

C. Country Report: Lao People's Democratic Republic

1. Country Profile

As a landlocked nation isolated from the market economy for many years, the Lao People's Democratic Republic (Lao PDR) has suffered from limited progress. Even after a decade of economic growth, with GDP growth averaging more than 6%, it still faces many problems of development and has been ranked at 140 on the Human Development Index (HDI), a ranking of the social and economic well-being of 178 countries. Significant improvement in recent years of some social and economic indicators has been set back by the financial crisis. The crisis indirectly caused severe inflation and a devaluation of the kip from 720 kip to the dollar to currently approximately 7,000 kip to the dollar.

The Lao PDR has a relatively small population of 5.2 million people with approximately only half living in the lowlands, who are mostly ethnic Lao PDR, with the remainder in the midlands or highlands. Thus, much of the population continues to live in traditional ways that are not integrated into Lao lowland society. Many communities are in remote areas of the country but development is now, or will be, bringing more communities into the expanding market economy and the administrative controls of the government.

Table 7: Country Profile – Lao PDR

GNP per capita	USD385
Population	5.2 million
Urban population	20%
Annual population growth	2.4%
Life expectancy	53.2
Total fertility rate	5.7
Maternal mortality ratio reported 1980-98	65
Adult literacy rate	60.2%
Population density per square kilometre	19.4
Number of Provinces	18

UNICEF 1998; UNDP 1998

The Mekong River runs much of the length of Lao PDR, demarcating the boundaries of Thailand and Lao PDR. Prior to the French and Thai negotiations in the 1890s, rather than being a border, the river ran through the centre of one culture. Thus, northeast Thailand shares the same culture and language as people across the border in Lao PDR. In 1975, the nation became the Lao People's Democratic Republic, aligning with the Vietnamese and being drawn into the Chinese sphere of influence. This caused a severing of relations with Thailand and other nations. Rapprochement has only occurred since the late 1980s, after the Cold War and a shift into market economy principles of development. Lao PDR now finds itself in the position of being sought after for its resources and its highways that dissect the country and link surrounding countries. Road networks already exist that link Thailand to China and Vietnam, and China to Vietnam and Cambodia, via Lao PDR, but they need upgrading. This process was delayed due to the financial crisis in Asia in 1997 but is back on

track now with international donors supporting the development of Lao infrastructure, particularly roads.

Thailand is exploiting Lao PDR for its resources, notably through hydroelectric power projects and logging. Lao PDR stands to gain much needed foreign exchange earnings for decades to come but is dependent on the Thai economy recovering and continuing on course. The down side of development also needs to be balanced against these earnings, which is, of course, difficult in a country where civil protests against environmental or social costs of development are prohibited.

Lao PDR is now opening its doors to the world, albeit carefully. As a country with much poverty and limited infrastructure, up until the present, a cautionary road to development would probably be advisable. While the Party in Lao PDR is cautious, some of its members, or those outside the Party, are willing to throw caution to the wind. The financial crisis affected those on government salaries most of all and they will be hoping to see greater economic prosperity through further development.

2. Migration and Mobility

In order to cover as much of the country as possible within a perspective that includes the major regions and mobile groups, the following discussion is divided into three sections:

1. the Thai-Lao border Provinces, which are the western Provinces of the country and the most populous areas;
2. the Northern region, which is designated as the northern corridor here, as it is part of a ring road linking four countries and borders four countries; and
3. the East-West corridor, which is Route 9, a major area of development and, for the purposes of this discussion, includes areas further to the south

Vientiane is included in the Thai-Lao border, but further on in the text is situated in its proper location of the central region where it is discussed along with Louang Prabang.

2.1 The Thai-Lao Border Provinces

Lao PDR has ten border Provinces with Thailand stretching for 1,835kilometres. The Mekong River forms the border for much of this area. The first bridge to span the Mekong was built in 1994, at Nongkhai-Vientiane. The most noticeable expansion was increased trading, bringing many traders and truckers to the area. The number of heavy vehicles in the area increased dramatically. Another area of expansion is Nongkhai itself with an influx of tourists – Thai, Lao, and foreigners (Paul 1998). The second bridge was completed this year in Pakse, Champasak, where the Mekong does not form the border but flows into Lao PDR. Another bridge is under construction at Mukdaharn-Savannakhet, connecting the East-West corridor to Thailand. These are the three major urban centres in Lao PDR, all on the Mekong, namely Vientiane with a population of 250,000; Savannakhet with 130,000, and Champasak with 109,000, all bordering northeast Thailand. A fourth bridge is planned for the other major crossing, this time bordering the north of Thailand, Chiang Khong in Chiang Rai, which borders Houayxai, Bokeo Province.

For the total length of the border with Thailand, Lao people readily cross into Thailand for work, trade, visiting friends or relatives, religious/seasonal festivals and sightseeing. In Savannakhet, 7,500 crossed the main checkpoint in 1997 for festivals, with the majority crossing in October. Border officials may be less strict at times of such festivals. Lao people

can get a three day pass and, sometimes, month-long passes. However, in practice, many people cross whenever they like, with police having difficulty detecting who is Lao.

2.2 Farming in the Lowland Border Provinces

Most of the produce cultivated in Lao PDR comes from the fertile Mekong lowland area. Much of the farming is still subsistence farming, which provides little in the way of income or jobs. Thus many people are lured to Thailand for work and earning good money. However, the devaluation of the kip has made Lao farm products more attractive to Thailand creating a lucrative, mostly informal, trade for many Lao farmers. Men are now returning to the farm rather than relying on a government salary, which has depreciated significantly in real terms. They are also reportedly selling their land to purchase more farm machinery (ADB report 054/99). Rural electrification and irrigation in rice fields is also being improved, motivated in part to stem the flow of people to Thailand. With farming more profitable, it should help to make the enticements of travelling to Thailand for work less desirable. So far, there is little evidence to demonstrate a significant shift.

It has been suggested that, since the early 1990s, mechanisation has reduced the workload for men and thus they are out seeking work, resulting in a feminisation of the farm workforce. This appears to contradict findings elsewhere, the authors state, including Thailand, where mechanisation, while perhaps lessening some of the hard work of men, served to displace women almost entirely (Jerndal & Rigg 1999). This is cited as a case of uneven impact on gender in the face of modernisation, and it is claimed that the result is a “subsidization of the reproduction of the non-farm workforce by women’s subsistence production” (Trankell 1993 cited in Jerndal & Rigg 1999). However, given the dynamic of change, this analysis may be becoming redundant or will at least need to be refined in the light of the impact of the financial crisis.

2.3 Emigrant workers

Many of the people crossing are young people. Perhaps some are more interested in the experience than the work, but at the same time potential earnings are certainly higher than in Lao PDR. One estimate suggests that over 30,000 young people from Savannakhet may have taken illegal jobs in Thailand (UNICEF 1998). Another report cites a total of 100,000 Lao workers in Thailand (The Nation 4/22/99).

The numbers seeking work in Bangkok and other centres has diminished due to the financial crisis but it does not appear to have had a significant impact on the numbers crossing for work in the border areas. In Mukdaharn, across from Savannakhet, girls and women can find jobs in restaurants or in private homes. Keeping a low profile with restaurants having a mix of locals and Lao PDR the police may not be bothered. And here thousands of men, through established networks, are returning to Thailand to find work despite the financial crisis (Lyttleton 2000).

For those working in the fields in Thailand, sometimes accompanied by family or friends, earning 60 or 70 Baht a day, the urge to go and spend and partake of the nightlife may not be strong. They experience minimal social disruption being away for a relatively short period and not very far from home. Others, however, men or women, may find themselves in occupations that encourage risky behaviours or they may find entertainment services as a distraction or ‘reward’ for their hard work, or their loneliness.

2.4 Trafficking

Many Lao women have worked in the Thai sex industry and Thailand has been the main destination for women trafficked into the sex trade. The numbers may have reduced in recent years due to police crackdowns on migrant and underage prostitution in Thailand, effectively reducing the number of brothels. However, trafficking is still likely to occur for prostitution in Thailand or using Thailand as a transit for other countries, as well as trafficking for other types of work.

ARCM has conducted a study of children being trafficked into Thailand for the worst forms of child labour. They found Thai recruiters operate in Lao PDR hiring young men for various kinds of work including fishing in the south. Two young men were only 15 when, in 1999, they were lured to work on a fishing boat as bonded labour for a minimum of six months. At the same time young women may be recruited for sex work in the South. From time to time migrants without identity cards are caught by the police and repatriated. However, the number of those being trafficked against their will or deceived to work in abusive situations is relatively small (Wille 2000).

2.5 Corridors of Development

The Northern corridor and the East-West corridor are the avenues in which trade can expand between the growing economies of China, Thailand and Vietnam. Cambodia, Lao PDR and Myanmar can also benefit from this expansion through trade but also through tourism, which can utilise the same roads and general infrastructure. Without the upgrading of roads limited expansion can occur. Thus, finance from the ADB, from Japan and other sources is driving the upgrading of highways throughout Lao PDR. The ADB has established a USD 20 million loan for rural access roads.

Route 13 is the major highway. Travelling from the China border in the far north, the road runs parallel to the Mekong River until it is dissected by Route 9 in the south, the East-West corridor, and then continues to Champasak and the Cambodian border.

(a) The Northern Corridor: The northern corridor fits into a plan conceived of in the early 1990s of the Economic Quadrangle – the area of the Golden Triangle – the meeting of Lao PDR, Thailand and Myanmar, and then Yunnan not far away as well as North Vietnam. This area was seen as a ‘natural’ area of trade where caravans of trade and exchange have occurred for centuries. In this northern region there are several routes that provide a network of trading of Thai, Vietnamese and Chinese goods, but includes Lao goods and some from Myanmar. One of the major routes for goods is from Thailand, Myanmar, or Yunnan by river to the Pak Beng port on the Mekong. Goods can then be freighted by road to Oudomxai town, the most used route, or they can go further up river to Louang Prabang. Oudomxai is currently a growth centre of the northern region, being the conduit for goods travelling through and around the north.

Oudomxai is the only Province in Lao PDR with only a small international border. However, Route 13 passes through Oudomxai, where it forms an intersection of three international connections. The main road continues through Louang Namtha Province and to China, while another highway goes north through Phongsali Province to Vietnam. The third road is the southern route to Pak-Beng, an increasingly busy port situated almost midway between the river connections of Louang Prabang and Huay Sai, in Bokeo Province. Xaignabouri is the other Province in this region and shares a long land border with Thailand. Louang Prabang adjoins Oudomxai Province and to the south is Vientiane. These two Provinces demarcate the northern section of the central region of the country.

Today, Lao traders ply their trade across the border in China and purchase goods to sell in Lao PDR. They can readily operate in the southern reaches of Yunnan where Tai is the common language for most of the population. Chinese cross into Lao PDR here as well where they have been building roads since the 1950s and have established many businesses, including hotels, in recent years. In 1999, they constructed a dam for hydroelectric power transmission to Yunnan but it also served to electrify Oudomxai.

On the other hand, it is reported that much of the future growth will be supported by Vietnam (UNICEF 1998). The road north to Phongsali is also being upgraded. Eventually, this road could be upgraded through Vietnam to Hanoi. Vietnamese investments must compete with those of Thailand and China and competition between the three continues.

Industry in Oudomxai and Louang Namtha attracts people from other Provinces, especially Phongsali and Huaphan where there is limited farmland and limited jobs. The garment factory in Louang Namtha provides work for locals and people from such Provinces. In 1997, there were three timber mills in Oudomxai and 60% of logs were destined for export (UNICEF: 70). One mill employed 80-100 Lao labourers. In the early 1990s Thailand constructed a number of mills in the north, dominating the timber industry. At this time however, the rate of logging supervised by Thai investors was more intense in the central and southern regions of Lao PDR. The timber industry is a major employer throughout much of the country with exports not only to Thailand but other surrounding countries.

(b) Resettlement: There are other important mobile population groups that are not considered here in any detail, namely, communities that have to be relocated for infrastructure projects; crop stabilisation projects for slash and burn agriculturalists, or for the reduction of opium cultivation; and relocations to bring communities closer to services. These can involve large populations. For example, for one dam 4,500 people may be relocated (see below). There are proposals in Oudomxai for relocation of almost 500 villages. Extensive resettlement programs have already occurred, and the urgency in which they have been implemented has led to dire consequences for some (UNICEF 1998). Other populations include the more than 20,000 voluntarily repatriated people who migrated to Thailand and China before and during the communist takeover in Lao PDR.

(c) The East-West Corridor: The East-West corridor is in the southern region of Lao PDR, running along Route 9, which dissects Route 13 at Savannakhet. The road joins Vietnam and Lao PDR and, with the completion of a bridge across the Mekong at Mukdaharn, will extend to Thailand. There are plans that this highway can then cross the span of Thailand meeting the Myanmar border at Mae Sot, in Tak Province of Thailand with the ultimate destination being Rangoon.

In Vietnam, Route 9 leads to ports in Danang or Vinh, but also links up with Highway No.1 in Vietnam. The area is far removed from any capital cities or major centres. The level of poverty is reported to be among the highest in mainland Southeast Asia, and is reflected in the lack of schooling with approximately 50% of children not attending school (Chamberlain 1999). Changes have occurred over recent years to alleviate the poverty but further changes are severely restricted due to the lack of access roads. With the development of Route 9 and, most importantly, feeder roads linking villages to the highway, it is thought that significant changes can be made in the standard of living of what are the predominantly Mon-Khmer communities but include other ethnic groups. The ADB is funding a portion of the road and the Japanese government the other portion, and construction is expected to be complete by 2003 or 2004 (Vientiane Times 1/6/2000). Electrification is occurring along the length of the road and should be complete soon, supplying only those villages near the road (Chamberlain 1999).

Savannakhet Province runs from Vietnam to Thailand and is the largest Province in Lao PDR. The municipal centre is Khantabouli, an old town dating back to the French administration of 1895, opposite Mukdaharn. North of Savannakhet and Khammouan there is another route to Vietnam, which is also plied by many trucks and is a closer route to reaching the port of Vinh and, to the north, Hanoi. Route 13 is also being upgraded between Champasak and Savannakhet and a bridge has been built over the Mekong at Pakse. There are a number of mine sites in these southern Provinces as well as dams, which have been, or are about to be, built.

In Savannakhet, at least until the financial crisis, there has been a rapid growth of factories with a total of 1,552 by 1997. Factories have also been established in rural areas, with the view of having local employment, and as an incentive to work in Lao PDR rather than going to Thailand (UNICEF 1998). The biggest single investment is a Thai investor in a garment investment factory, \$10.95 million, and the second is an Australian gold investment of \$5 million. Thailand comprises 45% of total investments, Australia 15% and China 15% (Chamberlain 1999). But, for the whole southern region, the biggest investment is the construction of dams for hydroelectric power.

In November 1999, the Thai, Lao and Vietnamese transport ministers signed an agreement to ease the flow of goods and people with Route 9 as the key transport route (ADB News Release No.116/99). Trade in this area is seen as doubling over the next decade with another doubling in the following decade. The ports are relatively close to Northeast Thailand, providing a new source of revenue from agriculture and manufacturing.

(d) Hydroelectric Power: Three large dams are now producing electricity and at least three more are proposed, with most in the south of the country. These dams are expected to bring immense profits to Lao PDR through the sale of electricity to Thailand in particular, but also to Vietnam. The expected profits will be extensive but have now been scaled down due to the financial crisis, which curtailed demand for electricity in Thailand. However, demand has now increased to 1997 levels. The first large dam to come online was Nam Theun 1 in Khammouan Province, in April 1998 (Bangkok Post 3/5/2000). In 1999 the Nam Leuk in Vientiane came on line and so did the Houay Ho in Champasak and Attapeu Provinces. This capacity will be boosted by a US\$1.1 billion deal for 920 MW, which will more than double the existing program after the Nam Theun 2 comes online in 2006. Construction will commence in 2002 (Vientiane Times 30/5/2000).

Nam Theun 2, also in Khammouan Province, is the largest and most controversial of the proposed or operating dams. There have been concerns over the economic feasibility given the huge construction costs involved and the displacement of 4,500 people. The Nam Theun 2 Electricity Consortium (NTEC) reports that 880 families in 22 village community groups will be displaced, and the International Rivers Network suggests that a further 40,000 could be significantly affected by increased flooding and reduction in fish species (NTEC Web Site, IRN 1999). Two of the three dams proposed for further development are in this region.

Those being resettled are mostly ethnic minorities. For the Nam Theun 1 project, out of a total of \$260 million project budget, only \$50,000 was allocated for resettlement. This was quickly found to be inadequate and, after sustained lobbying by NGOs, greater compensation was negotiated. Consultations with local representatives were lacking, and for the Nam Theun 2 and other dams consultations are reported to have been inadequate (IRN 1999).

The construction phase is also a cause for concern with relatively large workforces of men required for protracted periods of time. The workers employed are often skilled workers from Thailand or South Korea and unskilled workers from China and Vietnam. An increase in

STDs and social disruption in the community, due to relations between workers and local women, has been reported during the construction of a dam in Attapeu (UNICEF 1996).

2.6 Specific Mobile Population Groups

(1) Sex workers/service girls

It is not always easy to identify sex workers in Lao PDR given that, generally, the sex trade operates clandestinely and services are indirect. Thus the term ‘service girls’ is often used to denote those working as hosts in clubs or bars or serving drinks in restaurants or in drink shops, where the customer may negotiate to meet the woman afterwards. Many of these women may not provide any sexual services and, of those that do, some may not request remuneration and may not consider it prostitution. On the other hand, there appears to be a growing number of establishments where sex can readily be negotiated, and thus sex workers can be found in all border regions, in the major towns, in the north, and along the East-West corridor.

Chamberlain provides three categories of establishment that may provide sexual services and lists the most common customers and these are listed in Table 8.

Table 8 Establishments that provide sexual services, and their customers

Establishment	Customers
1. Roadside small beer gardens	Construction workers, truck drivers, townsfolk
2. Restaurants/large beer gardens	Businessmen, government officials
3. Nightclubs	Businessmen, government officials

In the north, women working as service girls may come from some of the ethnic tribal groups in the highlands but are also from the lowland Lao, and Chinese women can be found in some venues (Chamberlain 2000 UNICEF 1998). Interviews from one study also revealed that they came from nearby Provinces; were aged between 15-22 (average 17-18); had completed at least 5th grade; had little awareness of AIDS; condoms were used at the discretion of the man; they received a commission for beer sold so they may drink copious amounts themselves; they are free to not go with a man; (Chamberlain 2000).

In Luang Prabang and Vientiane there are large numbers of sex workers, especially in Vientiane, where they are said to be almost all lowland Lao (Chamberlain 2000 NCCA 1998). There is some rotation of sex workers between these two sites but Louang Prabang and Wong Wien in Vientiane Province are said to be source communities for many women in the sex industry, particularly in Savannakhet and other areas of the south. A report in the Vientiane Times (17/1/98) stated that there were 300 ‘waitresses’ in restaurants and nightclubs in Savannakhet Province (UNICEF 1998). Sex workers are known to move between Pakse, Khantabouli and Khammouan, travelling along the Mekong.

Vietnamese women are available in Khantabouli Township and other sites in the Province including Daen Savann on the Vietnamese border. Vietnamese tourists, businessmen and truck drivers converge here and form a community with established residents. There is also a community of Vietnamese to the north, in Khammouan Township in the next Province. Karaoke bars provide hostesses at venues in this market area. The Vietnamese sex workers usually come from Danang in Central Vietnam.

In Thailand, in Nongkhai, Lao women operate as freelance sex workers in hired rooms. On the outskirts of town and further away, restaurants that provide entertainment hire young Lao

women. It appears that there is a network of such places where women are rotated, with some women under 18 years of age. Some women have Thai identity cards, organised by agents who make payments to village heads and others needed to sign as guarantors of the person's identity. Others have Lao passports and fly to Phuket and Had Yai, in the south of Thailand, to work (Wille 2000). In Mukdaharn, Lao women come across from Savannakhet to ply their trade along the riverbank. Vietnamese and Lao women are also being brought to customers in Mukdaharn (Wille 2000).

(2) Transport workers

The amount of freight in the whole country carried by trucks is 62%, with river transport taking up 36.3%, and the remainder being for sea and air transport. It is expected that, with the upgrading of roads, especially in the northern region, the proportion of freight carried by trucks will increase (Chamberlain 2000). There has been exponential growth in trade between China and Thailand, as well as between China and surrounding countries over the past couple of decades.

Trade between Lao PDR and China was also expanding until the devaluing of the kip. It is reported that female traders now make fewer trips to China and the number of trucks has dwindled. (UNICEF 1998). Trade may slowly be picking up but the exchange rate is still unfavourable. Many Chinese trucks do not cross the border, with drivers often sleeping in their trucks while waiting for goods. Lao truck drivers will drive into China and reportedly can pick up women to travel with them as translators (UNICEF 1998). The cross-border traffic is generally light. However, when there are special projects, there can be over 200 trucks coming into Lao PDR per day. Table 9 shows the number of crossings by trucks in one year. At present there are very few trucks travelling to Vietnam from here (Chamberlain 2000).

Table 9: Trucks departing and entering Lao PDR (Sept 1998 - Sept 1999)

	Departing Lao PDR	Entering Lao PDR
Lao	1,701	1,289
Chinese	203	212

Between Pak Beng, on the Mekong, and Oudomxai drivers are often accompanied by family or friends and many travel in convoys. Some who travelled alone reportedly gave lifts to female traders (UNICEF 1998). Local *tuk-tuk* and *song thaeow* drivers are said to bring female traders into town to sell their farm produce. One driver suggested that, sometimes, if the women do not have money for the fare they pay with sex (UNICEF 1998).

On Route 9, up to 100 trucks cross daily with wood, gypsum, construction materials, food and other household products. Travel is from Thailand and Lao PDR into Vietnam, and from Vietnam to Khantabouli, or up to Vientiane, as well as to Thailand. Many trucks from Lao PDR carry large gypsum rocks into Vietnam. Large logging trucks are very common also and they seem to be carrying recently felled very large trees. This has been a major route for logs going to Vietnam and continues to be, despite controls. On the other border with Thailand there are frequent vehicular and passenger ferries between Mukdaharn and Khantabouli, and trucks can be seen lining up on both sides waiting to drive onto the ferries.

Truck drivers are known to hire women from restaurants to accompany them on their trip and take care of them. Thai drivers travelling into Lao PDR are known to have similar practices, or financially support village women who become their sexual partners.

Truck drivers are private drivers with their own business but they must be registered with the truck drivers association. They pay a monthly tax of 50,000 kip per vehicle. All buses are public with drivers on a salary. There are 185 registered passenger vehicles, with an estimated 30% of passengers being foreigners (Chinese, African, European). Public health officials have provided lectures on HIV/AIDS prevention and there is interest in testing drivers for HIV and for drugs. All Lao drivers undergo a medical examination every six months (Chamberlain 2000). The UNDP is planning to implement programming for transport workers in the country.

(3) Traders

In an economy opening up to the world much trading is occurring across borders and within the country. Vietnam and Chinese traders operate in Lao PDR and Lao traders cross into surrounding countries. Much of the trade in this area is conducted by women. This appears to be an anomaly in long-distance trading as women are usually confined to petty trading. Walker explains it as an outcome of the Chinese, who controlled much of the trade, fleeing from the Pathet Lao. This may have occurred as early as the 1950s and 60s in Oudomxai and Louang Namtha and then in the 1970s in Houayxai. With strict trading restrictions imposed by the communist government petty trading, including cross-border trading, continued in a clandestine manner mostly operated by women. Women who had male relatives with power or authority were in a good position to have contacts and resources to carry out and expand trade when conditions allowed. Some of these women work with their husbands. Often the latter are the subordinate partners but they give the women a certain legitimacy, which gives them access to funds when needed (Walker 1999).

There may well be other cultural reasons that have given rise to women's prominence in this role. Being petty traders, it is possible for some to make the leap to long-distance trading. Elsewhere in Lao PDR, and also in Vietnam, women traders are known to be very mobile and this mobility can lead to, as it has in the case of the women in Walker's study, women being in the situation where they may have to use sex in gaining safe passage or in other negotiations (Beesey 1998, Lyttleton 1999A). While such behaviour might be highly prevalent it is by no means comparable to the excesses of the male traders (Walker 1999).

(4) Construction workers

Foreign workers are often employed as construction workers. In the north it is mainly Chinese on roads and dams. However, Vietnamese may be found throughout the country working in construction or in mines. They are commonly employed for house or building construction. Most workers are employed by their own national contractors who tender for construction projects, which explains why there are so many foreign workers in the country. However, it is also to meet the demand for large infrastructure projects. It is suggested that there is not a large workforce to draw from in Lao PDR. With approximately 85% of the population farming, and much of it subsistence farming, there are not large numbers seeking work. At the same time this appears to be contradicted by the numbers seeking and finding work in Thailand. Others explain that Lao people do not like to do such work; however, there are relatively large numbers of Lao people employed in various types of construction work throughout the country.

In 1997 the Chinese made up 40% of the legal 4,000 foreign labourers in Oudomxai. However, for Louang Namtha the police estimated that 10,000-20,000 foreign workers arrive each year, mostly comprising single men (UNICEF 1998). Most construction workers are legal. They are recruited in China with short term contracts. Some enter illegally and others overstay. However, improved enforcement has reportedly reduced the number of illegal crossings by 1997 (UNICEF 1998).

It was noted that a three-month pre-departure training is available for Chinese workers but some of the men interviewed lived in a remote area and could not attend. Someone came to visit them, however, apparently spending three days with them and leaving books behind which cover many issues, including health and HIV. The books were left in China as they were too heavy to carry (UNICEF 1998).

In Xaignaboury, where the highway is being upgraded, the construction crew is mainly Lao. But such crews often require Thai expertise such as on the Houayxai-Louang Namtha Road, which has 100 Thai workers, mostly skilled and well paid and employed from Bangkok (Bardon & Em-im 2000). The Xaignaboury project has the first HIV/AIDS program. ARC/LRC are implementing the UN supported project and valuable lessons may come from this.

Foreign investment in mining, hydroelectric power, irrigation schemes, highways, feeder roads, and bridges has increased the numbers of men working in remote areas. Construction is often in ethnic areas where the workers may mingle with local people. One report cites the instance of a foreman admitting that there were interactions between his Lao crew and local girls. It was also stated that some of the crew had contracted gonorrhoea from a hotel in Oudomxai (Chamberlain 2000). Difficulty in communication is said to be a barrier on such occasions when local women do not speak Lao with a Lao crew and, of course, they could not communicate with a foreign crew. Conversely, a foreign crew would have difficulty communicating with Lao speakers, or Tai Leu speakers. It is noted that in the context of the tradition of seduction and the negotiation of sex this would certainly be an obstacle (Chamberlain 2000) but language difficulties can be overcome in many instances.

The UNICEF report notes that Chinese construction workers in another area were forming relations with local girls and that some Chinese labourers working in a tin mine had married Lao women, despite the common conception that language prohibits relationships between Lao and Chinese.

Gypsum, tin, coal and gold are all mined in Savannakhet and Khammouan. Some of the mines employ several hundred men. One mine employs Vietnamese labour and Vietnamese drivers and thus a community of Vietnamese exists in a remote area.

Vietnamese workers are usually employed by Vietnamese contractors through official channels. Savannakhet was praised for its management of foreign labour by the minister of Labour and Social Welfare (UNICEF 1998).

(5) Factory workers

Migration flows to urban centres are not as great as those experienced in other countries in the region. However, expanding foreign investment is making an impact on urban growth patterns and factories, plus the service industry, are employing more people. Vientiane has the largest population and can attract people from other large towns or from rural areas. From the south, rural dwellers would mostly move to Savannakhet or Champasak or, perhaps, Khammouan. Some then may be enticed to go to Vientiane or may be transferred there.

In 1997 there were 44 garment factories in the country with 13 large enterprises in Vientiane, some employing more than a thousand workers, with earnings of \$25 -\$50 per month. Mostly they employ young women who generally stay in dormitories. In some factories, half of the women or girls are from ethnic minority groups in the northern Provinces but many local Lao women are employed, and recent expansion of such factories appears to be helping to stem the numbers of people crossing into Thailand for work (Wille 2000). Garment factories are also in Savannakhet. However, the women do not usually live in dormitories as they do in Savannakhet. One garment factory that has over 200 female employees has girls from rural

areas in their mid-to-late teens, with only a primary school education. Reportedly, staff turnover was high (UNICEF 1998). UNICEF has been working on HIV/AIDS prevention among these workers in Vientiane and is now undertaking similar work in Savannakhet.

(6) Tourists

Lao PDR is on the tourist map for backpackers and package or high class tourists alike. Louang Prabang is a heritage area and, along with Vientiane, accounts for the bulk of tourists, which amounted to over 600,000 in 1999. This is a substantial increase since the 14,400 recorded in 1990. With the government hoping to earn needed foreign exchange from tourism the 'Visit Lao PDR' campaigns are sure to increase the number of tourists, perhaps even outstripping the average annual increases of 22.8% over the past 10 years (Vientiane Times 27/6/2000).

In fact the optimistic prediction for the year 2003 for the northern region alone is over 50,000 passenger vehicles with 600,000 tourists (Chamberlain 2000). Most of these appear to be projections of people travelling through Lao PDR into China, or to Thailand from China. The influx has already started but the current state of the roads is still prohibitive to many. At present, it is the river traffic that is moving tourists along. Fast boats go north up the river with the final destination of many tourists being Muang Sing in Luang Namtha Province. Here, once remote areas are becoming accessible for the first time. More travellers go in the other direction however, on a fast boat to Pak Beng and to Louang Prabang. The growth in European as well as Thai and Chinese tourists in this region is driving the construction of more hotels and other facilities.

On the upgraded Route 13 between Vientiane and Louang Prabang, it is estimated that 80% of bus passengers are foreign tourists. Route 13 is now sealed highway for much of the entire route through the country. Tourists can, for the first time, travel in some comfort from Louang Prabang to the more remote Savannakhet. At the present time Route 9 is not a tourist highway, although Lao people are known to travel to Vietnam to visit the coast or to attend the Tet (New Year) festivities (UNICEF 1998). European and Japanese backpackers take Route 9 to or from Vietnam but it is still a gruelling bus ride of several hours duration. Thai people are increasingly crossing into Lao PDR where they can sightsee, visit temples or attend festivals. In 1997 there were 59,000 tourist, mostly Thai males, crossing into Savannakhet.

In this situation Savannakhet has a sex industry that caters to Thai and other Asian visitors. However, a sex industry catering to foreigners is still relatively small and not at all comparable to Thailand and Cambodia, or even Vietnam. This situation could change relatively quickly when roads are completed and if the projected number of tourists is realised.

3. Typology of Mobile Populations

The population groups discussed so far are shown in Table 10, with locations and an estimation of population size, plus HIV risk assessment. Risk assessment is determined from known risk situations and the particular situations or characteristics of the respective migrant groups (refer to Definitions in Methodology).

Different patterns of movement exist, with a relatively large movement of rural to urban migrants, but this is matched by other movements within the country, and out of the country to Thailand.

While most are occupational groups the main exception is tourists. Business and private sector professionals are a special white-collar group, which includes local and foreign, but the

latter is the larger number. Business and development workers often require extensive travel throughout the country and thus members of this group are frequently mentioned as being at risk. Uniformed officials include military, border police, and regular police. These do not appear in the discussion above. There is discussion on such groups in the Vietnamese and Cambodian sections of this report, where they are acknowledged as high risk.

Table 10: Typology of Migrant and Mobile Population Groups and Assessment of Their HIV Risk Situations in Lao PDR

Migrant and Mobile Population Groups	Popn. Size	Geographical Locations	Risk Situation Assessment
Internal mobility			
Factory workers	*	Vientiane, other major towns	*
Service workers	**	Vientiane, Louang Prabang, Savannakhet, Pakse	*
Entertainment/service girls	**	Vientiane, Louang Prabang, Houayxai, Oudomxai, Savannakhet, Pakse	**
Construction workers	**	Houayxai-Louang Namtha Road Route #9 – Xeno to Daen Savan	*
Drivers	**	Mainly Route 13 and Route 9	**
State officials (public servants)	*	Vientiane, other major towns	**
Business/private sector professionals	*	Vientiane, other major towns	*
Uniformed officials	*	Vientiane, border locations	*
Ethnic minorities	**	All Provinces, especially north	*
Emigrant mobility			
Entertainers/service girls	*	Thailand	****
Labour	***	Thailand	**
Traders	*	Thailand, China, Myanmar	**
Truck drivers	*	Thailand	**
Immigrant mobility			
Traders	*	From China, Thailand, Vietnam	**
Labour	**	From China, Vietnam	*
Entertainers	**	Route #9, from Vietnam North-west, some from China	***
Tourists and visitors		Louang Prabang, Vientiane, border locations	*
Private/public sector professionals	*	Vientiane, other major towns	*

* The number of asterisks proportionately signifies population size or severity of risk situations (see definitions in Methodology)

Another exception to occupational groups is ethnic minorities. They are classified as such because of their particular relationship to rapid social and economic change. They can also appear in other categories, such as sex workers, factory workers and traders. The numbers in these categories are growing but are relatively small, while for all other categories they are minimal or non-existent. As off-farm workers they are generally mobile or classified as migrants, but many have reasons other than work for being mobile. And through development projects, such as road or dam construction in remote areas, they can come into contact with mobile groups.

Women appear in all occupational categories, with the exception of drivers. There are fewer women in mining and construction work. They are the majority in the service industry, especially in entertainment, and in garment factories.

Many factory workers and service industry workers are young people, and these comprise a large portion of the rural to urban migration flows. Many of the people going to Thailand for work are also young.

4. HIV/AIDS in the Lao PDR

4.1 HIV/AIDS Country Profile

The first HIV case in Lao PDR was a returnee from Thailand, in 1989. The first AIDS case was in Vientiane, in 1991. In 1993, of 18 people found to be infected from a survey of 9,000, 13 were women under 30 and 12 reportedly had worked in sex work in Thailand or China. While the epidemic in Thailand was at its zenith in 1993, only 57 HIV positive people had been detected in Lao PDR. The small number was explained away by the lack of comprehensive surveillance in the country. This was sometimes seen as a lack of will on behalf of the government in wanting to know the actual situation. In 1996, 157 HIV cases had been detected with 30 cases of AIDS. Even to the end of 1999, only 504 people have been detected positive. However, with 160 AIDS cases and 54 known deaths it is likely that the number of people who are HIV positive is much higher. It is also very likely that the number with AIDS and the number of deaths are under-reported. The surveillance system is still limited and thus the true picture is unclear.

It is argued that, geographically and demographically, it is difficult to implement a comprehensive surveillance system throughout the country and a general lack of resources is another prohibiting factor (Beyrer 1998:71). However, with the establishment of active Provincial Committees for the Control of AIDS (PCCA) in most Provinces, and a multi-sectoral approach at the national and provincial levels, the National Committee for the Control of AIDS (NCCA) is now in a position to develop surveillance systems. During July and August of 2000 the WHO program of Second Generation HIV Surveillance was implemented. Such surveillance is not only the first comprehensive system of HIV sentinel surveillance surveys in the country but is the first national program for behavioural surveys. This is the first opportunity to have a comprehensive picture of the spread of HIV and the associated risk behaviours. Mobile groups, seasonal workers, female factory workers and truck drivers are included in the HIV sentinel surveys and the behavioural surveys.

The push for expanding HIV/AIDS programs is not so much the figures from existing surveys but from epidemics in countries surrounding Lao PDR, especially Thailand. The Thai epidemic is the most threatening given the scale of the epidemic and the sharing of a long border. The sexual transmission of HIV has spread rapidly in Thailand and the conditions for such a spread in Lao PDR are appearing, particularly with the expansion of prostitution. However, drug-using epidemics exist in countries surrounding Lao PDR also – in the north of

Thailand, the Shan State in Myanmar, Vietnam, and in Yunnan, China. The injecting of drugs is a risk factor for HIV/AIDS through the use of shared injecting equipment. However, the extent of injecting drugs in Lao PDR, such as heroin, is reportedly minimal. At the same time, however, Lao PDR is the third largest opium producing country in the world.

The United Nations Drug Control Programme (UNDCP) currently have a major program to reduce the growing of opium poppies. If they were successful it would then mean that the only major supplier in the region would be Myanmar. At present, however, there is some evidence of increasing production of poppies in Lao PDR (Chamberlain 2000). A decline in opium production and the availability of heroin could shift the smoking of opium to the injecting of heroin as has occurred in neighbouring countries.

The NCCA works in conjunction with many NGOs who often have particular counterparts, such as the Lao Red Cross, the Lao Youth Union, the Women's Union, or the NCCA/PCCA. Through this support it has been possible to expand the national response beyond Vientiane and Savannakhet and border areas.

There is minimal HIV/AIDS programming for mobile populations. The CARE BAHAP program is the major project focusing on border crossings and mobile population groups. The Border Area HIV/AIDS Project (BAHAP) was funded by Family Health International (FHI) and one of the aims was to develop a model of cross border collaboration that reduced contextual risk factors for the spread of HIV. There are many lessons to be learnt from the BAHAP experience that feed into refining approaches to reducing risk among mobile populations.

Australian Red Cross (ARC) in conjunction with Lao PDR Red Cross (LRC) has mostly worked with youth and peer education. They currently reach 400 youth per month in Provinces along the Thai border. They also provide training programs to construction companies on request. Other programs have focused on youth as well, for example, UNICEF, Save the Children UK, Macfarlane Burnet Centre/Lao Youth Union. Population Services International (PSI) are planning to work with such groups in Savannakhet utilising current household survey data of 785 households, which includes data on household members travelling to Thailand.

UNICEF is also currently working with female garment workers. From 10 factories in Vientiane in 1998 they have conducted an evaluation of work in 15 factories and are expanding their work into other Provinces. There have been various behavioural studies on sexual behaviour. The NCCA, with support from the East-West Centre, Honolulu, and the Thai Red Cross, interviewed 510 service girls in Vientiane and 54 from Oudomxai. The interviews and focus groups explored sexual behaviour, STDs, HIV/AIDS knowledge and background.

The UNDP, through the UN Capital Development Fund, are supporting Save the Children Australia and ARC/LRC in Xaignbouy Province to work with Lao construction workers. The UNDP is developing a project on HIV prevention in the transport sector of Lao PDR with NCCA (this project includes Vietnam and Guanxi Province in China). In this project, the transport sector will develop its own strategic planning processes for integrating HIV vulnerability reduction programs into the work place. There is also potential for inter-country collaboration for strategies and policy.

In 1997, UNICEF undertook a research project on HIV/AIDS prevention and care for mobile populations. Research teams traveled to various parts of the country to collect data on mobile population groups. There was limited discussion on the movement of people to Thailand with the focus largely on construction workers, female garment workers, and potential risk

situations in towns, transport routes and construction sites. In 1999, the UNDP sponsored a study on mobility focussing on Route 13 in the north. Much of the information presented here on mobile populations is drawn from this study (UNDP 2000) as well as from the UNICEF study (1998). This is updated, where possible, by research reports and articles from the past two years, plus research undertaken in Lao PDR during June 20-26, 2000.

4.2 HIV/AIDS Risk situation

Thailand has always been perceived as the area of risk. Prevalence data, media reports and campaigns have entrenched this in the minds of Thai and Lao alike. One report from five years ago states that “Savannakhet officials explained that all AIDS deaths in their Province have been among people who had gone to Thailand” (UNICEF 1996). In a more recent report it was suggested that 51% of 974 returnees to Savannakhet were HIV positive. This seems too high given that there are only 504 in the whole country. Another survey showed that, of 213 female service workers tested, 2.8% were found to be positive (Bardon & Em-Im 2000).

The fear of AIDS from Thailand is still strong but there appears to be growing recognition that AIDS is now in Lao PDR and precautions must be taken. The Hot Spots in Lao PDR are along trucking routes, which includes major towns, border towns and other truck stops. Major routes run from surrounding countries and link with Route 13. From the north, following Route 13 to the central region and to the south there are major towns and truck stops.

Truck drivers are a crucial group among mobile groups because, like fisherfolk and fishing ports, truckers have truck stops that attract entertainment services that can also provide sexual services. However, truck stops may have other population groups who patronise the services available. Thus, truck drivers are joined by other drivers, construction workers, traders, government officials, businessmen, police, and others. The thing that they all have in common is a propensity for having sexual relations when they travel, commercial or non-commercial. They also have sexual relations at home with wives or sexual partners. Women too, may have sexual relations while away, as has been discussed for female traders; and women may be in a situation where they have regular contact with mobile and migrant men, which may lead to sexual relations. And it is likely that female garment workers have a higher propensity for sexual relations than when living at home (see Cambodia section).

Border areas with Thailand, Yunnan and Vietnam, are truck stops also, they are also magnets for traders, migrant workers and others. Most of the major towns in Lao PDR are on or near the Thai border and entertainment services appear to be in proportion to the size of the town. Thus, Vientiane has the largest number of venues and service girls. The threat of HIV from across the border in Thailand is not only through commercial sex and Hot Spots however. Non-commercial sexual contacts are a concern. In this context, one researcher suggests that Thai men visiting Lao PDR also may be of greater concern in the spread of HIV than Lao men visiting Thailand. While both must be factored in, it does seem clear that Thai men can see Lao women as not only safe but as easy to seduce and as Lyttleton posits, it is not only businessmen, drivers and traders; it can be government officials, or visiting sports teams (Lyttleton 1999).

Lyttleton cites the case of a truck driver from Mukdaharn who travels deep into the country. The driver suggested that there is the choice of buying sex at one of the venues frequented, or establishing a relationship with village girls through offers of money or gifts. The girls can “immediately gain their kin folk’s support based on the notion of comparative wealth that Thai identity confers” (Lyttleton 1999: 13).

This is the more gradual process of HIV spread, in ways that are less visible and less feared, where condom use is limited or perhaps non-existent. Festivals and cattle markets, and other markets, both in Thailand and Lao PDR, are times when men can seek sexual contacts through acquaintances or women plying their trade. Casual sex in such places may be frequent and condom use cannot be enforced in such informal situations. These are also times where borders do not limit people crossing. For religious festivals it is common that Lao people cross into Thailand and Thais into Lao PDR. In this sense, with the normalisation of relations between the two countries, the Mekong is once more becoming the centre of one culture.

Factories are known as situations where serial and multiple partner sex can occur. Young women, in particular, are likely to change their behaviour without the social controls of their kin and community networks. As such, with minimal knowledge and understanding of HIV and safe sex, they can be very vulnerable. The programming currently conducted by UNICEF is essential to inform them of the situation and how to take precautions.

Construction workers are known to have been involved in both commercial and non-commercial forms of sexual contact. With increasing infrastructure projects there are isolated Hot Spots, or links with other border or township Hot Spots, where risk factors are prevalent for construction workers, skilled staff, advisors and others. This is to say that workers will fraternise with local women, potentially causing some disruption in the community; or they will have women brought in from elsewhere; or, they will visit nearby Hot Spots. The local women, who are often from ethnic minorities, are at risk also. Such women did not even have to leave their local area to face such risks.

4.3 Hot Spots of Population Mobility and HIV/AIDS

Hot Spots in Lao PDR are not on the scale of many of the risk situations in surrounding countries. Nonetheless there is a burgeoning sex trade throughout the country. In the current situation it appears that such Hot Spots will develop according to the dictates of trade, tourism and development. Thus micro and macro economic influences will cause changes and shifts which make it difficult to predict how such areas will develop. However, the following areas are pinpointed as Hot Spots not only for their potential but also for the well-known existence of entertainment and service girls plus mobile populations (see Table 11).

Northern Corridor: Oudomxai town is the centre of the north, where mobile groups congregate and transit. Thus it is potentially a major hot spot. As a major junction it links Route 13 with towns on the PRC border and also leads to the Thai border.

At a large truck stop that forks off to the Chinese border there has been a ban enforced on service girls since 1995 (Chamberlain 2000). Of course such prohibitions signal a potential, or hidden trade, rather than the non-existence of services. At Meuang Sing, near the Chinese border, establishments with service girls were closed in August 1999, apparently to clean up the area for the Lao Tourist Year.

Oudomxai is linked to Houayxai in Bokeo Province by road and river through Pak Beng, or by road through Louang Namtha. At this Mekong border crossing with Chiang Khong, Thailand, exists a growing sex trade with reportedly 70-100 sex workers (Bardon & Em Im 2000). Notably, with the demise of many brothels in Thailand the sex trade is hardly visible in Chiang Khong.

Central Region: There are many truck stops along Route 13, extending from the north to Luang Prabang and then Vientiane, where men can find service girls. Thus the Hot Spots are more diffuse and they are said to be more sophisticated in Vientiane Province than in the northern Provinces. Also, the nightlife and entertainment available in Oudomxai and nearby regions is smaller in scale to that found in the townships of Louang Prabang and Vientiane. The scale may be indicated by the sampling of one study which conducted interviews with 54 service workers in Oudomxai and 510 in Vientiane. In Vientiane, 94 establishments comprising 21 nightclubs, 38 restaurants and 35 guesthouses were identified (NCCA 1998).

Due south on Route 13 is Khammouane Province, which has a major crossing to Thalek, Thailand. There is a Vietnamese community, with karaoke bars that have Vietnamese women, and the health department has identified 14 other sites where sexual services may be available.

East-West Corridor: The border towns of Mukdaharn and Savannakhet parallel the situation of Houayxai and Chiang Khong, described above, where a higher risk situation is more apparent on the Lao side of the border. The number of Lao girls working in sex work in Mukdaharn has reduced over time with police crackdowns over the last few years focusing on under-age girls and migrant workers. At the same time the entertainment scene in Savannakhet has expanded with many venues that provide service girls.

Thus, Savannakhet is the main hot spot here, with Xeno not far away at the junction of Routes 9 and Route 13, which has gained some notoriety for its nightlife scene. Like in the north, but less so in scale and number, there are drink shops and beer gardens along the highways where sexual services may be available. There are other stops on the way to Daen Savanh as well. There are various stops along Route 9 where drink shops with service girls can be found in particular on the Vietnamese border, where Vietnamese and Lao women are available. At Lao Bao, across the border, there are restaurants and karaoke bars as well as in Khe Sanh, 25 kilometers away. All of these areas, however, are not Hot Spots in the sense of a vibrant industry with a large turnover of clientele like in Xeno or Savannakhet, partly due to slow economic growth in recent years.

Further south on the Mekong is Pakse, in Champasak Province, which is known for a busy nightlife scene and on the border area, some distance away, there is reportedly a growing incidence of Lao service girls available.

Table 11: Typology of Migrant and Hot Spot Mobile Population Groups and Assessment of Their HIV risk Situations in Lao PDR

Hots Spots	Migrant and Mobile Population Groups Involved	Popn. Size	HIV Risk Situations
North			
Oudomxai	Transport workers, female service workers, migrant labourers, traders, state officials, uniformed officials, private sector	*	**
Houayxai	Transport workers, sex workers, traders, state and uniformed officials, labourers, private sector	*	**
Central			
Vientiane	Transport workers, service workers, traders, tourists, state officials, private sector, factory workers, uniformed officials	****	****
Louang Prabang	Tourists, transport workers, service workers, construction workers, state officials, uniformed officials, traders	**	**
Thakek	Transport workers, service workers, construction workers, state officials, uniformed officials, traders	***	***
South			
Savannakhet	Female factory workers, traders, transport workers, sex workers, state officials, tourists, uniformed officials, private sector	***	****
Xeno	Transport workers, sex workers, state officials, uniformed officials	*	***
Pakse	Transport workers, sex workers, state officials, uniformed officials, private sector	***	**

* The number of asterisks proportionately signifies population size or severity of risk situations (see definitions in Methodology)

5. Conclusion

Over the past 15 years substantial change has occurred in Lao PDR, creating new forms of mobility and migration. Now, as a focal point in the development of the region, the Lao PDR is on the threshold of greater changes. Movements within the – country – rural to urban; urban/rural to work-sites; resettlement and other forms of mobility are matched by population movements out of the country to Thailand. In addition, with highways becoming conduits for linking the GMS, and the development of trade and tourism, projections are that there will be a huge influx of foreigners over the coming years. These will include migrant workers, truck drivers, business people, tourists and many others who will make demands on goods and services in Lao PDR.

The sheer size of the country, with a north-south and east-west axis, the sharing of borders with five countries, the mountainous terrain, and the Mekong River running the full length of the country, serves to create a special dynamic for movements of people. The spread of HIV

currently does not appear to be of epidemic proportions but, the numbers of infected people are increasing, and border areas and some towns have become Hot Spots with the potential of spreading HIV. It appears that travel or movement, in and of itself, often carries with it a certain license or freedom to engage in behaviours that are less acceptable or less common at home and this behaviour, in turn, is responsible for the evolution of Hot Spots.

The most obvious concern is the circular migration between Thailand and Lao PDR. The two cultures mingle, separated more by history than by custom. It is probably fortunate that it is mainly northeast Thailand that borders most of Lao PDR, for the centre of the Thai epidemic is in the north. There now appears to be sufficient evidence to confirm that most of the HIV positive people in Lao PDR were infected in Thailand, but another conduit for transmission is Thai men or women going to Lao PDR. The exchanges between Thailand and Lao PDR are more than just looking for work. The exchanges are markets, festivals, family visits, and many other formal and informal exchanges. This is a good example of a border that cannot be controlled, a kin culture where Lao people even know the Thai national anthem. There is probably a lot more that could be done in plotting the patterns of this circular migration. That most of it is illegal is a prohibitive factor but much information can be gained from returnees. That information could be used to develop HIV/AIDS programs, with the possibility of cross-border collaboration, or at least messages at border crossings that reinforce public media campaigns.

In the lowland society the special needs of women are characterised through their active involvement in trade and farming. A UNDP report on women acknowledges the relatively high participation rates of women in the economy and in high levels of government. At the same time it is pointed out that they have the highest rate of maternal mortality in Southeast Asia (UNDP Human Development Report 2000). In development situations inequalities between gender can be enhanced or affected in unpredictable ways. This is true of class also, where some villagers are in a better position to take advantage of new opportunities. A study of the earlier upgrading of Route 13 in 1988 suggested that poorer villages were not in a position to take advantage of the improved access (Trankell cited in Jerndal & Rigg 1999). The concentration of roads in the lowlands can have these unintended consequences. This can be overcome, in part, through linking and feeder roads.

Most of the countryside is mountainous and, in most Provinces, particularly in the far north, over 90% of the population are ethnic minorities. Among the highland groups around 300,000 are said to practice slash and burn agriculture (UNICEF 1998:34). There are still more than two million highland people who will experience social change as Lao PDR develops. While some ethnic groups are active in trade and relatively mobile most have little reason to come to lowland towns to participate in trade or business. For others their travel orientation may be across borders into PRC and Vietnam, which generally does not require crossing official border posts. However, transformations in patterns of moving that are already occurring may escalate over the next few years.

Small numbers of highland people are integrating into the lowland society and many from the midlands already mix with lowland Lao PDR. Many more are expected to be moving into border regions and other regions of development in the coming years. Within the processes of change there are going to be women and girls who are absorbed into new work opportunities. The major concern is to build HIV/AIDS awareness into such processes. HIV/AIDS programs have only recently moved from the focal points of Vientiane, Savannakhet and a few other sites. An even greater challenge now is to include ethnic minority groups at the very time that many may be facing radical changes in their lives.

Building HIV awareness and negotiating skills for women in vulnerable situations is only part of the picture. There are strong indications that, despite government prohibitions and enforcement of prostitution laws, the demand and supply sides of prostitution will increase in the wake of development. The most important concern arising out of this may not be the scale so much as the form of the prostitution. Presently, prostitution in Lao PDR is not generally under conditions of coercion. Women are free to negotiate and select their customers. If increasing numbers of girls were to enter the market, especially those with limited literacy in Lao, and they were increasingly controlled by a network of agents, a situation could arise akin to the brothels in Thailand where, in the 1980s and early 1990s, HIV was spreading rapidly.

Inequalities due to language, culture, etc can lead to some groups being disadvantaged under socio-economic change. The highland groups may often be the most disadvantaged. While continuing a policy of preventing prostitution may be valid for the Lao context the policies that work best for some groups may be those that seek equality for all in socio-economic development, so that most people can receive benefits from change rather than a few gaining and many losing.

The financial crisis slowed the momentum of change, but now the projections for change are greater than ever. Many changes, of course, will be beneficial. However, under conditions of rapid change adverse consequences cannot be avoided. The intersection of development and HIV/AIDS is brought into stark relief in the remote and not so remote corners of Lao PDR where poverty, until now, has sheltered people from global change while, at the same time, making them vulnerable to changes that are emerging. It is not poverty per se that increases vulnerability it is lack of information, lack of access to information, lack of access to education and lack of access to health care. The people who have the least access are those with the least resources and low estimated status, and it is more often that women fit into this category. The challenge facing Lao PDR is not development per se but the inequalities that arise out of development.