Global Civil Society
Shifting Powers in a Shifting World

Edited by Heidi Moksnes and Mia Melin
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Nascent civil society in Lao PDR in the shadow of China’s economic presence

Gretchen Kunze

The emergence of Lao civil society

Civil society in Laos is amongst the most limited in the world (Delnoye 2010). Since the founding of the Lao People’s Democratic Republic in 1975, the state has disseminated information and policies, delivered any basic social services, and consulted the public through the party-led mass organizations. With hundreds of thousands of members, well-organized communication and outreach structures, and presence throughout the country into even the most remote villages, these mass organizations have played the role that civil society organizations traditionally occupy in other countries and political contexts.

That said, though little known or utilized, under Article 44 of the Lao constitution civil society groups in the official form of “associations” are legally permitted. The constitution states, “Lao citizens have the right and freedom of speech, press and assembly, and have the right to set up associations and to stage demonstrations which are not contrary to the laws.” The number of Lao associations varies greatly depending on the source of the information. Some speculate that between 80 and 200 exist throughout the country, whereas international organizations generally speculate that there are only about 15 to 20 associations capable of operating with a level of impact. The majority of associations that are already formed are at their first stages of development and often lack basic capabilities including: identifying and applying for funds; meeting the standard financial and audit requirements of funders; developing
management plans; and designing projects. Most Lao citizens are unaware
that associations exist at all, much less what role they can or do play.

Before 2009, a major barrier to forming associations was that, while
legally permitted, there were no clear procedures for their establishment,
roles and functions, and no oversight by a designated government agency.
In recent years the Lao government has taken steps to reduce these
ambiguities. The process of creating an improved legal mandate began
with the drafting of a Decree on Associations in 2006, and continues
with the ongoing drafting of a Decree on Foundations. The impetus for
these developments is largely seen as originating in the National Socio-
Economic Development Plan 2006-2010, which expresses a commitment
to “provide basic social and essential economic services, and ensure
security and facilitate the participation and empowerment of the poor
in economic, social, political and other arenas to reduce poverty on a
sustainable basis.” By some estimates, the government has recognized the
role that local associations can play in national development and how
they can help the government meet its goals.

In April 2009, the Prime Minister’s Office approved the Decree on
Associations (Decree Number 115/PM) with the stated aim to increase
the number of associations, streamline the registration process, and
improve oversight. The Decree, which took effect in November 2009,
defines an “association” as being a “non-profit civil organization set up
on a voluntary basis and operating on a permanent basis to protect the
rights and legitimate interest of the association, its members or commu-
nities.” The “types of associations” listed include economic associations;
professional, technical and creative associations; social welfare associa-
tions; and others (Lao PDR 2009). The decree is groundbreaking in its
attempt to systematize and codify the registration process for civil society
associations and consolidate their oversight under one government body,
the Civil Society Division within the Public Administration and Civil
Service Authority (PACSA).1

It is relevant to note that these local organizations are called NPAs,
or non-profit associations. The term “non-governmental” or NGO is
considered to give the impression of being in opposition to the government and therefore not palatable or appropriate.

As of April 2011, sixteen months after the decree was enacted, only two NPAs had been approved by the government. PACSA reported that at that time 72 organizations had applied for registration, with roughly half of those being organizations “re-registering” (as all existing NPAs were made to re-register under the new decree) and the other half being newly formed organizations. They had set the goal, however, to approve 90 percent of the applicants within the year.²

**China’s growing economic presence**

Laos remains amongst the poorest countries in the world, but in recent years it has seen steady economic growth and increasing foreign direct investment.³ By December 2010, China surpassed Thailand as the single biggest investor in Laos. The Lao Ministry of Planning and Investment reported that in 2010 Chinese investment between 2000 and 2010 reached about US$2.9 billion. Thailand has a total investment over the same period of about US$2.6 billion, and third place is held by Vietnam with investments of roughly US$2.2 billion. But what is more striking is the speed of recent investment. In the first six months of 2010, Thai companies invested in four projects worth US$37 million. Chinese companies invested in 16 projects with a total value of US$344 million (Phoutonesy 2010). As for Chinese development aid, these figures are confidential and, at any rate, not always so clearly delineated from investment.

Donors and international development organizations (generally members of the Development Assistance Committee, DAC, of the Organisation of Economic Cooperation and Development, OECD) have shown great interest in this new development for the role that civil society can potentially play in good governance and poverty alleviation. But access to Chinese investment (and aid) makes it easier for the Lao government to achieve economic growth and gain development resources without the complications of having to deal with the same conditionalities as those of Western companies and aid agencies that might create,
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directly or indirectly, a more enabling environment for the development of civil society organizations.

Looking forward and the character of Lao civil society

There are motivations for the Laos government to permit some civil society development in the country, including meeting development goals and international legitimacy. There are also motivations for keeping it tightly controlled, so as not to interfere with the state’s stability or economic goals.

Larry Diamond (1994) writes that pluralism, diversity, and partialness are distinguishing characteristics of civil society. In the context of Laos, where harmony, unity, and cohesion are amongst the highest ideals, this definition does not seem to indicate much chance for the development of civil society. Rather than the definitions prevalent in the literature, it appears more appropriate to consider this new civil society as following a somewhat different path, appropriate for the circumstances of Laos and a single party state.

The modest civil society sector in Laos will likely not take on a Western face to be one of advocacy, making demands, or building coalitions with foreign activist organizations. Rather, at least for the foreseeable future, it will likely be focused on service delivery provision that will attempt to address the nation’s daunting development needs. More importantly, civil society development will be a process progressing not in opposition with the state, but in harmony with its interests and often working in partnership. In the newly emerging space allowed for civil society in Lao PDR, this process of growing the capacity and legal standing of civil society organizations will need to be carefully calibrated with building trust and understanding between the organizations, the government and the larger society. The goal of supporting these organizations to engage with their government in a positive, mutually supportive manner may be more achievable in the near term.

If the result means a new route for opening paths of communication between citizens and government, more and better services for those who need them, and a freer flow of education and information, then this should not be considered a failed project even though it does not fit Western norms.
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Notes
1. Conversation with PACSA, 4 April 2011. PACSA gas since changed its name to the Ministry of Home Affairs (MOHA).
2. Ranked 122 in the UNDP 2010 Human Development Index.

References


Author affiliation
Asia Foundation, Laos