

Boomtown, Mui Ne, Vietnam

It's lunchtime on Saturday at the open-air restaurant Cay Bang along Mui Ne beach in southern Vietnam, and the place is packed. Everywhere patrons are pointing and shouting out orders for a dozen lobsters here, a whole grilled fish there. At a table off to one side, the twisted tentacles of a two-foot squid dangle over the edges as they dry in the sun. Tanks teem with grouper and rockfish, along with mollusks in varying hues, coral crabs and mud-colored slipper lobsters and warm-water tiger ones.

The men, wearing heavy gold chains and jockeying for the catch of the day, are there to show off, along with their families, at the best seafood restaurant on the shore. With their black Mercedes-Benzes parked out front baking in the sun, they want service fast and the best of everything, mounds of it. They are Vietnam's nouveaux riches, creating a cacophony of cracking shells and laughter as they dip their meat into a mixture of lime juice, salt and pepper. By Western standards, this may seem like a cheap feast — \$80 for a half-dozen people — but in Vietnam, the price equals a month and a half's pay for a minimum-wage factory worker.

And that's the point. In recent years Mui Ne, about three hours northeast of Ho Chi Minh City (which the Vietnamese still call Saigon), has become something like the Hamptons of Vietnam. It's a weekend getaway on the South China Sea where newly wealthy city folk, having made their money off Vietnam's recent economic boom, go to enjoy the sea breezes and, just as important, demonstrate their rank in the social hierarchy. The Friday-afternoon convoys of luxury cars and air-conditioned buses on Highway 1 barely slow down as they whoosh past wandering livestock, bicyclists and scrambling pedestrians. In Mui Ne, whole extended families of in-laws, cousins, kids and babies take over the newly built resort hotels and beach bungalows. Men play golf in the early morning at Ocean Dunes, in Phan Thiet, the region's main city, a few miles away. Women take cover in the shade while their children frolic in the kiddie pools. In the late afternoon, when the heat has passed, everyone heads to the beach. Fully clothed mothers, their bras and jade pendants visible through wet shirts, splash around in the surf with their shrieking children. Fathers help their sons build sand castles. Then at dusk the whole noisy entourage is off to another expensive dinner.

"These new rich are very loud and not too humble," says Than Trong Phuc, a Vietnamese-American who escaped Saigon to California in 1975 but returned in 2000 to run the offices of Intel. "Now a lot of people are making money and showing their wealth." Though officially Communist, Vietnam has been opening up economically along the Chinese model, and displays of affluence are becoming increasingly commonplace all over the country. It surprises no one to see a 22-year-old driving a convertible Mercedes with the top down.

Conspicuous consumption wasn't even possible in Vietnam a decade ago (that 22-year-old might have been thrown in jail), and Mui Ne in its current incarnation barely existed. It was simply the outskirts of Phan Thiet, where in 1968 the Vietcong attacked the American military base LZ Betty in the Tet offensive. Mui Ne was home to no more than a few fishermen and their families, who made their living off the village's chief industry, nuoc mam, a pungent fish sauce. Many locals are Cham, an ethnic Muslim minority whose once great kingdom reached its pinnacle in the 17th century. The ancient ruins of Cham temples still tower over the beach road.

In 1994, Daniel Arnaud, a French hotelier looking to develop a beach resort in Vietnam, drove out from Saigon looking for an idyllic locale. When he reached the ocean near Phan Thiet, where Highway 1 first hits the shore before heading up to Hanoi, he found a gorgeous stretch of sand lined with small coconut groves, banana plantations and a few fishermen's huts. In 1995, he and his German wife, Jutta, got

permission from the local government to build Coco Beach, a cluster of wooden bungalows, and it began luring expatriates — mostly fellow Europeans working at multinational corporations or consulates in Saigon — on the weekends. “This was a sleepy little place in the middle of the true Vietnam,” Arnaud says.

Even though Highway 1 was not entirely paved, and it took up to six hours to reach the beach, the resort was packed, he says: “People really needed a place to get away.” In 1997, a French-Vietnamese investor built a second resort (now called the Victoria). A year after that, Highway 1 was fully paved, cutting travel time in half, and Mui Ne picked up serious momentum.

By 2001, the town’s lure reached beyond the circle of Saigon expatriates. Kite surfers discovered that winds blow a perfect 10 to 20 knots all day, from January to April (the beach now draws some 300 kite surfers each season). But it’s not the kite surfers who are responsible for the boom; it’s the Vietnamese elite. “Wherever the expats go, that’s where the new Vietnamese bourgeois want to go,” says Phuc. “For them, Americans and Europeans are very fashionable.”

Currently there are nearly 80 resorts and guesthouses along Mui Ne beach. Few are on par with the luxury resorts of international beach destinations like Nha Trang. But then Mui Ne isn’t trying to be that sort of place. For the moment, only about a half dozen properties cater to foreigners and the expat crowd, who frequent the rustic-chic bungalows of Coco Beach and the higher-end Sailing Club, with its separate beach villas filled with bamboo chaises and mosquito-netted four-poster beds.

Perhaps inevitably, private houses are the next step for Mui Ne. Zoning laws allow only public resorts, not individuals, to own beachfront property. But hundreds of residential complexes and a golf course are under construction in the hills across the road, and ocean-view houses are expected to go up next year. Land speculation is rampant, but building so far has been somewhat modest and family-oriented. Unlike with so many fast-moving development zones, tension between the locals and the arrivistes has been minimal. “The people who used to have fishing boats on the beach, they’re rich now, too,” Arnaud says. “Their speck of sand, which used to be worth 10 cents a square meter, is worth \$300 a square meter, and they can sell half, build a new house and get a new motorbike and still have half left.”

And that’s just on the other side of the road from the beach. “We were afraid that it wouldn’t all happen this way, that it would be the wrong type of Vietnamese development,” Arnaud says, citing another beach resort, Vung Tau. Much closer to Saigon, it used to be the weekend getaway for the wealthy during the French colonial period. But years of neglect, proximity to an oil refinery and the recent infiltration of girlie bars, karaoke parlors and casinos aimed at Chinese tourists have given Vung Tau a seedy reputation. In Mui Ne, though, the prospects only get better by the year, as more restaurants open and small shops spring up to cater to the growing weekender crowd and, increasingly, to international travelers as well. “You can see the evolution here daily,” Arnaud says. “If this were five years ago, we would be sitting on top of a banana tree right now.”