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7 Foreign Policy of the Lao People's Democratic Republic

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It is virtually impossible when discussing the foreign policy of the Lao People's Democratic Republic (LPDR) to differentiate between initiatives adopted in pursuit of specifically Lao national interests and those beneficial to the interests of the Socialist Republic of Vietnam (SRV), as *primus inter pares* among the three Indochinese states. Or to put it another way, no clear analytical distinction exists between initiatives taken despite the constraints imposed by Indochinese (predominantly Vietnamese) interests and those taken in furtherance of these interests. This is because, despite the weakening of some ties cemented by the 'special relationship' between Laos and Vietnam, Lao foreign policy continues to be formulated to take account of both Lao and wider Indochinese (particularly Vietnamese) interests.

Nevertheless it is possible to argue – and this is the thrust of this chapter – that the evolution of Lao foreign policy in the late 1980s has, for reasons to do primarily with the climate of international relations in Southeast Asia, been in the direction of an increasingly even-handed 'non-aligned' position with respect to various power polarities: the USSR–China, the USSR–USA, and Thailand–Vietnam. As separate chapters are devoted to the LPDR's relations with Thailand and with the United States, emphasis will be placed on other developments – on the 'special relationship' with Vietnam, and its evolution from a bilateral Vietnam–Laos axis to a trilateral relationship including the People's Republic of Kampuchea (PRK); on relations with the Soviet Union and the People's Republic of China (PRC); and on changes brought about by international pressures towards solution of the 'Kampuchean problem'.

THE IDEOLOGICAL AND HISTORICAL FRAMEWORK

Any discussion of the formulation of Lao foreign policy must begin with the essential ideological framework, for important underlying ideological assumptions continue to influence the framing of Lao foreign policy. Paramount among these is belief in and commitment to proletarian internationalism and solidarity between communist states. The leaders of the Lao People's Revolutionary Party (LPRP) are well aware that without continuous political, military and economic support from the Vietnamese communist movement during the course of the 'Thirty Year Struggle' from 1945 to 1975, the Lao revolution would not have come to fruition. The ongoing revolutionary transformation of the Lao economy and society is still dependent on continuing international communist support. In order to ensure such support, Lao policymakers recognise that the LPDR must play its part. Solidarity is shown through endorsement of every initiative taken by the Soviet Union, and through proclaimed adherence to whatever common policy is agreed upon by the three Indochinese states. The revolutionary alliance of the three states is taken to be an historical 'law of development'.[1]

A second ideological assumption concerns the global context in which the struggle between communism and capitalism is fought out. Revolutionary currents may be more or less strong, but the ultimate victory of socialism is assured. Foreign policy formulation therefore revolves around the matter of tactics. The goal is to strengthen the revolution to the point where Laos can serve as the 'advance post' for the extension of socialism in Southeast Asia. In order to build socialism in Laos, revolutionary changes are necessary in the economic base (the means of production), in science and technology, and in the thinking of the multi-ethnic Lao people. All means to effect these 'three revolutions' must be seized.[2]

The progress of the 'three revolutions' in Laos since the LPRP seized power has, however, been disappointing. Attempts to socialise the means of production through the nationalisation of the country's limited industrial base and cooperativisation of agriculture led only to popular resentment and economic stagnation. Thousands of educated Lao fled to Thailand, thus depriving the country of badly needed technical expertise. The revolution in science and technology suffered from declining educational standards and reduced capacity to absorb technology transfer. Under such circumstances no amount of propaganda could create new socialist Lao men and women.

By 1980 a tactical change to more pragmatic economic policies had become a necessity. The economic changes ushered in by the party's Seventh Resolution should have had important implications for the formulation of Lao foreign policy. In fact new considerations intervened to limit Lao options – viz. the demands of the Lao–Vietnamese 'special relationship' and the problem of Kampuchea. It has taken almost a decade of intense international pressure, leading to isolation and economic collapse, to convince the Vietnamese to withdraw their forces from Kampuchea. By the mid-1980s, however, new opportunities were becoming available for pursuit of a more pragmatic Lao foreign policy. These found expression in the resolution of the Fourth Party Congress in November 1986 endorsing 'economic restructuring' at home, and 'the broadening of multiform economic cooperation with foreign countries' abroad.[3] Even so, policy formulation has continued to be rationalised in terms of strategies to be used in the building of socialism. Thus the 'ideological imperative' remains.[4]

THE LAO–VIETNAMESE 'SPECIAL RELATIONSHIP'

Despite Vietnamese attempts to discover deep historical roots for the 'special relationship' that is now said to exist between Laos and Vietnam,[5] the present relationship was primarily forged during the 'Thirty Year Struggle' over the period from the close of World War II to the victory of communist revolutions in both countries in 1975. During this period the respective revolutionary elites developed close ties, based on common ideology and shared revolutionary experience. The communist parties of both states proclaim a common origin in the Indochinese Communist Party (ICP) founded by Ho Chi Minh. These historic ties have been cemented by personal relationships forged over the years between the leaders of both communist movements, and in the case of a number of senior Lao cadres by education in Vietnam or marriage to Vietnamese. Kaysone Phomvihan, long-serving Secretary-General of the LPRP, is himself half Vietnamese.[6]

Immediately following proclamation of the LPDR in December 1975 the close relationship that had grown up during the years of revolutionary struggle was given substance in a series of political, economic and military agreements. The legal basis for the special relationship rests, however, on the 25-year Treaty of Friendship and

Cooperation between the LPDR and the SRV, signed in July 1977.[7] The treaty comprises six brief articles, but includes three attached protocols dealing with defence cooperation, frontier delineation, and economic assistance, the actual contents of which have never been revealed. Article 1 states in broad terms the purpose and ideological basis of the agreement, while article 6 commits both sides to regular exchanges on the development of their relationship. Articles 2 to 5 inclusive define specific provisions.

Article 2 provides for defence cooperation between the two states in the form of reinforcement of their joint defensive capacity in the face of 'all schemes and acts of sabotage by imperialism and foreign reactionary forces'. This article is taken by both Laos and Vietnam to justify both the presence of Vietnamese military units in Laos and the extensive assistance provided by Vietnam to the Lao People's Army (LPA) in the form of training, advice and equipment. Vietnamese forces were mostly withdrawn from Laos in 1975 and 1976, only to return early in 1977 to assist in destroying Hmong rebel bases in northern Laos and in countering anti-government insurgents operating from Thailand. Other Vietnamese units were based in northern Laos or were assigned to work on construction projects in the mountainous east of the country.[8]

Article 3 of the Treaty provides the basis for both economic cooperation and the provision of economic and technical assistance to Laos by Vietnam. In addition it provides for exchanges in the areas of culture, propaganda and education, all of which significantly reinforce commitment to the 'special relationship'. Cooperation and assistance in one form or another extend to every economic ministry and state commission, and entail the regular exchange of both high-level political and lower-level technical delegations. These have resulted in dozens of bilateral agreements covering everything from agriculture to tourism. Over the decade 1975 to 1985 Vietnamese aid to Laos, not including the cost of maintaining several hundred advisers and technical experts, amounted to US$133.4 million to finance some 200 separate projects.[9]

Article 4 of the Treaty refers to delineation of the Lao–Vietnamese frontier, but only in broad terms, by proclaiming a determination to turn the border into one 'of lasting friendship and fraternity'. Specifics were relegated to the relevant still secret protocol. Subsequent negotiations and delineation of the actual frontier conducted by a joint border commission lasted over 7 years. An agreement, finally signed in February 1986, reportedly includes a number of minor 'rectifications' of the previous French-imposed frontier, but its contents remain unpublished.[10]

Article 5 of the Treaty commits each side to respect the foreign policy of the other. Effectively this requires Laos to coordinate its foreign policy with that of Vietnam, and ensures that both countries will present a common front towards any third power. Bilateral consultations were subsequently replaced by regular twice-yearly tripartite meetings of the foreign ministers of Laos, Vietnam and the People's Republic of Kampuchea (PRK), beginning in January 1980. Since the thirteenth such meeting in January 1986, the foreign policies of the three states have been less formally, but just as effectively, coordinated by means of frequent contacts between respective ministries and special meetings of the three foreign ministers when necessary.[11]

The formal legal basis provided by the Treaty of Friendship and Cooperation defines only the framework for the Lao–Vietnamese 'special relationship'. Its articulation has been assiduously developed on a series of interlocking institutional levels. Notably these include party-to-party, government-to-government, military-to-military, and mass-organisation-to-mass-organisation interaction at the central, regional or provincial, and even district or local levels. Typically interaction is through mutual exchange of delegations, by education of Lao cadres and technicians in Vietnam, or by sending Vietnamese advisers to work in Laos.[12]

Party-to-party relations constitute the most important channel by means of which Lao and Vietnamese policies are coordinated and Vietnamese influence is exerted in Laos. Frequent contacts are maintained at the highest level, and are coordinated on the Lao side by the Central Committee Secretariat. But informal discussions between Lao leaders and senior Vietnamese political cadres, whether in Vientiane or Hanoi, are probably more important in arriving at common policy decisions. Such decisions are facilitated by common ideologically informed perceptions of both internal political and economic conditions, and external developments in the international balance of forces.

At lower levels of the LPRP the value of the Lao–Vietnamese 'special relationship' is promulgated as an article of belief. In fact, as Kaysone himself has clearly spelled out, commitment to strengthen the relationship further is a primary criterion for advancement within the party.[13] Senior LPRP cadres have almost without exception pursued advanced theoretical studies in Marxism–Leninism at the

Nguyen Ai Quoc school in Hanoi. In addition Vietnamese instructors have been instrumental in developing courses at the Party and State School for Political Theory in Vientiane, which is attended by all middle and upper level cadres.

Exchanges between party delegations frequently take place on a series of levels. Delegations to respective party congresses always include a number of the most senior party members, led by their respective secretary-generals. Exchanges also take place between specialist organizations of each party, such as the Organization, Propaganda, or Control Committees of the respective Central Committees. Exchanges are often of a technical nature, concerned with the internal functioning of each party, and provide the Vietnamese with an intimate knowledge of the Lao party. Other exchanges take place at the municipality (between Hanoi and Vientiane) or provincial level between party delegations of sister provinces. Contacts are thus both intensive and extensive, and are crucial for the development of common perceptions and policies.

Government-to-government interaction also takes place on a series of levels,though contacts at the state-to-state, ministry-to-ministry, and provincial-administration-to-provincial-administration levels. Because of the considerable overlap in Laos between senior personnel in government and in the party,[14] state-to-state relations and party-to-party relations tend to be conducted by the same people. The most significant interaction deals with the coordination of economic planning through synchronisation and inter-dependency of each country's successive five-year plans. It is on the ministry-to-ministry level that most of the economic assistance and technical exchange takes place. Under agreements at this level Vietnamese civilian advisers have been, and in many cases still are, attached to all ministries with the single exception of Foreign Affairs. Vietnam has provided assistance to the LPRP in agriculture and forestry, irrigation and cooperatives, mining and infrastructure, through conducting basic surveys and planning future exploitation. Vietnamese assistance has been particularly important in building roads, bridges and a fuel pipeline from Vinh to Vientiane.

Industrial assistance has concentrated on agricultural inputs such as farm machinery, fertilisers, insecticides and animal food, and on the processing of agricultural and forestry products. Other projects include the manufacture of cement and other construction materials, and engineering workships servicing the Ministries of Posts and

Communications, Transportation, and Equipment and Technical Supply.

Agreements have also been concluded between the respective Ministries of Public Health, Social Affairs, Education, and Culture, and between state committees dealing with information and nationalities. Assistance in these areas relates particularly to the third of the 'three revolutions' – that aimed at creating new socialist Lao men and women. Vietnamese advisers have helped shape new educational curricula, including, notably, political education, and in some cases school texts are virtual translations of those used in Vietnam. Information and propaganda are also areas where important Vietnamese influence is exercised, and a careful Vietnamese watch is kept on content to ensure the 'correct' sentiments of Lao–Vietnamese friendship are encouraged.

At the level of provincial administration contacts are facilitated by the device of twinning sister provinces in Laos and Vietnam. The aid provided may not be significant, but exchanges, whether of trade or aid, do permit greatly increased personal contacts between provincial officials – something which can result in negative as well as positive responses.

Military-to-military interaction between the respective armies of the two states developed a strong basis of shared experience during the 'Thirty Year Struggle', and there is grateful recognition in Laos of the sacrifices made by Vietnamese military personnel in assisting the Lao revolution. This close cooperation continued into the post-1975 period with the reorganisation of the Lao People's Army, carried out under Vietnamese guidance and supervision in 1976. The following year Vietnamese troops returned to Laos in force to assist in establishing and maintaining internal security. Logistics, communications, and particularly construction units have provided considerable assistance in building up the Lao economic infrastructure. Most construction, including construction of military facilities, airfields, and barracks for Vietnamese forces, has been concentrated in the north and and east of Laos, and on the Plain of Jars.[15]

Actual numbers of Vietnamese troops in Laos have fluctuated according to circumstances. By the end of 1980 they had reached more than 50,000, as Vietnam committed forces to northern Laos along the Chinese border in order to deter any possible second Chinese 'lesson' against Vietnam via northeastern Laos. The bulk of these northern forces are believed to have been withdrawn to

Vietnam in the second half of 1987 and early 1988, as a concession to China, and in order to facilitate improved Lao–Chinese relations. Some construction and security units also appear to have been withdrawn, though, unlike the withdrawal of Vietnamese troops from Kampuchea, withdrawal of troops from Laos has been unannounced and without fanfare. By mid-1988 only between 15,000 and 25,000 Vietnamese troops were believed to still be in Laos.[16]

Progressive withdrawal of Vietnamese regular army units from Laos is not, however, likely to reduce Vietnamese influence within the LPA, since this is exercised by other, more important channels. Despite the provision of some heavier equipment by the Soviet Union, the LPA is largely dependent on the Vietnamese for military advice, for specialised logistic and communications support, and for advanced training. Vietnamese advisers and liaison officers are attached to the headquarters staff of most LPA units at battalion level and above. More significantly, Vietnamese officers assist in the political instruction of Lao military personnel, and influence the appointment and promotion of Lao officers. As in the case of the Lao People's Revolutionary Party, advancement in the LPA depends in large part on having a politically dependable commitment to Lao–Vietnamese solidarity.

Finally mention must be made of interaction between the mass organisations of the two countries. Exchanges of delegations between the Lao Front for National Construction and the Vietnamese Fatherland Front regularly occur at both the central and provincial levels. Exchanges between trade union organizations, women's associations, and the youth movements in both countries provide additional avenues of contact and influence. So too do the friendship associations of both countries, the respective peace committees, and delegations representing Buddhist organisations. These bring the intensity and frequency of official contacts between the two countries to a high level, indicative of the degree and extent of the 'special relationship'.

Effects of the 'Special Relationship' on Lao Foreign Policy

Formalisation of the 'special relationship' between Laos and Vietnam marked a turning pointing for Lao foreign relations, though the full implications of the Treaty did not become evident until 2 years after it was signed, with the Vietnamese invasion of Kampuchea. Before 1979 Laos pursued a foreign policy that sought to retain a degree of balance in the country's international relations. Even while favouring

Vietnam and the Soviet Union, the LPDR maintained cordial relations with China. Alone of the three countries of Indochina, Laos also retained its diplomatic ties with the United States. Even relations with Thailand, long strained over a series of border incidents and closures, markedly improved with the exchange of visits between Kaysone and the then Thai prime minister General Kriangsak Chamanand early in 1979. Joint communiqués pledged each side to terminate support for anti-government guerrillas operating against the other's country, and to create of the Mekong a river of peace.

The Vietnamese invasion of Kampuchea and consequent polarisation of international relations in Southeast Asia between opposing blocks had severe repercussions for Lao foreign policy. Before this the constraints imposed by the 'special relationship' were more than compensated for by the benefits to be derived from having a powerful guarantor for Lao unity and national integrity. The former *de facto* division of the country into antagonistic zones of influence – with the Chinese in the north, the Vietnamese in the east, and the Americans and Thais controlling the population centres along the Mekong river – was replaced by a regime in Vientiane able for the first time to administer the country as a whole, and thus to set about the task of building a single multi-ethnic Lao nation with a genuine sense of Lao national identity.[17] The 'special relationship' did not preclude the development of friendly relations with neighbouring states – China and Thailand – necessary to the construction of a socialist economy after years of war. Nor did it prevent acceptance of economic assistance from non-communist states. Laos seemed to possess, potentially at least, all the requirements for an effective and beneficial foreign policy.

The first casualty of the Vietnamese invasion of Kampuchea as far as Laos was concerned was that it destroyed what until then had been a carefully crafted relationship with China. Chinese aid during the first years of the LPDR was directed to projects in the north of the country, and the Lao maintained a studied balance between China on the one hand and Vietnam and the Soviet Union on the other. Not until mid-1978, as relations between Vietnam and Pol Pot's Democratic Kampuchea deteriorated towards war, were Lao leaders reluctantly forced to choose between Vietnam and China. Even so Laos, while quick to recognise the new regime in Phnom Penh, was slow to condemn China's incursion into Vietnam. By early March 1979, however, the die was cast. The LPDR denounced China in the same terms as did Vietnam. As the war of words and accusations

between Vientiane and Beijing increased in intensity, the PRC was requested to withdraw all its construction workers and advisers and to reduce its embassy staff to twelve, the same number permitted the United States. Ambassadors were withdrawn but diplomatic representation remained at the level of *chargé d'affaires*.[18]

By 1980, as a direct result of the 'special relationship' with Vietnam, Lao foreign relations had entered a new and potentially damaging phase. The former policy of maintaining friendly relations with neighbouring states was in tatters. Relations with Thailand deteriorated sharply once Kriangsak was overthrown and replaced by Premn Tinsulamond. Relations with China were even more strained, with Vientiane accusing Beijing of training Lao anti-government guerrillas in Southern China and fomenting discord among Lao ethnic minorities.[19] Most alarming from the Lao point of view was Chinese–Thai collusion in supporting Khmer resistance forces against the Vietnamese-backed People's Republic of Kampuchea (PRK), a collusion which the Lao quickly detected in the relations of both states with the LPDR – in particular in their support for Lao resistance groups.

While Lao relations with China and Thailand were reaching their nadir, relations between the three states of Indochina were systematically consolidated under the direction of Vietnam. Less than 6 weeks after invading Vietnamese forces marched into Phnom Penh, the SRV signed a 25-year Treaty of Friendship and Cooperation with the newly installed PRK regime. This established the formal basis for a 'special relationship' between Vietnam and the PRK similar to that between Vietnam and Laos, the precise outcome the Khmer Rouge had been so desperate to avoid![20] Two months later Laos and Kampuchea signed an Agreement on Economic, Cultural, Scientific and Technical Cooperation to complete the bilateral agreements on which Indochinese solidarity was to be constructed.[21]

The institutional fleshing out of what has been called the 'Indochinese solidarity bloc' consisted of progressively extending the forms of bilateral exchange conducted under the Lao–Vietnamese 'special relationship' to include PRK representatives. Six-monthly tripartite meetings between the foreign ministers of the three states were inaugurated. Cooperation between respective planning commissions was extended to cover everything from transportation and communications to agriculture and public health. Political coordination, economic integration, and social contact were all encouraged, with corresponding limitations on independent policy initiatives. By the

second half of the 1980s, however, developments in the international environment encouraged Lao policymakers to move back, cautiously at first but with growing confidence, towards what effectively amounts to a more 'traditional neutral' foreign policy. In large part this development has been due to the change of leadership in the Soviet Union.

RELATIONS WITH THE SOVIET UNION

During the Brezhnev era the Soviet Union, while gradually increasing bilateral contacts with the LPDR, was for the most part content to accept the Lao–Vietnamese 'special relationship' as defining the primary orientation of Lao foreign policy. In the post-Brezhnev period from 1982 to 1985, bilateral Soviet–Lao relations were progressively strengthened, a trend that has accelerated under Mikhail Gorbachev, to the point where Soviet influence in Vientiane was by 1988 perhaps more significant than that of Hanoi.[22]

There are a number of reasons for this development. Despite the ubiquitous nature of the Lao–Vietnamese 'special relationship', the actual value of Vietnamese economic and military assistance to Laos has never compared with that provided by the Soviet Union. Vietnamese economic aid during the first decade in power of the regime amounted to an average of just over US$13 million annually.[23] Figures for total Soviet aid over the same period have not been released, but it is generally accepted that the Soviet Union provides at least 50 per cent of the average annual US$80 to 100 million worth of foreign economic aid to Laos – an amount over 10 years of at least US$450 million, or more than three times the value provided by Vietnam. Add to this the bulk of up to US$100 million annually[24] in military aid – including the cost of running the Lao army and such major items as artillery, tanks and aircraft – and it is not surprising that Moscow has taken an increasing interest in how its significant level of assistance is utilised.

Soviet experts are permanently attached to the State Planning Committee, now the State Committee for Planning and Finance,[25] while special delegations of the Soviet Planning Committee (Gosplan) regularly arrive to put the finishing touches to the succession of Lao five-year plans. The Lao–USSR Intergovernmental Commission on Economic and Scientific-Technical Cooperation meets regularly in alternate capitals. The ninth meeting in January

1988 drew up agreements for Lao–Soviet joint enterprises in timber-processing and plywood production,[26] thus indicating that trade between the two countries is likely further to increase.

A similar pattern is evident in the military sphere. Soviet aid has included MIG-21 jet fighters, Antonov 24 and 26 transport planes, and Mi-8 helicopters for the Air Force. Aircraft are maintained by Soviet technicians, and Soviet experts train Lao pilots, both military and civilian. Soviet technicians also play a part in the air traffic control, communications and logistics. But while Soviet influence has always been dominant in the Lao Air Force, the army was virtually a Vietnamese preserve. Much military equipment, even when Soviet made, came from Vietnam. More recently, however, Soviet interest in the Lao army seems to have been growing. Exchanges of military delegations were reinforced in February 1988 by the visit of the chief of the Soviet Army and Navy Political Directorate at the head of a delegation for talks with officers in the LPA General Political Department.[27]

Soviet influence is also increasing in other ways. A Lao delegation from the Supreme People's Assembly visited Moscow in March 1988 for discussions on the new Lao constitution. A new agreement under which the USSR will increase its training of Lao cadres has been signed. Already more Lao students study in the Soviet Union than in Vietnam. Soviet teachers are employed to teach not only the Russian language at the Dong Dok Teachers Training College, but also mathematics, science and engineering subjects at the new Vientiane Polytechnic. Together these influences amount to an effective, multifaceted bilateral Lao–Soviet relationship which serves to counter-balance that between Vientiane and Hanoi – a development the Lao have not been reluctant to encourage.

The higher Soviet profile in both Laos and Kampuchea appears to be part of a deliberate move on the part of the Soviets to increase their standing throughout Southeast Asia. In both Kampuchea and Laos they have been assisted by the drastic collapse of the Vietnamese economy, and Vietnam's consequent reduced capacity to aid her two Indochinese neighbours. But the Soviets have also benefited from their participation in international efforts to resolve the problems of Kampuchea.[28] Moscow has made no secret of the fact that considerable pressure has been placed on Hanoi to withdraw Vietnamese forces, influence that has portrayed by Soviet leaders and diplomats alike as contributing to bring about peace in Southeast Asia.[29]

A further reason for the higher Soviet profile therefore is to enable the USSR to take advantage of the decline in Vietnamese presence and influence that is likely to occur with the withdrawal of Vietnamese forces from both Kampuchea and Laos. No commitment has been made by Hanoi to withdraw all Vietnamese troops from Laos by 1990, as in the case for Kampuchea; but force reductions have occurred, and it seems very possible that combined Chinese and Soviet pressure will lead to a complete withdrawal from Laos as well. The Soviet Union stands to be the principal beneficiary. So it is perhaps more significant for the future shape of Southeast Asian relations than might at first appear that a recent meeting of deputy ministers of transportation from the three Indochinese countries called to draw up plans to provide Laos with access to the sea via Kampuchea was attended by a Soviet deputy minister.[30] The future direction of both Soviet–Lao and Soviet–Kampuchean relations clearly warrants careful watching.

RELATIONS WITH THE PEOPLE'S REPUBLIC OF CHINA

As noted above, Lao–Chinese relations suffered most directly as a result of the Vietnamese invasion of Kampuchea. Diplomatic relations were reduced to the level of *chargé d'affaires*, the Chinese aid programme to northern Laos was terminated, and trade across the Lao–Chinese border was reduced to a trickle of contraband. Hostile armies faced each other, a number of armed incidents occurred, and the airwaves were full of shrill denunciation and propaganda. Vientiane accused Beijing of training a full division of insurgents,[31] with all that implied in terms of Chinese support for a possible invasion aimed at overthrowing the LPRP government, and replacing it by a regime loyal to the PRC – just as Vietnam had done in Kampuchea.

By 1983, however, what I have termed 'a curious disparity' was evident between Lao words and actions with respect to China.[32] Chinese criticism of the LPRP had become muted, border incidents and infiltration of agents reduced, and trade allowed to resume. In return, Lao denunciation of China focused not primarily, as before, on alleged Chinese hostility towards Laos, but on Chinese–Thai collusion to undermine the People's Republic of Kampuchea and on Chinese provocations along the Chinese–Vietnamese frontier. Surprisingly warm greetings were exchanged. Friendly contacts between respective armies even occurred. Vientiane was saying one

thing – denouncing China for its policy towards Kampuchea, and thus towards the revolutions of 'the three Indochinese countries' – while doing another – rebuilding relations at the local level of cross-border contacts.

Towards the end of 1986 this policy began to bear fruit. Under the urging of the Soviet Union and with the reluctant agreement of Vietnam, Laos welcomed the first high-level Chinese diplomatic delegation to visit the LPDR for almost a decade. During the 5-day goodwill visit amicable discussions were held on the state of bilateral relations, and the possibility of resuming full diplomatic relations.[33] Almost a year later a Lao delegation, led by First Deputy Foreign Minister Kamphay Boupha, returned the visit. The Chinese reportedly gave verbal assurances that they would not encourage or supply armed resistance movements in Laos, and the Lao agreed to exchange ambassadors.[34] This occurred 6 months later, with the further prospect of a new trade agreement to come. Lao officials gave improved relations with China as the principal reason for withdrawal of some 25,000 Vietnamese troops from Laos by May 1988.[35]

Some suspicion yet remains in Vientiane as to Chinese motives for improving relations with the LPDR while maintaining both support for the Khmer Rouge and an intransigent attitude towards Vietnam. The very different treatment accorded the Lao is seen, at least by the Vietnamese, as an insidious attempt to undermine Indochinese solidarity. It may, however, reflect a more realistic acceptance by Beijing of the constraints which clearly operate on Lao freedom of action where foreign policy is concerned. More significantly it may signal a readiness by China to accept a considerable degree of Vietnamese and Soviet influence in the LPDR – and by extension also in Kampuchea.

CHANGING DIRECTIONS: THE IMPACT OF KAMPUCHEA

Paradoxically it has been the stalemate that has developed over Kampuchea that has been instrumental in creating conditions for the new initiatives that have marked Lao foreign policy in the mid-1980s. As early as the First Summit Conference of the three Indochinese states in February 1983 the withdrawal of Vietnamese forces from Kampuchea was foreshadowed – tacit recognition of their presence as constituting the principal obstruction to negotiations for a political settlement. Over the next few years proposals and counter-proposals

were traded between Vietnam on one side and ASEAN and China on the other. In terms of conflict resolution, however, these constituted only a preliminary stage of pre-negotiation manoeuvring.[36]

By 1987 a number of new factors had entered into the Kampuchean equation. Prominent among these was Vietnam's increasing eagerness to resolve the Kampuchean recognition issue in the United Nations, and so open the way for Western aid to and investment in the SRV. In August 1985 Vietnam announced that its troops would be withdrawn from Kampuchea by 1990 – a move which was greeted with widespread scepticism. A second associated factor was the increasingly parlous state of the Vietnamese economy, allied to growing Soviet reluctance to continue virtually as Hanoi's sole provider of foreign aid. A third factor was the change in Soviet attitudes ushered in by Secretary-General Mikhail Gorbachev's Vladivostok speech of July 1986. Soviet interest in the Kampuchean problem, and pressure on Vietnam to negotiate a political settlement, increased markedly as a result both of the agreement to withdraw all Soviet forces from Afghanistan, and of the urgency with which the Soviet Union was determined to improve relations with both China and the ASEAN states. Other factors included some slight softening of Chinese attitudes, and some small readiness on the part of the United States to modify its hostility towards Vietnam.

The momentum towards holding serious negotiations to resolve the Kampuchean problem was maintained through 1987 and into 1988 by the willingness of the PRK government to embark upon negotiations with resistance factions aimed at national reconciliation, by Prince Sihanouk's three meetings with PRK Prime Minister Hun Sen in France, by Indonesia's determination to advance a Kampuchean settlement, and by continuing Soviet pressure in the face of the continuing collapse of the Vietnamese economy.[37] Throughout 1987 and 1988 the search for a breakthrough in the Kampuchean stalemate entailed a flurry of diplomatic activity, and figured as a topic of discussion from the capitals of Southeast Asia to the Moscow summit between Reagan and Gorbachev. It was in the context of this diplomatic activity that Lao foreign policy was shaped in new directions which furthered both Lao national interests and Vietnamese (and indeed, Soviet) goals.

Improvements in relations between the LPDR and China, as outlined above, are clearly beneficial to Laos – in the form of improved security, increased trade bringing consumer goods into remote northern regions, and the prospect of resumption of Chinese

aid – and provided Vietnam with an additional indirect avenue of contact and influence in Beijing. It is evident that in the future not only must the SRV mend its relations with China, but the successor government to the PRK in Kampuchea will also have to establish friendly relations with the PRC. Given the continuing Lao–Vietnamese 'special relationship', the improvement of Lao–Chinese relations effectively prepares the way for improvements in Vietnamese–Chinese relations, which tacitly accept preponderant Vietnamese influence in Vientiane. In this way Laos' desire to further its own national interests by improving relations with China can be interpreted in both Vientiane and Hanoi as being in the interests of all three Indochinese states.

A similar rationale applies in the case of Lao–US and Lao–Thai relations. Laos alone of the three Indochinese states has at all times retained diplomatic links with the United States, though at the reduced level of *chargé d'affaires*. At first, in the period 1982 to 1984, moves on the part of the Lao Ministry of Foreign Affairs to improve relations with the United States encountered some opposition from Hanoi. Nevertheless Laos led the way on the MIA issue by cooperating with US investigators in the excavation of an aircraft crash site in Southern Laos in February 1985, and in despatching a delegation to visit the US Central Identification Laboratory in Hawaii. Laos has subsequently been removed from the Congress-approved list of enemy states, and the way is thus open for resumption of both aid and ambassadorial level representation. Again these improvements have been in both Lao national interests and concurrently in the interests of Vietnam in its campaign both to regularise relations with the US, and to encourage US support for a political settlement in Kampuchea.

The progress of Lao–Thai relations has been less smooth than that of Lao–Chinese or Lao–US relations. Lao–Thai relations have a dynamic of their own which tends to escape the rational formulation of policy in terms of joint Lao and Indochinese interests. Since 1975 a series of border shooting incidents have led to unilateral closure of the frontier by the Thai, much to the vexation of Vientiane. Suspicion and distrust runs deep on both sides, for each has seen the other as colluding with foreign powers to undermine its national security. In the eyes of the Lao Thailand has colluded with China to support both Lao and Kampuchean anti-government resistance forces in a deliberate attempt to undermine and eventually overthrow both regimes.

In the eyes of the Thai Laos is but a puppet of Vietnam and has collaborated with Hanoi to pose a military threat to Thai security.[38]

Only one Thai leader, former Prime Minister Kriangsak Chamanand, has been able to overcome this mutual distrust and suspicion. It was Kriangsak who signed with Kaysone the two communiqués of 1979; it was Kriangsak who led a delegation to Laos in August 1983 after relations had reached a new low following yet another shooting incident in which Vientiane's Lane Xang Hotel was damaged by Thai heavy weapons fire; and it was Kriangsak who undertook the shuttle diplomacy which brought about a ceasefire in the border fighting of early 1988.

Two serious outbreaks of fighting between Thai and Lao forces occurred in the 1980s – the first in mid-1984 over possession of three border villages in Laos' Sayaboury province and the second towards the end of 1987 over another small area further to the south. Both provoked angry media criticism and inconclusive diplomatic exchanges. But despite the fighting, both sides have quietly encouraged a steady build-up in mutual cross-border trade. In fact the second outbreak of fighting appears to have been both sparked off and terminated largely as a result of considerations of trade advantage.

Trading contacts, which had picked up at the local level in the latter half of 1985, expanded further in 1986, largely as a result of the Lao policy of economic decentralisation, which left it up to individual provinces to raise whatever foreign currency they could. On the government-to-government level increased trade was facilitated in 1987 by an agreement over direct transhipment of goods via Thailand, and by Bangkok's decision to reduce the number of categories of strategic goods that could not be sold to Laos without licence from 273 to 61, and then to 30 only. [39] But trade brought its own conflicts, as Lao military officers and provincial officials negotiated with their Thai opposite numbers and with sharp businessmen intent on exploiting new trading opportunities. It was reportedly one of these minor differences over logging operations in a disputed border area that led to the full-scale fighting between opposing armies that broke out in November 1987.[40]

The origins of the incident were soon lost sight of as fighting flared. But what was to have been an incisive Thai military operation to push Lao forces out of the disputed area soon deteriorated into a stalemate as the Lao clung desperately to their positions atop Hill 1428. With losses of 103 dead and 602 wounded and one F-5E fighter and one

0V-10 prop jet shot down at a cost of some US$80 million, as against estimated Lao casualties of 340 dead and 257 wounded,[41] the Thai agreed to a ceasefire arranged by Kriangsak after two visits to Vientiane. Talks between delegations from the respective foreign ministries subsequently foundered on differences of interpretation of the Franco–Siamese Treaty of 1907, which delineated the border, but the ceasefire continued to hold.

What is significant about this most recent serious incident between Laos and Thailand is its aftermath. Instead of retreating into sullen isolation, the two sides seem to have undergone a conversion: better to trade than fight. So while relations officially remain strained, commercial contacts of various kinds have begun to flourish. Lao–Thai friendship markets have sprung up along the border. Thai businessmen have been welcomed in Vientiane for the first time to partake in small joint-venture industrial projects. There is talk of large-scale Thai investments in commercial property and tourism. New timber extraction contracts are being negotiated. So why the sudden turn about?

Various suggestions have been put forward. The word in Vientiane among some diplomats is that the Lao 'victory' in holding off superior Thai forces has provided the national self-confidence necessary for Laos to treat with Thailand on a basis of some equality. A more plausible explanation is that certain Lao leaders have seized an opportunity that was never previously available. Foremost among these is General Sisavat Keobounphan, the Commander-in-Chief of the Lao army who negotiated the ceasefire with his Thai opposite number, General Chavalit Yongchaiyudh, and, as concurrently mayor of Vientiane, has made use of his high-level Thai contacts to promote trade and investment in the city. The opportunity to do this arose through the convergence of a number of factors – Sisavat and the Lao military's standing following their 'victory', realisation that the Vietnamese way to socialism had proved an economic disaster, and the need in the light of attempts to solve the 'Kampuchean problem' to build bridges to Bangkok. Together these have brought about an extraordinary, if still fragile, change in Lao–Thai relations – a change which once again advances Laos' national interests, while at the same time conforming with current Vietnamese priorities.

Two further developments which occurred in 1988 deserve mention as illustrating the LPDR's determination to extend its 'multiform' relations, particularly with the capitalist world. Laos welcomed the

first French government minister to visit the country since 1975. This cleared the way for a subsequent mission to reach agreement on the outstanding debt Laos owes France (two-thirds cancelled, one-third paid off through a low interest loan). The way was thus opened for a rapid resumption of French aid, and for private French investment in Laos.[42] New initiatives were also taken with respect to Japan. Lao Foreign Minister Phoune Sipaseut paid his first official visit to Tokyo and the Japanese responded with increased economic assistance. A Japanese parliamentary delegation that later visited Vientiane promised a doubling of Japanese aid to Laos to around US$15 million annually within 5 years.[43] Meanwhile Laos continued to enjoy friendly relations with both Sweden and Australia.

CONCLUDING ASSESSMENT

In a study of Lao foreign policy undertaken at the end of 1985, I suggested that the decade since 1975 could be divided into three periods – from 1975 to the Vietnamese occupation of Kampuchea early in 1979, when Laos attempted to pursue a middle way between contending communist states; from 1979 to 1983, when Lao foreign policy was closely identified with that of Vietnam; and from 1983 to 1985, when tentative moves to steer a more independent course were taking place.[44] From 1986 to 1988 this last tendency became more pronounced. Both China and the United States have responded to Lao readiness to improve relations within the restraints imposed by the Vietnamese 'special relationship'. The Lao tactic of improving relations at the local level while at the same time maintaining rhetorical support for broader Indochinese (especially Vietnamese) interests, which proved so effective in the case of China, has been extended to Thailand. Denunciation of Thai policy (especially as formulated by the Ministry of Foreign Affairs) continues, though more subdued, even as commercial, cultural, and even military contacts blosssom.

Thus the logic of Lao foreign policy remains what it has always been – to ensure through the cultivation of friendly relations with all neighbouring states and as many potential aid-providing states as possible the security and continued economic development of the LPDR, all within the constraints imposed by the 'special relationship' with Vietnam. The Lao have become adept at doing one thing (pursuing friendly relations at the local level) while saying another

(proclaiming their solidarity with Vietnam) – both with the full knowledge of the Vietnamese. The relationship with Vietnam still remains intact, if somewhat weakened as a result of the weakness of Vietnam itself, for the very good reason that developments which further Lao national interests serve to create conditions which Hanoi believes to be in the interests of all three Indochinese states – and of Vietnam in particular. What remains to be seen is the extent to which Lao national interests are able to predominate in the event that these are considered by Vietnamese leaders to conflict with those of Vietnam. When this last occurred in 1978–9, Vientiane was forced to toe the Hanoi line. If the present trend continues, and Laos succeeds in establishing close and friendly relations with all her neighbours and the major aid-donating states, the Vietnamese may meet with rather more resistance in bending the Lao to their will in the future – the 'special relationship' notwithstanding.

Notes

1. Statement of the First Summit Conference of the Three Countries of Indochina (Laos, Kampuchea, Vietnam), Vientiane 22–3 February 1983 (Phnom Penh, Ministry of Foreign Affairs, 1983).
2. Kaysone Phomvihan (1980) *La Revolution Lao* (Moscow: Editions du Progrès) pp. 203–8.
3. As Kaysone put it in an interview with Radio Moscow. Transcript in *Khaosan Pathet Lao* (KPL) *News Bulletin* 3 October 1988.
4. Cf. Geoffrey C. Gunn, 'Foreign Relations of the Lao People's Democratic Republic: The Ideological Imperative', *Asian Survey*, 20, 1980, pp. 990–1007.
5. Ky Son, 'The Special Vietnam-Laos Relationship Under Various Monarchies and during the Anti-French Resistance', *Vietnam Courier*, 16, no. 7, July 980, pp. 10–13.
6. The name Phomvihan was taken to emphasise the Lao side of his ancestry. It is a Buddhist technical term not otherwise used as a surname in Laos. Cf. Arthur C. Dommen (1985) *Laos: Keystone of Indochina* (Boulter, Colorado: Westview Press), p. 109.
7. For the text, see Martin Stuart-Fox (1987) *Vietnam in Laos: Hanoi's Model for Kampuchea* (Claremont, Calif.: The Keck Center for International Strategic Studies, Essays on Strategy and Diplomacy, no. 8, appendix 2.
8. On Vietnamese military assistance to Laos, see Carlyle A. Thayer, 'Laos and Vietnam: The Anatomy of a "Special Relationship"', in Martin Stuart-Fox (ed.) (1982) *Contemporary Laos: Studies in the Politics and Society of the Lao{People's Democratic Republic* (St Lucia, Queensland: University of Queensland Press), pp. 255–7.
9. Foreign Broadcasts Information Service *(FBIS)*, Daily Reports for Asia and the Pacific, 8 November 1985.
10. On these frontier negotiations, see Martin Stuart-Fox (1986) *Laos: Politics, Economics and Society* (London: Frances Pinter), pp. 176–7.
11. The most recent such meeting was in Phnom Penh in July 1988.
12. For an examination of how the relationship functions in practice, see Martin Stuart-Fox, *Vietnam in Laos, op.cit.* A recent study of the relationsip is provided by Joseph J. Zasloff, 'Vietnam and Laos: The Special Relationship'. Paper prepared for the Conference on Indochina Relationships, held by the Institute for Foreign Affairs, US Department of State, March 1987.
13. Kaysone Phomvihan, 'Thirty Years of the LPRP's Struggle for National Independence and Socialism', *Tap Chi Cong San*, March 1985. Translated in *FBIS*, 27 March 1985.
14. See Martin Stuart-Fox, *Laos: Politics, Economics and Society, op.cit.*, pp. 81–4.
15. Cf. Martin Stuart-Fox, 'National Defence and Internal Security in Laos', in Martin Stuart-Fox (ed.), *Contemporary Laos, op. cit.*, pp. 230–1.
16. *The Nation* (Bangkok), 15 May 1988.
17. I have stressed this positive aspect previously. Cf. Martin Stuart-Fox, *Laos: Politics, Economics and Society, op.cit.*, p. 201.
18. For a detailed examination of these events, see Martin Stuart-Fox, 'Laos: The Vietnamese Connection', in Leo Suryadinata (ed.) (1980) *Southeast Asian Affairs 1980* (Singapore: Institute of Southeast Asian Studies), pp. 191–209.
19. This period is examined in Martin Stuart-Fox, 'Laos in China's Anti-Vietnam Strategy', *Asia Pacific Community*, no. 11 1981, pp. 83–104.
20. Cf. Department of Press and Information of the Ministry of Foreign Affairs of Democratic Kampuchea, *Black Paper* (Phnom Penh, September 1978).
21. For the text of this agreement, see Martin Stuart-Fox, *Vietnam in Laos, op.cit.*, appendix 3.
22. It was already significant that in the booklet published in Moscow to commemorate the tenth anniversary of the founding of the LPDR, no mention was made of the Lao–Vietnamese 'special relationship' in the chapter on foreign policy. See Youri Mikheev (1985) *Les debuts du socialisme au Laos* (Moscow: Editions de l'Agence de presse Novosti).
23. *FBIS*, 8 November 1985.
24. This is an estimate of military expenditure plus approximate cost of equipment averaged out over a 10-year period. Cf. *The Military Balance 1986-1987* (London: The International Institute of Strategic Studies, 1986) where foreign military assistance for 1983 was estimated at US$125 million (p. 161).
25. Marcel Barang, 'Perestroika in the Vientiane Style', *South*, July 1988.
26. *Indochina Chronology*, 8, no. 1, Jan–March 1988, p. 13.
27. *Ibid.*
28. Cf. Sophie Quinn-Judge, 'A bear hug for ASEAN', *Far Eastern Economic Review*, 3 March 1988.
29. Cf. Nayan Chanda, 'A Troubled Friendship', *Far Eastern Economic Review*, 9 June 1988.
30. *Indochina Chronology*, 8, no. 1, Jan–March 1988, p. 13.
31. Few foreign observers accepted the reality of this so-called 'Lanna' division. Cf. MacAlister Brown and Joseph P. Zasloff (1986) *Apprentice Revolutionaries: The Communist Movement in Laos, 1930-1985* (Stanford: Hoover Institution Press), p. 185.
32. Martin Stuart-Fox, *Laos: Politics, Economics and Society, op.cit.*, p. 188.
33. *Indochina Chronology*, 5, no. 4, Oct.–Dec. 1986, p. 11.
34. *Indochina Quarterly*, 6, no. 4, Oct.–Dec. 1987, p. 13.
35. *The Nation*, Bangkok, 25 May 1988.
36. Cf. Martin Stuart-Fox, 'The Kampuchean Problem: Time for Realism', *World Review*, 27, no. 2, June 1988, pp. 56–72.
37. Cf. the collection of papers in Donald H. McMillan (ed.) (August 1988) *Conflict Resolution in Kampuchea* (Brisbane, Queensland: Centre for the Study of Australian–Asian Relations).
38. For these opposing positions, see Pheuiphanh Ngaosyvathn, 'Thai–Lao Relations: A Lao View', *Asian Survey*, 25, 1985, pp. 1242–59; and Sarasin Viraphol, 'Reflections on Lao–Thai Relations', *Asian Survey*, 25, 1985, pp. 1260–78.

39. Cf. Charles A. Joiner, 'Laos in 1987: New Economic Management Confronts the Bureaucracy', *Asian Survey,* 28 1988, pp. 95–104.
40. *The Nation's Midyear Review,* Bangkok, June 1988, p. 102.
41. *Ibid.,* p. 101.
42. Economic Intelligence Unit, Laos, no 3, 1988, p. 21.
43. *The Nation,* Bangkok, 29 March and 2 April 1988. *FBIS,* 30 June 1988.
44. Martin Stuart-Fox, *Laos: Politics, Economics and Society, op.cit.,* p. 197.

8 Relations between Laos and Thailand, 1988

Ambassador Saly Khamsy

and

Comment on the LPDR Statement

Counsellor Pradap Pibulsonggram

RELATIONS BETWEEN LAOS AND THAILAND, 1988

Ambassador Saly Khamsy

I am particularly grateful to the Center for the Study of Foreign Affairs, Foreign Service Institute, for organising this symposium at a very opportune moment when my country is facing a threat of territorial encroachment perpetrated by one of its immediate neighbours, namely Thailand. I would like to talk on the foreign policy of the Lao PDR (People's Democratic Republic) in general, with a focus on Lao–Thai relations and, to some extent, Lao–American relations.

The relations between Lao and Thai peoples have been since time immemorial those between neighbours and brothers. The two peoples have been bound by blood ties and, by their ethnic affinities, are very close to each other in culture, language, customs, habits, and religion.

On this basis Lao–Thai relations should have developed harmoniously. However, over recent decades and quite recently they have developed in a way contrary to the wishes of the two peoples, and to the general trend of solving all contention between nations by peaceful means, which is prevalent everywhere in the world today.