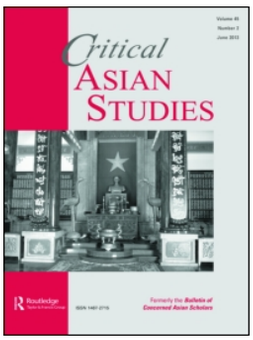

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Socialist Construction and National Security in Laos

by Martin Stuart-Fox

As the poorest country in Asia (with the current exception of Kampuchea), Laos faces peculiar problems associated both with promoting economic development and with maintaining national security. Not only is Laos far less powerful by any criterion than any of its neighbors (again excluding at present Kampuchea), with a weak economic infrastructure and minimal industrial capacity, but its small population is deeply divided, both ethnically and culturally. Since the 1975 socialist revolution, opposition has continued among different social groups to the politics of the new regime. This has resulted in a massive outflow of refugees to Thailand and beyond, incidentally providing a ready source of recruits for clandestine attempts to undermine the present Lao government. Opposition has tended to focus upon either ethnic dissatisfaction, or popular suspicion of government attempts to alter the socio-economic structures of Lao society through nationalization of the means of production and distribution.

The principal attempt to date by the Lao government to promote socialist economic development took the form of a three-year plan to run from 1978 to the end of 1980. An essential aspect of this plan was the rapid collectivization of agriculture—a move expected to have a three-fold result: to socialize the basic relations of production of Lao society, to promote productivity, and to improve internal security and thus strengthen national defense. The combination is significant. It is an expression of the close relationship which perforce exists in Laos between the construction of a socialist economy and the maintenance of the security of the state.

The clearest statement of this connection is contained in the report by Lao Prime Minister and Secretary-General of the Lao People's Revolutionary Party (LPRP), Kaysone Phomvihan, to the annual joint session of the Supreme People's Assembly and Council of Ministers in February 1977.

> *Because our country is a socialist outpost, and because of the thoroughness of our country's revolution, we must always closely link the duties of national defense . . . with the duties of economic construction . . . both in the intermediate and long-range future. We must regard the duty of fostering and consolidating security and national defense as an integral and interrelated part of the entire socialist revolutionary struggle.*

For Laos the problem of economic development cannot be divorced from the requirements of national defense.

The outskirts of Vientiane, 1980 (John Spragens)

This paper* sets out to assess the effectiveness of the Lao strategy of linking economic development and internal security through the collectivization of agriculture by examining the cooperativization program in the light of its stated goals. The reasons why the strategy failed have to do with peculiarly Lao conditions which were overlooked by party ideologues and their mainly Vietnamese advisors. In particular these included the country's ethnic and cultural patterns and its geo-political position. In addition a changing international situation had the effect of further undermining Lao security by drawing the country into an unnecessary and unwanted confrontation with the People's Republic of China (PRC).

In discussing what went wrong with the cooperativization program and where new policies may be leading, I conclude that a major problem concerns the country's close and continuing dependency upon the Socialist Republic of Vietnam (SRV)—a relationship which in some respects has exacerbated rather than overcome Laos' traditional problems of economic underdevelopment, social division and internal insecurity. Finally in instituting a new economic policy based upon what is clearly a Soviet model, Laos may be attempting to distance itself from what for the Lao threatens to become the suffocating embrace of Hanoi.

* This paper was presented at the Third National Conference of the Asian Studies Association of Australia, Brisbane, August 1980.

The Three Year Plan

In March 1978, Kaysone, in a key speech to a joint sitting of the Supreme Peoples Assembly (SPA) and the Council of Ministers, launched Laos upon its first three-year economic development plan. Three months later the Politbureau of the Party announced the beginning of a concerted drive towards the cooperativization of agriculture. Two things are worth noting about these decisions. The first is that both actions were taken not simply in accordance with Vietnamese advice proffered after consideration of Lao conditions, but in order to mesh with decisions pertaining to the SRV. The Lao plan will be followed by a five-year plan to coincide with the next Vietnamese five-year plan (1981–85), itself co-ordinated with the development plans of Comecon nations. The cooperative program in Laos was launched two months after the decision was taken to collectivize agricultural production in the southern part of Vietnam.[1]

The second point is that in both decisions improvement of security was a primary consideration. It was hoped that the three-year plan, with its emphasis upon agricultural production, would strengthen security by raising living standards, thus generating a commitment to the new regime. Cooperativization would have a similar effect, both by proving the superiority of socialist over individualist/capitalist modes of production, and by implanting new popular administrative structures by which to promote party control.

In his March 1978 speech, Kaysone outlined the three broad political objectives he hoped would be furthered by the three-year plan. These were:

> *1. To strengthen solidarity among the people of all nationalities at home; strengthen international relationships, solidarity and cooperation, such as with the fraternal socialist countries, build and strengthen in all respects the administration, popular organizations and the ranks of cadres; pay special attention to building the revolutionary forces at the grass-roots level; and formulate regulations for state and economic management from the central down to the local levels.*
>
> *2. To strengthen national defense and popular peace-keeping activities; maintain political stability and public order; and firmly defend the country and the people's socialist construction cause.*
>
> *3. To promote and coordinate socialist transformation with socialist construction; gradually advance socialist production relations in the national economy; incessantly develop and increase production forces; build new technical and material bases; resume production, restore and develop the economy and culture; insure the normalcy of the economic and financial situation, as well as of the people's living conditions; and create conditions for vigorously developing the national economy from the year 1981 onwards.*[2]

Not only did these objectives express the priorities of national planning policy as the government saw them, they also reveal the major problem areas that the regime had already encountered. Opposition had continued among certain tribal minorities, most notably the Hmong and Yao. At the same time social dissatisfaction over radical change was widespread. As Kaysone told delegates to the 1978 joint SPA-Council of Ministers meeting, "the vestiges of colonialism and feudalism constantly caused confusion in our country." What was worse,

opposition was being encouraged by U.S. imperialism, and by the Thai government whom Kaysone accused of continuing "to foster, support and assist the exiled Lao reactionaries in their fight against our Lao revolution."[3] This had led to a serious security problem. National solidarity and defense had to proceed hand in hand. So long as ethnic and social divisions remained, these could be exploited by the "enemies" of the new regime.

On the economic front the Lao government had been faced with many problems similar to those of its predecessor. The country lacked a basic economic infrastructure. The few roads in Laos were still in a poor state of repair, with many bridges down. The existing transport network was quite inappropriate for the organization of a centralized economy, and communications in general were inadequate. This made it difficult for the Party to exert control over outlying areas at the village level, a situation exacerbated by an appalling lack of trained cadres, both in the central administration, and at the grassroots.[4] Without adequate numbers of trained personnel it was proving ex-

1. As Kaysone stated: "The development of our revolution is closely linked with the development of the revolutions of the two fraternal countries—Vietnam and Kampuchea. . . ." Report to joint session of the Supreme People's Assembly and Council of Ministers 1 Feb. 1979. Joint Publications Research Service (JPRS), Translations on South and East Asia (TSEA) 808, 19 March 1979, p. 10.

2. Kaysone Phomvihan, Report to joint session of the Supreme People's Assembly and Council of Ministers, 2 March 1978, as read over Vientiane Domestic Radio 6 March 1978. (Foreign Broadcasts Information Service (FBIS), Supplement no. 1, Asia and Pacific, 17 March 1978, p. 22).

3. On the world situation in ibid., pp. 1-5.

4. Laos had only 113 doctors for a population of over three million—and these presumably included foreign medical practitioners, ibid., p. 13.

tremely difficult either to translate government directives into concrete administrative and political changes, or to provide the technical and economic services to improve living conditions. As Kaysone admitted, a number of difficulties had dogged attempts to implement party policies. Many cadres had "not yet profoundly understood the line, plans and policies of our party and state." Cadres were still influenced by "narrow nationalism," a term applied to anti-Vietnamese sentiments, and still failed "to fully rely on the socialist countries." Others were said to "impinge on the people's right to mastership at home," or exhibited a "dependence mentality" instead of demonstrating self-reliance and developing self-sufficiency. Worse still, "some service branches at some levels had no actual plans to implement the lines and policies [of the party]." Failings were due to two principal causes—"a low level of understanding and an inappropriate working system"—poorly trained cadres and poor administrative structures.[5]

Within the context of the "three fundamental political objectives," Kaysone specified ten main tasks to be accomplished. Where these were not expressed in general terms which referred to ongoing commitments, they tended to be over-optimistic. Broadly these tasks had to do with:

(1) national defense and security;
(2) socialization of the economy;
(3) agricultural and industrial production;
(4) communications and transport;
(5) trade and the distribution of goods;
(6) culture and education;
(7) consolidation of the state apparatus in the fields of management and administration;
(8) building of mass organizations;
(9) promotion of foreign policy objectives;
(10) improvement of cadres.

The order in which these were presented revealed the urgency the Lao regime attached to security in the light of the rapidly evolving polarization of socialist forces in the region into pro-Chinese and pro-Soviet camps. The inability of Laos either to influence this development (through the government's initiative in sending President Souphanouvong to Phnom Penh in December 1977 in a last ditch attempt to convince Pol Pot to negotiate with the Vietnamese), or to remain neutral was already clear to the Lao leaders.

National defense was therefore of major concern. As Kaysone told the assembled delegates: "the building and strengthening of national defense and the people's peacekeeping forces constitute fundamental themes of the socialist revolutionary struggle in our country." And he characterized these aims as "the most important political duties of all our people and soldiers."[6] An allied theme stressed was national solidarity, and special emphasis was placed upon improving conditions for the tribal minorities. Kaysone called for special attention to be given to training ethnic minority cadres, increasing production in minority areas, and improving education. The aim would be to set up "an economic and cultural center in each area to provide ethnic minorities with a base for developing their own economy and culture and conducting economic and cultural exchanges with other nationalities." The security aspect was specifically stated. Party members would have to "pay attention to consolidating the political foundation in ethnic minority areas infiltrated by the reactionaries."

> *In this stage of socialist revolution, the solidarity of all the people and among various nationalities [is] of great significance for promoting and expanding the overall strength of the entire nation in order to thwart various sabotage schemes of the enemy and the reactionaries and to defend and build the country.*[7]

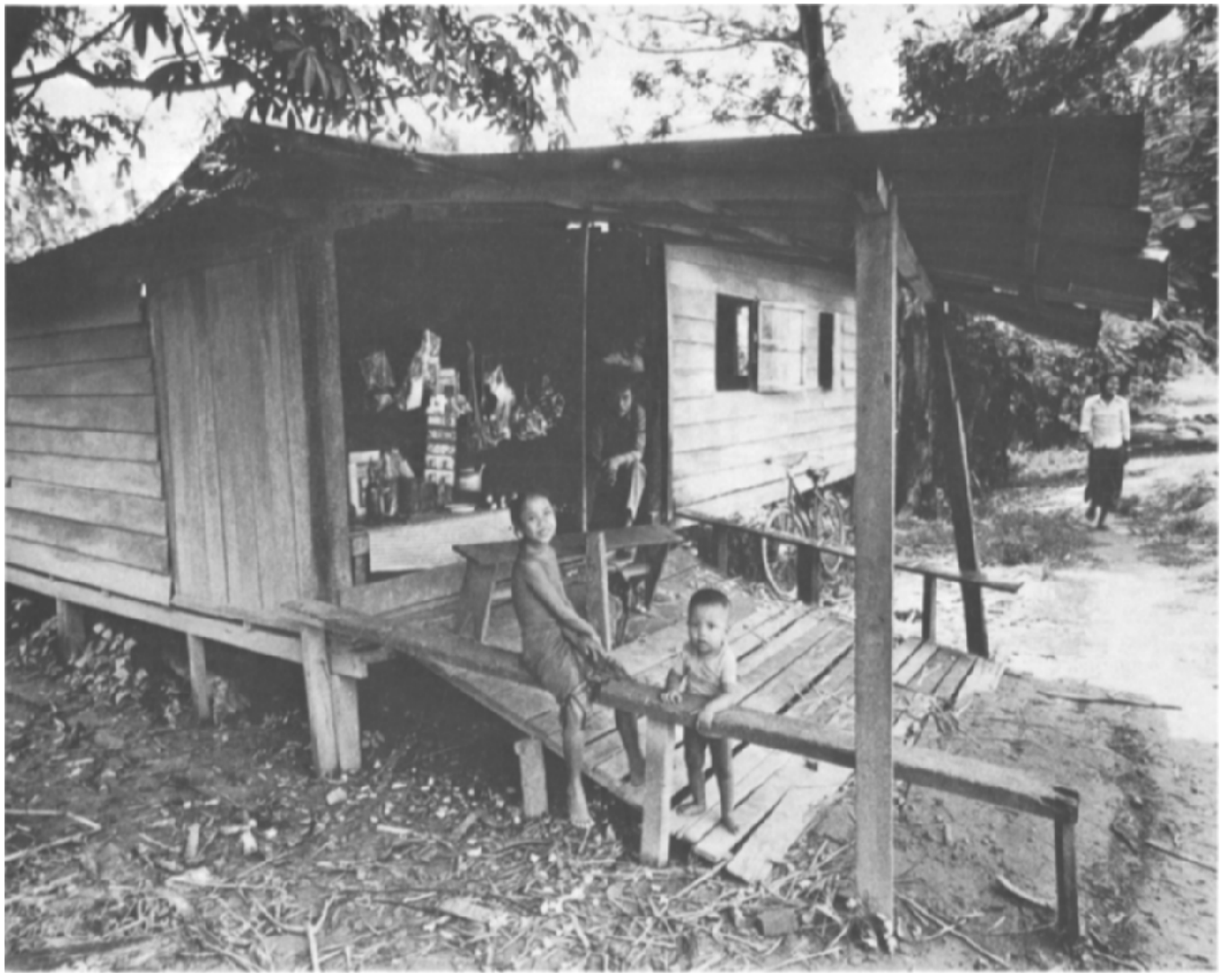
Of the purely economic objectives of the plan, the most important had to do with agricultural production. The goal was for Laos to become self-sufficient in food over the three-year period. In addition production of industrial crops was to be increased, and agricultural and forestry exports were to be stepped up.[8] For a country with a small population (something over three million) utilizing only around 8 percent of land area for agriculture and blessed with ample natural resources, the objective of self-sufficiency in food crops would not seem to be over-ambitious. Due to a severe drought in 1977, however, grain shortfall had amounted to some 113,000 tons, or more than 10 percent of requirements; hence it would require a steady production increase to meet the set target. Other economic goals included increased production of electricity, tin, farm tools, construction materials, textiles, salt and simple consumer goods; the upgrading of postal services, communications and transportation; and increased internal and external trade.

Perhaps the most radical of the decisions taken at this time was to build each province into a "strategic economic unit," agriculturally self-sufficient and responsible for the development of its own economic infrastructure. Such a move may have taken account of the country's poor communications and underdevelopment, but the decentralization of administrative and political power that would presumably result could only pose a threat to the central authority in a country where regionalism is rife, especially in view of the fact that each province was encouraged to enter into economic arrangements with neighboring provinces in neighboring countries, a move which ties Laos even more closely to Vietnam. Yet the same goal was reiterated a year later, with the defense aspect also included:

> *Each province in our country, with a population of between 200,000 and 300,000 and labor forces of between 100,000 and 150,000 is capable of exploiting our rich natural resources, developing its own strength to advance forward to gain adequate capabilities in resolving production and construction requirements and the people's living conditions in the province; and is capable of building local logistics foundations by coordinating economic construction with national defense.*[10]

The overall structure of the Lao plan reflects the dominant Vietnamese rather than Soviet or East European influence. Ideologically the plan was based upon the Vietnamese strategy of simultaneous promotion of the "three revolutions." The first

5. Ibid., pp. 20-21.
6. Ibid., p. 24.
7. Ibid., p. 26.
8. Cf Kaysone's directive on agricultural production in 1978 as carried on Vientiane Domestic Radio 1 April 1978. (FBIS, April 1978). See also the editorial in *Sieng Pasasonh* 21 March 1978. (FBIS 21 March 1978).
9. See Nayan Chanda, "Laos: Back to the Drawing Board," *Far Eastern Economic Review (FEER)*, 8 September 1978.
10. JPRS, TSEA 808, 19 March 1979, p. 28.



Roadside shop near Vientiane (Spragens, 1980)

of these, the "revolution of relations of production," was not emphasized in Kaysone's speech, but was of primary concern when the cooperativization program was launched. Economic provisions of the plan aimed at establishing the basis in agricultural self-sufficiency and general infrastructure for the second "technical and scientific revolution," especially during the following five-year plan. This would be based upon progressive mechanization and the use of technically trained personnel. The third "ideological and cultural revolution" would be pursued through mass organization, education, propaganda, and the ideological training of cadres. In Laos, however, there has been notably less emphasis upon exclusively national culture in the promotion of "socialist patriotism" than has been the case in Vietnam. Lao values have not been stressed over and above Indochinese solidarity and proletarian internationalism. Nor has there been the same degree of almost paranoic and xenophobic chauvinism that has recently been evident in Vietnam. The reasons for this are obvious: whereas the Vietnamese are encouraging an ardent nationalism as part of their anti-Chinese campaign, the last thing they want in Laos is a parallel emphasis upon Lao nationalism whose target in the circumstances could only be the ubiquitous Vietnamese presence.

It is perhaps not surprising, given the limited resources available to the government, that the Lao three-year plan amounted to little more than a rationalization of existing goals and programs. But if the document was neither inspired nor inspiring, nor was it overly ambitious. It stayed within the bounds of possibility in concentrating upon agricultural productivity and the gradual development of an economic infrastructure. It was the subsequent decision to press ahead more rapidly with the collectivization of Lao agriculture which represented a decisive new stage in the socialist construction of the country—a development whose implications lay not simply in the field of economics, but which also affected the nation's security.

Cooperativization and National Security

The first, and most basic, of the "three revolutions" the Lao government is intent on pursuing—the "revolution of relations of production" which would bring about the socialist transformation of society and the economy—was the one least evident in the three-year plan. This "oversight" was corrected, however, with the announcement in June 1978 that Laos would undertake a nationwide program to set up cooperatives.[11] Not only would this transform the relations of production in the countryside to the "socialist pattern," it would encourage agricultural production, and contribute to the internal security of the state by preventing counterrevolution. As Kaysone told a gathering in southern Laos

> *The efficient organization of an agricultural cooperative constitutes an effective basis for promoting the collective*

mastership of all farmers, consolidating the proletarian dictatorship, strengthening the unity of the people of all nationalities, and building a new, prosperous man and countryside.[12]

At the same time it was recognized that internal security could suffer. The army would have to increase its "revolutionary vigilance" for

the period of socialist transformation and construction for turning the private and individualistic production method into a new socialist production method and guiding peasants into the socialist collective ways of life is, in particular, the most complicated, confusing and arduous development. The enemies always take advantage of such a development to carry out their counter revolutionary activities to the fullest extent.[13]

Clearly both socio-economic change and internal security depended upon the success of the program. High hopes were held in particular in the areas of productivity and national solidarity, both of which would incidentally provide the government with criteria by which to judge the effectiveness of the overall program.

The cooperativization of Lao agriculture was not decided upon without some preliminary investigation and experience. Collective methods of agricultural production had been in use in the pre-1975 liberated areas. By early 1978, according to Kaysone, the first steps had been taken towards setting up "a collective agricultural system" throughout the country by forming "solidarity units to promote production and using labor exchange units to conduct experiments in building agricultural cooperatives."[14] The former consisted of communal labor teams organized to perform tasks of mutual benefit to all, such as the construction of an access road, irrigation canal or local school house. The latter was "a form of collective labor" in which time worked was computed and repaid by those for whom it was performed.

Already in Laos some larger collective units had been formed, either as state farms or as resettlement projects for refugees where the means of production were supplied by the state. The new cooperatives were to be based upon the village, though larger villages might be divided into two or even three cooperatives or smaller villages combined to form a single cooperative. Cooperatives thus represented not only the logical next stage in the collectivization of Lao agriculture, but also the most appropriate form for Lao conditions.

The success of early moves to collectivize agricultural production, both in cooperative ventures in the pre-1975 liberated areas, and in the labor exchange teams and state farms in those areas taken over since 1975, may have helped convince the Lao authorities to press ahead with full-scale cooperativization.

Another reason may have been the Vietnamese example in southern Vietnam. It seems clear, however, that ideological considerations were a decisive factor, for the social and material conditions necessary for the successful implementation of such a program simply did not exist. Most peasants owned their own land, and many were suspicious of government motives following the introduction of unpopular agricultural taxes in October 1976. Careful preparation would have been necessary to convince farmers of the reasons for and benefits of cooperativization, including the promise of effective state support, training of administrators, and provision for state purchase of crops at realistic prices as a production incentive. The time allowed for such preparations was totally inadequate. Members of the LPRP at the grassroots level must have been aware that far more required to be done to raise the political consciousness of the highly individualistic Lao peasant farmers before the success of agricultural collectivization could be assured.

In the event, the pace at which cooperativization was put into effect was quite unrealistic, and adverse reaction on the part of the peasantry was badly underestimated. Within less than a month of the decision to form cooperatives, more than three hundred were said to be in existence,[15] a figure which increased to sixteen hundred by the end of the year.[16] Even though this may have included production brigades and state farms run by the Ministry of Agriculture, or the Army, and recently upgraded experimental collective production units, it still reflects an extraordinarily rapid execution of instructions by some cadres. This was taken as proof that conditions in the countryside had been ripe for the formation of cooperatives. More likely it reflected an extraordinarily rapid execution of instructions by some over-zealous cadres of the LPRP who hoped to impress their superiors. In some cases nominal cooperatives may have existed only on paper.

Some suggestions that things were not progressing as smoothly as had been hoped may be deduced from the decision in November 1978 to set up a Central Committee for the Guidance of Agricultural Cooperatives under the chairmanship of Saly Vongkhamsao, Secretary of the LPRP Central Committee, Minister in charge of the Prime Minister's Office, and later Acting Minister of Agriculture. Working directly under the Central Committee Secretariat and the Standing Committee of the Council of Ministers, the new committee was responsible for determining cooperatives policy and supervising and coordinating its implementation.[17] The enormous disparity in numbers of cooperatives in different provinces was clear evidence that implementation of policy was uneven. Of the 1600 cooperatives in existence by the end of December, no fewer than 304 were in the southern province of Champassak (up from 180 in July) while Khammonane saw an increase in five months from a handful to 305. Savannakhet and Xieng Khouang also boasted substantial numbers. Other provinces had far fewer and better bore out Information Minister Sisana Sisane's claim that "we have been careful not to go too fast."[18]

11. For the relationship between the "revolution of relations of production" and cooperativization, see ibid., p. 29; and for the effect the formation of cooperatives was expected to have on the other two revolutions, ibid., p. 30.

12. Vientiane Domestic Radio, 13 June 1978 (FBIS 13 June 1978).

13. Station editorial, Vientiane Domestic Radio, 29 June 1978 (FBIS 30 June 1978).

14. Kaysone to joint session of Supreme People's Assembly and Council of Ministers, 2 March 1978. (FBIS Supplement No. 1, 17 March 1978, p. 9).

15. Khaosan Pathet Lao (KPL) in English 10 July 1978 (FBIS 10 July 1978).

16. Kaysone to joint session 1 February 1979, JPRS TSEA 808, p. 15. A month earlier Radio Hanoi had put the total at 800, quoting KPL in English 20 November 1978 (FBIS 21 November 1978).

17. Vientiane Domestic Radio 19 November 1978 (FBIS 21 November 1978).

18. Interview with Lao Information Minister Sisana Sisane carried by Agence France Presse, 17 November 1978. (FBIS 17 November 1978).

The bald statistics on the number of cooperatives in different provinces camouflaged a variety of different collective enterprises. These included not only recently upgraded experimental production units, refugee resettlement projects and state farms run by the Ministry of Agriculture or the Army, but also cooperatives formed among tribal groups in upland areas. The large number of cooperatives in Xieng Khouang probably included not only reconstructed bombed out villages for Lao farmers on the Plain of Jars, but also tribal cooperatives and government sponsored lowland resettlements for Hmong soldiers who previously fought for General Vang Pao and the CIA. It is impossible, however, to obtain any breakdown of figures of the formation of cooperatives, or to assess the relative effectiveness of the program in different regions. That opposition was widespread is obvious, however, since the program was eventually halted a little over a year after it got underway.

By the end of the first year of the three-year plan it was clear that production targets for 1978 could not be met. A series of disastrous floods kept agricultural production low and rice imports almost as high as the previous year. Socialist bloc aid, while substantial, failed to meet the need for major infrastructure development. But the principle problems besetting the government had to do with the level of training, zealousness and inflexibility of cadres on the one hand, and rising international tensions leading to increased insecurity on the other. Both of these factors affected implementation of the cooperativization program.

The decision to encourage the formation of agricultural cooperatives practically coincided with the decision openly to back Vietnam in its growing dispute with Kampuchea and China. Kaysone chose the first anniversary of the Lao-Vietnamese Treaty of Friendship and Cooperation in July 1978 to denounce the actions of "international reactionaries," Vietnam's term of abuse for the government of the PRC. Over the next six months the Lao became increasingly nervous over alleged Chinese support for dissident tribal minorities in northern Laos, and relations with Beijing further deteriorated, despite apparent attempts by some senior party officials to steer a more neutral course.[19] Ever more urgent calls were made to improve internal security and national defense, two terms which in the Lao context had become virtually synonymous. Conscription of young men into the regional and local militia forces was stepped up in August, despite the fact that "peacekeeping forces" had reportedly been doubled since 1976. *Sieng Pasasonh* urged that

> *The various localities must carry out the task of mobilizing the youths to serve as soldiers to insure that we have sufficient manpower to build various divisions, companies and military corps.*[20]

However, a poor level of response and poor motivation marked the program. Too often training was desultory and ineffective. Calling for improved tactical training for regional and local forces, Radio Vientiane stated bluntly "when they are called to launch an attack they must win,"[21] suggesting at least that this had not always occurred. Regular "in-service" tactical training was necessary for all cadres in order to defeat the schemes of the enemy:

> *Efforts must be made to avoid certain loopholes; for example, the training programs may be too brief or incomplete; the fundamental objectives of the training are not fulfilled; documents other than those prepared for the training programs are utilized; the training period is arbitrarily cut shot; and so forth.*[22]

Calls for stepped up conscription and improved training of cadres appear to have been in response to increased guerrilla activity in southern Laos and growing concern over Chinese support for rebellious minorities in the north.[23] Both were related to government attempts to alter traditional lifestyles through the introduction of socialist planning: of the lowland peasantry through cooperativization; and of the mountain tribes by curtailing use of slash and burn methods of agriculture and urging permanent resettlement at lower altitudes where wet rice production was possible. Opposition to both provided anti-government propagandists, "elements of the old ruling class," with new opportunities to sow dissension, though the extent of anti-government feeling was difficult to determine.

By November the authorities were becoming concerned over the effect opposition to the cooperativization program was having upon internal security. In Pakse, capital of Champassak province, security extended no further than the city limits after dusk, and gunfire could be heard at night. Ambushes were frequent, and "reactionaries" were holding regular anti-government propaganda meetings in many villages, where peasants were warned that they would lose all their personal belongings if they entered a cooperative.[24] *Sieng Pasasonh* called upon the entire populace to

> *work closely with the army and the peace-keeping forces to smash all schemes aimed at sabotaging our new regime so that tranquility can prevail in our country and our people can freely earn their living and build the country in peace. In maintaining peace and public security, we must keep an eye on the enemy, who is likely to carry out deceitful propaganda among the people to create unrest. . . .*[25]

Another editorial urged that

> *We must inculcate in the people patriotism and the spirit of loving the new socialist system so they will volunteer to take part in national defense and public security work in their localities.*[26]

The role of the army was also stressed in the implementation of minorities policy. Tribes recently liberated were still "influenced by an old way of thinking," so "our various armed forces must play an important role in aiding and motivating them to earn their living in a new, better way," Radio Vientiane admonished its listeners.[27] Local customs were to be respected, and nothing done to disturb "the peace and happiness of the people." But security was to be maintained through active patrolling, and the pursuit and punishment of "reactionary chieftains" causing unrest and disunity. The contradictions implicit in such a policy were left to local cadres to resolve.

19. For an account of Lao-Chinese/Lao-Vietnamese relations during this period see Martin Stuart-Fox, "Laos: The Vietnamese Connection" in L. Suryadinata (ed.) *Southeast Asian Affairs 1980* (Singapore: Heinemann, 1980), pp. 191-209.

20. *Sieng Pasasonh* editorial, 19 August 1978, read over Vientiane Domestic Radio 19 August 1978 (FBIS 21 August 1978).

21. Vientiane Domestic Radio, 28 September 1978 (FBIS 6 October 1978).

22. Ibid.

23. Cf Nayan Chanda, "A New Threat from the Mountain Tribes," *FEER*, 1 September 1978.

24. Nayan Chanda, "The Sound of Distant Gunfire," *FEER*, 8 December 1978.

The Problems of Early 1979

By early 1979 two things were evident: Laos would not be able to avoid being drawn even further into the Sino-Vietnamese conflict, and the cooperatives program was running into serious difficulties. The Vietnamese invasion of Kampuchea was strongly supported by the Lao, and Laos was the second country to recognize the new Vietnamese-backed Heng Samrin regime. With the Chinese border incursion against Vietnam, and the supposed Chinese threat to Laos, the Lao, under strong Soviet and Vietnamese pressure, began openly to condemn the Chinese by name. A war of words followed between Vientiane and Beijing, in which the Chinese accused the Lao goverment of being dominated by Hanoi, and the Lao accused the Chinese of forcibly occupying a portion of Lao territory and of being about to invade the country—a charge for which there was never any real evidence. However, in May Lao fears were further excited when it was revealed that a new revolutionary party, the Lao Socialist Party, had been established, with Chinese blessing, dedicated to liberating Laos from the Vietnamese yoke[28]—this at a time when the government found itself facing increasing dissatisfaction over cooperativization and growing anti-Vietnamese feeling. National sentiment and consciousness of the new threat were aroused by two nationwide congresses: the first to form a new mass front, the Lao Front for National Construction, to replace the Lao Patriotic Front of the war years; the second to bring together the nation's military heroes so that "the entire party, army and people [could] clearly understand their consolidated strength, the strength of unity of our people of all nationalities."[29]

Already in February 1979 Kaysone had placed primary emphasis upon "the maintenance of public security and national defense" in his address to the annual joint meeting of the Supreme People's Assembly and Council of Ministers. What was essential, Kaysone said, was to

> *make the whole army and people clearly understand the situation and [their] duties, know how to distinguish friend from foe, and clearly understand the objectives as well as new schemes and tricks of the enemy. On this basis there must be a determination to rally our forces and make use of all means associated with the collectivization of agriculture to further mobilize the people. . . .*[30]

In the immediate future, Kaysone urged, "we must continue to develop the movement to set up agricultural cooperatives by aiming at consolidating the economic and national defense fields in certain important areas. . . ."[31] The close link between security and the cooperative movement in the minds of the leaders was striking—a link implicit in the call for cooperatives to be established first in strategic regions.[32] Active cooperatives with their own militia would reinforce national security, Kaysone told the first All-Lao Congress on Agricultural Cooperativization in April:

> *True activities in different places, notably in the newly liberated zones where agricultural cooperativization and the improvement of agricultural and forestry production have been well accomplished, have shown clearly that administration was consolidated, and the maintenance of security and national defense were also ensured.*[33]

In turning to the cooperativization program Kaysone admitted that difficulties had arisen when he told delegates that "a conflict appears to have developed between the emerging prog-

In Laos (photo by Bengt Albons, 1977)

25. *Sieng Pasasonh*, editorial, 3 November 1978, read over Vientiane Domestic Radio 3 November 1978 (FBIS, 3 November 1978).

26. *Sieng Pasasonh*, editorial 9 October 1978, read over Vientiane Domestic Radio 9 October 1978 (FBIS, 17 October 1978).

27. Vientiane Domestic Radio, 21 December 1978 (FBIS, 22 December 1978).

28. Voice of Democratic Kampuchea, 17 May 1979 (FBIS, 18 May 1979).

29. Kaysone to annual plenary session of the Supreme People's Assembly, 26 December 1979 (FBIS, 18 January 1980, p. I 17).

30. JPRS, TSEA 808, 19 March 1979, p. 26.

31. Ibid., p. 30.

32. *Sieng Pasasonh*, editorial 24 February 1979, KPL Bulletin Quotidien 24 February 1979.

33. Kaysone, speech to the First All-Lao Congress on Agricultural Cooperativization, 24 April 1979 (KPL Bulletin Quotidien, 3 May 1979, p. 12).

34. JPRS, TSEA 808, 19 March 1979, p. 30.

35. KPL Bulletin Quotidien, 27 April 1979.

36. Kaysone to Cooperativization Congress, 24 Aprilf 1979 (KPL Bulletin Quotidien, 12 May 1979, p. 7). This target was not met. By the end of 1979 after the program was curtailed, the number of cooperatives stood at 2,800 incorporating 25 percent of families. Kaysone to Supreme People's Assembly, 26 December 1979. (FBIS, 18 January 1980, p. I 14).

37. Kaysone to Cooperativization Congress, 24 April 1979/KPL Bulletin Quotidien 12 May 1979, p. 6).

ressive production relations and the backward production relations''[34]—clear reference to increasing peasant resistance. Nevertheless by the end of April during the Congress on Agricultural Cooperativization it was proudly announced that the number of cooperatives had increased to 1,732, and the goal for 1979 was set at around double that number, comprising between 30 and 35 percent of all peasant families.[36] In his speech to the Congress, however, Kaysone was critical of cadres who had ''abused their power by giving orders obliging the masses to join cooperatives [thereby] making them discontented,'' and he warned of the serious consequences of such actions.''[37]

In June 1979 Khaosan Pathet Lao, the Lao News Agency, carried more items on cooperatives than it had in the previous six months combined. Villages such as Thaliang in Champassak province were taken as examples of model cooperatives and extolled as part of an emulation campaign. But it was clear that serious problems had arisen. *Sieng Pasasonh* stated bluntly that

> *cooperativization and the push for agricultural and forestry production has for the most part been carried out superficially under the form of propaganda and exhortation only, instead of being closely tied to particular concrete instances in such a way as to transmit in detail the line of the Party and government, aiming to establish proper methods and political programs so that they will be applied by the masses. If this situation is not resolved, it will not be possible to transform the policies of the Party and government into concrete acts by the masses, despite the correctness of the policies whose application remains ineffective. The political program of the Party and government has stipulated that cooperativization has to be achieved voluntarily, and in accordance with common interests and democratic management. But in reality certain regions have not yet properly carried out propaganda on the continuing objectives of agricultural cooperativization. The masses have not yet determined to mobilize, nor acquired adequate political consciousness to volunteer to join cooperatives. In certain [other] regions the masses have been mobilized and forced to join otherwise they will not benefit from any favors. This was an error. Because of this a certain number of cultivators decided to join cooperatives through fear, thus engendering dissatisfaction among the masses and considerably prejudicing the political line of the Party and government.*[38]

The situation could not have been stated more clearly. Above all coercion was counter-productive. Pressure to join a cooperative would lead to dissatisfaction, difficulties in supervision, and loss of production, *Sieng Pasasonh* warned. ''We must refrain from suppression, intimidation, and creating a poor relationship with those who are going to quit, or those who have not yet joined the coop.''[39]

Yet despite increasing evidence of dissatisfaction, the authorities continued to call for the setting up of still more cooperatives, especially in deprived areas. Emphasis was to be placed, however, not simply upon starting new cooperatives, but upon the improvement of production by means of proper organization, planning, labor, accounting and enterprise.[40] To accomplish this, state aid was necessary but seldom forthcoming. Also it was considered essential to strengthen Party direction of the ''basic units'' or cells. Yet where cadres were ineffective it was claimed that they would be ''formed'' through the experience of organizing and directing the very cooperatives which they were expected to know how to organize.[41]

It was little wonder, given this kind of reasoning, that mistakes were being made. But whereas some nations might be in a position to accept a degree of social unrest as an inevitable concomitant to any social revolution, Laos, because of its justifiable concern for national security, could not afford to do so. As unrest grew, fanning anti-government sentiments, a decision was finally made to halt the program.

Reversal and Reassessment

At the end of June 1979 a high-powered delegation of the Agricultural Committee of the Vietnamese Communist Party led by Central Committee member Vo Thuc Dong visited Laos to investigate the cooperatives program. Vo met separately with LPRP Central Committee member Sisavath Keobounphanh and with Saly Vongkhamsao, a meeting at which Vietnam's ambassador to Laos, Nguyen Xuan was also present. The official account of the talks said only that the two sides had ''exchanged views on the experiences acquired by each particularly in the domain of agricultural cooperativization.''[42] The real importance of the visit was not evident until two weeks later when the Central Committee of the LPRP announced the ''immediate and absolute suspension of the mobilization of peasants through collectivization or the creation of agricultural cooperatives in the middle of the productive season.''[43]

By then cooperativization was seriously interfering with production of the summer rice crop. Evidence of this came with the call for army units to assist in production in agricultural cooperatives. But if declining productivity, and the prospect of the third massive annual rice deficit in a row, were decisive factors in convincing the government to suspend cooperativization, a further consideration of major importance was the effect the program was having on internal security. The government warned that the cooperatives had become

> *an urgent problem which will create an immediate and long-term danger if it is not quickly, effectively and skillfully resolved. It will become not only an economic danger affecting production and the people's living conditions, but also a political danger. The enemy will take advantage of this to create confusion, win the support of the people and create difficulties for us.*[44]

The security aspect seems certain also to have counted strongly with the Vietnamese. At a time when Chinese intentions were unclear and rightist guerrillas were active and effective in spreading anti-government propaganda critical of cooperativization, it seems unlikely that the Vietnamese were prepared to risk the kind of popular uprising in Laos that greeted their own overly rapid cooperativization program in the north-

38. *Sieng Pasasonh*, editorial 5 June 1979 (KPL Bulletin Quotidien, 5 June 1979, p. 4).

39. *Sieng Pasasonh*, editorial 26 May 1979 (JPRS TSEA 838, 23 August 1979).

40. *Sieng Pasasonh*, editorials 19 and 26 June 1979 (KPL Bulletin Quotidien, 19 and 26 June 1979).

41. *Sieng Pasasonh*, editorial 28 June 1979 (KPL Bulletin Quotidien, 28 June 1979).

42. KPL Bulletin Quotidien, 30 June 1979.

43. Order dated 14 July 1979, but not carried in KPL Bulletin Quotidien until 2 August 1979.

44. Quoted in *Asia Yearbook 1980* (Hong Kong: *FEER*, 1980) p. 222.

ern provinces in 1956. By either criteria, productivity or security, the cooperatives program was becoming a liability. Suspension of new initiatives, consolidation of existing cooperatives, and even the dismantling of ineffective ventures was considered imperative.

> *[I]f members have not joined voluntarily, they must absolutely not be forced; if they show any desire to withdraw, they must be given all facilities [to do so], and over and above the facilities, the Party and goverment must mobilize them to fully pursue production and with a better return.*[45]

It is easy to see where the cooperativization program had gone wrong. Peasants were forced to join cooperatives against their will by cadres seeking the plaudits of their superiors. Often neither the poorly trained and ill equipped cadres nor the peasants understood what they were being asked to do, nor why. Despite instructions that coop members should be allowed to keep their fruit trees and a private plot for personal production, that they should be offered 10-15 percent of the value of the harvest from land contributed to the cooperative as rent, and be given a payment in rice for use by the cooperative of draught animals, in fact all private property, and even cash in some cases, seems to have been seized without compensation.[46] Other difficulties included too complex a system of computing work points based upon that used in Vietnam, poor administration, planning and management, and inadequate incentives to support the call for more work and greater production. The easy-going Lao peasant proved unwilling to embark upon the building of irrigation canals, dykes and feeder roads using only primitive instruments unless he could see likely returns. The peasantry rightly feared that any excess production would go to the state. The agricultural tax introduced in 1976 was thoroughly unpopular and widely resisted by most peasants, and the official government procurement price for rice of *kips* 25 a kilogram (later raised to *kips* 45 a kilogram) made it hardly worth selling. The shortage of consumer goods on which to spend any additional income was a further disincentive. The result was passive resistance to the exhortations of cadres, suspicion and distrust of government motives and instructions. Cadres became isolated and security suffered. In some places peasants deliberately destroyed property about to fall into communal hands, chopping down fruit trees and slaughtering animals. Thousands simply walked off their land and made for the towns, or crossed the Mekong to Thailand. Laos, already underpopulated, could not afford to lose more primary producers. Not surprisingly, rice production failed to meet targets, and the shortfall in rice remained around 75,000 tons for 1979, despite (or thanks to) improved weather conditions.[47]

Mid-1979 was thus something of a turning point in recent Lao history. The nation found itself in confrontation with China, and more totally dependent upon Vietnam than ever before. Half way through the three-year plan the economy was in a shambles; collectivization of agriculture had been suspended until further notice; disaffection with the government and popular unrest were widespread in the rural areas; China was encouraging dissident minorities in the north; and hatred of the Vietnamese had sent new waves of refugees into Thailand. The only bright spot was improved relations with Thailand, notably on the trade front and through a mutual commitment to reduce insurgency. But while the Lao expelled a number of pro-Chinese Thai communists, Lao rightist guerrillas found it possible to continue to operate with the support of regional Thai commanders.

Three factors therefore forced a rethinking of Lao economic development strategy during the second half of 1979: deteriorating security, increased ethnic unrest, and poor productivity. What was required was a new approach which would enable "the multinational Lao people" to counter propaganda undermining social cohesion (by the Chinese to provoke ethnic divisions; by the Lao resistance to promote opposition to agricultural cooperativization), improve internal security (by building motivation and commitment to the new regime), and promote economic development (by increasing production through provision of new incentives). The new policy was announced by Kaysone to the annual meeting of the Supreme People's Assembly at the end of December 1979. This lengthy document stands in striking contrast to the one which marked the launching of the Lao three-year plan two years earlier, and repays careful study.[48]

Since it is too soon at this point to assess the success or failure of this new Lao initiative, examination of Kaysone's speech will be limited to a few salient points. To begin with, the tone of the document is moderate, pragmatic, and flexible. It therefore represents a victory for those who have repeatedly argued for such an approach in Laos, most notably Education Minister Phoumi Vongvichit and President Souphanouvong. This seemed confirmed by the promotion of Souphanouvong from number seven in the Politbureau listing early in 1979 to number three position a year later.[49] Kaysone and Finance Minister Nouhak Phoumsavan still retain their rank as numbers one and two, though it is possible that both have, as a result of their experience, been partially converted to a more moderate line. Even more interesting, however, is the evidence of Soviet as opposed to Vietnamese influence. Frequent reference is made to Lenin in a context which makes it clear that the Lao are taking Lenin's "New Economic Policy" as the model and "authorization" for their own economic about-face.[50] This suggests some interesting possibilities—that the Soviet Union is working to increase its influence in Laos as distinct from that of Vietnam; that the Lao are trying to distance themselves from Vietnam and using the Soviets to do so; or, as seems most likely, that both are occurring simultaneously in a new marriage of convenience.

In detail too Kaysone's speech makes interesting reading. Defense and internal security are stressed as the primary tasks for 1980,[51] with China clearly thought of as the main threat.

45. Order on the cessation of cooperativization, KPL Bulletin Quotidien, 2 August 1979.

46. Cf Nayan Chanda, "The Uncooperative Farmers," *FEER*, 8 December 1978.

47. *Quarterly Economic Review: Indochina*, Supplement 1980, p. 20. Production appears to be up in 1980, but the *Economist* has pessimistically concluded that: "At the very best, 1980 is forecast to produce a reduced import requirement," ibid., Second Quarter 1980, p. 12. The objective that every province should be self-sufficient in food will not be easily achieved even during the first five-year plan.

48. Kaysone to Supreme People's Assembly, 26 December 1979 (FBIS, 18 January 1980—parts I and II—and Supplement, 8 February 1980—parts III and IV).

49. FBIS, 18 March 1980. In August 1979, Phoumi was said to rank sixth and Souphanouvong seventh in terms of power and influence. *FEER*, 24 August 1979.

50. Kaysone to Supreme People's Assembly, 26 December 1979 (FBIS, 18 January 1980, pp. I 23 and I 30).

51. Ibid., p. I 22.

Kaysone warned that "the international reactionaries have volunteered to become the vanguard counterrevolutioary forces in opposing the socialist countries."[52] More specifically,

> *the international reactionary forces have colluded with the imperialists and hurled armed threats from outside into Laos in coordination with those carrying out acts of sabotage and disturbances in the country.*[53]

Relations with China were of "great concern." "The acts of the Chinese side threaten the independence, sovereignty, territorial integrity and political security of our country," Kaysone said in calling for negotiations between the two nations to settle their differences.[54]

Thailand also continued to give concern through its continued support for Lao reactionaries. While Kaysone admitted that "the situation along the border" had been more peaceful in 1979 than in previous years, he called upon the Thai to overcome the "remaining problems and difficulties caused by the enemies who seek to sabotage the friendship between the two peoples of Laos and Thailand."[55] Just how serious the situation was became evident when Kaysone announced that Laos was engaged in a new war, "a war of national defense" against those who sought to overthrow the regime.

> *We are facing dangerous enemies who maintain a close alliance with various imperialist forces and other reactionaries as well as with the exiled reactionaries and reactionary remnants in the country. The enemies have colluded in implementing many subtle, brutal schemes and tricks in the economic, political, military, cultural, ideological and other fields. They have combined schemes of spying . . . and psychological warfare with schemes aimed at disrupting the unity in the country and at sowing division between Laos, Vietnam and Kampuchea. They have misled and bought off Lao cadres into serving them while infiltrating . . . our offices, organizations, enterprises and mass organizations with a view to sabotaging, destroying and controlling the economy, creating disturbances, inciting uprisings, carrying out assassinations, and subversive activities in the country, putting pressure on and weakening our country in order to proceed to swallowing up our country in the end.*[56]

Though Kaysone did not mention it, an essential ingredient used by the enemy in convincing even party cadres to resist the Lao government was the continuing dependency of Laos upon Vietnam, and the continued presence in the country of numerous Vietnamese civilian advisors along with some 50,000 troops—more than the total Lao regular armed forces (not including local self-defense forces). These were considered necessary, however, to protect Laos as an outpost of socialism in the region. As Kaysone put it: "our economic task and the national defense tasks are linked with . . . our people's international task—that is to join Vietnam and Kampuchea in standing at the forefront of the safeguarding of socialist revolution in Southeast Asia."[57] Many who have criticized the Vietnamese presence have been sent for political re-education, or been forced to flee the country.

It was in the economic area, however, where most mistakes were admitted (if only by implication), and where the most radical changes were foreshadowed. Laos, Kaysone pointed out, was only negotiating "the first minor transitional step" towards socialism—that of "building various basic state economic foundations." It would be a mistake to move too fast.

During this period there remained a role both for private citizens working within an "individual economy" and for capitalism working in joint enterprises with the state. Both were to be encouraged as contributing to the national economy.

In three areas in particular, agricultural production, local industries, and internal trade, the new policy of relaxation of government controls is likely to have important effects. As far as cooperativization was concerned, Kaysone gave no indication when the program might be resumed. After candidly enumerating past errors he called only for the consolidation (in terms of productivity and management) of existing cooperatives. Greater stress than previously, however, was placed upon the establishment of state farms, where advanced technology could be applied to agriculture. Small scale local industries were to be encouraged and left in private hands, while internal trade, markets, and the distribution of goods were also to rely largely upon private enterprise. Prices were to be allowed to find their own levels, salaries greatly increased, the currency devalued, and credit extended.[58]

Whether such a wholesale reversal of earlier policies will prove effective, or merely confuse and demoralize party cadres—thus further weakening goverment control—remains to be seen. One thing is certain, however: Laos has embarked upon a new direction in its internal policies which undoubtedly will have important and as yet unforeseen implications. One of these may be to modify the nation's external relations. Within closely confined limits, Laos may also be in the process of rethinking its position vis-à-vis Vietnam, and within the socialist bloc as a whole.

52. Ibid., p. I 3.
53. Ibid., p. I 8.
54. Ibid., p. I 9.
55. Ibid., p. I 12.
56. Ibid., FBIS Supplement 8 February 1980, p. 1.
57. Ibid., FBIS 18 January 1980, p. I 23.
58. For these economic provisions see ibid., FBIS Supplement 8 February 1978, pp. 12-35.
59. Since the cessation of cooperativization one high level Lao cooperatives delegation has visited Vietnam (in October 1979), but two more recent visits have both been to the Soviet Union (in November 1979 and June 1980).

Conclusion

Over the past two and a half years Laos has attempted to meet its problems of chronic internal insecurity and underdevelopment by mounting a three-year plan whose aims were: the attainment of agricultural self-sufficiency and construction of the economic foundations for a more ambitious five-year plan to follow; the socialization of production relations at the basic economic level; and the strengthening of national solidarity and defense. A key part of the overall Lao strategy was to push the rapid formation of agricultural cooperatives. Opposition to cooperativization, however, resulted not only in declining production, but also in deteriorating internal security. Under the joint impact of Chinese propaganda and Lao opposition to the new regime, both internal and mounted from Thailand, social dissatisfaction and unrest increased to unacceptable levels. Thousands of farmers and hundreds of trained personnel and even party cadres crossed the Mekong, further weakening the regime both politically and economically.

In retrospect, the cooperativization program had to be curtailed because too much was asked of it, because it was implemented too hastily, and because its potential benefits were never apparent to those it affected most closely. Not only was it designed to transmute Laos into a socialist society, it was also to lead to increased productivity and to promote the kind of national solidarity which would stand firm against all divisive propaganda and acts of aggression. The program failed to live up to these expectations because too much was staked on a single panacea introduced without adequate preparation. Instead of reinforcing each other, the socialist construction and national security aspects of the cooperatives program each exacerbated the weaknesses of the other. As a result none of the goals and targets of the three-year plan are likely to be met, and the country hardly seems equipped to embark upon an ambitious five-year development plan in 1981.

But perhaps Laos has taken the first faltering steps towards a new set of not only economic but also foreign policies. With the help of the Soviet Union the Lao may be trying to distance themselves ever so slightly from Hanoi, though whether they have much room for maneuver in this regard, or how far the Soviet Union is prepared to go to assist them, are moot points. Despite their frequently voiced solidarity with Vietnam, the Lao leaders may be having second thoughts about the wisdom of identifying too closely with policies which have been responsible for dragging Laos into a confrontation with Beijing. Vietnamese advice led to the cooperatives fiasco.[59] And the Vietnamese, by their very presence in Laos, generate suspicion and dislike which only too easily rubs off onto the Lao People's Revolutionary Party and government. This is a situation ready-made for Chinese propaganda to exploit.

Clearly the security of the Lao state will be of continuing concern to the government in the future, along with ethnic solidarity and economic development. The ruling Lao Politbureau is too closely identified with Vietnamese interests not to share Vietnam's suspicion of the PRC. The importance attached to the "Chinese threat" in particular was a key consideration in persuading the Lao authorities to adopt new social and economic policies. In doing so they appear to have taken Soviet advice and, by going further than the Vietnamese have done in the direction of economic liberalization, to have lessened ever so slightly their dependency upon Hanoi. Whether or not these moves will have the desired effect of stimulating socialist construction while maintaining internal security, however, remains to be seen. ☆

Construction workers on irrigation project in Vientiane (Spragens, 1980)