## THE ORNAMENTAL PLANTS AND FLOWER VILLAGE IN GOVAP DISTRICT, HO CHI MINH CITY UNDER IMPACTS OF URBANIZATION Bui Hoang Viet

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#### ABSTRACT

Ornamental plants and flower village of Go Vap District, Ho Chi Minh City has a long-standing reputation. Products from this village are very diverse and economically value for the locals. However, local production activities of the village had suffered from the impacts of rapid urbanization. The main reasons can mostly but not exclusively be the increasing amount of arable land being changed into residential land, the shift of labour force from agricultural sector to non-agricultural ones, and obsolete technology, which altogether have made the village fade into oblivion in recent years. Using SWOT analysis, this article suggests some ideas to encourage the development of the village, such as human resource training, development of marketing ability and establishment of apropriate legal framework in the future.

#### TÓM TĂT

Quận Gò Vấp của TP. Hồ Chí Minh từ lâu nổi tiếng với làng nghề hoa cây kiếng truyền thống. Các sản phẩm từ làng nghề này rất đa dạng và phong phú mang giá trị kinh tế cao cho người dân. Tuy nhiên, trước những tác động của đô thị hoá nhanh chóng tại địa phương ảnh hưởng đến hoạt động sản xuất của làng nghề. Nguyên nhân chủ yếu là do đất canh tác bị thu hẹp để chuyển đổi sang đất ở, cơ cấu nghề nghiệp chuyển đổi từ nông nghiệp sang phi nông nghiệp, công nghệ kỹ thuật lạc hậu đã làm cho làng nghề này ngày càng trở nên mai một trong vài năm trở lại đây. Dựa trên việc phân tích các điểm mạnh, điểm yếu, cơ hội cũng như thách thức, bài viết đưa ra một số ý tưởng để đẩy mạnh hoạt động phát triển của làng nghề như đào tạo nguồn nhân lực, phát triển thông tin thị trường và một hành lang pháp lý phù hợp trong tương lai.

#### **OPENING**

During its history, craft villages have always been closely associated with the

Vietnamese's life. No only do the products from these places have high value in economy, they also carry distinguished cultural and traditional features. Thang Long – Ha Noi, Hoi An, Bac Ninh etc. are some names that spring to our minds when craft village is mentioned. These are famous both nationally and internationally with products such as Van Phuc silk, Bat Trang pottery, Dong Ho paintings etc.

Hochiminh City, despite its history of mere 300 years, has contributed considerably to the development of handicraft villages in Vietnam with some outstanding examples, such as Thu Duc "Nem" village, Bay Hien fabric village, An Hoi copper casting village, etc. The development of these villages has greatly contributed to the economic growth and alleviated unemployment as well as poverty at local level.

Among these villages of Ho Chi Minh city, ornamental plants and Flower village of Go Vap District - Ho Chi Minh City stands out as one of the most well-established villages on both domestic and foreign markets. With this craft village, Go Vap's residents have been able to combine traditional agriculture's life with changes resulting from the early stage of urbanization. Nonetheless, this village had recently encountered some difficult issues, such as scarcity of capital, limited trade market, insufficient infrastructure, unsatisfactory payment, ineffective vocational training, etc. Besides. social and environmental problems have also negatively affected both the production quality and the locals' life.

From the current situation emerges a question of what solutions should be adopted

to enhance the potential strengths while as the same time transcending the limitations of the village's development in the context of the challenges put forward by the urbanization process. Hence, the demand for a thorough study on "Ornamental plants and

Flower village of Go Vap District - Ho Chi Minh City in the context of urbanization" is undoubtedly necessary.

### URBANIZATION IN GO VAP DISTRICT

According to the book "Gia Dinh – Ben Nghe in the past and Saigonese" of Son Nam,

Go Vap's area is actually a topographic mound which is higher in comparison with the average height of Saigon. When expats first started to explore this area, they created clusters of affluent agricultural activities.

In colonial period of France, the French developed a traffic system for the area. Among the facilities stands out the railway line which connects the Northern and Southern Vietnam in 1882, including Go Vap Station. In 1884, Street 1, which ran from Saigon center across Phu Nhuan District to Hanh Thong (a place in Go Vap District) with a length of 8 km, was expanded and upgraded. In following years, although Go Vap District was not included in the urban expansion programme of the government, certain roads were expanded to facilitate the utility of oxcart, carthorse, etc. In 1897, tramline and Sai Gon – Go Vap – Hoc Mon's bus line were also put into operation.

In terms of economic activities, Go Vap farmers focus on crops and industrial trees, such as rubber trees (60 ha), vanilla (10 ha), pepper (30 ha), Melaleuca (10 ha), tobacco (190 ha), tea (18 ha), coconut (60 ha), and peanut (80 ha)<sup>3</sup>. The development of agriculture production led to that of industry, handicrafts industry and commerce. In 1930s, Go Vap had 35 dying factories, which produce a total amount of 4,000 meters of silk per year, 10 tanning ovens (mostly belongs to the Chinese), 8 sugar stoves, as well as 24 lumbers and millings ovens. In addition to the traditional farmers, the human resources in factories increased annually.

In USA's war period, American imperialism had caused extremely serious consequences to Go Vap's society. Non-productive forces increased continually. At the time, soldiers outnumbered local people by many times, which led to the damage of agricultural villages. It takes quite a long time for Go

Vap's citizens to overcome the obstacles by focusing great effort after Viet Nam's

Independent Day.

After the liberation of South Vietnam in 1975, Go Vap became urban districts, yet still maintain a rural area due to the low urbanization rate. Nowadays, Go Vap District is located in the northern and northwestern HCMC, with a total area of 1948.6 ha and population of 555 577 people (according to 2011 data).<sup>4</sup>

Go Vap divided into two areas. The first one is the low-lying area along Ben Cat River, which is flooded under the reign of alum. This is an area of agricultural production, though the yield is not high. The other one is upland area which occupies most land suitable for construction of industrial factories. Urbanization process mainly takes place at the latter, although it quickly decreased after 1975. Hence, Go Vap district maintain a rural area in many years. This situation has fundamentally changed since 1980s. Nowadays, the urbanization rate of Go Vap District is many times faster in comparision with that in the past.

Go Vap became one of three counties with the highest mechanics population growth in HCMC by the process of rapid urbanization. Specifically, Go Vap had 144000 people in 1976. 20 years

later, it reached 223000, and in next 10 years, this number was 455000. From 1980 to 2003, the population of Go Vap District increased

<sup>&</sup>lt;sup>3</sup> Website of Go Vap District Committee: www.govap.hochiminhcity.gov.vn, *Overview of Go Vap District*.

<sup>&</sup>lt;sup>4</sup> Nguyễn Thị Thuỷ, Urbanization process in Ho Chi Minh City (1975 – 1996) (Cases studies of District 8, Binh Thanh, Tan Binh, Go Vap), Doctoral Thesis in History Studies, 2000, page 42.



by 2.87 times, an average annual increase was  $13.66\%^{5}$ .

According to the annual survey results of the local cooperative, floriculture and ornamental plants have been around years before the Liberation with hundreds of villages distributed throughout the country. Particularly, in the South, Sa Dec flower village (Dong Thap), Da Lat flower village (Lam Dong) and Go Vap Flower village are three of the largest centers meeting the needs of the whole market.

In the past, Ornamental Plants and Flower village of Go Vap District had larger area than nowadays, approximately 400 - 500 ha. Nonetheless, the area had been shrunk in the next stage. After the liberation, there were about 100 hectares and this number was 30 hectares in 1990-1991<sup>6</sup>. Downward trend has continued until now. The area of the village including a contiguous part of ward 6, 8, 9, 12, 14, 15 and 17 with the Le Van Tho Street as the center.

Following chairman of the cooperative ornamental of Ornamental Plants and Flower village, the village was formed before liberation. Specifically, in 1930s, the area began to appear in Go Vap District with some growers and they provided for the needs of worship during the holidays of citizens. According to Tu Tinh, an artisan renowned for the village, a journalist working for the French government had brought the art of bonsai and ornamental trees from Japan and this is considered a time marked the beginning of bonsai stage in Go Vap District<sup>7</sup>. However, due to the demand of people was low, yet the main products still were ornamental flowers in this stage.

Since 1980, urbanization speed of Go Vap District had been faster, leading to the decrease of local florist, while boosting the development of industry, service, residential areas and urban infrastructure. The local government has encouraged farmers to focus on ornamental plants and bonsai forms. With this approach, they can still produce in a small area, but the value of the product is higher than other traditional flowers. Thus, this is the landmark for the promotion of bonsai's development.

The increasing of urbanization broke the production structure of Ornamental Plants and Flower village of Go Vap District, although the village still manages to meet 1/3 demand for flowers in HCMC. However, with the increasing demand for housing to serve the growing population, the real estate market of Go Vap District in this period was very dynamic, with the value of the land plots which were rigorously boosted. The consequence of this process is that a sharp decline of arable land of flowers and ornamental plants and instead by residential areas and factories. Currently, Ornamental Plants and Flower village of Go Vap District only focus on production of ornamental plants and bonsai with small scale is 100-200 m<sup>2</sup> / household.

# PLANTING ORNAMENTAL TREES IN GO VAP

#### Human resources

Ornamental Plants and Flower village of Go Vap District shares a common characteristic with other traditional villages, which is the dependence of manufacturing activities on members of households. Productive forces are divided into several classes, including:

Artisans, most of who are head of the family (someone have been certified by the State artisans awarded), are the most experienced ones. Artisans play the most important role in the creation of valuable products. Particularly, an ornamental tree is considered valuable if it is cultivated solely by the artisan himself. It is the artistic point of view to artificial trees that once were recently purchased, they must be based on the characteristics of form and character of new plants that come up in the future. To "understand" the trees and considered the tree as "human" is the best way to created art of Bonsai. This is not only the professional

<sup>&</sup>lt;sup>5</sup> Website of Go Vap District Committee: www.govap.hochiminhcity.gov.vn, *Overview of Go Vap District*.

<sup>&</sup>lt;sup>6</sup> Viet Nam craft village association, *Restoration* of the ornamental plants and flower village in Go Vap District, 13/01/2013.

<sup>&</sup>lt;sup>7</sup> Trương Hoàng Trương, *Survey about craft villages in Ho Chi Minh City*, Department of Culture, Sports and Tourism, 2012, page 143.

knowhow but also the artist's ego, rarely replicated in other artisans.

Dressers are children and grandchildren in the family (average 2-3 people / households, most are 5-6 person / household). Their main task is to follow the guidance of artisans to enhance apprenticeship, and the products are the ones which have average value. The artist's instructions for workers are also handing process and prioritized retransmission of professional knowhow for descendants.

In addition, the rest class is the workers who are working following seasons with the role are salesman, transporting goods and materials<sup>8</sup>.

## Production

In the context of Go Vap Distric,t which is area with the highest urbanization rate in TP. Ho Chi Minh City, the producers of Ornamental Plants and Flower village of Go Vap District are divided into two trends to suit with economic conditions at the present. According to which, those have the capital and the productive forces at the average level will choose the taking short-term culture direction. In this way, they invest in low-cost plants, then sell them for from several hundred thousand to several million per tree to benefit from raising consumption in the short term. From there, the funds will be rotated quickly to the next season. On the other hand, those have experience in the resources relatively and stable will choose the direction of specialization. They invest in the plants which cost from a few hundred to billions per one. This is the strength segment of the artisans that their products have become brands with unique designs on the market.

## Overall

Ornamental Plants and Flower village of Go Vap District has been established and developed for a long time, it contribute significantly to the socio-economic development and create jobs, increase incomes for workers in local area. However, due to the impact of urbanization process, the production activities of the village gradually shrunk.

To preserve and promote the traditional craft villages, it is necessary that appropriate solutions that are consistent with the area current conditions be adopted. Urbanization process causes the generally shrinking of the operation of traditional villages craft HCMC. Ornamental Plants and Flower village of Go Vap District is not an exception and the most difficulty is the lack of land needed for producing and trading. Most production takes place in-house. Besides, the policy of the local government is relocating the manufacturing activities to suburbs in recent years. However, this led to other difficulties, which in turn affect the production, in two ways, the first of which is the increasing transportation cost. Secondly, the labor force started to look for other jobs because they would have to move farther and harder than before should they want to continue their old jobs. Therefore, employers had a difficult time maintaining the human resources.

In addition, the consumption market of the village is also confined to Go Vap district only, with a few exceptions that reach out to the whole city. Meanwhile, the export market has great potential as the products of Ornamental Plants and Flower village of Go Vap District are appreciated for the quality and aesthetics in international market. However, the local government does not have a special promotion potential to export finished products of craft villages.

Another point could add is that the manufacturing techniques do not improve, there is no investment in machinery applications into production. Mainly manufacturing operations still use rudimentary tools and traditional techniques so that the products are often less competitive than the other ornamental flower growing villages in other country such as Da Lat and Tien Giang.

In general, the issues of Ornamental Plants and Flower village of Go Vap District are undercapitalized, small-scale production and dispersion, monotonous designs and lacking information of market. Also, obsolete production technology makes products

<sup>&</sup>lt;sup>8</sup> Trương Hoàng Trương, *Survey about craft villages in Ho Chi Minh City*, Department of Culture, Sports and Tourism, 2012, page 145.

cannot compete with the application of modern science and technology.

#### SWOT ANALYSIS Strengths

Ornamental Plants and Flower village of Go Vap District stockpiled resource seedling abundantly. Customers often find ornamental trees from the village to select the products with high quality and prestige. At present, according to the cooperative, Ornamental Plants and Flower village of Go Vap District has total of 67 stores specializing in plants and 26 stores in flowers. This is the huge advantage of this place when comparing with other area.

About human resources, although the number of workers has declined by the changing in occupational structure under the impact of urbanization, the rest of craftsmen still remain highly skilled, including 9 artist who will be the mainstay of the village<sup>9</sup>. This will be a great advantage in preserving and developing Ornamental Plants and Flower village of Go Vap District in the future.

The transport system is combined with other local as well as international market through the 1A Street and Tan Son Nhat airport which will create favorable conditions for the expansion of consumer markets.

Moderate climate and topography higher than average level of HCMC are strengths in the development of aquaculture and ornamental crops.

In the village, there are many households have maintained long-standing manufacturing operations, therefore, have made а tremendous potential for investment funds with an average income reach over 100 million per year 10. Besides, the source of high quality seed and plenty combine with the reputation of the village. Both of them will meet the investment advantages in mobilizing large capital when needed. This factor will be the nucleus to attract and promote the development of the village economy.

At present, the University of Agriculture and Forestry is trained in Agronomy Studies. This will be the training environment for adjacent human Thev will resources. have opportunities to learn scientific and technological achievements to help the development of Ornamental Plants and Flower village of Go Vap District in the direction of modernization.

### Weaknesses

Under the impacts of the urbanization, the area of village has shrunk significantly when compared with before stage. Many households have sold their land to move to other business direction because of high-value of real estate. This causes Ornamental Plants and Flower village of Go Vap District become weaker and gradually eroded.

Capacity management and executive of producers are low. Most production facilities are not focused on the legal procedural issues, business management and product promotion. Many growers also have thoughts and concerns of small producers.

Backward technology led to high-quality products of the village is mainly dependent on the ability of aesthetics. This situation hindered the development of designs. The problem cause a negative impact on the competitiveness of Ornamental Plants and Flower village of Go Vap District with other villages such as Sa Dec, Cho Lach, Dalat, Tien Giang and products from developed countries such as Japan, Netherlands.

Under the waves of urbanization, the brand products have not been developed, although it had identified certain position on the market in the past. Position of Ornamental Plants and Flower village of Go Vap District has been reduced significantly. Besides, due to the small production so that concentrate on producing goods of average segment, yet the village cannot hold the advantage in the highend market and export.

## **Opportunities**

Demand of products from Ornamental Plants and Flower village of Go Vap District are growing on the domestic and foreign markets. A number of customers are climbing when they want to choose the beauty of ornamental plants, flowering ornamental products of high value as exalted

<sup>&</sup>lt;sup>9</sup> According to Agricultural Extension Center in Ho Chi Minh City.

<sup>&</sup>lt;sup>10</sup> According to Cooperatives of Ornamental Plants and Flower village of Govap District.

role for sufficient affluence of owners. Moreover, in urban life, people feel claustrophobic with concrete and tend is finding the green space to release stress. To satisfy the demand of urban families, the kind of potted ornamental plants is the optimal scheme for the design of green living space in the cramped space.

Local governments are encouraging the restoration and development of Ornamental Plants and Flower village of Go Vap District. Stemming from the motto of "One Village One Career<sup>11</sup>, the government will support in terms of land, capital, communications, information technology, human resources training, promotional products. The authority of Go Vap District has a plan to restore and upgrade Ornamental Plants and Flower village of Go Vap District. This place will become one of the main markets for these products with the goal of providing domestic and international markets. This is seen as a key way of Go Vap District in economic and social development under the pressure of urbanization process.

With economic integration drastically in recent years, Vietnam is benefited from access to global markets as well as international law which ensure the rights of the manufacturers. This opportunity will bring a certain conditions for Ornamental Plants and Flower village of Go Vap District to access the tastes of customers. Thereby, investment and development of new products, new varieties are needed to meet the demand of the markets. Urbanization, modernization brought the advancement of science and technology of modern techniques. The application of this new technique will increase labor productivity product quality. This has been and demonstrated from the lessons of Da Lat, or in the international arena like Japan case. Currently, many artisans of Ornamental Plants and Flower village of Go Vap District participate in scientific conferences. This will be the premise to add the village access to the

<sup>11</sup> Ministry of Agriculture and Rural Development, Decision on approval of conservation and development programs of craft villages, Ha Noi, 2011. above achievements of modernize manufacturing processes.

Urbanization also brings opportunities for Vietnam to attract investment from various organizations domestic and foreign. Numerous banks, financial institutions have been established to create a financial market and monetary development. This will enable the production of the village households easily raise capital to invest and expand production scale with modern equipment.

#### Threats

Market economy brings not only opportunities but also great threats. Typically is the stiff competition from other competitors in the same field. Today, many producers from over the world have very strong capabilities in technology, capital, management, power competitiveness and brand. Therefore, the position of Ornamental Plants and Flower village of Go Vap District become increasingly weakened.

The world economy is in a recession, especially in North America and Europe. Nevertheless, Vietnam is no exception to this influence. Our country is now also facing with certain difficulties, such as the instability of the stock market, inflation on the rise. This situation will affect negatively on production, including Ornamental Plants and Flower village of Go Vap District, which depends heavily on changes of the market.

Source legacy young labor is also a major challenge for the conservation and promotion of Ornamental Plants and Flower village of Go Vap District. At present, handing way in the form of "from father to son" is in trouble when the youth want to find other jobs which fit with urban life instead of remaining career of family.

## SOLUTIONS

Based on the above analysis combined with the actual situation of Ornamental Plants and Flower village of Go Vap District, this article proposes some solutions, including:

• The first: Expand and develop markets. The market is an important factor for the development of the craft village. To address this problem, the marketing of products through various marketing channels such as

tourism, fairs and exhibitions domestic and foreign have to work more effectively.

• The second: Investment and development resources, fuel. To overcome the shortage of raw materials, this is not able to be active in the lack of resource because this will greatly affect on the quality and cost of products as well as production schedules. Growers must try to breed varieties of ornamental plants and flowers at the base of production to achieve maximum economic efficiency.

• The third: The Role of the State. Local government plays an extremely important role in the organization and development of the village. Local authorities are best understood in this situation. The authorities should have specific programs and blueprint to grow Ornamental Plants and Flower village of Go Vap District. At present, the village is only focused on the cooperative model, this is no longer fit anymore. There need a new structure which is diversified and can attract all economic sectors to participate.

• The last: The role of themselves. This solution is equally important that the workers should:

- Understand the market dynamics.

- Explore innovative equipment and apply new technologies to production.

- Innovate in terms of product design to become a unique characteristic of their villages.

- Maintain healthy competition among different businesses the village.

- Be clearly aware of trademarks registering.

#### CONCLUSION

To conclude, maintaining and developing Ornamental Plants and Flower village of Go Vap District through the challenges of the urbanization process has become a major policy of local government. The people and government need to maintain enduring cooperation to ensure coming up with the most efficient strategies in particular stages. Thereby, gradually building and restoring landmarks "Go Vap Flower Village" famous in the past. Despite many difficulties and challenges, but with the experience and history as well as the contribution from the synergies of social resources, the authors believe that a bright future will come for Ornamental Plants and Flower village of Go Vap District.

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