

CHAPTER I

INTRODUCTION



1.1 Mekong Sub-Region: Historical Background

1.1.1 A Brief History of the Mekong River and Civilization

As are the Nile in Egypt and the Danube in Europe, the Mekong is a very significant river in Southeast Asia, especially for the people living along its banks. The Mekong River, named as the “mother of water” as long as humans can remember, is associated with as many myths, legends and rituals as there are communities along its banks. For centuries, communities have lived in harmony with the river and have adapted to it for survival. The river has provided sources of food and a way of life; in addition, it has also helped create civilization and aided cultural and political development in the region.

Historically, there was an expedition along the Mekong in the 19th century by Francis Garnier (1839-1873) who followed Henri Mouhot’s lead as the first European explorer in mainland Southeast Asia, especially in Siam, Cambodia and Laos (King, Victor T 1995: v). and Luang Prabang (Navigation on the Mekong Pierre Lefevre-Pontalis, 2000:109). One of many of their findings was to prove that the Mekong was navigable. In the 20th century, many scholars researched on the Mekong and its natural potential (Hoskin, Jonh & Hopkins, Allen W. 1991), From the Mekong to *Menam* (Bassenne, Marthe 1995); Atlas of the Pavie Mission in Indo-China : seven volumes (Pavie, Auguste 1999), and recently, Osborne, who has devoted his work to exploring the Mekong river with his assumption that the Mekong was non-navigable (Mekong Turbulent-Past; Uncertain Future 2001: i)

Further back in time, the Mekong had had a major impact on Southeast Asian civilization, as it spread northward. It was recorded that from the 1st century AD there was a seaport at Oc Eo (known as Vietnam today) on the edge of the Mekong Delta that had links with China and the Mediterranean world. Later on, from the 2nd – 6th centuries, Chinese records spoke of “Funan”, a state established in the Mekong Delta region. Modern scholars judge Funan to have been a collection of petty states rather than a single polity. From the 6th-9th centuries, Chinese records no longer spoke of Funan but of “Chenla”; a state in two parts:

one around the territory of modern Cambodia, and the other possibly centered on Wat Phu in Southern Laos (Osborne, Milton 2000: xiii). Importantly, during the 5th – 6th centuries, elements of both Hinduism and Buddhism were adopted throughout the Delta (D. Coe, Michael.2004: 62).

In addition, it was discovered that the wet rice culture found on both sides of the Mekong River was actually the original model of the wet rice culture in Southeast Asia. The Mekong culture shares some similarity with some other cultures found in the main rivers of Southeast Asia, for example, the Irrawaddy (Myanmar), the Menam (Thailand), the Tonglesap(Cambodia) and the Red River (Vietnam). (Pham Duc Duong¹, 2004: 1)

Traditionally, the Mekong has always brought people from different places, races, ethnic groups and cultures together. Thus, the people were sharing livelihoods, not only fishing and food, but also culture, and beliefs. Consequently, there are many similarities among the countries of the Mekong Basin such as a water festival or *Songkarn* in April in the international calendar or in May in the lunar calendar. This festival which is very common in Thailand, Myanmar, Lao PDR and Cambodia, is organized in order to show respect to ancestors and spirits. Another common traditional festival is the *Naga* Rocket festival ceremony, which is organized in two countries: Laos and Thailand, which share the Mekong river boundary. *Naga* is regarded as the god of water and a protector. These two ceremonies have been passed on from one generation to another for a very long time

The Mekong has also been involved in a number of significant political events, particularly during the colonial period, in the history of mainland Southeast Asia. The French colonizers, like others, claimed to have found the Mekong Subregion and ruled it in order to civilize it. The French took the credit for the discovery of Angkor Wat (Taniwiramamond, Darunee 2004: 4).

In the 18th Century, the Siamese sacked Vientiane and carried off the Emerald Buddha. In the 19th century, the French began their invasion of Vietnam, captured Saigon and expanded to control the Indochinese countries. Significantly, in 1893 the French declared Laos to be part of their colonial possessions in Indo-China, and the national boundaries were

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determined on the basis of territories on the left and on the right bank of the Mekong (Boupha, Phongsavath 2002: 4).

In the 19th century, European colonial forces increased their control in various parts of Asia. The French formed their Indochinese empire between 1858 and 1907, establishing their hold over Vietnam and Cambodia by 1858 and 1863 (Toye, Hugh 1971:23). Moreover, France defined the Lao-Siam border by concluding appropriate treaties and agreements². This was achieved by 1893, when Laos was declared a colonial possession.

The Mekong has been of great importance in the long history of Southeast Asia. The River has given food, provided navigation, supported ports and military bases, and offered a way of life. From the earliest times people have recognized the significance of the river and adapted themselves to what the water has offered them. The relationship between humans and river has been strong and sensitive in terms of beliefs, livelihood and social interaction. For centuries, the Mekong has nurtured people. However, this could change as we move into the 21st century.

Mekong Landscape

Today, many people know the Mekong in relation to history, politics, and culture. The Mekong first appeared on a world map in the 16th century (Osborne, Milton 2000: xiv). The Mekong is now ranked as the 12th longest river in the world and is the biggest river in Southeast Asia. The Mekong River Basin stretches about 4,800 km from the Tibetan Plateau to the South China Sea. The river flows from southern China and then continues south, serving as a border between Myanmar and Laos and between Thailand and Laos before passing through Cambodia and then into southern Vietnam, where it empties into the South China Sea (Leifer, Michael 1995: 159). It comprises a total area of 795,000 km², which is ranked as the 21st biggest river basin in the world.

The Mekong has one of the most abundant fisheries in the world and is probably the world's biggest river fisheries (MRC, 2003.b: 18). The annual catch is an estimated 1.5 million tons. The soil of the Mekong is very fertile: 40 per cent of the rice production of Vietnam is from the Mekong Delta (<http://www.mrcmekong.org>). The geographical landform

² The details of the treaties and agreement on the delimitation of the Indo-China-Siam border (Lao-Thai) of 1886-1964 were compiled and published by the Department of International Treaties and Laws, Ministry of Foreign Affairs, Lao PDR, March 1996.

of the upper Mekong basin is very high and drops more than 4,000 m. Geographically, the available rock and stone are good for building dams. The vast potential of the resources in the Lower Mekong Basin has led to an initiative to develop the Mekong, and many countries in this region are sharing the resources and utilizing the river for different activities.

It is clear that, in the 21st century, the Mekong is gradually changing its function from being the center of traditional activities to focusing on the utilization of its potential. The Lancang-Mekong River is a source of wealth for six countries. It is a huge resource, which can promote the development of the entire river basin (Li Qing, 2003: 2). The Lower Mekong now is in a unique position among the rivers of world (Mekong Committee, 1962: xi). This has drawn the attention of many national and international organizations in the region to seek cooperation on the issues involved.

1.1.2 Fish, Fishing, Fisheries and their transformation

When people think of “fish”, perhaps they also think of rivers, reefs and restaurants...but do people think of war, HIV-AIDS, or climate change? Do people think of high infant mortality rates or the loss of traditional culture? In one way or another, the subject of “fish” has an impact on every person in every society, if only because we are all global citizens surrounded by the habitat of fish: that most vital of all life-giving substances water (World Fish Center, 2004: 2).

Traditionally, people have believed “Where there is water, there are fish”. This shows that fish have been known and utilized from the very earliest times when humans used to hunt and fish for their livelihood and survival. However, fish has not only given food, but also culture, social interaction and civilization. The importance of fish and fishing are also shown by pictures painted on ancient pottery and on figurines. Direct evidence is provided by many copper fish hooks, arrow and spear heads, and the remains of netting, especially at Ban Chiang (Thailand), in Bayon, Angkor Wat (Cambodia), and in other ancient cities in Southeast Asia which have been excavated by archaeologists (Ray, Nick 2003: 203-204)

Actually, fish and aquatic life are a central feature of many of the world’s cultures. Indigenous coastal people often have sacred species of fish which they eat when seeking spiritual strength. (World Fish Center, 2004: 4). Fish still remains significant for human development in terms of sustainable livelihood, animal protein, income generation and social relations. Southeast Asia is an area of mountains and plateaus, sliced through by rivers - in

particular the Red River, the Menam (Chao Praya), the Salween, the Irrawaddi and the Mekong. These water courses have not only carved out natural divisions in the terrain, but they have also created plains and deltas which offer the best conditions for agriculture and hence for permanent settlement (Hoskin, J & Hopkins, A. 1995: 32). As a result, there is still a great need for investment in fisheries programmes for sustainable livelihood development in this region.

However, some traditional cultures are struggling to survive and are increasingly threatened by the more powerful interests which fish in the Lower Mekong Basin only for economic gain. The tragedy is that traditional societies from across the ethnic and religious spectrums will continue to disappear as the social meaning of fish is lost.

Due to the vast potential of the Mekong's fish and other water-related resources, there is an essential need for the region and the decision-makers to act as both keepers of peace and protectors of the environment. This led to the emergence of a regional organization, the "Mekong Committee", which was concerned with management of the Lower Mekong Basin. This organization will be described in more detail in the next section.

1.1.3 The Emergence of Mekong River Commission

A. The Mekong Committee in 1957

Actually, the story of Mekong cooperation started in the middle of the 20th century, during the cold war (1945-1979). As far back as 1957, a Mekong Committee was established by the four countries that shared the Lower Mekong Basin: Cambodia, Lao PDR, Thailand and Vietnam, to secure cooperation among the four states (Fryer, 1979 cited in Thomas R. Leinbach and Richard Ulack, 2000: 533). The four countries cooperated to establish an organization to survey, collect scientific data and develop this area for justice, friendship and food. In order to maintain such a political and socio-economic function, each country formed its own National Mekong Committee to enhance Mekong Basin Development and to achieve sustainable and collective use of the water and related resources (Amphaychit, Chanthachith 2002: 1). With the official signing of the Geneva Accords, with the Indochinese countries becoming fully independent, the United Nations Economic Commission for Asia and the Far East (ECAFE), in cooperation with the United States Bureau for Reclamation, suggested an interesting area of study on irrigation and hydropower development. The studies drew the attention of the lower Mekong countries and ECAFE to further development of this river. As

a result, the Mekong Committee played a key role in initiating projects, especially in the construction of dams.

Significantly, this Mekong project was the biggest development project of the United Nations. During the colonial period after the Second World War, "...one of the most important and one of the most significant actions ever undertaken by the United Nations" said, U Thant, Secretary-General of the United Nations in a 1965 CBS radio broadcast, (MRC, 2002.a: 5-6). There was no international organization model to follow when the Mekong Committee commenced its roles in 1957. Consequently, the committee had a number of challenging tasks such as dealing with formulating legal definitions of terms and concepts for water and related resources, management of water, and applications to international law. Eventually, the Committee defined its work status as a Committee responsible for finance, construction, management and maintenance of projects on an international river. This was one of the achievements of the Mekong Committee. The committee was supervised and assisted by ECAFE and the United Nations Development Programme (UNDP) which were to provide technical assistance and to manage financial matters, and to coordinate with the Mekong Committee at the national level in each member country. The headquarters was located in Bangkok, Thailand.

The objectives and Water resources development in the basin projects implemented by the Mekong Committee are as follows:

Objectives

- To provide a background against which proposed future development could be evaluated.
- To gather sufficient data to permit adequate planning.
- To achieve large-small scale development: dam construction and irrigation surveys.

Project Implementation:

There were more than a hundred studies and surveys conducted from 1957 and into the 1960s. Basin development progressed in several areas. For instance:

- Thailand: the Nam Pung Dam and power plant, the Nam Pong Dam and power plant, the Lam Pra Plerng Dam and the Lam Pao Dam. Under construction by 1969 were the Nam Pong irrigation scheme, and more than ten dams and irrigation studies had been identified.
- Cambodia: projects were under construction.
- Lao PDR: the Nam Ngum stage I, and the Nam Dong and Selabam power schemes were in various stages of completion.

- Vietnam: there was no progress of importance being made (Mekong Interim Committee 1988: 6).

Why were Myanmar and the People's Republic of China not involved in the inception of the Mekong Committee in 1957 ?

Myanmar: There are at least three main reasons as to why Myanmar was not involved. Firstly, politically Myanmar was a neutral country and did not exhibit any particular interest in membership. Although part of the border between Myanmar and China is situated along the Mekong upper basin, political reasons prevented the two from being included in the new cooperative venture in 1957.

Secondly, geographically Myanmar shares only a 200 km border on the Mekong. However, there was a treaty signed between Myanmar and Laos on 11 June 1994 at a ceremony held in Vientiane presided over by the Chairman of the State Law and Order Restoration Council (SLORC), Gen Than Shwe. The Laotian Foreign Minister, Somsavath Lengsavad, and his Burmese counterpart, Ohn Gyaw, represented their countries in signing the treaty to define the 200-kilometre border along the Mekong River (MDRN 1994: 3).

Thirdly, Myanmar is not a down stream country and hence it does not belong to the Lower Mekong Basin.

The People's Republic of China: At that time the People's Republic of China was not a member of the United Nations and this was the main reason for not creating a Mekong Committee made up of all of the countries among the Mekong (Mekong Secretariat, 1989: 10). In addition, it is a controversial issue that, historically this river has been regarded as having two main parts: the upper part in China (the Lan-cang River to the Chinese) (MRC 2003.b: 3), and the lower part is the Mekong in Chinese perception. As a result, the Mekong was thought of as only the lower part or the Lower Mekong Basin, which is shared by Lao PDR, Thailand, Cambodia and Vietnam.

Therefore, largely as a result of political considerations, the four countries of the lower Mekong Basin came to constitute a geographical or "real" entity which was to become the focus for development through regional cooperation (Mekong Secretariat, 1989: 11).

However, after the liberation of Laos, Cambodia and Vietnam in 1975, the committee became inactive, due to a number of political issues among these countries and this influenced the composition of the Mekong Interim Committee in 1978.

B. The Mekong Interim Committee in 1978

During the 1970s, there was a U.S war in Vietnam and this was extended to the other Indochinese countries. Even Laos, Vietnam and Cambodia achieved full independence in 1975, there was a lack of stability in the region, especially in Cambodia (Khmer Rouge³). In Cambodia, the revolutionary army, initially spearheaded by Vietnamese intervention, achieved military victory in April 1975. A reign of collectivist terror was led by Pol Pot in an attempt to create an ideal socialist society. This led to more than 1 million deaths (Leifer, Michael 1995: 130). The United Nations Transitional Authority in Cambodia (UNTAC) was established as a direct result of the peace agreement concluded at the International Conference on Cambodia held in Paris in October 1991. The major achievement was providing 22,000 military and civilian personnel and a budget of around US\$ 1.7 million. Significantly, the election held in Cambodia in May 1993 led on to the restoration of a constitutional monarchy, with Norodom Sihanouk reinstated as king. Thus, Cambodia had a firm foundation for democracy. These were UNTAC's successes in its peace-keeping role (Leifer, Michael 1995: 247-8).

Figure: 1.1.3 B Interim Mekong Committee Organization Chart



Source: Revised Basin Plan 1987/Mekong Secretariat, 1989

³ The pejorative term *Khmer Rouge* (Red Cambodians) was originally applied to the country's Communist Movement in the 1960s by the head of state, Prince Norodom Sihanouk, to differentiate them from the right-wing *Khmer Blue*.

Consequently, there was an interruption of the Mekong Committee sessions in the late 1970s. Cambodia's absence caused a major crisis related to how to continue development work when it was realized in 1975 that Cambodia could no longer participate in the committee's activities. Fortunately, collective work on planning and other activities on the Mekong did not come to a complete halt. In 1977 the three remaining countries of Laos, Thailand and Vietnam adjusted the formulation of the basic Interim Mekong Committee in 1978. In 1991 Cambodia requested reactivation of membership. The request led to long discussion and finally led to the transformation of the Mekong Committee into the Mekong River Commission in an agreement of 1995.

The advent of peace in the region of the Mekong river after the Cold War provided an opportunity to link the six countries along this river and to allow them to develop a new forum for cooperation under the continued assistance of the United Nations and other international donors and institutions. (Kethong, Patharapong. 1995: 222)

In the over four decades of cooperation within the Mekong institutions, the four lower countries have gone through a period of mutually beneficial cooperation. However, there have also been serious political and ideological differences. The upstream-downstream differences in the 1990s resulted in an agreement to redefine the institutional and legal aspects of Mekong cooperation. This may reconcile the upstream and downstream differences and meet the modern requirements for sustainable use of water resources. As a result, the four countries remained as part of the Mekong Committee and moved forward to the transformation in 1995.

C. The Mekong River Commission (MRC) of 1995

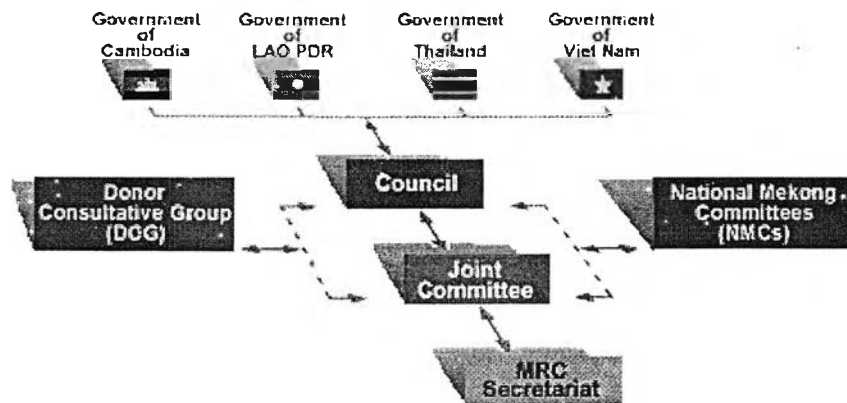
In 1995 the four lower Mekong states met again and agreed to sign the 1995 agreement for sustainable development. The 1995 agreement signified the change from Mekong Committee to Mekong River Commission (MRC). The new MRC was now given full rights and obligations. For example, the MRC was no longer under the umbrella of ECAFE/EASCAP and UNDP (MRC, 2002.a: 7). The joint effort of the new stage of cooperation among the four downstream member states under the framework and basic principles of the new 1995 Mekong Agreement reached by these countries offered the chance to produce even more effective and meaningful results in specific policy and legal issues. (Inthavanh, Chanpheng. 1996: 38)

The MRC management system is classified into three levels. First, overall management/decision-making is the responsibility of a council which is formed by Ministers

of the four countries. The second level is the Joint Committee (JC). This is made up of more technical consultants, and it reports to the Council. The people normally appointed are directors or deputy directors of departments from each country. The third level is a taskforce which is the Commission's secretariat; this body is managed by the Chief Executive Officer (CEO), and the majority of its operations involve information support, Mekong modeling, general administration and logistics, financial reports, donor reports and so forth. The CEO is in charge of summarizing the annual report and submitting in to the JC.

It can be noted that the 1995 agreement has maintained a key concept, which is the original "Mekong Spirit". However, it has moved the focus area from the development of large or small scale projects to sustainable development and the management of natural resources. With reference to the 1995 agreement on procedures for data and information sharing/exchange, a flood management and mitigation strategy was set up by the four member countries. There was an exchange of hydrological and other data with China in 2002.

Figure 1.1.3 C Organization of the Mekong River Commission



Source: http://www.mrcmekong.org/about_us/about_us.htm#MRC

As water and flood go hand in hand, flood control and river management is one significant area for the Mekong taskforce; the major responsibilities are to investigate the systematic collection of basic hydro-logical and meteorological data. The continuous study from 1957 up to 2002 had involved the significant number of 531 meteorological stations (MRC 2002.a: 10) in order to monitor the level of rainfall, water flow, and water quality along the Mekong.

In short, it can be said that the 1995 transformation system was divided into three areas of roles and responsibility: it no longer fell under the umbrella of ECAFE/ESCAP and

UNDP but the Intergovernmental Organization; it changed from involving bilateral aid donors to being a multilateral agreement; and it exchanges large-scale projects for sustainable development. The key to the success of the Mekong Project is the farmer. At present this motivation is non-commercial, non-competitive, and in the religious areas of Theravada Buddhism and Mahayana Buddhism, which to some degree negate secular, western values. One is supposed to live with nature, not change it. Undoubtedly this attitude will be accompanied by an attitude of disrespect for the new dams, irrigation ditches and other physical improvements that seek to change nature. (Hutter, James Lyons. 1963: 105)

1.1.4 National Development Issues of Lao PDR

A. Background of Lao PDR in brief

The Lao PDR stands at the center of mainland Southeast Asia. It shares borders with all the main states, including China, so that when one touches on Laos, one touches the heart of the region (Evans, Grant. 1999:314). It is also the center of a dynamic and prosperous Southeast Asia region. In addition, Laos is remarkable, even among the countries of Southeast Asia, for its ethnic, linguistic and cultural diversity and the resulting social complexity of its human population (Stuart-Fox, Martin. 1998: 1). (See Map 1.1.4 A)

Map: 1.1.4 A Southeast Asian Map



Source: http://www.cia.gov/cia/publications/factbook/reference_maps/southeast_asia.html

The Lao PDR was known as the Lane Xang Kingdom in the middle of the 14th century and it was founded by King Fa Ngum, King Fa Ngum was also credited with the introduction of Theravada Buddhism to Laos (Gunn, Geoferey C. 1988: 24). As a result, Lane Xang was a Buddhist kingdom and, for a long period, a renowned centre of Buddhist scholarship. However, its Buddhist practices took on distinctively a Lao identity as the religion assimilated the traditional animist beliefs and rituals of the region (Church, Peter. 2003:69). Meanwhile, the kingdom was originally located at Luang Prabang (a northern province of Lao PDR). During the early 18th century, as a result of a conflict over royal succession, the kingdom was divided into three small independent kingdoms, which were the kingdoms of Vientiane, Luang Prabang and Champasack. Therefore, this gave rise of transcription of writing “Laos” instead of “Lao” because “Lao” ending with “s” meant the combination of three kingdoms. Today, people are still more accustomed to using “Laos”⁴ instead of the “Lao PDR”, which is more formal.

Thanks should be given to the Lao Nationalists for their continuous efforts and attempts at consolidation during difficult circumstances: In the 18th century Siam sacked Vientiane, and Laos was under the yoke of Siam for almost a century. There then followed a colonial period with French occupation (1893-1945), Japan occupation (May-August 1945), the return of the French colonizer for a second phase (1945-1954) and last, but not least, the quiet American occupier in the form of neo-colonization (1964-1973). To lead the revolution, the working class had to act with the help of its general staff, that is to say the political party of the working class: the Marxist-Leninist Party. In Laos it is the Lao People’s Revolutionary Party(LPRP) which is the sole authentic representative of the interests of the working class, and of the working masses of all the ethnic groups of the Lao nation. (Stuart-Fox, Martin. 1982:45). As a result, Laos became fully independent on the 2nd December 1975, and Lao People’s Democratic Republic (Lao PDR) was declared.

B. Demography

Lao culture has been greatly influenced by Buddhism. Throughout the revolution in Laos, Buddhism remained deeply rooted in the ideological psyche of the country (Catherine Hesse-Swain, 1998: 133). According to the National Statistic Centre, the total population is

⁴ Introduced by Dr. Gerald Fry, the Director of the center for Asian and Pacific Studies, a Professor of International Studies and Political Science at the University of Oregon, USA who gave a special talk on the Mekong Commission and its impacts to the SEA countries, on 21st January 2004, Chulalongkorn University

5,679,000; it is almost half female and half male (NSC 2004: 29). The average annual growth rate of population is estimated at 2.5 per cent. Administratively, there are 18 provinces, 141 districts and 11,251 villages (NSC 2000.a: 59). The population is ethnically diverse and there are as many as 47 officially recognized ethnic minority groups (UNDP 2000:16). The ethnic minorities inhabiting the country can be roughly categorized into three main groups: 1/ *the Lao Loum*, who occupy the low land plains and the Mekong river valley, and constitute two-thirds of the total population; 2/ *the Lao Theung*, who occupy the mountain slopes and comprise about 22% of the population, and who are thought to have been the first inhabitants of Laos in the pre-historic era; and 3/ *the Lao Soung*, or in the common name as “Hmong” who occupy the high mountain tops over 1,000 meters and constitute about 10% of the total population.

C. Political system

The Lao People’s Democratic Republic (LPDR) remains an avowedly socialist-oriented state, within which the Lao People’s Revolutionary Party (LPRP) has a full monopoly (single party) of political power. As with China and Vietnam, recent economic liberalization efforts have not been enacted in tandem with moves towards political pluralism, and no parties other than the LPRP are legally permitted to function in Laos (Funston, John. 2001:132),

D. Physical Landscape

The total area of the Lao PDR is 236,800 Km², (Laos is the 7th biggest country in total area in SEA and it is the 3rd biggest of the Lower Mekong countries. (Europa World Year Book 1997 cited in Victor Savage 2004) (see Map 1.1.4 D and figure: 1.1.4 D). In the north it borders with the People’s Republic of China with a border of 505 km, in the south it borders with Cambodia (435 km), in the east it borders with Vietnam (2,069 km), in the northwest it borders with Myanmar (236 km), and in the west it borders with the Kingdom of Thailand (1,835 km) (NSC, 2000.b: 3). Lao PDR also has the biggest proportion (35 %) of the flow of the Mekong River.

E. Social motivations

Participatory development, or people-centered development, is central to government development efforts. At its core this includes the achievement of basic food security, the preservation of natural resources and the decentralization of development responsibilities to enable greater public participation. The immediate priority is to enhance conditions

everywhere in the country, enabling the multi-ethnic population to have access to what are considered the basics of sustainable development – food security, access to markets, education and health. In the long term, the priority is to satisfy the new rising needs and expectations that accompany development.

Map: 1.1.4 D Map of Lao PDR



Source: Publication adapted by National Tourism Authority of Lao PDR's website 2003

Table 1.1.4 D Land Areas, Population and GDP per capita of Southeast Asian Countries

No.	ASEA Countries	Total Areas (a)		Population (b)		GDP per capita ©	
		(Km2)	Rank	('000)	Rank	(US\$)	Rank
1	Brunei	5,765	9	366	10	11,606	2
2	Cambodia	181,035	8	14,482	7	278	9
3	Indonesia	1,904,443	1	222,611	1	695	6
4	Laos	236,800	7	5,787	8	326	8
5	Malaysia	329,758	5	25,493	6	3,699	3
6	Myanmar	676,552	2	50,101	5	162	10
7	Philippines	300,000	6	81,408	3	912	5
8	Singapore	648	10	4,261	9	20,733	1
9	Thailand	513,115	3	63,763	4	1,874	4
10	Vietnam	331,114	4	82,481	2	411	7

Source:

- (a) Total Areas: Europa World Year Book 1997/Savage, Victor D. 2004
- (b) Population in Mid 2004; (c) GDP in 2001. Both (b)& (c) Refer to the United Nations (2004). 2004 ESCAP Population Data Sheet, Bangkok: Economic and Social Commission for Asia and the Pacific.

F. Economic inspiration

Although, the Lao PDR is a land-locked country, the location is in the centre of a dynamic and prospering region and as such has the potential to provide a strategic resource base and land link to its neighbours- Vietnam, Thailand, Cambodia, Myanmar and China. As part of the reform process launched under the umbrella of the New Economic Mechanism (NEM) in 1998 (UNDAF, 2002: 21), the Lao PDR is predominantly a rural society with an agriculturally based economic structure. As a result as of 2002, 84.7% of the economically active population was engaged in agriculture and agriculture accounted for 54.3% of GDP, Forestry-mining made up 10.3%, services: 4.6%, the public sector 5.1%, Industry 3.3% (Sisouphanthong, Bounthavy & Taillard, Christian. 2002: 74). The main imports are: capital goods, consumer goods, vehicle, iron, fabric, cement, and the main exports are garments and textiles, electricity, timber, plywood, and coffee. (Luther, Hans U. 2002: 47). The GDP per capita of the Lao PDR in 2001 was US\$ 326.

G. Development perspectives

The Lao PDR is a least developed country, and in the Human Development Index, it is ranked as 131st out of 162 countries in the world (UNDP, 2001: 168). Regionally, Laos is the least developed country in Southeast Asia, and poverty remains widespread; it is found in 30% or in 47 districts of the whole country. In addition, many households are unable to meet daily food consumption and do not have access to public service (UNDAF, 2002: 21). The improvement of social conditions and the creation of incomes, especially in rural areas, are top government priorities. The integration of rural areas into the national market economy is seen as central to eliminating widespread poverty. Rural development, in its social and physical dimensions, therefore, is considered the key to the eradication of mass poverty and sustainable improvement in social well-being.

Table 1.1.4 G National Human Development Index

Country	Year	Total Countries	Rank
Lao PDR	1998	170	140
....
Lao PDR	2001	162	131
Lao PDR	2002	173	143
Lao PDR	2003	177	135

Source: Human Development Index (HDI) UNDP 1998; 2001; 2002;
http://hdr.undp.org/statistics/data/indic/indic_15_1_1.html (2003)

Consequently, the Government has set up eight national priorities for social-economic development (CPC, 2000: 10), details are as follows: 1/ food security; 2/ abolition of slash and burn agriculture, 3/ production and trade; 4/ infrastructure; 5/ international economic cooperation; 6/ rural development; 7/ human resource development. 8/ development of services. The National Eradication of Poverty Plans (NPEP) is expected to be achieved by 2015 (CPC 2003:1).

H. International Relation

The evolution of the Lao state is an attempt which takes into account past events and the direction that the Lao PDR has taken under the guidance of the LPRP to create a favorable political environment by developing good relations with the immediate neighboring countries and taking full membership of the Association of Southeast Asian Nations (ASEAN) in 1997, the ASEAN Free Trade Area/Agreement on Common Effective Preferential Tariff (AFTA/CEPT) in 1998 (IMF, 2000: 1-2), and the Mekong River Commission (MRC) in 1995. There are United Nations diplomatic agencies and memberships with regional and global levels. However, the Lao PDR has not entered the World Trade Organization (WTO). This is expected to be achieved in the near future. In order to eradicate the poverty of the people and build a new political environment, the aim is to shift to a liberal free market economy to attract foreign investment and to create conditions that will turn the land-locked country into a land-linked one. Laos needs to expand its relations with foreign countries in the age of globalization for the benefit of the Lao people and for the cause of peace, stability, development, cooperation and prosperity.

1.2 Purposes of the Study

1.2.1 Statement of the Problem

The Mekong River Commission is one of the leading organizations in Southeast Asia, in terms of international recognition on technical expertise in water resource management⁵. It is almost fifty years since official cooperation over the Mekong began. The Mekong Committee was a single organization that played a very significant role in the development and conservation of the natural resources of the Mekong. It could be called the first project involving regional cooperation in Southeast Asia because all parties concerned belonged to the region (Sukraseap, Vinita .1989: 14-15). The objectives of the Mekong Committee were to strengthen the potential of the Mekong for multi-purpose use and to achieve peace and prosperity for the people of the Basin.

Although Mekong cooperation was officially named the Mekong River Commission in 1995, it is regarded as an intergovernmental organization, composed of Cambodia, Laos, Thailand and Vietnam. This organization, however, had made a great contribution to the development of the Mekong since much earlier. As already seen, Mekong cooperation began during the Cold War in 1957. Due to a number of political and social issues, this organization has played out its role under different names; Mekong Cooperation, Mekong Committee, Mekong Interim Committee and Mekong River Commission. This has caused many people to misunderstand and to be mistaken about the situation.

Today, the average income of inhabitants in the Lower Mekong Basin is ranked among the lowest in the world with an average income ranging from US\$ 220-US\$ 440 (Holm, Mette 2003:34). Poverty averages from 11%-58% at the national level. Moreover, social indicators do not meet international standards such as literacy rates (60%-90%), infant mortality rates (75 to over 125 deaths per 1,000 live births, which is above the regional East Asia and the Pacific Region figures of 35 deaths per 1,000 live births), and life expectation (47-57 years). Access to clean water is inadequate (25%-90%) (MRC, 2003.c: 82-118). Child malnutrition remains serious problem. In addition, the Lower Mekong Basin contains a

⁵ With reference to the historical record: in 1966 the Mekong Committee received the Ramon Magsaysay Award for International Understanding “for the purposeful progress toward harnessing on of Asia’s greatest river system, setting aside divisive national interests in deference to regional opportunities”. Four decades later, the Mekong River Commission was awarded the Thiess Services International River prize in Brisbane, Australia in 2002 (MRC, 2002: 20-22). Last but not least, in 2004 the MRC obtained an award for the greatest Mekong River Awareness Kit, Canada

population of 55 million people; as population growth is about 2%, it is expected that by 2015 the population will reach 200 million people (MRC, 2003.b: 11-12).

Since 80% of the people in the Lower Mekong River fish and farm, fish are a very important component for human development in terms of sustaining livelihood, animal protein, income generation and linkage of social relations. Without fish, the life of the people in the Lower Mekong Basin would be insecure. Therefore, there is a strong need for carefully chosen investment for these countries and not only national but also regional socio-economic cooperation for sustainable development are needed.

In response to this situation, food security has been prioritized by the MRC. As the increase in the population will lead to an increasing demand for resources and food, it is intended that food production in the Lower Mekong Basin will be doubled between 1980 and 2020 (MRC, 2002.b: 18). Therefore, the MRC has invested almost 50% of the donor funding, which is US\$ 5.1 million from 2003 – 2005, in the Fisheries Programme (MRC, Annual Report 2002: 11) with the cooperation and implementation of the line ministries, especially to the Living Aquatic Resource Research Center (LARReC). Currently, the MRC in cooperation with the LARReC is implementing the “Management of Reservoir Fisheries Project Component” at Namhoum Reservoir, which is one of four reservoirs involved for the period of 2000-2005 in Vientiane, Lao PDR..

As a result, many questions have been raised. These are questions such as: “What is the MRC’s perspective of sustainable development?”, “Does the assistance reach the local people and meet each community’s needs?”, “How do people really benefit from the projects and will they be able to sustain the resources for long term livelihood development?”. To answer these questions is not easy, is an attempt to answer the above questions, this study on the “Impact of the Fisheries Programme of the MRC on sustainable development, the Namhoum Reservoir and the two fishing villages of Hoinamyen and Angnamhoum, Vientiane Capital, Laos” have been chosen. Hence, it would be interesting to study how the MRC is handling this issue in terms of promoting economic development and maintaining a sustainable livelihood through its fisheries programme.

1.2.2 Objectives of the study

There are at least four objectives for this study, details are as follows:

- (1) to identify the roles and policies of the MRC on sustainable development in regional context,
- (2) to study the impacts of the MRC's Fisheries Programme on the sustainable livelihood of the people in Angnamhoum and Hoinamyen villages,
- (3) to examine the responses of the community in Hoinamyen and Angnamhoum villages to the Fisheries Programme, and
- (4) to indicate the potential trend towards sustainable development for all villages in the programme.

1.2.3 Hypothesis

Although the people in the Lower Mekong Basin have been affected by a number of infrastructural development projects, it is believed that the MRC's Fisheries Programme, especially the Namhoum Reservoir Fisheries Programme, will play a significant role in strengthening and sustaining the livelihood of the communities of the Namhoum Reservoir such as in Hoinamyen and Angnamhoum villages, Naxaithong District, Vientiane Capital, Lao PDR.

1.2.4 Scope of the Study

In order to achieve a clear picture of the impacts of the Fisheries Programme on the villages in question, the study will focus on two phases: the policies formulation and planning phase (soft ware), and the project implementation phase (hard ware).

Table 1.2.4 Scope of the Study

MRC Mission Starts									
1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
1. Regional Level					2. National and Local Levels				
Roles, policies at institutional level for sustainable development					Project Implementation Fisheries Programme for sustainable livelihood				

Regional Level: the roles of the MRC, ASEAN, and other international organizations, and other development agencies in fisheries development will be analyzed. The theory of "regionalism" will be discussed during this stage. This will help to give an overall picture and understanding of the MRC in a regional context.

National and Local Levels: Fisheries, being one important programme of the six MRC programmes, will be used as a pilot study. In order to examine the MRC's Fisheries Programme by using the sustainable livelihoods approach as a tool, field research will be conducted at the MRC Namhoum Reservoir in Hoinamyen and Angnamhoum villages are chosen as project sites. The aim is to identify how the communities are responding to this project.

1.2.5 Limitations

There are limitation in this study such as information and communication. Field research conducted at the village level is difficult as the administration in neither village is particularly systematic; in the case of Angnamhoum village, there is no Village Authority Office. The background information on the village is not readily available, so it was necessary to talk to older people and the village head instead.

Regarding the statistics, a national census is carried out by National Statistical Centre in every five years: 1995, 2000, 2005 etc, and the information is published and displayed only at the provincial and district levels, but not at the village level.

Moreover, the period of the field study for this research coincided with the high season for traditional festivals, Thatluang Festival (in November), and preparation for the ASEAN Summit on November 28-30, 2004. It meant that offices were closed. This led to delay in collecting data. In addition, the end of 2004-2005 was between the harvest of one crop season (June-December) and the beginning of the irrigation of the second crop season (January-June 2005). Especially in Hoinamyen village the majority of the population are engaged in rice farming. This caused difficulties in gathering people for the focus group interviews. So, the interview of the focus group was conducted right after the monthly village meeting.

Furthermore, as this research focuses on the Fisheries Programme for sustainable development from the cultural and socio-economic perspectives; it rarely touches on the fisheries biological study itself since it is not included in the scope of this study.

1.3 Contribution of the Study

1.3.1 Significance of the Study

“Development will get people out of poverty”. Sustainable livelihood development will contribute to reducing the development gap between rural and urban communities. This issue is the first prioritized out of the eight Millennium Development Goals (MDG) for 2015 and emphasized by the United Nations. Moreover, this goal has been set throughout the region, including Southeast Asia. And Laos is part of this region.

- Laos is the least developed country in Southeast Asia, where 30% of the total population live in poverty. To tackle this issue in line with the MDG, the Lao Government has set up the National Poverty Eradication Plan (NPEP); with a top-down approach. At the same time, to ensure effectiveness, it is highly desirable to have a bottom-up approach by boosting and strengthening local capacity in terms of participation, ownership and leadership in the development process and in development projects. As this research focuses on sustainable livelihood as well as sustainable development, it will promote and enhance the potential of community development projects and meet the demands of the NPEP to speed up the development process of the country.
- Secondly, the MRC has strongly supported study of food security in the Lower Mekong Basin. Thus, a fisheries programme should be a key policy to carry out in order to overcome the problems that might occur later. It is hoped that the finding of this study might help the MRC in its policy making process.
- Thirdly, with the field research, there is a chance to obtain a clearer picture of the Fisheries Programme, and at the same time there might be some gaps in term of principle and implementation. This study aims to help fill the gaps and share some points of view from which it has not yet been considered by relevant organizations.

1.3.2 Expectation from this Study

This study is expected to enhance

- a better understanding of the policies and roles of the MRC and its cooperation with other regional organizations in Southeast Asia. It will also provide

- a set of the responses of communities and an indication of the potential for sustainability of livelihood in the Fisheries Programme in order to provide sufficient and appropriate support to the communities and for projects in the future.
- In addition, this research will be shared with academic institutions and Mekong development implementing organizations such as the MRC Secretariat Office.

1.4 Structure of the Thesis

There are six chapters in this thesis. The contents are arranged in a diamond shape: Specific – General- Specific.

Figure 1.4 Structure of the thesis

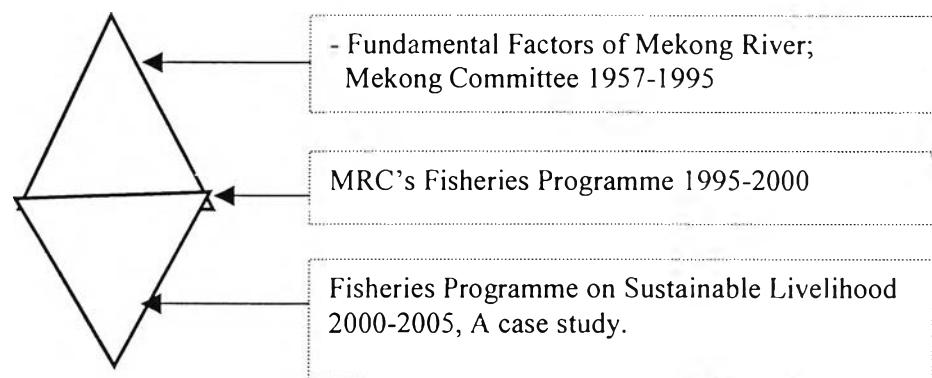


Figure 1.4 illustrates the structure of the thesis, which first focuses studies on the history of the Mekong river and its coherent to the development era 1957-1995. It then gives the overall picture of the organization and the MRC's Fisheries Programme 1995-2000 as regional level. The study focuses in-depth on fisheries programme on sustainable livelihood 2000-2005 (as national level), in Lao PDR as a case study.

Chapter 1: *Introduction*. In order to gain a better understanding of the foundation and the historical background of the study from the Mekong sub-regional perspective, it is necessary to have a clear picture of the Mekong River Basin, the fisheries, the establishment and roles of the MRC;

Chapter 2: *Literature Review*. This will describe the three levels of the fisheries issues, Mekong sub-regional, national and local levels in terms of legal administration, political and socio-economic aspects;

Chapter 3: *Research Methodology*. This will give the conceptual framework and terminology used in the study; in addition, it will explain why the approaches were chosen and illustrate the procedures of the research methodology including the field research.

Chapter 4: This will put more emphasis on the current perception of the Mekong River Commission's Fisheries Programme on Sustainable Development in Laos, in addition, it will give *background knowledge and understanding of the case study*.

Chapter 5. *Analysis of Research Findings*. This will present the results as well as an analysis of the Impacts of the Fisheries Programme of the Mekong River Commission on Sustainable Livelihood in the selected villages by using sustainable livelihood theory and context in terms of natural, physical, human, financial and social capital.

Chapter 6. *Conclusion*: This will highlight and summarize the key issues of the research findings for discussion and will summarize the implications of this study for Southeast Asian Studies. There are expected to be some recommendations for further study.