

At the Crossroads: Poverty, Gender and Ethnicity Issues in the Northern Uplands of the Lao PDR



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We have learned much through the discussions held with stakeholders from the national level to villages and from different donor-supported projects and programmes. However, the final responsibility for opinions expressed in the report lies with the consultants, and most especially with the main author, Dr. Rita Gebert. They do not necessarily represent the opinions of SDC nor of any member of the Government of the Lao PDR.

All photographs appearing in this paper have been taken by Rita Gebert.

Abbreviations

ADB	Asian Development Bank
CCP	Core Coherent Programme
CCPR	International Convention on Civic and Political Rights
CEDAW	International Convention on Elimination of all forms of Discrimination Against Women
CERD	International Convention on Elimination of all forms of Racial Discrimination
CESCR	International Covenant on Economic, Social and Cultural Rights
CFSVA	Comprehensive Food Security and Vulnerability Analysis
CRC	Convention on the Rights of the Child
DAFO	District Agriculture and Forestry Office
EC	European Commission
FAO	Food and Agriculture Organisation
GOL	Government of Lao People's Democratic Republic
HH	Household
HRBA	Human Rights Based Approach
INGO	International Non-Governmental Organisation
kumban	Village Cluster or group of villages
LAK	Laotian Kip
LCRDP	Leading Committee for Rural Development and Poverty Reduction
LPRP	Lao People's Revolutionary Party
LWU	Lao Women's Union
MAF	Ministry of Agriculture and Forestry
MDG	Millennium Development Goal
NAFRI	National Agriculture and Forestry Research Institute
NCAW	National Commission on the Advancement of Women
NCCR	Swiss National Centre of Competence in Research North-South
NGPES	National Growth and Poverty Eradication Strategy
NSEDP	National Socio-Economic Development Plan
NNP	National Nutrition Policy
NTFP	Non-Timber Forest Product
NUSDP	Northern Uplands Sustainable Development Programme
PAFO	Provincial Agriculture and Forestry Office
PLUP	Participatory Land Use Planning
PPA	Participatory Poverty Analysis
PRF	Poverty Reduction Fund
SDC	Swiss Agency for Development and Cooperation
SWGUp	Sub-Sector Working Group for the Uplands
VDF	Village Development Fund
WFP	World Food Programme

Average Exchange Rates (early 2009): EUR – LAK = 1:11,000 USD – LAK = 1:8,500

Executive Summary

The northern uplands of Laos are at a crossroads.¹ Semi-subsistence farming families who have long relied for their livelihoods on swiddening farming-forest systems are no longer able to do so. Government policies, changes in major infrastructure, investment climate and marketing are combining to change upland livelihoods, sometimes drastically. The question to be asked is whether these changes are bringing newfound wealth and security for upland families. How are these changes impacting the poor of the uplands, women, and people of different ethnic groups who have relied on swiddening agriculture for generations? While this paper may not be able to offer specific answers to this question, it offers a critical analysis of the current situation, and shows that for many upland farming families the pressures on them to change their livelihood systems are doing more to increase their vulnerability rather than their security.

The Government of Lao PDR (GOL) has explicit policies to reduce poverty throughout the country, and the rates of both urban and rural income poverty appear to be declining, in some areas rapidly, since the introduction of the New Economic Mechanism almost 20 years ago. Nonetheless, the poverty rates in the northern uplands remain high: at over 40%, or about half of all poor people in Laos. Indeed, a number of studies, including this one, show that while there are families able to make big gains from the advent of commercial agriculture, others have become more vulnerable to poverty. Chronic child malnutrition rates experienced by the different ethnic groups in the North remain as high in 2008 as they were in 1998. Child malnutrition rates are included among the Millennium Development Goals (MDGs) for Laos. Chronic child malnutrition (stunting) is a powerful proxy indicator for poverty. The highest stunting levels in the country, at 58%, are to be found in the northern highlands. The prevalence of stunting is highest among the Sino-Tibetan, Austro-Asiatic and Hmong-lumien ethnic groups. These groups are also the poorest in the country.

In the current “imbalanced” socio-economic and environmental situation, the emergence of sustainable, permanent livelihoods in the northern uplands can hardly be expected. Upland people’s livelihoods rely for their security on adequate land and forest resources, but many families are now faced with shortages. There are a number of interlinked causes to explain these. Part of the problem is that there are too few mechanisms by which people of all different ethnic groups have a say in their own development. This begins with the lack of (accurate) information flows to the villages whether on laws, directives, rights and obligations, entitlements (to compensation, for example), market prices, available traders, environmental issues or nutrition issues. While there are good policies and intentions on the part of government, civil society is too weak to negotiate in its own interests, this being particularly true of many of the ethnic groups, women and the poor. Without a strengthened bargaining power of civil society, the overall sector of Agriculture and Rural Development will remain weak. This has yet to be well-enough recognised in Laos.

The conclusion of this paper, and from several other major studies carried out within the past few years, is that much of the poverty being experienced in the northern uplands today has been created by the implementation of the very policies which are meant to foster poverty reduction and/or pro-poor growth. As the World Bank Study on Agriculture in Transition, conducted with the Department of Planning of the Ministry of Agriculture and Forestry, concluded: *A careful and open policy assessment of whether the underlying assumptions with regard to traditional farming practices, upland environmental degradation, and upland poverty are adequate and relevant would be an important step toward making the upland and agriculture policy framework less restrictive for upland livelihoods and more pro-poor sensitive.*

¹ For the purposes of this study the northern uplands refer to the eight provinces of Bokeo, Luang Namtha, Oudomxay, Phongsaly, Luang Prabang, Houaphan, Xieng Khouang and Sayaboury.

The crossroads at which the northern uplands now stands is fraught with risk. In many ways, if there is no paradigm shift in terms of the interactions between people living in the uplands and other stakeholders, including government and private sector stakeholders, the long term prognosis for sustainable, and pro-poor, socio-economic development is not that good. Nonetheless, there is still a chance to change that prognosis with more inclusive and empowering approaches with disadvantaged groups (priority participation by the poor, equal participation by women in mixed gender forums, proportional representation of different ethnic groups on kumban/district committees and groups), with human rights based approaches, and with an avoidance of “one size fits all” policy and technical solutions in an area known for its diversity.

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1. Introduction and Background

The northern uplands of Laos are at a crossroads.² Semi-subsistence farming families who have long relied for their livelihoods on swiddening farming-forest systems are no longer able to do so. Government policies, changes in major infrastructure, investment climate and marketing are combining to change upland livelihoods, sometimes drastically. The question to be asked is whether these changes are bringing newfound wealth and security for upland families. How are these changes impacting the poor of the uplands, women, and people of different ethnic groups who have relied on swiddening agriculture for generations? While this paper may not be able to offer specific answers to this question, it offers a critical analysis of the current situation, and shows that for many upland farming families the pressures on them to change are doing more to increase their vulnerability rather than their security.

This paper has been commissioned by the Swiss Agency for Development and Cooperation (SDC). The initial context was a Design and Feasibility Study for the Northern Upland Sustainable Development Programme (NUSDP) leading to an eventual Programme-Based Approach. It is under the aegis of the Sub-Sector Working Group for the Uplands (SWGUp) (a joint Ministry of Agriculture and Forestry (MAF) – donor working group under the Joint Sector Working Group for Agriculture, Natural Resources and Rural Development). Some parts of it have been used in the Design and Feasibility Study paper commissioned by the SWGUp. Dr. Rita Gebert and Ms. Ny Luangkhot, who were responsible for gender, poverty and ethnicity issues on the Design and Feasibility Team, collected data for this paper in three northern provinces—Xieng Khouang, Luang Prabang and Houaphan—in December 2008 and January 2009. Interviews were held with villagers, village leaders and district and provincial officials in all three provinces. Further interviews were held in Vientiane. Rita Gebert is the main author of this paper; it does not necessarily reflect views of either GOL or SDC.

We realise that some of the data presented here are of a sensitive and even controversial nature. Despite this, however, it is felt that the data and analysis should be presented in order to provoke and/or contribute to discussions at this critical juncture of upland development. The northern uplands are presently undergoing rapid changes; it is still hanging in the balance as to whether these changes will be of benefit to the poor, to women and to all ethnic groups living in the uplands. As the northern uplands undergo rapid change, the question also arises as to the role of government in facilitating changes for pro-poor growth. At present there seems to be a disconnect between stated policy intentions and their impacts in the northern uplands. Some of the reasons for this disconnect will be explored in the sections that follow.

The Government of Lao PDR (GOL) has explicit policies to reduce poverty throughout the country, and the rates of both urban and rural income poverty appear to be declining, in some areas rapidly, since the introduction of the New Economic Mechanism almost 20 years ago. Nonetheless, the poverty rates in the northern uplands remain high: at over 40%, or about half of all poor people in Laos.³ Indeed, a number of studies, including this one, show that while there are families able to make big gains from the advent of commercial agriculture, others have become more vulnerable to poverty. Chronic child malnutrition rates experienced by the different ethnic groups in the North remain as high in 2008 as they were in 1998. Child malnutrition rates are included among the Millennium Development Goals (MDGs) for Laos. Chronic child malnutrition (stunting) is a powerful proxy indicator for poverty.⁴ The highest stunting levels in the country, at 58%, are to be found in the northern

² For the purposes of this study the northern uplands refer to the eight provinces of Bokeo, Luang Namtha, Oudomxay, Phongsaly, Luang Prabang, Houaphan, Xieng Khouang and Sayaboury.

³ World Bank (2008) "Lao PDR: Policy, Market and Transition in the Northern Uplands", May.

⁴ See S. Setboonsarng (2005) "Child Malnutrition as a Poverty Indicator: An Evaluation in the Context of Different Development Interventions in Indonesia." ADB Institute Discussion Paper No. 21. See

highlands⁵: the MDG target is only 20% underweight children by 2015—a target that will certainly not be met.

2 Policy Framework for Poverty, Gender and Ethnicity

The livelihood typologies of the northern upland areas continue to reflect a heavy reliance on semi-subsistence farming systems with sloping areas under annual crop cultivation. Nonetheless, some parts of the North have become significantly involved in cash cropping, and other parts have become heavily involved in industrial tree crops (notably rubber and to a lesser extent, teak). Thus, any policies or programmes which even indirectly, or unintentionally, affect women's and men's access to land, forest and water resources will also have an immediate impact on their livelihoods and livelihood security. Moreover, the implementation of some of the policies and programmes are having differentiated impacts on women and men, too often worsening the situation of women. These will be outlined in the chapters below.

2.1 Poverty Policy Framework

GOL has an established policy framework related to poverty, gender and ethnicity. This policy framework is made up of documents from different sources, including Lao People's Revolutionary Party (LPRP) Congress resolutions and directives, the Constitution, various laws, Prime Minister decrees and instructions, and the Five Year Socio-Economic Development Plans. In essence, major policies and policy directions are set by the five year Party Congresses—the latest one was the Eighth Congress which took place in March 2006. These policy directions should then be encompassed in an "Elaborated Development Plan" or similar (the current one has 11 programmes and 111 projects), and in various Prime Minister's decrees and ministerial instructions. Policy changes, or affirmations of policy directions, generally occur in the context of the Party Congresses. During the five years between Congresses, all organs of the State are obliged to implement these policies within the context of their own mandates. Each Ministry is obliged to show that it is closely following, and implementing, the policies as set out by the Party.

The main document which serves as a framework for poverty reduction at present is the National Socio-Economic Development Plan (NSEDP). The current one is valid from 2006 – 2010, and forms the basis for the Vientiane Declaration (arising from the Paris Declaration), and donor alignment to GOL policies. A separate National Growth and Poverty Eradication Strategy (NGPES) had also been formulated in 2003 - 2004; its goals and approaches have been fully integrated under the current NSEDP. A key aspect of the NGPES and carried over into the NSEDP is the concept of the "priority poor districts" in Laos: 72 poor districts had been identified based on data from 2001, with 47 of them having been identified as "priority poor." The targeting of government programmes since the advent of the NGPES has focussed on the priority poor districts, and are evident with the Poverty Reduction Fund (PRF), Village Development Funds (VDFs), and the more recent establishment of the Policy Bank to provide loans in the 47 poor districts. Of the 47 priority poor districts, 32 are found in the northern provinces.⁶

also the FAO publication (2008) *Water and the Rural Poor: Interventions for Improving Livelihoods in Sub-Saharan Africa*, edited by Jean-Marc Faurès and Guido Santini.

⁵ World Food Programme (2007), *Comprehensive Food Survey and Vulnerability Analysis (CFSVA)*, December, p. 99.

⁶ It should be noted, however, that there have been some minor changes in the designation of "priority poor" districts: for example, Paek District in Xieng Khouang is no longer considered a poor district, and neither is Xieng Khor in Houaphan.

There is another major planning document, besides the NSEDP, that may generate major impacts on the North if implemented. The title of this document, prepared by a team of Lao and Chinese (Yunnan Provincial Government) experts from 2006 to 2008 is as follows: *Planning for Industrial Economic Development and Cooperation in Northern Part of Lao People's Democratic Republic* (in short, the "North Plan"). As the title suggests, the main focus of this plan, apparently officially accepted by the Ministry of Planning and Investment, is on industrial development including hydropower, mining, and rubber and related processing; tourism is also given mention. "Traditional" agriculture should be "transformed."

The overall policy framework shows the government's intentions regarding the development of Laos so that it graduates from "Least Developed Country" status by the year 2020 (this goal was set by the 6th Party Congress in 1996). There are, however, a number of policies which are somewhat in contradiction with each other in their implementation, and some which are also at odds—in practice—with the stated overall poverty reduction goals of GOL. Generally speaking, there are many assumptions made as to expected poverty reduction impacts of certain policies which are not being borne out by field realities (see discussion on causes of poverty below). One of these is Programme Six of the current Elaborated Development Plan (resulting from the latest Party Congress in 2006). It reads as follows: *Solve poverty of households and communities, especially stopping slash and burn agriculture for rice cultivation.*

There are seven projects under Programme Six, the first two of which could have unwanted impacts on people's livelihoods in the light of the lack of viable alternatives for rice-based shifting cultivation:⁷

1. Project for permanent occupations, replacing rice-based shifting cultivation in focal areas;
2. Project for allocating permanent living and production locations for solving the "unorganised" migration of ethnic people.

Major problems, as will be described below, have arisen in the implementation of these two projects. The hasty promotion, for example, of "permanent" occupations such as maize cultivation have had negative social, economic and environmental effects, while the resettlement of people—most often to lower lying, more accessible locations—has also had unintended negative effects, such as when villages are merged in places which do not have adequate productive land to accommodate additional families.

Although it appears from the Elaborated Development Plan (Project Seven under Programme Six which states that a consensus should be found on defining poverty) that there is no agreed upon standard for measuring poverty, Prime Minister's Instruction 10/2001 defined poverty criteria for households, villages and districts. For household level, the definition of poverty relates to income poverty⁸ first and foremost in relation to adequate per capita rice consumption determined at 16 kilograms of milled rice per month: a "poor" household additionally would not have adequate disposable income for clothing, permanent housing, schooling, and medical expenditures. At village and district level, the definitions relate much more to the presence or absence of infrastructure, although one of the criteria for a "poor" village is that it has 51% and more poor households, while for a poor district it is 51% and more poor villages. Nonetheless, the overall MDG Goal on Poverty is to reduce the poverty headcount to less than 24%, and the poverty gap to 6%.⁹

⁷ The other five projects are as follows: 3. Project for improving the administration and use of PRF for reducing community poverty (loan from WB); 4. Project to have supporting funds of government to develop village "banks" for production, and serving the income activity of households to reduce poverty; 5. Project of "special" development in former areas of the revolution; 6. Project to motivate the economic sector and people of all classes to contribute to reduce poverty; 7. Project on surveys and data collection on poverty and establishing consensus on identified poverty criteria;

⁸ Determined to be LAK 82,000 per capita in rural areas (2001 prices).

The national poverty policy framework is also enhanced via GOL's commitments to international agreements and treatments. Importantly, Laos is a state party to international human rights treaties which require it to fulfil various obligations to its citizens as provided in those treaties. These treaties include CEDAW, CRC, CERD and CESC. ¹⁰ These international human rights treaties encompass a broad definition of rights, also including the right to secure livelihood, to food, to health and to education. Therefore, they are of direct relevance in terms of poverty reduction. CESC states that "in no case may a people be deprived of its own means of subsistence." Nonetheless, Human Rights Based Approaches (HRBAs) are not well-entrenched in the implementation of various policies, and few government officials are aware of the implications of these treaties for their daily work. When rural people are requested to move to locations where there is too little land for production, and no viable off-farm alternatives, then in effect it is depriving them of their means of subsistence.

A study of the various GOL policy pronouncements and related documents show that for the most part there is an assumption that *all* development or growth strategies are automatically going to reduce poverty in the country. Beyond the intensified targeting of government programmes in the 47 priority poor districts, there is not yet enough conceptual clarity on "pro-poor" growth or policies. On the contrary, there is rather a high level of determinism in policy-making which has not been tempered by adequate feedback or monitoring procedures. Considering the lack of change in some of the main policy directions over the past 15 to 20 years, it seems also that there are few iterative processes in place which affect policy decision-making. All in all, the policies related to the northern (and southern) uplands are quite restrictive vis-à-vis upland populations in both intent and practice, rather than aimed towards more facilitative approaches. There are also inconsistencies between the NSEDP, the Elaborated Development Plan, the "North Plan" and other policies and laws impacting northern upland populations).

2.2 Gender and Ethnicity Policy Framework

Both gender equality and the equality of all ethnic groups living in Lao PDR are recognised in the Constitution, and in several related laws. As mentioned above, GOL has ratified CEDAW and CERD. Constitutionally, Laos is recognised as a multi-ethnic society, and Article Eight of the Constitution states, "All ethnic groups have the right to preserve their own traditions and culture, and those of the Nation. Discrimination between ethnic groups is forbidden." The Census of 2005 recognises 49 different ethnic groups belonging to four larger ethno-linguistic groups: Sino – Tibetan, Austro – Asiatic, Hmong – Lumien, and Lao – Tai. ¹¹ Ethnic groups belonging to all four of these ethno-linguistic groups are found in the northern uplands. Indeed, the non-Lao groups, seen together, are most often the majority population in the northern districts as, overall they make up about two-thirds of the northern uplands population. ¹² As indicated above, certain policies—such as eradication of shifting cultivation—are by default aimed more at non Lao – Tai ethnic groups. This is in large part a function

⁹ The Poverty Gap Index measures the depth of poverty in a country or region, based on the aggregate poverty deficit of the poor relative to the poverty line.

¹⁰ The international human rights treaties ratified by Lao PDR spelled out in full are Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW), International Covenant on Economic, Social and Cultural Rights (CESCR), Convention on the Elimination of All Forms of Racial Discrimination (CERD) and the Convention on the Rights of the Child (CRC). It has also signed, but is not yet bound by, the International Covenant on Civil and Political Rights (CCPR).

¹¹ GOL does not accept the use of the phrase, "ethnic minority" in reference to the many ethnic groups living in Lao PDR; therefore, the term, perhaps a little awkward, "non Lao-Tai" is adopted here in reference to the majority of ethnic groups living in the northern uplands. This expression is also used in the National Nutrition Policy of 2008.

¹² World Bank (2008) *ibid*.

of the eco-niches which these groups inhabit: a majority of them live in higher altitude sloping areas, while the Lao – Tai occupy lower lying, flatter areas where paddy cultivation is possible.

Otherwise, the Law on the Development and Protection of Women was promulgated in November 2004, and among others provides women and children with protection against domestic violence and trafficking. It also enshrines the equal rights of women to land and other property, and their rights to equal pay for equal work. The principle of gender equality is also included in the NSEDP, as is the principle of “positive discrimination” for ethnic groups to increase their access, for example, to education services (NSEDP, p.144). The NGPES, and NSEDP, make explicit mention of a gender strategy with the recognition that *Lao women play critical roles in agriculture and other economic activities, and are primarily responsible for maintaining their families’ food security and health. The Government recognises that it will not be able to realise the goals of reducing poverty and improving national education, health and population indicators without the active participation of all women, particularly poor and ethnic minority women* (NGPES, p. 113 and NSEDP, p. 107). Although included under the NSEDP “Gender Strategy,” it is explicitly mentioned that there should be an improved “gender **and** ethnic balance of [government] staff at all levels.” (NSEDP, p. 108). There is therefore tacit recognition that both women and the different ethnic groups are inadequately represented in government.

2.3 Specific Policies Affecting Livelihoods in the Northern Uplands

There are numerous polices, decrees, laws and policy instruments, including achievement targets, which all have an effect on the livelihoods of the different ethnic groups living in the northern uplands and throughout the country. Primary among these are the following:

- Politburo Central Committee Instruction 09, 2004 on Kumban and Focal Site Development (Kumban Phattana), elaborated by PMO 13, 2008.
- Land and Forest Allocation Programme carried out starting in 1993
- Eradication of Opium Poppy Cultivation by 2005
- Eradication of Shifting Cultivation by 2010
- Local Administration Law, 2003
- Amended Land Law, 2003
- Forestry Law, 2007
- Tax Laws, especially for land

In addition to these major policies, recent Party Congresses (7th and 8th) have stressed the modernisation of agriculture, and the need to produce marketable surpluses. The Elaborated Development Plan, mentioned above, in turn has led to the second of the Ministry of Agriculture and Forestry’s (MAF) four major goals: the Commercialisation (or Commoditisation) of Agriculture.¹³ The rapid promotion of agricultural commercialisation has partly created a “monster” in the northern uplands with farming households clearing more land than ever before in order to plant maize (creating more forest and environmental degradation).¹⁴ With more family labour then allocated to the maize fields, people have turned away from their diversified systems too quickly. They have put their own subsistence at risk with this practice, as they had not anticipated the likely bust in agricultural commodity markets (officials and traders had painted over-rosy pictures). This over-promotion of mono-

¹³ The other three goals are as follows: Food Production/Security; Eradication of Shifting Cultivation; and Sustainable Forest Management.

¹⁴ This was mentioned specifically to the team in Houaphan Province by provincial and district officials. They said more forest had been cleared for maize cultivation meant than for upland rice cultivation, and that the province is faced with serious rice shortages.

cropping is clearly unsuitable for the low input, smallholder livelihood systems still prevailing in the North. Its sustainability is also questionable.

The implementation of these policies and decrees in the districts of the North are often in contradiction with the actual living conditions of the different ethnic groups, so that while a minority of farming households have been able to benefit handsomely from the new socio-economic conditions prevailing in the North, a larger number have become increasingly vulnerable to poverty; some have actually become poorer during the last five to ten years, as their access to cultivable land and to secondary forest has been reduced. The observations from the field show that without changes in the restrictive policies impacting on the ethnic groups in the northern uplands, there is rather little which can be done to have a broad-based positive impact on their livelihoods, and particularly on the livelihoods of women and other vulnerable persons. A large part of this relates to the restrictive nature of these policies, and their “broadcast,” “one size fits all” way of being implemented regardless of differences in household, village, agro-economic or topographic conditions.

It is easily arguable that the negative impacts of the policies which restrict people’s traditional livelihoods are outweighing the potentially positive socio-economic impacts of the rapid changes occurring as the result of market and other forces. Moreover, the delivery of needed government services has also not been able to keep pace with the changes.

2.3.1 National Nutrition Policy

The National Nutrition Policy (NNP), signed as an official document by the Prime Minister in December 2008¹⁵, is one of the few policy instruments which does not take a restrictive view of ethnic groups in upland areas. Instead, it recognises the severe problems which they have in maintaining or improving their overall nutritional status, and implicitly recognises that their Right to Adequate Food as enshrined in the CESC (ratified by GOL in December 2007) is not adequately paid attention to in Lao PDR. The NNP is to “serve as a reference for establishing action plans for nutrition and to *mitigate adverse impacts on nutrition, especially among Non Lao-Tai ethnic groups*. The NNP goes on to say “investments in agro-based industries, hydropower, and mining sectors present economic development potential. *However, uncontrolled development in these sectors present an increasing risk to food security as people’s access to natural resources and environmental sustainability is compromised.*” Important principles of the NNP relate to the *empowerment of women and vulnerable groups*, plus “no-harm” which relates to *control adverse impacts on nutrition from other development sectors*.

3. Institutional Framework

3.1 Poverty

According to the NSEDP and Elaborated Plan, it is the responsibility of all main ministries to aim toward poverty reduction of the country. At the same time, however, the efforts of the ministries and other governmental agencies have not been well-coordinated for this purpose. The inclusion of all Ministries’ strategies, programmes, plans and measures under the umbrella of a single NSEDP and Elaborated Plan, or under provincial and district development plans does not automatically predispose these Ministries and their offices at district or provincial levels to work together in a coordinated or integrated way. In fact, there is qualitative evidence to suggest that local offices have little by way of active cooperation with one another unless there is an urgent or important task set for them by the District Governor’s office. Occasionally, the presence of a donor-supported programme or project

¹⁵ PM Decree on the National Nutrition Policy, 248/PM, signed on 1 December, 2008.

also brings the different offices together for joint planning, implementation or monitoring exercises (depending on the type of project).¹⁶

Institutionally, there is one body which is specifically mandated for poverty reduction and/or rural development. This is the Leading Committee (also called “Board”) for Rural Development and Poverty Eradication¹⁷ (LCRDP). The Leading Committee was recently established by way of a Prime Minister’s decree (060) in January 2007. It has a structure at all levels, and seems to have a stronger presence in the priority poor districts mentioned above.¹⁸ While the mandate of the national level Committee has some clarity on paper, there is rather little clarity of mandate at the provincial and district levels. In fact, there seems to be some overlapping between the “Grassroots” offices and the Departments of Planning and Investment (DPI), and in some cases DPI staff have been shifted to work with the newly established Grassroots offices (even more recently established than the LCRDP). Interviews in the provinces suggest that the DPIs are expected to concentrate more on larger scale planning and investments, while the “Grassroots” offices should focus on coordinating village planning and investment. District staff placed in the Grassroots offices number around three, which would be the same as a DPI. Despite the weaknesses noted in the structure and functioning of the LCRDP, including its offices below national level, it is the only body in Laos to be mandated with the coordination of rural development and poverty reduction efforts. It has yet to establish a presence for this purpose, however.

Issues of poverty were discussed with all institutional representatives we met. The many discussions showed beyond doubt that government interlocutors at various levels need more understanding as to what poverty is, particularly its multi-dimensionality, and its causes. While many government staff, from district to national level, are able to recite the government criteria for poverty as laid down in Prime Minister’s Decree 010, they have not yet been enabled to analyse why certain households should be experiencing greater income poverty than others. The notion of differentiated household endowments is unheard of. The deepening, or creation, of poverty for some households through unsubsidised and poorly prepared relocation schemes was never acknowledged.

In fact, there is a greater tendency for officials to focus on “village” or “district” poverty, as it is measured largely in terms of infrastructure such as roads, schools, health centres, water supplies and the like. A large programme like the PRF has served to further strengthen this misconception of poverty, as its significant funding levels are mostly used to construct small-scale infrastructure. It is unfortunate, therefore, that the PRF has been named in this way (i.e., “poverty reduction”) in that the presence or absence of small-scale infrastructure for poor households and villages may have no impact on their poverty levels. Whether infrastructure would (indirectly) impact household poverty depends on the interaction of many factors. Most government officials seem to believe that the presence of infrastructure will automatically lead to a reduced prevalence of poverty.

¹⁶ Unfortunately, such programmes may also have the opposite effect, as local government staff, such as local agricultural extension staff, become busy only with “project work.”

¹⁷ The Lao word used is Eradication; it generally is translated as Reduction or Alleviation.

¹⁸ At provincial and district levels, at least in Xieng Khouang, Luang Prabang and Houaphan, the Leading Committee is Called the Grassroots (Political) Strengthening and Integrated Rural Development Office.

3.2 Gender and Women's Issues

The Lao Women's Union (LWU) is a mass organisation with a structure reaching down to the villages of Lao PDR. Not only does the LWU have its own dedicated offices from the national down to the district level, it also has LWU representatives within all Ministries. While the LWU's outreach is indeed, very broad, its real influence or impact on the livelihoods and rights of women, particularly of poorer women in highland areas, is fairly circumscribed. It primarily sees its function in mobilising women to implement Party policies at the grassroots level. These include, for example, such programmes as the "Three Goods."¹⁹ The organisation has very limited budget (one of the provincial LWU Directors said that her entire annual budget came to some LAK 160 million), but does tend to get regular donor support because of its mandate in relation to women and children. While the Women's Union should automatically be brought in to coordinate with line agencies or ministries, this seldom happens in the absence of special budgetary support.

One of the better known LWU programmes relates to the provision of micro-credit to women's and mixed groups in villages. Where donor-, including international non-governmental organisation (INGO-), supported projects provide seed money for capital, such savings and credit groups have been established. The Thai government-sponsored organisation, Community Organisation Development Institute, has been providing funds and technical assistance to the LWU since 2002. Apparently, there are some 400 savings and credit groups which have been set up as a result. More savings and credit (or only credit) groups have been established under the auspices of the LWU (several, for example, with seed money from the PRF), but because of the weak monitoring and evaluation of such programmes, it is not known what kind of impact they are having on rural women's, or rural families', livelihoods. Indeed, the LWU was unable to provide any gender disaggregated information on the 400 savings and credit groups mentioned above.

The National Committee for the Advancement of Women (NCAW), potentially an important body in Laos as it reports to the Prime Minister's Office, has a weak structure in the country, and little capacity (few resources at its disposal) to implement any programmes. While NCAW should be tasked with ensuring that Laos fulfils its obligations under CEDAW, its actual role remains underdeveloped. Different ministries, including MAF, have established Sub-Commissions for the Advancement of Women (Sub-CAWs), but they don't yet appear to have any independent activities besides planning and reporting. A decided weakness of the Sub-CAWs under the aegis of MAF, for example, is that at provincial level all the Sub-CAWs are officially headed by the Deputy Heads of the Provincial Agriculture and Forestry Office (PAFO), always men (who, with some exceptions, may not prioritise the issue of women's advancement).

All in all, gender issues in Lao PDR—despite various efforts—have been inadequately mainstreamed, and women and girls lag behind men regarding several key development indicators including literacy. Literacy rates of some ethnic groups' women are really low: for Lolo, Akha and Lahu women it is not even 5%! (Census 2005, p. 73). The 2005 Census data also indicate very high maternal mortality rates in certain districts: 14 of 17 districts with maternal mortality rates over 800/100,000 are in the North (See Figure One). Although women perform as much, or more, of the different agricultural operations than men, they are ineffectively reached by the agricultural extension system. Few extension staff are women, and with the reluctance and/or shyness of women with poor Lao language skills to join meetings where Lao is spoken, they seldom receive direct information from government

¹⁹ The "Three Goods" refers to the LWU supporting its members to "be good citizens, be good in development and have a good cultural family." It has more the nature of an invocation, although attempts are made to ensure that the projects of the LWU are related to one or more of the three goods.

extension services, or other sectors. Such issues related to multiple exclusion are not being taken up by NCAW.

The worsening socio-economic situation for some women (see Box 3) in the context of resettlement or village merging, the promotion of mono-cropping and the loss of biodiversity, and in terms of their economic and socio-cultural rights has yet to be adequately addressed either by the LWU or by NCAW.

3.3 Ethnicity

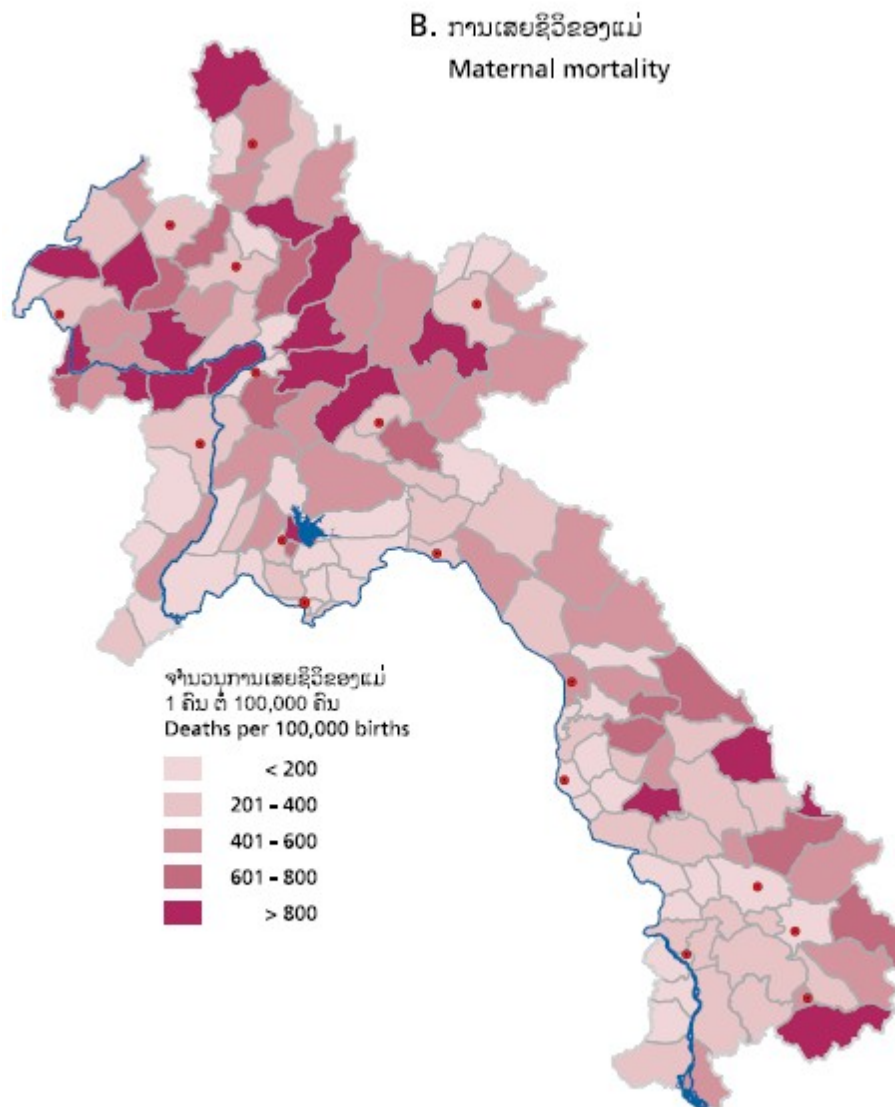
The only institution in Lao PDR directly charged by the Party and Government with taking care of ethnicity-related matters is the mass organisation, the Lao Front for National Construction (LFNC). It is mandated with fostering unity among the many different ethnic groups in Laos, but doesn't appear to have much presence in terms of poverty reduction and rural development activities because of its lack of resources.

The LFNC has played an important role, however, in classifying the ethnic groups in Laos. It recognises 49 ethnic groups and 160 sub-groups broken into four main ethno-linguistic categories, as already mentioned above. Regarding the number of ethnic groups in the country, however, there are still ongoing discussions as to whether the number is 49 or whether it is more than that. When LFNC research findings were presented to the National Assembly in 2008, some of the members argued that various of the smaller groups had been inaccurately subsumed under larger groups.



No upland village can survive without non-timber forest products (NTFPs); whether for food, shelter, implements or cash income.

Figure One:

Maternal Mortality Rates in Lao PDR

Map scanned from the *Socio-Economic Atlas of the Lao PDR* (2008).

The map above shows the 14 northern districts where Maternal Mortality Rates have remained at a shockingly high 800+/100,000, while another six are in the 601 – 800 range: by far, the worst in the country (the MDG 2015 is for 185/100,000). For comparison's sake, a rate of over 800 is one of the highest in the world (900 recorded in some sub-Saharan countries).

The 14 districts are as follows:

Sayaboury Province: Hongsa and Ngeun

Bokeo Province: Meung and Paktha

Luang Namtha Province: Vieng Phoukha

Luang Prabang Province: Ngoi, Pak Xeng, Phonxay, Chomphet

Oudomxay: Houn

Phongsaly Province: Nhot Ou, Khoua

Houaphan Province: Houa Muang

Xieng Khouang Province: Phoukoud

4. Socio-Economic Framework

4.1 Attitudes Toward Different Ethnic Groups

The northern uplands are characterised by diversity, whether it be social, agro-economic or ecological. While this socio-cultural diversity—and the different indigenous knowledge systems this generates—should be seen as a strength of the North, it is very often condemned as a weakness. The ethnic groups in the uplands are seen as “lazy,” “backward,” “undeveloped,” “uneducated,” “conservative” “environmentally destructive” and, to a large extent, responsible for their own poverty because of the various traits just listed above. These are the type of attitudes frequently heard. In the course of the many discussions held with government officials at different levels, there was almost no acknowledgement or description of positive attributes or features of different ethnic groups. No one mentioned they are hardworking, or that they have developed remarkable skills to ensure their livelihoods under harsh conditions, or that their traditional socio-economic concepts and mechanisms assure overall community subsistence, or that any of their livelihood practices, including their methods of land and natural resource management, may actually help to conserve both agricultural and natural biodiversity. There is no recognition that traditional knowledge is also dynamic and adaptive.

The attitudes of predominantly Lao-Tai officials towards the non Lao-Tai partly explains how various policies are implemented in the northern districts. There are certainly many misconceptions regarding the behaviours, beliefs and livelihood strategies of the different ethnic groups which are, in part, shaping the policies directed at them, including relocation/merging and the eradication of shifting cultivation. Local officials commonly believe that the primary driver of deforestation is shifting cultivation when in actual fact, in many northern districts, it is plantation development (destruction of secondary forest to establish rubber, for example), commercial logging and the expansion of commercial agriculture (heavily promoted by PAFOs/DAFOs). None of these three drivers have upland people “in the driving seat.” Trockenbrodt (2008, p. 18) writes *According to the report “Forest Cover Change in Southeast Asia – The Regional Pattern” of the EC Joint Research Centre (Stibig et al. 2007), shifting cultivation causes some forest loss in northern Laos, however, the authors consider the expansion into secondary forests to be moderate. This view is supported by case studies conducted in northern Laos.*

Above all, officials believe that people in the highlands must be moved in order for them to modernise or develop.²⁰ Moreover, because there is so little trust in people’s “local wisdom,” there is a strong tendency on the part of local officials toward trying to manage and control (micro-manage) too many aspects of kumban or district development. This micro-management approach may potentially create a situation of greater dependence of especially relocated villagers on local/district authorities. This is evidenced, for example, by the procedures required for subsidised loans from the Policy Bank; it is abundantly clear that the loan approval is based on district sanctioning of a certain type of “productive activity.” That is, the district, or higher level, decides in the first instance what activities villagers can get loans for, thus attempting to control their “commercial” activity.²¹ It is also evidenced by district-promoted monopsonies.

²⁰ Some officials insisted that it is impossible for people to develop in remote locations.

²¹ This is abundantly clear in Luang Prabang, where the Policy Bank was ordered from the Central level to make loans available for sticklac production, and that too, not necessarily in the priority poor districts (the mandated target area of the Policy Bank). Because of the cumbersome procedures, however, which meant the arrival of loan money too late to plant the pigeon pea bushes required for the sticklac many farmers “beat the system” by using the loan money to purchase livestock.

4.2 Who Are the Poor in the Northern Uplands?

Among the many misconceptions about the populations living in the northern uplands is that their livelihood approaches necessarily make them “poor.” While the upland farming-forest livelihood systems developed by the different ethnic groups have generally not been geared to creating large surpluses—putting them into the category of semi-subsistence livelihoods—they have allowed a majority of people to have their subsistence needs met, and to create small surpluses.²² The traditional northern uplands system had been based on several pillars which included the upland plots for rice/vegetable and some maize cultivation (upland rice is always intercropped with other food crops), opium poppy cultivation (before 2005), use of the forest (for bamboo and timber, for hunting, for NTFPs, including many different forest foods), domestic livestock (extensive raising methods), rivers and streams (for fish, aquatic animals, other edible products), and to a very minor extent paddy cultivation. A study done in Muang Sing (Luang Namtha) in 1995 showed that large numbers of upland farming households were involved in trading networks for opium, livestock and rice.²³

As noted by many observers,²⁴ the northern uplands are undergoing a rapid transition from the semi-subsistence livelihood systems described briefly above to many variations on commercialised agriculture systems. Although there is a continuum from ongoing semi-subsistence systems to more commercialised systems, there are few upland farmers who willingly give up producing for household consumption. There have been cases, however, where farmers said they would be heavily “taxed” if they continued to grow rice on upland plots instead of turning the land over to rubber (in another area villagers said they were told they would be banned from planting rice if they did not agree to plant rubber); in other words, they are being pressured to take up commercial agriculture. Those who have focussed on maize cultivation this past season were faced with a rude shock when the prices of maize dropped by a factor of over three, and markets dried up. Those farming families who have become more involved in commercial agriculture are not necessarily the “new rich” of the uplands. Indeed, it may be possible to think of them as the “new vulnerable.”

The vulnerability of upland households to price, environmental, weather or other shocks such as those caused by resettlement is reflected in the child malnutrition statistics made available by the Comprehensive Food Security and Vulnerability Analysis (CFSVA) (2008). This study concludes (p. 9) that every second child in Lao PDR is chronically malnourished (stunted), and that this has *not* improved over a period of ten years (p. 9). The other important point here in the context of the northern uplands is that *no improvement in child nutrition levels is noticed with moves to roadsides for villages that were previously located in areas with no road access* (pp. 14 and 99). In fact, the CFSVA notes the following: “*When looking at access to roads, children living in areas with poor road access tend to have lower presence of malnutrition (underweight, stunting and wasting), although these differences are not significant.*”

This means two things: first, the dislocation caused by resettling or merging villagers is not being mitigated by proximity to government services or markets; second, since chronic child malnutrition is a strong proxy indicator for poverty, then *ipso facto* upland poverty has not actually improved over the past ten years despite far rosier statistics for reductions in income poverty for Laos as a whole. The stunting levels noted by the CFSVA are **not** primarily

²² Among Sino-Tibetan and Hmong-lumien groups for example, the surpluses generated by their traditional system were always observable in silver coins, jewellery and other decorative items. Surplus was also observable in terms of the number of large livestock. Therefore, it is inaccurate to think of them as “subsistence” farmers.

²³ Gebert et al (1995) “Baseline Survey for the GTZ-Supported Food Security Programme in Muang Sing.”

²⁴ The latest World Bank (2008) offering, cited above, makes this plain, as does the Diagnostic Study commissioned by the SWGUp in 2008.

caused by lack of starchy foods (rice, maize, tubers) in the diet; rather it is the lack of oils, protein and micro-nutrients (the latter found in fruit and vegetables but which cannot be absorbed in the absence of oil) which is the main cause of the problem. Therefore, solutions to “food poverty” based on increasing rice production will not have much positive impact on the situation.²⁵ Protein deficiencies are a product of reduced access to forest; domestic livestock is more often sold than consumed.

These data make for extremely sobering reading, especially when, as mentioned above, one considers that the worst rates of stunting are found in the northern uplands (58%) (CFSVA, p.99). The stunting statistics broken down by ethnic group show that overall, the Sino-Tibetans (only found in the North, particularly in Phongsaly and Luang Namtha) suffer from a rate of 62%, while the Austro-Asiatic (represented largely by the Khmu in the North) groups have a rate of 56% and the Hmong-lumien (only found in the North), 54%. By comparison, the national rate for the Lao-Tai is 42%. These data confirm our, and others’, observations that the face of poverty is that of the non Lao-Tai ethnic groups, and particularly their women and children.

The seriousness of stunting in terms of its long term impacts cannot be overstated. Stunting of small children (starting before the age of two) has negative, and even severely negative, impacts on their cognitive development and functioning. Stunting may also result in poor physical development of children, with them being in a weaker physical state for their whole lives. In other words, a generation of currently stunted children are likely to remain in poverty as their physical and cognitive functions also remain impaired. To condemn a child to stunting because of current poverty is to condemn the next generation to poverty as well. The implications for Laos as a nation are also extremely serious: the need for a well-educated workforce able to work in the off-farm sector will not be met if the current generation of children is unable to study and develop well.

In terms of household poverty, the initially identified poor districts which are in the North, have to a certain extent reduced their rates of poverty very dramatically (see Table One). Unfortunately, it cannot be sure to what extent these data are reliable. Of interest, nonetheless, is that the district of Sam Tai in Houaphan Province has a larger number of poor households in 2008 (5612) compared to 2001-2002 (5325) (but with a slight decrease in percentage—from 67% to 63%—because of population increase). To take three Luang Prabang districts of Viengkham, Phonxay and Pak Xeng (all priority poor) as examples, they are currently shown as having household poverty rates of 24%, 43% and 23% respectively. The year before, these same three are shown as having 14%, 35% and 56% respectively.²⁶ In other words, the number of poor households in Viengkham went up from 873 to 1533, in Phonxay they also went up from 1708 to 2100, while in Pak Xeng they are reported to have dropped in a single year from 2193 to 909. In reality such dramatic shifts in poverty are seldom possible. Such data swings are indicative of possible problems in collecting reliable data according to the given indicators²⁷ and, perhaps, over-enthusiasm in some cases to meet targets for reducing household poverty. These swings also reflect likely conceptual problems surrounding what “poverty” actually is.

Table One also shows that most districts have reduced their numbers of villages from 2001 to 2008, indicating the ongoing process of merging villages. A majority of villages visited had been relocated within the past 10 to 15 years; most villagers said the new location had been

²⁵ See FAO, “Rice is Not Enough!” A recently produced flyer on nutrition, and calling attention to the severe problem of lack of all other foods *besides* rice/starchy food.

²⁶ Data provided by the Luang Prabang Grassroots Development Office.

²⁷ It is possible that Village Headmen are tasked with reporting on the number of poor households in their villages. They may well be very much overburdened with such a task, and unable to report accurately. Otherwise, they have a certain understanding as to what kind of poverty statistics are desirable to report.

selected for them by the district authorities, but they had to bear all costs of the move themselves. In all districts visited, district authorities said they were not finished with merging villages, and most could give targets in this regard. Also of interest in Table One is the variation in overall population increase in the selected districts from 2001 to 2008. In eight of the 15 districts (shaded in the Table), the population decreased or hardly increased, meaning that there has been significant outmigration from some of them.²⁸



At the roadside, but with too little cultivable land. A few families are doing well (compare pictures of houses), but this roadside village has had to receive support from WFP because of food shortages.

²⁸ In at least one district (Pak Xeng), boundaries have been redrawn so that they have “lost” villages, but there are no clear data available on this. In Pak Xeng, there has also been outmigration.

Table One: Comparison of Populations in Selected Poor Districts: 2001 - 2008²⁹

Province District	2001 Population	2001 Villages	2001 HHs	2001 % Poor HHs	2008 Population	2008 Villages	2008 HHs	2008 % Poor HHs
Luang Prabang								
Phonxay	24396	72	3876	80	30659	63	4884	43
Viengkham	40723	113	6650	79	38760	95	6364	24
Phoukhoun	20678	50	3075	64	19697	41	3036	17
Pak Xeng	25886	87	4353	61	23056	61	3921	23
Houaphan								
Houa Muang	26405	88	3792	87	30251	77	4426	54
Viengthong	24351	80	3684	77	26216	71	4113	60
Sam Tai	53279	180	7992	67	59586	166	8947	63
Viengxay	34920	131	5502	62	34500	110	5752	44
Xieng Khor	25646	66	3861	61	26450	59	4397	18
Aed	26467	78	4007	53	27013	78	4394	26
Sop Bao	25533	75	3894	52	26414	68	4307	40
Xieng Khouang								
Khoun	30943	90	nd	nd	33490	89	4777	20
Nonghaet	36165	112	5153	55	36753	110	5230	30
Paek	66284	113	11127	31	69787	113	11852	2
Kham	46979	114	6685	15	48859	115	7323	9
Totals	455589	1840	--	--	531941	1667	83723	--

Table Notes: Sam Neua District is not included in the table, but at present it has a higher poverty rate (51%) than Viengxay (44%), making Sam Neua by definition a "poor" district although it is home to the provincial capital. Either there were mistakes made when gathering data in 2001, or Sam Neua has become poorer over time! 2001 data are from the NGPES; 2008 data from Provincial "Grassroots" Offices.

Household columns for 2001 not added up because of missing data.

Sam Tai is now the poorest district in the three provinces shown above in terms of both percentage, and in sheer number of poor households.

Poorer families exist throughout the northern uplands. It is not possible to say that there are villages with "no" poor. Having said that, however, it is clear that there is a difference between the Lao-Tai and non Lao-Tai ethnic groups. Table Two below shows the breakdown of district population according to major ethno-linguistic groups in three selected provinces: Luang Prabang, Phongsaly and Houaphan. Taken as a whole, the initially identified priority poor districts do, indeed, have a higher non Lao – Tai percentage than other districts. Precise data relating ethnicity and poverty are seldom available, but Houa Muang officials were able to provide adequate data to make a conclusion about poverty and ethnicity in that district. The Phong (an Austro-Asiatic group) are by far the poorest group (see Table Three below). They are overrepresented in terms of percentage of poor households (41.2% although their total share of the population is only 31.4%), and more than two-thirds (71.2%) of Phong households are poor.

²⁹ In provinces visited by Gebert and Luangkhot. Some members of the Design and Feasibility Study Team had also visited Phongsaly, data for which are shown in Table Two, and it is foreseen as of this writing that this province will be among the pilot provinces for the Core Coherent Programme of the NUSDP.

Table Two: Ethnic Groups by District in Three Northern Provinces (2005 Census)

	Major Ethno – Linguistic Groups										
	Lao-Tai		Austro-Asiatic		Sino-Tibetan		Hmong-lumien		Other or No Data		District Totals
	Nr.	%	Nr.	%	Nr.	%	Nr.	%	Nr.	%	
Luang Prabang Province											
Districts											
Luang Prabang	57909	74	11169	14	721	0.9	7749	10	968	1.2	78516
Xieng Ngeun	6871	20	20576	61	43	0.1	5533	16	474	1.4	33497
Nan	13530	52	10173	39	61	0.2	2275	9	169	0.6	26208
Pak Ou	9710	40	8618	36	9	.03	5540	23	168	0.7	24045
Nam Bak	17766	30	31302	52	55	.09	10326	17	345	0.6	59794
Ngoy	9996	25	22646	56	8	.02	7812	19	217	0.5	40679
Pak Xeng	2881	12	19365	83	11	.05	1046	4	121	0.5	23424
Phonxay	2928	10	17331	58	7	.02	8782	30	598	2	29646
Chomphet	11454	40	11704	41	111	0.4	5476	19	142	0.5	28887
Viengkham	8311	21	25523	63	5	.01	6210	15	313	0.8	40362
Phoukhoun	768	4	12978	64	13	.06	6290	31	111	0.6	20160
Provincial Totals	142124	35	191385	47	1044	0.3	67039	17	3616	0.9	405218
Phongsaly Province											
Districts											
Phongsaly	1478	6	683	3	22178	88	724	3	141	0.6	25204
Mai	8003	34	7725	33	6749	29	957	4	162	0.7	23596
Khoua	3992	15	16444	60	6524	23	3	0	231	0.8	27194
Samphan	1339	5	9361	34	13966	51	2233	8	178	0.7	27077
Boun Neua	3390	18	564	3	14176	75	652	3	160	0.8	18942
Nhot Ou	9747	35	49	0.2	12093	44	5295	19	222	0.8	27406
Boun Tai	3207	19	1851	11	10599	64	738	4	124	0.8	16519
Provincial Totals	31156	19	36677	22	86285	52	10602	6	1218	0.7	165938
Houaphan Province:											
Districts											
Sam Neua	29683	54	8585	16	61	.1	15303	28	785	1.4	54417
Xieng Khor	16030	60	5851	22	7	0	4776	18	151	0.5	26815
Viengthong	12642	50	7657	30	5	0	5180	20	189	0.7	25673
Viengxay	26237	73	3247	9	36	.1	5924	17	297	0.8	35741
Houa Muang	5675	20	16930	60	12	0	5241	19	262	0.9	28120
Sam Tai	29656	52	2938	5	20	0	23828	42	416	0.7	56858
Sop Bao	18085	68	1113	4	7	0	7008	27	222	0.8	26435
Aed	18329	68	4374	16	7	0	3985	15	228	0.8	26923
Provincial Totals	156337	56	50695	18	155	.1	71245	25	2550	0.9	280982

Table Notes/Explanations: Shaded districts are originally designated "Priority Poor."

Luang Prabang's 4 poor districts have about 13% Lao – Tai (much less than the provincial 35%). For Phongsaly, it is 20% Lao – Tai in the 2 districts (same as province), but senior officials say Nhot Ou is no longer poor (the district with highest % Lao-Tai). Houaphan has the highest Lao – Tai population of the three provinces; in the poor districts, Lao – Tai are 52% compared to 56% for the province. Xieng Khor, however, with its current rate of 18.4% HH poverty no longer warrants its "poor" label.

Clearly, ethnicity and poverty must always be analysed carefully within districts.

Table Three: Houa Muang District: Household Poverty and Ethnicity

Ethno-Linguistic Group	Total HHs	% of Ethnic Group to Total HHs	Poor Households		
			Number	% Poor Within Same Ethnic Group	% Poor Compared to Total Poor HHs in District
Lao – Tai	1007	23.3	348	34.5	14.8
Hmong	743	17.2	393	52.9	16.7
Khmu	1252	28.9	639	51.0	27.2
Phong	1360	31.4	968	71.2	41.2
Total	4362	100	2348	--	100

Table Notes: Data provided by Houa Muang District DPI; the actual total number of households is 4426, but there were no data available on the ethnicity of 64 households (accounting for 32 poor households).

It is also clear from observation, although we had not the means to measure it quantitatively, that the depth of poverty varies from village to village in the same district, and from household to household within the same village. The Swiss National Centre of Competence in Research North-South (NCCR) also provided us interesting information related to poverty, accessibility to district centre and ethnicity. The two graphs (Figure 2), based on census data, show that Lao – Tai groups live close to district centres and experience far less poverty than other northern ethnic groups who tend to live farther away from district centres and have much higher incidences of poverty.³⁰

There are few generalisations one can make about “the poor.” Nonetheless, the poor themselves, and others in the villages have identified several indicators to describe their poverty. Locally identified poverty indicators are as follows:

- A household with unfavourable dependents to labour ratios (meaning, for example, a family with a larger number of young children, no adult male in the household, elderly, with chronically ill household members);
- A household which has too little land for cultivation and/or too little land of adequate quality (making labour unproductive);
- A household with no livestock;
- A household with no investment capital;
- A household with severe rice shortages (nine months and more) because of a succession of shocks (sudden death in the family, bad weather, pest attacks, major drop in crop prices, no buyers for NTFPs);
- A household with an opium addict.³¹

Unfortunately, the team came across many such families with some or all of the characteristics mentioned above. We also note an increasing wealth gap within the same villages. These gaps are most noticeable in villages with “better” road and market access;

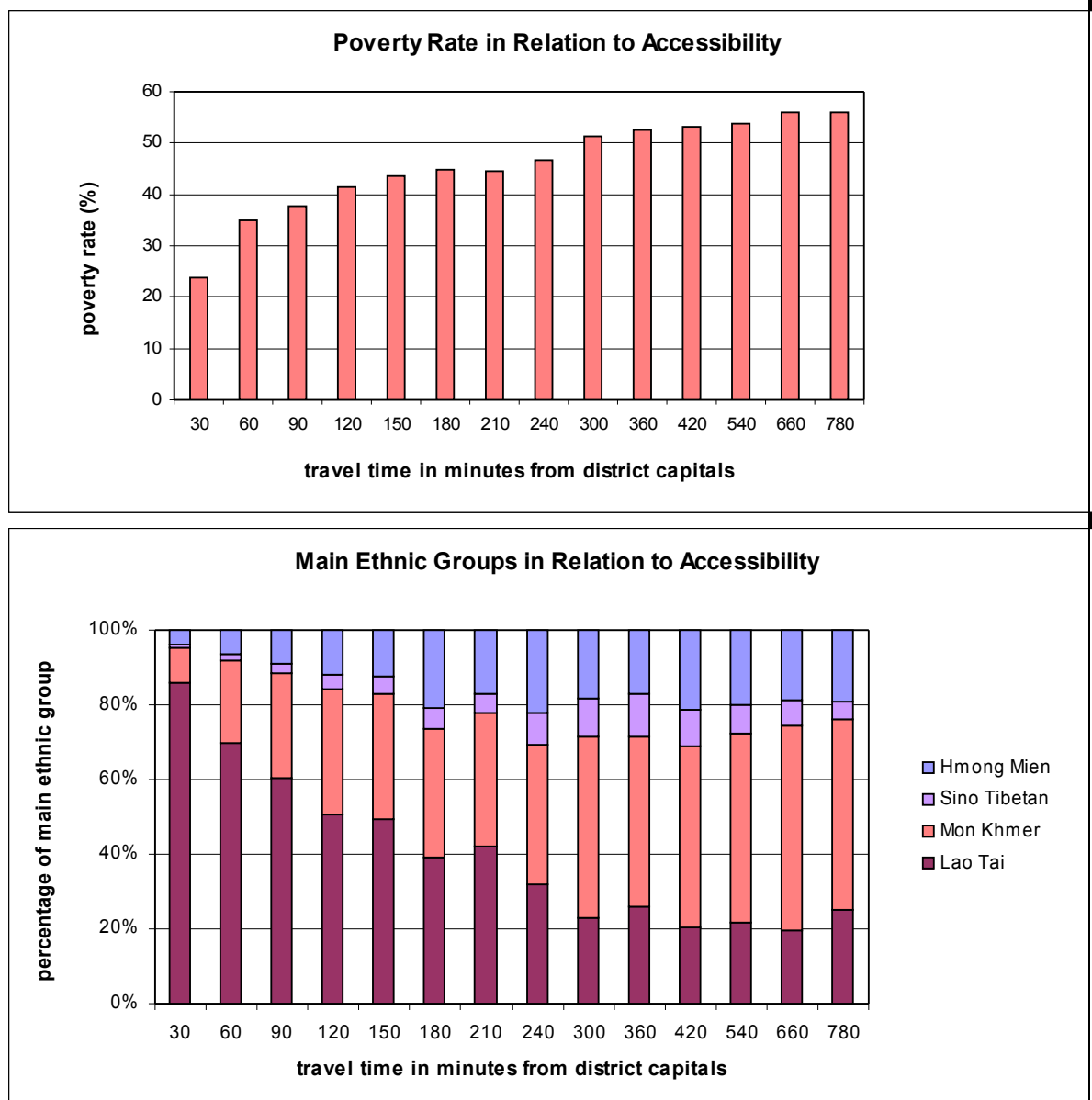
³⁰ This should not, however, be taken as an argument to move all ethnic groups close to district capitals, as that would only deepen land access problems already being experienced in resettlement areas.

³¹ Opium poppy cultivation has drastically reduced in Laos since its banning in 2005; nonetheless, there continue to be addicts, and their demand for opium still creates a small supply. That supply is so small, however, that the prices are extremely high (personal communication, Houaphan Province). There are indications—because of high prices—that a small but growing number of farmers are risking planting opium poppy again.

generally, in those which have been resettled in the past 10 to 15 years.³² At least one economics research paper has also noted increasing inequity in Lao economic growth over the past few years.³³

Figure Two:

Poverty, Ethnicity and Accessibility in Northern Laos



Information © NCCR North-South, 2009.

Families that were previously “cyclically” poor because of a larger number of younger children (who then grew up to be productive labour) can now look forward to chronic poverty in areas where there is too little land for production purposes. If villagers feel that there are

³² Because of the paucity of accurate record-keeping in the districts, it is impossible to know how many villages have been resettled or merged since the early 1990s. In some districts of the North, this movement of people has surely impacted a majority of the upland population (personal observations and communications).

³³ Rosalia Sciortino et al. (2007) “Regional Integration and Migration in the Greater Mekong Subregion: A Review.”

land shortages at present already, then it is clear that such shortages will become much greater in the future. The demographic structure of Laos still shows as of 2005, a population of around 40% under the age of 15.³⁴ Considering the higher dependency ratios (non-labour to labour) in the northern provinces—Houaphan and Xieng Khouang have the highest ratios in the country—this means that there are large numbers of young labour that need to be absorbed. If families and, indeed, whole villages are experiencing land shortages now, there will likely be a trend toward greater rural poverty in the northern uplands if pro-active measures are not taken now to mitigate this.

Villagers' observations regarding land shortages have been confirmed time and again by various studies. For example, a research study by NAFRI (2007) in Phonxay District of Luang Prabang conducted from 2001 – 2006 showed that the relocation of villagers had a large number of negative—indeed, poverty inducing—effects, especially on the original (Khmu) inhabitants. Among the negative effects were major losses of land of the original population to the resettled newcomers (Hmong) who were able to purchase and/or occupy land already allocated to the Khmu, forest degradation as people had to turn more to forest resources for their livelihoods, and reduced soil quality of existing productive lands as they were turned more to permanent cultivation. Finally, and most telling, of the original 58 Khmu families, 24 migrated to Bolikhamxay Province. In other cases, the situation is the other way around: newcomers are unable to gain access to adequate productive land. The lack of adequate preparation for such moves has resulted in chaos over land management, sometimes negating all previous processes of land and forest allocation (see NAFRI, 2007). Unplanned relocations/merging have also resulted at times in serious disputes between families in the same village and with people of neighbouring villages.

Outsiders, such as local officials, add very negative reasons to explain poverty of the different ethnic groups, (already mentioned above and which do not need repeating here). In some districts, officials have noted that villagers are poor because of inadequate access to land without realising that the district's implementation of various policies has caused these access problems. Another point often mentioned by officials is the difficulty of language and "knowledge." There is, indeed, an important association between language barriers and access to information. In a socio-economic situation which is becoming dominated by market forces, men's and women's abilities to assess markets depending on the information they receive from different sources becomes crucial. As women have, for the most part, had much less access to educational services they also tend to be more isolated from the "outside world," unless they share a language with that world (as is sometimes the case in border communities).

Although it is a sensitive issue, the conclusion must be that the poor of the northern uplands are predominantly non Lao-Tai people, and that the policies aimed to reduce their poverty are not having the desired effect. Poorer households in the northern uplands live in all sorts of communities and settings. That is, they may be located at roadsides, in very remote locations, in "old" communities (i.e., those that haven't been moved in the past 25 – 30 years), or in more recently merged or resettled communities. They may live in ethnically homogenous communities, or in those which are "artificially" mixed through resettlement or merging programmes. As mentioned above, in resettled or merged villages, those who have moved in most recently often suffer the most, as they are unable to gain access to adequate land (and often must continue cultivation at their old village areas). Poverty is also deepened when traditional coping mechanisms are broken by resettlement.

The poor of the northern uplands have one uniform trait, however: their problems with access to adequate land and forest. At the same time they lack the training and skills to engage on more favourable terms with the non-agricultural sector of the economy. This

³⁴ See Steering Committee for Census of Population and Housing (2005) *Results from the Population and Housing Census 2005*, pp. 5-6.

forces them to seek jobs in the lowest paid, unskilled sector of the economy, such as agricultural wage labour, plantation labour, road and building construction. If the trends mentioned above continue, then a “proletarianisation” of smallholder farming families may be expected by which their vulnerability to poverty would not be diminished.

Box 1:

Villagers' Coping Mechanisms: For Better or Worse

As the highland communities have traditionally placed a high value on communal subsistence, there were a number of built-in mechanisms by which it was assured that all families in a community would have enough to eat. These mechanisms started by way of the allocation of fallow land for rice cultivation. Such land is never held privately for more than the one season it is used before being left fallow again. Thus, many families would have a chance to use better quality land over time. Otherwise, the families also traditionally practice labour exchange (along clan lines) so that all families get an adequate amount of work accomplished for critical tasks.

If a family does happen to suffer from rice shortages, they may be able to borrow some from relatives in the same, or neighbouring village. As the villagers tend not to be welfare-oriented in their traditional outlook, families which have labour shortages work for others in the village (even for their relatives) in order to earn their rice. A typical activity in this regard is collecting and stacking firewood for a better off family. Nowadays, some families try to send a person to find seasonal labour possibilities in the small towns of the North (or in neighbouring countries, especially Thailand). There are also incidences of “excess” labour being recruited by labour middlemen to work outside of their home districts in the North.

With increasing cash cropping, and the pressures to produce less upland rice (viz. Programme Six), rice these days has also acquired more of a “price” than it had before. It is harder to rely on traditional coping mechanisms, as even better off families may also be buying some of their rice. The merging of villages also reduces the community values associated with communal subsistence, while the reduction of shifting cultivation and a move toward the “privatisation” of land in the form of fields claimed for cash cropping mean that a family with poor quality plots is condemned to these forever. Distress sales of both land and livestock have also become a short term means to acquire cash.

The data of the 2005 Census, as depicted in the maps of the Socio-Economic Atlas of Lao PDR, show that virtually all northern districts have been experiencing outmigration. This is obviously a more drastic coping mechanism; simply leaving an area where it has become impossible to earn a secure livelihood. Sadly, there are reports of internal trafficking of women and girls from different ethnic groups in northern Laos: the PPA (2006: 37) notes “fifteen young girls from this village [in Long District, Luang Namtha] have left to become prostitutes in neighbouring areas such as Viengphoukha.” This is one of the more tragic coping mechanisms to arise from the situation of more vulnerable livelihoods.

5. The Interlinked Causes of Poverty in the Northern Uplands

The discussion immediately above has already given some indication as to the causes of poverty in the northern uplands. While it may be true to say that the traditional, semi-subsistence livelihood systems don't create "wealth" in the "modern" sense of capitalism and consumerism, they have provided adequate returns on labour for a majority of families for generations. This system is based at its core on an adequate area of forest fallows, as it relies for its productivity and sustainability on being able to leave fields fallow for some years (the length of time determined by local conditions, but seldom less than seven or eight years) before being used again.

Therefore, it is no surprise that villagers identify land shortages as the major cause of their poverty.³⁵ Land shortages are caused less by population pressures, and more by the policies of GOL to eradicate shifting cultivation (by turning it to limited, rotational cultivation) by 2010 combined with the earlier Land and Forest Allocation Programme (LFAP) which tried to maximise the amount of villager land (in effect, old fallows) returned to forest. Indeed, there has also been a tendency to limit the amount of "production forest" compared to conservation, protection and regeneration forest areas where access is much more limited. These shortages are, in turn, further exacerbated by village resettlement and merging, and by the takeover of land for concessions (i.e., mining, logging, rubber) or concession-like contract arrangements. There are also reported cases in the northern uplands of distress sales of land, with better off farming households buying land from poorer households, further pauperising the latter. Policies to resettle and/or merge villages have directly affected at least 30 – 50% of non Lao-Tai villages, and in some districts it will be even more than this.³⁶

There are a number of negative synergies which are working together in the northern uplands to exacerbate, rather than alleviate, poverty in its multi-dimensional aspects. Many of these synergies have as their points of origin the implementation of government policies at local level. While there may be good intentions in the sense of the government objective to alleviate poverty and assist people to develop so-called "permanent occupations," the methods chosen to realise these policies on the ground have created hardship.

A longstanding policy initiative of GOL is the creation of focal development villages and sites (now called "development kumban"). This policy arose in the 1990s and has recently been reinforced with a new Prime Minister's Order (13/PM, 2008) on establishing development villages and clusters. This PMO furthers an earlier Politburo Central Committee directive (09/PBPCC, 2004) on "merging villages," and indicates the high importance the Government places on "model sites" as a development strategy. Unfortunately, no matter what good intentions lie behind this policy, its implementation has yet to prove its use in poverty reduction (ex. NAFRI case study mentioned above). The problems involved are manifold, but include the difficulties with land shortages, inadequate government services despite increases in infrastructure, persistent marketing difficulties even with better road access, problems for villagers of different ethnic groups to live in the same village, and crowding. Moreover, the "model" approach to development assumes that those who are poor will simply be able to follow the "development example" before them. This fails to address the issue of different endowments at household level which make it impossible for all households to follow the same development strategies. All in all, the "model development" approach has had little spread effect to date.³⁷

³⁵ See the Participatory Poverty Assessments conducted in 2001 and again in 2006 under the auspices of the National Statistics Centre, and written up by James Chamberlain (funding by ADB).

³⁶ See the European Commission (2006) *Lao PDR – European Commission Country Strategy Paper for 2007 - 2013*, p. 50.

³⁷ "Model development villages" have been promoted in one form or another by many different governments, as far-flung as the former South Vietnam, Tanzania and Guatemala. On balance, in these countries there have been more socio-economic and environmental problems caused than

The implementation of policies to modernise agriculture, including MAF's four goals and 13 measures, also form part of the negative synergies impacting sustainable livelihoods. This is related to the boom in both concessions and contract farming. One of the main issues here is related to land being appropriated by concessionaires without the agreement of the villagers, and without any compensation paid to them. People already subjected to land shortages because of resettlement and other policies seldom have any say in preventing an unwanted concession on their lands.³⁸ Such agreements are made either between the district and the company, or between the province and the company. Other than the potentially negative impacts in terms of even more restricted access to land, it also has disempowering effects on entire village communities in that land within their boundaries is taken from them without consultation (see Box 2 below).

Another manifestation of the policy to promote commercial agriculture is the promotion of annual cash crops. The districts make arrangements with traders, giving them exclusive rights to certain parts of the district as a monopsony.³⁹ In this way, the district controls both the traders and the producers, making it easier to collect taxes and/or engage in rent-seeking behaviour. Maize is a case in point. In some districts, the traders agree to construct simple roads in order to better access the villages which are planting the maize. In exchange for this, the district gives the trader exclusive rights to buy any and all agricultural produce (not only maize) for a minimum of eight years thus effectively turning "contract" farming into a concession. In Houa Muang, a number of access roads (totalling around 50 kilometres) were being constructed at a rate of LAK 17 million per kilometre. Villagers were told they have to contribute LAK one million per kilometre, to be subtracted from the price they get for the maize. The District made no contribution.



In such a landscape what are the alternatives to swiddening cultivation?

solved with this approach. See for example, Idris S. Kikula (1997) *Policy Implications on Environment: the case of Villagisation in Tanzania*. Uppsala: Nordiska Afrikainstitutet.

³⁸ This was articulated at one village where the villagers said, "We don't want this concession, and we also don't want to do contract farming for rubber, but we can't say no." (See also PPA 2006, p. 37.)

³⁹ This was also reported in the World Bank (2006) *Poverty and Social Impact Assessment, Summary Report*, p. 23

Box 2:

Case Study: Land Tenure, Land Tenuous

A Khmu village in Luang Prabang provides a case of the tenuousness of land use rights in upland areas. The people there had been resettled from several small villages some eight years ago by the district. They say they have less cultivation and grazing areas than in their former areas. Stall feeding of large livestock is also difficult in the new place as there is simply not enough space in the village. Nonetheless, they are pleased to be closer to the main road and especially to have better access to the district hospital. The people here were feeling quite secure about their access to land as they were both paying taxes for it, and had been issued with certificates in early 2008. Recently, however, the DAFO informed the villagers that 700 hectares would be taken for rubber cultivation by a Chinese company; the company would provide all inputs except the land (so-called “1+4” system). Now the villagers are both angered and worried. They are not sure what the total area of their village is in hectares, but they feel sure 700 hectares must be well over half of it. They also feel sure they cannot earn a living with “1+4.” They say their land use rights are not being adequately respected, not the least because the Chinese company will take over a big area of land where paper mulberry grows; one of the few steady sources of income for this village. To make matters even worse, the Chinese company has brought in labour (some 70 persons, including girls as young as 15) from other provinces to stay and work in this area. The labourers augment their limited wages by foraging for NTFPs in the forest of this village, thus drastically reducing their availability. Some villagers say there’s now no way out for them to improve their living situation; those who are poor are sure to stay poor. Some families want to migrate away from this area, but say they are being prevented from doing so by district authorities.



Apparently everything to the left of this gully will be planted with rubber.

In all districts visited, contracts are signed between the traders or companies and the district officials (DAFO and District Governor); the actual producers are not signatories to these agreements and they have no rights to sell their produce to any other buyer. The Team also

heard of cases where several villages were in debt to the buyer *after* the maize harvesting season because:

- The prices were so low;
- The harvests were much less than expected;
- The villagers' needed to pay "their share" for the road construction;
- The villagers took advances (not only for seeds, but for rice and other goods) from the company.

In some districts, notably in Luang Prabang, the "contracts" between traders and the districts include the traders' agreement to pay DAFO staff for maize extension, while the district agreed to promote a certain number of hectares of maize cultivation in the traders' area. The idea of conflict of interest has not yet arisen, although farmers are resentful of the arrangements and feel disadvantaged by them. There is no transparency for villagers in the agreements between officials and traders, and they have little to no say in how they are concluded. They often have no independent sources of information regarding market prices. When there are problems between the villagers and the traders, DAFOs and District Governors may not protect the interests of the villagers. There is too little accountability towards the producers.

It is obvious that such marketing systems do too little to benefit producers; it is another inadvertent means of disempowering them. The overall pressures put on upland farmers to reduce upland rice cultivation (*yutti het hai pook khao*) force them to turn to the riskier mono-cropping, no matter what happens to the price. As mentioned above, some district officials also use negative financial incentives to convince farmers to give up upland rice cultivation. Farmers have been forced into a situation where they have no viable alternatives, and for the better off families, maize planting has become a means for clearing, and staking claims to, larger areas of land (the maize plot is not *het hai*, it is *het suan*).⁴⁰

With mono-cropping promotion, farmers' risks have increased significantly in light of the monopsony/control practices of the districts. The attitudes of district officials towards local farmers become evident when they claim that farmers aren't able to deal with outside traders. It appears that the districts are unwilling to allow the farmers to learn their own lessons from direct dealings with the private sector, preferring rather to keep the farmers in a dependent position vis-à-vis both the private sector and the districts themselves. This results in market distortions and overall sector weakness with limited prospects for sustainable growth, let alone pro-poor growth.

People's access to forest and forest resources such as NTFPs has also been greatly compromised by the various policies mentioned above. This is also a cause of poverty. The loss of bio-diversity has particularly negative side effects for poor families who rely more heavily on forest products for their livelihoods (NTFPs are both an important supplement for their incomes, plus an important source of nutrition⁴¹). In most villages visited, people reported reductions in NTFP availability, or they reported problems in selling NTFPs because of a lack of traders. Major price drops, also for some NTFPs (with the exception of *dok khaem* "broom grass"), were also mentioned. Another issue which arose was that the districts have erected trade barriers along their borders. For example, a *peuak meuak* (a bark sold mostly to China for use in incense) trader in Vieng Kham is not allowed to cross the

⁴⁰ This process of land privatisation in the uplands is destroying traditional mechanisms related to community subsistence, as individual households then "keep" their land in perpetuity, while other households may eventually lose all land.

⁴¹ See FAO Laos brochure: Enhancing Food Security Through Sustainable Management Plan for Non-Wood Forest Products. It says, "On average, it has been estimated that forest foods provide 11% of the total value of food consumption during the dry season, and up to 19% in the wet season. In poorer families NTFPs can account for over 50% of the diet, especially when tubers, roots and bamboo shoots replace rice."

district border into Pak Xeng (both in Luang Prabang) to buy *peuak meuak* there. The loss of bio-diversity nearby the villages is also exacerbated by the government's promotion of industrial tree crops such as rubber and teak in the North.

Commercialisation of agriculture also provides the rationale for the provinces and districts to raise rural taxes. In some villages this was also mentioned as a hardship, contributing to poverty. There seems to be no consistency between the provinces in how land, and other, taxes and fees are calculated and collected. Moreover, there is no relation between the "poverty" rating of a village and the amount of taxes demanded from the village. A similar situation prevails in both Pak Xeng and Houa Muang, for example, whereby so-called land taxes were dramatically raised from one year to the next in the villages (although the amount of land under cultivation has stayed stable). The following table shows three villages visited in Houa Muang, their number of households, their poverty rating and the taxes demanded from them. It gives an indication of the irrationality and regressive nature of the rural tax structure.

Table Four: Land Taxes Demanded and Paid in Houa Muang District

Village Name	No. of HHs	No. of Poor HHs (%)	Land Taxes Demanded in 2007	Land Taxes Paid in 2007	Land Taxes Demanded in 2008	% Increase 2007 to 2008	Per HH Tax Burden 2008
Ban Kaew Sik	28	28 (100)	500,000	280,000	1,000,000	100	35,700
Ban Pak Nya	32	14 (44)	1,100,000	830,000	1,500,000	36	46,875
Ban Pha Nang	80	40 (50)	1,800,000	1,800,000	2,000,000	11	25,000

Table Notes: The taxes mentioned above are only for land, and do not include various fees which villagers are also obliged to pay. Information from the District Land Management Office, but rates are apparently fixed by the District Governor's Office.

Here we see that the smallest, poorest village of the three suddenly has to pay double the taxes from one year to the next! In Luang Prabang we were told that exemptions—even for exceptionally poor villages—would not be made since people might be faking their poverty. In one village the Headman said they exempted the elderly with no children from paying taxes. In Houaphan we were told that if 70% of a village production area is destroyed by natural disaster, then a tax exemption could be made.

In other discussions with district officials in Luang Prabang, it seemed that villagers are also paying a "labour tax" even if they're just working on their own farms. It also seemed that the per capita tax burden, including fees, in Pak Xeng was very much higher than shown in Table Four above, as villagers mentioned having to pay LAK 150,000 – 200,000 per household (and some households had annual incomes of less than 750,000!). The villagers of Had Phouane (84 households, 76 with rice shortages, 55% of children underweight) had a land/labour tax burden of LAK 11 million fixed for 2008 - 2009, meaning about LAK 131,000/household, not including other fees. The main point here is that the rural taxation system lacks adequate transparency, and most certainly disadvantages both poorer families and poorer villages.

Finally, another major cause of poverty in the northern uplands relates to livestock losses. Many villagers reported that they have fewer livestock than in the past. Again, the root cause of this was attributed to resettlement and merging (too little land available to keep livestock in the new location and too close to cultivation areas of neighbouring villages).⁴² Some villagers

⁴² In rubber growing areas of the North, large livestock are sold off, as grazing areas become too curtailed. Moreover, big fines are imposed on farmers whose cattle wander into a rubber field and

in resettled villages mentioned they had less large livestock than in their old locations because they had to sell them off in order to finance their move themselves. Villages where livestock numbers were much lower than in the old locations reported that they did not have enough capital, and did not dare to borrow money from any bank. For many villagers, large livestock is more like an “emergency fund” rather than a steady source of income.⁴³ Many villagers, including poorer villagers, would be interested in keeping goats (fast reproduction, relatively hardy, good price and demand), but in some of the resettled areas they said it wouldn’t be possible because there was no way to control the goats and keep them out of the nearby upland plots (i.e., goats are not easily fenced!).

In conclusion, the causes of poverty in the northern uplands are largely structural and policy-related. The government’s attempts to return much of northern Laos to forest (including industrial tree cover), combined with promoting people to have “permanent occupations” have not yielded viable, sustainable alternatives until now. This means that upland families’ rights to livelihoods and rights to food (as set out in the CESSCR) are neither being protected nor promoted; the high levels of childhood stunting in the northern uplands provide stark evidence for this. While there are technical solutions to some of the problems mentioned above, for the most part they relate to political solutions and the need for policy change. There needs to be major changes in order to bring a sorely out of balance agro-ecological system back into balance so that it does, indeed, result in the interactions required for upland families of all ethnic groups to have sustainable livelihoods and reduced poverty.



The Khmu villagers here chose this ridge top location in 1969. It has no flat areas, and all households plant upland rice, but very few of them have any shortages. They sell various cash crops, NTFPs and livestock. Almost half the families have motorcycles. They feel their livelihoods are secure.

destroy any of the saplings.

⁴³ There are, of course, exceptions to this such as the livestock growing areas of Xieng Khouang where it is really the main source of village income especially for Hmong villages.

Box 3:

Gender Issues in Mono-Cropping, Resettlement and Land and Forest Allocation

Women are farmers across all ethnic groups and farming systems, and household farm labour is highly integrated. Nonetheless, the differences in household allocation of labour result in different impacts on women and men from different government policies and actions. Women in the uplands say that their agricultural workload is becoming heavier, while at the same time they feel their families are faced with increasing difficulties to meet their food needs. Many of the causes of women's reduced rights to a secure livelihood are structural, starting at the policy level, and resulting in women's reduced access to productive resources, especially including land and forest.

Women cited the following three causes for their increased workload and a fourth one for reduced food security:

- The implementation of the land and forest allocation policy limiting the number of upland plots to three, (drastically reducing fallow times);
- The village merger policy;
- The implementation of various land concessions;
- Monopsony trade setup in the district.

The policy to reduce the total number of plots allowed to remain in the rotational cultivation system has two immediate impacts on the farming system itself. First, with the reduced fallows the weed pressure increases; second, the reduced fallowing times don't allow larger trees to grow up anymore. Since women are responsible for weeding they have much more work to do, plus their share of the land clearing work also increases with the increase in brush and shrubs (women's task to clear, men's to cut the larger trees). If women cannot keep up with the weed pressure,⁴⁴ they may also choose to make smaller plots, again reducing their rights to food. As a "new" coping measure, northern upland maize farmers are turning to herbicides to keep down weed pressure (the first cases of hospitalisation because of herbicide poisoning have already occurred).

The merging of villages causes many women (and men) to have to walk longer distances back to old fields, as there is too little productive land available in the new place. Women often carry children with them, or leave very young children/infants behind, which also has a negative impact on the children's health and schooling. Overworked women can hardly think of improving the nutritional status of either themselves or their small children, and they may even have lactation problems if they are breastfeeding.

The maize boom presents an even worse impact on women's labour without increasing their food security. Unlike upland rice fields, women must clear maize fields much more thoroughly and ensure that weed pressure is kept down. Unlike a rice field which includes many different kinds of vegetables for home consumption, the commercial maize field does not. When it comes to marketing information, women are again at a disadvantage in that what little trickles into the village, probably comes to the men in Lao. The need to buy seed also erodes their important role in seed selection for the next season's planting, thus also eroding their decision-making in what to plant where. Since cash cropping often comes more into the male sphere of dominance, it may well worsen women's status in their homes and communities.

⁴⁴ See also Jim Chamberlain (2006) *Study of Gender Inequality in Women's Access to Land, Forests and Water in the Nam Ngeum Basin*. For ADB TA 4339. In this study he highlights Phong women's dramatic increase in weeding requirements from around 10 days per season under the traditional system to 56 (!) days now with the reduced rotation system.



What does the future hold for these Khmu children in Luang Prabang and Houaphan? Can they look forward to more secure livelihoods than their parents and grandparents have had?

6. Conclusion

In the current “imbalanced” situation as described above, the emergence of sustainable, permanent livelihoods in the northern uplands can hardly be expected. Part of the problem is that there are too few mechanisms by which people of all different ethnic groups have a say in their own development. This begins with the lack of (accurate) information flows to the villages whether on laws, directives, rights and obligations, entitlements (to compensation, for example), market prices, available traders, environmental issues or nutrition issues. While there are good policies and intentions on the part of government, civil society is too weak to negotiate in its own interests, this being particularly true of many of the ethnic groups, women and the poor. Without a strengthened bargaining power of civil society, the overall sector of Agriculture and Rural Development will remain weak. This has yet to be well-enough recognised in Laos.

The conclusion from the analysis above, and from several other major studies carried out within the past few years, is that much of the poverty being experienced in the northern uplands today has been created by the implementation of the very policies which are meant to foster poverty reduction and/or pro-poor growth. As the World Bank Study on Agriculture in Transition, conducted with the Department of Planning of MAF, concluded: *A careful and open policy assessment of whether the underlying assumptions with regard to traditional farming practices, upland environmental degradation, and upland poverty are adequate and relevant would be an important step toward making the upland and agriculture policy framework less restrictive for upland livelihoods and more pro-poor sensitive.*

The crossroads at which the northern uplands now stands is fraught with risk. In many ways, if there is no paradigm shift in terms of the interactions between people living in the uplands and other stakeholders, including government and private sector stakeholders, the long term prognosis for sustainable, and pro-poor, socio-economic development is not that good. Nonetheless, there is still a chance to change that prognosis with more inclusive and empowering approaches with disadvantaged groups (priority participation by the poor, equal participation by women in mixed gender forums, proportional representation of different ethnic groups on kumban/district committees and groups), with human rights based approaches, and with an avoidance of “one size fits all” policy and technical solutions in an area characterised by diversity.

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