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TIPTOEING THROUGH LAOS

A chronicle of fat turkeys, Thai Banks, and hydroelectric dams

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Dear Peter,

Fat turkeys roam around freely on the deserted sidewalks of downtown Vientiane. An especially fat one sunbathes near the entrance of the Thai Farmers Bank, a brand new white building shining in the midday sun. The turkey is a startling sight. I would not bet on its chances of survival on a Hanoi street.

I am told the Lao people do not like to eat turkeys. They began to raise the big birds to feed visiting Russians in the good old days of communist friendship. The Russians left with the crumbling of the Soviet Union but the turkeys stayed. "Some people eat them, but not very much," admits Khamchanh Pharagnok, Director of the Training Center of Electricité du Laos, the national electricity company.

Children are pudgy in Vientiane and shops are stacked with every possible imported foodstuff, from packages of Ritz crackers to boxes of Corn Flakes and pouches of Knorr soup. Markets overflow with local produce. Cosmopolitan restaurants bake "French soufflés" and serve fresh pasta in softly-lit rooms. *Chintanakan Mai* (new imagination), the Laotian version of the Vietnamese *doi moi*, has clearly benefitted the once-sleepy capital of Laos. But Vientiane is not Laos. And according to aid organizations, very little economic progress has trickled down to the provinces. (According to an American aid organization, only 28% of the population has access to safe drinking water and one child out of five dies before the age of five).

But I cannot go to the provinces. My visa limits me to Vientiane, its fat foreign turkeys, deserted sidewalks, Thai banks and hydro-electric craze. If I could pick only four words to talk about Laos, I would pick those. But then who am I to tell? I only stayed seven days.

Carole Beaulieu is an ICWA fellow writing about the countries of former French Indochina, with a focus on Vietnam.

Since 1925 the Institute of Current World Affairs (the Crane-Rogers Foundation) has provided long-term fellowships to enable outstanding young adults to live outside the United States and write about international areas and issues. Endowed by the late Charles R. Crane, the Institute is also supported by contributions from like-minded individuals and foundations.

In beautiful landlocked Laos, foreign visitors are regarded as "environmental risks". The most "environmentally friendly" ones seem to be the rich ones. They buy expensive tours, travel in air-conditioned cars, spend a lot of money and do not mingle with the local population. They come to see temples and landscapes, so they get longer visas. "Laos does not like immorally-dressed foreigners poking around the country polluting local customs and behavior," says an official of the Laotian tourism bureau. "Working foreigners" are a lesser evil. They come invited by the government, give money and transfer technology. The "new imagination" era has brought more of them in town. So many in fact that the authorities admit to an "aid absorption" problem. But that is another story.

Journalists are the worst type of visitors. On the whole, they simply do not get visas. Individual tourists, especially backpackers, are second to worst. They walk around in shorts, have little money to spend, eat on the streets and usually do everything they can to socialize with the locals. They introduce them to modern music, expose them to immoral behavior. At least this is how the local wisdom goes. (The trouble is not too many rich tourists have come. Most of the Westerners have been backpackers and they have been outnumbered by Thais and Vietnamese. Laos "luxury tourism" policy has yet to pay off, its development hindered by bad roads often made impassable by the six-month rainy season.)

The Laotian consulate in Hanoi ferociously guards the peace and quiet of the "Kingdom of the Elephants" as Laos is sometimes known. "I am the only foreigner in the province where I work," says a Westerner wishing to remain anonymous. "Every day, somebody comes to my house and asks me how I spent the day."

John (not his real name) will not let me tell what nationality he is or which part of Laos he does his research in. "There are so few foreigners living here, the authorities would recognize me right away." And John has had enough trouble entering Laos, he will not do anything that could get him kicked out.

There is no phone where John works and no tourists ever come. The closest town has only one phone line. "The local authorities never go there," says John. "The first time I went in the mountains, they all came with me to see what it was like."

When John visited one of the villages he meant to study, the local chief told him: "I am pleased to see you. The last time I saw one of your kind, he killed my father".

John treads carefully among the people he came to help. They belong to one of Laos's numerous ethnic minorities - the country's most isolated and impoverished people - and they speak one of the 160 minority languages of the country. "What they endured during the French war and then the American war is unthinkable," he says. "The landscape is devastated." (Tons of defoliant were sprayed in the area during the Vietnam war. Small antipersonnel "bomblets" still cause injuries and deaths. Victims are often children who do not

understand the danger of playing with the tennis ball-sized objects.)(1)

John says resentment against all foreigners runs very high in the villages. In the local language, the word to describe foreigners also means enemy. Villagers also use it to refer to the majority ethnic Lao running the country.

I did not visit John's villages. It took him months to get the proper authorizations to go there. I could not even dream of going.

John says the villages are beautiful, with well preserved traditional houses and an amazing serenity. Old American bomb casings are sometimes used as stilts to support houses. "Children are malnourished," says John "but it is not a glaring malnutrition". Mortality rates are much worse than official statistics would indicate. There is no school in the village, no teacher, no medicine but the people rarely complain or ask for anything. "I know it will sound awful," says John "but living with them you get the feeling they are happy." (2)

In Hanoi, the Laotian consulate emits visas parsimoniously. Transit visas rarely last more than five days and do not authorize travel outside the capital or its immediate vicinity. Tourist visas last longer and authorize broader



Entrance to one of Vientiane's numerous Buddhist temples

(1). During the Vietnam war, the United States "secretly" bombed parts of Laos to disrupt the flow of North Vietnamese arms and men along the HoChiMinh Trail which passed through Eastern Laos into Southern Vietnam. It is estimated that two tons of bombs for every habitant were dropped on Laos. Quaker Service Laos gives out shovels in heavily-bombed areas to help unearth the devices safely.

(2). The country's mountainous landscapes and varied ethnicity sometimes illicit comparisons with Yugoslavia and a western diplomat in Vientiane told me the iron grip of the Party actually preserved the country from going "the way of Yugoslavia". John laughs of the idea, saying he has seen very little tension between groups and certainly no conflict.

travels but are only granted to people who buy tours. The tours are so expensive that even Vietnam Tourism, the official agency representing Lao Tourism in Hanoi, has given up trying to sell them. "You will not be interested by them," said one employee when we inquired about the tours. "They are too expensive." (A no-frill four-day trip to Laos costs about \$500 per person, plane fare not included. And if you do not like to visit temples, too bad. There is no way out of the set itinerary.)

Until recently, shrewd Vietnamese tour operators had found "ways" to circumvent the expensive tours. (Vietnamese always seem to find "ways" around rules) At the Laotian Consulate, tourists visa cost \$15. Once upon a time, it was possible to pay \$60 or \$90 to a Vietnamese tour operator and get a two-week tourist visa without buying a tour. But those good old days are gone. At least for now. (Some say it is still possible in Bangkok.)

The only other way into the Kingdom of the Elephants is to be invited. Your business partner may invite you, or your aid organization, or the Ministry you are to work with. A friend working there may invite you too. Easy. Simple. My own planned invitation floundered at the last minute and I became one of the numerous foreigners travelling to Vientiane on a transit visa.

And so I sit on the Russian terrace along the banks of the Mekong. It is Monday and downtown Vientiane is deserted. At least it looks deserted. There are no Russians at the terrace which used to be their favorite hangout. The place is full of locals munching on peanuts and savory dried meat. A little over 125,000 people live in Vientiane among the Buddhists temples, the old colonial houses and a few decrepit stalinist-style office buildings. After the rubbing humanity of densely populated Hanoi, Vientiane makes me feel lonely. Where have all the people gone? There is nobody on the streets cooking dinner, or washing clothes, or bathing the kids. Nobody tries to sell me anything. I begin to count passersby. There are so few of them, I finally give up.

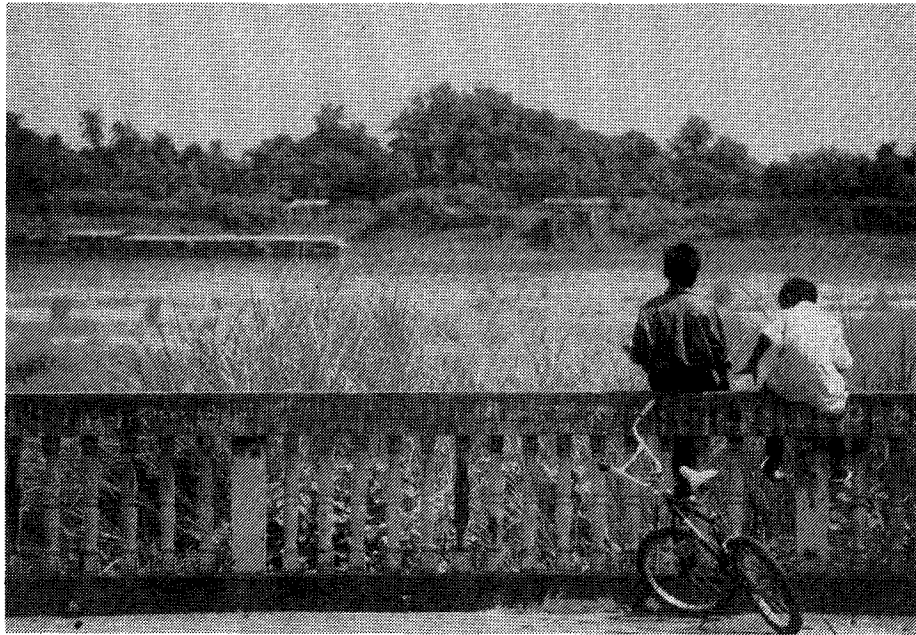
My mind knows that only 4 million and a half people live in this country roughly the size of Great-Britain. But still, shouldn't there be some people on the streets? Even the frogs croak louder than the beer drinkers. As the sky turns saffron and a few lonely fishermen throw their hand nets in the river, even the mighty Mekong flows on quietly, without a boat in sight. Where is the armada of boats that roams Vietnam's Mekong Delta?

"Environmental protection is important for Laos," insists M. Thevet, Laotian director of the Mekong Committee, an independent international organization created in 1957 to coordinate the development of the Mekong River. "We must protect the river."

The Mekong remains the least developed of Asia's great rivers. Few bridges stride it. No industrial center sits on its banks. Only one dam restricts its flow, way up in China, miles away from the river's source in Tibet. In Laos, the river is the main highway,

taking goods and people far into roadless districts. Experts say it may be the least polluted river on earth. (3)

Emerging peace in Cambodia, and shifts to market economies in China, Vietnam and Laos, have recently put increasing pressures on the Mekong. The rush for development is on and water is



Watching the Mekong flow downtown Vientiane

one of its key element. "All these countries need water," explains Le Huu Ti, Bangkok-based director of the Planning Division of the Mekong Secretariat. "Some need it to irrigate fields, other to produce electricity, others again need the river as a highway, to compensate for their lack of infrastructure. The challenge is to decide how we will share the water."

China wants to harness the river to generate electricity and feed its booming economy. Thai farmers need it to irrigate their fields in the drought-threatened central region and the Northeast's arid plains. Laos sees it as a source of hard-currency maker: dam the tributaries, produce hydroelectricity and sell it to power-hungry industrialized Thailand and developing Vietnam. But there are worries. If China dams the river, if the Thais irrigate their fields, how much water will be left downstream, where the river enters Vietnam and irrigates the country's main rice basket, the Mekong Delta? "When the Mekong is too low, salted water intrudes and destroys rice-fields," warns Le Huu Ti.

One river, many needs. And the power struggle takes place in places quite remote from the banks of the Mekong. "We do not really know what the Beijing leaders plan", says Thevet. "We hear they have plans for eight more dams on the mainstream. This would be very serious."

(3). Before war erupted in Indochina, major dams were planned on the Mekong. Years of experience - and environmental tragedies in other parts of the world - have convinced planners and engineers they are better off building dams on tributaries than on the mainstream. Oddly enough, admit some Mekong experts, the war may have "saved" the Mekong.



Headquarters of "Electricité du Laos",
the main foreign currency earner of the country

The founding principles of the Mekong Committee are very clear. Water must be shared equitably, member countries must not cause damage to each other, they must inform each other before they act on any Mekong-related project and they must repair damages if they cause any. Countries whose projects damage lower basin states would either face lawsuits or have to compensate for the damages. But China is not a member.(4)

(4). China would like to become a member, and Thailand supports the project but others oppose. For years now, the Mekong Committee has been bogged down by endless discussions on statutes. It was first created in 1957, at a time when wars and revolution raged in the two upstream countries of the Mekong: Burma and China. The founding members were Thailand, Cambodia, Vietnam and Laos. When war cut off Cambodia from the outside world, an Interim Committee was created in 1978. With the return of Cambodia, some had hoped to get back to the original Committee whose rules required a consensus between all members before any major work was done on the Mekong. Thailand opposes the move. Bangkok wants to seize the opportunity to modify the statutes, bring in Burma and China, and replace consensus rule by a majority rule. Vietnam and Laos strongly oppose the idea. Thai environmentalists have been very critical of Thailand's water policy, arguing the country would need much less of the Mekong waters if it managed its resources better. According to the Thailand Development Research Institute, the efficiency of the country's irrigation system is below 30%. Economists argue Thai farmers would waste less water if they had to pay for it instead of getting it for free as they do now.

Laos and Thailand have already said they will not build dams on the mainstream of the river. "There is a strong ecological movement in Thailand," explains Thevet. "People there are allowed to hold demonstrations to protest against projects." (5)

Most of the Mekong's energy potential lies within mountainous Laos. The river here is powerful, taut, muscular; a dream place for dams and engineers. But still Laos says it will not dam the main river although during the past twenty years over \$20 millions have been spent on the planning of two large projects. "To build them we would have to displace 110,000 people," explains Thevet. "International lobbies would oppose the dams and we would be unable to get capital and loans."

Instead Laos plans to dam some of the tributaries of the Mekong in remote and sparsely populated areas. Close to 45 projects are now being prepared, all at different stages of development.

Some say electricity is Laos only "hard-currency export", the key to the country's development. As I write, most Laotian villages do not have electricity. Over 65% of the country's electricity is exported, most of it to Thailand. Sales of electricity provide the main income of the Laotian government. (6)

The Thais are doing all they can to help Laos develop its hydropower infrastructure. "A few years ago, they wanted to be self-sufficient," says Samsak Phrasonthi, Deputy Director of Hydropower Engineering, a Laotian consulting firm often hired by the Laotian Ministry of Industry. "Now they never seem to have enough of our electricity."

But the growth of the Thai economy and its push into Laos, worry some observers. The European Economic Community, for one, will not help Laos develop its hydropower infrastructures for fear of helping the Thais gobble up Laos. "The more electricity Laos produces, the more Thailand buys, the stronger and bolder it becomes," says one French observer. "What happens when Thailand gobbles us Laos? How can we strengthen the Laotian economy?"

(5). It is a tribute to the work of some environmentalist groups that everybody I spoke too about the development of the Mekong mentioned that mainstream dams were now totally out of the question because environmental lobbies would stir up so much international opposition politicians would cave in. However, as a Bangkok Mekong Committee expert mentioned, China remains immune to that kind of protest.

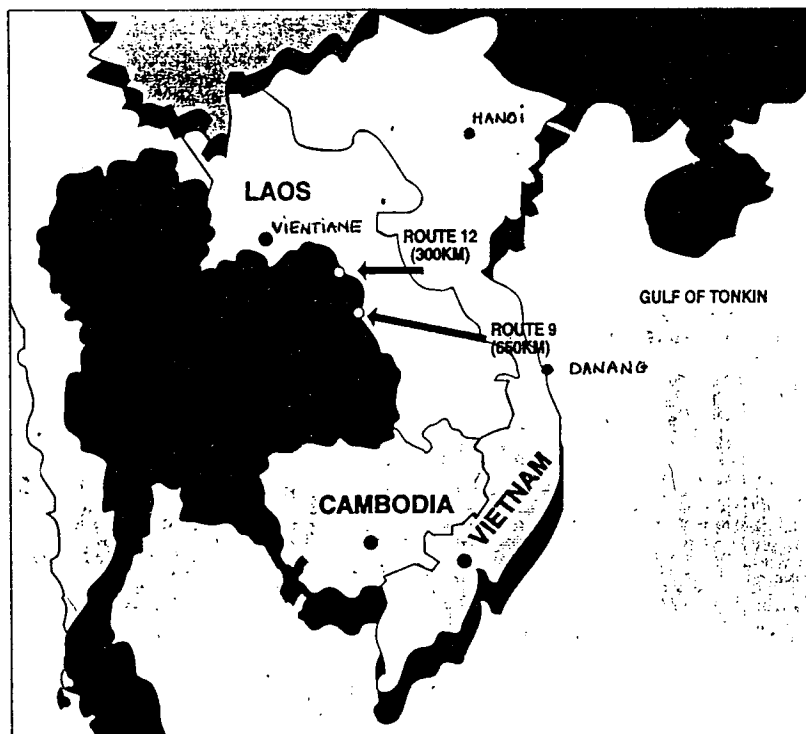
(6). According to Electricité du Laos, the state national electricity monopoly, Thailand pays about 32 kips (4 cents) for each kilowatt of electricity it buys. Tariffs in Laos range between 7 kips a Kw for irrigation pumps, 47 kips per Kw for commercial use and 60 kips per Kw for foreign missions. The cost of domestic use varies according to consumption. Those who consume less than 100 Kw a month pay 8 kips/Kw. The rate goes up to 14 kips for the 200Kw users and to 25 kips for the others.

Two-thirds of foreign investment in Laos comes from Thailand. The signs of Thailand's presence are everywhere. Every day, Laotians and foreigners get on the small ferries running over to the Thai Port of Nong Khai, a few miles downstream Vientiane. Foreigners go out to play golf. Laotians get on the boat with empty suitcases and return with full ones. The border was open to free trade in 1989 and the hustling Thais rushed in. "The Thais now control the economy," says a foreign diplomat based in Vientiane.

Anyone living within 50 km of the Thai border can pick up Thailand's four television stations and many are tuning to Thai boxing. With a first bridge to be completed in 1994, contacts will increase even more. But Vientiane is weary. Another planned bridge to link Thailand to Laos has attracted much less enthusiasm. The second bridge aims at opening a road to Vietnam's east coast via Laotian roads #9 or #12. It would give Thailand its first road access to the Gulf of Tonkin and the shipping routes to HongKong and Southern China but it would also provide poor farmers from Vietnam's central plains with a highway into Laos.

In Vientiane, Thai bahts are just as good as Laotian kips and American dollars. The local grocery store accepts all of them and most foreigners living in town carry the three currencies. Restaurant bills are made out in all three. "The Laotians know the Thais are eating them up," says a Westerner living in Vientiane. "But it is a pleasant invasion, so why resist?" (7)

At the corner of Samsenthai and Lane Xang, two of the city's main downtown thoroughfares, an old dilapidated French colonial villa has recently been bought. In the yard, in front of the villa, a large billboard advertises the proud new owner: the Siam Bank of Thailand. "At first, the Laotians thought nothing of the plan", says a Western architect living in Vientiane. "Foreigners were the first one to raise the issue in English-language Thai newspapers.



Map of proposed routes
from Thailand to Vietnam

(7). In 1992, Bangkok gave Laos more than 90 million baht (3,6 million US\$) in aid to Laos, half the budget earmarked for all three Indochinese countries.

They were outraged that Vientiane's architectural heritage was being sold off to the Thais, especially at such a prominent place in the capital."

A few weeks after the uproar, the billboard is still up but the project is on the rocks. "The roar over the Siam Bank brought the larger question in the open: What is really Laotian heritage? what is worth preserving and what is not," says Bob Hardy, the 50-year-old Canadian director of the Laotian bureau of the United Nations Center for Human Settlements. Hardy's team designed Vientiane's master plan and now works at rehabilitating the central neighborhood of the capital.

At the French embassy in Vientiane, cultural attaché Daniel Girard says Laotians show little interest in preserving old colonial villas and traditional wooden houses on stilts. "Preservation is mostly a Westerner thing," he says. "The average Laotian would happily move out of its wooden shack into a modern building. They do not understand what the Westerners find so interesting in their old houses."

Saisana Prathoumvan, a Laotian architect who worked on the city's master plan, disagrees. "Those buildings are our history," he says. "People are beginning to understand it."

Bob Hardy is also confident. After almost thirty years of work in both Asia and Africa, he has lost none of the enthusiasm that propelled him from Quebec's city poorest neighborhood into the villages of Africa, the Pacific Islands and Indochina. As we walk around town he points to some boring-looking building and begins to tell me about "Chinese compartments", low square-shaped houses Chinese investors build around Vientiane to get a foothold on the land. (Land can not be bought in Laos but houses can. A Chinese investor will spot a shack sitting on a good piece of land and offer to buy the structure in exchange for the right to build two "Chinese compartments" on it. One compartment is then given to the shack owner.)



One of the Thai banks operating in Vientiane

"A lot of the newer houses are influenced by Thai architecture," says Hardy. "Very little is inspired by Lao architecture." As he speaks, we come near the Nam Passak, a greenery covered, foul-smelling, shallow canal meandering through Sihom, the central Vientiane neighborhood Hardy and his team plan to rehabilitate. In some bends of the canal, the water is so low that it hardly circulates. The neighborhood is crammed with wooden houses. Children run around fragile looking wooden pathways built on stilts. Hardy says the Laotians chose that neighborhood as the pilot project because it is "the most difficult one, the most insalubrious." Training is an important part of the project. Once Sihom is completed, the Laotian team should be able to function without foreign assistance.

Over 5000 people live in Sihom. The neighborhood covers about 5 hectares. As Hardy's team attempt to build new roads, improve drainage and sewerage, complete electrification, some people will have to be relocated. Hardy insists he wants this first project to be done well. People ought to be compensated reasonably but not so much as to trigger a wild squatting movement in other neighborhoods by people hoping for future compensation. "Our people are working hard to keep the community informed and to get them involved in the project."



Hardy in Sihom. Across the greenery-covered Nam Passak, one of the houses to be removed

Hardy's file contains a photograph of every single house in Sihom. He knows what kind of land title residents have, which ones do not have any, and which ones are trying to get one. (About 13% have land rights) Those who have land rights and have to move will get a new plot of land elsewhere in the neighborhood. They will be



Downtown Vientiane. Challenges city planners face

compensated in cash for the loss of their house. Those who had no land rights will have to move to new housing developments. Poor tenants will be offered housing loans to relocate elsewhere. Hardy expects expropriation notices to be sent in mid-August. His drive and enthusiasm contrast with the cynicism of some other local expatriates.

Development is not going that well in Laos, according to French diplomat Daniel Girard. The money is there but the projects do not get off the ground. According to Girard, the World Bank recently withdrew 5 of the 30 million dollars it had offered the country without arousing a reaction from the Laotian authorities. "No reaction at all," says the puzzled Girard. "You would expect them to complain, to ask for some explanations no?" Girard, who arrived in Vientiane recently, has not been able to find enough candidates to fill the number of fellowships France offers Laotian students.

One European advising a Laotian institution attributes the people's "apparent passivity" to the years of iron-grip government. "Nobody knows where the power is," he says. "Everybody is scared of taking initiatives. People have learned to keep quiet, not to stand out. Just to have our photocopy machine repaired, I had to fill at least ten forms. And the machine is still not repaired, two weeks later."

After a few years in Laos, another European diplomat has grown more cynical about it all. "The Laotians authorities like to prepare development projects," he says. "Foreign experts come. They hire cars, guide and interpreters. All this brings money to government employees. When it is time to implement the project and maybe really change the poor conditions of the rural people, the

authorities find all sorts of good reasons to delay. More experts come and we start all over again."

The diplomat is bitter. He says the Laotians do not mind when their children die. They feed glutinous rice to infants and the babies choke on it. He says Laotians do not mind the dirt, the open sewers, the foul smells. He complains they do not know what to do with modern housing when you build some for them. He reminds me of the good old days when Canadians complained that Indian houses were dirty, strewn with garbage. And the Inuits, sure enough, "did not mind when their children died".

I look out his window. The diplomat's voice fades into the background. The Laotians, he insists, are not interested in making money. All they do is whine about how poor they are and wait for the foreigners to get the work done.

Far in the distance, a wooden house on stilts weathers the heavy downpour. A young man sits on the porch. I can't make out his face. I think of the authorities who try to protect him from the "polluting" influence of the foreigners and the foreigners themselves whose idea of "aid" may not be his. I wish I could stay. But my visa runs out in a few hours. *Bo Penlat*, would have said the Laotians. "It does not matter". Or maybe, it does.

Carole Beaulieu

Carole Beaulieu
Vientiane, July 1993



Waiting for development on a Vientiane street