. Different is that their daughter studied in Japan and convinced them to pay more for a new type of architecture. And therefore they are sure there are no other houses in Hanoi similar with theirs. It suggests this family distinguishes itself from others through the unique design, in which they are sure no one else will copy it.

"Many people still think that our house is ridiculous because people in the street can see through our house through the glass window. And they think that is not safe". (Mr. Pham Trong Thu, 72 years, retired, C8, Lot 15, Dinh Cong, Hoang Mai, Hanoi).

### *Like and dislike*

All our interviewees at the various locations are happy with their house, only one lady mentions that she eventually would like to move to a larger house. They have different preferences about their houses. Two women mention they love the large and modern equipped kitchen, another woman mentions she loves the large and cool (fresh) living room, another mentions the 'reading room', which is a nice quiet space, another mentions the beautiful bedroom, and the last mentions the nice wooden floors and the large area for living. They all mention the new large spaces they did not have before, and of which they themselves decided the house would have them. It suggests residents of self build houses are proud of their individual houses.

### *Our Self build house in Dinh Cong*

"I like the kitchen most because it's very convenient and suitable for our daily life. I can cook there and also I can play with my grandchildren there. We want to live here long time". (Mrs. Nguyen Thi Thu Dung, 67 years, retired, C8, Lot 15, Dinh Cong, Hoang Mai, Hanoi).

## II/ New & local elements self build housing according to users

All of our interviewees at various locations say their houses are modern in character and have foreign influences. The influences come from France and Europe, some don't know where they come from, others say, we just mix different styles. They asked and the architects designed it for them. Four of the interviewees mention the family altar (in the attic of the houses), and one mentions the banana trees in the yard.

At our Self build house in Dinh Cong it is said the house is completely foreign, however with the use of Vietnamese elements like wood. The new open space gives them sometimes troubles with privacy. They mention Japanese aspects in their house. In addition they speak of specific elements making their house different from others in Hanoi:

"Firstly, we build a house for living, not for doing business like others. Secondly, we build our house friendly with the environment. We have sky wells, and our house has two dimensions near green space. Thirdly, we build our house friendly with people living in it. You can see that we did not build solid walls inside the house to divide rooms. We used wardrobes to divide rooms and to decorate the house. The old house was very narrow and it also did not meet the principles above, so we did not feel comfortable living there. This new house is cool in summer and warm in winter. Due to the air ventilation here, the walls are always clean. The air in my new house is moving air, so we always have fresh air". (Mr. Pham Trong Thu, 72 years, retired, C8, Lot 15, Dinh Cong, Hoang Mai, Hanoi).

## III/ Re-positioning identity users self building housing

All of our interviewees said their self build house makes them feel more comfortable. They moved from cramped often shared housing to a large new house. Five out of six mention this effects their

lifestyle greatly, it is less noisy, people are friendlier in the new area, people have more privacy, everyone has a room, and nothing is shared with others. It suggests they feel now they belong to a community.

At our Self build house in Dinh Cong they also mention the new lifestyle the house gives them, and especially the new responsibility that goes with owning your own house and combining Vietnamese habits with Japanese design, which shows some effort is done to be unique:

“Living here changes our responsibilities with our house; for example, we have 3 kinds of sandals. The 1<sup>st</sup> kind is for walking in the garden. The 2<sup>nd</sup> kind is for walking on the 1<sup>st</sup> floor. And the last kind is for walking on wooden floor. It’s kind of changing our lifestyle positively.” (Mr. Pham Trong Thu, 72 years, retired, C8, Lot 15, Dinh Cong, Hoang Mai, Hanoi).

#### IV/ Self build housing & changing identity Hanoi according to users

All of our interviewees at various locations are critical about Hanoi, and say the city is chaotic, has no architectural style (school), people are not responsible, there is too much traffic and pollution. An older lady thinks about the past and sees Hanoi’s identity in the French villa’s another younger lady says, Hanoi will always be the capital. A lady from Hanoi said:

“I am an original Hanoian, so my view is quite different from people from provinces. I still remember traditional foods of Hanoi that young people now have no idea about them. The architecture of Hanoi in the past only origins from France, but now it is the chaotic combination of too many architecture styles. The old French styles villas, reminds me of old Hanoi”. (Mrs. Nguyen Thi Kim Chi, 65 years, retired, No.A10, Lot.20, Dinh Cong, Hanoi)

At our Self build house in Dinh Cong the opinions are not different:

“Hanoi was too chaotic and it’s still the same now. Hanoi is full of chaotic architecture: high rise houses, low rise houses, blue house, red house, thin house, tube house, etc. These things reflect the ineffectiveness of the management mechanism. The capital of one country should be well planned. But now when you look at Hanoi, you’ll see it like a rural area. People can build everything they want”. (Mr. Pham Trong Thu, 72 years, retired, C8, Lot 15, Dinh Cong, Hoang Mai, Hanoi).

#### Self build houses & re-positioning Hanoi

Four of our interviewees think self build housing is changing Hanoi’s identity, it makes the city more modern and beautiful, one said the architecture of old housing should be maintained as well (retired woman). Two of the interviewees said this housing does not change Hanoi, the city changed due to more and more construction sites, and it will only change Hanoi’s identity when they are well –planned and homogenized.

At our Self build house in Dinh Cong, the residents think their kind of house can’t change the city, the quote suggest due to its small size in a city controlled by many commercial property developments:

“I don’t think so. My house is just like a dust in a desert”. (Mr. Pham Trong Thu, 72 years, retired, C8, Lot 15, Dinh Cong, Hoang Mai, Hanoi).

#### 4.2.2.4 Observations self build house in Dinh Cong<sup>339</sup>

##### I/Immediate environment

This self build house being part of the new urban area Dinh Cong is one of many plots which people bought (long term lease). The area also includes villas and gallery apartments, schools, a market and some playgrounds. The area is built on former paddy fields, and is located far from the inner city center (around 15km). Most people here commute by motorbike, some by car. A middle new urban area.

##### II/ Building Style

All houses have similar plots and heights, (Location Map and Google Earth Photographs), however they are different their appearance, they express the ideals of their owners, as self build houses (Figure Loans House 1,2,3, 10). Our case, is influenced by housing in Japan, and combines the Vietnamese shape, of a long plot and Vietnamese organization of the house with Japanese design. Natural materials are used for is exterior (Japanese influence), however, the many balconies is a very contemporary Vietnamese trend. Further mixtures of Vietnamese and Japanese organization will be discussed in the next two sections.

##### III/ Use

The self build houses are largely used by extended families. And due to the search for privacy most family members spend time in their bedroom, and each bedroom has a TV, phone and a private bathroom, this is similar in our case. However, this family had two daughters. And daughters moved in with the husband's family. The other daughter studies in Russia. As such the grandparent only uses this house. And most of the rooms in this house are empty and now used (Figure Loan's house 1 & 4).

The living room is a new concept in Vietnam. Traditional houses have a 'phong khac', which translates as a 'guestroom', and it is only used for guests. It is in the same space were the shop is or used to be located in the shop house. The more traditional houses, actually do not have a 'living room' that is common in Europe or America. However, the newer self build houses now will have one 'guestroom', and as well a 'living room'. In our case, we see there is a guestroom, and as in traditional housing it is located right at the entrance of the house (Figure: Ground floor). The kitchen, which in Vietnam is the families' private gathering place, is located in the more private area of the house, on the first floor (Figure Ms. Loans house 2, and Figure: Section).

##### IV / Local and new aspects

As said in this house we still see the organization of kitchen as central area, and the guestroom (Vietnamese type of living room) at the entrance as semi-public. And as said the tube shape (Figure: Section and location map) is typical Vietnamese. The light well central in the house (Figures Loans House 3 & 6), and the many windows, which provide natural light, is new here, and comes from Japan. Also the use of horizontal orientations in the windows (Figures Loans House 1,2,3) and the use of square shapes and horizontal orientations in transparent walls come from Japan (Figures Loans House 11 & 12). The use of natural materials (wood in the interior and natural stone in the façade) in combination with steel is Japanese and used in many modern architectures in general. At the top of the house there is a family worship altar as common in all Vietnamese housing. And as the designer told us: in the search for privacy each room has a bathroom, which is not really necessary in this house. However, self build houses like this are perfect to be used as a hotel. Local in the area is the presents of local street vendors (Figure Loans House 5 & 6).

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<sup>339</sup> All references to images and figures can be found in Appendix IX: Booklet Materials

#### 4.2.2.5 Socio-economic change related to the self build house

##### I/Commercialization

Self build housing is commercial in two ways, first it has become a mean for investment (the household owning the house), at the same time the commercial developer of the area is making profits with selling the lands to the households. This is a great change from the pre-Doi Moi area, from housing without economic value to housing as mean for money making. It resulted in the 1990s in great speculations with plots of lands, which has been limited due to regulations early 2000s. However, today still many household who can afford it, own several plots of land, with or without houses, which they keep as a mean to invest. In an environment where the currency is not that stable, people think this is the best way to financially secure their futures (for themselves and or their children).

##### II/New middle class

Self build housing was scattered all over the city; however, since around 2000 they became part of new urban areas. As such we see a change from living in areas where people are mixed in educational levels and incomes levels, and different in places of origin (different regions), to a more homogenous group of people with similar occupations and or incomes. This new middle class uses both motorbikes as cars, local markets as supermarkets and blend tradition as the altar with foreign images. And although they start to shape a middle-class with similar characteristics, it is especially the residents that use their self build houses to differentiate from one another

##### III/Individualization

Self build houses provides families a mean to show 'difference', these houses have been and are largely used to represent the status of a family, and to show the individuality of a family. To differ from each other foreign images are used which people get from connection with other countries (through media, travels). The French colonial villages have always been examples for these houses. At the same time people have been imitating each other, and restricted building heights created similarities in these houses. These houses show the great difference from a society based up equality and modesty towards one based on individuality through materialism. At the same time, there has been an increasing individualization inside these houses. People living in extended families search for private space inside the house, and many self-build houses, for non-Vietnamese, look more like small hotels<sup>340</sup>.

##### IV/ From the State as one actor to multiple actors in developing the city

The self building house is they example of the boom of activities by the population. What started as informal housing is today a formal housing sector. Now individuals lease plots from local wards, or in new urban areas. The actor in our case is the developer who leases the land to the family, and the family who designed and invested in the house.

##### V/Foreign influences for Vietnamese professionals & residents

This house showed how young architects now are influenced from studying in Japan; however, they also go the France, the UK, the USA, Australia and other countries. In architecture Japan in popular in Vietnam. It directly influenced this houses design. Other self build houses now are influenced by images seen on media, or brought to them through tourist, or visiting other countries. The Vietnamese profession is greatly influenced by all these new exchanges.

##### VI/From one concept to multiple ideas for Hanoi

Ms Loan sees Hanoi as a "chaotic and rural city". Users say the city is chaotic, has no architectural style (school), people are not responsible; there is too much traffic and pollution. Most of the residents of self build houses think this type of housing is changing Hanoi's identity; it makes the city more modern and beautiful.

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<sup>340</sup> bedrooms are used as living rooms, living rooms are perceived as 'guest rooms'.

## 4.2.3 Biography Trung Hoa Nhan Chinh (THNC)

### 4.2.3.1 General description

Trung Hoa Nhan Chinh residential area is located in the Southwest of Hanoi, which is the fastest urbanizing area of Hanoi (Location Map THNC Appendix IX). It is located on the radial connecting Hanoi with the newly developing zone including a high-tech park and the new town Anh Khanh in Hoa Lac. And it is very near Ringroad Nr. 3. In this area we also find two other cases chosen for this research, the new shopping mall Big C and the National Convention Center (NCC). The project is an investment, of which 62 billion dong (3.26 million USD) is for infrastructure construction, 537 billion VND (28.26 USD) is for residential construction, it is derived from the city budget. The project covers a total area of 14.2 hectares. THNC was designed by Dr. Hoang Huu Phe, Vinaconex R & D; the investor of this project was Vinaconex JSC<sup>341</sup>.

The THNC project is a technical rational driven project applying new technology, combining precast and slipform. The shapes of the apartments are the result of the chosen technology. Moreover, it has been considered as new building typology, similar with Europe, however as high as Singapore and Hong Kong. THNC contains highest housing towers in Hanoi with 34 floors<sup>342</sup>.

### 4.2.3.2 Analysis of the conception process THNC<sup>343</sup>

#### I/ Actors

The main actors' involved in the conception process include the large (privatizing) State Owned Enterprise Vinaconex R&D as designer and constructor, Vinaconex at large as investor, Gleidbau Gmb. Austria providing the slipform technology, and the Belgian Jean Dauost as technical advisor for the pre-cast.

The initiator of THNC as it has developed today is dr. Hoang Huu Phe, the director of R&D in architecture and urban development under Vinaconex No.9.

Dr. Phe has studied in Kiev for his master degree in architecture, and studied later at London College for his PhD, and after taught, he stayed in London for 10 years. When Dr. Phe studied in England, Mr. Binh (deputy to the Mayor), Mr. Nghiem (Chief Architect at the time) and Mr. Kien of the Hanoi People Committee traveled with Daewoo through Europe. For inspiration for the development of the Hanoi master plan at the time. Mr. Kien knew Mr. Phe, they met and Dr. Phe gave them a tour in England. During these days Mr. Binh asked Dr. Phe to return to Hanoi and help to build "the new city".

Dr. Phe returned in 1999, right after he attended a meeting about THNC, this project was already planned, however, with low rise flats, in a socialist tradition, it was a plan which needed to be readjusted. Dr. Phe said it should be much bigger, and buildings should be taller. They gave Dr. Phe one staff to start with. They gave him a chance to experiment. He wrote a paper in which he introduced a new typology. At the same time Dr. Phe started to work for Vinaconex, he set up an R&D department in architecture, and urban development, and THNC became the first project of this new R&D department working under Vinaconex No.9.

Vinaconex No. 9 had always been the best specialist in slipforms in Vietnam. However, they used old USSR technology. Dr. Phe said he was influenced by the suspension high-rise in Switzerland, and the ideas of metabolism, he came to know when he was in Kiev. Dr. Phe said, it represents a new technology and offers new lifestyles. And the choice for Gleidbau from Austria was just a coincidence. He saw a young man in Hanoi with a book of a building, which inspired Dr. Phe; he researched it, and came to the company Gleidbau Gmb. in Austria. He traveled with members of Vinaconex to Austria

<sup>341</sup> Construction magazine – "Tap Chi Xay Dung" No 1/2004, page 67, Language: Vietnamese. Nha Xuat Ban Xay Dung (Construction publisher – Ministry of construction)

<sup>342</sup> Based on interview with Dr. Hoang Huu Phe, Director of Vinaconex R&D, 15/06/2009

<sup>343</sup> Based on interview with Dr. Hoang Huu Phe, Director of Vinaconex R&D, 15/06/2009

and they got convinced of applying Gleidbau Gmb's slipform technology for the National Road No. 1 and for THNC.

At the same time a pre-cast company from Belgium, Daoust, was working in HCMCy, however unsuccessful. The company wanted to introduce pre-cast systems, but no-one dared to get into this. At that time, it was associated with slum development. By actively approaching to Dr. Phe, Jean Daoust became partner with 6 % of the profits is his share.

## II/ Local - Foreign nexus

Dr. Phe said that the site in the city was very good for Phong Thuy, it is located in between water (Red River) and mountains (Ba Vi). He did not consider conscious Phong Thuy orientation for the design. The apartments are symmetrical and mirrored, however, the apartments all have different sizes and shapes. And this he says is considered as very good by Phong Thuy masters. The orientation of a house according to Phong Thuy is calculated upon the oldest man in the family. "Mine for example is West, so I need a flat orientated upon the west direction. Others might need one East for example" (Dr. Phe talking about his own apartment in THNC).

The idea of using a new technology, slipform and precast, comes from Dr. Phe's personal experience from working and living in London. In the project, he combines slipform technology from Austria and precast technology from Belgium. In both cases, the technology provider approached Vinaconex at large and Dr. Phe actively. And as already mentioned, Dr Phe was influenced by the suspension high-rise in Switzerland and the ideas of metabolism which he came to know when he was in Kiev.

The initial idea came from Dr Phe. Since the idea was quite new, Dr Phe faced a very difficult start, with only one staff of Vinaconex to work with. The project was considered by Vinaconex as an experiment and as such as a risk. Dr. Phe however said that the first the apartments with the new shape were bought by speculators as was common everywhere in that time. However, he said many people in THNC stayed.

## III/ Promotion

According to Mr. Phe, THNC has been promoted mostly by mouth to mouth due to so much controversy about the project. A lot of stories went around the city, sometimes people said it was German, sometimes Japanese. Dr. Phe considers the (untrue) stories (or even vendetta) being spread as good for promotion of THNC. For example, a jealous person in Vinaconex told a reporter that Dr Phe stole the whole idea from Hawaii. By arguing on this matter, THNC has become well-known in the city. Not until this year, a first publication of Vinaconex has come out describing the project.

In general THNC has been advertised through various e-magazine<sup>344</sup> and the advertisements which sell THNC apartments are posted in many real estate exchange websites, most of them in English, and as such the place is easy to find by people outside Vietnam as well<sup>345</sup>.

And according to Mr. Phe, THNC has been promoted not only inside city, but even people in Hong Kong know about this area.

## IV/ Users

"Yuppies, upper class living. I intended this group, these are the ones who travel and understand the typology. They embraced our new flats. And as in the Hanoian psychology, what the upper-class does is always an important trend for whole society. And this worked". (Dr. Phe)

Dr. Phe said he was pleased to see people have very high quality interiors often designed by interior architects. He is also happy to see many children playing in the square, it is cool around 19h. That the apartments have the users, which they were planned for, can also be seen in the price: "In 2005 when people could purchase a house they cost 200 USD/m<sup>2</sup>, now they are 5 times that price" (Dr. Phe)

## V/ Future Strategy

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<sup>344</sup> For example: <http://vietbao.vn/Nha-dat/Toa-nha-chung-cu-cao-nhat-thu-do/45136703/511/>

<sup>345</sup> For example: [http://www.muabanraovat.com/detail.php?post\\_id=2341903](http://www.muabanraovat.com/detail.php?post_id=2341903)

Dr Phe expects that this area will turn into a new city center in the near future. He himself said he would have liked much more urban furniture, like artificial ice skating. But, he said “this is not in my hands anymore”.

#### VI/ Perception of Hanoi by actors involved

Dr Phe has sees Hanoi as a surprisingly livable city. He is curious to see the result of the three time administration extension. From his point of view, Hanoi still has a unique urban life, no segregation. Hanoi also has few slums, due to egalitarian past. Places to worship are taken into account, under the careful protection of local people. He believes in the future of Hanoi, its culture, intangible tradition, and rich urban life. He likes Hanoi to in the future a city of knowledge and amenities, literature and art in the future.

#### 4.2.3.3 Analysis of the use process THNC<sup>346</sup>

##### I / Motivation for coming and using THNC

Half of our interviewees<sup>347</sup> moved from other provinces to Hanoi, and this is their first house in Hanoi. The other half came from the inner city, from which two came from the old quarter. The prices have been inflated. One apartment in 2003 was 600 million VND for 130m<sup>2</sup>, in 2005, 700 million VND was paid for a 82m<sup>2</sup> apartment. Four of the interviewees live in a nucleus family: parents and children, one is a retired couple. However, their son lives with his wife and children in the same building. Thus the extended family has spread over two apartments, but still in the same building. Only one of the interviewees lives in an extended family on one apartment. Our interviewees visit the local markets and supermarkets around the area, and commute mainly by motorbike, some by bus (retired), some also by car. It suggests a newly emerging of a new middle class. Our interviewees compare THNC with other new residential places in Hanoi, like My Dinh, Linh Dam, and The Manor. Most of the interviewees knew the place through friends and family. The retired couple moved from another province to THNC because their children who live and work in Hanoi found the place for them. One found the place through a property agent.

Our interviewees moved to THNC because of the higher living standards, the fresh air, better transportation, for more space, better services, like schools and shopping malls, and for the better security. In addition one person (the oldest son in the family<sup>348</sup>) mentions ‘because my parents allowed me to move out’, and the retired couple mention ‘we moved here to live near our children’.

“The security is very good. Security guards work 24/24. Living here is much more convenient than the previous residential place”. (Mrs. Trinh Minh Nguyet, 36 years, 17T2, Trung Hoa Nhan Chinh, 26.09.09).

All our interviewees said that THNC is widely known, in Hanoi, in Vietnam and international. They said that many foreigners rent apartments here, so it must be known overseas. They mention many Koreans live in Trung Hoa Nhan Chinh, one interviewee mentions around 20% of the apartments are rented by foreigners in THNC. Another interviewee mentions the place is well known by property investors.

##### *Like and dislike*

People like the cool/fresh and clean environment, the good working infrastructure and the services. However, they miss greenery, and more public space and playgrounds for children. They also love the spacious apartment, and mention the place is ‘peaceful and safe’. However, some say the lay-out suits Vietnamese, others say the lay-out is ‘too western’, and some still want to have a larger apartment with more bedrooms. Another person complains that the electricity bill still comes during working hours<sup>349</sup>.

##### II/ The other residents and relations among residents in THNC

<sup>346</sup> Appendix X Synthesis user interviews includes all quotes and detailed references.

<sup>347</sup> Based on six interviews. We could not interview more people while they are not willing to open doors for us. We interviewed in public spaces, sometimes inside a house. In addition to these interviews we have has many short personal talk with people living in THNC.

<sup>348</sup> Traditionally the oldest son marries and stays living with his parents, or his parents move in with him.

<sup>349</sup> In Hanoi bills for water and electricity are not paid by bank, instead a person of the company comes to your house with the bill and collects the payment in cash.

### *Communication with neighbors*

With one exception, all interviewees said they rarely communicate with their neighbors. Half of the interviewees said they communicated in the previous place of residence more with their neighbors.

“You know that a typical characteristic of new residential areas in Hanoi is that people hardly communicate with their neighbors.” (Mr. Nguyen Hong Thai, middle aged, 22.12.09)

### *Who are the other residents?*

All of the interviewees mention that officers (officials, bureaucrats), live in THNC, also all of them say this makes the intellectual standards high, and people here have high incomes. Two of the interviewees mention this makes the population more homogenous, as in the previous area, there was a mixture of people, with different intellectual standards (lower), different lifestyles and incomes. Three mention people in the previous areas were more friendly and communicative with one another.

### III / New & local elements THNC according to users

Our interviewees mention this place has many new elements, especially the service provided in THNC is new: waste is centrally collected, the gas system is a central system (in the wall), people can call the service for repairs on the electric system, there are camera's in the stairways. Before, people had to dump their waste in the streets where it was collected by women. And for the electric system or anything else, people needed to do these repairs themselves, safety was guarded by people in the neighborhood and by hired guards. They also mention the new lay-out of the houses, which is more spacious than in the previous houses. Before people would have a guestroom (*phong khach*), now the apartments have a luxurious living room. Three of the interviewees mention the design comes from Hawaii, one interviewee mentions that THNC is similar with housing in Singapore, Thailand or Hong Kong. He says “I have chances to go abroad for many times, so THNC has nothing new to me.” Some say that THNC is local the way the land is used ‘they exploit as much as possible the land by building many apartments with narrow space between them’, others say the place is still local in the way people live, the way community activities are organized.

### IV / Re-positioning identity users THNC

Our interviewees at THNC say that this place makes them feel ‘more modern’, and ‘more western’, and they have more privacy. There is less communication among people, some people prefer this for privacy reasons ‘I don't have to communicate with my neighbors’. People also feel less worried (for their children), because they say people here are more polite and nice, and the security is good. They further said:

“It makes me more modern. I have to change to adapt with new environment here. However, the communication is more limited”. (Mr. Khang, 62 years, retired, 17T2, Trung Hoa Nhan Chinh, 26.09.09)

### V / THNC & changing identity Hanoi according to users

Five of the interviewees say Hanoi's urban planning is not effective, some say the city is chaotic, one person says Hanoi is developing too fast, and the city is losing its cultural values, and another interviewee says that Hanoi is divided in the old quarter and the new urban developments. Another said:

“Hanoi changed too much. Because of immigrants, Hanoi is much more modern and international but also losing some cultural value”. (Mr. Khang, 62 years, retired, 17T2, Trung Hoa Nhan Chinh, 26.09.09)

### *THNC & Re-positioning Hanoi*

Three interviewees said THNC makes Hanoi a bit more modern and civilized, however, two said it does not change Hanoi's identity, and one person said ‘when Hanoi would have more places like this it will make Hanoi more modern’. It suggests that living at THNC makes the users feel more modern and civilized.



#### 4.2.3.4 Observations<sup>350</sup>

##### I/Immediate environment

The environment of THNC has little green, it is located near the third ring road (Figure THNC 3), and there are many new projects under construction around this area (Figure THNC 1). THNC shows a contrast of high rise Singaporean, Hong Kong style towers (Figure: Facades), with self build housing right next to it (THNC 4 & 13). It is an example of the scattering of high-rises in a sea of low rise mostly self build housing (Figure THNC 5). The area is not very inviting for walking outside.

##### II/ Building Style

As said the building style is high-rise, with similarities with towers in Hong Kong and Singapore. The public spaces around the area are 'hard', concrete, stone, and inside the buildings, the space is very cold in its appearance (Figure THNC 14). The reception in the 34 tower building, is just a glass box with poor quality. Spaces are large, and hard which produces echoes. The interiors of the apartments are well equipped, they are spacious have great views and open windows provide fresh air.

##### III/ Use

The apartments in THNC are bought by Vietnamese, and many Vietnamese live here. However, many rent the apartments to foreigners (mostly Koreans) or to businesses. As such the initial use of the building has changed in a certain extend. People who live at THNC commute by car and motorbike, and the square in front of the building is used for motorbike parking, which dominates the entrance of the 34 floor building (Figure THNC 2)

##### IV / Local and new aspects

The absence of green space is similar to most new urban areas designed by Vietnamese companies. Also the use of the apartments is still very Vietnamese. The balconies are extension of kitchens (Figure THNC 8 & 12). Washing machines in apartments are mostly located outside on the balcony. Also people live low to the floor. There is furniture, however, we asked why people sit on the floor, and in this apartment the lady said the furniture is too hot in the summer (Figure THNC 6 & 7). However, in this same apartment we also see that people still have the habit of living on the floor, beds are on the floor, and as we have seen in the case of Ciputra, also here children sleep in the same room right next to their parents (Figure THNC 10). Also, as in the self build houses, and the apartments in Ciputra, we witness here as well that the living room is still more like the Vietnamese 'guestroom', it is located right at the entrance of the apartment, and all the bedrooms are connected to it. People 'live' more in the bedroom, than in this living room (Figure THNC 9 & 11). What is very new in these apartments is the height, the use of the elevator, the distance from daily life on the ground floor, and the advantage of the wind, which replaces the air conditioner.

#### 4.2.3.5 Socio-economic change related to THNC

##### I/ Commercialization

Similar with self build housing and Ciputra, apartments in THNC have been bought for speculation, families as property broker. Many Vietnamese rents the apartments to foreigners, especially to Korean, prices are around 1200 USD a month. As such these apartments have become means for the already well-off to become even richer. Also in its physical form, the high towers right next to low rise houses, shows the sharp polarization of rich and poor in Vietnamese society today.

##### II/ Change from low rise to high rise living

THNC has been the first housing estate that is high rise and has services (central waste collection, gas in the walls). THNC has heights getting closer to the ones on Singapore and Hong Kong, than elsewhere in the city. When it first opened it showed a change from the max of 10-12 floors to 18 - 34

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<sup>350</sup> All references to images and figures can be found in Appendix IX: Booklet Materials

floors. People in THNC experience living high as a great positive change. Most people that moved here lived before in self build housing or socialist housing. They experience THNC as cleaner, and more cool and fresh. They can open the windows for ventilation and do not need to use the air conditioning. They feel healthier living here. As such residents differentiate themselves from 'others' living in the 'polluted' parts of the city. They also say that they feel 'more modern', and 'more western' living at THNC. As such they create a new group of citizens, the ones who distinguish themselves in 'more modern and western ways' of living.

### III/ Communicating change through the building

THNC is the first high rise residence as towers, and with a height similar as in Singapore or Hong Kong. As such it communicates directly a new lifestyle. It shows a great contrast with other residences in Hanoi. And THNC proved that also just the design can lead to promotion, the story which people told each other about 'that new residential area', including all the gossip about the origin of the project. Residents who choose to live at THNC at not only well-off but also clearly distinguish themselves from other people in the city by living here.

### IV/ Local – Global blending

At the same time however, local characteristics are blended with the new 'foreign' way of living. First residents still live in extended families, secondly Phong Thuy is important. A Phong Thuy master informed the architect, Mr. Phe, that the apartments are varied enough so the residents can choose the one best suiting their Phong Thuy orientation. Interesting here is this was not intended by the designer; however, for selling apartments, this has been very beneficial. The other local-global blending here, are the residents who in some of the apartment live more on the ground floor than using the furniture and the presents of family worship altars in the houses. It shows a new group of middle class citizens associating with international trends, however with keeping their Vietnamese local culture as an important factor, in their ways of living and spiritual rituals.

### V/ New high rise community

In THNC residents do feel similar with other residents in income and occupation; however there is not that much community activity. There is no green space as in Ciputra or other inviting public space for people to gather. In THNC people search for privacy and security in the high rise apartments. And they experience more privacy. There is less communication among people, some people prefer this for privacy reasons 'I don't have to communicate with my neighbors'. People feel less worried (for their children), because they say people here are more polite and nice, and the security is good. This indicates they perceive other parts of the city as dangerous, and THNC as safe. Half of the residents perceive THNC as a place which makes Hanoi a bit more modern and civilized, some say 'when Hanoi would have more places like this is will make Hanoi more modern'. They clearly perceive 'other' parts of Hanoi as 'less modern' and as such they distinguish themselves from more local places and people and want to belong to 'modern' Hanoi, indicating a city with the comfort of high-rise living.

### VI/ Individualization

Residents in THNC search for more privacy, also inside the extended family. What we see in THNC, is typical for more high rises in Hanoi, in which extended families move into a high rise building. However, they do not live together in one apartment any more. The husbands' parents will have one apartment in the building, and the son, his wife and children will live in another apartment in the same building. In our observations in different cases (other one in Pacific Place) they lived on different floors. As such the family now still is a community in THNC, however, in the building they have more privacy than before and people can have more individual lifestyles: the apartments' interior is different, daily schedules different.

### VII/ From the State as one actor to multiple actors in developing the city

This project is completely developed by the large State Owned Enterprise Vinaconex, today the company is privatizing. The hiring of foreign advisors shows the dynamics of change inside the governmental apparatus. There is an active search for new knowledge to develop the 'new city'. Dr. Phe was actively asked to come back to Vietnam, and by giving him an important position in

Vincaconex, he could bring the company and the government to a new level, by introducing new foreign concepts for housing development. It also suggests the State's new orientation regarding housing development is like THNC.

#### VIII/ From one concept to multiple ideas for Hanoi

Dr Phe sees Hanoi as a surprisingly livable city. He is curious to see the result of the three time administration extension. From his point of view, Hanoi still has a unique urban life, no segregation. Hanoi also has few slums, due to its egalitarian past. Places to worship are taken into account, under the careful protection of local people. He believes in the future of Hanoi, its culture, intangible tradition, and rich urban life. He likes Hanoi in the future to be a city of knowledge and amenities, literature and arts.

Most residents at THNC perceive Hanoi as a city with ineffective urban planning. They perceive the city as chaotic, as developing too fast, and as a city that is losing its cultural values. The city is also perceived by them as divided by the old quarter and the new modern urban developments, of which, they have become a part.

## 4.2.4 Biography Pacific Place

### 4.2.4.1 General Description

Pacific Place is located at 83B Ly Thuong Kiet, Hanoi, which is in the French quarter and near the pre-Doi Moi Cultural Palace (Location Map Pacific Place Appendix IX). Pacific Place is surrounded by old French villas and new high rise hotels that emerge at this location. It is a hotspot in the French quarter. The project covers an area of 5,430 square meters (about 0.543 hectares). With a total construction costs of 55 million USD. The construction started in 2005 and finished in 2006. The building officially opened 4<sup>th</sup> May, 2007<sup>351</sup>. Pacific Place is a design of the architectural design company Archetype. The project started as an investment of the Taiwanese Ever Fortune group, a 100% foreign-owned company, however the project was sold the French Casino Group during the construction phase. The project was managed by IMO<sup>352</sup> Management<sup>353</sup>.

### 4.2.4.2 Analysis of the conception process Pacific Place<sup>354</sup>

#### I/ Actors

On the site of Pacific Place there used to be inner city industry, in the 1990s this has been demolished, and due to the Asian financial crisis in 1997 the site remained empty for nine years before Pacific Place opened its doors in 2008. The active development of the site where Pacific Place is located started in 2003. The land was put back on the market by the HPC, and a Taiwanese developer was selected, "Forever Fortune". The company started to develop the new multi-use center, and it was owned by a Taiwanese man. This man approached Archetype, at that time already a well known French company in Vietnam, to develop the project. At the time Archetype had just developed five Big-C in other cities in Vietnam. Archetype preferred to work with the client of Big-C, because they knew they would have more freedom in the design<sup>355</sup>. As such they connected with the French investor of Big-C, and as Mr. Cassagnes said "we pushed him to buy Pacific Place from the Taiwanese investor, because we thought, than we could do it the way what we want to do it". After, the project which was first called 'Forever fortune' was given the name Pacific Place.

In the beginning the Taiwanese investor hired two companies to make a design. One design was a modern building the other colonial style. The Chief architect was the one who was deciding and choose the colonial style done by Archetype<sup>356</sup>. The main architect of Pacific Place is the French architect working for Archetype, Phillip Piega and at the same office Vietnamese team did the detailing and construction. The Chief architect has a strong say in the aesthetics of the building. And Mr. Cassagnes said that he convinced the designer at Archetype on the importance of a colonial architecture style.

#### II/ Local – Foreign nexus

The foreign influence in Pacific Place is the change of investors, the connection to the global market economy, which makes building subject to profit making by different foreign investors. Local is here the strong influence of the Chief Architect in the aesthetics of the place. And also local is the adjustment of the French design to the Vietnamese culture of living and climate. According to Mr.

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<sup>351</sup> Telephone interview with Mr Michel Cassagnes – Architect/ Design manager of Archetype group on 9<sup>th</sup> March 2010

<sup>352</sup> IMO is "A real estate development service company based in Hanoi, Ho Chi Minh City, Phnom Penh and Vientiane. It provides services to local and international investors interested in the formidable opportunities offered by the fast growing South-East Asian markets. IMO provides the full range of real estate development services from land negotiations to a finished product, including initial feasibility studies and programming, bidding and contracting support, construction monitoring, as well as marketing and sales" [http://www.appletree-asia.com/Brochure\\_2008.pdf](http://www.appletree-asia.com/Brochure_2008.pdf) - Entrepreneurs in Asia brochure – language: English.

<sup>353</sup> Roof & Facade Asia, Vol 4 No 6, 2007, Singapore. Language: English. Page 8

<sup>354</sup> Interview with Mr. Michel Cassagnes, coordinating architect-client for Archetype, 05/11/2009 and Mr. Vu Hong Ky, team leader Vietnamese team at Archetype 09/11/2009

<sup>355</sup> Mr. Michel Cassagnes 05/11/2009

<sup>356</sup> idem

Ky<sup>357</sup>, the design of the apartments is not only based on Vietnamese lifestyle, but also on the climate in Vietnam. From his point of view, unlike the cold weather in Western countries, the tropical climate of Vietnam requires cool and open space for fresh air in. Moreover, the construction of the building follows Vietnam technical standards<sup>358</sup>. The whole idea of mixed use, combining housing and commercial centers in one building, comes from the first Taiwanese investor<sup>359</sup>.

Another influence in this project is the company Archetype, they have foreign architects (French) who will make the concept designs, however most employees at the company are Vietnamese, and they detail the designs into practical projects. Mr. Ky is very inspired by French architecture he experienced at Archetype: "The French architecture is very creative. And we can learn many useful things from their creativity" (Mr. Ky). An interesting note from him is that he also says "Actually, Vietnamese architects are creative, too. When they were students, their projects were so creative. But when they graduate and go to work, their creativity becomes limited due to cultural factors" (Mr. Ky). It suggests that Vietnamese architects in general become less creative when working in practice due to a difficult and restrained working environment (following the master).

### III/ Users

The building is aiming for the people with high incomes.<sup>360</sup> And this is also the group that is visiting the place at present.

### IV/ Future Strategy

There are no future strategies known at this moment.

### V/ Promotion

Pacific Place promotes itself through its website<sup>361</sup> as a unique and cosmopolitan place for the new upper class and for foreigners in Hanoi:

*"We offer you the ultimate in city living. Its unique location in the center of Hanoi will put you at the heart of the action; allowing you unrivalled access to all that the city has to offer"*

*"In addition to the cosmopolitan shopping experience, you can also enjoy dining at Pacific Place. Whether you are taking a break from shopping, having an informal business lunch or relaxing with friends at the end of a busy day".*

And it distinguishes from other place in the city through its international standards: *"Professional management, 100% power back up, 24 hour security, international standard fire fighting system".*

In Vietnam, Pacific Place has been promoted on the internet through their own website in English<sup>362</sup>, and various e-magazines<sup>363</sup>. Many advertisements to sell apartments at Pacific place are posted in real estate exchange websites in English and Vietnamese<sup>364</sup>. In addition the place is advertising in Vietnamese news papers<sup>365</sup>

### VI/ Perception of Hanoi by actors involved

According to Mr. Ky<sup>366</sup>, Hanoi is green but now it becomes too crowded. However, the lifestyles of the Hanoians still remain unique. In the same interview, he said that many cities can be examples for Hanoi, but each city has its own characteristics, so it is not necessary to develop according to any

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<sup>357</sup> idem

<sup>358</sup> Interview Mr. Vu Hong Ky, 09/11/2009

<sup>359</sup> Idem

<sup>360</sup> idem

<sup>361</sup> [www.pacificplace.vn](http://www.pacificplace.vn)

<sup>362</sup> [http://pacificplace.vn/index.php?option=com\\_content&view=frontpage&Itemid=1&lang=en](http://pacificplace.vn/index.php?option=com_content&view=frontpage&Itemid=1&lang=en)

<sup>363</sup> For example: <http://vietbao.vn/Kinh-te/Mua-co-hoi-tuong-lai/70005574/87/>

<sup>364</sup> For example: <http://vietads.com/classifieds/detail.php?id=66470>

<sup>365</sup> Interview with Mr. Michel Cassagnes, 05/11/2009

<sup>366</sup> idem

model. He proposed to learn from other cities in terms of traffic, infrastructure and environment. However, he could not point out specific city as model because he did not have many chances to go abroad or live in another city. Mr. Cassagnes<sup>367</sup> wished that decisive policies on traffic, infrastructure, environment and irrigation should be issued, and it is necessary for the leaders to have wider vision on the future of the city.

#### 4.2.4.3 Analysis of the use process Pacific Place<sup>368</sup>

##### I/ Motivation for coming and using Pacific Place

At Pacific Place all interviewees<sup>369</sup> are part of the same extended family, previously they lived together in a French villa (1973-2008), which was shared by five families. Now a part of the family has moved to Pacific Place in two apartments. One family lives in the penthouse, the other on the 13<sup>th</sup> floor. In both apartments they still live in extended families. The penthouse (18<sup>th</sup> floor) is rented by the son of Dr. Nguyen Truc Luyen, who is the current president of the VAA. He is around 80 years old, and lives here with his son, daughter in law and their two children. They rent the place. His sister, also a retired architect lives in the same building on the 13<sup>th</sup> floor. She lives here with her son, daughter in law and their child (25 years). They bought the place for two billions VND (about 105,200 USD). They moved to Pacific Place because it offers them more space, and the location is near their previous residence, so they can keep using the schools and social networks in the neighborhood. And they work nearby, and enjoy the city life here as they were used to. Relaxation and free time is more at home than in the previous place where they took part in communal activities. Activities as swimming and going for dinner, now is also done in the building. They compare Pacific Place with THNC, My Dinh, The Manor, 93 Lo Duc, 88 Lang Ha. However, they say the quality of the other places is not as good as here. They live here because the sister saw the place under construction, and Dr. Luyen has a friend who introduced the place to him. They all say Pacific Place is well known in Hanoi, but not so much in Vietnam and outside Vietnam. However, the son of Mr. Lan thinks it is also know outside Vietnam because many foreigners live in Pacific Place.

##### *Like and dislike*

They love the place for the security, however it is so secured it is difficult for their friends to visit. They also love the privacy and the high status of the residents. Dr. Luyen complains the penthouse does not have a balcony, and the kitchen, living and dining room are all together in one space. He also would have liked some other separate spaces besides bedrooms. Also he complains there is not enough green space in the area.

##### II/ The other residents and relations among residents in Pacific Place.

Before they would communicate with their neighbors, now they hardly communicate with their neighbors, they do not really know who their neighbors are in Pacific Place.

“Now, in this current place: no, I don’t talk with neighbors, I don’t know about them. We rarely meet because there is no communal space in this building, so we have no chance to meet. People confine themselves inside the flat. We gather only once/year. When I lived in previous place, I did, because that place has communal ground where we often meet”. (Dr. Nguyen Truc Luyen, retired architect, and president of the VAA, Room 1806, 18<sup>th</sup> floor, Pacific Place).

##### *Who are the other residents?*

In general there is not much communication so they don’t really know, what they do know is that everyone living here is ‘really rich’.

##### III / New & local elements Pacific Place according to users

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<sup>367</sup> idem

<sup>368</sup> Appendix X Synthesis user interviews includes all quotes and detailed references.

<sup>369</sup> Here we have only three recorded interviews, however we also had three non-recorded informal talks with other relatives of this extended family. Dr. Luyen, who is the president of the VAA is the reason we could interview this family. Otherwise we would not have any interviews here, Pacific Place is extremely secured, and no one is allowed to enter the residential building without showing ID and being invited by the people who live there.

The immediate environment is local around Pacific Place, the French quarter, and the center. The apartments on the other hand are international, and have new services. According to Ms. Lan this is due to 'the new demand of high class people'. What is also new is that there is no communal space and no greenery.

"This model of living place is very much international in nature. Vietnamese do not have a tradition of living in an apartment, especially high-rise. Vietnamese traditional way of living is attached to land and close to nature (tree, plantation). This residential building provides international styles of services (reception counter, guards) having no place for community: no community life, no greenery. However, my apartment is adequate and can somehow satisfy the need of a family of three generations. I have only one son, and I want to live with his family, so does he. This way of living together has mutual benefits because the grand parents can help their children looking after their kids and the house". (Dr. Nguyen Truc Luyen, retired architect, and president of the VAA, Room 1806, 18<sup>th</sup> floor, Pacific Place).

#### IV / Re-positioning identity users Pacific Place

They have more comfort and privacy here, however Mr. Lan said:

"I sometimes miss something from my previous residential place". (Mr. Vu Cong Lan, 52 years, No. 1306, 13<sup>th</sup> floor Pacific Place apartment ).

#### V / Pacific Place & changing identity Hanoi according to users

This family is origin Hanoian, even origin a Mandarin family. And they have as such still strong attachments to the city, however they also mention new lifestyle changes in the present city:

"Hanoi is very beautiful and unique. However, I don't agree with some recent mechanisms and plans for developing Hanoi. People are changing too much, too". (Mr. Vu Cong Lan, 52 years, No. 1306, 13<sup>th</sup> floor Pacific Place apartment ).

"Hanoi is a city of human scale, with lots of water bodies and greenery, at the same time it is a dense and crowded city: a city of chaos". (Dr. Nguyen Truc Luyen, retired architect, and president of the VAA, Room 1806, 18<sup>th</sup> floor, Pacific Place).

#### *Pacific Place & Re-positioning Hanoi*

Only the president of the VAA, Dr. Luyen said the place changes Hanoi:

"Yes, it does. It makes Hanoi more international. It changes the appearance and form of Hanoi townscape, which used to be low-rise and now having more and more high-rise. However, high-rises are located spontaneously and scattered over Hanoi without clear planning and infrastructure provision. Therefore, despite of the new look, Hanoi remains a city of chaos". (Dr. Nguyen Truc Luyen, retired architect, and president of the VAA, Room 1806, 18<sup>th</sup> floor, Pacific Place).

#### **4.2.4.4 Observations<sup>370</sup>**

##### I/Immediate environment

Pacific Place is located in the French quarter, it is located right next to the monumental Cultural Palace (1970s) (Figure Pacific Place 7), and is surrounded with French villa's and popular houses (Figure Pacific Place 8), other local low rise build fabric (Figure Pacific Place 14 & 16) and it is part of a new layer of high rises buildings dotting Hanoi's inner and outer city (Figure Pacific Place 15 & 18). The building is part of the dynamic city life on the inner city, and the building creates a sharp contract between the exclusive 'international' building and local street life vendors (Figure Pacific Place 12 & 13).

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<sup>370</sup> All references to images and figures can be found in Appendix IX: Booklet Materials

## II/ Building Style

The style of Pacific Place is 'French Colonial Style'; it has similarities with buildings in Paris (Figure: Façade and Section) but it uses new materials and black windows to protect the interior from the tropical sun (Figure Pacific Place 1). The organization of the building is multi-use, it combines a high class office building (Figure Pacific Place 2 & 4), which is accessed on Ly Thuong Kiet (Figure Immediate Environment), and high class housing that is accessed on Phan Boi Chau (Figure Immediate Environment). In addition the ground floor is hosting restaurants and bars, like Highlands Coffee, and exclusive shops (Figure Pacific Place 3).

## III/ Use

The offices are easy accessible. Except for the 'smart' lifts, which leave both foreigners and Vietnamese dazzle about their functioning, you can enter the different floors. The offices are used by the Dutch bank KPNG, the British bank HSBC, and diplomatic agents as the EU. Due to the multi-functions and its inner city location, the city is dynamic in the day and evening (Figure 19 & 20). The building is dynamic. Its residential area is very difficult to access, in the lobby you are asked who is inviting you, after this person will be called, he will give approval for you visits. After you will give your ID to the person at the reception, and he or she will wait for you for the lift, and makes sure you go to the floor where the person lives that invited you. For us to see the top-floor with its swimming pool and fitness room we needed a friend who lives here to ask permission first at the management. The two apartments we could visit, the penthouse and an apartment on the 13<sup>th</sup> floor are both the best equipped apartments we have seen in Hanoi. Also the hall-ways have a warm character, they give you almost the feeling you are in a hotel. Which is partly so, there is service in this residential tower, for 100 USD a month the management board assists the residents in anything they need. The French roof, which is round and curved makes a balcony in the penthouse impossible, and it is not suiting the heavy tropical rain. The residents in these two apartments, when they are not working, spend a lot of time at home. Aside the exclusive sport facilities, like the swimming pool (Figure Pacific Place 14) in the building they mostly exercise in the apartments (Figure Pacific Place 3).

## IV / Local and new aspects

These apartments are the less Vietnamese in their organization, of the apartments we have seen in Hanoi. They have a small hallway before entering the living room. What is local is their use. The apartments still have family altars, however due to the curved roof in the penthouse this leaves smoke traces on the walls (Figure Pacific Place 9). And people still live here in extended families. The kitchens and bathrooms are well equipped (Figures Pacific Place 5 & 10). Local is that the kitchen is extending into the outside space, here the balcony (Figure Pacific Place 6). In the apartment on the 13<sup>th</sup> floor the living room is still more like a guestroom, and this was an initiative of the residents, it is located where the bathroom was originally designed. Now more space is given by the users to the eating table (Figure Pacific Place 2), and the remaining open space, which was planned by the designers as living space, is used for to practice Karate (Figure Pacific Place 1). The original bathroom was removed while it was not in balance with Phong Thuy of the place<sup>371</sup>. In addition the apartments on the 13<sup>th</sup> floor shows the continuation of the 'do it yourself' culture and living near the floor (Figure Pacific Place 4). As well, people here do not chose for comfortable 'soft beds', but although they can afford it, they remain sleeping low on the floor in hard beds on bamboo mats (Figure Pacific Place 3).

### 4.2.4.5 Socio-economic change related to Pacific Place

#### I/ Commercialization

Instead of equal housing, Pacific Place is housing only affordable by a few. Apartments in Pacific Place are the most expensive ones in Hanoi at present. People living here are foreigners and some very rich Vietnamese. Rents of these apartments range from 1.800 USD - 5.500 per month. Pacific Place located in the inner city and is part of a mix of different building styles, French villas, popular housing, and new office buildings including Pacific Place. The area still represents a mixture of people with low and high incomes. However, the higher incomes are slowly moving out of old existing housing, showing a gentrification process in the area.

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<sup>371</sup> From personal talks with Mr. Lang, retired architect living in this apartment.



## II/ Change to inner city high rise living

Pacific Place with its 18 floors is one of the few high-rise in the inner city with apartments. Our users have shown a drastic change in lifestyle here, from living on the ground-floor with social connections to others, to living detached from the ground-floor in which connections with other remain limited to 'hi' in the elevator. Where socializing with the mixture of people was necessary before now they look down at the same people in the area. They now are not part anymore of the community life on the ground floor, but are part of the community of high rise living in Pacific Place. At the same time this family sometimes misses their previous place. They have to get used to high rise living, with less outside space, and less connections with the community. However, their old neighborhood and the people are still nearby.

## III/ High-rise community

They feel part of Pacific Place because they feel a sense of belonging to a group of 'high status high income citizens', who need 'more privacy' than other' (living on the ground floor). It is a lifestyle communicated as unique and exclusive through its design & promotion. The newly upper class has found a place to meet, live and associate with. They use together facilities as the fitness club and swimming pool. And they live together in a highly secured building, which isolates them from the environment. The difference now in their activities from others in this neighborhood because they do not use the local market any more, they now also use the services in Pacific Place (restaurant etc). However, they do not really know the other people in the building. And there is not really an active community. The place shows very clear separated and individual lifestyles here. In the perception of the users, Pacific Place makes Hanoi more international. And they now are part of this international layer of the city.

## IV/ Individualization

Residents at Pacific Place people love their privacy, and similar as in THNC extended Vietnamese families now live in two apartments, instead of together in one house. The family here came from a villa that was shared with 5 families. Now two, still extended families live in two apartments, on different floor. They still live with three generations in each apartment. As such the family still lives in a community in Pacific Place, however much more individual as before, each apartment has its own daily schedule, lay-out and shows different tastes for interior design.

## V/ From the State as one actor to multiple actors in developing the city

In the development of Pacific Place we can see how the different foreign investors in Hanoi have speculated with land, and also competed with each other for land and commercial properties. The French ran company Archetype, actively searched for a new investor, so they could do what they wanted to do. In this the State has nothing to say. However, the State in this project was most dominating in the aesthetics, in which the chief architect has a dominant say.

## VII/ Vietnamese professionals learning from foreign architects

Foreign offices like Archetype are a learning school for young Vietnamese professionals. In this case project leader Mr. Ky says that they learn to see what creativity is through working with the French architects.

## VIII/ From one concept to multiple ideas for Hanoi

Mr. Ky says that Hanoi is green but now it becomes too crowded. However, the lifestyles of the Hanoians still remain unique. He does not want to take one model for Hanoi, he says Hanoi should learn from different aspects from different cities. Mr. Cassagnes says that that decisive policies on traffic, infrastructure, environment and irrigation should be issued, and it is necessary for the leaders to have wider vision on the future of the city.

The original Hanoian family living in Pacific Place, perceives Hanoi as a beautiful and unique city, of human scale, with water and greenery, and as the capital. However, they also perceive the city as one with bad urban management, and they perceive the current city as a crowded and dense city of chaos.

## 4.2.5 Biography Big-C

### 4.2.5.1 General description

Big C is located at 222 Tran Duy Hung, Trung Hoa, Cau Giay, Hanoi – in the new urban area developing Southwest Hanoi, and located at the same radial as the housing case Trung Hoa Nhan Chinh, and facing the National Convention Center, located at ring road No. 3 (Location Map Big-C Appendix IX). Big C covers a total area of 2.5 ha, its investment cost is around 12 million USD<sup>372</sup>. Big-C is designed by the French architecture company Site, they are based in Hanoi. Big-C Vietnam is a brand developed by the Bourbon group with as main partner Casino group, a French, retailer, and one of the leading European retailers with more than 9.500 stores in Vietnam, Thailand, Argentina, Uruguay, Venezuela, Brazil, Colombia, Indian Ocean, The Netherlands, France. The first hypermarket of Big C Vietnam opened in Dong Nai in 1998 after more than 10 years, Big C has opened stores in almost all big cities like Hanoi, Hai Phong, Hue, Dan Nang, Bien Hoa, HCMC<sup>373</sup>. Big-C in Hanoi opened its doors in 21<sup>st</sup> January 2005. In 2008, the Casino group bought Big C from Bourbon and the official inauguration day of Big C with the brand name under Casino group was in July, 2008.

### 4.2.5.2 Analysis Conception Process Big-C<sup>374</sup>

#### I/ Actors

Big-C is a joint venture between Hanoi Thang Long General Trading Company and Bourbon (later Casino Group) from France. Bourbon with as main partner Casino Group invested in Big-C Vietnam since 2005. In 2008, the Casino group<sup>375</sup> bought Big-C from Bourbon and the official inauguration day of Big-C with the brand name under Casino Group was in July 2008<sup>376</sup>. Mr. Quoc, the concept manager and technical coordinator of Big-C Project Department, says under the Vietnamese Law, foreign companies have no right to lease the land; therefore they have to cooperate with a Vietnamese partner to do business. Hanoi Tourism Company owns the land in this project. Bourbon decided the location in accordance to urban planning regulations of Hanoi People's Committee, who gave them the LURs. Big-C is designed by Site Architecture, based in Hanoi. Most of the staff is Vietnamese, however, French architecture conduct most of the design works<sup>377</sup>.

The designer was selected in a tender process in which consultants has been invited to make the concept of commercial center. In the tender there were both French as Vietnamese company. However, the reason for choosing Site Architect is attributed to language since both investor and architect company origins from France.<sup>378</sup>

#### II/ Foreign & local nexus

The first thing considered by Mr. Quoc regarding how Vietnamese architects are influenced by working with foreign partners, is "information". Before 2002, Vietnamese architects had very little access to information. He says, by working with Site Architecture, Vietnamese architects such as himself can learn about commercial centres. "When I worked for them, I could learn more about the commercial centre, you know, the concept of commercial centre, what it is and how it operates; and why we have to have such kind of things. From my study in Vietnam, I can say that Vietnamese architects have no ideas about commercial centers. They don't know what it is and what its functions are<sup>379</sup>".

<sup>372</sup> Telephone interview with Architect Bui Kien Quoc on 12 March 2010

<sup>373</sup> <http://www.bigc.com.vn/home.php> - date consulted website: 31 Dec 2009 . Language: Vietnamese and English.

<sup>374</sup> Based on interviews with Mr. Bui Kien Quoc, the concept manager and technical coordinator at the Big C Project Department until 01/10/2009, and with Mr. Claude Cuvelier, chairman of Site Architecture.

<sup>375</sup> <http://www.groupe-casino.fr/en/Vietnam,585.html>

<sup>376</sup> <http://www.bigc.com.vn/home.php> - date consulted website: 31 Dec 2009. Language: Vietnamese and English

<sup>377</sup> Interview with Mr. Bui Kien Quoc, 10/11/2009

<sup>378</sup> idem

<sup>379</sup> idem

In the design the foreign influence is the shopping culture and building style from France. Casino develops large supermarkets in France (among others: Geant, Monoprix, Franprix), Big-C is the brand for the Asian market, and for Hanoi they used the example of Big-C in Thailand<sup>380</sup>.

Parking space can be regarded as contextual element. Very different from Big-C in France and Thailand, Big-C Vietnam has large parking area for motorbikes. In addition the large supermarket is not located at the ground floor as is common in France or elsewhere. The owner, Casino- Thang Long group added a second floor to the building. In Vietnam there is no law protecting intellectual property right, which can lead to great frustrations to architects: "When they opened Big-C it was one floor, after they increased it with one level, and now it is horrible" (Mr. Cuvelier, chairman, Site Architecture).

### III/ Users

Big-C is built for middle class customers.

### IV/ Future strategy

At first, the strategy of Big-C was an ambitious plan, 50 commercial centers in Vietnam by 2030. However, it has changed because of the financial crisis. Now, they set a plan of 20 commercial centers nationwide. Up until now, there are nine Big C malls which already opened, one in Hanoi, one in Hue, one in Da Nang, and six in the South of Vietnam but not only in HCM City. Some projects are in the process of construction, for example, in Vinh, Vinh Phuc, Can Tho. These projects are already signed with the landlords<sup>381</sup>.

With regard to the structure, Big C Hanoi is designed as one-storey building. Later, the owner suggests adding one floor<sup>382</sup>. In term of future plan, the structure of existing building will be not changed until the building is under danger. The new concept of Big-C applying now is far more different to the existing building and similar to the last concept of Big-C Thailand<sup>383</sup>.

### V/ Promotion

Big-C is promoted on its website<sup>384</sup> with the slogan "Giá rẻ cho mọi nhà!", meaning 'A cheap price for every home!' Aside from promoting Big-C for middle class families, the French baguette is a core product of Big-C. It is promoted with the products and The Guinness World Book of Records 111 m baguette by Big-C bakery, this event can be seen at You-Tube, which shows a combination of French food products with Vietnamese ritual openings with Dragons<sup>385</sup>.

Aside its website, Big-C Vietnam promotes its brand through various other channels and activities. A three-week brochure is delivered for free to customers. Moreover, Big C promotes its focus on middle-class, and communicates to be a 'social' company with participating and sponsoring many social activities, including charities, environmental protecting program, music and fashion show. Big-C in general is promoted in each city where they have a Big-C in Vietnam, thus the promotion of Big-C in Hanoi is limited inside the city<sup>386</sup>.

### VI / Perception of Hanoi by actors involved

Mr. Quoc<sup>387</sup> describes Hanoi as a place where modernization, urbanization, and industrialization happen at the same time under the process of globalization; therefore it embraces many paradoxes. He thinks that Hanoi now is "lively in chaos". In the same interview, he suggests the model for Hanoi's development should be Amsterdam, since both have large area of water surfaces, and historical cores.

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<sup>380</sup> idem

<sup>381</sup> Idem

<sup>382</sup> Idem

<sup>383</sup> Interview with Mr, Bui Kien Quoc, 10/11/2009

<sup>384</sup> <http://www.bigc.com.vn/home.php>

<sup>385</sup> For example: <http://www.youtube.com/watch?v=24ydZ7DL9ww>

<sup>386</sup> Interview with Mr Cuvelier, 13/11/2009

<sup>387</sup> Idem

#### 4.2.5.3 Analysis user process Big-C<sup>388</sup>

##### I/ Motivation for coming and using Big-C.

Our interviewees<sup>389</sup> visit Big-C once a week, ranging from once or twice a month to several times a week. Half of the interviewees lives around the area, the other half comes from far (Hoan Kiem, Tay Ho, Cau Giay), they come for a special visit to Big-C. The multi-use complex is mainly for shopping; the first floor with its large scale supermarket is popular. Families come here with their children, and sometimes they stop for a quick bite at the third floor before going home. Teenagers come here together with friends or in larger groups. The place is popular in the weekend and holidays, many students visit Big-C. The students and other teenagers come here to buy small items and do window-shopping.

“I come here to look for something new and different” (Ms. Doan, 22 year old graduate student, 26.09.09)

Others are middle-incomes who come here to use the supermarket. Big-C is an addition for them to the smaller supermarkets and traditional fresh markets. They come to Big-C to search for other goods, especially foreign ones, or for the convenience of having all products together in one place. Big-C also replaces for many the large super market Metro. Metro is a large whole-sale supermarket, and it is not a mall, it does not have other service like Big-C does. The new center Big-C changes shopping behavior, especially for middle income women. From going every morning to the fresh market before going to work, now they have the choice to buy groceries ones a week. This change is occurring at this moment, it is in transition. Other similar places which the interviewees at Big-C visit are VinCom, Dong Xuan Market. Big-C is known by people who live around the area from seeing it being built, others know Big-C from advertisement on TV, Newspapers, and Magazines.

##### *Like and dislike*

Our interviewees like this shopping center while in contrast to most existing traditional mostly outdoor and small crowded places to shop and hang out in Hanoi, Big-C is clean, cool, offers a large supermarket with many commodities and a lot of space for the extra services (other shops, restaurants, bars, and gaming area). And very important, the price, Big-C is still affordable by many (for example new malls as Vincom & Parkson are more expensive). However, since the place is attracting more small shops / kiosks and the floors are low, our interviewees find it getting too crowded and ‘stuffy’. In addition our interviewees don’t like the motorbike parking, which is kept on the back of the building, far from the main entrance (they enter the building in the back). It suggests Big-C is for middle class, or less well-off customers, the upper class will visit other places.

“Commodities here are various, ranging from cheap things to expensive ones. But it is stuffy in the 1<sup>st</sup> floor and the parking area is quite inconvenient”. (Ms. Thao, 45 years, Tay Ho, 26.09.09)

##### II/ New & local elements Big-C according to users

All our interviewees say there is notion local in Big-C. Only one person mentions that there are goods that Vietnamese need, which does not mean the goods are local. He compares with Vincom, which offers many goods that are too expensive for average Vietnamese according to him. Big-C is a good alternative shopping-mall for the less well off. All the interviewees tell us Big-C is new, and some of them know the company is from France. Others have no idea where the concept comes from, other than just taking a guess.

“This shopping center is quite modern but actually I don’t care much about its design, and I don’t know exactly where it comes from”. (Ms. Oanh, 19 years, student, 26.09.09).

##### III/ Re-positioning identity users Big-C

Big-C provides a large supermarket and other services which our interviewees find very comfortable. As such it changes their lifestyles while it offers them a more comfortable way for shopping and

<sup>388</sup> Appendix X Synthesis user interviews includes all quotes and detailed references.

<sup>389</sup> Based on 6 recorded interviewees, and nine non-recorded short interviews with other costumers and shopkeepers.

entertaining. Instead of bargaining, now they are the 'kings' of shopping, a big change in service, prices are clear, there is a guarantee on products, and products can be returned, and it is clear what you can buy and where you can buy it. For most interviewees Big-C replaces the small scale shops in the streets into a large extent. In addition the goods and interior design influence the interviewees choices and tastes in fashion, foods, and decorations in housing. Shopkeepers experience a great change from working and private life mixed (shops and house is combined, and shop is always open, however, private activities continue at the same time), to a lifestyle in which they 'go to work' and have a set scheduled working time.

#### IV/ Big-c & changing identity Hanoi according to users

For our interviewees at Big-C Hanoi is mainly a developing city, a city of culture and the Vietnamese capital, and still a socialist city, it is not international however it is getting more modern, for them Hanoi might be 'an international city' in 10 years.

##### *Big-C & Re-positioning of Hanoi*

Big-C seems to show our interviewees at this mall a new modern lifestyle. Some say Big-C does not change Hanoi's identity much, however it does change their own individual lifestyles. Others say that Big-C makes Hanoi 'more professional', it makes people 'more civilized', and it makes Hanoi more 'modern and beautiful'. Thus it suggests that Big-C shows a new 'modern' urban lifestyle to our interviewees, which changes their behaviors:

"It partly changes our shopping, trading ways. We have to behave more civilized than before. Hanoi is developing and I think this kind of shopping center should be widely built" (Male 40 years, Thanh Xuan, 26.09.09)

#### **4.2.5.4 Observations BIG-C<sup>390</sup>**

##### I/Immediate environment

Big-C is located in the dynamic new urban area in the Southwest of Hanoi, right on the corner of the radial to Hoa Lac and the third ring road (Figure Immediate environment). The place is orientated on people who visit by car and motorbike (Big-C 11 & 12). Most parking places are for motorbikes in the back of the area (Figure Big-C 8); cars park in front of the building (Figure: Ground floor & Big-C 7 & 10). The place is located in the midst of paddy fields, and is near the NCC and high rise housing build in along ring road No.3 (Figure Big-C 9).

##### II/ Building Style

The shopping mall is like one large container, in the style of most shopping malls in France are built. Also the programming of the building is similar, a large supermarket, however, in France they are located on the ground floor; here it is located on the first floor<sup>391</sup> (Figure Section & Ground floor). The ground floor is filled with smaller shops and kiosks (Figure Big-C 2), and such is more relating with the small scale street shops in Vietnam. The supermarket combines some local shops and eateries, many youngster hang out here (Figure Big-C 1). The third floor is the food area, which sells local food including local street food (Figure Big-C 6), and has a gaming area (Figure Big-C 5).

##### III/ Use

In the morning it is quiet some people come for the supermarket. The place is popular with youngster, they come around lunchtime (11h-13:30h), have lunch and hang out. The place gets busy again after 15h. In the evening it is open till 10h, and people come to eat, hang-out and shop after work. Big-C, is not very well designed in its acoustics, in addition there are many TV advertisements, and the volumes are set very high. As such the place was for the researchers a bit unbearable due to the sound in the building.

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<sup>390</sup> All references to images and figures can be found in Appendix IX: Booklet Materials

<sup>391</sup> In the drawing it is the second floor. In Vietnam there is not ground floor. So in Vietnam the ground floor is the first floor, and the first floor is the second floor.

#### IV/ Local and new aspects

What is very new at Big-C is that visitors can easily access this place by motorbike and car, it is new in the suburbs, and products here are both local and foreign and not priced too high. New also are the many functions in one building. Due to its low quality building (sound, aesthetics, products), Big-C does not have a high status, but is still popular due to the facilities' it is offering, which is different from local places. At the same time it offers an alternative to the more expansive place like Vincom, and Parkson.

#### 4.2.5.5 Socio-economic change related to Big-C

##### I/ Commercialization

Big-C represents the change from single use places to multi-use places. It is like 'a city in a city'. It offers products, leisure activities as well as games, bars and restaurants. It produces a new commercial culture of leisure and shopping and entertaining in new enclaves in the suburbs. It creates a new place where new groups can bond and distinguish themselves from others in society. At the same time they search here for products to differentiate from each other.

##### II/ New middle class families & new teenage groups

Middle class families who come here with their children, they shop, entertain themselves with games, and explore foreign products. And groups of teenagers and students find here a new place to socialize and bond with others. Big-C invites them to eat, drink and hang-out, and explore new (foreign) products. As such Big-C is a place, which creates new groups, the one of teenagers who can afford to hang out in Big-C and the middle class families that come here to shop and entertaining..

##### III/ From everyday morning market, to indoor shopping once a week

The traditional morning market is an important meeting place for woman in neighborhoods in Hanoi, with the opening of the supermarkets they are offered a new place to go. And is the new middle class, especially working women who experience great changes with the rise of supermarkets. Big-C houses the largest non-wholesale supermarket in Hanoi. Women now do not have to go every morning to the local fresh market, but have the choice to visit Big-C ones a week instead. As such they distinguish themselves here from the lesser well off women, and create a new group. In addition husband and children often join shopping, in which it becomes a family event.

##### IV/ Change from visiting the old quarter for special products and foods to visiting Big-C

The 36 streets always has been 'the' place for specials foods and products. People would commute here from all around the city. Today Big-C offers an alternative. Local foods are now available at the food-court in the top of the building, and special products in the old quarter are replaced with the many foreign products available here. This results in Customers who now come especially to Big-C for products where before they would have visited the 36-streets, in addition Big-C becomes 'special event of the new middle class in the weekend'. It are especially youngsters who can afford it, or who just hang out here and the middle class who now will visit Big-C for these reasons. By visiting Big-C together they distinguish themselves from others in society.

##### V/ Separating private and working time

Due to the separation of living, working and leisure time is used different. Shopkeepers informed us about the great change that they now have to plan 'when to go to work, how far to drive', in addition now they work on a fixed schedule, when to start with work and when to take time off for a break or go home. In contrast, in the traditional places, shops are combined with a house. Not very long ago, most shops in Hanoi were also the living space of the house. Shopkeepers would just have lunch inside the shops (on the counter), or just sleep (under or on top of the counter), while customers are at the same time in the living room as in the shop. These activities are now strictly separated from customers in places as Big-C. In addition shops now have strict opening and closing times, while in traditional shops this would depend on the customers, or private activities of the workers or owner of the shop. This again also intensifies stratification in society, customers distinguish themselves by being 'more modern' through their fixed schedules.

## VI/ From local shop to 'modern' shop

Traditional shopping places are characterized by bargaining for prices, and people will go to places where they have relations or know the owners, to be sure products have good qualities and the price is right. The new shopping centers as Big-C give more security for customers, now prices are fixed, people know precisely what they need to pay and way they get, and there are return possibilities and guarantees on products. This creates a new condition in which customers start to trust in anonymous 'modern' shops with international brands. As such a new group of middle and upper class consumers has emerged which do not trust in local shops and products, but do in the new modern shops with foreign products<sup>392</sup>. At the same time the customers at Big-C have new aspirations for new international style fashions (brand names), they also say they get new ideas how to decorate their houses. These become means to differentiate oneself from others. Shopkeepers at Big-C mention that they learn here about the price value of international brand names, they become more confident as individuals.

## VII/ Big-C communicates new lifestyles in the city Hanoi

Big-C is reaching out through promotions to the newly emerging middle class, however not the upper class. 'Cheap prices for every household'; however, this is only valid for the middle-class in Hanoi. The building itself and the promotions influences the users, who say that Big-C makes Hanoi 'more professional', it makes people 'more civilized', and it makes Hanoi more 'modern and beautiful'. The users perceive the new introduced shopping culture at Big-C as 'more civilized, and 'more beautiful and modern' than the existing traditional, rural - socialist city. Thus Big-C becomes a place where users feel 'more modern', it is a place that makes them feel different from others.

## VIII/ Multiple actors in a market economy, however under control by the Vietnamese State

The French Bourbon group and later Casino Group are new foreign actors in the city Hanoi. However they need to partner with a Vietnamese company. We see here the Thang Long General Trading Company emerging, they operate under the wing of HPC. The State keeps also the one who approves if land can be leased or not. We did not find any other actors involved, there were no voices of citizens consulted before starting construction. At the same time Big-C has shown that there also no intellectual property right for the architects, as such Vietnamese owners change designs of foreign architects.

## IX/ Foreign actors as teachers for young Vietnamese professionals

The Vietnamese architects working with the French in the development of Big-C, perceive this a learning project, they learn about commercial centers, which is not learned at their universities where professors teach which did not learn about these project part of market economies themselves.

## X/ Connecting to foreign worlds through co-operations with foreign partners

This case also showed that Vietnamese study abroad, and they have advantages to cooperate with foreign actors due to advantages in knowledge and language. As such, a new elite Vietnamese professional emerges, one who studied abroad.

## XI/ Towards multiple ideas and examples for Hanoi's future

In this case Mr. Quoc who studied in France and worked with French architects thinks that Amsterdam would be a good example for Hanoi. Its historic center and waterways is similar. He also could intellectualize the chaos in Hanoi: 'lively chaos', globalization embraces many paradoxes, he says. The users of Big-C think Hanoi is mainly a developing city and not international in 10 years.

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<sup>392</sup> however with exception from Chinese products which are values much less than Vietnamese ones.

## 4.2.6 Biography Trang Tien Plaza

### 4.2.6.1 General description

Trang Tien plaza is located at 24 Hai Ba Trung, Hanoi, at the center of Hanoi. The building is replacing an old state warehouse, and is located at the corner of Trang Tien Street with Pho Hue, it is facing the central lake Hoan Kiem (Location Map Trang Tien Plaza Appendix IX). The project of Trang Tien plaza started on 30<sup>th</sup> April, 2000, on the occasion of the 25 years anniversary of the reunification of the country. With the investment of Trang Tien commercial investment Co., Ltd. The architecture of Trang Tien Plaza was designed by Site architects main architect Claude Cuvelier, under the direction of SOE Vinaconex, Trang Tien commercial investment Co., Ltd and other construction contractors. They completed the construction within 18 months. After the constructing period, Trang Tien commercial investment Co., Ltd directly undertook the managing and operating business of all trading activities of Trang Tien plaza building. The project officially came into operation on the occasion of the 72 years anniversary of the establishing of the Communist party of Vietnam (03/02/1930-03/02/2002). It has more than 20,000 square meters (2 ha) for business premises with according to their website 'modern equipments followed international standards'<sup>393</sup>.

### 4.2.6.2 Analysis of the conception process Trang Tien Plaza<sup>394</sup>

I/ Actors

Trang Tien Plaza is an investment by the Investment Company Limited Trade Trang Tien, a joint venture between Vinaconex Corporation (with a 90% share) and Hanoi Trade Corporation (with a 10% share)<sup>395</sup>. The building was designed by the French company Site Architecture<sup>396</sup>.

This project began in 1994. Before developing the building, the project changed two times from foreign investor. The general store was target to be redeveloped by the HPC, because it was first an old building, and second it needed to be adapted to the new consumer society<sup>397</sup>. Investors from Singapore and Malaysia approached the HPC and bought the land, they demolished the old building. However, they sold it to an American investor to make profit. The Americans did not develop the site because of the Asian financial crisis in 1997. After that the government decided to take action, and the State Owned Enterprise Vinaconex bought the projects from the American investor. "It is a precious lesson for Vietnam when working with foreigners" (Architect in Chief involved Mr. Dao Ngoc Nghiem<sup>398</sup>). During the whole process Hanoi Trade Corporation, under HPC owned the land, they had the jointed venture with the foreign investors. However they has no financial resources to develop the building, the value of the land at that time had dropped and was very low, as such they started the joint venture with SOE Vinaconex, which was under MoC, the central government.

At the time, Claude Cuvelier just established himself in Hanoi, since he decided to set up his own company in Vietnam after participating in the development of the Hilton Hotel. He was well connected with the establishment in Hanoi, and as he says himself<sup>399</sup>. "I was the only French architect available. Vinaconex was very happy. In Hanoi it is like a family you know, a small lobby". Site Architecture made a new design for Trang Tien Plaza, and had a meeting for the building permit with a team of 25 people of the VAAs. They gave approval for the project, because as Cuvelier says "I respect the style of the center of Hanoi" (Mr. Claude Cuvelier<sup>400</sup>).

<sup>393</sup> [http://www.trangtienplaza.vn/front-end/index.asp?website\\_id=39&menu\\_id=459&parent\\_menu\\_id=459&article\\_id=12500&fuseaction=DISPLAY\\_SINGLE\\_INTRODUCE\\_ARTICLE&hide\\_menu=0](http://www.trangtienplaza.vn/front-end/index.asp?website_id=39&menu_id=459&parent_menu_id=459&article_id=12500&fuseaction=DISPLAY_SINGLE_INTRODUCE_ARTICLE&hide_menu=0) Date consulted webstie : 31 Dec 2009. Language: Vietnamese.

<sup>394</sup> Interview with Mr Claude Cuvelier founder and director Site Architecture Company 13/11/2009, Mr. Bui Quoc who worked as a technical consultant and technical supervisor, 11/11/2009, and Mr. Dao Ngoc Nghiem, former Chief Architect and director of HAUPA involved in the approval process at HPC, 18/11/2009

<sup>395</sup> <http://hotels-in-vietnam.vn/dest-detail/en-US/HaNoi-City,1/Shop,2/Trang-Tien-Plaza,191.htm>

<sup>396</sup> idem

<sup>397</sup> Interview with Mr. Cuvelier on 13/11/2009

<sup>398</sup> 18/11/2009

<sup>399</sup> Interview with Mr. Cuvelier on 13/11/2009

<sup>400</sup> idem



At the time there were only two French architects working in Hanoi who were registered as an architect in Franch Site Architecture cooperating with Vinaconex made a new design and had a meeting for the building permit with a team of 25 people of the association of architects. The company got building permission, which is attributed, that the representative, Mr. Cuvelier, was the only French architect available at that time<sup>401</sup>.

## II/ Local - Foreign Nexus

The foreign influence in this project is the direct influence of the global economy, the foreign investors which start to speculate with the land, and do not develop when there is not enough profit. Local influence in this process is the action of the Vietnamese state to buy the land back from the foreign investor and develop the project..

Another local-foreign nexus is the development of the concept. The architectural company was only hired for the concept design, they did not make ant construction design or technical details. And different with many other countries in Vietnam there is no intellectual property right, This means an architect sells his concept, after the owner, the client can change the concept without consulting the architect, also when the building is constructed he can change anything he likes. This out of frustration of the architect Mr. Cuvelier, who says “the building now is not very beautiful”.

The concept was detailed by Vinaconex and other local consultants like VCC, they changed the initial design a lot. The materials were replaced with cheaper ones, marble was not used and different colors were used. “in Vietnam the author is not the architect, the investor just change the building design without asking for permission from architects”. (Mr. Cuvelier<sup>402</sup>).

Another change is that Site Architecture designed a general store, as in France, however Vinaconex turned it into a shopping mall. “We did not design that” (Mr. Cuvelier). Site Architects introduced a French company to develop the store, but this was not accepted by Vinaconex. As such Vinaconex now manages the place.

## III/ Users

Site Architects wanted to developed something like Parkson, which is a new luxurious general store in the outskirts of Hanoi. Users would be middle and upper class and customers interested in both Vietnamese products and foreign brands. Today, Mr. Quoc says Trang Tein Plaza customers are mostly people from provinces. Mr. Quoc says this is due to the bad management of Vinaconex at Trang Trien Plaza<sup>403</sup>. Mr. Quoc also compares it with the today very successful place Vincom, where the management is done by the International marketing company CBRE, and as such has made it into a place well very successful in targeting to the demands of the new upper and middle class Vietnamese.

## IV/ Future Strategies

Both Mr. Quoc and Mr. Cuvelier say the management should improve to make Trang Tien into a successful place. In February is has been announced that Trang Tien Plaza will be restructured. “In the best location in Hanoi, this retail centre has under performed competitors due to mismanagement and a poor tenant mix. A renovation and restructuring should allow it to achieve the premier status in the city<sup>404</sup>”.

## V/ Promotion

Trang Tien plaza is promoted on its own website, e-magazine<sup>405</sup>, travel agency website<sup>406</sup> and on a private blog entry<sup>407</sup>. Trang Tien plaza is also advertised on the site of Tun Travel Company, a member of Vietnam National Administration of Tourism. It introduces the history, the development

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<sup>401</sup> Interview with Mr. Cuvelier on 13/11/2009

<sup>402</sup> Interview with Mr Cuvelier, 13/11/2009

<sup>403</sup> Interview with Mr Quoc, 11/11/2009

<sup>404</sup> <http://news.vneconomy.vn/20100301034149563P0C4/positioned-to-prosper.htm>

<sup>405</sup> For example: <http://www.tinmoi.vn/Ha-Noi-tai-co-cau-Trang-Tien-Plaza-1292729.html>

<sup>406</sup> <http://hotels-in-vietnam.vn/dest-detail/en-US/HaNoi-City,1/Shop,2/Trang-Tien-Plaza,191.htm>

<sup>407</sup> <http://blog.timnhanh.com/ttnhan63/comment/ha-noi-xua-va-nay-trang-tien-plaza.35AC9771.html>

process of Trang Tien plaza.<sup>408</sup> In general Trang Tien is not promoted well, however the building itself is prominent on its location. It is the only large-scale shopping mall that looks luxurious on this location. However, this only results in foreigners to have a look, not many Vietnamese go inside, because they can't find what they need. On the website of Trang Tien three shops are promoted: Highlands Coffee, Nike, and Vinaconex market. The latter is the supermarket, however especially the latter is not what people are looking for at this moment in Hanoi. And actually is negative for the promotion of the place.

#### VI/ Perception of Hanoi by actors involved

Mr. Quoc thinks Hanoi is "Lively in chaos". He says the model for Hanoi's development is Amsterdam. It has the same situation of many water surfaces like Hanoi's.

#### 4.2.6.3 Analysis of the use process Trang Tien Plaza<sup>409</sup>

##### I/ Motivation for coming and using Trang Tien plaza

Our interviewees<sup>410</sup> at Trang Tien Plaza visit the place because they are living near the place, working or studying near the place or work there. They are not coming from far to visit this place. Which is different from for example our other shopping-centers cases, Vincom and Big-C. What we also see is that most visitors not working at Trang Tien Plaza are or young, around 20 years, or older, 60 years. Both age groups seem to come for similar purposes, window- shopping, and sometimes buying, one comes for lunch. Visits to Trang Tien Plaza range from one to two hours, and aside the people who work at Trang Tien Plaza (who come here every day), visits are one or twice a month. The visits to Trang Tien Plaza do not replace any specific activity, only one of them said before he would read books sitting along Hoan Kiem lake, now he also visit Trang Tien Plaza. All of the interviewees know Trang Tien Plaza, while they just see it, because of its central place near the central lake Hoan Kiem. What we see is that most of the interviewees visit Trang Tien Plaza alone, it is a practical visit, to spend time between working hours, or study hours, to have a quick lunch. With friends the interviewees prefer to visit other places like Vincom and Parkson, because they find these two places more interesting.

##### *Like and dislike*

Our interviewees like to visit Trang Tien Plaza because of its location, the diversity of commodities, and the cool and fresh air. However they also complain that the prices are too high, and the lay-out of the place is not very well designed and it is a bit 'stuffy'. In addition:

"This place used to be a big department store in the past and everyone knows it. Secondly, its design is quite harmonious and it has a beautiful location". (Mr. Hoa, 60 years old, retired, Chuong Duong, Hanoi)

##### II / New & local elements Trang Tien plaza according to users

Our interviewees at Trang Tien Plaza said that the place is new and modern, however at the same time some mention that it is not very international, and not very new, and some said the place has local characteristics in management and in urban form. Most of them compare Trang Tien Plaza with newer shopping centers, and say Trang Tien is not as modern as the other ones in terms of design, commodities and service. One of our interviewees even said Trang Tien Plaza reminds him of ancient Hanoi. The interviewees who said the design comes from abroad have different ideas about its origin:

".. Trang Tien Plaza is from France, because Vietnam used to be France's colony in the past. The new thing in here is the appearance of famous sport-fashion brand names like Adidas, Nike and Reebok. (Mr. Thai, 19 years second-year-student, Gia Lam, Hanoi)

"Its design may come from Russia but it is also affected by Vietnamese style" (Mr. Vi, 22 years, salesman, Pho Hue Hanoi).

<sup>408</sup> <http://hotels-in-vietnam.vn/dest-detail/en-US/HaNoi-City,1/Shop,2/Trang-Tien-Plaza,191.htm>

<sup>409</sup> Appendix X Synthesis user interviews includes all quotes and detailed references

<sup>410</sup> Based on six recorded interviews

### III / Re-positioning identity users Trang Tien Plaza

Trang Tien Plaza brings our interviewees more comfort, clear and fresh space, and a clear lay-out of the space. A person who works there says she feels more competitive. In addition, the interior of Trang Tien Plaza is influencing some of our interviewees' ideas about housing decorating. Another said:

"Going shopping here makes me feel a little bit more stylish and modern because this place is quite well-known and luxurious". (Mrs. Trang, 19 years, student, Dong Da, Hanoi)

### IV / Trang Tien Plaza & changing identity Hanoi according to users

Our interviewees at Trang Tien Plaza see Hanoi as a developed city, with a disordered development, and one of them addresses problems of traffic and architectural development, another person the problems of massive migration from the country-side. Mr. Vi an original Hanoian said:

"I love Hanoi very much. Hanoi is something very beautiful and sacred to me. Hanoi can develop as much as possible but not losing its identity and cultural values". (Mr. Vi, 22 years, salesman, Pho Hue Hanoi ).

#### *Trang Tien Plaza & Changing Identity Hanoi*

Half of our interviewees believe Trang Tien Plaza is too small to change Hanoi's identity, however, they do address the place shows some changes in the city (more dynamic, more modern), the other half says that the place is contributing to Hanoi's new modern face. Mr. Thai gave some suggestions about the growing gap between rich and poor Trang Tien produces:

"Trang Tien Plaza shows me how the improvement of Hanoian's living standard is. Commodities here are not cheap, so if people come here, they must have better incomes". (Mr. Thai, 19 years second-year-student, Gia Lam, Hanoi)

#### **4.2.6.4 Observations Trang Tien Plaza<sup>411</sup>**

##### I/Immediate environment

Trang Tien Plaza is located at the corner of Trang Tien Street, which is ended by the large square with the Opera House, and Hang Bai Street. The shopping mall's entrance (Figure Trang Tien 12) is facing the central lake Hoan Kiem. The streets around Trang Tien Plaza are characterized by small scale shops, often part of shop houses (Figure Trang Tien 1,3,5 & 7). In contrast to other sidewalk in this area, the sidewalks around Trang Tien Plaza are strictly controlled, motorbikes are not allowed to park, vendors not to sell here. However, we still see them here as well (Figure 10 & 11).

##### II/ Building Style

The Style of the building is supposed to be French, however it also has a lot of similarities with for example the metro stations in Moscow. Which, is larger in scale, and has more ornaments, and use of exclusive materials, than buildings in for example Paris.

##### III/ Use

The building is not used extensively. The supermarket is visited by people living around the area and who work here. The products are not the ones everyone need. Lots of local made products (Figure Trang Tien Plaza 8 & 9), or exclusive products (Figure Trang Tien Plaza 4). The shopping mall is present in it physical form, but it is not a place where many people go in the city.

##### IV / Local and new aspects

The elevator and mixed use is new in this building (shops, and restaurants on the top floor). What is very local is the managing of this place, it is not well marketed yet. You can 'feel' here a State Owned company is in charge. Outdated or too exclusive products, not attractive enough. In addition there are

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<sup>411</sup> All references to images and figures can be found in Appendix IX: Booklet Materials

not many open shops here, this place has more open kiosks like in the traditional market. Also the working mentality, the service mentality is a bit low in quality, people working here are much slower in reacting and providing service than in a newer place like for example Vincom.

#### **4.2.6.5 Socio-economic change related to Trang Tien Plaza**

##### I/ Commercialization

Like Big-C, Trang-Tien is like 'a city in a city', however, it is smaller in scale, products are not so varied, and the products which are sold are or not needed, or expensive. The marketing of the place is not done very well, which makes the place less dynamic as Big-C. What makes Trang Tien interesting to discuss is while it has been the first mall in Hanoi to open its doors, right in the city center replacing an old state warehouse. It shows the direct change from a socialist lifestyle that is being replaced with an individualist and much more materialist and diversified lifestyle. Instead of the state warehouse where people have to line up to get some rice and bread in exchange of their equally distributed coupons, now we see at Trang Tien products only affordable for middle and upper-class.

##### II/ Shopping in transition

In Trang Tien Plaza, as the first new shopping mall in the inner city center, and as developed and managed by the SOE Vincaconex. It is similar with Big-C, because we see a new way of combining shopping with entertaining. However, the management that is done by local company is not knowledgeable yet about how the market functions, and they did not realize how important it is, also for profit, to hire an experience marketing company for a place like this. As a result this place, the aesthetics of the building refers to a new consumer culture, however inside the demand-offer is not adjusted and it becomes a place in which we can still sense the socialist era, it creates a place which is an example of the transition in Vietnam.

##### III/ Separating private and working time

Customers at Trang Tien are not so much affected in their daily schedules as users of Big-C. People do not come to Trang Tien for weekly household shopping. However, the shopkeepers experience similar changes, they now have to commute to work, and work on a fixed schedule, when to work and when to take time off for a break or go home. See further explanation previous case Big-C.

##### IV/ From locals to 'modern shoppers'

Similar as Big-C, Trang Tien shows a change from a local way of shopping to a new way of shopping, however less dynamic than Big-C. See already explained section at case Big-C. The customers at Trang Tien place feel more modern when visiting the place, the interior of Trang Tien Plaza is influencing some of our interviewees ideas about housing decorating. The shopkeepers at Trang Tien Plaza mention they feel more competitive than before, it increases their awareness as being individuals. The users say the place shows the changes in the city (more dynamic, more modern), and they also say that it is a place which is contributing to Hanoi's new modern face, they emphasize the place shows improvement in people's living standard.

##### V/ From the State as one actor to multiple actors in developing the city

In the development of Trang Tien Plaza we have seen how foreign investors have dominated the market in Hanoi during the 1990s. They came and go, searching for profit, and they left Hanoi at that time with many empty sites. Here we can see how the Vietnamese State takes action, and develops the project by themselves. We also see here how the government actively searched for a foreign, in this case, French architect for the building. And it also shows that when foreign architects work and live in Hanoi and become part of the lobby', they will be the ones working with the Vietnamese city or central government. It is based on relations and trust.

##### VI/ Vietnamese context a burden for foreign professionals

Here we witness how the different laws in Vietnam can lead to frustrations to foreign architects. The state in Vietnam as such keeps control, a foreign architect is employed, however, Vinaconex decides

how the building develops. As, the architect said “they were the authors, not Site Architecture” (Mr. Cuvelier).

VII/ From one concept to multiple ideas for Hanoi

As Mr. Quoc also said when discussing the Big-C case, he sees Hanoi as “Lively chaos”. And Amsterdam is the city that is his example for Hanoi, a historic preserved center with waterways.

Trang Tien Plaza users perceive Hanoi as a developed city, with a disordered development, they address problems of traffic and architectural development, and problems of massive migration from the country-side. Aside this they also perceive the city as a cultural city that will not lose its cultural values.

## 4.2.7 Biography Vincom

### 4.2.7.1 General Description

Vincom City Towers are located on the site of an old factory for weapons at 191 Ba Trieu street – at the edge of the colonial French quarter (Location Map Vincom Appendix IX). The construction of Vincom tower started in 2004 and it opened its doors late 2005, on the occasion of the 50 years anniversary of cities liberation. Vincom City Towers has become the most luxurious 28 floor-twin towers in Hanoi, of which six floors for Trade Center, 21 floors for office renting, six floors for cinema. It covers a total area of 1,9 hectares and total capital investment of 45 million USD. These first two twin Towers were invested, designed and constructed by *Vincom Joint-stock Company*, a partnership between the overseas Vietnamese (Ukraine) investor and one of Vietnamese leading corporations in real estate industry, VNCC<sup>412</sup>. VNCC is a SOE, operating under the Ministry of Construction<sup>413</sup>). A third tower has opened, Vincom Park Plaza, which opened in 2009 and is an investment and development of VNCC in partnership with PFV Investment and Trading Joint Stock Company.

### 4.2.7.2 Analysis Conception Process Vincom<sup>414</sup>

I/ Actors

Since the 1990s the government policy is to actively remove the factories out of the inner city. Involved in implementing the policies were the Ministry of Industry, Hanoi People's Committee and also of the factories themselves. The previous site where Vincom is located existed of 1,9 hectares which belonged to the weapon factory. This factory produced weapons for soldiers in the front during the Vietnamese-American war.

First the Four Seasons Group from the USA approached the HPC to develop this particular site. They intended to invest in a high-rise hotel at this location. They developed a preliminary plan that they send to Hanoi People Committee. However, this proposal was rejected by the MPI based on three reasons, the 1997 Asian crisis made the investor unstable, the diplomatic relation with the USA was not good at the time, there were security problems with the factory for weapons. After, the HPC made a plan for the site and searched for another investor for this site.

In the first stage, they divided the site into five parts. In one part the factory was kept as a museum through which its history could be preserved in the city. A second part was reserved for a school. The rest of the land was divided into three other parts and meant for two high-rise towers: one for services and one as a garage. The maximum height was nine floors. Tenders and competitions were not held at that time, and a new proposal for the development of the first plot was done by the from Vietnamese origin Ukraine investor Vincom, who was given the permission to invest and develop.

The investor Mr. Pham Nhat Vuong (1968), has a factory in Ukraine, with only people employed from Ukraine. His idea was that in Vietnam, his project could also be developed by local people, Vietnamese people. At the same time this investor had already 10 projects under construction in Vietnam, working with French consultants<sup>415</sup>. For Vincom Hanoi he searched for a local company. According to Mr. Tran Duc Toan (~1974), director of VNCC No1, the investor compared VNCC with the French consultants he worked with in other projects. And decided VNCC has similar quality, but however is much cheaper.

As such VNCC, the largest SOE in construction in Vietnam, working under MoC, started to develop Vincom together with the Ukraine investor. Mr. Tran Duc Toan was project leader for the design and

<sup>412</sup><http://vincomhanoi.com.vn/web/Zone.aspx?zoneid=424&lang=vi-VN.>, Date consulted website : 28 Dec 2009, Language : Vietnamese

<sup>413</sup><http://www.vncc.vn/modules.php?name=Content&opcase=viewcontent&mcid=114&menuid=753> language: Vietnamese, issued 15/03/2010

<sup>414</sup>Based on two interviews with Mr. Tran Duc Toan, director VNCC No.1., 3 November, 2009 and 2 June 2009; one interview with Mr. Dao Ngoc Nghiem, former Chief architect and retired as first director of HAUPA, 18 November 2009, and one interview with Dr. Nguyen Quang, program manager UN\_HABITAT, and editor of a research about Vincom 29/09/2009.

<sup>415</sup>His biggest project is in the centre of HCMC, called Vincom Ho Chi Minh. Its grand opening will be in July 2011.

construction for VNCC, at the same time he was the in-house advisor for the investor. Both Vincom in Hanoi as Vincom in HCMC have share in its investment by the BIDV<sup>416</sup> bank<sup>417</sup>. The government is the actors for the administrative procedures.<sup>418</sup>

## II/ Foreign- local nexus

The project started with two towers that took half of the total site. VNCC developed the first tower, and the second tower was supposed to be developed by the company 'Forever' from Singapore. But they didn't meet the requirements of the Ukraine investor. So VNCC developed both towers. A part of the site of Vincom remained empty due to lack of budget. The government bought this part of the site back, they found a new investor PFV Investment and Trading Joint Stock Company<sup>419</sup> (PFV), and asked VNCC to develop a third tower, this towers combines retail with parking and exclusive apartments and penthouses. As such the initial project that was started by the Ukraine investor has been completed by the Vietnamese government. This third tower opened its retail in August 2009, and is called Vincom Park Plaza<sup>420</sup>, it connected with a leveled bridge with the first two towers.

Local is also how land has to be purchased by the investor, and the involved resettlement of the factory. Aside the long term lease to the government, the investor Vincom had to pay money for the land to the factory owners, and the cost of moving the factories. The second plot was a tender, Mr. Toan informed us "this was a short list", not many investors came. Vincom participated and won the competition. They linked the two plots together.

Also local here is that the government could not win from commercial pressures of land, and as such the old factory that still owned the land which was meant to be kept as a museum of the old factory sold it to the Japanese company Yamaha. Today, the Japanese-Vietnamese Yamaha Town and ChicoMambo (one of our cases), are located on this site. Also local is that as well the site that should become a high school also did not develop. It was discovered that the where Yamaha was located and the still empty site scheduled for the school was a historical site of worship. According to the rules of Phong Thuy this site should be water or green. For this reason the government, changed their plans and instead develops the site as a park. Mr. Toan said that for this reason some people also living on this site will be removed, however, he says the Yamaha company will not be replaced<sup>421</sup>.

Aside all the changes in the site, the functions of the buildings changed. Originally the HPC has scheduled only two high-rise buildings, a nine-storey garage and a nine-storey office building, the school and the museum. However, both the nine-storey garage and office building changed into high-rise buildings with 28 floors.<sup>10</sup> How this could change is a question none of the interviews could answer. However, this case has similarities with Hanoi Tower, the first retail high rise in Hanoi<sup>422</sup>.

In the design the local influence has been the use of *phong thuy*, the orientation based on this, and also the decision for two square shapes with similar heights of the first two towers. We calculated according to *phong thuy* from the context, we needed to keep an open relation, open space with the

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<sup>416</sup> We were not allowed to interview anyone at the bank. According to Mr. Toan the relation between the bank and the investor should remain 'secret'. "For example, I am Mr.Vuong, the investor of Vincom. I have some relationships with some people in BIDV Bank, not the leader of the Bank. I suggest them and invite them to invest with me, but they have a lot of information about BIDV. Some money belongs to individuals, you know. It is beneficial. A lot of banks in Vietnam work that way" (Mr. Tran Duc Toan 03/11/2009).

<sup>417</sup> Mr. Tran Duc Toan 03/11/2009

<sup>418</sup> Mr. Tran Duc Toan 02/06/2009

<sup>419</sup> [http://www.easypropertyinfo.com/index.php?option=com\\_content&task=view&id=39052](http://www.easypropertyinfo.com/index.php?option=com_content&task=view&id=39052)

<sup>420</sup> <http://www.vincomcitytowers.com.vn>

<sup>421</sup> Mr. Tran Duc Toan 02/06/2009

<sup>10</sup> Mr. Dao Ngoc Nghiem, 18/11/2009.

<sup>422</sup> "In Hanoi we call this *Xin Cho*. *Xin* means thanking and *Cho* means giving. So we have to give people and people always have to thank you in return. Which is corruption. Our society is not based on the law but on this system of Xin Cho. An example is Hanoi Tower. At this location we have the French prison. Two laws were forbidding to built in this place: monumental law, to keep the prison and second the law to keep the French quarter intact. Now 10 years ago the local government allowed the Hanoi Towers to be built. The investor could take 2/3 of the land of the Hanoi Prison, the historical monument. Only a very small part of the prison is left today and located now right next to the high rise tower. The prison allowed infrastructure to be built en the government didn't follow the law because the international investor paid them money (corruption)". Anonymous source VAA, 65 years, May 2009)..

pagoda nearby. The client worked together with his brothers, the towers are symbolic to them, the opening in between is orientated on the pagoda<sup>423</sup>.

The international influences in the design, to build a highrise mixed-use tower as in Singapore and Hong Kong, came from the investor. However VNCC changed the ideas and made it adaptable for the lifestyle in Hanoi. For example, Vincom has a lot of shops with small scale and large open spaces. It has proved to be a good strategy, in contrast to some other developments in Hanoi which do not adapt to Hanoi's culture and that failed.

It was very difficult for VNCC to approach a project with this kind of scale. In 1997 Vietnamese consultants did not take part in the development of high rise and large scale buildings. Only foreign consultants developed hotels and offices. For example Daewoo Hotel and Business (Korea), Hilton (France), Melia Hotel (Thailand). And at that time there was no completed construction law. To learn, the designers of VNCC visited Hong Kong and Singapore to study this type of building. And they studied commercial high rises in foreign books that they collected through travels, or order through the Internet<sup>424</sup>. After they made three preliminary designs and a proposal for the process of implementation.

### III/ Users

Users are people who shop in Hanoi, the building design is adjusted to the culture of Vietnamese, small scale shops. According to the designer it is very successful.

### IV/ Future Strategy

The future strategy is to resettle citizens living on the worshiped site. Mr. Quang of UN HABITAT explained that these citizens get compensation with the price set by the government, which is very low, and not comply with the prices of the market<sup>425</sup>.

### V/ Promotion

The marketing of Vincom is done by the renowned international company CBRE<sup>426</sup>. Vincom is promoted internationally. "As you know, Vincom is built for commercial purpose, so large scale promotion is needed; for example, promotion in Southeast Asia and in international scale"<sup>427</sup>.

In Vietnam, Vincom is promoted through the official website of Vincom joint stock company<sup>428</sup> in both Vietnamese and English. It is also advertised on various real estate<sup>429</sup> and e – magazine<sup>430</sup> websites. To promote its brand, Vincom towers has conducted various activities<sup>431</sup> and all of these activities are promoted on the company's official website. The tower is also promoted through the advertisings of many companies doing business at Vincom like through the cinema Megastar<sup>432</sup>. Also, adverts of apartments for rent in Vincom Tower Hanoi are posted on many real estate trading sites<sup>433</sup>. Vincom is also promoted internationally on the site of World visit guide<sup>434</sup>.

Vincom Towers uses slogans as "*The Shopping Paradise of Vietnam*", and "*The place with the newest fashion brands firstly introduced in Vietnam*", as such communicating its exclusive status to consumers and "the place to be" for the new middle and upper class searching for new foreign products.

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<sup>423</sup> Mr. Tran Duc Toan 02/06/2009

<sup>424</sup> idem

<sup>425</sup> Mr. Nguyen Quang, 29/09/1009

<sup>426</sup> Mr. Tran Duc Toan, 03/11/2009

<sup>427</sup> idem

<sup>428</sup> <http://vincomhanoi.com.vn/web/default.aspx?zoneid=418&lang=vi-VN>

<sup>429</sup> For example: <http://www.diaoconline.vn/DoanhNghiep/GioiThieu/383/>

<sup>430</sup> For example: [http://home.vnn.vn/vincom\\_\\_\\_\\_\\_5\\_nam\\_toa\\_sang-51118080-615425128-0](http://home.vnn.vn/vincom_____5_nam_toa_sang-51118080-615425128-0)

<sup>431</sup> For example: Vincom Galleries introduction, Vietnam unification day (30<sup>th</sup> of April) and May day (1st of May) celebration

<sup>432</sup> <http://thodia.vn/rap-chieu-phim-megastar-cineplex-vincom-towers-ha-noi.html>

<sup>433</sup> For example: <http://hanoihousing.com.vn/p127/office-in-ha-noi-vincom-city-towers>

<sup>434</sup> <http://worldvisitguide.com/salle/MS05120.html>



## VI/ Perception of Hanoi by actors involved

In my point of view, I think Hanoi has a lot of potential. However, achieving sustainable development and developing in the right direction still depends on policies and urban management. Vincom is an example, and as an architect, I cannot accept its situation.

“The Government of Vietnam is now hiring the PPJ to corporate and do planning for Hanoi. They are Perkin Eastman from America, POSCO E&C and JINA from Korea. Now they are working to show three options for Hanoi. These three options are under consideration of Vietnamese government. The policy makers know well what is good and what is bad for Hanoi, but what they can do depends on many factors. Perkin Eastman did introduce many models for Hanoi development, but the Board of Specialty did not choose any model. And I still want to emphasize Hanoi’s own characteristics. It will develop its own ways, and I don’t want to take any city as an example<sup>435</sup>.”

### 4.2.7.3 Analysis of the use process Vincom<sup>436</sup>

#### I/ Motivation for coming and using Vincom

Our interviewees<sup>437</sup> visit Vincom twice a month to three times a week, they spend in average one-two hours here. Young people (from 20-25 years) visit Vincom with friends, they hang out in the shopping-mall and visit the cinema in the evenings and weekend. Saturdays and Sundays Vincom is also popular by parents with young children, they bring their children to play in the game area, and parents themselves can relax in the safe clean and air-conditioned space. (They do not have to stress for motorbikes hitting their children inside Vincom). Families tend to visit Vincom in the weekend and stay for several hours (2-4 hours). There are some exceptions were people stay 5-6 hours, these are people who visit Vincom in average once a month, and people who come from other provinces of Hanoi (information from shopkeepers). Some parents also come here with their children after working hours. They use all the facilities, eating, shopping, gaming and sometimes also the cinema. Saturday and Sunday are busy days in Vincom. In weekdays, Vincom is busy at lunchtimes and after working hours (17h). At lunchtime Vincom is popular by people working in the offices in Vincom, and people working nearby. The Ministry of Construction is around the corner, also many officials visit Vincom. During lunch time people come for lunch and especially woman come to Vincom for shopping with colleagues, very rarely people come alone. From the interviews we see that Vincom is mostly visited by groups of people, groups of youngsters, and family, or together with colleagues.

For half of our interviewees, Vincom is a new place, an addition to people’s lifestyles, the other half already visited places like Vincom in Hanoi, like Trang Tien Plaza and Parkson, places they still visit as well. Most stop visiting Trang Tien Plaza and come to Vincom instead while Vincom is better focused on the demand of the Vietnamese customers, people also prefer the multi-use of the building (games, cinema, commodities). All find Vincom better in price-quality. What we witnessed from our interviewees is that most people hang out in Vincom, there are cheap priced goods, but more luxurious goods. One third of our interviewees mentioned they come to Vincom to look at what is new and modern. People come to Vincom to eat, the young also use the cinema and game area, and a few better off and foreigners buy the goods. Vincom is known by the users through friends, from the media, newspaper or TV, or while they just saw the place. What we can conclude for the use of Vincom shopping mall is that it is not really used for a quick stop for shopping, but really a place where people go to spend time together hanging around, window-shopping, looking what is modern and international and / or going to the cinema. It is one of the most favored shopping malls in Hanoi, due to its location, space and price-quality.

“People during the week are often from other provinces they come to Hanoi and also visiting Vincom is one of their activities. A trip to Hanoi includes a visit to Vincom. These people come for all the services, eating, drinking, shopping, go to the movie” (shopkeeper Clark shoes, second floor Vincom, 19.06.09)

We also experienced, Vincom is not the most expensive place in Hanoi, and also that the shopping malls are not the most expansive places. The manager of a restaurant on the 6<sup>th</sup> floor told us:

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<sup>435</sup> idem

<sup>436</sup> Appendix X Synthesis user interviews includes all quotes and detailed references.

<sup>437</sup> Based on six recorded interviews (core of this analysis), nine non-recorded interviews (the first tests cases for the interviews), and an additional six short interviews with shopkeepers.

"I visit Vincom for shopping, but I think for the price there are better places. And my taste is different from the fashion here, I buy more expensive products than in Vincom. I mostly visit the supermarket here once a week." (interview manager restaurant sixth floor 19.06.09).

From other sources we know that the most affluent people in Hanoi buy rare and special goods in small specialized shops where they can order goods from other countries, or they order directly from other countries using the internet, or they will go on 'shopping trips', travel agents sell special deals to go shopping in Bangkok / Hong Kong / Singapore.

#### *Like and dislike*

Most of our interviewees like Vincom because of its diversity. They like the mall, because it has both cheap and luxurious commodities, they like the entertainment for children, for youngsters and the eating places. This is a new concept in Hanoi: shopping, entertainment and eating in one place. Interviewees mention that this gives comfort, not only due to the clean area, but also while it is easier and faster.

However, the interviewees also mention at the same time that they don't like the high prices, some goods are similar as the once in the street shops, however more expensive. And they also mention that the service is not as good as in the local street shops. And one that everyone agrees on: the building is not suitable for motorbike parking. It is very difficult to find space to park motorbikes, which most of our interviewees use to commute.

#### II / New & local elements Vincom according to users

All of our interviewees say this shopping center has nothing local, they all mention that Vincom is a new modern building, however all of them have different ideas where the design comes from:

"I think Vincom's design imitated the design of Petronas of Malaysia but it is not as beautiful as the one in Malaysia. I think Vincom's design is Vietnamese because its appearance is not international enough" (Mr. Hoai 32 years, 22.09.09).

"I don't think that its design comes from a single country. It does not come only from France, Italia or Japan. It is a mixture of design styles from many countries, mainly Western ones". (Ms. Hoa 32 years, 22.09.09)

#### III / Re-positioning identity users Vincom

All of our interviewees told us that visiting Vincom influenced their lifestyles, it influenced choices for clothing, decorating houses, and it offers new ways to relax. International brand names, international styles for decoration and international ways for relaxation are embraced by Vietnamese customers of Vincom.

"It certainly changes my lifestyle. I am an officer, so after working hours I feel tired. I can go with my family to this shopping center as a way of relaxing and we can have good times. Moreover, I can apply the way of layout in Vincom into my house to make it more stylish" (Ms. Ha 31 years, 22.09.09).

"It makes me more stylish and more modern. I now wear clothes of famous designers and brand names" (Mr. Tung 22 years, 23.09.09)

"Working here changes my lifestyle, a more dynamic lifestyle, and I am much more confident. I have to connect with many different kind of people, most affluent. I learn from the customers how they manage their money, and how they talk ('proper' Vietnamese Northern language). (Shopkeeper store with bags first floor Vincom, 19.06.09).

It suggests both shopkeepers and customers start to feel different, and to belong to a new group of modern Hanoians.

#### IV / Vincom & changing identity Hanoi according to users

Most of our interviewees have the image of Hanoi as a hybrid city with a mixture of styles and non-control over building activities and traffic. It is mentioned that: Hanoi today is integrating into the modern world. However it is also mentioned that:

"Hanoi is a modern but over crowded city. Ineffective urban planning led to disordered architect and chaotic traffic. Hanoi is still much more socialist than Ho Chi Minh city" (Ms. Trang 21 years, 22.09.09)

#### *Vincom & Re-positioning of Hanoi*

For most of our interviewees Vincom is a landmark for change. It changes their lifestyles and also their image of the city Hanoi. However, most say the city is not completely changing. Vincom is part of a new international layer added to the traditional city Hanoi. For our interviewees Vincom is part of a change from developing to developed country, it suggest that they are part of the transition from developing to developed city.

"Of course Vincom changes the face of the city. Vincom shows me that Hanoi is much more developed than before" (Mr. Tung 22 years, 23.09.09).

#### **4.2.7.4 Observations Vincom<sup>438</sup>**

##### I/Immediate environment

Vincom is situated in the French quarter, a very large scale building in the midst of a small scale fabric (Figure Google Earth Maps, and immediate environment). However around Vincom more office and retail space is replacing the existing smaller build fabric (Figure Vincom 11 & 13). These other buildings are both in 'French style' similar with Pacific Place. Because of the new information of a worshiped site, and as a result the new requirement of the HPC to keep a part of the old factory site as park (Figure Vincom 4), there is relatively some place around Vincom Towers. Only problem is parking, the sidewalks around Vincom are filled with motorbikes (Figure Vincom 16)). And although vending is not allowed around Vincom, they are still dominating on the street life around here (Figure Vincom 14 & 15).

##### II/ Building Style

Vincom Towers is a high rise shopping mall, which in its aesthetics is comparable with the ones in Singapore and Hong Kong. Also the interior is similar, a shopping mall with a large open vide (Figure Vincom 12) in the middle, so everyone can look at everyone and at every shop in the mall. It is a well marketed place, and it is a place that has realized a dynamic atmosphere. There is something to so, interesting products for many people, and the space is easy to understand. An advantage here is, that this shopping mall is in the center of Hanoi.

##### III/ Use

Vincom is used by many for window shopping (Figure Vincom 5), we see a lot of people just walking around. In the morning the place is quiet. Around lunchtime the place gets busy, many people form offices in the building and around visit. After working hours, in the evening and weekend the place is busy with families and children. They visit the gaming area (Figure Vincom 6), and the teenagers visit this area as well (Figure Vincom 7 & 8) But also groups of friends, they come shopping, have dinner or lunch. And at Vincom the new cinema Mega Star is crowded (Figure Vincom 1 & 2). At Vincom there are open kiosk ad closed shops, and there is a supermarket (Figure Vincom 3) and guards take care of security (Figure Vincom 4).

##### IV / Local and new aspects

There is not much local about Vincom, aside the Vietnamese food restaurants, the vendors around the area, the local inner city fabric, and the use of motorbikes, which makes the sidewalks around Vincom not for walking but for parking. Inside the shopping mall is completely a new concept. It is not different from many other shopping malls elsewhere in Southeast.

#### **4.2.7.5 Socio-economic change related to Vincom**

##### I/ Commercialization

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<sup>438</sup> All references to images and figures can be found in Appendix IX: Booklet Materials

As Trang Tien and Big-C, Vincom is like 'a city in a city', it represent the change from single use to multi-use places. From an inner-city weapon factory, representing socialist equality, to a place which offers commercial products and leisure activities as games, bars and restaurants, a cinema complex, reproducing diversity. It produces a new culture of leisure and shopping, which has similarities with Big-C and Trang Tien, however due to Vincom's design which is similar with luxurious shopping malls in Singapore and Hong Kong, its location and its more diversified exclusive foreign shops due to professional marketing, the place has a different prestige and a different kind of customer than Trang Tien Plaza and Big-C. Similar with other shopping malls is that new groups of people bond here together, as a new subgroup in society.

#### II/ Upper class business people, bureaucrats, groups of office ladies & tourism from provinces

As Big-C and Trang Tien, Vincom shows a new way of combining shopping with entertaining. A new group of middle class families distinguish themselves from others visiting these air-conditioned, services and well guarded place Vincom. In addition, during lunch breaks ladies working in offices nearby come to explore and buy new foreign products. Bars and restaurants are used by business people and bureaucrats for lunches, dinners and meetings with business partners. As such new group of well off successful business people working around the area start to communicate 'business and success' at Vincom.

In contrast to the group of working office people, there is another specific group at Vincom which are people coming from other regions. Vincom has become a symbol for 'modern Hanoi' and these people come to look at the new lifestyles communicated by the building and to explore the new foreign products here (which also communicate new lifestyles). The different groups visiting Vincom show a sharp polarization in Vietnamese society: upper-class but things at Vincom, 'others' just come and explore the 'new lifestyles'. The place remains dominated by well-off citizens differentiating themselves here from other in the city.

As such, Vincom becomes a place where different sub-cultures emerge, however, at the same time users here actively try to be different from each other, purchasing unique and specific products, often from Korea, Japan, USA or Europe.

#### III/ Related to the above: Vincom communicates a new exclusive lifestyle through its design & promotions facilitating the new emerging sub-cultures in their search for identity.

The design which is using glass and metal and is associating with shopping mall in the Southeast Asian region. In addition its slogan "The Vietnamese shopping paradise" and "the first place for new brands in Vietnam", are phrases reaching out to the newly emerging upper class in Vietnam, and facilitate the search for new identities by them: associating with an exclusive foreign consumer culture, out of reach of most Vietnamese. And the users of Vincom users perceive the new shopping mall as a landmark for change, a gate to more modern and comfortable life. Vincom is perceived as part of a new international layer added to the traditional city Hanoi. They see themselves as being part of this new layer. They see themselves as being part of a change from developing to developed country. Visiting and working at Vincom they become part of this change, they see Vincom as a place for the newly emerging 'civilized' citizen in Hanoi.

#### IV/ Small family owned shops for residents versus shopping center for outsiders

People living around Vincom visit the small family owned shops. Only the few that can afford it visit Vincom, they come here to escape the hustle of the crowd. Instead of shopping or searching for a place to eat by motorbike<sup>439</sup>, they now can walk in the large shopping center. Without being hit by car's or motorbikes, they have plenty of space to walk. However, Vincom has created a new enclave inside the residential area (which was mixed with family shops) and most people working at Vincom come from far, commute everyday to Vincom. The others visiting Vincom mostly do not live around the area. As such a sharp contrast has emerged from residents in the area, in which Vincom Towers is like an island. The place is designed for well-off citizens, this is not only seen in its design and luxurious shops but also in the parking space under the building designed for cars, and the lack of motorbike parking for the lesser well off customers. As such Vincom Towers, and other new office and

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<sup>439</sup> people have to move their bikes to the sidewalk space in front of each shop they want to visit inner city, so they can't go walking, first they can't park their bikes anywhere else, second, walking is very inconvenient and sometimes even dangerous in a city dominated by motorbikes (including sidewalks).

retail buildings around this area show a polarization in Vietnamese society: a sharp contrast is emerging between the rich and the poor.

V/ Change from working and living in one place to separated places to work and live.

Similar as for the other shopping centers, daily schedules of people who start to work at Vincom have changed. It leads to different lifestyles and people who feel 'more modern' than others. See details case Big-C.

VI/ From local shop to 'modern' shop

As explained for Big-C, the traditional shopping places characterized by bargaining for prices, are now being replaced by anonymous shops with fixed prices and more security for customers. Similar as the above, this leads to customers who distinguish themselves from others, they feel 'more modern and civilized' buying these products. International brand names, international styles for decoration and international ways for relaxation are embraced by Vietnamese customers of Vincom. These become means to differentiate from each other. Also the shopkeepers at Vincom experience a more dynamic lifestyle, they have more interactions with customers than before, especially well-off and foreigners. They also mention they learn 'how to behave', for example, not sleeping in the shop or sitting on a chair. In addition they learn 'how to manage money', they learn what the price is for good quality products (as they inform us). This also makes the shopkeepers feel more confident as individuals.

VII/ From the State as one actor to multiple actors in developing the city

In the development of Vincom Towers we see how the State works together with a foreign investor, however with Vietnamese origins. We also see how the Vietnamese State dominates in what is built there, and how they can stop foreign investors for political or economic reasons as the refusal for the first investor who approached them from the USA. We also see how the State becomes an active entrepreneur, with the SOE VNCC as PMU, they manage to finish the project after the Ukraine investor leaves. However, the State is not strong enough for commercial pressures, Vincom is realized with three times more floors than was allowed, and the factory could not resist selling its land to the Japanese, as such the weapon factory museum was not realized. It shows the complexity of the governmental process at this moment, it is not always clear what and how where is invested, and why.

VIII/ Foreign influences for Vietnamese professionals

The architect Mr. Toan was greatly influenced by working in this project, he and his staff learned how to build a commercial high rise tower. The idea was initiated by the investor, and as such the young Vietnamese professionals could learn from other similar development in the region.

IX/ Local Global blend

The design of Vincom shows that the young Vietnamese professional, educated in Vietnam and working in Vietnam respects the theory of Phong Thuy. We have seen they took great care the towers are placed on the location in such a way it is well orientated based on this theory. As such the international high rise towers are blend in its design with the Vietnamese spiritual culture. We also see in this case that for the Vietnamese government Phong Thuy is very important. This we see in the part of the site which remains undeveloped, and now will become a park, so respect the discovered 'holly site'. In addition the Vietnamese designers adjusted the design of the towers to the demand of Vietnamese for small scale shops. As such the concept of Vincom is foreign, however, due to these adaptations to local culture the place still has references to the local culture, which has proven to be successful, it is the most popular shopping mall in Hanoi at present.

X/ From one concept to multiple ideas for Hanoi

Architect Toan said that he thinks Hanoi has a lot of potential. However, achieving sustainable development and developing in the right direction still depends on policies and urban management. Vincom is an example, and as an architect, I cannot accept its situation. Vincom users perceive the city Hanoi as a hybrid city with a mixture of styles and non-control over building activities and traffic. And as a conservative city, a combination of socialism and traditional elements, and as a city integrating into the modern world.

## 4.2.8 Biography Hang Da market

### 4.2.8.1 General description

Hang Da market is located in the 36 street area, at Ha Trung Street, (Location Map Hang Da Appendix IX). The rebuilding of the new Hang Da market covers the old space of the traditional Hang Da market, 3,367 square meters (0.3367 ha). It is an investment of 220 billion VND (11.57 million USD)<sup>440</sup>. The construction has started in the second quarter of 2009 and it is expected to finish on 19 May 2010 – to be ready for celebration of the 1000 years of Thang Long / Hanoi<sup>441</sup>. The project is an investment of three companies consisting of the Red River Construction Joint stock company (PVC Incomex), Nhat Nam Joint Stock Company and Investment & Trade Limited Company KAF. Exclusive leasing is done by the well known property consultant, Savills, for Hanoi Savills Vietnam Limited Company<sup>442</sup>. The design is from Ho Thieu Tri, a well known French, from Vietnamese origin, architect in Hanoi.

### 4.2.8.2 Analysis of the conception process Hang Da markets<sup>443</sup>

#### I/ Actors

The decision to build this project is made by Hanoi People's Committee. The HPC decided to rebuild the market, and they assigned the private investors. They chose Ho Thieu Tri as the designer for the market.<sup>444</sup>

#### II/ Local - Foreign nexus

When asking about local elements in this building, the designer Ho Thieu Tri argued that it is quite hard to identify Vietnamese architectural identity. According to him, the only way that architects refer to a Vietnamese identity is with images referring to traditional architecture, resulting in imitations of pagodas and temples<sup>445</sup>.

This new Hang Da market is completely French colonial style. This was a requirement of the HPC representative was the Chief architect at the time Mr. Nghiem, and the investor<sup>446</sup>. The architect said he was not free to design as he wanted to, he preferred a contemporary style with old aspects. "That's my design if I could be free to design<sup>447</sup>". The French style, says Mr. Tri, is always dominant in my mind when I think about old styles<sup>448</sup>. Mr. Tri said he was asked to make a 'traditional design', however, he said it was not specified what that was, so they made several designs in older styles, and this one was selected<sup>449</sup>.

In the same interview, Mr. Tri<sup>450</sup> assumed that the idea of combining the traditional market with shopping mall comes from the policy "socialization" of Hanoi People's Committee. Mr. Kinh<sup>451</sup> argued that, due to the Vietnamese habit of daily shopping, a ground floor for traditional market is necessary. Vietnamese are used to stop by the market, stay put on their bikes, and by the foods right there on the street. A market in which customers have to park is considered 'kind of complicated for them'.

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<sup>440</sup> <http://www.thesaigontimes.vn/Home/dothi/hatang/14077/> - date consulted website: 30 January 2009.

Language: Vietnamese

<sup>441</sup> <http://www.incomex.com.vn/index.php?q=projects/du-dau-tu-xay-dung-cho-hang-da> - date consulted website: 30 January 2009. Language: Vietnamese.

<sup>442</sup> <http://www.vnexpress.net/GL/Kinh-doanh/Bat-Dong-san/Du-an/2009/07/3BA10BE4/> - date consulted website: 30 January 2009. Language: Vietnamese.

<sup>443</sup> Interviews with Mr. Hoang Dao Kinh, Vice President of Association Architect, 27/05/2009, Mr. Ho Thieu Tri, Hang Da market designer, 15/12/2009

<sup>444</sup> Idem

<sup>445</sup> Idem

<sup>446</sup> Idem

<sup>447</sup> Idem

<sup>448</sup> Idem

<sup>449</sup> Idem

<sup>450</sup> Idem

<sup>451</sup> 27/05/2009

### III/ Users

Besides aiming to the popular customers, the building target was to resettle people who used to do trading in the old 19/12 market since government<sup>452</sup>. Before the process of Hand Da market started the Song Hong company had started to renew the 19/12 market. However, they met with protest from historians with the argument that this historical street should be preserved. As such, Hang Da market was chosen to renovate instead. The result is that the new Hang Da market also needs to provide space to resettle the retailers of the already-destroyed 19/12 market<sup>453</sup>.

### IV/Future Strategies

This project is now under construction

### V/ Promotion

Through its billboard at the site the new market is promoted as a modern shopping center giving space to many cars and pedestrians. In an area today dominated by motorbikes and vendors.

### VI/ Perception of Hanoi by actors involved

We did not get any opinions

#### 4.2.8.2 Analysis of the use process Hang Da, Hang Hom and Cua Nam<sup>454</sup>

Because the Hang Da market is under construction we could not interview many users, only a few replaced shopkeepers and their customers. To give an idea of users of the markets we interviewed as well three users of the Hom market, which is not replaced yet, and three replaced shopkeepers / users of Cua Nam market, which is also under construction

#### I/ Motivation for coming and using the markets.

The three markets are all visited by women<sup>455</sup> between 24 and 60 years old. The youngest one (24 years), comes ones a month to buy cloths alone or with friends (Hom market), all the other women visit in the early morning. One to sells beads, the others buy household products and fresh foods to cook for their families that day. Except one who visits 2-3 times a week (Hom market), all these women visit the markets on a daily basis before going to work. They all come alone to the market, and spend 30 minutes to one hour in the market.

#### *Like and dislike:*

The users of Cua Nam market like that this market is located at the center of the city, they love the new market while it is clean and modern, the commodities are fine, however, they also said they can't get into the new market yet, so a real opinion is hard to give. The users of the Hom market said the market existing market has a beautiful location, with many mixed commodities, however, the area is small and it is not well organized. The users of Hang Da market said:

"It is ancient. I like the ancient characteristic of the old market. The service was ok. Commodities are very good. The old market was too old. ". (Mrs. Thai Thi Tien, 56, retired, Hang Trong, Hanoi, 13.10.2009).  
(User at replaced Hang Da Market)

#### II/ Knowing about *new* market

Our users at the three markets all said that the replacement of the old market with a new one is a positive development. They said the new market will be cleaner, larger, more beautiful, safer, and there will be more different kinds of commodities, which makes shopping faster and easier. Hom

<sup>452</sup> Interview with Mr. Ho Thieu Tri, 15/12/2009

<sup>453</sup> Idem

<sup>454</sup> Appendix X Synthesis user interviews includes all quotes and detailed references.

<sup>455</sup> We interviewed three users at each of the three markets, total nine interviews.

market is the only market not replaced yet, and not under construction yet, and here the users did not know the market is going to be replaced.

### III / New & local elements *new* markets according to users

At the Hom Market, people don't have any idea of the new market so could not answer what they think will be local or new in that market. At Cua Nam market and Hang Da market, the interviewees all said the new market is completely new in its interior and exterior. They think the local aspects will be the goods sold at the new markets. However, they also think there will be new commodities. One interviewee at Hang Da market said:

"It is the place for people living here to buy things and meet each other. I think everything will be new here, from the design to the interior because the new market will be much different in comparison with the old one. I don't know where the design comes from". (Mrs. Nguyen Thi Cam Viet, 50, retired, Hang Gai, Hanoi, 13.10.2009). (USER AT REPLACED (LINEAR) HANG DA MARKET).

### IV / Re-positioning identity (future) users new markets

From the three markets only the one interviewee still answering the questions at Cho Hom says the change of the markets will not only affect her lifestyle, but the whole city. The other users all say it will not affect their lifestyles, it just makes the markets more modern and the street look clean. With one exception of a lady who said:

"I think my lifestyle will change because when we go to a new beautiful market, we have to dress beautifully". (Mrs. Nguyen Thi Cam Viet, 50, retired, Hang Gai, Hanoi, 13.10.2009). (USER AT REPLACED (LINEAR) HANG DA MARKET)

It suggests she is aware of the change from an informal market place to a formal shopping mall.

### V / New markets & changing identity Hanoi according to users

The users of Cua Nam all say Hanoi has nothing special, it is 'just the capital of Vietnam', and other cities 'develop faster than Hanoi'. The user at Cho Hom say that it will take a very long time before Hanoi is an 'international city'. Only the users at Hang Da are more positive, they say that Hanoi is becoming more and more beautiful, that the city will celebrate its 1000-years anniversary, and that they city is becoming more 'civilized'.

#### *New markets and re-positioning Hanoi:*

At Cua Nam market all three woman say the new markets will not change the identity of Hanoi. The woman at Cho Hom, says it will make Hanoi more beautiful, and at Hang Da they are positive and say the replacement of the market makes Hanoi more modern, developed, and better in architecture.

#### **4.2.8.4 Observations<sup>456</sup> Cua Nam, Hom, and Hang Da<sup>457</sup>**

##### I/Immediate environment

The markets are all located in the inner city and surrounded by shop-houses (Figure Hang Da 8). Hom market which is not located in the 36 streets as the other two, is located in the French quarter, as such the market has also French villas in its surrounding area (Figure Hom Market 11). Hang Da market today is a construction site, an empty void surrounded by shop-houses (Figure Hang Da 4). Cua Nam market is under construction, it is almost completed, however not being opened yet (Figure Cua Nam

<sup>456</sup> All references to images and figures can be found in Appendix IX: Booklet Materials

<sup>457</sup> Because the Hang Da market is under construction we additionally observed the two markets: Hom Market and Cua Nam.



6 & 7). All the immediate environments of the three markets are characterized by local family business and streets vendors (Figure Hang Da 9, Cua Nam 2, Figure Hom Market 2).

## II/ Building Style

All markets already changed from completely open, to markets in a covered hall. This was a renewal of the markets during the colonial times. In the pre Doi Moi times, markets again were renewed. For example the current Hom market today has been build in the 1970s, and is as such a robust socialist structure. We focused on the new hall of Hang Da, and the new building style is a French style, not hall, but shopping mall. This indicated a great change, from open fresh food market to a closed shopping mall. The building style is 'French style' similar with Trang Tien and Pacific Place (Figures art impression under Floor plan & Facades). This as required by the chief architect Mr. Nghiem, who finds this fitting for Hanoi's inner city. The new Cua Nam market however, has a very modern style, we could not research this case in more detail due to time limitations, but we suspect this is while Cua Nam has been built on the edge of the 36 streets, and is near the Dyke road Au Co, where more new modern glass facades are emerging.

## III/ Use

Today the markets are used by people living in the neighborhoods, and some people come from other neighborhoods for special products at each market (Figure Hom market 1). For example Hang Da is (was) famous in Hanoi for traditional ceramics and bamboo products from villages, and Cho Hom is famous for its special fresh foods (traditional foods). Cua Nam is a market with history, being located at as the Vietnamese name says 'Northern Gate' of the old Citadel. All the existing demolished markets have (had) fresh foods and parking on their ground floors (Figure Cho Hom 5 & 6). And they had separate textile markets on the first floors (Figure Cho Hom 8). On the top floors some of the markets facilitated sports, and aerobic classes (Figure Cho Hom 7). The people selling in the existing markets are relocated. All the sellers at Hang Da now are relocated in a linear street behind the market area. They think they will move back in the area, but the reality is that it will be a shopping center, not aiming for the local people buying fresh products, but it will host many other luxurious shops, and it is planned for people with cars (Figure: Section). The areas around Hang Da and Cho Hom already show clear signs of gentrification (Figure Cho Hom 4). However, these are for now assumptions while the markets are not operating yet.

## IV / Local and new aspects

What is new in the markets is already discussed: the new shops, a garage for cars. Only in one or even to five years from now is to say into what extend local traditions of trade and markets will survive in Hanoi.

### 4.2.8.5 Socio-economic change related to the markets

#### I/ Commercialization

The change from traditional markets to shopping mall shows an aggressive commercialization process and it will most likely lead to a gentrification process around the markets. Especially the markets in the inner city center will gentrify, these locations are hot spots for new trendy shops, and services. The streets accessed by the square on which Hang Da is located are already characterized by many trendy shop with fashion from Korea that replaced local shops. The places will become too expensive for local shop owners and for the current users. One of the users said she thinks the change of the markets will not only affect her lifestyle, but the whole city. However, most users think the future change will not affect their lifestyles, it just will make the markets more modern and the street look clean.

#### II/ New middle – class women & trendy youngster

Today the (morning) market is an important meeting place for woman in the neighborhood. This will most likely be replaced or disappear. Likely new middle class woman will be the ones visiting the new markets. Youngsters will visit new trendy shops that will be located here in the future.

#### III/ From Informal to formal space - 'Civilization'

The HPC promoted 'a civilized' city throughout the city on billboard with socialist graphics. In 2004 the HPC tried to move all vendors from the sidewalks with as aim 'to civilize the city'. However, it has too much opposition from Hanoians and it is largely not implemented. The new markets are again are an attempt to civilize the city. The shop owners at the markets have understood this message well and to our surprise they perceive the replacement of the traditional markets with small shopping malls as a process which makes Hanoi is becoming more and more beautiful, they perceive the city as an old city 'it will I celebrate its 1000-years anniversary', and that they city is becoming more 'civilized'. However, they are not aware the new 'civilized' shopping mall might have very little place for them.

#### IV/ From the State as one actor to multiple actors in developing the city

The replacement of the markets is a policy by the HPC. They work together with private investors, and they choose architects. In the example of Hang Da, it involved a foreign architect, however from Vietnamese origin. The state remains a central role, they are the initiators and have a say in the aesthetics of the place.

## 4.2.9 Biography Geo-spa

### 4.2.9.1 General description Geo-Spa

Geo-Spa is a Spa located in the socialist housing estate (KTT) Trung Tu (Location Map Geo-Spa Appendix IX). The actors involved were the Korean Cosmetic Company Lamy, the owner of the Spa Mrs. Nguyen Thi Kim Dung and the architect Mr. Dien. The Korean cosmetic company Lamy has a chain of franchised Geo-Spa's in Vietnam, different owners and different architectural designs. The ground floor has been the owners' house, she purchased the first floor in 2000, improved it and opened the Spa, and in 2006 the owner bought the second floor, turning three apartments into a connected space: 'a Spa House'.

### 4.2.9.2 Analysis Conception Process Geo Spa<sup>458</sup>

#### I/ Actors

The Investors are the Korean Cosmetics company Lamy, and Mr. Dung the Spa owner. Lamy Cosmetics invested a small amount, the local investors contributed the rest<sup>459</sup>. Lamy Cosmetics plays the role of providing the products and the local investor manages her own business. The designer was selected by the Spa owner, through Ms. Dung's friendship network<sup>460</sup>. Mr. Dien did both the design and construction.

#### II / Foreign – Local nexus

Local context can be seen in the material and decoration. Mrs Dung<sup>461</sup> praises for using wood as it makes the image very Asian. Moreover, she chooses the traditional Phu Lang pottery to decorate spa space. Pottery products are displayed mostly in the living room (in the 2<sup>nd</sup> floor), which is a space for relaxing, talking and resting. As for Mrs Dung, Phu Lang pottery is very unique and fits well with the color of wood, efficiently bringing comfortable feelings and quiet space for customers after massage and sauna service.

Another local element is the way Geo-Spa has developed. Located in an KTT, it has involved the gradual transformation of several apartments. At the beginning, the ground floor was used for housing. In 2000, the apartment on the second floor was purchased, improved and combined with the ground floor apartment, and turned into a Spa. In 2006, the owner bought also the apartment on the third floor, transforming three apartments into one 'Spa house': the three apartments become one connected space. The showroom on the ground floor has a specific color and demonstrates the product characteristic as was required by the Korean investor Lamy Cosmetics.<sup>462</sup>

The building is a combination of Japanese space and German standards. Mrs Dung<sup>463</sup>, the Spa owner, decided to build a Japanese style Spa with original Japanese therapies and maintaining some basics of a Spa like the sauna, but reducing some other typical elements of a space, for example she does not have a Jacuzzi. The designer, Mr. Dien<sup>464</sup>, said Geo Spa is the first Spa he designed, and the ideas for this design are strongly influenced by reading Asian Spa Magazines provided by the Korean investor Lamy Cosmetics.

#### III / Users

The frequent customers are middle women, 30 to 50 years old, who have good income and are, according to the Spa owner "highly in need of beauty and healthcare"<sup>465</sup>

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<sup>458</sup> Based on Interview with Mrs Dung, Geo Spa owner, 12/08/2009 ,and Mr. Dien, designer, 20/10/2009

<sup>459</sup> Interview with Mr. Dien, 20/10/2009

<sup>460</sup> 12/08/2009

<sup>461</sup> idem

<sup>462</sup> Interview with Mrs. Dung, 12/08/2009

<sup>463</sup> idem

<sup>464</sup> 20/10/2009

<sup>465</sup> idem

#### IV/ Future Strategies

There are no future strategies for Geo-Spa at this moment

#### V/ Promotion

The chain of Geo-Spa's and Lamy Cosmetics has been promoted on fairs and it has been promoted by taking part in a television game show named "Choose the right price"<sup>466</sup>. The Spa owner says "Geo Spa carries out full spa services on family scale". The brochures and name cards of Geo-Spa have the following message: "Hãy giữ gìn & trân trọng sắc đẹp của chính mình", saying: "Please take care & respect your own beauty". The Barbor brand sold in Geo-Spa is promoted as "Phong cách chuyên nghiệp dành cho những người chuyên nghiệp" – "Professional style for professional people"

#### VI/ Perception of Hanoi by actors involved

Mrs Dung<sup>467</sup> thought Hanoi in the past was the most peaceful place she has ever been. However, rapid urbanization has turned Hanoi into much more noisier and chaotic city. People in Hanoi also change the way of consumption, fashion and cosmetics, and this has been much more improved. Mr Dien<sup>468</sup> sees Hanoi as a "chaotic place".

#### 4.2.9.3 Analysis of the use process Geo-Spa<sup>469</sup>

##### I/ Motivation for coming and using Geo-Spa.

Three of our interviewees<sup>470</sup> visited Geo-Spa for the first time, they came here for thirty minutes to two hours. They came here with friends (only females in this Spa), to relax and take care of their bodies, or alone. The two other interviewees visit once a month, one of them says this Spa replaces previous visits to relax, as visits to coffee shops, the other says she used to visit Hong Kong Spa before this one. They visit alone or with friends.

##### *Like and dislike*

Our interviewees like the clean and comfortable space and service in Geo-Spa. They mentioned the design of the place is modern, nice and makes the customer feel peaceful. Some like the small space, others prefer larger.

"The spa is quite clean and comfortable. The services are of quite good quality. Also, the design and the status of this Spa are impressive. This Spa also brings me comfort and convenience. I don't have anything dissatisfied". (Mrs. Pham Thuy Loan, 37 years, officer Hanoi, 02.02.2010).

##### II/ New & local elements geo-spa according to users

All costumers agree that the interior and building style is local, the socialist housing estate, and the use of wood. However, one interviewee also mentions the use of wood is 'Asian', thus not specific Vietnamese. What they mention as new is the interior design, the service and products from Germany and Korea.

##### III/ Re-positioning identity users geo-spa

Four of our interviewees say this space does not change their lifestyles at all. One of the regular visitors however, does say it changes here lifestyle:

"It makes me feel more individual and more modern". (Mrs. Pham Thuy Loan, 36 years, teacher UCE, Hanoi, 02.02.2010).

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<sup>466</sup> Interview with Mrs Dung, 12/08/2009

<sup>467</sup> 12/08/2009

<sup>468</sup> 20/10/2009

<sup>469</sup> Appendix X Synthesis user interviews includes all quotes and detailed references.

<sup>470</sup> Based on five interviews. Geo-Spa is a private place, you can't just connect with users, and we were not allowed to interview users who came out of the Spa. Therefore it was difficult to find more than we had to limit the interviews to five.

#### IV/ Geo spa & changing identity Hanoi according to users

Two of our interviewees mention Hanoi is a chaotic city, of which one also mentions the city is rural. Two others mentions the city is becoming modern, of which one says the city is in a transitional period to become modern, and the other said the city is a combination of traditional and modern elements. A last interviewee says that the city develops too rapid and is losing its cultural values.

##### *Geo-Spa & Re-positioning Hanoi*

Three of our interviewees said Geo-Spa is too small to change the city Hanoi, however, two others said this Spa makes the city Hanoi more service oriented, and more international.

#### **4.2.9.4 Observations Geo-Spa<sup>471</sup>**

##### I/Immediate environment

Trung Tu, the socialist neighborhoods where Geo-Spa is located in a very local neighborhood. There are many vendors in this area, and many small scale businesses have emerged on the ground floors of the estates (Figure Geo-Spa 2). The street on which Geo-Spa is located is extremely busy, it connects the inner city with the South of Hanoi. On the opposite site of the street is the 1970s housing estate Kim Lien, the first estate which is partly replaced by new commercial housing (Figure Geo-Spa 1). Most apartments on the higher levels of the estates are still places where people live.

##### II/ Building Style

The socialist housing estates have deformed in Hanoi. In many cases families managed to buy apartments on different levels of one estate, and as such they transformed several public apartments into one privately owned row-house instead. In this case we see that one business has step by step bought out other apartments. And on the outside we can't see there is a Geo-Spa business on all the levels (Figure Geo-Spa 4). interior of Geo-Spa is contrasting greatly from its exterior. The entrance at the ground floor is designed in the Geo-Spa branding style, displaying the products from Korea and Germany and here is the reception (Figures Geo-Spa 3 & 4). The back of the ground floor and the upper floors are well designed with an Asian / Japanese atmosphere (Figures 5-10).

##### III/ Use

Geo-Spa is used by women who come to relax. The place gives a great contrast with the outside environment. It is very quiet, and the women who work there speak with soft voices. Geo-Spa is very busy, you need to make a reservation, so it is a popular place.

##### IV / Local and new aspects

As already said, the socialist housing estate is local, and it is really the service, and the aesthetics inside, and the foreign products which are new here. It is probably one of the quietest places to find in the hectic and noisy city of Hanoi.

#### **4.2.9.5 Socio-economic change related to Geo-Spa**

##### I/ Commercialization

Geo-Spa is located in the socialist housing estate Trung Tu shows a great change from a socialist apartment to a commercial new service. It shows the great change from a modest socialist equal lifestyle, to a new lifestyle in which women spend a lot of many taking treatments with products from Germany and Korea in a Japanese setting. This Geo-Spa is visited by middle-class and upper class women. A treatment cost between 20 up to 300 USD.

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<sup>471</sup> All references to images and figures can be found in Appendix IX: Booklet Materials

## II/ New middle class women

In socialist Vietnam women and men became equal in sharing work. At the same time, however, women kept all the responsibilities for household works, cooking cleaning taking care of children. As a result Vietnamese women today are full time workers and full time housewife at the same time. Places like Geo-Spa provides them a place to be different. They come alone or meet with other middle class woman and relax. Visiting this place they take care of themselves as individuals, they have more privacy and can escape here from 'duties' in the family. However, it is only for a few who can afford it, just outside Geo-Spa we can see woman with dirty feet selling food on the street, cleaning, or collecting waste. As such the group of woman, conscious or not conscious is distinguishing themselves from other woman, and establishes as such a new group of middle-class woman. The contrasting design in the KTT, communicates the different life, and also the new lifestyle for middle class woman is promoted in the ads of Geo-Spa "Please take care & respect your own beauty", and the Barbor products sold here: "Professional style for professional people"

## III/ Individualization

Geo-Spa is a place to enable woman to meet, however at the same time many woman here come as well alone. They search for privacy, and to use the foreign products here. Visiting Geo-Spa they feel more in control over their lives, more modern and individual.

## IV/ From the State as one actor to multiple actors in developing the city

Geo-Spa is an example of the local Vietnamese private sector, a sector of small scale business. And in these small scale projects in local neighborhoods, the role of the government is limited to the local ward who will give mostly easy approval for the new constructions. This case is an interesting example of how a foreign investor operates with the local Vietnamese sector on a small scale.

## V/ Foreign actors give ideas to local young professionals

The architect of Geo-Spa was given Asian magazines with images of Spa's, as such he was given new idea for architectural design by the investor Lamy Cosmetics from Korea.

## VI/ From one concept to multiple ideas for Hanoi

Mrs Dung the owner of Geo-Spa thought Hanoi in the past was the most peaceful place she has ever been. However, rapid urbanization has turn Hanoi into much more noisier and chaotic city. The architect Mr. Dien sees Hanoi as a "chaotic place", and he says he is not interested in issues about Hanoi's future. Users at Geo-Spa perceive Hanoi as a chaotic city with rural elements. Some also perceive the city as becoming modern, and is now in transition and a combination of traditional and modern elements. Others say the city develops too rapid and is losing its cultural values.

## 4.2.10 Biography Tan My Design

### 4.2.10.1 General Description Object

The business of Tan My started in 1969, in 109 Hang Gai, after she opened a new shop at 66 Hang Gai - in the heart of Hanoi's Old Quarter (Location Map Tan My Appendix IX). It developed in a business of three generations of women from one family, mother, daughter and granddaughter. The newest shop, Tan My Design, it is a new shopping experience in Hanoi, situated at 61 Hang Gai, and occupying over 700sq m of retail space. Construction started in 2005 and the shop was opened in April 2009, and located in the centre of Hanoi's Old Quarter, opposite the original Tan My shop at 66 Hang Gai. Tan My is designed by from the Vietnamese origin French architect Le Cuong. There was no specific construction company involved 'we hire our own workers'<sup>472</sup>. "Tan My Design sits behind a wonderful old façade, and combines the feel of old Hanoi with modern and contemporary architecture and design. Tan My Design features some of Vietnam's finest designers – Fashion, Accessories and Homewares as well as Tan My Design own brand. It combines the traditional Tan My values of quality, service and value, with a new and exciting design focus, from the unique design of the shop, spread over 3 floors of spacious and bright shopping, to the modern and relaxing café inside"<sup>473</sup>.

### 4.2.10.2 Analysis of the conception Process Tan My Design<sup>474</sup>

#### I/ Actors

The owner of Tan My Design is Ms. Do Thanh Huong, the architect is the French, from Vietnamese origin Mr. Le Cuong. The owner and the architect knew each other through several other projects, including the home of the owner of Tan My shop. Mr. Le Cuong was the designer in charge of everything from exterior to interior design as well as furniture. Mr. Le Cuong has been working in France, Switzerland and US. He had designed a mix-use complex of 45,000m<sup>2</sup> in the center of Paris<sup>475</sup>, as such the owner had complete trust in him. During the design process, the architect decided everything, and the owner was consulted in the process. For the legal procedure for the construction, the owner took the responsibility<sup>476</sup>. This involved getting approval of the local ward for the demolishing of existing housing and for renovation and new design.

#### II/ Local - Foreign nexus

The local influence in this project is the context of the location. Ms. Do Thanh Huong explained that the very first shop was in the families' house at 109 Hang Gai. The shop was located inside the house on the second floor. Three extended families lived in the same house. For this reason the shop moved in 1990 to 66 Hang Gai. The owner at that time has taken over the management of the business from her mother and she bought a small plot of land at 65 Hang Gai, about 60 m<sup>2</sup>, a site not facing the street. She built a 5-floor building and planned to use this as storage place. However, after finishing the people who lived on the first floor facing the street asked if they could sell it to her. She bought 10m<sup>2</sup> from them. After, the other people wanted to sell as well. She bought parts of the house from 8 families living upstairs the numbers 63 and 65 Hang Gai. Her Australian husband recommended her to make a shop with a window facing the street. To do this, she bought the house at 61, which faced the street. After she connected it with the part on the levels she had bought next door<sup>477</sup>. This process is very typical for Hanoi, due to the multi-family houses. In the old quarter it costs time and patience to buy people out. Ms. Huong is one of the few, who has been successful in doing this. For the architect Mr. Le Cuong it meant he had to design the building gradually because the space was acquired gradually in 4 steps<sup>478</sup>. Concerning Phong Thuy, this is not used by the architect, nor was a demand of Ms. Huong. However, she said: a Phong Thuy master visiting her shop said "this place is well orientated to Phong Thuy", and she also mentioned that customers always think the pond

<sup>472</sup> Telephone interview 13/03/2010 with Ms. Huong, owner Tan My Design.

<sup>473</sup> <http://tanmydesign.com/> - date consulted website: 30 January 2010. Language: English.

<sup>474</sup> Information based on 3 interviews: two interviews with Mr. Le Cuong on 13<sup>th</sup> August 2009 and 4<sup>th</sup> November 2009 and one interview with Mrs. Huong on 27<sup>th</sup> October 2009.

<sup>475</sup> Mr. Le Cuong, 13<sup>th</sup> August 2009

<sup>476</sup> Mr. Le Cuong, 13<sup>th</sup> August 2009

<sup>477</sup> Mrs. Huong, 27<sup>th</sup> October 2009.

<sup>478</sup> Mr. Le Cuong, 13<sup>th</sup> August 2009

in the shops side is placed here due to Phong Thuy. As such, it was not intended, but customers still feel here aspects of Vietnamese spiritual culture. And while they take note of this, suggests this is important to them.

The foreign influence is the design of Mr. Le Cuong, according to him, are his experiences in living and working in France, Switzerland and the USA influence his works for 100%. According to him, his designs are 'international'<sup>479</sup>. For him this is based on three aspects: orientation, space and light. In this project, he says he combines all three aspects to the best as possible. And according to Mr. Le Cuong this resulted in the effect that many customers say "I feel like visiting the shop in New York or Tokyo"<sup>480</sup>. He told us trendy fashion shops in Paris inspired him. And Ms. Huong she said "I dreamed of my own shop to look like a house", she says "I think it is like in Paris"<sup>481</sup>.

### III/ Users

According to Ms. Huong Tan My design functions the way she wanted to function<sup>482</sup>. Most of the customers are foreigners, however recently there are more and more Vietnamese customers as well.

"The first foreign customer was the Cuban ambassador. He came to Vietnam and he spoke perfect Vietnamese. He just passed by our shop and at that time, our shop was not at the front side of the street and it has small window for displaying. He came in, saw all the products and then ordered everything needed for his baby. After that, many Swedish people came because at that time the Swedish had paper factory in Bai Bang. Thousands of Swedish people there and they often came to Hanoi. Then, they came to my shop to buy things. So I started to do business with Russian, Cuban, and Swedish people". (Ms. Huong 27/10/2009)

"As you know, Vietnamese are getting richer and richer. Maybe just 3 years ago, few Vietnamese went to that kind of shop, that kind of restaurant. But now it changed. Luxurious shops now have more Vietnamese customers. Now, Vietnamese they have Bentley, they have Lamborghini. We don't have these in Paris" (Ms. Huong 27/10/2009)

### IV / Future Strategies

Tan My shop want to expand; they are intending to open a shop in Australia. They already have a shop in Switzerland long time ago, with the name "Tan My of Switzerland". A friend of Ms. Huong who lives in Sweden manages it. This shop was opened because when Ms. Huong gave a "Tan My' party in Sweden when she visited her friend, the customers asked her to open a shop, this shop is located just outside of Stockholm<sup>483</sup>

### V/ Promotion

Ms. Huong is a very successful businesswoman with a very large local and international network. She has acquaintance with many embassies and introduces her shop to many international customers through their embassies. Tan My shop was in the New York Times after its opening. Ms. Huong said many of my international customers asked me: "Do you know you're in the New York Times?"<sup>484</sup>

In Vietnam, Tan My has developed its own websites in English to introduce Tan My<sup>485</sup>, Tan My design<sup>486</sup> and Tan My design cafe<sup>487</sup>. It is also promoted in Vietnam Discovery magazine<sup>488</sup>, Vietnam company directory website<sup>489</sup> and the website of New Hanoian<sup>490</sup>. Also, the article about the opening

<sup>479</sup> Mr. Le Cuong, 4<sup>th</sup> November 2009

<sup>480</sup> Mr. Le Cuong, 13<sup>th</sup> August 2009

<sup>481</sup> Mrs. Huong, 27<sup>th</sup> October 2009.

<sup>482</sup> Mr. Le Cuong, 13<sup>th</sup> August 2009

<sup>483</sup> Mrs. Huong, 27<sup>th</sup> October 2009.

<sup>484</sup> Mrs. Huong, 27<sup>th</sup> October 2009.

<sup>485</sup> <http://www.tanmyembroidery.com.vn/index.php>

<sup>486</sup> <http://www.tanmydesign.com/>

<sup>487</sup> <http://www.tanmydesign.com/cafe/>

<sup>488</sup> The magazine for foreign tourists that introduce about Vietnam and provides guides for tourist about shopping, hotel, services...

<sup>489</sup> <http://www.vietnamcompany.net/vietnamhandicraft/Tan-My-Hanoi-s-finest-embroidery-sikl-l388.html>

<sup>490</sup> <http://newhanoian.xemzi.com/vi/venue/show/3041/Tan-My-Design>



of Tan My design was posted on some e-magazine websites<sup>491</sup> and in the blog entry of “Vietnam be friend” blogspot<sup>492</sup>. In America, Tan My is promoted on the travel guides of The New York Times e-magazine<sup>493</sup>. In 2004, Ms Huong, the owner of Tan My had made a speech to advertise about her business at Asia Society, New York and this speech was also posted on the official website of Tan My<sup>494</sup>. The Tan My 66 shop is in many tourist guidebooks, as in the “Lonely Planet”<sup>495</sup>. Tan My promotes itself as “Three generations of Hanoi’s finest silk & embroidery”<sup>496</sup>

#### VI / Perception of Hanoi by actors involved

“Hanoi has a special structure of spatial arrangement in which everything is imbricate with each other into an organic entity. This is very different from a clear and functionally separated arrangement of different uses in space in other place. In Hanoi, anything can be adjacent to or mixed with others. For example, a pagoda can be found in a living area and people are living inside the pagoda. This spatial collage or imbrication is very good in a sense that it allows a flexibility and freedom for people to mould their space and participate in moulding urban space. It is negative in a sense that it creates less privacy, less functional, yet it is rich in social essence. However, whether it is good or bad depends on cultural context. In Western context, people prefer functional and privacy, so it may not be good to western people. For the Vietnamese, it may be very appropriate. To describe the identity of Hanoi in a few words, Hanoi is a city of spatial collage. Hanoi is developing very fast yet Hanoi is lack of good and experienced architects who can shape the development of the city in a better manner. Hanoi is urbanizing without infrastructure provision while infrastructure is fundamental to urban development. In Hanoi and many other cities in Vietnam, building construction takes place before the access to roads is opened” (Architect Le Cuong 13/08/2009).

Mr. Le Cuong says further that Hanoi should not follow any model. “Hanoi needs good experts to study and find the best way for its future development. The way to develop should be worked out after having a full understanding of Hanoi condition and context. Therefore, I can’t say any model if I haven’t study much about Hanoi”<sup>497</sup>. He further says: “I think most of the problem now is that people are very individualistic. They don’t think about the community, so they are so selfish. And now we say we are green, so I cannot follow it. And I think that there are not many people who think about the poor or the environment, so not many people are really green. I set up a foundation because I want to change but it is so idealistic”<sup>498</sup>.

Ms Huong says, “I think Hanoi is changing a lot. Too many new shops, hotels and you can see the construction everywhere. I still hope that they can keep the old Hanoi not too modern. Some buildings were built too high”.<sup>499</sup>

#### 4.2.10.3 Analysis of the use process Tan My Design<sup>500</sup>

##### I/ Motivation for coming and using Tan My Design

At Tan My shop we interviewed three customers, and three staff members<sup>501</sup>. The staff members say that this shop is unique, there is no similar shop like this in the old quarter. They say they visit also other small shops in the old quarter and French quarter and the larger shopping malls in the city. The customers say they come here for the unique products, and while the shop is beautiful.

<sup>491</sup> For example: <http://www.thethaovanhoa.vn/175N2009061110454165T138/khai-truong-cua-hang-tan-my-design.htm>

[http://www.biethet.com/tin/khai-truong-cua-hang-tan-my-design\\_tin148911.html](http://www.biethet.com/tin/khai-truong-cua-hang-tan-my-design_tin148911.html)

<sup>492</sup> <http://vietnambefriend.blogspot.com/2009/07/tan-my-boutique.html>

<sup>493</sup> <http://travel.nytimes.com/travel/guides/asia/vietnam/hanoi/35737/tan-my/shopping-detail.html>

<sup>494</sup> [http://www.tanmyembroidery.com.vn/index2.php?option=com\\_content&do\\_pdf=1&id=21](http://www.tanmyembroidery.com.vn/index2.php?option=com_content&do_pdf=1&id=21)

<sup>495</sup> Mrs. Huong, 27<sup>th</sup> October 2009.

<sup>496</sup> <http://www.tanmyembroidery.com.v>

<sup>497</sup> Mr. Le Cuong, 13<sup>th</sup> August 2009

<sup>498</sup> Mr. Le Cuong, 4<sup>th</sup> November 2009

<sup>499</sup> Mrs. Huong, 27<sup>th</sup> October 2009.

<sup>500</sup> Appendix X Synthesis user interviews includes all quotes and detailed references.

<sup>501</sup> At Tan My shop we were not allowed to interview customers, therefore we interviewed them when coming out of the shop. However, there are very few customers, and most do not want to be interviewed. Therefore we interviewed also staff at Tan My shop (which was allowed).

### *Like and dislike*

Local and foreign designers like the shop for the unique design, its new aesthetics, especially the 'glamorous' glass façade, and the products in the shop that are traditional and handmade, and in addition the fashion. What is also appreciated is the coffee shop inside the fashion shop, this is perceived as something new. The distinct character of the place, and the exclusiveness can be seen in the following quote:

"I was really impressed by the design of this shop. Actually I first thought that this shop could not be here in Vietnam because Vietnamese architecture is never like this. And when I come into the shop, the layout is very unique because it has a coffee shop inside - The prices here are not for all class of Vietnamese". (Ms. Nguyen Thi Huyen Trang, 22 years, freelance translator, Cau Giay, Hanoi. 17.11.2009).

### II / New & local elements Tan My Design according to users

All the customers mention that the products in the shop are local, the silk and embroideries are traditional from Hanoi. What is new here is the modern architecture with glass facade, the foreign and local fashion designer that also sell their fashion here, and the coffee shop inside the embroidery shop. Only some have ideas about its origin:

"I think the modern design come from Europe". (Mrs. Mai, 31 years, Kim Ma, Hanoi. 17.11.2009)

### III / Re-positioning identity users Tan My Design

Two of our interviewees don't think this shop can change their lifestyles. One of the customers says she thinks this shop makes her dress more 'nicely'. The staff of Tan My shop says working here changes their lifestyles greatly while they feel more international and modern, also the shop influences their ideas of house decoration. In addition they mention:

"I have more knowledge on fashion, so it makes me more confident. Also, before my idea on fashion is very simple, but now I have more interest on fashion, and I can even give advice to my customers". (Ms. Hong, 25 years, Tan My staff, Ha Tay, Hanoi. 17.11.2009).

### IV / Tan My Design & changing identity Hanoi according to users

From the Tan My staff, one says the city is 'losing its own characteristics, due to tourism', another says the city will 'always keeps its characteristics in the minds of the Hanoians', the third says 'Hanoi is normal, peaceful and beautiful but influenced by many new cultural flows'. From the customers one says the city is chaotic and modern at the same time, another says the city is modernizing too rapidly without urban planning, and the last says the city is just small with bad urban planning.

#### *Tan My shop and re-positioning Hanoi:*

The customers say that Tan My shop does not change Hanoi's identity. One of the staff says the shop shows a change in the old quarter 'a big and modern shop in the old quarter'.

#### **4.2.10.4 Observations Tan My Design<sup>502</sup>**

##### I/Immediate environment

Tan My Design is part of the busy Hang Gai street, the street that traditionally sells silk (Figure Tan My 10, 11 & 12). The street is connecting some radial reaching into the suburbs to the cultural center Hoan Kiem Lake. As such the street is most of the time very crowded. The area is characterized with local, often traditional, businesses.

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<sup>502</sup> All references to images and figures can be found in Appendix IX: Booklet Materials

## II/ Building Style

Tan My Design is has many resemblances with new modern buildings in European cities. In Amsterdam and Paris there are many small glass facades in between the historical buildings (Figure Tan My Design Tan My 8 & 9). The idea here is to respect the old fabric as much as possible, and instead of imitating the old fabric in a new design, the strategy is to make the design as invisible as possible, at the same time to make a contrast. So the old buildings will stand out more. Tan My Design is the first shop that is introducing this approach to the old fabric in Hanoi. The building actually is much larger than the glass façade. The shop has developed step by step, while owners in time needed to be bought out. And as such the old French façade next to the glass one has been kept in tact. And here Tan My Design is only located on the upper floors. As such it seems like visiting a traditional small-scale shop (Figure Tan My 1 & 11), however, inside you experience the shop has upper floors that are large (Figure Typical Floor plan & Ground floor, Figure Tan My 3 & 4).

## III/ Use

The shop is used to shop, however also to drink coffee and have small snacks (Figures 2,5,6,7). In contrast to the exterior in the shop you feel you could be in New York or Paris. Only the traditional embroideries and the fishpond show that you are actually in Asia. The shop is quiet, it is more displaying products than selling them, most selling is done by Internet and export. However, it is visited by Vietnamese and foreigners interested in haute couture, and people come here to look at the newest fashions not just of Tan My, but also of the international and local fashion designers displaying their designs here.

## IV / Local and new aspects

As said what is new here is the multiple functions in the shop and the aesthetics of the place, but also new is the calm character, and quietness. While traditional shops are loud and the opposite of calm. What is of course also local is the way to visit the shop, tourist will walk, but Vietnamese have to do some effort to park their motorbike (Figure Tan My 14). The great contrast between this really cosmopolitan place and its exterior makes the place interesting for everyone. Local vendors with local textiles also still pass by this shop (Figure Tan My 15).

### 4.2.10.5 Socio-economic change related to Tan My

#### I/ Commercialization

Since the liberalization of commerce early 1990s all the traditional shop houses started to open their businesses again in the 36 streets area. Some of these shops already existed in the socialist area, were they operated informally. Tan My is such a shop, they started in 1969 with embroideries on handkerchiefs to give to soldiers who went off south during the war with the USA. Since the 1990s Tan My has grown into a renowned place for silk, embroideries and other traditionally made textile products. The new shop Tan New Design shows a great change from traditional tailoring to a shop that provides as well a platform for other renowned local and international fashion designers, and inside the shop they hire a space to the Press Club, who runs inside the shop a corner with coffee and cakes. This is a very new concept in the old quarter and in Hanoi, and it is probably the first private family owned business that started to mix different products and services in one place. Ideas for this new concept came from the many interaction with international customers and businesses in cosmopolitan cities as Paris, Melbourne and New York.

#### II/ From local market to large international business

The family run business Tan My started to sell products to diplomats in the 1990s, and as such they started here their network of foreign customers. Since the Internet, the shop is able to keep relationship with the customers, who went back to their countries. They order through the internet, at the same time new customers abroad find them through the Internet. In addition, the businesses (the old and new shop) are located in the central 36-streets that became known through tourist guides as 'Lonely Planet'. When returning home, tourists as well could still order through their website. Large export started from here, and today Tan My shop is also pro-actively going to fairs in Australia and Europe, and as such sets up exports with many foreign countries. The ideas of the customers of Tan My influences the designs, as such Vietnamese and international designs are combined. In 2005, Ms.

Huong, the second in the three generations women of Tan My was invited by the Asian Society in New York, to represent Vietnam in the event "Successful businesswomen in Asia". And after the Opening of Tan My Design, the event was published in the New York Times.

### III/ Tradition and (international) high society - New upper class elite interested in fashion

Tan My Design is based on traditions, its traditional products and family business. Promoted through the slogan "Three generations of finest silk and embroideries", and although not intended they shop also communicates it respects the orientation of Phong Thuy (people think is was used here, an apparently without knowing it in the process, the shop's lay-out is well orientated). At the same time Tan My Design is an international business and now with this shop blending the trends of high-class shops in New York and Paris by offering foreign designers space in the shops. Were first this attracted only foreigners, now it has become also a place for upper class trendy (and rich) Vietnamese, interested in fashion Design. As such Tan My facilitates an elite group to gather, looking at the latest designs. As such they greatly differentiate themselves from others. In addition the shop, itself located in the 36 street area, is surrounded by local shops. We can see here women selling things from baskets and woman walking with the latest fashion designs from Japan. It shows the growing gap between rich and poor in the city.

### IV/ Individualization

This shop is creating an elite group interested in high-class fashion, they all want to buy here unique products to differentiate themselves as individual persons. At the same time the Tan My shop staff says that they feel more international and modern, at the same time it offers them means to develop individual tastes. They say they feel more confident, learning in this shop about (international) fashion and communicating with foreign customers, as such they are more aware of themselves as individuals.

### V/ Local Gentrification

Tan My Design shows a great difference with the traditional shop houses, which all have a tube like shape (long and narrow ground floor), Tan My Design covers two buildings, bought at different times, which enlarged the shop during the construction. The entrance still has the similar scale with other shop houses in the street, however the first floor and the back area is large, and covers a previous other house. The 36 streets have not gentrified in a way that many homeowners are bought out. This can be explained with the same reasons as for the Geo-Spa case: houses have been divided among many families and as a result it is a difficult and time-consuming process to 'buy people out' in this area. As such local businesses that are doing well will step by step try to buy parts of house owners.

### VI/ From the State as one actor to multiple actors in developing the city

In Tan My shop only the owner Ms. Huong and the architect Mr. Le Cuong have important roles, it is an example of the private local sector in Hanoi: family businesses very skilled in business. The local administration is involved, however, they only give the licenses, which is not difficult in the local ward.

### Foreign Influences For Vietnamese Professionals & Residents.

Both the owner and architect are persons who know about the world, they are both examples in the city Hanoi. Ms. Huong is an example for other Vietnamese businesswoman, and her shop has great impact on fashion and the idea of what a shop is. Mr. Le Cuong has great influences on young architectural students with his designs. Although Mr. Le Cuong has difficulties with the establishment at the UCE, students in architecture visit his projects in Hanoi and as such are given a new example of how to design.

### VII/ From one concept to multiple ideas for Hanoi

Architect Le Cuong says that Hanoi is a city of spatial collage. Hanoi is developing very fast yet Hanoi is lack of good and experienced architects who can shape the development of the city in a better manner. Hanoi is urbanizing without infrastructure provision while infrastructure is fundamental to urban development. In Hanoi and many other cities in Vietnam, building construction takes place before the access to roads is opened". He also says that Hanoi should not follow any model. "Hanoi needs good experts to study and find the best way for its future development. The way to develop

should be worked out after having a full understanding of Hanoi condition and context. Ms. Huong is concerned with too many shops, hotels and constructions, she hopes old Hanoi will survive.

The people working at Tan My perceive Hanoi as a city which is losing its own characteristics, due to tourism, however, they also say that the city will always keep its characteristics in the minds of the Hanoians, and that Hanoi is normal, peaceful and beautiful but influenced by many new cultural flows. The customers of Tan My Design perceive Hanoi as a chaotic and modern city at the same time, as a city modernizing too rapidly without urban planning.

## 4.2.11 Biography Hilton Hotel

### 4.2.11.1 General description of Hilton Hotel

Hilton Opera Hanoi is located at 1 Le Thanh Tong Street, Hoan Kiem District, Hanoi - in the center of Hanoi, right at the beginning of the French Quarter (Location Map Hilton Hotel Appendix IX). Mr. Conrad Hilton in the United States established the Hilton group in 1919. Since then, the Hilton has expanded their hotel chain all over the world. The Hilton Hanoi Opera started its construction 1995, and officially came into operation on 26<sup>th</sup>, February 1999. Hilton Opera Hanoi covers a total area of 2,000 square meters (0.2 ha)<sup>503</sup>. Opera Hotel Co. Ltd owns the project, the general contracted company involved was CBC – French Republican, and the hotel is designed by Eric De Chambure and Philippe Pascal, architectural company ARTHUS Co., based in Paris.

### 4.2.11.2 Analysis of the conception process Hilton Hotel<sup>504</sup>

#### I/ Actors

Hilton started in the UK, after it was transferred to the USA. Since the 1940s, Hilton has developed many branched all over the world. However, due to the Vietnam-American war and the American embargo for Vietnam Hilton from the USA could not enter Vietnam. However, in the 1990s, Hilton from Europe approached the government to ask for opening branch, with success. To conduct business, they cooperate with a Vietnamese partner, Thang Long Group, the owner of the land, together establishing the joint venture Hilton Opera Limited. Hilton was the third in the mushrooming of foreign hotels in the 1990s in Hanoi<sup>505</sup>. The building was designed by French architects, Eric de Chambure and Philippe Pascal, together the company Art'Ur<sup>506</sup>, based in Paris.<sup>507</sup>

Ms. Phan Bach Duong, the deputy general director of Hilton has been involved in the process since the very first beginning of the developing Hilton Hotel. She studied architecture in Paris from 1992 to 1994, and worked for some years in Paris for the large and renowned French construction company Vinci. After coming back to Hanoi she changed her profession, she started a tourist company. When she heard about Hilton hotel and the search for a local partner, she made a proposal to the HPC. They liked her background. She could speak French, had good relations with the architecture profession in France. She became the representative of Thang Long group. Because of her relations with Vinci, she recommended to work with Vinci, as such CBC part of Vinci, became the consultant company from France. And they were the ones who found the two French architects.

The site used to be owned by the Department of Ministry of Commerce, who had here dilapidated KTTs. The Government decided to transfer the land to another use, they wanted a garden<sup>508</sup>. However, they changed, according to Mr. Kinh<sup>509</sup>, the investor chose this site because it is a very precious place. He assumes they paid a lot of money to get the LURs of that land. Mr. Cuvelier, at time working for Vinci said: "It was very difficult to get the license of this project".

#### II/ Foreign - Local nexus

The local element applied in this classical architectural style building is Phong Thuy. According to the explanation of the architect, the form of the building is like flying a dragon near Hoan Kiem Lake. The reason of choosing this form is attributed to convince the Committee, including Chief Architect Mr.

<sup>503</sup> : <http://baocao.vn/chi-tiet-tai-lieu/khach-san-hilton-hanoi-opera./672.html> – date consulted website: 20 Dec 2009, Language: Vietnamese.

<sup>504</sup> Interview with Mrs. Bach Duong, Hilton Hotel Investor, 22/10/2009; Mr Hoang Dao Kinh, Vice president of Vietnam Association of Architects, 27/05/2009; and Mr Cuvelier, the chairman of Site Architect in Vietnam, however at the time of Hilton consultant with the French company CBC of Vinci , 13/11/2009

<sup>505</sup> Interview with Mrs. Duong 22/10/2009

<sup>506</sup> <http://www.art-ur.net/architectes/>

<sup>507</sup> <http://www.dulichachau.com/Thong+tin+Du+lich/Danh+thang+Ha+Noi/hilton+hanoi+opera+cong+trinh+kien+tru+c+dep/> in Vietnamese, issued date of 19/3/2010

<sup>508</sup> Interview with Mrs. Duong 22/10/2009

<sup>509</sup> 27/05/2009

Nghiem, to approve the design<sup>510</sup>. Moreover, Oriental elements in the big lobby refer to the main gate in the form of a boat being anchored at its terminal, a gate is an important element in Asia architecture and use of Feng Shui<sup>511</sup>.

The architects first proposed a very modern architectural design, the second proposal was, a modification into colonial style, and the last one is classical style merging with Opera House. Geomancy elements were added to architecture form in order to get the approval of Committee<sup>512</sup>. As for almost all buildings the committee approved the third architecture expression.

The final result of the architecture of the building is in postmodern style, and a mixture of different foreign retro styles and elements. "Based on classical architectural style with simplified decorating details, the hotel has a Doric style column system reflecting the Roman Empire. Water fall is the copy of the famous St. Michel waterfall in Paris-France"<sup>513</sup>.

Dr. Hoang Dao Kinh says the following about the choice of architecture for the Hilton hotel: "I think that the Hilton hotel just imitate the architecture of the Opera House. The pillars of the Opera House are solid, whereas I once saw workers stand inside the pillars of Hilton hotel. If you read "Miserable people" of Victor Hugo, you will see it is similar to a boy in a big elephant. So these pillars are just for illustration"<sup>514</sup>.

Aside this, Ms. Duong, says that she is involved in international and informal Vietnamese networks. She learns most about service from Thailand and Singapore. And most international knowledge she learns most from international trainings and working with foreigners.

### III /Users

The users of the building are for 90% international people, mostly businessman. For the other services, like restaurant, bar, bakery and swimming pool we aim for the Vietnamese. Most are from Hanoi<sup>515</sup>.

### IV / Future Strategy

There are no future changes in sight for this hotel at present

### V / Promotion

Hilton group conducts the advertising and marketing campaign of Hilton Hanoi Opera. It is promoted internationally on the website of Hilton Worldwide<sup>516</sup> with detailed information about the accommodation, services and amenities as well as local guide available in English, French and Spanish. In Vietnam, Hilton Hanoi Opera is promoted on all the websites of travel agencies<sup>517</sup> and in some local magazines English language like Outlook, Vietnam Discovery, Hanoi guide<sup>518</sup>. Hilton Hotel is also promoted on several Vietnamese e-magazines<sup>519</sup> about special programs and events held at the hotel. The Hilton Opera Hanoi website promoted the hotel as:

*"Centrally located in Hanoi's elegant French Quarter, the Hilton Hanoi Opera hotel is a short walk from the famous Old Quarter and the city's bustling business district. Voted 'Vietnam's Leading Hotel' for*

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<sup>510</sup> Interview with Mrs. Duong 22/10/2009

<sup>511</sup> <http://www.dulichachau.com/Thong+tin+Du+lich/Danh+thang+Ha+Noi/hilton+hanoi+opera+cong+trinh+kien+tru+c+dep/> in Vietnamese, issued date of 19/3/2010

<sup>512</sup> Interview with Mrs. Duong 22/10/2009

<sup>513</sup> <http://www.dulichachau.com/Thong+tin+Du+lich/Danh+thang+Ha+Noi/hilton+hanoi+opera+cong+trinh+kien+tru+c+dep/> in Vietnamese, issued date of 19/3/2010

<sup>514</sup> 27/05/2009

<sup>515</sup> 22/10/2009

<sup>516</sup> [http://www1.hilton.com/en\\_US/hi/hotel/HANHITW-Hilton-Hanoi-Opera-hotel/index.do](http://www1.hilton.com/en_US/hi/hotel/HANHITW-Hilton-Hanoi-Opera-hotel/index.do)

<sup>517</sup> For example: [http://www.ivivu.com/h/Khach\\_san\\_Hilton\\_Opera\\_HaNoi\\_VietNam\\_911/](http://www.ivivu.com/h/Khach_san_Hilton_Opera_HaNoi_VietNam_911/)

<sup>518</sup> These magazines are the magazines in English for foreign tourists introducing about Vietnam and provides guides for tourists about hotels, services, entertainments in Vietnam.

<sup>519</sup> For example: <http://www.laodong.com.vn/Home/Tet-Trung-thu-som-o-Hilton-Hanoi-Opera/20099/156384.laodong>

five consecutive years by the prestigious World Travel Awards, the Hilton Hanoi Opera is a landmark in the city<sup>520</sup>.

Many Hanoians escape in hotels for 'rest and quiet time', and this is also promoted on some tourist website: "the hotel is entirely sealed off from the city bustle. Your deep sleep is always guaranteed"<sup>521</sup>.

#### VI Identity Hanoi by actors

Ms. Duong says the identity of Hanoi is for her getting very bad. She says when she visits other countries there is a lot of time and space for relaxation. In Hanoi there is not space for this any more. The government does not control the master plan. She speaks about the past when Hanoi has many lakes and greenery. For her the example for Hanoi is Danang. She does not have any international example, it is Danang. She says most people in Hanoi see Danang as example for Hanoi. A green city that has a vision for the future.

#### 4.2.11.3 Analysis of the use process Hilton Hotel<sup>522</sup>

I/ Motivation for coming and using Hilton hotel.

Our interviewees<sup>523</sup> at Hilton hotel are customers from Hanoi, two people who work there, and one businessman from HCMC. The two people who worked at Hilton hotel are, a 47 years old guard and a 36-year-old manager, Mr. Hieu, of the fitness club manager. They both work at Hilton five and a half days a week. Mr. Tan, the businessman from HCMC, comes to the Hilton with his business partners, before he used to stay at Sheraton Hotel, he found Hilton through the Internet. The customers from Hanoi are all people who visit the hotel for work, for conferences, workshops, and other meetings. They usually stay two- three hours, and for longer events they sometimes stay for days. They know the hotel from passing by (it is in the center), and from advertisements in newspapers and magazines. They visit the hotel while their companies arranged the meetings or events at this hotel. Before visiting Hilton their companies would have the events at other hotels in Hanoi, like Sheraton, Metropole, Sofitel, Fortuna or rent space in Hanoi Towers.

#### *Like and dislike*

The two workers at Hilton hotel love the place where they work. They say that the hotel is very modern and international, it has five-stars and its design it different from other hotels in Hanoi. "Other hotels are often straight , not curvedly like this" (Mr. Hieu 36 years, fitness club manager 05.10.09). He also mentioned that the salary is good.

The interviewees from Hanoi that visit Hilton Hotel because of business meetings are as well very content about the Hotel. They emphasize the unique design, the reasonable price, and the good service. However they also note that the Hotel's location is not very good, the access is difficult to find, and not all of them like the design as much.

II/ New & local elements Hilton hotel according to users

All our interviewees see local and international aspects in Hilton Hotel. The hotel represents an international space, an international hotel, with mostly French influence (according to our interviewees). However, the restaurant 'Ba Mien' is a popular typical Vietnamese restaurant inside the Hilton Hotel. Another local aspect identified by our interviewees is its location, the Hotel's entrance is located in a small street and its access is not easy to find, this is typical for most buildings and entrances in Hanoi. And one of our interviewees says the design must be Vietnamese while it is 'French style' which fits the rest of its surrounding (French quarter). The following quote suggests Vietnamese customers also use the hotel for its other services:

<sup>520</sup> [http://www1.hilton.com/en\\_US/hi/hotel/HANHITW-Hilton-Hanoi-Opera-hotel/index.do?WT.srch=1](http://www1.hilton.com/en_US/hi/hotel/HANHITW-Hilton-Hanoi-Opera-hotel/index.do?WT.srch=1)

<sup>521</sup> <http://www.vietnam-hotels.net/hotels/Hilton-Hanoi-Opera-Hotel>

<sup>522</sup> Appendix X Synthesis user interviews includes all quotes and detailed references.

<sup>523</sup> Based on six recorded interviews. Hilton hotel is a difficult place to interview its users. Due to difficulties in finding willing costumers for our interviews we also included 2 people who work in Hilton hotel.



“Especially, the gym equipments are very new in comparison with other hotels in Hanoi”. (Mr. Tan, businessman from HCMC, 05.10.09)

### III/ Re-positioning identity users Hilton hotel

Hilton is bringing more connection with international people to Vietnamese who work at the hotel, says the 47-year-old guard. Its design does not influence his taste for decorating while he says “The design of this hotel is too western for me” (47 year old guard). The 10 years younger fitness manager, however said “Working at Hilton positively changed me. It makes me more modern” (Mr. Hieu 36 year old fitness club manager, 05.10.09). A regular visitor said: “Coming here makes me change my way of life. It makes me more modern and brings me comfort because this hotel is very modern and international.” (Mrs. Thuy, doctor, Hanoi, 05.10.09).

### IV/ Hilton hotel & changing identity Hanoi according to users

The interviewees at Hilton all address Hanoi is a developing city, but developing quickly with both positive as negative impacts. However, there were some differences from the main view.

“Hanoi is developing slowly in comparison with other cities in region and in the world. In Asia, Hanoi is a nice capital”. (Mr. Hieu fitness club manager 36, Hanoi, 05.10.09)

“Hanoi is now paying more attention to urban development though it is still ineffective”. (Mr. Hoa, 35, Hanoi, 05.10.09)

### *Hilton & Re-positioning of Hanoi*

Almost all of our interviewees think that Hilton, and places like Hilton, makes Hanoi a more international city.

#### **4.2.11.4 Observations Hilton Hotel<sup>524</sup>**

##### I/Immediate environment

Hilton hotel is located next to Opera House and Highland Coffee has its terrace in between the two buildings. Hilton is on the edge of the French quarter, and near Hoan Kiem Lake (Figure: Google Earth Location map). The area is rapidly gentrifying, with many ‘French Style’ new building (Figure Hilton 4), and the Hotel by itself probably has been one of the first, if not the first together with the renovated Opera House, which started this process at this location. The square and the Opera house are central at this location (Figure Hilton 14). Around this square there are still many local aspects in street life that take place (Figure Hilton 5 & 6).

##### II/ Building Style

Although the architect has proposed a more modern building at this location, the Chief architect, Mr. Nghiem, preferred a ‘French Style’ hotel at the time (Figure Hilton 1,2,14 &15). The building style is retro French colonial style, and has similarities, especially the curved roof, with the Opera House, but also with Pacific Place, Trang Tien Plaza, and the Newly under construction Hang Da market (Figure: Façade).

##### III/ Use

Hilton Hotel shows many Vietnamese customers, in the bakery, the restaurants and in the lounge (Figure Hilton 7-12<sup>525</sup>). We see many business people. And we ourselves have attended some seminars at this hotel. The fitness club is also busy and people from Hanoi seem to use this frequently. At the same time there are foreign and Vietnamese tourists in the hotel. As such the Hilton Hotel, represents’ a mixture of uses, and offers for many Hanoians a more cosmopolitan lifestyle. In

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<sup>524</sup> All references to images and figures can be found in Appendix IX: Booklet Materials

<sup>525</sup> Unfortunately we were only allowed to take photographs at a moment when the hotel was quiet: as such we can’t show the ‘life’ in these places.

the hotel there are not only Vietnamese foods, drinks and magazines, but also foreign ones. The hotel offers a gate to foreign, and exotic worlds.

#### IV/ Local and new aspects

What is local about the hotel is its widely use by Hanoians, and its location. The hotel is located on a very narrow street, and the entrance as such is also located on the very narrow street. The adoption of the 'French Style' by the local government, can safely be called 'a local trend'. In addition, the surroundings, popular housing (Figure Hilton 3) opposite the hotel and the vendors and motorbikes are local. Anything else is foreign at this place.

#### **4.2.11.5 Socio-economic change related Hilton Hotel**

##### I/ Commercialization

The hotels in Hanoi were the first international commercial places in Hanoi in the 1990s. During these years there were tourists and international businesses using the hotels, however a large part of the customers of these hotels were Vietnamese, in particular people living in Hanoi, they did not stay overnight in the hotels, but used the hotels other functions. Today the hotels are still important centers used by a new upper class in Hanoi.

##### II/ New upper class facilities and a venue for international and local events

The hotels offer new places to go out, especially for upper class Hanoi. As such it facilitates the emergence of a new sub-group, the new rich Hanoians. They come here with business partners or friends. They visit the fitness clubs and swimming pool in the hotel. They have wedding at the hotels. They interact with foreigners here, and have as such connections with other international cosmopolitan elite lifestyles. Secondly, hotels as Hilton facilitate discussions in society, through working shops, conferences and seminars. It is a place that helps people to relate with similar interests, Vietnamese and international. As such it provides a venue for CSOs to develop. In almost all the users' perception, hotels like Hilton, make Hanoi into a more international city.

##### III/ Individualization

At the same time middle class Hanoians search for privacy at hotels like Hilton. As also explained for some other cases (Geo-Spa, Highland Coffee, ChicoMambo), Hilton hotel offers semi-private space. People can escape here from overcrowded living, or from living in extended families, and come alone to swim, use the fitness center, or just too have lunch or dinner. At the same time the new lifestyles that the hotel communicates gives them a mean to differentiate with from others.

##### IV/Gentrification

The Hilton hotel, which replaced the former socialist housing estate is part of a gentrification process in the inner city. The existing fabric here is replaced with international banks, expensive international shops and café's it represents the great change from a lifestyle based on equality to a new lifestyle in which a new cosmopolitan urban elite is differing themselves from others in society. Hilton Hotel communicates a new lifestyle in the city Hanoi through its design. The postcolonial style reflects new rich Hanoi, opening to the new international stage. It really communicates a new cosmopolitan lifestyle, at Hilton Vietnamese and foreigners meet, and foreign services are introduced. The HPC had the hand in the architectural style of this building, and as such it reflects their aspirations for Hanoi at that time.

##### V/ From the State as one actor to multiple actors in developing the city

Working with CBC, Vinci, Hilton hotel is one of the first cases involving foreign actors in Hanoi. However, in joint venture with a Vietnamese partner working under the HPC, the choices for the location and aesthetics are under control of the HPC. At the same time, this case is an example that foreign investors, when 'investing enough' can have exit to sites, which were actually scheduled for something else (in this case a park).

##### VI/ Foreign actors establish businesses in Hanoi

Claude Cuvelier, working at the time for Vinci, came to Hanoi through this project, he saw the opportunity of Hanoi in the early phase of development. He stayed in Hanoi and established his own business here: Site Architecture, today a renown company in Vietnam and elsewhere in Asia.

VII/ Foreign influences for Vietnamese professionals.

Ms. Duong, deputy director of Hilton is an example of Vietnamese middle –aged professionals who now are linked up with international networks. However, she says she learns most about service from Thailand and Singapore. Most international knowledge she learns most from international trainings and working with foreigners.

VIII/ From one concept to multiple ideas for Hanoi

Ms. Duong speaks about the past when Hanoi has many lakes and greenery. She regrets today developments and says the government does not control the master plan. The example for Hanoi, she says is Danang, a green city that has a vision for the future. Perception of Hanoi by users Hilton Hotel

The users at Hilton all perceive Hanoi is a developing city, one says the city develops slowly in comparison with other cities in region and in the world, another says that Hanoi is now paying more attention to urban development though it is still ineffective. In almost all the users' perception, hotels like Hilton, make Hanoi into a more international city.

## 4.2.12 Biography Chicomambo

### 4.2.12.1 General description

Chico Mambo is a Yamaha club cafe and it is connected to Yamaha Town. Yamaha Town and the café ChicoMambo are located on the former site of weapon factory, the same site where Vincom Towers are located (Location Map ChicoMambo Appendix IX). However, more other regular visitors than the Yamaha club today visit the place. The bar is located in the French quarter, very near Vincom Towers, at 6 Thai Phien. The café was designed by an English architect David Hodkinson, who at that time was working for Noor<sup>526</sup> a European Vietnamese design agency based in HCMC. The client was Yamaha Japan & Yamaha Town Vietnam. The total investment of the project was 2 billion VND <sup>527</sup> (about 105,000 USD). Total floor area of ChicoMambo is 300 square meters.

### 4.2.12.2 Analysis Conception Process Chico Mambo<sup>528</sup>

#### I/ Actors

Chico Mambo is a joint venture of Yamaha Town Vietnam and with Ms. Ha, specialist in restaurants and bars, she was chosen through bidding for a joint venture. The café was designed by an English architect David Hodkinson, who at that time was working for Noor<sup>529</sup> a European Vietnamese design agency based in HCMC.

Ms Le Bich Ngoc, is at this moment the manager of 8 Yamaha Towns in Vietnam, and the manager of Yamaha Town connected to ChicoMambo. She had the idea to start a customer-shared café next to the shop. There was land available already owned by Yamaha, as such they could just locate the new café at that location. The Yamaha New Town is a joint venture of Vietnamese and Japanese. Vietnam has 30%, the Japanese have 70%. Ms. Ngoc had to make a proposal to the Japanese, to convince the management in Japan.

Ms. Ngoc studied economics, and in the company she learned about design. She did product development, for motorcycles, before she became a manager. As such she had a sense for trends, fashion, she said she realized that HCMC has more modern places and trendy styles that cannot be found in Hanoi. Therefore she went to HCMC to search for an architect. A friend of her introduced a British designer who at that time worked for Noor.

#### II/ Local - Foreign nexus

Most of the basic idea for the design came from Ms. Ngoc and the British designer. Ms. Ngoc her idea for a modern and trendy bar comes from traveling. Ms Ngoc had traveled all around the world for Yamaha, frequently to the USA and Japan. Through these visits she got an idea to develop a completely modern western places for young people. The architect worked out all her ideas in a format and organized the floor plan.

An architecture detail that is considered as strongly influenced from USA is the bended roof (no perpendicular corners). The purpose of the bending roof was to match this low rise building with the high rise Vincom Towers next to the bar, and in order to create a good look from above: it looks like an aircraft or luxurious cabinet seeing it from above from Vincom. In order to have a warm atmosphere inside, the ceiling material was chosen to be wood.

#### III/ Users

The building target was for young people. Yamaha wanted to create a new added value for youth. The Yamaha company can benefit greatly from collecting ideas of what young people want, which will be useful for developing the Yamaha stores and products. According to Ms Ngoc, this is a customer-

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<sup>526</sup> <http://www.noorvn.com/>

<sup>527</sup> Telephone interview with Ms Ha, jointed manager ChicoMambo on 14 March 2010

<sup>528</sup> Interview with Ms Le Bich Ngoc , Yamaha Town manager, 04/06/2009

<sup>529</sup> <http://www.noorvn.com/>

shared bar, a service of Yamaha to general people. Now, the most frequent customers are young people, Yamaha customers, and businessmen.

#### IV/ Future strategies

There are three specific strategies. First, ChicoMambo is planning to cooperate with the TV to create a talk show that can be broadcasted from here. Second, VIP cards will be kept for popular persons, like singers and architects. Lastly, the quality of the menu will be enhanced, more western dishes will be introduced in the near future, including pizza, pasta.

#### V/ Promotion

Chico Mambo is promoted on the internet through the official website of Yamaha<sup>530</sup> and various Vietnamese e – magazine websites<sup>531</sup>. This bar is also advertised in paper magazines, Ms. Ngoc said journalists automatically came and wrote articles about this outstanding café in Hanoi. Moreover, ChicoMambo is broadcast in a weekly program introducing new places for youngsters by the VTC (TV). Many famous singers, for example Lan Trung, use this place for fan meetings. Also fashion designers choose this place to take photo shoots. This place become famous, Ms. Ngoc says “even southern people come here”. ChicoMambo is also promoted through other cultural activities organized by Yamaha, as “Yamaha Guitar Class”, which is announced with color full well designed posters in front of the café. Further the café is promoted on the Internet<sup>532</sup> as “Get your style in our café”

#### VI/ Perception of Hanoi by actors involved

Ms Ngoc was born in Hanoi. In her eyes, Hanoi used to be small, sophisticated, gentle and romantic. However, Hanoi has witnessed a lot of changes, more crowded, more developed, but it is not as modern as other cities (HCMC for example). She thinks development is necessary, but she prefers the image of Hanoi in the past. When talking about the cities in mind as example for Hanoi, Ms Ngoc talks about California and Kyoto, because these places are modern, at the same time quite, green, peaceful and clean.

#### 4.2.12.3 Analysis of the use process ChicoMambo<sup>533</sup>

##### I/ Motivation for coming and using ChicoMambo

Our interviewees at ChicoMambo<sup>534</sup> are mostly regular visitors, two of the seven interviewees visit this place every day, one person three times a week and the others visit in average once every week. Visits range from 30 minutes to 3 hours. Four of the interviewees are business people who came here for work with colleagues or they came here to work alone and use the wireless Internet. The business people also visited this place with friends. The other interviewees are all students, they visited with friends, or alone and used the wireless Internet as well. Three of them come often alone, another two said they visit this place sometimes alone. ChicoMambo is replacing visits to local coffee shops and sidewalk places, and visits to other more modern coffee places, like Highlands Coffee, Trung Nguyen Coffee and My Way. Our interviewees said that ChicoMambo has a quiet atmosphere, it is not too crowded and it is popular by them for working alone, and escaping the crowd. They knew the place from passing by, working near the place, through friends or while someone they know works at the place.

##### *Like and dislike*

Our interviewees like the spaciousness of ChicoMambo, and that it is clean and the bar has wireless Internet. Furthermore they like the different foods that are served (Western and Asian dishes). They come here for privacy, escape from the dense city. However, they also have a lot of critics on the design of the bar, it is too dark, service is not as good as other places. At the same time the architecture is also found very impressive by some of our interviewees.

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<sup>530</sup> [http://www.yamaha-](http://www.yamaha-motor.com.vn/home/tin_tuc/largeplonefolder_200801084804063521/newsitem_200801061575624399)

[motor.com.vn/home/tin\\_tuc/largeplonefolder\\_200801084804063521/newsitem\\_200801061575624399](http://www.yamaha-motor.com.vn/home/tin_tuc/largeplonefolder_200801084804063521/newsitem_200801061575624399)

<sup>531</sup> For example: [http://thienduongcafe.com/cafe/cafe.aspx?cafe\\_id=1228](http://thienduongcafe.com/cafe/cafe.aspx?cafe_id=1228)

<sup>532</sup> <http://ciao.vn/diemden/3373-chico-mambo.html>

<sup>533</sup> Appendix X Synthesis user interviews includes all quotes and detailed references.

<sup>534</sup> Based on seven recorded interviews.

"I like the spaciousness, people smoke but it does not bother much. Much better than other places. Its clean, quiet and I can still breathe. I come here mostly to escape from the dense city and for comfort. (Mr. Vu, 31years, businessman, Hai Ba Trung district Hanoi 05.06.09)

## II / New & local elements ChicoMambo according to users

All our interviewees say this bar has very little of local character. At the same time they addressed some mixtures of Vietnamese – Asian style in this place. Some also say the interior design is Japanese or Western imitated with influences from Japan. One person says it is different from any other place, however she thinks it is not international enough and therefore simply modern Vietnamese.

"There is nothing local about this place, the interior looks European, but not France, maybe English" (Mr. Vu, 31years, business man, Hai Ba Trung district Hanoi 05.06.09)

"As you may know, globalization is becoming more and more popular, so local character is gradually disappearing. But it is not entirely true if I say this bar's design belongs to contemporary design. In terms of local character, I don't think this bar has Hanoi character but Vietnamese character, and those characters are the bamboo trees and the pictures on the wall over there. To be honest, at present the numbers of people from other provinces are bigger than that of the true Hanoians, so cultural mixture is unavoidable. I see things new here because the architecture is very modern; especially the bar is very spacious and peaceful. As for me, though I haven't traveled to any foreign countries, I guess these new things are Western". (Mr. Duc, around 23, graduated student, 22.09.09)

## III/ Re-positioning identity users ChicoMambo

ChicoMambo influences the lifestyle of our interviewees while the place gives them more comfort, privacy and a feeling of individuality. The place also influences them in choices for the interiors of their houses, and even for their own restaurant and bar businesses. At the same time this bar influences for some the way they dress, some mention they dress more formal coming here. In general it is a place that gives privacy in a city where people live very dense in extended families, and it gives comfort from the noisy streets and dusty and crowded public indoor and outdoor places. It changes for many working life, from working in an office or inside a crowded place to a place to work alone with some privacy and clean air and quietness.

"This place makes me feel more individual and modern, it gives me more comfort and more privacy" (Mr. Vu, 31 years, business man, Hai Ba Trung district Hanoi 05.06.09)

## IV/ ChicoMambo & changing identity Hanoi according to users

Our interviewees all see Hanoi as a developing city, and most of them do not see a special identity otherwise than crowded streets and bad urban planning. However two of them also said:

"Old quarter is Hanoi's identity to me. Tradition". (Mr. Vu, 31 years, businessman, Hai Ba Trung district Hanoi 05.06.09)

"Hanoi is a developing city and it is being urbanized. However, since the merge of Ha Tay into Hanoi, urban planning is worse. Anyway, everything has two sides, and I still love Hanoi". (Male, 32 years, Hoan Kiem district, Hanoi, 22.09.09)

The two quotes suggest concern for the city, another lady however, said:

"As for me, Hanoi is a chaotic city in both traffic and architecture. Micro management is also not good. Frankly, I am fed up with Hanoi". (Mrs. Giang, around 25 years, tourist industry, Bach Khoa, Hai Ba Trung district, Hanoi, 22.09.09)

## *ChicoMambo & Re-positioning Hanoi*

Most of our interviewees say that this bar is too small to change Hanoi's identity. Only two of them say that the bar is showing a new modern face. One of them says more efforts need to be done, and she is concerned Hanoi can't catch up with other big cities in Vietnam.

"It is a different world. New and old Hanoi. But old stays the same, this is just an addition to its modern part. This bar proves we can keep character of Hanoi by adding new to it. This bar does not conflict with

Hanoi's traditions. This is a place which will stay" (Mr. Vu- 31 years, business man, Hai Ba Trung district Hanoi 05.06.09)

#### 4.2.12.4 Observations ChicoMambo<sup>535</sup>

##### I/Immediate environment

ChicoMambo is located on the same site as Vincom, the previous site of the weapon factory, and part of the colonial French quarter (Figure: Google Earth). Located on the section of Mai Hac De and Thai Phien, this particular place has a bit more small-scale character than the corner with large square and other new buildings where Vincom towers are located. In contrast on the opposite site of ChicoMambo we see small-scale local shops in low-rise buildings (Figure ChicoMambo 13).

##### II/ Building Style

The style of ChicoMambo is a mixture of trends in the USA, Europe and Asia. The exterior is quite literally designed as an airplane, has some association with more new industrial design of old harbors that can be found in American, European or English harbor cities (Figure ChicoMambo 1). The interior design has a lot of wood in the curved ceiling, which is used a lot in Vietnam and Asia (Figure ChicoMambo 7). The launch atmosphere created with the low comfortable chairs is a cosmopolitan trend that we can see in cities as New York, Paris, Tokyo, Amsterdam (Figures ChicoMambo 5 & 6). The design is following the new 'back to the 70s' trend that we can see in many of its decorations (Figure ChicoMambo 8), choices for the lamps (Figure ChicoMambo 11). Also in the use of brown and orange colors (Figures ChicoMambo 5 & 6).

##### III/ Use

ChicoMambo is a calm place in the morning, many trendy Vietnamese come here for breakfast, alone or with colleagues or friends. People start to have business meetings here in the morning or work on laptops, and we see people with friends or alone. A few foreigners visit this place, however not tourists, due to its location the place is not known by tourists. It is not easy to see this place, and outside of the tourist area, also it is not in sight from Vincom. Most people coming here a regular customers, the live nearby or work nearby. In the daytime we also see pupils here having piano lessons in the ChicoMambo. In the evening the place changes into a more dynamic café, with performances, or louder music than in the daytime (Figures ChicoMambo 9, 10 & 11). To access ChicoMambo you can come through Yamaha Town (Figure ChicoMambo 5), or through ChicoMambo's separate access (Figure ChicoMambo 3). Motorbikes are parks in front of the café, and have a guard of ChicoMambo (Figure ChicoMambo 14 & 4).

##### IV / Local and new aspects

Local at ChicoMambo are the foods, and the habit of Vietnamese to have breakfast outdoors. Also local is that people come here in the morning and daytime for privacy, and that the waiters here do not speak English. Also the western foods, are prepared in a 'Vietnamese way', so you will not really get what you expect. And local is the immediate environment, with small-scale family shops and vendors (Figure ChicoMambo 15). Anything else is new, the layout, interior and exterior design .

#### 4.2.12.5 Socio-economic change ChicoMambo

##### I/ Commercialization

Before Doi Moi there was no commerce. Today Hanoi is characterized with many European style bars, which revived from its first introduction during the colonial period. One of the first new activities since the relaxation of commerce for Hanoians has been the new public life in the streets<sup>536</sup>. The many coffee shops in Hanoi are quiet, they developed in Hanoi as the places to talk with friends<sup>537</sup>, or

<sup>535</sup> All references to images and figures can be found in Appendix IX: Booklet Materials

<sup>536</sup> Many informal places to drink coffee, and many new indoor coffee shops and terraces. Due to culture there are probably more coffee shops (tea, coffee and non-alcoholic drinks) than bars (with alcohol) in Hanoi. Local alcoholic places are traditional liquor places, the newcomer since Doi Moi is *Bia Hoi* (cheap tap beer with food), both places are mostly visited by men, they are loud places.

<sup>537</sup> In contrast with *Bia Hoi* like places where people do not really talk, only drink, eat and make noise.

boyfriends, or girlfriends. They are very popular by all people in society, young and old. However, young people dominate them. ChicoMambo is such a new place, however here Vietnamese culture is combined with modern design and western foods and drinks, and it also provides foods and is in the evening a bar. It is a combination of local Vietnamese coffee culture and a western style bar. In the evening ChicoMambo is a bar, with piano available for live music.

## II/ New artistic sub-culture

ChicoMambo started as a place for the Yamaha club to gather. However, the place due to its design has become so trendy that fashion shoots are taken here, and famous Vietnamese singers meet here with their fan clubs. It is also a place where people are taught to play the piano, and it is sometimes used for talk shows. The place facilitated developments in music, fashion and media. The place is a venue for a new (elite) sub culture to emerge in Hanoi. Mostly of young and successful people who differentiate themselves through artistic professions and lifestyles. The users feel more modern, and feel connection to the English – Asian design of the place, and new fashions represented here.

## III/ ChicoMambo communicates new lifestyles in the city Hanoi through its promotion and design

Related to the above, ChicoMambo reaches out to young trendy Vietnamese who associate with Western trends in fashion, design and arts. Music is promoted through guitar classes and 'get your style in our café' is reaching to all young Vietnamese searching for 'their own trendy identity'. It communicates a new trendy lifestyle among young Vietnamese. The users of the bar say the bar is showing a new modern face. And users clearly distinguish themselves from others in the city as young, trendy and modern.

## IV/ Individualization

Places like ChicoMambo are very popular for people in their search for privacy. Many people come here alone to work and use the Internet. As for some other cases (Geo-Spa, Ma May, Highlands), ChicoMambo in the daytime provides a relaxed quiet space for people to work, or just enjoy the quiet and calm place. Different from Highlands is that in ChicoMambo there are more youngsters, who come in a group, each of them plugs in to the Internet. They are together, however, they each do their own things, without too much talking. The sense of individuality is also seen here while users are influenced with the interiors for their individual houses, and even for their own restaurant and bar businesses. They search for styles that enable them to be 'different'. The users here said that the place gives them more comfort, privacy and a feeling of individuality, they feel more modern coming here.

## V/ From the State as one actor to multiple actors in developing the city

ChicoMambo is owned by Yamaha Vietnam, but with a share of Yamaha Japan, at the same time the manager of Yamaha has a joint venture in ChicoMambo with another manager in charge of the restaurants and bar functions. Yamaha already bought the land from the previous factory on the site. It shows the dynamics of multiple foreign and local actors working together in the city Hanoi.

## VI/ Learning from foreign worlds through co-operations with foreign partners

In this case the Yamaha Town manager Ms. Le Bich Ngoc learned from the Japanese company Yamaha through working with them and traveling extensively for Yamaha to the USA and Japan. She learned artistic skills on the job, and as well she developed her knowledge for trends on the job. At the same time the British architect brought his experience and knowledge to Vietnamese professionals in working for the office Noor and working with MS. Ngoc

## VII/ From one concept to multiple ideas for Hanoi

Ms Ngoc was born in Hanoi. In her eyes, Hanoi used to be small, sophisticated, gentle and romantic. She thinks development is necessary, but she prefers the image of Hanoi in the past. She sees California and Kyoto as examples for Hanoi, because these places are modern, at the same time quite, green, peaceful and clean. Users at ChicoMambo perceive Hanoi as a developing city, and most of them do not see a special identity otherwise than crowded streets and bad urban planning. However two others value Hanoi as a traditional and ancient city, one said Hanoi is both modern and ancient.



## 4.2.13 Biography Highlands Coffee

### 4.2.13.1 General description

Highlands coffee brand was established since 1998 focusing on packaged coffee, the first Highlands cafe opened at the Metropolitan house in HCMC in 2002. One week after, the first cafe opened in Hanoi, and today the number of Highlands coffee shops has exceeded 80 in 6 cities and provinces including Hanoi, Da Nang, Vung Tau, Dong Nai and HCMC. The founder of Highlands Coffee brand is Mr. David Thai. He was born in 1972 in the South of Vietnam and moved to live in Seattle in 1978. Highlands coffee is one brand of Viet Thai International Joint-stock company and its vision is to become a leading company in retail industry in Vietnam<sup>538</sup>. Highlands is located at several locations in Hanoi.

### 4.2.13.2 Analysis of the conception process

During our research Highlands Coffee's brand in Australia became suspected of violating the law in its competition with Trung Nguyen Coffee in that country. Due to the pressure of journalists, the owner of Highlands Coffee did not want to be interviewed, also the architect Mr. Khanh who provided us with materials of Highlands at the Opera House, and the connected restaurant 1911, also owned by Vietnam Thai International (Highlands Coffee) in the basement of the Opera House, was not allowed to talk with us. The information in this section is all provided through Internet research, which informs us about the conception process of Mr. Thai coming to Vietnam and opening the business, and informed us about the USA based involved creative director, Jared Huke. As well we have been able to research the promotion of Highlands Coffee. Other difference from the other cases, we did not research one specific case for Highlands Coffee, it is a chain.

#### I/ Actors

David Thai (1972) moved to Seattle in 1978. At an early age witnessing a series of business projects and the vast development of Starbucks coffee brand, David had nurtured the passion of developing a coffee chain in Vietnam. In 1996, he moves to Hanoi, Vietnam. And spent a year studying Vietnamese language and culture, while busy operating his first cafe, "Au Lac", located on Hoan Kiem Lake. He started this first place with a Vietnamese local partner Mr. Le Thai Anh, who until today manages the business together with Mr. Thai<sup>539</sup>. In 1998, he achieves a "first" by being the initial Viet Kieu (overseas Vietnamese) to register a private Vietnamese company. In 2000, he achieves another "first" when registers the private company as a joint stock company. The vision is to one day list on the stock exchange. Launches packaged roast and ground "Highlands Coffee" brand through high-end hotels and supermarkets. In 2002, the first Highlands Coffee outlet opens at the Metropolitan building in HCMC, opposite the Notre Dame Cathedral. One week later the first outlet in Hanoi opens. The organization starts to grow, and in 2006, the Saigon Centre store opens with a new look retail identity. This is the identity of the brand since, and it was designed by a young and successful creative American director, Jared Huke (~1972). In 2007, the goal of 70 cafes by the years end is set. They aimed for national iconic locations such as the Hanoi Opera House. David, started the business with a strong belief in the prospective Vietnamese market that was lacking of investment. His passion was and is to bring about a pre-eminent Vietnamese products, a leading Vietnamese brand to the consumers. Today Highlands has grown into a chain of 80 stores in Vietnam<sup>540</sup>.

Jared Huke (~1972) is the vice president, and creative director at the Hondo Group, based in Austin, Texas USA. Mr. Huke did the re-branding of all the Highlands Coffee chains, of all its cafe/retail outlets. He designed all menus, cups, signage, bags, etc. for all the stores. Aside this he trained and managed a team of five Vietnamese designers and production staff. He supported the architecture department with graphic wall designs and color choices for the interiors of Highlands<sup>541</sup>. This influence

<sup>538</sup> : <http://vneconomy.vn/2009061502309198P0C5/david-thai-va-highlands-coffee.htm> , date consulted website: 29 Dec 2009, Language : Vietnamese

<sup>539</sup> <http://www.channel2.org/nbr/vietnam/transcript.html>

<sup>540</sup> Summarized fro <http://www.highlandscoffee.com.vn>

<sup>541</sup> <http://www.linkedin.com/pub/jared-huke/3/933/471>

has been important in the development of the Highlands chain, it has set a strong brand that is suitable for Vietnam, but could easily be located in the USA, Europe or Australia.

## II/ Promotion

Highlands Coffee promotes itself as “Highlands Coffee combines the Old and New, the East & West, the Best of Both Worlds. It is through a commitment to quality in our 60+ coffee shops and lineup of coffee products, which continues to position Highlands as the leader in quality Vietnamese coffee<sup>542</sup>”.

In Vietnam, Highlands coffee has developed its own website to promote its products and services<sup>543</sup>. The coffee brand also uses the success story of the founder to promote the coffee brand, and this storey has been told further in various e-magazines like VnEconomy<sup>544</sup>, Quehuongonline<sup>545</sup>, vietkieu.com.vn<sup>546</sup>. As such the coffee brand also represents for many success, and Vietnamese success.

In foreign markets, Highland coffee brand is also promoted strongly. The company that is exporting has developed their websites in Australia<sup>547</sup> and America. And it is promoted on the website of Highlands Singaporean partner<sup>548</sup>. Also, the business of Highland coffee was analyzed and discussed on many international sites like the website of the University of Northwestern<sup>549</sup>, Chicago (USA); Nightly business report (USA)<sup>550</sup>; MSNBC (USA e-magazine)<sup>551</sup>; Asia times<sup>552</sup>; Inflight E-Magazine of Cebu Pacific Air (Singapore)<sup>553</sup>; International B2B network<sup>554</sup>; Alibaba<sup>555</sup>. In addition Highland coffee is discussed in some private blog entries of tourists from many countries like America<sup>556</sup>, France<sup>557</sup>.

### 4.2.13.3 Analysis of the use process Highlands Coffee<sup>558</sup>

I/ Motivation for coming and using Highlands coffee.

All our interviewees<sup>559</sup> visit Highlands Coffee several times a week, one of them daily. They visit Highlands Coffee for work or leisure activities. Visits range from 30 minutes to 1,5 hours. All the interviewees seems to be well off (observation from clothing, behavior and jobs, places they live, half of them lives in new sub-urban areas like Ciputra, some of them make regular visits abroad). They are between 26-36 years old, mostly business people and civil servants. They visit Highlands Coffee with business partners, with friends or come alone. Activities in Highlands Coffee is of course drinking coffee but also to serve the Internet, business meetings, relax and socializing with friends.

Highlands Coffee replaces the previous visit to local and also popular coffee shops in Hanoi. And they don't see any other places like this similar in Hanoi. All of them seem regular visitors to Highlands Coffee, and most of them also visit other Highlands Coffee's in Hanoi and other cities in Vietnam. One of them said that a place like *Paris Delhi* is a place she finds similar. They know Highlands Coffee from friends, or because they just saw the place.

<sup>542</sup> <http://thetrizle.com/highlands-coffee/>

<sup>543</sup> <http://www.highlandscoffee.com.vn/>

<sup>544</sup> <http://vneconomy.vn/2009061502309198P0C5/david-thai-va-highlands-coffee.htm>

<sup>545</sup> <http://quehuongonline.vn/VietNam/Home/Nguoi-Viet-o-nuoc-ngoai/Guong-mat/2009/06/36009FF6/>

<sup>546</sup> <http://www.vietkieu.vn/Articledetail.aspx?tabid=&articleid=2679>

<sup>547</sup> <http://www.highlandscoffee.com.au/cafe-culture.php>

<sup>548</sup> <http://thetrizle.com/highlands-coffee/>

<sup>549</sup> [http://www.kellogg.northwestern.edu/Departments/International/InternationalFocus/Article/Wake\\_Up\\_and\\_Smell\\_the\\_Coffee.aspx](http://www.kellogg.northwestern.edu/Departments/International/InternationalFocus/Article/Wake_Up_and_Smell_the_Coffee.aspx)

<sup>550</sup> <http://www.channel2.org/nbr/vietnam/transcript.html>

<sup>551</sup> <http://www.msnbc.msn.com/id/15780456/>

<sup>552</sup> [http://www.atimes.com/atimes/Southeast\\_Asia/FL08Ae01.html](http://www.atimes.com/atimes/Southeast_Asia/FL08Ae01.html)

<sup>553</sup> <http://www.cebusemile.com/2008/12/01/ca-phe-culture/>

<sup>554</sup> <http://b2b.tradeholding.com/default.cgi/action/viewcompanies/companyid/521693/>

<sup>555</sup> <http://www.alibaba.com/member/vn106739140/aboutus.html>

<sup>556</sup> [http://food-4-thot.blogspot.com/2007\\_11\\_01\\_archive.html](http://food-4-thot.blogspot.com/2007_11_01_archive.html)

<sup>557</sup> [http://experience.hec.ca/campus\\_abroad\\_internationaux/2009/06/30/highlands-cafe-and-viet-thai-international-tuesday-june-30/](http://experience.hec.ca/campus_abroad_internationaux/2009/06/30/highlands-cafe-and-viet-thai-international-tuesday-june-30/)

<sup>558</sup> Appendix X Synthesis user interviews includes all quotes and detailed references.

<sup>559</sup> Based on seven interviews, six recorded and one non-recorded interview. We were not allowed to interview in Highland Coffee, as such the amount of interviewees is limited and we could not record everyone.

### *Like and dislike*

In general all of the interviewees like Highlands Coffee, they like the clean and cool air, the modern design, and:

“This bar brings me comfort. Moreover, it has a beautiful location”. (Mrs. Kim Anh, businesswoman, Ba Dinh, Hanoi, 22.09.09)

### II / New & local elements Highlands Coffee according to users

Our interviewees all find that Highlands is a combination of Western Styles and Vietnamese coffee culture. All of them say there is nothing local about this place, however they also all notice the Vietnamese coffee, the core product of Highlands. And they address that although it's Western design, the place is suitable for Vietnam: the customers are mostly Vietnamese. They address the unique branding of the place: they always recognize a Highland Coffee immediately. Most of them are impressed by the continues updates of the menu to keep up with a changing demand, and changing seasons. This is quite different from other Vietnamese ran places where menus do not change. Highlands Coffee is also new while it offers next to Vietnamese drinks and foods, a whole new range of Western Style coffee and dishes. As such Highlands, probably due to the Vietnamese owner, is a foreign concept, however, it blends well with Vietnamese habits:

“I think the foods here are local in character, especially the coffee. The new thing is the decoration. It is so unique that once you look at the decoration, you definitely know that's a Highlands bar. And I guess its design comes from France”. (Mrs. Huong, 26, civil servant, Than Nhan Hanoi, 22.09.09)

Most visitors of Highlands have no idea about the place its origin, and an e-magazine interviewing Mr. Le Thai Anh, David Thai's Vietnamese partner, said when they mentioned Starbucks, the local partner said he never heard of it. The magazine said this is while he never travels abroad. Our interviews, with many users of different cases also suggest that most Vietnamese do not know about these international brands, and as such often have not ideas about origins of concepts.

### III / Re-positioning identity users Highlands Coffee

Highlands Coffee provides to our interviewees a more comfortable lifestyle with more privacy. In addition the place makes some of them feel 'more professional', and the interior design is an example for their house decorations. One of them mentions “People coming here are often successful ones, and they come here to show their positions, so I think this bar can change one's lifestyle” (Male, 37 years, Hoan Kiem, Hanoi, 22.09.09). It suggests he is not 'one of them', a quote of another lady suggests she is doing her best 'to fit in':

“I come here just for business, so it changes my lifestyle a little bit. Whenever I come here, I have to wear formal clothes instead of casual ones, and that makes me look more professional”. (Mrs. Kim Anh, businesswoman, Ba Dinh, Hanoi, 22.09.09)

### IV / Highlands coffee & changing identity Hanoi according to users

Our interviewees at Highlands Coffee see Hanoi as a developing city that is rapidly developing and has many issues in transportation and urban planning. Some suggest Hanoi can't offer them space with which they can associate with, suggesting, they themselves are more modern:

“Hanoi is still a socialist city because people can't find comfort; for example, if they go out after 11 PM, they have to worry or to be robbed or to be fined by the police. Therefore, Hanoi is not an international city, and it even can't be as good as Ho Chi Minh City”. (Mr. Thai, 29 years, Ciputra, 22.09.09).

### *Highlands Coffee & Re-positioning of Hanoi*

Half of our interviewees at Highlands say that this bar can't change Hanoi's identity, the other half says the place makes Hanoi more modern and international. Mr. Thai suggests that foreigners know what is modern, or 'good':

“Foreigners can appreciate other places higher than Highlands Coffee, especially coffee shops on street sides” (Mr. Thai, 29 years, Ciputra).

#### 4.2.13.4 Observations<sup>560</sup>

For the observations we selected the key-Highlands Coffee's in the inner city and suburb of Hanoi; Highlands Opera House, Highlands Hanoi Towers, Highlands Somerset Hoa Binh, Highlands Syrena Tower, and Highlands at the war museum.

##### I/Immediate environment

Highlands Coffee has different locations all around the city, at these locations are or part of an historical place, like Highlands inside the Opera House<sup>561</sup> (Figure Highlands Coffee General Ground floor & Figures 17 & 18), Highlands inside War museum (Highlands 15 & 16), or they are part of new office buildings, like in the East of Hanoi in Somerset Hoa Binh (Figure Highland 21, 22 & 23), in the West Lake area in Syrena Tower (Figure Highland 24), and in the inner city example are Highlands in Vincom (Figure Highlands 19 & 20), and in the same French quarter, Highlands in Hanoi Towers (Figure Highland 2). We observed two places, Highlands at the Opera House and Highlands in Hanoi Towers. The immediate environment of Highland at the Opera House is similar with Hilton hotel and the Opera House, this Highlands is in the basement of the Opera house (Figure: Sections) and has a terrace in between Hilton and the Opera House (Figure general ground floor). This area is rapidly gentrifying, new office and retail buildings replace the older fabric, and car parks replace motorbike parks (Figure 3,4,5). At Hanoi Towers, Highlands is as well part of a gentrification process, already by being part of one of the first High rise buildings in the French quarter in Hanoi.

##### II/ Building Style

The office buildings and the historical places in which they are located determine the exteriors of Highlands. The only thing, essential to recognize a 'Highlands' are high and large windows and the brand display of Highlands (Figure Highlands 3). Highlands is more about interior design that has a strong brand, and thus far is not copied by other Vietnamese places. Highlands at Opera House represents how Highlands is operating in open spaces, in this case they operate in the park of the Opera. It is a new concept in Hanoi. Most outdoors (formal) café's are on the sidewalks, not in open spaces like parks. It shows a new cosmopolitan Hanoi, terraces to enjoy coffee outdoors in a relaxed space (in contrast to the sidewalks). The few outdoor places in Hanoi are always isolated from street scenes, and this is what makes the Highlands terraces different from others: they able customers to look at each other and at city life in a comfortable setting. Highlands in Hanoi Towers is representing the Highlands interior. The interior has recognizable company colors, as on the packaging of the coffee, and as ChicoMambo they adapt the trend in the USA and Europe of launching. Large sofa's are alternated with other tables and chairs. It is clearly a place where the company thought about marketing and providing service to a wide public. All Highlands look exactly the same in their designs (Figure Highland 9), and it's strong sense for its corporate brand is also witnessed in the choice of music, which is trendy, but not too loud it is background music, and we experience that all the Highlands choose from the same already music repertoire.

##### III/ Use

Highlands is popular by middle class Vietnamese, and foreigners. However, Vietnamese dominate these places, only in touristy places do foreigners at some times dominate. Highlands is busy with people sitting behind laptops (Figure Highland 5), and people in suits discussing about work. The place is spacious, in most Highlands people can have some privacy (Figure Highland 6), being not too close to others (Figure Highlands 7). This is different from Europe or North America, were the salaries are higher and more customers are needed to keep places affordable. Also different from places in Europe or the USA, is that people here can sit for hours without getting pressured by waiters to order something more. This can make places like Highlands suitable to escape a busy office / household to work alone at this location. Highlands in the morning is quiet, people come for breakfast like in ChicoMambo. It is busy at lunchtime, and in the evenings.

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<sup>560</sup> All references to images and figures can be found in Appendix IX: Booklet Materials Biographies

<sup>561</sup> We observed several Highlands Coffee's. We only could get maps from the Opera House, this is also belonging to the Viet Thai group, it is part of Highlands Coffee. However the inside place is an exclusive restaurant, called 1911. The company is similar but the function is different. The terrace is Highlands Coffee, similar as the others.

#### IV / Local and new aspects

Everything seems new about Highlands, only the coffee is Vietnamese, and a few dishes are Vietnamese. But most is new, also there way of preparing coffee, with different coffee cocktails is very new. It has similarities with Starbucks coffee in the USA. The strong brand, the chain of coffee stores is not completely new in Vietnam (Trung Nguyen coffee is another one), however Highlands coffee is the first with a strong appearance in its design, and managing style. It really brings a cosmopolitan lifestyle which we can find in a city as New York, and which also slowly start to enter European cities to Hanoi. Only when you exit the Highlands Coffee and experience the dynamic city with its local business and motorbikes (you experience) that you were actually in Vietnam (Figures Highland 10-14).

#### 4.2.13.5 Socio-economic change related to Highlands Coffee

##### I/ Commercialization

Similar with ChicoMambo, Highlands Coffee represents the trend, of the revived coffee shop culture introduced in Hanoi in the French colonial period. However, Highlands Coffee, is the first coffee place in Vietnam, which has direct influence from an international example, Starbucks Coffee. Highlands Coffee, is a chain of coffee shops, and as such widely known among almost all urban citizens in Vietnam. Highlands is the first who has strategic locations to attract its customers: historical often touristy places and in new high rise buildings which are business / retail centers.

##### II/ New middle class culture of successful business people and young professionals

Highlands has become a trendy place for well-off business people, they meet here for meeting and lunch. Others are younger professionals who meet here with Vietnamese or foreign colleagues or friends. Users at Highlands say that the place offers them a more comfortable lifestyle with more privacy. They feel different from others visiting Highlands, 'they feel more professional. The difference that is created with others is represented one of the users opinions that said customers 'just come to show their status'. Aside the new groups who visit Highlands, many customers visit this place alone.

##### III/ Individualization

Highlands Coffee locations are very popular for people in their search for privacy. Many people come here alone to work and use the Internet. Highlands provides a quiet space for people to work or just relax, most plug in laptops some read a book. Highlands is also a place providing privacy to (younger and older) couples to meet without being disturbed. Each Highlands provides large lounge like chairs, arranged in such a way it gives each seat a private semi-enclosed area from others. People escape here extended families, busy streets, and crowded offices. Some users said Highlands also give them ideas for their housing decorations, which as well is a mean to differentiate from others.

##### IV/ From one state to multiple actors

Since Doi Moi, many Viet Kieu, came to Vietnam, especially young overseas Vietnamese came to build up their mother country. The founder of Highlands is one of these example, a young entrepreneur, bring with him culture from another country. And actors like David Thai also have direct access to knowledge and skills through their friends and relations in the country where they lived longest, in this case the USA. This brings many successful young foreigners to Vietnam, like the designer who did the branding of Highlands. A young and successful designer, bringing American trends to Vietnam. In this case we know from the Chief architects, that also the relations of a Viet Kieu gives privileges, according to him David Thai has relations with people in positions in the government<sup>562</sup>. This he answered to our question how the company could access all the historical sites and new business towers.

##### V/ Perception of Hanoi by users Highlands Coffee

Users at Highlands Coffee perceive Hanoi as a developing city that is rapidly developing and has many issues in transportation and urban planning. They also say that the city keeps a socialist or

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<sup>562</sup> Interview with Mr. Dao Ngoc Nghiem 18/11/2009

nationalist internal character. Half of our interviewees at Highlands said that this bar can't change Hanoi's identity, the other half says the place makes Hanoi more modern and international.

## 4.2.14 Biography National Convention Center (NCC)

### 4.2.14.1 General Description

The National Convention Center (NCC) is located at 57 Pham Hung, Ring Road No.3, it is built on agricultural land of the village Me Tri, Cau Giay district, Hanoi (Location Map NCC Appendix IX). It is part of the new urban area developing in the Southwest of Hanoi, it is near two other of our case studies. It is on the opposite site of the ring-road facing Big-C, and is near the housing project THNC. The building is a major national project and has been build for the 14<sup>th</sup> APEC summit, and after has been serving other national and international events. The client was the Ministry of Construction, Vietnam. The construction of the National Convention Center started on 15<sup>th</sup> November, 2004 and was completed after 22 months of construction in 2006. The total investment of this project was 4.281,2 billion VND (around 225 million USD), derived from the local city budget. The building is large, it has three floors with a floor area of 64,000 m<sup>2</sup>. It contains a conference hall with 38000 seats, two luxurious conference halls, 24 small conference room, pressrooms, international conference rooms and party rooms for 1,200 guests. Outside the building are the gardens, lakes and an underground garage for 500 cars<sup>563</sup>.

The Vietnamese Prime Minister himself appointed nine large companies of the Ministry of Construction to participate in this project with the main investment of Hanoi Construction Corporation, and main consultant in design VNCC<sup>564</sup>. The architect selected was the German architect Meinhard von Gerkan one of the main architects of GMP International GmbH<sup>565</sup>, they partnered with Inros Lackner AG<sup>566</sup>. The Chinese consulting firm SFECO GROUP supervised the project management and construction<sup>567</sup>.

### 4.2.14.2 Analysis of the conception process NCC<sup>568</sup>

I/ Actors

GMP made the architectural design – a Germany Consultant company based on requirements that have been approved by the Project Management Unit (MoC) and the Prime Minister<sup>569</sup>. The Ministry of Construction set the “scope for design” indicating the functions, requirement, standard and other planning control indicators of the building. GMP as the main designer, was responsible for the basic design and technical design. The VNCC No6, specialized in national and political projects<sup>570</sup> working under MoC, together with some other sub-contractors were the local subcontractors working in detail for different aspects of the building design while closely collaborated with the main designer (GMP). VNCC was in charge of sub-designer for architecture, structural engineering, landscape and interior. Besides, during the design process, there were many meetings to collect the opinions and comments from professional organization as the Vietnam Association of Architecture<sup>571</sup>.

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<sup>563</sup> Interview with Mr Pham Van Binh, 12/08/2009

<sup>564</sup> Construction magazine No 11/2004, page 70, language: Vietnamese.

<sup>565</sup> www.gmp-architekten.de

<sup>566</sup> **Architectural Review, National convention center, Hanoi, Vietnam. July 2008.**

<sup>567</sup> Construction magazine No 11/2004, page 70, language: Vietnamese.

<sup>568</sup> Based on interviews with Mr Pham Van Binh, Deputy Director of The PMU of MoC, 12/08/2009, and two interview with Mr Nguyen Huy Khanh, project leader at VNCC, 12/08/2009 and 02/11/2009.

<sup>569</sup> Idem

<sup>570</sup> And that VNCC is a very large company can be seen in this quote: “Our studio is just a small one of more than 400 staffs in VNCC. We are one of six architect studios of VNCC and we are specialized in political and national projects. We are now designing the National Assembly Hall. Last year, we designed the building of Ministry of Security and Hanoi Museum”.

<sup>571</sup> Interview with Mr Nguyen Huy Khanh, 12/08/2009

At the beginning, the idea was to combine NCC with Ba Dinh Hall in the political area Ba Dinh square in the inner city. However, during survey of the site, remains of the old Thang Long citadel were found, and the construction was stopped<sup>572</sup>. The archaeological objects needed to be preserved, not just for the historical value, but also in Vietnam especially because people believe in the spiritual value of it. When it would not be preserved, it is believed by many Vietnamese that it will disturb the balance in society, which has negative impacts on the city and its inhabitants. “Standing on the “phong thuy” point of view, it is a very sensitive location. If there is something wrong, it will affect everything” (Mr. Khanh<sup>573</sup>).

Therefore the construction site was narrowed, and only the building of the National Assembly has been kept in the corner of the site<sup>574</sup>. As an alternative, the location of the commune Me Tri far from the city center in the Southwest was chosen as a replacement location for the NCC<sup>575</sup>.

At the beginning, the NCC and Ba Dinh Hall project launched an open international competition according to the current Vietnamese regulations<sup>576</sup>. The completion was announced on the website of MoC. The German company send in a design and they, GMP, won the architectural contest in the former construction site and the government appointed them as main designer as well in the new one<sup>577</sup>.

## II/ Local-Foreign nexus

By working with foreigners, the architects from Vietnam learned a lot, especially though the new working method such as the way to approach the issue, and new design techniques such as how to create modern office space. After working with foreigners, according to Mr. Khanh, their requirements on the quality of architecture increased and their vision also changed. Vietnamese architects, he said, also learned from other competitors through taking part in international competitions<sup>578</sup>.

The National Convention Center (NCC) has a very different setting than other buildings in the city located at the large 64-hectare plot in a green area<sup>579</sup>. Mr. Khanh<sup>580</sup> considered it as the new big architecture of Hanoi. This project is seen as “a house in the garden” or “a building in the park”, with large public spaces that no other building in Hanoi has been provided<sup>581</sup>. The building is representative of a new architectural style and form, a modern face of Hanoi<sup>582</sup>. The NCC is the place where the APEC 14 was held successfully<sup>583</sup>.

Moreover, the Phong Thuy orientation has been used in the design of the area, it was required by the Vietnamese leaders<sup>584</sup>. Based on Phong Thuy, the orientation of the building was adjusted in order to follow the theory of ‘lakes in front and mountains behind’ the building. In this project artificial lakes where placed in the front and the building had the Ba Vi mountains behind<sup>585</sup>.

Phong Thuy is also used in the interior details of the building. For example, in this theory you can’t have two doors right next to each other. The two smaller doors proposed by GMP in entrances in the interior where therefore replaced by one big door. Moreover, Vietnamese do not leave private properties in another place than were they are. As such a room for hanging coats for visitors was removed from the original design. Aside this Mr. Khanh mentions that the Vietnamese atmosphere was made in the interior design with Vietnamese paintings with light colours. Beside, the trees were by chosen appropriate to the local climate<sup>586</sup>.

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<sup>572</sup> Interview with Mr Pham Van Binh, 12/08/2009

<sup>573</sup> 02/11/2009

<sup>574</sup> Interview with Mr Nguyen Huy Khanh, 02/11/2009

<sup>575</sup> Interview with Mr Pham Van Binh, 12/08/2009

<sup>576</sup> Idem

<sup>577</sup> Interview with Mr Nguyen Huy Khanh, 12/08/2009

<sup>578</sup> Interview with Mr Nguyen Huy Khanh 02/11/2009

<sup>579</sup> Interview with Pham Van Binh, 12/08/2009

<sup>580</sup> 12/08/2009

<sup>581</sup> Interview with Mr Nguyen Huy Khanh, 12/08/2009

<sup>582</sup> Idem

<sup>583</sup> Interview with Pham Van Binh, 12/08/2009

<sup>584</sup> Interview with Mr Nguyen Huy Khanh, 02/11/2009

<sup>585</sup> Interview with Mr Nguyen Huy Khanh, 12/08/2009

<sup>586</sup> Idem

According to Mr. Khanh<sup>587</sup>, the building design reflects the principles of the German architect company GMP, “there is diversity in simplicity”, unique, and international in its nature. Mr. Binh<sup>588</sup> paid concern on new technologies used for the construction of the enormous space, the use of great pillars and as he said “the most advanced technology systems from the world” (Mr. Binh<sup>589</sup>).

The initial concept for this building was that NCC would be a building with a wavy roof with different levels of height that would imitate the waves of the East Sea. The German architects made association with dragons, as the waves of the East Sea to explain their roof, this was considered as a very unique idea, and it resulted in winning the contest<sup>590</sup>.

### III/ Users

The building has been used since the end of 2006, aiming to hold big international and national events, such as APEC 14 and ASEM 5. Nowadays, it is mostly used for offices of the government. Several big organization or corporations also hold meetings here. The building can have 4000 participants. When the place opened it was used for these big events, however today the capacity of the building is considered as too large in comparison with current requirement<sup>591</sup>.

### IV/ Future Strategy

In the future several buildings will be added, including: the Hanoi Museum, the Exhibition Hall and a five-star hotel. When these projects are completed and used, it is believed that the Conventional Center will be used more intensively<sup>592</sup>.

### V/ Promotion

In Vietnam, the National Convention Center has been promoted in various e-magazine websites<sup>593</sup> with the introduction of the project as well as adverts about successful events organized here. A picture of the National Convention Center is also printed on the cultural – tourist map of Hanoi. Mr. Nguyen Huy Khanh<sup>594</sup> argued that it was promoted internationally as it was used for ASEM 5, an important politic and economic event. The building has become an important symbol to represent new cosmopolitan Hanoi.

### VI/ Perception of Hanoi by actors involved

With regard to Hanoi’s current image, Mr. Binh<sup>595</sup> paid concern on dusty streets and chaotic urban architecture. He is worried on ineffective urban planning and environment planning. Besides, he pointed out some positives aspects, including construction of modern buildings and the improvement of infrastructure.

When talking about chaos, Mr. Nguyen Huy Khanh<sup>596</sup> thinks it is a very lovely characteristic of Hanoi. In the same interview however he says: “Hanoi has changed drastically in recent years. It increases much in quantity while decreasing in quality: the decrease in quality is in architectural design, urban design, public spaces infrastructure, in people behaviors and in the environment”. Today he says Hanoi is expanding without a direction. And it leads to chaos which can explained, partly by the anxiousness to absorb investment for economic growth by the government; partly by a lack of overall strategy and development model by the government; partly by a lack of management skill and know-how; and partly by corruption” (Mr. Khanh<sup>597</sup>)

Mr. Khanh gives the area of NCC as example of Hanoi as a city of great mixtures. “The spatial axis along Pham Hung road (third ring road) used to be a place of rice fields with nothing there. It is now

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<sup>587</sup> Idem

<sup>588</sup> 12/08/2009

<sup>589</sup> 12/08/2009

<sup>590</sup> Interview with Pham Van Binh, Mr Nguyen Huy Khanh, 02/11/2009

<sup>591</sup> Interview with Mr Nguyen Huy Khanh, 02/11/2009

<sup>592</sup> Idem

<sup>593</sup> For example: <http://www.vnexpress.net/GL/Kinh-doanh/2006/12/3B9F189A/>

<sup>594</sup> Interview with Mr Nguyen Huy Khanh, 12/08/2009

<sup>595</sup> 12/08/2009

<sup>596</sup> 12/08/2009

<sup>597</sup> Interview with Mr Nguyen Huy Khanh, 12/08/2009



the new development axis of Hanoi yet we can find many functions mixing along this axis: such as offices, housing, the national conventional center, commercial functions, and others. This reduces the functionality and efficiency of urban space and fails to create a distinctive character of different urban areas”.

In term of future development of Hanoi, Mr. Binh<sup>598</sup> said Hanoi meets great obstacles on the matter of land clearance and land violations. From his point of view, many cities in the world can be models for Hanoi, including Moscow, Beijing, and Shanghai. Mr. Nguyen Huy Khanh<sup>599</sup> discussed that Singapore could be a model because Singapore has distinctive districts with own characters and functions locating separately into a well-considered urban structure: the old area (low-rise, low –density, preservation) standing close yet separately from the downtown (high-rise, high concentration of buildings and activities), and separating from new towns (residential areas) provided with good infrastructure and amenities, connected all together by public transportation system.

#### 4.2.14.3 Analysis of the use process<sup>600</sup>

##### I/ Motivation for coming and using NCC

Five out of six interviewees<sup>601</sup> visit the NCC for conferences, one visits for entertainment events, like music performances. One of our interviewees also visits the NCC for wedding parties. They visit alone, with colleagues or with family members. Visits are from two hours up to five hours per day. Visits for conferences can be three days on a row, or one day only. They know the place from friends, while conferences were organized here by their work places, or through mass media and the Internet, and one architect knows the place while the building is widely known among the architectural professionals. The architect mentions that the NCC is replacing the political area Ba Dinh Square, one student says this place is similar with the International Convention Center at Ly Thuong Kiet Street (build during the socialist period). All the others say this building is unique and does not replace any previous activities or is comparable with other places in Hanoi. So the building is perceived as completely new to them.

“Similar is former Ba Dinh Square. They are similar in functions but different in design”. (Mr. Mai Duy Phat, architect, Truong Dinh Street, 09.10.2009).

##### *Like and dislike*

All our interviewees love the building for its spaciousness, luxuriousness, coolness and they like the design of the modern building style and waved roof and one says it is orientated well on the rules of geomancy. Also the surrounding is mentioned by two interviewees as being good with lots of green and a large car park. Two of our interviewees mention that they don't like the strict security to access the place, another interviewee does not like the building height, while it is not synchronous with other (high-rise) buildings in this area. The architect mentions that the construction is done poorly however it is well orientated:

“The area of the land is quite large, so the building has good surroundings with artificial mountains, and green trees. The wavy roof is harmonious and with the 3 mountains around it orientated on geomancy”. (Mr. Mai Duy Phat, architect, Truong Dinh Street, 09.10.2009).

##### II / New & local elements NCC according to users

One of our interviewees says there is nothing local in character at the NCC, however the others all mention local aspects in the design and services of the place. The use of the waved roof is a symbol to some to the Vietnamese dragon and the East Sea, the orientation of the building on geomancy, the pagoda's that line the access road to the building, the bamboo trees surrounding the building. At the

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<sup>598</sup> 02/11/2009

<sup>599</sup> 12/08/2009

<sup>600</sup> Appendix X Synthesis user interviews includes all quotes and detailed references

<sup>601</sup> Note: all these interviews are held in other places than the NCC. The NCC was visited many times, but we were not allowed to enter or ask questions. So we interviewed people of who we knew they visit the place or search for people who did.

same time all interviewees mention the uniqueness of the place and the new aspects. The roof, the spaciousness, the site which is very large, the landscape setting, the international style, modern equipment and the interior which is new and different from Vietnamese. Only two have an idea of origin of the design, one says it must come from Europe, the journalist said Germany, while he knows a German architectural design company designed the building. One says, the interiors must be imported, simply while they look expensive. It suggests most do not know where the foreign concept comes from, however, they are well aware about the use of Phong Thuy in the building, and thus more aware of the local character of the building.

“Some decorations are local, for example, the wavy roofs are symbols of the East Sea and Vietnamese dragons, the interior of the building is very modern. I think interiors were imported because they are very expensive”. (Ms. Nguyen Thi Van, 22 years, teacher, Mai Dich, Cau Giay, 14.10.2009).

### III / Re-positioning identity users NCC

Five of the six interviewees mention that this building does not change their lifestyles, simply while they don't visit this place much. However, one person said :

“When I came here, I had to dress formally and speak formal things, too”. (Ms. Nguyen Thi Van, 22 years, teacher, Mai Dich, Cau Giay, 14.10.2009). Suggesting the place makes her behave different than before, more formal.

### IV / NCC & changing identity Hanoi according to users

Five of the six interviewees at NCC mention that Hanoi is a city of ineffective urban management and urban planning. One says it is a mixture of new urban areas and old quarters. They also say the city is too crowded and represents chaos.

#### *NCC and re-positioning Hanoi.*

Four of our interviewees said that the NCC is making Hanoi more modern.

“It changed quite much. It makes the West side of Hanoi much more modern and attractive”. (Ms. Van Anh, 19 years, student of Foreign Trade University, Cau Dien, 07.10.2009)

## 4.2.14.4 Observations<sup>602</sup>

### I/Immediate environment

The National Conventional Center is located in a large landscaped park (Figure: master plan), however the park is not finished yet. The center is accessed from the Third Ring road, other cases like Big-C and THNC are as well located here (Figure Google Earth). Near the NCC we also find the new Keangram towers and the Manor. The road is very busy with trucks, cars and motorbikes. The area is dominated by concrete surfaces, noisy and dusty. And due to the ongoing constructions in this area, and high land prices here, it remains to be seen if this park setting will survive (Figure NCC 10).

### II/ Building Style

The building's architecture is contemporary. Everything in the building is new and modern. The waved roof reminds of Norman Fosters Airport in Hong Kong. It uses concepts of modern architecture, the columns carry the waved roof, under which the rest of the spaces are located in closed boxes. (Figure NCC 1 & 3).

### III/ Use

The place is highly restricted, people only come here on certain days when there are events. We can't say too much about observation of use, because we were not allowed to access the building

### IV / Local and new aspects

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<sup>602</sup> All references to images and figures can be found in Appendix IX: Booklet Materials

The building is completely new, its setting is also completely new. The only thing local is the high security, and the isolation of this political space from the public, with exception of the days when it has events for (paying) public.

#### 4.2.14.5 Socio-economic change related to NCC

##### I/ Commercialization

In the closed socialist city of the 1960s and 1970s the city of Hanoi expressed its socialist aspirations through symbolic buildings at Ba Dinh Square, as the Ho Chi Minh Mausoleum the Building of the National Assembly, and through a building as the Cultural Palace. These places were only used for political events, and all had similar aesthetics associating with socialism in Moscow. The NCC shows a great change, it is a political building but now also used for many commercial and often cultural and international events. According to NCC users the building makes Hanoi, and thus themselves, more modern. The building is also perceived as making Hanoi more attractive, rich and international.

##### II/ Hanoi: International but keeping its traditions

The National convention center sends a new message into the world, it communicates diversity and participation in the international world through its international and modern design. At the same time it communicated Vietnamese traditional culture, although not directly, the Vietnamese leaders are keen on the fact that the roof refers to the East Asian Seas and looks like dragons. Also the use of *phong thuy*, is an important factor for the Vietnamese government, it makes them feel connected with the building: the building represents modern Hanoi, international, but with keeping the Vietnamese traditions, and thus also representing the uniqueness of Hanoi. This is completely different message from the pre-Doi Moi political buildings were sending into the world, which were socialist homogenous in style representing equality, and as such they were similar with the ones in Moscow.

##### III/ Multi-cultures

The NCC hosts international fairs, business events, and has become a venue for cultural events from pop concerts to traditional festivals. It represents a change from a socialist culture of equality and state propaganda in arts, towards a diversified culture in arts, craft, music, and a revival of traditional events. These are all commercial events, at the same time the place facilitates the development of business through hosting international business events, fairs and meetings. The National Convention Center is a place that enables new groups to emerge, groups visiting traditional festivals, new groups of youngsters visiting pop concerts, and new groups of business people visiting international and local trade fairs. However, the gatherings are organized, and the place is a very restricted area when you do not have a entrance ticket for an event. As such the multi-cultures visiting this place all are people who can afford it, as such the place as well shows the growing gap between rich and poor in Vietnam.

##### IV/ From the State as one actor to multiple actors in developing the city

In the development of the National Convention Center the government is the client, they selected a foreign architect through a competition. After this foreign architect works together with consultants of Vietnamese State Owned Enterprises. The design as such is completely foreign, and the Vietnamese make this design suitable for Vietnam, adapt the design to local culture and to available techniques.

##### V/ Foreign influences for Vietnamese professionals

The Vietnamese as such do not have much influence on the create process of the design. However, they are greatly influenced by working with the, in this case, German architects and their partners. In this case it influenced their working style, and changed their ideas how to approach a design and make it into a create process. It has had a long lasting effect on VNCC No6, of which the project leader told us that since the quality of their work is much higher.

##### VI/ From one concept to multiple ideas for Hanoi

"Hanoi has changed drastically in recent years. It increases much in quantity while decrease in quality: the decrease in quality is in architectural design, urban design, public spaces infrastructure, in people behaviors and in the environment. Today he says Hanoi is expanding without a direction. And it leads to chaos which can explained, partly by the anxiousness to absorb investment for economic growth by the government; partly by a lack of overall strategy and development model by the government; partly by a lack of management skill and know-how; and partly by corruption" (Mr. Khanh<sup>603</sup>). For him Singapore could be a model because Singapore has distinctive districts with own characters and functions locating separately into a well-considered urban structure: the old area (low-rise, low – density, preservation) standing close yet separately from the downtown (high-rise, high concentration of buildings and activities), and separating from new towns (residential areas) provided with good infrastructure and amenities, connected all together by public transportation system.

Hanoi meets great obstacles on the matter of land clearance and land violations. From his point of view, many cities in the world can be models for Hanoi, including Moscow, Beijing, and Shanghai (Mr. Binh)

Almost all users at NCC perceive Hanoi as a city of ineffective urban management and urban planning. One perceives the city as a mixture of new urban areas and old quarters. They also perceive the city as too crowded and as chaos. One sees Hanoi as a city being modernized.

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<sup>603</sup> Interview with Mr Nguyen Huy Khanh, 12/08/2009

## 4.2.15 Biography Shop House Ma May

### 4.2.15.1 General description

Ma May 87 Restored shop house is a traditional shop house located in the 36 streets area (Location Map Ma May Appendix IX). It covers 186 m<sup>2</sup>, in the traditional tube shape. The original building originates from the early 19<sup>th</sup> century<sup>604</sup>. The house was renovated from May to October 1999. It was a corporation between the city of Toulouse and Hanoi ancient quarter management department<sup>605</sup>. Ma May was a renovation conducted in collaboration between a Heritage architect hired by the Toulouse town council, Jean-Pierre Pribetich and the local architect from The old quarter preservation team (*ban quan ly pho co*) headed by Ms the deputy To Thi Toan<sup>606</sup>. The total investment of the renovation was 300 million VND (about 15, 700 USD)<sup>607</sup>.

### 4.2.15.2 Analysis of the conception process shop house Ma May<sup>608</sup>

I/ Actors

For the renovation of the shop house at Ma May, the city of Toulouse provided financial support and technical assistance. The Department of Foreign Affairs was the representatives of Toulouse city. They hired French experts to come to Vietnam for technical advice. Most of the experts worked for the Ministry of Culture of France. Some experts came from the university of Toulouse, such as Prof. Pierre Cambon<sup>609</sup>. In Vietnam, Mrs To Thi Toan was the representative of the Hanoi Ancient Quarter Management Department.<sup>610</sup>

The connection of the city of Toulouse was made through Mr. Michel Cassagnes, he did his graduation project on the strategy how to renovate the old quarter, he collaborated with HAU<sup>611</sup>. At HAU, at that time Prof. Nguyen Quoc Thong was professor, and he had studied architecture at Toulouse and as such there was an already established link between the two universities. As a result of this project, Toulouse university approached the City of Toulouse, and as such they became involved in the cooperation between the two cities in renovating the old quarter of Hanoi.

At the beginning, the French came and researched the whole old quarter area. They took the initiatives to renovate several shop houses. In twelve years since 1997, they have worked together with Vietnamese to choose the most valuable houses for renovation<sup>612</sup>. The decision for choosing the shop house at Ma May was made by Mrs. To Thi Toan. The reason for her decision was that it belongs to the government, so renovation work can be done easier<sup>613</sup>.

Some other houses have been renovated, one pagoda, where now the Hanoi Ancient Quarter Management Department is located. And the shop house at No.34 Hang Dao. This house has permanent residents. Prof. Thong said "this house is quite Western in its renovation, but it still keeps the origin; for example, the yard corner, the light system".

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<sup>604</sup> <http://www.hanoivanhien.com/xem-tin-tuc/gioi-thieu-gia-tri-kien-truc-lich-su-nha-87-ma-may.html> , date consulted website: 28 Dec 2009, Language: Vietnamese.

<sup>605</sup> <http://mag.ashui.com/index.php/chuyenmuc/kientruc/67-kientruc/368-khu-pho-co-ha-noi-nhieunha-co-van-dang-keu-cuu.html> , , date consulted website: 28 Dec 2009, Language : Vietnamese.

<sup>606</sup> Email exchange with Michel Cassagnes 24/03/2010

<sup>607</sup> Short interview with Ms Thuy – employee of Hanoi ancient quarter management department on 12<sup>th</sup> March 2010.

<sup>608</sup> Based on interviews with Mr. Michel Cassagnes, who did a graduation project for the university of Toulouse about Ma May, currently he is working for Archetype, December 5<sup>th</sup> 2009; Mr. Pham Tuan Long Vice deputy director HPC Hanoi Ancient Quarter Management Department, and Mr. Phuong working here as well on December 8<sup>th</sup> 2009; Prof. Nguyen Quoc Thong who has been involved at the time with the university of Toulouse, December 8<sup>th</sup> 2009; and Dr. Hoang Dao Kinh, Vice President of Vietnam Association of Architect, who is specialized in culture and heritage, December 15<sup>th</sup> 2009.

<sup>609</sup> Interview with Mr. Long and Mr. Phuong, 08/12/2009

<sup>610</sup> Interview with Mr. Kinh, 15/12/2009

<sup>611</sup> Interview with Michel Cassagnes 05/12/2009

<sup>612</sup> Interview with Mr. Long and Mr. Phuong, 08/12/2009

<sup>613</sup> Interview with Mr. Kinh, 15/12/2009

Prof. Thong also said “I think the renovation in the old quarter is a success because it was realized. You know, most people used to promise things but they did not do anything”. Here Prof Thong refers to the many researches done by foreign agents about the old quarter in Hanoi. However none of these other researchers really ‘did something’ to change the situation.

## II/ Foreign – Local nexus

Techniques as in French renovations were used, which meant to trace the original structures and rebuild it according to these structures. Also the use of steel in wood was a new technique. They also put another layer of steel underneath the original roof; therefore, the roof contains four layers, including original roof, steel, another layer, and continued with a layer of steel. It protects the roof from the weather<sup>614</sup>. This type of renovation was initiated by the city of Toulouse<sup>615</sup>, they wanted to make an example how to show the Vietnamese traditional house structure in the past.<sup>616</sup>

Another foreign influence is that the renovation as a traditional house did not only use traditional Vietnamese, but also Japanese features. Professor Thong said: “The way the French painted wooden things in black is wrong. Vietnamese did not paint it in black, just the altar in black. I think the way they paint wood in black is from Japan”.

The renovation of Ma May 87 has locally influenced the ideas of renovation, not just by the professionals involved, but also by the people in the city. After the renovation one house owner in the same street asked two young architects involved in the Toulouse project to renovate this house as well.

Prof. Thong: “The first impact is that people now know that Hanoi has that kind of old house. The awareness of people will be raised, and then, they can imitate decorations or structure of the old house and apply into their houses. For example, they paint the wooden part in their house in black like the old house. They also copy the balcony or the roof of the old houses”.

Michel Cassagnes: “I think it has good impacts and it can push other owners of houses in the old quarter instead of destroying the house to make a mini hotel with no windows just to make business to renovating the house.”

## III/ Users

After renovation, Ma May plays the role of exhibition place<sup>617</sup>. The idea of France was to find some ancient tube houses that can be restored as it used to be. The original idea was that people would not live in the house permanently, but some cultural activities could take place in the house to show people the activities of ancient Hanoians. It’s something like ‘a living museum’<sup>618</sup>. The inhabitants who used to live inside Ma May shop house was moved to another place nearby<sup>619</sup>.

The renovation of the house in Ma May is an example for other renovations. People in Hanoi are very excited because they all heard about the old house, but they hardly had chances to get in<sup>620</sup>.

## IV Strategies for the future

The museum at Ma May will stay as it is for the time being. However, for the other houses in the old quarter there are future plans. Prof. Thong said that the ownership of old houses is still a problem for HPC. “That’s why now the HPC is making an area in Viet Hung (Long Bien district) *another ancient quarter* to move people who now live in the old quarter in. It is something like a new ancient quarter. It is expected that we can move 2,000 people to the new area this year to reduce the population concentration in the old quarter. These all will be new houses. By moving people living in pagodas and temples, HPC would have the chances to restore these buildings. And I think that they will do this before the 1000-year anniversary of Hanoi”. He further says that: “ It is the best solution at this time.

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<sup>614</sup> Interview with Mr. Long and Mr. Phuong, 8/12/2009

<sup>615</sup> Interview with Mr. Kinh, 15/12/2009

<sup>616</sup> Interview with Mr. Long and Mr. Phuong, 8/12/2009

<sup>617</sup> Interview with Mr. Phuong, 8/12/2009

<sup>618</sup> Interview with Prof. Thong 8/12/2009

<sup>619</sup> Mr. Long and Mr. Phuong on December 8<sup>th</sup> 2009

<sup>620</sup> Interview with Prof. Thong 08/12/2009

Reducing the population in the old quarter needs the agreement of people living there. Therefore, we'll have negotiation with people living there. The negotiation was carried out long time ago, but at that time, the people' awareness on preserving the old quarter was still low. Mr. Hoang Van Nghien, the former chairman of Hanoi, said "There will be no new Hanoi if there is no old Hanoi". At that time, the people did not agree on this. But now, the new chairman of Hanoi, Mr. Thao finally can do it because people now know the importance of the old quarter renovation. Moreover, even there are changes in real estate market; people there won't lose anything. Before there was no law on real estate, so people were afraid of moving".

#### V/ Promotion

Internationally the house is promoted in tourist books, like Lonely Planet. In Vietnam the house is promoted through the different events taking place. For example:

"Tea-related cultural activities will be hosted at the Heritage House at 87 Ma May Street, Hanoi, from today until November 23. There will be tea-making performances, poetry discussions, culture related to tea, and presentations on the history of tea and tea processing and how to scent tea with lotus fragrance led by artisan Hoang Anh Suong. Singers from the Hanoi Ca Tru Club will perform. Drinking tea is not only good for health but it is sophisticated and elegant". As such this advertisement suggest that interest in the traditional cultures is as such 'sophisticated and elegant', promoting a new traditional cultural lifestyle in Vietnam<sup>621</sup>.

And:

"Vietnamese tea culture is an art that revives the soul of Hanoi 's ancient streets, which are embossed with their ancestors' characteristics, in harmony with modern customs, said Tran Thuy Lan from the Hanoi Old Quarter Managerial Board. She added that the coming celebrations aim to help foreign tourists and the younger generation in Vietnam to understand and love Hanoi, especially the customs, culinary arts and simple but fulfilling lifestyle of Hanoians. The Hanoi Old Quarter Managerial Board expects the event, being held at the heritage house at No. 87 Ma May Street, will enrich the ancient traditions of Hanoi 's ancient streets and attract an increasing number of tourists, both domestic and from overseas<sup>622</sup>". This also shows the new interest created for traditional culture and in specific targeting to young Vietnamese.

#### VI Perception of Hanoi by actors involved

Mr. Long<sup>623</sup> has some parts of London in mind as example of Hanoi because they are financial centers for both retailers and wholesalers.

#### 4.2.15.3 Analysis of the use process shop house Ma May<sup>624</sup>

##### I/ Motivation for coming and using Ma May

The day of the interviews<sup>625</sup> there is an event at the Ma May shop house, traditional music "ca tru" with Vietnamese tea. A "tea day". Many tourists visit this museum, but events like this bring also Hanoians to the house. Today five of the six interviewees come here for the first time. Some of them passed the house, but never went inside before. They all stay for 2-3 hours, they come with friends, and they know the place because the event was advertised on the Internet and in magazines some know it from friends who work at the house. Some of them visited other old shop houses in Hanoi before, however for most this is the only one. All of them are young, between 23-34 years old and interested to learn more about Vietnamese traditional customs.

"I just come here when it has events, I stay here for more than 3 hours, today I come here to listen to "ca tru", and I come here alone, I read about this shop house on the Internet, on the website of VnExpress". (Female, Vietnamese, 23, officer, De La Thanh, Hanoi.21.11.2009).

<sup>621</sup> <http://english.thesaigontimes.vn/Home/travel/culture/7557/>, issued 21 November 2009

<sup>622</sup> <http://en.vietnamplus.vn/Home/Tea-culture-marks-Hanois-millennium-anniversary/200911/4342.vnplus>

<sup>623</sup> 08/12/2009

<sup>624</sup> Appendix X Synthesis user interviews includes all quotes and detailed references.

<sup>625</sup> Based on six recorded interviews: difficult place to find more users, it is semi-private.

### *Like and dislike*

They all like the old shop house, for its traditional architecture, the use of wood which is associated with 'a warm feeling and comfort' and the house is associated with "friendliness", and they like that this house has good ventilation. Most of them do not dislike anything, some say the house might be a bit cold in the winter due to openings in the wood, and the outdoor open courtyards in the house. And some say the house lost some of its traditional characteristics after renovation.

### II / New & local elements Ma May according to users

All interviewees consider this house as local due to its traditional appearance. However what is different is that there is a shop inside the house and the house is public. Traditionally shops are in front of the house and the house itself is private. Two interviewees mention that the most local of the house is the altar on the second floor. One interviewee mentions there must be influences from France, while the French conducted the renovation.

### III / Re-positioning identity users Ma May

One interviewee mentioned this place did not change her lifestyle. Ththree interviewees see this traditional house as an example for their own houses. Others mentioned the contrasting calmness in this space with other spaces in the city, and the influence this place has on individual appearance.

"Coming here brings me relaxation and comfort because it is very quiet and peaceful". (Mr. Pham Minh Duc, Vietnamese, 25, unknown, Hoan Kiem, Hanoi. 21.11.2009).

"I have to wear quite formally when I come here". (Mrs. Nguyen Thi Trang Nhung, Vietnamese, 34, officer, Thanh Xuan, Hanoi. 21.11.2009).

### IV / Ma May & changing identity Hanoi according to users

Four of the interviewees mention the city Hanoi is not well managed. Some mention the city is chaotic. One mentions Hanoi is 'just' the capital of Vietnam, and another mentions Hanoi is 'not international at all. One interviewee says the city should maintain its unique traditional characteristics. Another said:

"Hanoi is the combination of a rural, chaotic, traditional and also a modern city". (Mr. Bui Xuan Duong, 21 years, student of Hanoi Architecture University, Ba Dinh district, Hanoi. 21.11.2009).

### *Ma May and re-positioning Hanoi*

The shop house at 87 May May reminds the interviewees of old Hanoi, it changes their perception of the city in such a way that they love the traditional values more visiting this place. However, some say this house can't change the city. But what the interviewees suggest is that this house does change their idea of the city Hanoi. One interviewee said this house is an example of commercialization of Hanoi, another said this house makes her worry for all the other old shop houses in Hanoi which are disappearing.

"I love Hanoi and when I come here, I even love Hanoi more than ever". (Mr. Bui Xuan Duong, 21 years, student of Hanoi Architecture University, Ba Dinh district, Hanoi. 21.11.2009).

"It reminds me of old Hanoi and the responsibility to preserve old things for future generations". (Ms. Trang, 23 years, student of Hanoi Architecture University, Long Bien district, Hanoi. 21.11.2009).



#### **4.2.15.4 Observations shop house Ma May<sup>626</sup>**

##### I/Immediate environment

The house is located in the busy 36 streets area, and as such the environment is dynamic, and characterized by local trade (Figure Ma May 5, 9 & 11), and tourism (Figure Ma May 10 & 12).

##### II/ Building Style

The building is traditional Vietnamese shop house however, renovated in a more European way: with respecting the old structures, and without introducing any new structures that would change the aesthetics of the house. However, here a souvenir shop has been added (Figure Ma May 14). The shop has the traditional tube shape (Figure Ground floor), with courtyards (Figure: Sections & Figure 1).

##### III/ Use

The place today is a museum, local and international tourists come here. The museum shows how people used to live in the house (Figure 4, 6, 7). The place is very quiet. At certain days there are traditional performances here (Figure Ma May 8).

##### IV / Local and new aspects

The shop house is traditional, however, the renovation of a shop house like this, and the new function of museum is new. Historical houses in Hanoi have not been preserved or renovated. This house give Vietnamese people a new sense of their culture.

#### **4.2.15.5 Socio-economic change related the shop house Ma May**

##### I/Commercialization

Before Doi Moi most shop houses as Ma May were divided among many families in the 1960s. Since the restoration of the shop house at May May, the house has commercialized, it has become a museum, it has a shop and people can come to performances here, people do not live here anymore. The house also shows the new tourism flows in Hanoi, particularly visits by foreign and local tourists. The place is commercialized and also promotes itself through a new lifestyle of in which traditions are perceived as 'sophisticated and elegant', seen in slogans as "drinking tea is not only good for health but it is sophisticated and elegant"

##### II/New sub culture with interest in tradition

Before Doi Moi traditional culture was banned, only socialist expression was allowed in arts, crafts and performances. May May facilitates new expressions of traditional culture, though the aesthetics of the house itself and in the arts and traditional performances We experienced many young Vietnamese, who together learn here about traditional culture. It represents a new sub culture in Hanoi, of youngsters with new interest in Vietnamese traditions. In the group some users mentioned they would like to apply some traditional elements of the house into their own houses, which indicates they also use this to 'differentiate' from one another. The shop house at May May reminds the interviewees of old Hanoi, it changes their perception of the city in such a way that they love the traditional values more visiting this place.

##### III/Individualization

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<sup>626</sup> All references to images and figures can be found in Appendix IX: Booklet Materials

At the same time Ma May also attracts people who come alone to enjoy the traditions, and they like to escape here from the crowd and enjoy the quiet and peaceful atmosphere. Thus at the same time this house increases young people to be different, by visiting 'something different', and doing this alone. They also all have different ideas what the city Hanoi should be. Most of the users at Ma May perceive Hanoi as a city that is not well managed. Some perceive the city as chaotic. One mentions Hanoi is 'just' the capital of Vietnam, and another mentions Hanoi is not international at all. One interviewee says the city should maintain its unique traditional characteristics. Another says the city is a combination of modern development and traditional values.

#### IV/From the State as one actor to multiple actors in developing the city

The renovation of Ma May is an example of Hanoi cooperation with another city, Toulouse. It shows the linking up of Hanoi with international networks with cities. From socialist partnerships to partnerships with countries with market economies. This case shows the new established relations built up with the former colonist France since Doi Moi. This case also shows the involvement of multiple partners in the city, as Hanoi Architectural University and the local ward, the Hanoi ancient quarter management department. However, the renovations done in the old quarter of Hanoi, remain incidents, up to now, the local ward does not control the private households activities in housing constructions.

#### V/Foreign actors establish businesses in Hanoi

Michel Cassagnes, who came as a graduate student at the start of this project to Hanoi, remained working in Hanoi. Although he left Hanoi for Australia for 5 years, today he is back in the city working for Archetype.

#### VI/Foreign influences for Vietnamese professionals & residents.

In this project Vietnamese professionals are influenced by the direct new techniques for renovations used. At the same time it has led to new ideas how to preserve the old quarter. Ideas today is to move the whole population to another area to remove the existing old quarter. This also shows the strong role of the State and the weak role of residents, who under the Vietnamese law do not have any voice in this decision. At the same time the people living in the old quarter are influenced by the result of this house and start to adopt traditional techniques or make reference to tradition in housing constructions.

#### VII/ From one concept to multiple ideas for Hanoi

Mr. Long, who worked and studied in London, has some parts of London in mind as example of Hanoi because they are financial centers for both retailers and wholesalers. Users see love Hanoi more when visiting this place, and start to worry about the old shop houses. They see Hanoi as a chaotic place.

## 4.2.16 Biography Hanoi Opera House

### 4.2.16.2 General description

Hanoi Opera House is located at 1 Trang Tien street, right at the beginning of the French quarter, the place covers an area of 0,26 hectares (Location Map Opera House Appendix IX). The Opera House is located at a square, connecting via Trang Tien, the inner city with Dyke road Au Co, parallel to the red River. The central Lake, Hoan Kien is at walking distance. The construction of the Hanoi Opera house was an activity of the French, which started on June 7th, 1901 and completed in 1911. Harley and Broyer designed the original Hanoi Opera House. The construction was undertaken by a local supervisor- Harley Architect. Mr. Travary and Savelon were in charge of the construction. The designers combined Corankta Greek ancient architecture in combination with Tuylory Castle and most dominating in the design the Opera House in Paris. However, the Hanoi Opera House is smaller than the Opera House in Paris<sup>627</sup>. In 1995, Hanoi Opera House was renovated with the total investment of 156 billion VND (8.2 million USD). The project was under the supervision of architect Hoang Dao Kinh, with technical advice of the Vietnamese origin French architect Ho Thieu Tri<sup>628</sup>.

### 4.2.16.2 Analysis of the conception process Opera House<sup>629</sup>

// Actors

The Opera House was renovated because it was changed and ruined through periods of war<sup>630</sup>. The idea came for the Prime Minister at that time, Mr. Vo Van Kiet. He had many ideas for large scale renovations at the time. Vietnam was the host for the Conference of French-speaking countries in 1997. The Opera House was decided to be one of places for holding the conference<sup>631</sup>.

The government assigned the Ministry of Culture and Information to act as the client of this project. Dr. Hoang Dao Kinh was assigned to manage the PMU<sup>632</sup>. Dr. Kinh is a renowned specialist in Vietnam on renovation<sup>633</sup>. Today Dr. Kinh is the Vice president of the VAA, and active in many other functions<sup>634</sup>. Architect Ho Thieu Tri, studied architecture at Saigon University (1973), after he moved to France to continue his studies and work in France, eventually he became a French citizen. Mr. Tri visited Hanoi in 1994, a friend from the HCMC introduced him to Mr. Kinh who asked him to work with him on the Opera House. Mr. Kinh introduced him to the Ministry of Culture and Information.

Mr. Kinh chose him because "I thought that the Opera House was done by the French, Mr. Tri was a Vietnamese living in France, and so it might be useful to invite him". According to Dr. Kinh, Dr. Kinh already developed the renovation concept, and the Vietnamese government already approved it<sup>635</sup>. Mr. Tri provided the technical assistance in developing the project, and he invited specialist from the company he used to work for in France, CR Architecture based in Paris. After finishing, the first user was the Ministry of Foreign Affairs. After the conference, the Opera House was handed over to the

<sup>627</sup> <http://www.cinet.gov.vn/Websitenganh/nhahatlon1/english/DEFAULTE.HTM> - date consulted website: 30 January 2010, Language : Vietnamese, English, French

<sup>628</sup> [http://vi.wikipedia.org/wiki/Nh%C3%A0\\_h%C3%A1t\\_L%E1%BB%9Bn\\_H%C3%A0\\_N%E1%BB%99i](http://vi.wikipedia.org/wiki/Nh%C3%A0_h%C3%A1t_L%E1%BB%9Bn_H%C3%A0_N%E1%BB%99i) - date consulted website: 30 January 2010, Language : Vietnamese

<sup>629</sup> Based on three interviews, two with Mr. Hoang Dao Kinh, the 27<sup>th</sup> of May 2009 and 15<sup>th</sup> December 2009, and one with Mr. Ho Thieu Tri the 10<sup>th</sup> November 2009.

<sup>630</sup> Mr. Hieu ThieuTri, 10/11/2009

<sup>631</sup> According to the involved architect Mr. Ho Thieu Tri, the French gave some financial support to hold the Conference of French-speaking countries, he thinks an amount from this support was used for the renovation of the Opera House.

<sup>632</sup> Mr. Hieu ThieuTri, 10/11/2009

<sup>633</sup> He received his master and doctorate degree (1977) at the University of Architecture in Moscow, he was the first doctor in Architecture in Vietnam at the time, and the first doctor in Heritage Conservation. He lived altogether for 17 year in Moscow.

<sup>634</sup> Chairman of Architectural Council, Member of National Council for Cultural Heritage, Member of Central Council for Literature and Arts, Director of Hoang Dao Architects Co. Ltd (From interview with Dr. Kinh 27/05/2009).

<sup>635</sup> Mr. Kinh, 15<sup>th</sup> December 2009.

management board of Ministry of Culture and Information<sup>636</sup>. Architect Ho Thieu Tri decided after this project to stay in Vietnam and opened HTT Architects in Hanoi, today a large and well known architectural company in Vietnam. A French association sponsored for building the two gardens around the Opera House.

## II/ Local - Foreign nexus

The original Opera House in Hanoi was designed and built by the French, it is known as the smaller version of the Opera house in Paris. In the renovation French techniques were used through the relations and knowledge of the architect. "In general, working in France for tens of year brought me precious experiences in designing. Firstly, I could see more. Secondly, to have a job in France, I took part in many competitions in France and outside France. It's the competitions that brought me also experiences and new ideas. When I made the design for the renovation of the Opera House in Hanoi, I discussed a lot with my friends in France. They gave me advice".<sup>637</sup> The architect Mr. Tri went to Paris and searched for the original structures of the Opera House. "I had to read many books in France to find its original design".

The local influence were the new requirements of the Vietnamese Government, they wanted to make the Opera House multi-functional. The stage would be for dancing, performing, giving speeches, so the stage was flattened. The light and sound system needed to be changed, too. The interior design was based on the original interior of the Opera House<sup>638</sup>. French expertise was used in for example redesigning the original French chairs, and making the marble paintings on the ceiling.<sup>639</sup>

Keeping the original aesthetics is basic in renovations in France, in Vietnam renovated places are still subject to change. Today the garden next to the opera house now is commercialized, with opening a Highlands Coffee here "the garden is partly destroyed".

The beginning of the design was made in France, and the final steps of the design were also made in France. The architect said, when he came back to Vietnam to implement the project, they needed to have some adjustments and changes. "At that time, the technical development between Vietnam and France was not at the same level. Therefore, I had to adjust something to make it adaptable to Vietnam situation" (Architect Ho Thieu Tri).

## III/ Users

The Opera House was chosen as a place for the Conference of French-speaking countries, so after finishing, the user was the Ministry of Foreign Affairs. After the conference, the Opera House was handed over to the management board of Ministry of Culture. Today it still belongs to the Ministry of Culture<sup>640</sup>.

The Opera House was renovated as a cultural and performance place.<sup>641</sup> The users are everyone in society visiting different kinds of cultural performances.

## IV/ Future Strategies

There are now future strategies for the Opera House at this time.

## V/ Promotion

The Opera House has become a symbol for the city Hanoi. The building is promoted in all tourist guides, and it is communicated as symbol for the city on the maps for Hanoi.

## VI/ Perception of Hanoi by actors involved

"Hanoi has changed very much during the 10 recent years. My French or European friends they love Hanoi very much. This may be because Hanoi has something more special than other capital cities in

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<sup>636</sup> Mr. Hieu ThieuTri, 10/11/2009

<sup>637</sup> Mr. Hieu ThieuTri, 10/11/2009

<sup>638</sup> idem

<sup>639</sup> idem

<sup>640</sup> idem

<sup>641</sup> Dr. Hoang Dao Kinh 15/12/2009

the world. But there are also dissatisfactions. I think the internationalization process surely will change the image of Hanoi. And I think the expansion of Hanoi is very good. And the international image of the city should be the area around the old Hanoi. We have to keep the original image of the ancient Hanoi as it used to be, especially the old quarter". (Architect Ho Thieu Tri).

#### **4.2.16.3 Analysis of the use process Hanoi Opera House<sup>642</sup>**

I/ Motivation for coming and using the opera house

From our interviewees<sup>643</sup> at the Opera house, three people visit regularly while they perform in shows, or teach here (dancing), the other three come here to shows. Or to sit on the stairs of the Opera House, they also hang around the Opera House, meet friends, look at the street-scenes, and visit the Highlands Coffee next to the Opera House. Visits vary from 2-3 hours; they visit alone or with friends. And all of them say the Opera house is one of the symbols of Hanoi, so everyone knows it. Many people 'hanging around' the Opera house are young, and they suggest that young people do not visit the place often, and prefer shopping malls to this cultural place:

"Actually I often go to department stores like Vincom or Parkson. I don't often go to this kind of place and I don't go to any places like this in the city." (Mr. Nguyen Van Chuong 24 years, IT programmer, Cau Giay, Hanoi. 31.12.2009)

*Like and dislike*

Visitors love the architecture of the Opera House; most know this came from France. They also love its surrounding area. One customer and all of the performers and the dancing teacher complain the stage in the Opera house is too small. It suggests they would prefer more suitable locations for their cultural performances in the city.

II / New & local elements opera house according to users

All the interviewees said the building is French, and renovated. One mentioned, the use of wood, which as she says is Vietnamese.

III / Re-positioning identity users Hanoi Opera House

All the interviewees said the Opera house does not change their lifestyle. However, one said it makes her relaxed, and another said it is a memorable place to her. These answers are probably while all the interviewees are young between 19-29 years, and some do not visit that often.

IV / The Hanoi Opera House & changing identity Hanoi according to users

One of our interviewees at the Opera house said that Hanoi is developing too rapid and the management can't keep up its pace, another said they city is chaotic but still loved. Others say the city is peaceful beautiful and dynamic, a city with old characteristics and new developments, and the last one says the city since annexing Ha Tay province is one of the largest city in the world. Another said:

"Although Hanoi is too chaotic, I love it very much". (Ms. Nguyen Thi Van, 23 years, teacher, Pham Van Dong, Cau Giay, Hanoi. 31.12.2009)

*The renovation of the Opera House and re-positioning Hanoi:*

Our interviewees at the Opera house think the building can't change Hanoi's identity, while it is just one building. One person however, said it would make a change when renovations like this will be done to more buildings in the city. Suggesting he would like Hanoi to preserve its existing build fabric, which the interviewee associates themselves with.

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<sup>642</sup> Appendix X Synthesis user interviews includes all quotes and detailed references.

<sup>643</sup> Based on six interviews. We can't enter the Opera House and take interviews (guards stop us). Therefore we interviewed people who left the Opera house or the people who hang out around the Opera House.

#### **4.2.16.4 Observations Hanoi Opera House<sup>644</sup>**

##### I/Immediate environment

The environment of the Opera House is the same as the one of Hilton and Highlands terrace already discussed (Figure Google Earth & Figure Opera 7 - 10). Opera House itself provided its stairs, which have become an important place for young people to hang out and look at the street life (Figure Opera 5).

##### II/ Building Style

The interior of the Opera House has been renovated, with the original French chairs and aesthetics (Figure Opera 11-19).

##### III/ Use

The Opera House is used for performances in evenings, and at other times there is a guard taking care of the security of the place (Figure Opera 20). In the evening the stairs are used by youngsters to gather, and the same stairs have become popular for wedding pictures.

##### IV / Local and new aspects

The renovation in which the existing and original structures are respected is new here. Also new are the different performances, not just Opera, but also Jazz and other concerts take place here. Local are some of the decorations, like the use of Vietnamese symbols in the floor (Figure Opera 2), and the Vietnamese pragmatism we see in plastic stickers with 'VIP' (Figure Opera 1), and as last the present of the bust (statue) of Ho Chi Minh in the Opera house meeting room.

#### **4.2.16.5 Socio-economic change related to Hanoi Opera House**

##### I/Commercialization

Before Doi Moi the Opera House was only used for State concerts. Since the restoration of the Opera House this place is used not only for opera's, but mostly for other cultural events, like music performances ranging from Jazz to classical music, theatre plays and musicals, and dance performances. As such it facilitates new commercialization and expressions of a performance culture that is a mixture of foreign and Vietnamese culture.

##### II/New middle class interested in music and performances

The Opera house shows a great change in the arts, crafts and performance culture, although socialism is still prominent in the city, it has diversified greatly, aside international influences. The Opera House provided literally 'a stage to perform', and is now not only used and visited by the Party, but by every Vietnamese / foreigners. Most visitors are middle class or well-educated people, with interest in music, and other cultural performances. At the same time the Opera house square has become a favorable place for youngsters to meet and hang-out. As such it also represents the great change in the use of public space in Hanoi. The stairs in front of the Opera house, as the users have informed us, is the only stairs in the inner city where people are allowed to sit.

##### III/From the State as one actor to multiple actors in developing the city

Opera House is a project by the Vietnamese State, however, now they consulted with a French architect and French specialists were involved.

##### IV/Colonial Architecture as symbol of Cosmopolitan Hanoi

The Opera House is now used as a symbol for the City Hanoi. Were before the cities' socialist character was communicated through socialist political monument as the HCM Mausoleum, now new

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<sup>644</sup> All references to images and figures can be found in Appendix IX: Booklet Materials

cosmopolitan Hanoi is communicated through buildings as this Opera House. Making reference to the cities' uniqueness, in this case it colonial past.

V/Foreign influences for Vietnamese professionals

The renovation techniques used for Opera House are new to Vietnam; this gives Vietnamese professionals new ideas for renovation.

VI From one concept to multiple ideas for Hanoi

Architect Ho Thieu Tri says the expansion of Hanoi is a good development he hopes this will preserve the old quarter, which should be the international image of Hanoi. He says many of his French and European friends love the city due to its special character.

The Opera visitors perceive Hanoi as a city developing too rapid, from which the management can't keep up its pace, however, they say they 'still loved the city'. The city is also perceived by Opera house visitors as peaceful, beautiful and dynamic, a city with old characteristics and new developments. In addition the city is perceived here as one of the largest cities in the world since the annexation of Ha Tay province. The Opera house users think the building can't change Hanoi's identity, while it is just one building. One person says, that it will make a change when renovations like this will be done to more buildings in the city.

# CHAPTER 5. SYNTHESIS SAMPLE OF URBAN FORMS

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This section discusses into what extent we have replied to the third research question, and into what extent we verified the initial hypothesis. *Question 3: Into what extent produce the new urban forms (identified in Part II) new urban cultures?* Hypothesis 3: these newly built forms are expressive resources used by the local population in their identity positioning. This chapter is structured with two sections: the first (5.1) is a synthesis of the basic characteristics of the sample of object biographies, the second section (5.2) identifies into what extend the new urban forms produce new urban cultures in Hanoi.

## 5.1 CHARACTERISTICS OBJECT BIOGRAPHIES

Selected	Category	Previous on this site	Start operating (year)	Location in the City*	Floor Area (ha)	Amount of investment (USD)	Origin investor (Country)	Origin designer (country)	Origin client (Country)
1.Ciputra	New urban area	Paddy field	2004	Suburb	323	2.1 billion	Indonesia	Indonesia & Vietnam and other countries	Indonesia
2.Selfbuild Housing	Commercial housing	Paddy field	2005	Suburb	0,015	40.000	Vietnam	Vietnam	Vietnam
3.THNC	Commercial housing	Paddy field	2005	Suburb	14,2	31,5 million	Vietnam	Vietnam	Vietnam
4.Pacific Place	Commercial housing	Industry	2008	City center	0,54		Phase 1 :Taiwan Phase 2 : France	Phase 1 : France Phase 2 : France	Phase 1: Taiwan Phase 2 : France
5.Big-C	Multi-use building	Paddy field	2008	Suburb	2,5	12 million	France	Phase 1 : France Phase 2 : Vietnam	France
6.Trang Tien	Multi-use building	Socialist ware house	2002	Innecity	2	-	Vietnam	Phase 1 : France Phase 2 : Vietnam	Vietnam
7.VinCom	Multi-use building	Factory	2005	Innecity	7,5	31,5 million	Ukraine	Vietnam	Ukraine
8.Hang Da Market	Multi-use building	Traditional market	Under construction	Innecity	0,3	11,5 million	Vietnam	France	Vietnam
9.Geo-Spa	Local Commerce & Service	Socialist housing	2001	Socialist ring		1,5 billion VND	Vietnam	Vietnam	Vietnam
10.Tan My	Local Commerce & Service	Traditional tube house	2009	Innecity	0,04	-	Vietnam	France	Vietnam
11.Hilton Hotel	Hotel, Restaurants, Bars	Socialist housing	1999	Innecity	0,2	-	England	France	England
12.ChicoMambo	Hotel, Restaurants, bars	Factory	2008	Innecity	0,3	105,000	Japan & Vietnam	England	Vietnam
13.Highlands Coffee	Hotel, restaurants, Bars	Several locations	First opened in 2002	Several locations	-	-	USA	USA	USA
14.National Convention Center	Places for International Events	Paddy fields	2006	Suburb	64	225 million	Vietnam	Germany	Vietnam
15.Ma May	Heritage protection	Renovation	1999	Innecity	0,02	15.700	France	France	France & Vietnam
16.Opera	Heritage protection	Renovation	1995	Innecity	0,26	8,2 million	Vietnam	Vietnam & France	Vietnam

\*Locations in the city: Inner city = French & 36 streets; Socialist ring – suburb 1960, 5 to 10 km from inner city; Suburb = new suburb 10-15 km from inner city

## 5.2. CHARACTERISTICS NEW URBAN CULTURE HANOI BASED ON SAMPLE OBJECT BIOGRAPHIES

In the analysis of each of the object biographies in the previous chapter, we have identified how the new places produced socio-economic changes, and as such how they produce new urban cultures. Generally the new urban forms produce a new urban culture in which we witness an increasing segmentation of the urban society through various lifestyles. From our sample of urban forms we can identify nine specific characteristics of the new urban culture in Hanoi:

### *Changes related to the involved actors*

#### I/ Commercialization & Privatization:

Since Doi Moi land and properties can be owned (long term lease) and thus have a price. Land and housing became the first mean to 'make money'. Families started to build housing by themselves and at the same time became property brokers. This produced rapidly a new middle and upper class in Vietnam. In addition in the 1990s, the first foreign investors came to Vietnam, mostly investing in offices and hotels (like Hilton). Many foreign investors demolished old socialist buildings: The Hilton Hotel replaced socialist public housing, Pacific Place and Vincom replaced respectively, inner city industry and a factory, Trang Tien Plaza replaced the old state warehouse (Table 5.1). As such the former places representing the socialist city based on equality became replaced with high-class services and luxurious retail, it generated a gentrification process in specific parts of the inner city. Commercialization in housing through state initiatives started when they introduced the policy to extend the city with new urban areas at the start of the millennium. The state owned enterprises became more entrepreneurial and started to develop commercial housing: examples are THNC and Splendor in An Khanh (Chapter 2). Both are products of the privatizing State owned enterprise Vinaconex. In addition, due to weak management of property ownerships, residents in Hanoi have been selling public apartments, destroying and transforming houses in the historical area without much control. Many Vietnamese have transformed residences with commercial functions, leading to a kind of 'local gentrification'; examples of our cases are the change from former residences in the old quarter to a high-class shop (Tan My), and the transformation of public housing into a luxurious Spa (Geo-Spa).

#### II/ Multiple Actors

In all the object biographies we witness the change from the State as one actor to multiple actors, from city governments in France (Toulouse), investors from Indonesia (Ciputra), Japan (ChicoMambo) to Viet Kieu (overseas Vietnamese), coming back to contribute to their mother country (Opera House, Hang Da, Tan My, Highlands Coffee). Specific here is that for all the large scale projects investors and developers work with a (privatizing) State Owned Enterprise, or the State has a strong influence, in choice of location and aesthetics. The lesser State influence is in the small-scale projects done by local people, as the projects Geo-Spa and Tan My. What is also specific is that there are only 'a few' actors involved, were as in most European or American countries a large range of actors are involved in new projects as: people living around a project, people living on the land were a project is going to be developed and unions are always. In Hanoi all these actors do not have any influence. Land belongs to the government in Vietnam, and the State can move people from their land without any discussion. The only factors that can delay this process are when the sitting citizens do not agree with the fees resettlement compensations.

#### III/ Globalization & Regaining control by the Vietnamese State

Due to the increased international interaction Vietnam has become part of many international forces, for example joining the WTO. However, in our analysis we have witnessed this can lead to some unexpected developments for the controlling central state. The Asian crisis brought a big burden to Hanoi, when foreign investors withdraw, left many sites empty and housing could not develop. The project Ciputra was delayed for many years, Pacific Place has been empty for almost a decade before starting construction, and due to the Asian crisis the investors of Trang Tien Plaza changed many times. The many delays in the 1990s, in constructing the new city under supervision of the state were a direct effect from the new integration with the global economy. Due to this context, housing in Hanoi

was dominated by self build housing and the city remained largely low-rise with many vacant sites in the inner city. To regain control on urban development the Vietnamese State introduced the policy for new urban areas, which now are not completely in charge by foreign investors, as for example in the case of Ciputra, but by (privatizing) State Owned Enterprises. And, the capital and know how is now generated through partnerships with trans-national corporations. One of the first examples of these initiatives is the housing project THNC, developed by Vinaconex. The regained state control and the cooperation with international actors is not only seen in the new residential areas, but also in the change from informal to formal spaces in the city.

#### IV/ 'Civilization' & Change from informal to formal space

At the time of the Asian Seagames in 2003, the State tried to clear sidewalks and streets in Hanoi, and announced 'not to walk in shorts in the streets during the days of the games'. However, today the sidewalks and streets in Hanoi today are still characterized by informal activities. It shows the great resistance of the local population. At present the policy continues, but now in the demolishing of the local traditional (informal) market. The case of Hang Da, is an example for all the other markets, where the informal space is going to be replaced with a formal and controlled market. It is an example that shows how the Vietnamese state as such creates a society in which the informal spaces used by a large proportion of citizens, is demolished and replaced by new formal space for the minority of well-off people in society. In our analysis we also found that most users of the traditional markets do not know anything about the future changes for the market. It shows that in the process the local people concerned are not consulted.

#### V/ International City with keeping its tradition

Another great change we have witnessed is new interest in traditions by the Vietnamese state and professionals. Where before Doi Moi, international socialism, and similarity with other socialist cities was promoted, today local traditions and spiritual culture has become important in the development of urban form in Hanoi. In the case of the NCC an important factor for winning the project by the German architecture office GMP, was that the building referred to local traditions and was orientated on the directions of Phong Thuy. The architect might not intend this, but it made them win the project. In the case of Vincom the whole project was orientated upon the theory by the Vietnamese designers of the SOE VNCC. And the government even decided to keep one part of the site as a park instead of developing it for commercial purposes, so 'balance would not be disturbed in the city'. Other projects like Tan My and THNC showed that the architects and clients also not intended to use the theory, however they experience benefits from the fact the Phong Thuy masters said these places are well orientated upon the theory. It shows the great mixture of the aspiration for foreign concepts, and internationalism, however also the aspiration to be unique, be Vietnamese and keeping a high value to the traditions.

#### VI/ Increasing international interaction & Vietnamese profession

The Vietnamese profession is changing due to increasing interactions with foreign professionals. Most impact on knowledge development for Vietnamese professionals is working with foreign consultants. For example, in the case of the NCC, the department of the State Owned Enterprise VNCC changed drastically their working style since working with the German architect of GMP. The architects of Vincom learned from working with the overseas Vietnamese investor who introduced them to the concept of a high rise shopping mall for Vincom, and provided the staff with study trips to Hong Kong and Singapore. Also, architecture and urban design companies with offices in Hanoi, are considered as teachers for local young professionals. The exchange with the University of Toulouse, leading the renovation of the shop house at Ma May was a learning practice for Vietnamese in French renovation. The exchanges with foreign universities, as the one with Toulouse, must also be considered as an important impact in knowledge development of the new Vietnamese professional.

#### *Changes related to the use of the places*

#### VII/ Spatial polarization & Fragmentation

The new urban forms in Hanoi, have become means that enable the new bourgeoisie to differentiate themselves from others. New retail and services places as Vincom, Big-C and on a smaller scale Highlands Coffee, ChicoMambo, Tan My and Geo Spa are the places where a small well-off group of citizens searches for new expensive foreign brands and new services. The lesser well off in society

visits street shops and local markets that have local products with low prices. In housing we see a similar pattern, housing prices are very high, or became high due to speculation, in addition housing is privately owned. This means that the few well-off can buy and speculate, or buy and rent the houses to others, preferable foreigners, as happens in all our cases, Ciputra, THNC and Pacific Place. At this moment there is no new housing in Hanoi affordable for the lesser well off citizen. The new housing projects in Hanoi are all exclusive for one specific new emerging group, middle, and upper class citizens. Although Hanoi does not show any slums, the lesser well off live right next to these projects in often dilapidated housing. It shows that due to the new urban forms introduced by the local and central government, the gap between rich and poor becomes very large. At the same time the new urban forms in Hanoi are scattering around the city, it is leading to both spatial polarization as fragmentation.

#### VIII/ Exclusion & Inclusion

All our analyzed object biographies give the new bourgeoisie a new residential place where they can exclude themselves from 'the others'. At the same time an inclusion process takes place, the new bourgeoisie lives in new communities. This community 'feel' comes from relating with 'like-minded' people. A prime example is Ciputra, where people feel similar to each other due to high educations and high incomes. In Ciputra this is especially strong due to the homogenous aesthetics, it enhances the sense of 'belonging' to a community. Ciputra is like a 'mini-city' excluding the community from people 'living outside,' and at the same time people bond together. In Ciputra residents drive 4-wheel-drive cars and make frequent travels abroad for business or just for shopping. Here the exclusion is very clearly seen in the walls around the area, the gates, and in particular the massive gate facing the road from and to the airport Noi Bai Airport. People in Ciputra really feel like belonging to 'a different place', which is in their perception does not belong to 'Hanoi'. The new urban areas developed by (privatized) State Owned Enterprises all have parts with self build housing. And they start to differentiate themselves from a person living in apartments, which is considered lower in status than the self build houses. These new residents in self build houses in new urban areas differentiate themselves as a group in their lifestyles, they often drive cars, or just bought a car, children study abroad, and they make frequent travels abroad. At the same time the self build houses represent a strong individualization process.

#### IXI/ Individualization & Differentiation

The new urban forms in Hanoi express that their inhabitants have been able to exert control over their own territory and in shaping their surrounding living space. This can be seen in all the self build houses in which people differentiate themselves from others in the street through personal choices: different aesthetics and interiors. The aesthetics represent identity related to affluence: the higher the house the more wealth and status. The search for individuality can also be seen in the new more homogenous housing projects. The apartments in THNC all have different interiors, and are well taken care of, sometimes done by interior designers. In Ciputra the most homogenous urban area of Hanoi, we see a lot of different styles inside the houses, and the residents have told us that the only reason to move out of Ciputra is because they are not allowed to change much to their houses: they want to differentiate more, and have houses which are more in tune with their own tastes.

#### X/ Multi-identities

The object biographies, has shown the emergence of different groups in society. It would require a whole new research to identify the new groups emerging in Hanoi's society today. However, we can make a preliminary identification of the different groups of cultures that seem to be produced through the different places we have researched. These do not represent all groups in society, this is just an identification of the ones we can trace during our research.

##### 1. A new rich upper class:

This upper class lives in places like Ciputra or Pacific Place, they are working in administrative jobs or offices. They see foreign lifestyles as examples, there is no specific origin, any influence coming from any source. This group makes frequent travels overseas, they have many interactions with foreigners in the residential area and or in their jobs. Their children study overseas, in the USA, France, Japan, The Netherlands, Australia. Some of the children go in Vietnam to international schools and universities. They still have family altars in their

houses however, they are not very attached to the Vietnamese traditions. They live in extended families, however they start to individualize, like living with two families not in one house but in two apartments near each other. They all have nannies and maids, and sometimes also a driver. This group goes shopping in Vincom and Parkson Plaza, or Tan My, however they prefer to order from the Internet, or go with 'shopping trips' to Hong Kong, Bangkok or Singapore. This group drives cars, 4-wheel drive is the norm, and they have drive extraordinarily expensive cars like Lamborghini and Maserati. When they go out or have weddings they will come to one of the hotels, like Hilton. Tan My shop is also a place where many of the upper class will go.

This is especially the group who lives in Ciputra and who strongly separates itself from the other part of the city, and look down at 'other people'. And they associate more with foreign lifestyles. They are negative about the city Hanoi, which according to them lacks good urban management. In Pacific Place the opinion is similar, they see Hanoi as a crowded and dense city of chaos.

## 2. A new middle class

This group lives in self build houses in the inner city, and in new urban areas, in a self build house, in new apartments in THNC. This group commutes by motorbike, however is slowly changing to the private car. Many of them currently take car driving lessons. This group goes shopping in Vincom, they visit Big-C for groceries and go to places as Geo-Spa for service. And they make travels inside the country. Sometimes they visit neighboring countries. This group loves everything that is foreign, however, they still have a strong connection with Vietnamese traditions. Many still live in extended families, practice rituals as the altar. Most of these families have a maid. Their children go to Vietnamese schools and universities, however they save money for the children to study abroad to continue studying. This group identifies as well critical about urban management of Hanoi, and see it as a chaotic city. However, this group feels parts of the city Hanoi, they are concerned with the city's future. At the same time they see themselves as the new modern layer of the city Hanoi, a city of both tradition and modern worlds. Most of the urban professionals we have spoken are part of this group, and share this opinion.

The group of professionals also gave us ideas of what their aspirations are for Hanoi, with that they inform us about the city, and the cultures they are associating themselves with. And here we can also see that there are now very different kind of idea and images for the city Hanoi. The younger professionals (30-40 year) associates with Kyoto and California, green and modern cities, or the European cities as Paris, Barcelona and Amsterdam, for the similarity with waterways and a historical core. Many of the older generation said there is not example for Hanoi, or did not know any city, however the few that gave an example referred to Chinese cities for their sustainability, and to Paris for its historical core. What we also witness is that, of course all these persons asked refer to cities where they or traveled or studied. Some simply could not answer because they never left Vietnam, or travel very little.

## 3. The new urban teenager

Big-C is the new place for teenagers, especially students. This largest group does not come from Hanoi, they came to Hanoi to study and live in small rented rooms. They commute by bicycle or by bus. They do not have much money, and hang out at semi-public places, like Big-C. They are interested in everything foreign, however, most do not speak any other language than Vietnamese.

## 4. The new cultures interested in arts and culture

There is a new emerging culture of young people that are often different from their parents and have new interests in Vietnamese tradition. They also are interested in new types of music and art. The aspirations of this group are influenced by places like the renovated shop house Ma May, events in Opera House, or they go to pop concerts or traditional festivals in the NCC. These groups of students are often from educated middle class families, they commute by motorbike and start to develop an awareness about the environment. They are very concerned about Hanoi's future, its historical core, and the pollution in the city. The new

cultures also emerge in places as ChicoMambo, young people come here interested in music and arts, in addition even an expensive place, this group is also interested to 'see' (they can't afford to buy) what places like Tan My have to show in fashion and new design.

5. Low skilled people working in the street

All the woman we interviewed working at markets had no idea about the city, and did not have any idea what is happening in the city. These are very poor, have rural lifestyles. And when we asked other people working in the street about some recent changes in the city they would say 'we don't care about these things'. It indicates a large gap between the lowest in society with the upper classes. They feel left out, and on the bottom. It suggests that all the new development in the city are not part of their lives, and as such does not have their interest. Most of the low skilled people are migrant, often temporary, the rent beds and sleep together in Hanoi's inner city in cramped rooms.

# CHAPTER 6. GENERAL CONCLUSION

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The Vietnamese regime has become more cosmopolitan. The process of privatization, decentralization, 'democratization of socio life' and increased international interaction has resulted in a change from the state as one powerful actor to a plural system, in which power is given to local governments. However, the local government is still largely directed by the central government. And (privatizing) State Owned Enterprises often working with trans-national companies dominate the public and private sector in urban development. Internationalization for the local government remains limited. Although, the HPC is influenced by training provided by foreign agents, travel to foreign countries and working with foreign advisors, not many foreign concepts are applied because of Hanoi's complex environment created from the annexation of Ha Tay province and the restriction by special laws for the capital. More direct international exchange and influence is occurring through the involvement of new establishments with the private sectors and communities in a number of urban construction, planning and management projects. And although restricted in Vietnam, there is more freedom of the Vietnamese citizens to participate, which has resulted in newly emerging CSOs that are influential in building the city of Hanoi. In general for international investors Hanoi remains complicated. The urban planning process in Vietnam is still based on the system of three key- plans Socio-Economic Development Plans (SEDPs); Construction plans (regional level, city level and detail level); the Land-use plans, as in the pre-Doi Moi time. The cities time consuming bureaucratic procedure restrains international cooperation in urban development. And although the new investment law in 2006, which allows foreigners to invest 100% by themselves, most international agents choose to work under a joint-venture with a local partner to overcome all the complexity of the bureaucratic and time-consuming procedures.

The master planning process was an example of the character of foreign integration into the Vietnamese government. In the master planning process we saw HPC work with foreign actors. However, HPC is mostly passive in initiating projects with them. Second, the master planning process shows how difficult it is for foreign ideas to be adopted by the Vietnamese government as all of the ideas remain 'references'. Related to that, the master planning process becomes a long and mostly theoretical process. However, the master planning process also showed the process of internationalization, through the interaction with foreign consultants and agents, which by itself is influencing the ideas of urban planning in the city. Internationalization in the master planning process also showed the gap between the State and the Vietnamese society. For the newest master plan foreign consultants are invited while the Vietnamese were left out. This leads to frustration by Vietnamese professionals and the local people. It resulted in a gap between the ideas for the city by Vietnamese professionals and the local population and what the State is advised to do by the foreign consultants. In addition to the new initiatives taken by the government in urban development since Doi Moi, the process of Doi Moi has directly resulted in increasing international flows, capital, people and ideas and knowledge flow to come in and out of Vietnam, which has greatly influenced the urban form and urban culture of the city Hanoi.

The liberalization of the economy has greatly diversified the capital flows coming to Vietnam with several new key actors, and new key flows. Export, Import FDI, remittances and ODA are the main capital flows in and out of Vietnam since Doi Moi. Capital flows have greatly boosted urban development in the city Hanoi. However, in Hanoi these flows started not immediately in 1986, but early 1990, after the lifting of the American Embargo. In addition due to the Asian crisis in 1997, and a complex bureaucratic environment, these flows did have some downturns. As a result, the local popular sector has invested in most of Hanoi's built fabric in the 1990s. Since the start of the millennium the situation improved, and FDI and ODA, increased. Since that time, many new urban areas and offices are being built. This has created a hybrid city of low rise popular housing mixed with incidental high rises. New urban areas are new parts in in a large sea of popular housing. And in the the peri-urban areas, new urban areas not only mix with popular houses, but as well with agricultural land and villages.

Before Doi Moi, people flows in and out of Vietnam and Hanoi were highly restricted. Hanoi's population consisted only of people with a resident permit for urban areas (urban citizens) and informal residents. Hanoi's population today exists largely of people who came from the country-side and international people. These international people flows enabled the emergence of new industrial hubs, and new work and housing locations with international standards. The domestic people flows increased the population of the city, which resulted in significant pressure and demand for more space. Both international and rural people bring with them new ideas and knowledge, and create a city that is a mixture of rural, traditional, and international lifestyles coming from the Southeast Asian region, the USA, Australia and Europe.

Before Doi Moi, cultural flows were restricted to some exchanges of Party members and bright students with countries in the Soviet block. The new cultural flows have changed Hanoi from a city where citizens lived egalitarian lifestyles, to a city where people aspire to individuality and lifestyles associated with the USA, Europe, Australia, and the Southeast Asian region (RoK, Hong Kong, Singapore, Japan). An important characteristic of Hanoi's new cosmopolitan lifestyle is, not just the strong influence of the Southeast Asian region, the regulation of information flows through the Internet. However, the government regulates the Internet and this new form of freedom of expression is suppressed because citizens are not allowed to give any critique on the Vietnamese government.

On the other hand, new ideas and knowledge are currently transforming the architecture and urban planning profession. As such the new international flows generate new ideas for the city, and new urban typologies while at the same time the new urban typologies generate new urban (cosmopolitan) cultures. The three international flows (capital, people and ideas & knowledge) are directly producing the three transition processes in the city; from walking and bicycles to motorized transport; the change from low-rise to high rise living; and the change to functional specialization. We identified eight categories of new places producing a new urban culture in the city: new urban areas, popular housing, commercial housing, multi-use complexes, local commerce & service, hotels, restaurants & bars, places for international events and heritage protection. For these categories we chose a sample of biographies to analyze the newly produced urban cultures.

By analyzing the sample object biographies we have been able to identify how new urban form creates a new urban culture in the city. The characteristics of this new urban culture in Hanoi witness an increasing segmentation of the urban society through various lifestyles. From our sample of urban forms we can identify eight specific characteristics of the new urban culture in Hanoi:

Characteristics related to the actors:

(1) Commercialization & Privatization, which refers to the basic changes of new land and property ownerships and their value of money; (2) Multiple Actors, which refers to the State becoming one among many actors even though the State and (privatizing) SOEs remain dominating actors; (3) Globalization, which refers to: the Vietnamese State regaining control at the start of Doi Moi; the informal process of foreign investors dominating urban form around 2000; and, new, State started, urban areas for which the State has regained control (4) 'Civilization', which refers to the State replacing informal space used by the larger group of lower income populations with formal space for the middle and upper class; (5) International City, which refers to the traditional theory of Phong Thuy that explains the new importance for the traditional culture in the development of new urban form; (6) Increasing international interaction & Vietnamese profession, which refers to the changes in the professions due to working with foreign consultants in the projects analyzed.

Characteristics related to the users:

(7) Spatial polarization & Fragmentation, which refers to the new urban area, such as Ciputra and the new multi-use complexes like Vincom, that create spatial polarization and fragmentation in the city. These new urban forms are built for the new middle and upper-class, and as such create a great gap between rich and poor in the city; (8) Exclusion & Inclusion, which refers to the new enclaves in the city, such as the new residences, high rise towers and gated communities, that create new groups of rich people with a sense of community while at the same time excluding themselves from 'others' in society; (9) Individualization & Differentiation, which refers to new communities searching for ways to show their individuality, including in their interiors, in their search for 'unique brands and styles', and in their use of new high class services like spas; (10) Multi-identities, which refers to the different cultures that have emerged in Hanoi creating different ideas about what the city is, and who they position themselves with. Examples of this can be seen from the upper-class living in the gated community of Ciputra separating themselves from the Vietnamese culture, to migrants sleeping in small rooms around the local markets in the inner city, to the new young groups re-connecting with the traditional Vietnamese culture at the renovated shop house Ma May, to new groups of teenagers hanging out at the French supermarket Big-C.

## Notes about fieldwork in Hanoi

Conducting fieldwork in Hanoi is quite a challenge as there are significant difficulties with collecting data (using quantitative research), and views and opinions (using qualitative methods). In addition, language barriers proved to be problematic.

### Difficulties with collecting quantitative data

There are many difficulties in collecting quantitative data. Databases are not well organized in Vietnam and different institutes have different data. It is not known which data can be found where. The data at such institutions are not open to the public and the highest person in position at a specific institute or company had to be asked for permission to get the data. This has proven to be a very time-consuming, bureaucratic procedure and it took a minimum of three months to get some basic data. However, in many cases the data was never provided. At the same time, data in Vietnam can be collected through personal ties, and this is how local professionals access information. In many cases, this was the only way to collect data. However, we were restricted to institutes where members of our team have 'relations', and it still involved 'money'. The '*xin cho*' rules apply in Vietnam, which means 'thanks and give', and 'to keep the relations well' envelopes are required. The '*xin cho*' culture, as explained in this report (Appendix VIII), is very much based on the needed extra sources of income due to the very low official salaries in Vietnam that occur in both the public as private sector. This is a practice widely used in Hanoi. However, this practice is not ideal and the project leader of this research would still prefer in future research to first build strong formal relations with different institutes before starting the research. This will make it more likely they will provide information later. Most of the data was found due largely to the extensive help from the team in searching for the relations at the institutes. However, it took more than three times the time than was scheduled for.

### Difficulties in collecting views and opinions

There were several difficulties collecting the views and opinions of professionals about regime change. The Vietnamese team is not used to qualitative research. Views and opinions are not perceived as being 'scientific'. At the same time, interviewees, especially those 'in positions', are not keen on giving their personal ideas. In Vietnam you are not allowed to give any critique to the government, and as such interviewing about regime changes was, for most of our interviewees, difficult. This was especially the case for the generation older than 55. They did not give any information in interviews and this is regrettable because this is the generation that actually experienced the pre-Doi Moi period and could have provided comparisons. Even the research team found it too difficult to discuss such issues, leaving the project leader to conduct all the interviews. Interviews with architects, investors and clients proved to be easier. However, these interviews also had limitations. The question 'how did you get the land' was not clearly answered. Land and property belongs to the sector with the highest corruption, and even when interviewees 'did not do anything wrong' people were still scared that their words would be misinterpreted. On the other hand, the younger generation who were not in the public sector were the most open in interviews. Even the public often did not want to be interviewed, but we offered to interview without having their names as a way of trying to deal with this barrier. In some cases interviewees were afraid we were reporters. Since the anti-corruption law in Vietnam, journalists are explicitly asked to write about corruption cases and this could be a reason for the fear of reporters at this time.

### Language

Aside the above two main difficulties in conducting fieldwork in Vietnam, there is the challenge of the language. It took several months to find an affordable translator who would also translate 'everything said' in the interview. An additional problem is that it is very time consuming when all the interviews need to be interpreted, transcribed and translated.

The time that was allowed for this research was, due to the three factors listed above, a bit limited. This research would have benefited from six months more to prepare by making the right connections and relations and finding the right people who are open and willing to talk with us. There are no obvious ways that the data collection could have been completed faster given the language barriers.

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# APPENDIXES

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## APPENDIX 0. List of interviewees

1. Interviewee : **Mr. Nguyen Truc Luyen**  
Interviewer: Ms. Pham Thuy Loan & Stephanie Geertman  
Transcripitor: none  
Date: 28/05/2009  
Location: His penthouse in Pacific Place  
Occupation: President of the Vietnamese Architectural Association  
From 1983 – 2005 he was deputy director of the Architectural Design Institute part of the Ministry of Construction. Now retired.  
Education: Architecture in Moscow from 1958 to 1963  
Nationality: Vietnamese  
Age: Around 75  
Subject: Regime changes in Vietnam
2. Interviewee : **Mr. Hoang Dao Kinh**  
Interviewer: Stephanie Geertman  
Transcripitor: none  
Date: 27/05/2009  
Location: Hoi Kien Truc Su (Vietnamese Association of Architects)  
Occupation: Teaches at several universities in Vietnam. In 2001 Prof. Kinh retired as Director of the department of Monuments and Conservation, and as Director of the National Institute for Heritage Preservation. After retirement he became the Vice President of the Vietnamese Association of Architects. Aside this he holds other positions:  
Chairman of Architectural Council, VAA  
Member of National Council for Cultural Heritage  
Member of Central Council for Literature and Arts  
Director of Hoang Dao Architects Co. Ltd.  
Education: Master and doctorate degree (1977) at the University of Architecture in Moscow. Total 17 years residing in Moscow  
Nationality: Vietnamese  
Age: Around 65  
Subject: Regime changes in Vietnam
3. Interviewee : **Mr. Hoang Doa Kinh**  
Interviewer: Stephanie Geertman  
Transcripitor: Ms. Nguyen Thi Huyen Trang.  
Date: 15/12/2009  
Location: Hoi Kien Truc Su (Vietnamese Association of Architects)  
Occupation: See interview No.2  
Nationality: See interview No.2  
Age: See interview No.2  
Subject: Conception process markets, development Ancient Quarter, Ma May, Opera House
4. Interviewee : **Mr. Pham An Hai**  
Interviewer: Stephanie Geertman  
Transcripitor: Ms. Nguyen Thi Huyen Trang  
Date: 15/09/09

Location: Opera House Cafe  
Occupation: Painter & Artist  
Education: Education : Fine Arts and Music College Hanoi in 1984-1988. Hanoi Fine Arts University 1992 to 1995  
Company / Institute: Self-employed  
Nationality: Vietnamese  
Age: 42  
Subject: Development of Art since 1986 in Vietnam

5. Interviewee : **Mr. Thach**  
Interviewer: Stephanie Geertman  
Transcripitor: Ms. Nguyen Thi Huyen Trang  
Date: 15/09/09  
Location: Opera House Cafe  
Occupation: Works in Gallery at Hang Khay Street  
Nationality: Vietnamese  
Age: Around 50  
Subject: Development of Art since 1986 in Vietnam

6. Interviewee : **Mr. Tran Xuan Bach**  
Interviewer: Stephanie Geertman  
Transcripitor: Ms. Nguyen Thi Huyen Trang  
Date: 08/06/2009  
Location: Office Urban Solutions, To Ngoc Van Hanoi  
Occupation: Chief Representative Dutch company *Urban Solutions* Hanoi Office  
Education: Language and Economics at Hanoi National University 1987-1992. Masterdegree Urban Management IHS (International Housing Studies) in Rotterdam, The Netherlands 1997-1992.  
Nationality: Vietnamese  
Age: 41  
Subject: Regime Change

7. Interviewee: **Mr. Tran Xuan Bach**  
Interviewer: Stephanie Geertman  
Transcripitor: Ms. Nguyen Thi Huyen Trang  
Date: 23/11/2009  
Location: Highland Coffee Opera House  
Occupation: UN-HABITAT Hanoi (changed occupation between interviews)  
Nationality: See No.6  
Age: See No.6  
Subject: International Agents in Hanoi

8. Interviewee : **Mr. Dao Ngoc Nghiem**  
Interviewer: Stephanie Geertman  
Transcripitor: Ms. Nguyen Thi Huyen Trang  
Date: 28/10/2009  
Location: His House, 11B, Phu Dong Thien Vuong Street, Hanoi.

- Occupation: Retired director of HAUPA  
1966 to 1968 work at the Office of the Prime Minister (writing legal documents & making the speeches for the Prime Minister)  
1968 Urban & Rural Planning Department of the MOC. Evaluating national projects  
1968-1969 join the army in the American war  
Since 1969 back to Moc, 1991 developed the role of chief architect, 1992 appointed as the chief Architect of Hanoi. 2002, assigned as the first director of HAUPA. Main work is lecturing
- Education: Hanoi Architecture University in 1966, graduated as best student of his year. One year in Bangladesh, urban management training by UN.
- Nationality: Vietnamese
- Age: Around 68
- Subject: Changes in governmental structure since 1986
9. Interviewee : **Mr. Dao Ngoc Nghiem**  
Interviewer: Stephanie Geertman  
Transcripitor: Ms. Nguyen Thi Huyen Trang  
Date: 18/11/2009  
Location: His House, 11B, Phu Dong Thien Vuong Street, Hanoi.  
Occupation: See No.8  
Education: See No.8  
Nationality: See No.8  
Age: See No.8  
Subject: Roles of international agents in Vietnam, conception process master planning Hanoi, conception process Ciputra, conception process National Convention Center,
10. Interviewee : **Mr. Dao Ngoc Nghiem**  
Interviewer: Stephanie Geertman  
Transcripitor: Ms. Nguyen Thi Huyen Trang  
Date: 12/11/2009  
Location: His House, 11B, Phu Dong Thien Vuong Street, Hanoi.  
Occupation: See No.8  
Education: See No.8  
Nationality: See No.8  
Age: See No.8  
Subject: Changes in urban planning since 1986
11. Interviewee : **Ms. Dr. Pham Thuy Loan**  
Interviewer: Stephanie Geertman  
Transcripitor: Ms. Nguyen Thi Huyen Trang  
Date: 19/11/2009  
Location: Place: Paloma Restaurant, 3<sup>rd</sup> floor, Vincom Towers, Hanoi.  
Occupation: Deputy director, Urban and Architectural Institute (UAI), Lecturer, Urban Planning Division, Faculty of Planning and Architecture University of Civil Engineering (UCE). Consultant for World Bank, JICA, ALMEC, 2004-2009.  
Education: Bachelor Faculty of Architecture, Hanoi University of Civil Engineering (1991-1996), Urban Design Lab., Urban Engineering Dept., University of Tokyo (1997-1999), PhD Urban Design Lab., Urban Engineering Dept., University of Tokyo (1999-2002).  
Nationality: Vietnamese  
Age: 34  
Subject: Urban planning in Hanoi. CDS in Vietnam, Conception process her self-built house.
12. Interviewee : **Mr. Trinh Duy Luan**

- Interviewer: Stephanie Geertman  
 Transcripitor: Ms. Nguyen Thi Huyen Trang  
 Date: 07/12/2009  
 Location: Institute of Sociology  
 Occupation: Director, Institute of Sociology (IOS) department of Vietnamese Academy of Social Sciences (VASS), President, Vietnamese Association of Sociology, Member of Central Committee of Vietnam Urban Development Planning Association (VUDPA).
- Education: Bachelor, Hanoi National Economic University (1979), Department of Economic Mathematics, Bachelor of Philosophy, Hanoi University (1984), Ph.D. in Urban Sociology, The Russian Academy of Sciences, Moscow (1989).
- Nationality: Vietnamese  
 Age: 60  
 Subject: Flows of ideas since 1986, international relations
13. Interviewee : **Mr. Nguyen Quang**  
 Interviewer: Stephanie Geertman  
 Transcripitor: Ms. Nguyen Thi Huyen Trang  
 Date: 29/09/2009  
 Location: UN-HABITAT 2<sup>E</sup>-Van Phuc Hanoi  
 Occupation: Program manager UN-HABITAT Vietnam. previously independent consultant and journalist.  
 Education: University José Antonio Echeverría Havana, Cuba 1974-1980. Went back to Vietnam in 1981. Asian Institute of Technology Bangkok, Master degree 1996 -1997, PhD 1997 -2002.  
 Nationality: Vietnamese  
 Age: Around 50  
 Subject: International Agents in Vietnam, Regime Changes.
14. Interviewee : **Mr. Nguyen Quoc Thong**  
 Interviewer: Stephanie Geertman  
 Transcripitor: Ms. Nguyen Thi Huyen Trang  
 Date: 08/12/2009  
 Location: MoC, No. 37, Le Dai Hanh Street, Hanoi.  
 Occupation: Editor in chief MoC, *Tap Chi Xai Dung*. Former Professor at Hanoi Archtiectural University.  
 Education: Bachelor Architecture, Polytechnical University Varsovie Poland (1969-1975). Master Architecture & Urbanism, University of Paris (1995-1996). PhD in Urbanism, Hanoi Architectural University (1997).  
 Nationality: Vietnamese  
 Age: 59  
 Subject: Flows of ideas, conception process master planning, development old quarter.
15. Interviewee : **Ms. Tran Thanh Van**  
 Interviewer: Stephanie Geertman  
 Transcripitor: none  
 Date: 30/05/2009  
 Location: Her house: Au Co 263  
 Occupation: landscape architect and director of OIKOS –Co Lt. Retired since 1992 as official at MoC, head of the department rural & urban planning  
 Influential activist on urban development issues in Hanoi  
 Education: Education: 1960-1966 at Tongi University in Shanghai; UNET / UNESCO training (1980-1981) in eco-system management in Dresden, Germany  
 Nationality: Vietnamese  
 Age: Around 65



- Subject: Role of Civil Society in Thong Nhat Parc
16. Interviewee : **Mr. Hoang Long**  
 Interviewer: Stephanie Geertman  
 Transcripior: Ms. Nguyen Thi Huyen Trang  
 Date: 23/11/2009  
 Location: HUPI  
 Occupation: Architect & urban planner at HPC, HUPI  
 former official at National Architecture and Urban Planning of the MOC  
 consultant till 2006  
 Education: at Hanoi Architecture University beginning 1990s, Master at Asian Institute  
 of Technology Bangkok end 1990s, Thailand. Dresden University 2006-  
 2007  
 Nationality: Vietnamese  
 Age: Around 38  
 Subject: Role of national agents in Hanoi, CDS and conception process master  
 planning in Hanoi.
17. Interviewee : **Mr. Nguyen Lan**  
 Interviewer: Stephanie Geertman (Dr. Luan attended this interview as well)  
 Translator: Ms. Trang (no transcript for this interview)  
 Date: 03/06/2009  
 Location: His house in Giang Vo  
 Occupation: Retired, former Chief Architect; currently General Secretary – Chief  
 executive office (CEO) of Association of cities of Vietnam (ACVN); Vice  
 Chairman of Vietnam Urban Planning & Development Association.  
 Education: Architecture China, Shanghai, Tonji University from 1960-1965. After he  
 did a PhD in Hongary in urban planning, at the University of Technology of  
 Budapest from 1975-1979.  
 Nationality: Vietnamese  
 Age: Around 65  
 Subject: Regime Change (very difficult interview, no cooperation, bad translator)
18. Interviewee : **Ms. Tran Thi Hai**  
 Interviewer: Stephanie Geertman  
 Transcripior: Ms. Nguyen Thi Huyen Trang  
 Date: 18/12/2009  
 Location: Office Action for the City, located at the Vietnamese Museum for History  
 Occupation: Program Coordinator at local NGO Action for the City.  
 formerly worked for the INGO Care (Australia).  
 Education: Agricultural economics, University of Sydney, Australia 1999-2002, Social  
 development, University of New South Wales, 2006-2008  
 Nationality: Vietnamese  
 Age: Around 29  
 Subject: Development of Civil Society in Hanoi, and the role of Action for the City.
19. Interviewee : **Mr. Tuan Anh**  
 Interviewer: Stephanie Geertman (Dr. Luan attended this interview)  
 Transcripior: Ms. Nguyen Thi Huyen Trang  
 Date: 10/11/2009  
 Location: Institute of Sociology

- Occupation: Senior researcher at the Vietnam Institute of Economics  
Editor-in-Chief, Vietnam's Socio-Economic Development Review (a scholarly review published quarterly in English), Vietnam Academy of Social Sciences (since 1995). From 1989-1994, director, Institute of Economics, Vietnam National Centre for Social Sciences and Humanities. From 1982-1989: Head, Department of Development Studies, Institute of Economics.
- Education: 1968 - June 1973: B.A in Econometrics, National University of Rostov-na-Donu, Russia. 1978 - March 1981: Ph.D in Economics, Central Institute of Economics, Academy of Sciences of German Democratic Republic.
- Nationality: Vietnamese
- Age: 60
- Subject: Roles of international agents in Vietnam
20. Interviewee : **Mr. Bui Kien Quoc**  
Interviewer: Stephanie Geertman  
Transcripitor: Ms. Nguyen Thi Huyen Trang  
Date: 10/11/2009  
Location: ChicoMambo (café)  
Occupation: Architect  
Education: 1994 Hanoi Architecture University, National Architect Diploma; 9/2005: MSc in Urban Planning Institute d'Urbanisme de Paris; 9/2009: MA in Project Management Economy and Management Université de Nantes, organized at Hanoi Foreign Trade University.
- Nationality: Vietnamese
- Age: 38
- Subject: Conception Process Trang Tien Plaza
21. Interviewee : **Mr. Bui Kien Quoc**  
Interviewer: Stephanie Geertman  
Transcripitor: Ms. Nguyen Thi Huyen Trang  
Date: 10/11/2009  
Location: ChicoMambo (café)  
Occupation: See No.20  
Education: See No.20  
Nationality: See No.20  
Age: See No.20  
Subject: Conception Process Big-C
22. Interviewee : **Mr. Nguyen Quy Phong**  
Interviewer: Stephanie Geertman  
Transcripitor: Ms. Nguyen Thi Huyen Trang  
Date: 09/11/2009  
Location: VNCC Office 243 De La Thanh Hanoi  
Occupation: Vice Director Division No.1  
Education: University of Civil Engineering Hanoi  
Nationality: Vietnamese  
Age: Around 38  
Subject: Conception Process Ciputra
23. Interviewee : **Mr. Dien**  
Interviewer: Stephanie Geertman  
Transcripitor: Ms. Nguyen Thi Huyen Trang  
Date: 20/10/2009  
Location: Office Mr. Dien, 204. B3 Ngo 27 Cat Linh Hanoi  
Occupation: Main Architect Interior Design DLL  
Education: Architecture Faculty, University of Civil Engineering, 1994 to 1999.

- Nationality: Vietnamese  
 Age: 34  
 Subject: Conception Process Geo Spa
24. Interviewee : **Ms. Nguyễn Thị Kim Dung**  
 Interviewer: Pham Thuy Loan  
 Transcripator none  
 Date: 12/08/2009  
 Location: C2 – 115 - Phạm Ngọc Thạch  
 Occupation: Owner Geo-Spa & owner building  
 Nationality: Vietnamese  
 Age: 49  
 Subject: Conception process Geo-Spa
25. Interviewee : **Ms. Phan Bach Duong**  
 Interviewer: Stephanie Geertman  
 Transcripator: Ms. Nguyen Thi Huyen Trang.  
 Date: 22/10/2009  
 Location: Hilton Hotel  
 Occupation: Deputy general director  
 Education: Architecture at University of Paris 1992-1994  
 Nationality: Vietnamese  
 Age: 45  
 Subject: Conception process Hilton hotel
26. Interviewee : **Mr. Pham Tuan Long**  
 Interviewer: Stephanie Geertman  
 Transcripator: Ms. Nguyen Thi Huyen Trang  
 Date: 08/12/2009  
 Location: 128C, Tran Nhat Duat Street, Hanoi. Management Board Ancient Quarter  
 Occupation: Vice deputy director HPC Hanoi Ancient Quarter Management Department.  
 Education: Hanoi Architecture University, 1993 to 1998. Bachelor National Economic University., economic management in construction.  
 Nationality: Vietnamese  
 Age: Around 39  
 Subject: Renovation in ancient quarter, Ma May
27. Interviewee : **Mr. Phong**  
 Interviewer: Stephanie Geertman  
 Transcripator: Ms. Nguyen Thi Huyen Trang  
 Date: 08/12/2009  
 Location: 128C, Tran Nhat Duat Street, Hanoi. Management Board Ancient Quarter  
 Occupation: Working for HPC Hanoi Ancient Quarter Management Department since 2009, from 2002-2008 worked in London  
 Education: Hanoi Architecture University from 1995 to 2000. Welsh University in London 2000-2002. At present 'The training centre for regional heritages' for Loas Cambodia and Vietnam, training given by professor from France.  
 Nationality: Vietnamese  
 Age: Around 35  
 Subject: Renovation in ancient quarter, Ma May
28. Interviewee : **Ms. Le Bich Ngoc**  
 Interviewer: Stephanie Geertman  
 Transcripator none  
 Date: 04/06/2009

- Location: ChicoMambo  
Occupation: manager Yamaha Town Hanoi and manager Chicomambo. Working for Yamaha since 13 years.  
Education: Economics at National University Hanoi  
Nationality: Vietnamese  
Age: Around 35  
Subject: Conceptionprocess of ChicoMambo
29. Interviewee : **Mr. Ho Thieu Tri**  
Interviewer: Stephanie Geertman  
Transcripior: Ms. Nguyen Thi Huyen Trang  
Date: 15/12/2009  
Location: Office HTT, 206, Au Co Street, Tay Ho, Hanoi  
Occupation: Chairman at HoThieu Tri Group.  
Education: Education Bachelor Architecture University in 1973. Master University of Paris 1974-1980. Worked in France from 1980-1994.  
Nationality: French (Vietnamese origin)  
Age: Around 65  
Subject: conception process Hang Da market, Opera house.
30. Interviewee : **Mr. Nguyen Huy Khanh**  
Interviewer: Pham Thuy Loan  
Transcripior: none  
Date: 12/08/2009  
Location: VNCC Office, 243 De La Thanh, Hanoi  
Occupation: Architect at Design Office 4, Vietnam Construction Consultant Corporation (VNCC)  
Education: Master degree in Architecture Hanoi University of Construction. Six months training in project managing in London in 1996.  
Nationality: Vietnamese  
Age: 38  
Subject: Conception process National Convention center
31. Interviewee : **Mr. Nguyen Huy Khanh**  
Interviewer: Stephanie Geertman  
Transcripior: Ms. Nguyen Thi Huyen Trang  
Date: 02/11/2009  
Location: See No30  
Occupation: See No30  
Education: See No30  
Nationality: See No30  
Age: See No30  
Subject: Conception process National Convention Center,. Flows of ideas.
32. Interviewee : **Mr. Phan Van Binh**  
Interviewer: Mr. Nguyen Quoc Thong  
Transcripior: none  
Date: 12/08/2009  
Occupation: Architect at Company/ Organization: Project Management Unit of NCC and new Ba Dinh Hall project (Ministry of Construction)  
Education:  
Nationality: Vietnamese  
Age: 54  
Subject: Conception process National Convention Center
33. Interviewee : **Mr. Vu Hong Ky**

- Interviewer: Stephanie Geertman  
 Transcripitor: Ms. Nguyen Thi Huyen Trang  
 Date: 09/11/2009  
 Location: Archetype company, No.93, Lo Duc Street, Hanoi, Vietnam.  
 Occupation: Architect and Team leader at Archetype  
 Education: Hanoi Architectural University graduated in 1990  
 Nationality: Vietnamese  
 Age: Around 42  
 Subject: Conception process Pacific Place
34. Interviewee : **Michel Cassagnes**  
 Interviewer: Stephanie Geertman  
 Transcripitor: Ms. Nguyen Thi Huyen Trang  
 Date: 05/11/2009  
 Location: Archetype Office  
 Occupation: Architect at Archtype  
 Education: Master Architecture Toulouse University 1997  
 Nationality: French  
 Age: Around 43  
 Subject: Conception Process Pacific Place
35. Interviewee : **Mr. Le Cuong**  
 Interviewer: Pham Thuy Loan  
 Transcripitor: none  
 Date: 13/08/2009  
 Location: By phone  
 Occupation: Self-employed, his own architecture company. Before G&L Design Group (a design firm based in HCM city and Hanoi)  
 Education: Architecture University in Paris 1960-1962. University of Architecture Lausanne. 1962-1967. Urban Design at Harvard University USA 1970-1972.  
 Nationality: French (Vietnamese origin, left VN in 1951, came back to VN in 1987)  
 Age: 73  
 Subject: Conception process Tan My Shop
36. Interviewee : **Mr. Le Cuong**  
 Interviewer: Stephanie Geertman  
 Transcripitor & translator: Ms. Nguyen Thi Huyen Trang  
 Date: 04/11/2009  
 Location: His office Thuy Khue, Tay Ho  
 Occupation: See No.35  
 Education: See No.35  
 Nationality: See No.35  
 Age: See No.35  
 Subject: Conception process Tan My Shop
37. Interviewee : **Ms. Do Thanh Huong**  
 Interviewer: Stephanie Geertman  
 Transcripitor: Nguyen Thi Huyen Trang  
 Date: 27/10/09  
 Location: Tan My Shop, 66 Hang Gai, Hanoi  
 Occupation: Owner Tan My shop

- Nationality: Vietnamese  
 Age: Around 50  
 Subject: Conception process Tan My Shop
38. Interviewee : **Mr. Hoang Huu Phe**  
 Interviewer: Stephanie Geertman  
 Transcripitor: none  
 Date: 15/06/2009  
 Location: Office Vinaconex R&D  
 Occupation: Director, Vinaconex R&D, a research and consultant firm within Vinaconex (since 2001)  
 Education: Ph.D. (Town Planning), University of London, U.K., 1998.  
 M. Sc. (Human Settlements Development), Asian Institute of Technology (AIT), Bangkok, Thailand, 1988. B.A. (Architecture), Kiev Institute of Civil Engineering, the Ukraine, 1978  
 Nationality: Vietnamese  
 Age: 59  
 Subject: Conception process Trung Hoa Nhan Chinh
39. Interviewee : **Mr. Tran Duc Toan**  
 Interviewer: Pham Thuy Loan (Stephanie attended)  
 Transcripitor: none  
 Date: 02/06/2009  
 Location: VNCC Office 243 De La Thanh, Hanoi  
 Occupation: Architect & Urban Planner and director VNCC Company No1  
 Education: Bachelor Faculty of Architecture, Hanoi University of Civil Engineering (1991-1996)  
 Nationality: Vietnamese  
 Age: Around 36  
 Subject: Conception process Vincom
40. Interviewee : **Mr. Tran Duc Toan**  
 Interviewer: Stephanie Geertman  
 Transcripitor: Nguyen Thi Huyen Trang  
 Date: 03/11/2009  
 Location: VNCC Office 243 De La Thanh, Hanoi  
 Occupation: See No.39  
 Education: See No.39  
 Nationality: See No.39  
 Age: See No.39  
 Subject: Conception process Vincom
41. Interviewee : **Claude Cuvallier**  
 Interviewer: Stephanie Geertman  
 Transcripitor: Nguyen Thi Huyen Trang  
 Date: 13/11/2009  
 Location: Office Site Architecture  
 Occupation: Chairman Site Architects  
 Education: Le beaux Arts de Paris, interior design. After architecture in Germany architecture (1960s)  
 Nationality: French  
 Age: Around 65  
 Subject: Conception process Trang Tien Plaza & Big C
42. Interviewee : **Phan Van Binh**  
 Interviewer: Prof. Thong by email

Date: 12/08/2009  
Occupation: Architect Project Management Unit of NCC and new Ba Dinh Hall project  
(Ministry of Construction)  
Nationality: Vietnamese  
Age: 54  
Subject: Conception process NCC

provisional version

## APPENDIX I. Time line – Devolution Local Government - Land Use Management

1993	<p>Local governments of all levels obtain the responsibility of formulating land use plans in their localities.</p> <p>Provincial and district governments gain authority to decide on land recovery and allocation to organizations (provincial governments) and individuals\households (district governments) for agricultural and forestry purposes.</p> <p>Provincial governments gain the authority to decide on land recovery and allocation for purposes other than agriculture and forestry, but only for pieces of land of 1 to 10 hectares, depending on the case.</p>
2001	<p>Provincial governments can now decide on land recovery, allocation, conversion, and lease to organizations regardless of the size and the purpose of the land, except for land for national security and defense and for generating capital for infrastructure.</p> <p>District governments gain the authority to decide on land recovery, allocation, conversion and lease to individual\households for purposes other than agriculture and forestry.</p> <p>Commune governments are empowered to lease of land for agricultural and forestry use.</p>
2003	<p>Provincial governments gain the responsibility to formulate and implement resettlement projects aimed at compensating persons subject to land recovery and relocating their residences. They also gain the authority to annually decide on the land price framework, which serves among other purposes to calculate compensations.</p> <p>The authority on the formulation of the land use plans of communes inside the zoning area for urban development is transferred from commune to district governments.</p>

### Time line – Accountability

1993	<p>Land-use plans prepared by local governments must be first approved by the People's Councils and then submitted to the immediately superior governments for approval.</p> <p>Decision on land allocation by local governments are mandated to be aligned with the approved land use plans. The management of land by local governments is subject to specialized land inspections.</p> <p>The reasons, time and compensation arrangements for land recovery are required to be notified to the concerned land users in advance.</p>
1998	<p>Individuals and organizations can submit complaints on administrative decisions\acts and denunciations on illegal acts, against all local governments and their employees.</p> <p>Commune governments are mandated to publicize land-use plans, and to consult with people draft land-use plans and the undertakings on compensation for ground clearance.</p> <p>People are entitled to supervise the management and use of land at the commune level.</p>
2003	<p>Land-use plans, land recovery decisions, plans for compensation, site clearance and resettlement, and land prices are required to be publicized.</p> <p>Land-use right holders are entitled to increase compensation payments and better resettlement support policies. The land price framework used to calculate compensations must be close to the actual market prices and must be based on the price determinations methods regulated by the government.</p>



	Voluntary land conversion is introduced for some commercial investment projects. Under this modality, land holders are allowed to negotiate directly with investors to set up the compensation price.
2004	<p>Limitations are imposed on the types of projects for which land can be recovered.</p> <p>Land use plans of hi-tech parks and economic zones are explicitly required to be disclosed. All land-use plans are required to be disclosed in detail.</p> <p>The contact information for receiving land-related complaints and denunciations and the settlements decisions on land related complaints are required to be publicized.</p> <p>The land price determination system becomes much more flexible and is required to be adjusted in accordance with changing market values. Detailed support policies for people affected by resettlement are stipulated.</p>
2005	<p>People are entitled to be informed about the elaboration of land-use plans by all agencies. The elaboration of land use plan must ensure democracy and publicity.</p> <p>Guidelines for the formulation of land use plans are issued, indicating clearly the authority and obligations of each level.</p>
2006	The land price framework used for determining compensations is required to be the marked price when the price set by provincial government is not in line with marked prices. Job-change support policies are improved for households losing more than 30% of their agricultural land.
2007	<p>Draft plans on compensation, support and resettlement are mandated to be publicized for collection of public comments. Answers must be provided in cases when there are many opinions against the draft plans.</p> <p>Resettlement and compensation procedures are clarified for cases where occupants lack land-use right certificates.</p> <p>At commune level, the timing, forms and responsibilities for the disclosure and consultations of land-related plans are improved. People's Inspection Boards and Community Investment Supervision Boards are assigned to oversee land use management at commune level.</p>
2008	In the forest development sector guidelines for participatory land-use planning are issued.
2009	<p>Compensation for land recovery are required to be based on the market price at the time of issuance of the land recovery decision. Support policies for resettlement are further improved. Land development funds are mandated to be established at provincial and district levels to better implement land recovery, resettlement and compensation.</p> <p>Urban plans are required to be accessible to the general public. Draft urban plans must be consulted with the public and sent to the NA and the People's Councils.</p> <p>A more comprehensive frame work is adopted on the compensation to individuals and organization for damage caused by illegal activities of state employees, including while recovering, allocating and converting land, and while undertaking compensation, site clearance, and resettlement.</p>

Source: Vietnam Development Report 2010: Modern Institutions. Joint Donor Report to the Vietnam Consultative Group Meeting, Hanoi, December 3-4, 2009. ADB, AusAid, CIDA, Denmark, DFID, EC, Finland, JICA, AECID, Sweden, SDC, UN, USAID, World Bank. P. 155.

## APPENDIX II. Time line – Devolution Local Government – Public Investment

1996	Provincial governments are entitled to formulate the assignment of responsibilities at local levels to spend on public investment projects. Local governments of all levels are allowed to spend on public investment projects.
1999	Provincial governments are entitled to decide on public investment projects of categories B and C (projects of lesser importance)
2000	The threshold of category B projects is raised, which allows provincial governments to decide on investment projects of higher value.
2005	The decentralization of investment decisions to provinces is made irrespective of the project category, but the list of category A projects (projects of more importance) is decided by the Prime Minister, and the capital amount for individual category A projects must be decided jointly by provinces and ministries.  Provincial governments are authorized to issue licenses to foreign investment projects.
2006	The assessment and approval of ODA-funded projects is decentralized.  Provinces are allocated capital expenditure transfers more transparently and equitably.
2007	Provincial governments gain the authority to ratify the list of an granting licenses for investment projects in public-private arrangements as BOT, BTO & BT.

### Time line – Accountability

1996	The assignment of responsibilities at local levels to spend on public investment must be approved by the Provincial People's Council.
1998	Individuals and Organizations can submit complaints on administrative decisions\acts and denunciations on illegal acts, against all local governments and their employees.  Commune governments are required to publicize investment projects in communes, and the estimates and uses of state funds and people's contributions for the investments projects.  People in communes are entitled to decide the amount and undertakings of their contributions for the construction of infrastructure, and to supervise all the communes' construction projects.
1999	Investment plans of provincial governments are required to benested into sectoral and local development plans and state budget capital plans. Investment plans of districts and communes are required to be approved by the immediately superior local government.  Pre-feasibility studies are made compulsory for all investment projects.
2003	Guidelines on the supervision and evaluation of investment projects at provincial level are issued. PMUs are required to produce and submit quarterly sum-up evaluation reports on their projects.  Public procurement is strengthened through open bidding and a bulletin for advertising procurement opportunities, award results, list of firms banned to receive state contracts among other procurement-related information.  Commune governments are mandated to collect people's opinions on undertakings and plans on infrastructure construction before making decisions.
2004	The allocation and use of investment funds in all capital projects using state budget sources are mandated to by publicized.
2005	Foreign investment projects licensed by provincial governments are required to be suitable to local management capacity and socio-economic development.  Community participation is mandated during the formulation of construction investment master plans. After approval, plans are required to be publicized.

	<p>More types of procurement-related information are required to be disclosed. The information is required to be publicized in a website in addition to the bulletin.</p> <p>Oversight over procurement processes is improved through the introduction of a bidding inspectoate and an advisory council on bidding complaints.</p> <p>The legal framework for the establishment and operation of Community Investment Supervision Board is adopted. These Boards are allowed to supervise public investment programs and projects “that directly affect the population in communes”</p> <p>Individuals, mass-organizations and media obtain the right to request information to local government and to receive the information within 10 days, except in some cases</p>
2006	<p>Infrastructure masterplan are required to be based on the broader, regional development plans.</p>
2007	<p>Standard and detailed reporting is introduced for all ODA funded public investment projects. The reports are required to be submitted to the NA, Prime Minister and mass-organizations.</p> <p>The modern principles of transparency and corporate governance are introduced in provincial infrastructure funds.</p> <p>CSOs, private sector, media, and citizens are made responsible and assigned various tasks to prevent and detect corruption, including at local levels.</p> <p>At commune level, the timing, forms, and responsibility for disclosure and consultation of investement plans and projects are improved.</p> <p>People’s supervision over infrastructure investment in communes is improved, remarkable by further empowering Community Supervision Investment Boards and People Inspection Boards.</p>
2008	<p>The criteria for the selection of public investment projects by provinces are tightened. Projects without adequate funding or with outdated objectives must be stopped. MPI must review all projects and suspend those considered ineffective or inefficient.</p> <p>Procurement examinations are mandated for a selection of investment projects and for the PMUs of all governments, regularly based on a plan and extraordinarily upon a problem.</p> <p>A hotline unit in MPI is created to receive and handle procurement complaints. Supervision by the community of project procurement activities is explicitly authorized.</p>
2009	<p>Standard monitoring and evaluation for all public investment projects is introduced.</p>

Source: Vietnam Development Report 2010: Modern Institutions. Joint Donor Report to the Vietnam Consultative Group Meeting, Hanoi, December 3-4, 2009. ADB, AusAid, CIDA, Denmark, DFID, EC, Finland, JICA, AECID, Sweden, SDC, UN, USAID, World Bank. P. 157.

### APPENDIX III. Time line – Devolution Local Government – Socio-Economic Development Planning

1989	Decisions on the five-year socio economic development plan of a given level of government are decentralized to the same level of government
2003	Local governments of all levels gain more responsibilities in the co-ordination, budget allocation and finalization of the SEDPs in their respective levels.
2005	The participation of local governments in the formulation of the national SEDP is strengthened, remarkably by engaging them earlier in the process.
2006	The regulation for the preparation of regional development plans are adopted, specifying institutional responsibilities, including for local governments.

#### Time line – Accountability

1989	Local governments are required to develop their local planning based on overall national, sectoral and economic zone planning
1998	Commune governments are mandated to publicize the socio-economic development plans of the commune, and to collect public comments on the drafts of these plans.
2004	People's Councils of all levels are empowered to issue legal documents to decide on plans on socio-economic development in their respective localities.  Provincial annual five-year socioeconomic development plans are required to be formulated based on evidence and public consultation.
2006	All state agencies are mandated to disseminate strategies and master plans in their websites. Regional plans are required to be disclosed.
2007	At commune level, the timing forms and responsibilities for disclosure and consultations of socioeconomic development plans are improved
2009	The practices of publicizing socioeconomic development plans and conducting public consultations of their drafts are institutionalized for the three sub-national levels (pending approval)

Source: Vietnam Development Report 2010: Modern Institutions. Joint Donor Report to the Vietnam Consultative Group Meeting, Hanoi, December 3-4, 2009. ADB, AusAid, CIDA, Denmark, DFID, EC, Finland, JICA, AECID, Sweden, SDC, UN, USAID, World Bank. P. 156.

## APPENDIX IV. Time line – Devolution Mass Organization

1989	A new legal framework for mass-organizations is introduced, providing them with more independent management and finance, and promoting voluntary membership
1996	Mass-organizations are allowed to issue joint legal documents with central-level government authorities and to make suggestions on draft documents.
1997	The Fatherland Front is assigned to monitor the NA election process and to organize the nomination of candidates
1998	Mass-organizations are given the responsibility to assist Commune People’s Committees in the implementation of grassroots democracy at commune level.  Mass-organizations are entitled to take part in conciliation groups to settle disputes at grassroots level.  Mass-organizations and other CSOs are allowed to submit complaints and denunciations.
1999	The roles of the Fatherland Front are expanded, including: supervision of all state activities; monitoring the People’s Councils election process and organizing the nomination of candidates; participating in the selection of judges and nominating candidates for the courts’s juries.
2003	The Fatherland Front is given the responsibility to organize votes of confidence for village chiefs and key positions of Commune People’s Councils.  Mass-organizations and other CSOs are allowed to provide legal consultancy services.
2004	Mass-organizations become responsible for monitoring public finance transparency in all governmental levels. The Fatherland Front becomes responsible for organizing the contribution of opinions of mass-organizations’ members to legal documents issued by the People’s Councils.
2005	Mass-organizations obtain the right to request information to all agencies, organizations and units and to receive the information within 10 days, except in some cases.
2006	Mass-organizations and other CSOs are encouraged to create non-public service delivery establishments.
2007	The engagement of mass-organizations and other CSOs in the provision of legal aid is strengthened.  Mass-organizations become responsible for coordinating with state agencies and People’s Councils in disseminating the Law on Anti-Corruption and in overseeing its implementation.
2008	Mass-organizations and other CSOs are entitled to provide feedback on all existing administrative procedures.
2009	Mass-organizations and other CSOs are entitled to provide comments on all draft legal documents and to engage with drafting agencies in assessing impacts of legal documents, evaluating the enforcement, conducting surveys and legal analysis.

Time line – Accountability

1989	The establishment of mass-organizations is required to be authorized by the heads of People Committee's and/or the head of the Council of Ministers. Mass-organizations are to be managed by the corresponding sectoral state agency.
1999	The organization and activities of the Fatherland Front are required to be based on the principle of consultation.
2003	The activities of mass-organizations at grass-roots level are mandated to be supervised by people.
2004	Mass-organizations receiving support from the state budget are required to publicize state budgets and expenditures
2007	Certain positions in mass-organizations are obliged to declare their income and assets.

Source: Vietnam Development Report 2010: Modern Institutions. Joint Donor Report to the Vietnam Consultative Group Meeting, Hanoi, December 3-4, 2009. ADB, AusAid, CIDA, Denmark, DFID, EC, Finland, JICA, AECID, Sweden, SDC, UN, USAID, World Bank. P. 16

## APPENDIX V. Time line – Devolution Media

1989	<p>The State, the Party and social organizations are allowed to set up media agencies.</p> <p>The media obtains the right to report citizens' feedback on public affairs and receive a response from government on the feedback.</p> <p>The media obtains the right to request and be supplied with information from state agencies, which bear responsibility for the content.</p> <p>The Vietnam Journalists Association obtains the right to participate in the formulation and implementation of media policy, and to protect the legal rights and interests of journalists.</p>
1999	<p>Media agencies are allowed to use sources of finances other than the funds provided by the parent organization, including business revenues and voluntary contributions from organizations and individuals.</p>
2002	<p>Media agencies are allowed to “organize business and service activities” in some stages of the product cycle e.g. printing, distribution, advertisement..</p> <p>The head of the media agency is separated from the head of the parents organization</p> <p>Media agencies are allowed to disagree with the reported corrections, and to refuse to publish the corrections that violate the law or infringe their prestige and honor.</p>
2005	<p>Media agencies obtain the right to be supplied within 10 days the requested information from government agencies, organizations and units, except in some cases.</p>
2006	<p>Administrative sanctions are stipulated for those who fail to supply information to the media, obstruct their lawful professional activities, or hurt or threaten journalists.</p>
2007	<p>The mechanisms for supply of information of the government to the media are comprehensively specified.</p> <p>The media becomes responsible for disseminating anti-corruption policies, mobilizing people to participate in anti-corruption, praising good anti-corruption behaviors and condemning corrupt acts.</p> <p>The media is explicitly allowed to report on corruption cases, to request and receive information on cases showing signs of corruption, and to be protected while reporting on corruption.</p>
2008	<p>The media obtains the right to be supplied quickly with information on issues capturing public interest or causing public concern.</p>

## Time line – Accountability

1989	<p>A permit by the state management of the media, i.e. Council of Ministers is required for setting up a press agency</p> <p>The media is prohibited to report on some “no-go areas” e.g. state secrets, propaganda against Vietnam, propaganda on ideologies and violence, incorrect or damaging information</p> <p>Tough sanctions are applied for journalists and media agencies that violate press regulations, including withdrawal of press licenses and cards and examination for criminal liability.</p>
1999	<p>The state management of the media is transferred from the Council of Ministers to the Ministry of Culture and Information</p> <p>Media Agencies are required to promptly publicize corrections of false or harmful information reported by state agencies, organizations or individuals.</p> <p>Press becomes subject to inspections from a specialized press inspectorate.</p> <p>The Penal Code is ratified, stipulating various criminal sanctions applicable to the media.</p>
2001	<p>A wide range of administrative violations by the media and the corresponding administrative sanctions are specified.</p>
2002	<p>The organization of business and service activities by media agencies requires prior permissions from the parent organization and the notification to the state.</p> <p>(Deputy) heads and (deputy) editors in chief of media agencies are required to be appointed by the parent organization, in written agreement with the Ministry of Culture and Information.</p> <p>The distribution into Vietnam of overseas published media requires the permit of the Ministry of Culture and Information</p>
2006	<p>Administrative sanctions are strengthened and widened to ensure accurate and correct reporting by the media.</p> <p>Journalists are required to receive ethics in training, organized by the state management if the media.</p>
2007	<p>Tighter time limits and detailed instructions on content and format are required for the publication of corrections.</p> <p>High ranking officials of newspapers using state budget and assets are mandated to declare their income and assets.</p>
2008	<p>Supplements, channels or programs on advertisement in the media are required a permit from the state management of the media.</p>

Source: Vietnam Development Report 2010: Modern Institutions. Joint Donor Report to the Vietnam Consultative Group Meeting, Hanoi, December 3-4, 2009. ADB, AusAid, CIDA, Denmark, DFID, EC, Finland, JICA, AECID, Sweden, SDC, UN, USAID, World Bank. P. 171.



## APPENDIX VI. Time line – Devolution Civil Society Organizations in Vietnam

1992	The legal framework for the establishment and operation of science and technology organizations is adopted
1995	The legal framework for the establishment and operation of collaborative groups at commune level is adopted. Members of these groups can contribute assets and labor for carrying out certain tasks and mutually enjoy benefits.
1998	CSOs are allowed to submit complaints and denunciations
1999	The legal framework for the establishment and operation for non-profit social and charity funds is adopted. These funds can work on culture, sports, scientific and social development.
1999	Policies to encourage service delivery by CSOs and other non-state actors are adopted
2000	The rights and autonomy of science and technology organizations are expanded
2001	The legal framework for the establishment and operation of social protection centers is issued
2003	The legal framework for the establishment and operation of associations is adopted. Associations can self-finance with various sources, carry out activities for their members, contribute opinions to legal documents and provide consultancy and criticism.  CSOs are allowed to provide legal consultancy services
2004	The legal framework for the operation of business associations is improved
2005	The legal framework for the establishment and operation of community investment supervision board and people's inspections boards are adopted.  The legal framework for the establishment and operation of small-sized financial institutes is adopted.  The legal framework for the establishment and operation of small-sized financial institutions is adopted.
2006	CSOs are encouraged through various preferential policies to create non-public service delivery establishments.
2007	Business and professional associations become responsible for actively participating in anti-corruption.  The legal frameworks for social and charity funds and small-sized financial institutions are revised to facilitate their establishment and operation. The legal framework for collaborative groups is specified in detail.  Community investment supervision boards and people's inspection boards gain additional responsibilities on anti-corruption and grassroots democracy.  The engagement of CSOs in the provision of legal aid is strengthened
2008	CSOs are entitled to provide feedback on all existing administrative procedures
2009	CSOs are entitled to provide comments to all draft legal documents, and to engage with

	<p>drafting agencies in assessing impacts of the legal documents, evaluating their enforcement, and conducting surveys and legal analysis.</p> <p>The activities of science and technology organizations established by individuals are restricted to seven fields.</p>
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#### Time line - Accountability Civil Society Organizations in Vietnam

1992	Science and Technology organizations must be established by the Council of Ministers, Ministries or mass organizations, and must be registered under the state science committee.
1995	The cooperation contracts of cooperative groups must be authenticated by the commune government. The head of a cooperative group must be elected by the members.
1999	Social and charitable funds are required to be managed by an elected council and inspected by an independent control board. Government approval is needed for their establishment, charter, merger, division and dissolution
2000	Taking advantage of Science and technological activities is strictly prohibited e.g. distorting or opposing state policies and laws, infringing upon private and state interests.
2003	<p>The charter, leaderships and controlboard of associations are required to be voted by members. Government approval is needed for their establishment, initial mobilizing committee, charter, merger, division and dissolution. Associations are required to report to the government the use for their funds and their annual organization and operations situation.</p> <p>The activities of CSOs at grassroots level are mandated to be supervised by people</p>
2004	<p>A minimum number of founding members is imposed for associations and for their initial mobilizing committees.</p> <p>All CSOs receiving support from the state budget are required to publicize state budgets and expenditures</p>
2005	Community investment supervision boards and people's inspection boards are elected by people in communities and approved by the fatherland front. They are required to submit reports periodically to the Fatherland Front.
2007	Business and professional associations are mandated to apply measures to prevent and detect their internal corruption
2009	Evaluations of government policy by science and technology organizations established by individuals are required to be approved by the government before publication

Source: Vietnam Development Report 2010: Modern Institutions. Joint Donor Report to the Vietnam Consultative Group Meeting, Hanoi, December 3-4, 2009. ADB, AusAid, CIDA, Denmark, DFID, EC, Finland, JICA, AECID, Sweden, SDC, UN, USAID, World Bank. P. 170.

## APPENDIX VII. Analysis of Donors in Vietnam

**Table A - Bilateral Agents active in Vietnam with year of establishment and main objectives**

<i>In Vietnam since</i>	<i>country</i>	<i>Aid Agent(s)</i>	<i>Objectives / Programs</i>
1969	Sweden	SIDA	Promote Vietnam's chances of reducing poverty in the long term and in an environmentally sustainable manner Promote openness and developments towards democracy and a greater respect for human rights
1971	Denmark	Danida	increased support will be given to the reform programme sustainable production increases in agriculture, fisheries and other parts of the private sector where the potential for pro-poor growth is highest continued support to development of Vietnams human resources strengthening of democratisation, popular participation, and respect for human rights as well as gender and environment cultural cooperation aimed at increasing creativity, people's access and participation as well as diversity strengthen the fight against the increasing HIV/AIDS-epidemic in Vietnam
1972	Finland	FINIDA	Encourages Vietnam to continue its reform process in order to maintain strong economic growth and ensure distribution of wealth so that the fruits of the economic growth reach also the poor. Contributes to the implementation of EU development policies and aid Harmonisation among EU countries in Vietnam Contribution to the formulation and implementation of the country programs of key UN agencies and international financing institution Poverty reduction through bilateral aid.
1973	Australia	AUSAID	Support inclusive growth Improve infrastructure Improve water and sanitation Provide climate change assistance Build human resources in government and the private sector Join Vietnam's effort in strengthen the health system Provide rural development assistance Place volunteers Support a range of community level activities Improve the governance Support regional programs

1973	The Netherlands	VSO, SNV	growth and distribution and sustainability, energy and climate Governance and government reforms Political cooperation Culture, Education, Tourism, Sports and Press Economic cooperation Agriculture and fisheries Private sector development Water management; clean water and sanitation Climate and energy Health
1987	Korea	EDCF	Transport, Education, Information & Communication Technology & Health.
1990	Germany	GTZ & DED & Inwent	Sustainable Economic Development Management of Natural Resources, including Water Supply, Waste Water and Solid Waste Disposal Health Cross-cutting Sector: Poverty Reduction
1992	UK	DFID & UKAID	Poverty reduction Climate Change Security Prosperity
1994	France	AFD	Small enterprises and the financial sector Basic Infrastructure in environment sectors Agriculture and Food security
1995	Switzerland	SDC	Improvement of growth and investment framework conditions; Mobilising the private sector's financial means, know-how and technologies; Expansion of economic and social infrastructure; and Promoting the integration of developing and transition countries into the world trade system.
1995	Japan	JICA	<i>Growth acceleration</i> <i>Improvement of social and living environments</i> <i>Regime establishment</i>
2000	US	USAID	Governing Justly and Democratically Investing In People: Health, Education, And Social Services Economic Growth And Environment

Information brochure 'A strategic Partnership' AFD 2009. Information booklet DFID 'Country Assistant Plan' May 2008. 'EDCF Activities in Vietnam 2009. Ministry of Strategic and Finance Republic of Korea. 2009, p.5-6. Brochure 'Working Together, Shaping the Future, GTZ Office Hanoi 2009. Vietnam-Denmark Partnership 2006-2010, Ministry of Foreign Affairs of Denmark – Danida 2006. [www.jica.go.j](http://www.jica.go.j). [http://www.vn.emb-japan.go.jp/html/oda\\_jpvn2009.html](http://www.vn.emb-japan.go.jp/html/oda_jpvn2009.html). [www.side.se](http://www.side.se)

### **SIDA (Sweden)**

Swedish involvement began in the 1960s, when Swedish opinion was heavily engaged in efforts to stop the Vietnam war. Support for the Vietnamese reform process was started in the late 1980s, when Vietnam introduced the new economic policy Doi moi.

Vietnam has been one of the countries Sweden has prioritized for receiving development aid for many years. In 2008, Sweden contributed SEK 251 million to development in the country. One of Sweden's targets of its development co-operation is that Vietnam's economic development should focus on the poor and be as democratic as possible ([www.side.se](http://www.side.se)).

### **GTZ (Germany)**

Following the reunification of Germany in 1990, Development Cooperation between Viet Nam and the Federal Republic of Germany was a natural progression of the close and productive ties between Viet Nam and the German Democratic Republic (GDR). Some cooperation programmes between modern Germany and Viet Nam are a continuation of programmes that had been introduced by the former GDR, while other new projects were designed to meet the development needs of Viet Nam and the interests of both countries.

In support of Viet Nam's ambitious goals for economic growth, employment creation, and poverty reduction, GTZ is implementing several projects and programmes on macroeconomic reform, the promotion of small and medium.-sized enterprises, and vocational training (website: [www.gtz.de](http://www.gtz.de)).

### **AFD (France)**

Agence Française de Développement is a public establishment with a mission of general interest: development financing. As a specialized financial Institution it supports economic and social projects in public and private sectors: infrastructure and financial systems, urban and rural development, education and health. Vietnam is a strategic partner for France and among the biggest recipients of financing allocated by AFD with almost 900 millions euro's granted since 1994 (Sources: AFD Brochure 'AFD and Vietnam: A strategic partnership. 2009. & [www.afd.fr](http://www.afd.fr)).

### **AusAID (Australia)**

AusAID staff in Vietnam design, implement and manage aid activities, ensure strategies are appropriate for local circumstances and undertake policy dialogue with the Vietnamese government and other donors.

### **USAID (US)**

Vietnam is an increasingly important development partner of the United States. The U.S. established the U.S. Agency for International Development (USAID) Office in Hanoi in 2001. The office, formerly part of the Regional Development Mission/Asia (RDM/A) based in Bangkok (Thailand), was officially upgraded to full USAID Mission status in July 2008. USAID's activities strive to accelerate Vietnam's transition to an open, market-based economy, develop capacities to mitigate the harmful effects of HIV/AIDS, improve vulnerable groups' access to services, and ensure that environmental governance progresses along with economic and social development. Through its activities since 2000, USAID has provided over \$200 million dollars in assistance to Vietnam (<http://vietnam.usembassy.gov/>).

### **FINIDA (Finland)**

The Finnish Government took the decision to recognise the Democratic Republic of Vietnam as early as on the 28th of December 1972. A joint communiqué on the establishment of normal diplomatic relations between the two governments was issued on the 25th of January 1973. This was two days before the Paris Agreement on Ending the War and Restoring Peace In Vietnam was signed. In the same year, the Government of Finland took a decision to include Vietnam on the list of long-term

partner countries of the Finnish development co-operation. This decision soon materialised into concrete action. The Finnish Embassy in Hanoi was set up in 1974. Finland confirmed its relations with the Socialist Republic of Vietnam, after the unification of the country in 1975. (<http://www.finland.org.vn/>)

### **DANIDA (Denmark)**

Denmark established diplomatic relations in 1971. In 1994, Denmark established an embassy in Hanoi, and since August 12, 2000, Vietnam has had an embassy in Copenhagen. The overall objective of Danish development assistance to Vietnam is poverty reduction through promotion of sustainable, private sector-led development and the strengthening of democratisation, respect for human rights and good governance. The Government of Vietnam has identified a number of development targets, the most important of which in relation to Danish/Vietnamese development

(Vietnam-Denmark Partnership 2006-2010, Ministry of Foreign Affairs of Denmark – Danida 2006 & retrieved from website: <http://www.ambhanoi.um.dk/>)

### **SDC (Switzerland)**

Development cooperation is one of the main pillars of the Swiss presence in Vietnam. After a few timely actions (particularly in the field of humanitarian aid) during and after the wars in Vietnam, it is in the early 1990s that Switzerland started to become active in Vietnam with development cooperation. The Swiss Agency for Development and Cooperation (SDC) opened its cooperation office in Hanoi in 1995, after having started its first programmes in the framework of the Mekong Region Programme in 1992. (In fact, the first non-humanitarian aid project in Vietnam financed by the SDC - project Can Tho Silo - dates back to 1976) (<http://www.eda.admin.ch/>)

### **JICA (Japan)**

JICA started its cooperation activities in Vietnam by posting Japanese experts and receiving participants from Vietnam for training in Japan. In 1994 the Exchange of Note of Japan Overseas Cooperation Volunteers (JOCV) Program was signed. And in **1995** JICA Vietnam Office was officially established, first batch of JOCV members was sent to Vietnam.

(<http://www.jica.go.jp/vietnam/english/office/about/index.html#outline>)

ODA activities of Japan International Cooperation Agency (JICA) and Japan Bank for International Cooperation (JBIC) have been merged from October 2008. Since new JICA is now able to extend three schemes of Japanese ODA: Technical Assistance, ODA loans and part of the Grant Aid, new JICA can provide comprehensive assistance that most effectively addresses the needs of development countries from large scaled infrastructure construction to technical cooperation at grassroots level. (JICA in Vietnam, brochure 2008).

**Table B: Multilateral Agents active in Vietnam with year of establishment and main objectives**

<i>In Vietnam since</i>	<i>Agent</i>	<i>Sub-Agency</i>	<i>Focus areas</i>
1969	UN	UNDP	Democratic Governance, Poverty Reduction, Crisis Prevention and Recovery, Energy and Environment and HIV/AIDS
		UN-HABITAT	Policy and technical advice activities on issues related to urban planning and management
1990	EC / EU		<ul style="list-style-type: none"> <li>- Sustainable economic development</li> <li>- encouraging the integration of Vietnam into the world trading system &amp; supporting the process of social and economic reforms</li> <li>- support Vietnam's transition to an open society based on sound governance, the rule of law and respect for human rights;</li> <li>- Raising the profile of the European Union in Vietnam</li> </ul>
1993	World Bank		<ol style="list-style-type: none"> <li>1) High growth through a transition to a market economy. This requires the firm implementation of the structural reform agenda laid out by the Government.</li> <li>2) An equitable, socially inclusive, and sustainable pattern of growth.</li> <li>3) Adoption of a modern public administration, legal, and governance system.</li> </ol>
1993	ADB		<ul style="list-style-type: none"> <li>High Economic Growth</li> <li>Inclusive Social Development</li> <li>Sustainable Environmental Management</li> </ul>

Sources: Overview of EU-Vietnam Relations, brochure hand out at CG meeting 2009. [www-wds.worldbank.org](http://www-wds.worldbank.org) <http://www.un.org.vn/>

### **World Bank**

The Bank's Country Partnership Strategy (CPS) provides support for strengthening the institutions necessary to facilitate and safeguard a more complex and diverse economy – with initiatives ranging from the regulation of infrastructure to social insurance to the development of modern planning and budget systems.

Since 1993, when the World Bank re-engaged with Vietnam, the International Development Association has provided \$6 billion in interest-free credits and grants to help the country sustain growth and fight poverty. Among other things, these IDA funds have been used to build roads and other vital infrastructure, to connect millions of rural people to the electricity grid, to improve the quality of the education system; to expand farm production; and to provide access to basic services such as running water for close to 3 million poor people in urban areas ([www-wds.worldbank.org](http://www-wds.worldbank.org)).

### **EU in Vietnam**

*Summery from EU Brochure hand out at GC meeting 2009.*

The European Community (EC) established diplomatic relations with Vietnam in October 1990. Five years later, in July 1995, the two sides signed a Co-operation Agreement which this day provides the legal basis for the bilateral ties. It created a mechanism for regular dialogue where viewpoints can be exchanged, programmes developed and new initiatives planned. The EC officially opened its Delegation, i.e. its diplomatic representation, in Vietnam in 1996.

The EU (Commision and Member States combined) has become one of the biggest donors of grant development aid to Vietnam, is Vietnam's third largest trading partner, and is one of the most important sources of foreign direct investment. The EU has been a leading champion of Vietnam's integration into the global economy. The EU is also a major driving force behind increased aid coordinaton and harmonization in Vietnam.

The EU is also aiming to integrate Vietnam better in the South East Asian Region. The EU adopted in 2007 its Strategy Document for EU-Asia Co-operation (2007-2013). The EU's Multi-annual Indicative Programme has earmarked 40 million Euro's to be spent on activities related to EU-ASEAN co-operation from 2007-2010. It focuses on: Regional capacity building and region-to region dialogue, Statistical capacity building and Immigration and border management.

## **UN**

The United Nations Country Team (UNCT) in Viet Nam consists of all UN agencies, funds and their programmes in Viet Nam. The UNCT is led by the UN Resident Coordinator as the senior UN official in Viet Nam. UNDP and UN Habitat are two of the 18 UN agencies currently active in Vietnam which are significant for development in urban form.

## **UNDP**

UNDP is the UN's global development network, an organization advocating for change and connecting countries to knowledge, experience and resources to help people build a better life. We are on the ground in 166 countries, working with them on their own solutions to global and national development challenges. As they develop local capacity, they draw on the people of UNDP and our wide range of partners.

For 30 years, UN Development Programme (UNDP) has had a strong partnership with the people and government of Viet Nam. At UNDP Viet Nam we continue to provide critical support in the areas of Democratic Governance, Poverty Reduction, Crisis Prevention and Recovery, Energy and Environment and HIV/AIDS, while ensuring recent economic growth improves the living standards of all Vietnamese people. We work to encourage human rights and discourage increasing disparities based on gender, wealth, location, ethnicity, health and more.

In line with Viet Nam's needs and priorities, as well as UNDP's reform process, UNDP Viet Nam is moving even further into upstream advisory and capacity building assistance for pro-poor policy and institutional development.

## **UN-Habitat**

The United Nations Human Settlements Programme (UN-HABITAT), established in 1978 is the leading agency within the UN system for coordinating activities in the field of housing and urban development. It is mandated by the UN General Assembly to promote socially and environmentally sustainable towns and cities with the goal of providing adequate shelter for all.

UN-HABITAT's strategic vision is anchored in a four-pillar strategy aimed at attaining the goal for Cities without Slums. This strategy consists of advocacy of global norms, analysis of information, field-testing of solutions and financing. These fall under the four core functions assigned to the agency by world governments – monitoring and research, policy development, capacity building and financing for housing and urban development.

In Viet Nam, UN-HABITAT has focused its policy and technical advice activities on issues related to urban planning and management. Building on support provided to Viet Nam since 1999, UN-HABITAT is currently assisting with the preparation of City Development Strategies for Thanh Hoa province/city and Da Nang City. It has also supported the Association of Cities of Viet Nam (ACVN) to localize the MDGs for Vietnamese cities by assessing the current status of the achievement of MDGs and Viet Nam Development Goals (VDGs) in selected cities.

Under the Water for Asian Cities Programme (WAC) and in collaboration with the Asian Development Bank (ADB) and other governments in Asia, UN-HABITAT has initiated the "Mekong Region Water and Sanitation Programme for Secondary Towns" in which Viet Nam has been selected as a pilot implementing country.



In 2007 a Habitat Programme Manager (HPM) was appointed for Viet Nam. The HPM is working closely with a wide variety of local, national and international partners to implement the Habitat Agenda in Viet Nam.

## **ADB**

Viet Nam was among the ADB's founding members in 1966, but operations were suspended between 1979 and 1992, before resuming again in 1993. The Country Strategy and Program (CSP) is prepared in active consultation with developing member country stakeholders: the government, NGOs, civil society groups, the private sector and other development agencies. It is usually prepared once every five years. A CSP update is prepared every year to reflect any important country developments and adjustments to the program. (<http://www.adb.org/VietNam/>)

The Asian Development Bank (ADB) country strategy and program (CSP)<sup>1</sup> for Viet Nam 2007–2010 was approved in October 2006. The CSP aims to help the Government reduce poverty to 10%–11% of households by 2010 through (i) pro-poor business-led economic growth, (ii) social equity and balanced development, and (iii) environment protection and management. In doing so, it emphasizes creating an enabling environment for private sector development and stronger links between ADB's public and private sector operations. The CSP also promotes good governance in all its operations and accords high priority to regional cooperation. ADB's new long-term strategic framework 2008–2020 (Strategy 2020)<sup>2</sup> fully supports the thrusts of ADB's country strategy for Viet Nam. A midterm review of the CSP will be initiated in late 2008, for completion in 2009. It will be closely coordinated with the Government's planned mid-term review of the Socio-Economic Development Plan (SEDP) 2006–2010. (Country Operations Business Plan Vietnam, 2009-2010, ADB. P, 1)

## Appendix VIII. Overview incomes of civil servants Vietnam

The official salaries of civil servants in Vietnam are very low. However, there are other components to these salaries which can create very high incomes. This is an important aspect in understanding the working environment in Vietnam (both public and private). "According to surveys conducted by the Prime Minister's Research Department before 2006, the salary only represents about 30 percent of the income of civil servants" (World Bank 2009, page 16). In this annex a brief introduction of the income structure, with a focus on incomes of civil servants in Vietnam.

**Table VIII: Structure of Total monetary benefits (%)**

	Government sector	Out-of Government sector
<b>Official monetary benefits share</b>	<b>44.8</b>	<b>75.5</b>
Salary share	27.5	56.3
Allowance share	7.2	2.1
Bonuses share	5.3	9.0
Insurance share	4.7	8.1
<b>Unofficial monetary benefits share</b>	<b>55.2</b>	<b>24.5</b>
Second income share (excluding consulting and family business)	14.5	7.1
Family share	1.8	0.3
Consulting income share	17.8	11.5
Business trips share	8.1	4.4
Envelope share	3.6	0.4
Pooling share	4.9	0.4
Gift share	4.5	0.5
<b>Total</b>	<b>100.0</b>	<b>100.0</b>

Source: Mekong Economic 2005 'Consulting rate study', report prepared for Danish Embassy in Hanoi<sup>645</sup>.

"Base salaries make up only 28 percent of monetary benefits received by Government professionals interviewed. These Government workers received significant monetary benefits in addition to their base salaries, in the form of additional allowances, bonuses, and through business trips, pooling funds, gifts, envelopes, and external work (both family business and consulting). Base salaries were a much more important source of income for those working in the private sector or for NGOs. In addition to the substantial non-salary monetary benefits received by Government professionals, they are also attracted to their jobs (relative to out-of Government jobs) by non-monetary factors. These include: job security; the opportunity to access overseas scholarships and study tours; less work hours; more community respect. The out-of Government sector, on the other hand, identified 'higher income' as a primary benefit of their job in comparison to working in the Government sector." (Mekong Economic 2005). The same report however writes that "the Government still manages to attract skilled Vietnamese labor. The reason for this is that there are significant non-salary benefits flowing from the jobs of these public sector professionals" (Mekong Economics 2005, page 2).

World Bank published recently (2009) the analysis of NAPA and CIEM, who identify five categories of civil servants salaries: Salary, the minimum wage multiplied by a coefficient that depends on the sector, the position and seniority. The minimum wage is common for all civil servants. Allowances, bonuses, supplementary income (envelopes), and addition income. The latter are additional payments which can be obtained by civil servants for doing certain types of work in state agencies (e.g. Projects, participation in approval committees, scientific research) or doing part-time work for organizations

<sup>645</sup> Report retrieved from: <http://www.mekongeconomics.com>

outside the government or directly with the market. "Taking additional jobs to supplement state income had become common for civil servant and for the labor force in general". (World Bank page 16).

"The analysis by the Danish embassy was done due to the concern that donors do not significantly out-pay other organizations, including the Government of Vietnam (GOV). If donors were to pay rates to consultants that are higher than those received by skilled Government workers, this would directly attract skilled labor away from the Government. This would be an unwelcome distortion from official development assistance (ODA)" ((Mekong Economics 2005, page 2). The higher salaries which can be earned outside the government, has creates a very entrepreneurial climate with governmental officials, who are involved in many different projects at the same time. This situation is not supporting an environment with strong commitment with governance, at the same time World Bank recently wrote this situation intensifies corruption" civil servant who feel they are underpaid may more easily succumb to the temptation to enrich themselves outside of the rules. Allowing higher salaries commensurate with risks and with market alternatives, can help mitigate one factor that contributes corruption." (World Bank 2009, page 15)

## **APPENDIX IX. Booklet Material Collection**

All the materials collected for the object biographies can be found in the booklet which is provided as a separate document.