

1961

# The Rural and Urban Economies in Laos

Joel Halpern

*University of Massachusetts - Amherst*, [jmhalpern@anthro.umass.edu](mailto:jmhalpern@anthro.umass.edu)

Follow this and additional works at: [https://scholarworks.umass.edu/emeritus\\_sw](https://scholarworks.umass.edu/emeritus_sw)



Part of the [Anthropology Commons](#), and the [Economics Commons](#)

---

Halpern, Joel, "The Rural and Urban Economies in Laos" (1961). *Laos Project Paper No. 18. 72*.  
Retrieved from [https://scholarworks.umass.edu/emeritus\\_sw/72](https://scholarworks.umass.edu/emeritus_sw/72)

This is brought to you for free and open access by ScholarWorks@UMass Amherst. It has been accepted for inclusion in Emeritus Faculty Author Gallery by an authorized administrator of ScholarWorks@UMass Amherst. For more information, please contact [scholarworks@library.umass.edu](mailto:scholarworks@library.umass.edu).

LAOS PROJECT

Paper No. 18

THE RURAL AND URBAN ECONOMIES

Joel M. Halpern

Department of Anthropology

University of California

Los Angeles, 24, California

1961

LIBRARY  
UNIVERSITY OF  
MASSACHUSETTS  
AMHERST, MASS.

Reproduced by  
DUOPAGE PROCESS  
in the  
U.S. of America

Micro Photo Division  
Bell & Howell Company  
Cleveland 12, Ohio

D.P. # 6385



# CONTENTS

---

BASIC NECESSITIES	Page 2
FOOD	3
HOUSING	10
CEREMONIAL AND RELIGIOUS NEEDS	23
BARTER TRADE AND LAM	26
TRANSPORTATION	32
EXTENT OF PARTICIPATION IN A CASH ECONOMY	45
SPECIAL CRAFTS	47
SELF-EMPLOYMENT AND WAGE LABOR	62
EXPENDITURES	68
RURAL AND URBAN INDERTEDNESS	71
TRIBAL ECONOMIES	73
LAO-TRIBAL INTERDEPENDENCE	84
URBAN ECONOMY	88
GROWTH OF VIENTIANE	90
TRADITIONAL URBAN COMMERCE	93
PROBLEMS OF THE URBAN POPULATIONS	97
THE LAO FIVE YEAR PLAN	105
FOOTNOTES	112
BIBLIOGRAPHY	127



## THE PURAL AND URBAN ECONOMIES \*

The natural economies of Laos have been discussed (Laos Project Paper No. 17). In the following pages we will examine how these economies are reflected in the villagers' level of living and the extent to which the products of field, forest and the hunt are directly consumed or the ways in which they are exchanged for other goods.

After describing basic necessities, types of barter trade, transportation and travel facilities and systems of land tenure, this paper discusses the extent to which the Lao farmer participates in a cash economy, examining in turn his means of gaining cash and his expenditures. Tribal economies and Lao-tribal economic interdependency are also considered.

Finally, the urban economy is surveyed with emphasis on the growth of Vientiane, the commercial patterns of Luang Prabang, and the general problems facing the urban population in Laos.

### Basic Necessities

In all societies food, shelter and clothing are basic necessities. Added to these expenses are those for religious and ceremonial life. Great differences exist in the economic productivity of different societies; variations also exist in the amount of expenditure on basic necessities. Certain minimum expenditures or allocations of resources are determined by biological imperatives, but beyond these irreducible minimums, cultural traditions play a

-----  
\* See Laos Project Paper No. 11 for related statistical tables.

most important role. The degree of economic productivity and resulting surplus provides a limiting but not determining factor.<sup>1</sup>

### Food

In the Laotian context a minimum with regard to food involves getting enough rice to avoid hunger and to carry on one's daily activities. Although actual starvation is rare or non-existent in Laos and people do not have to struggle to survive in an inhospitable environment, still they often know hunger, particularly in the period before the rice harvest when the previous year's stocks near depletion.

Malnutrition also is prevalent, often in extreme forms. A significant factor is the preponderance of rice in the diet. Crudely milled glutinous rice is the food staple. To a certain extent it is actually more nourishing than the Laotians would desire, since the foot and hand pounders which mill most of the villagers' rice are far less efficient in destroying the outer hulls than are the power-operated machine mills used extensively in Thailand. This would lead to a conclusion that town dwellers would suffer from malnutrition more than villagers, except for the fact that the former have relatively greater prosperity, assuring them a more varied diet.

Rice forms the basis of every meal and is reflected linguistically in that the verb "to eat" - kin khao - means "to eat rice."<sup>2</sup> The Lao often mentions his preference for glutinous rice as a means of asserting cultural identity, differentiating himself from the Chinese and Vietnamese.

It is difficult to say which groups have enough only for themselves, have a surplus to sell, or are forced to buy rice. There is a good deal of variation among ethnic groups, villages and even households in addition to yearly differences due to fluctuating climatic conditions. There are some general patterns, however. The Khmu and the Lamet often produce in their hai surpluses to sell to the valley Lao. This is not universally the case, particularly in the area surrounding the royal capital, where the impoverished Khmu frequently must purchase rice from the Lao. The Meo appear for the most part to be self-sufficient. Poor crops due to lack of adequate rainfall in recent years have compelled more Khmu and Lao to buy rice to a greater degree than was previously the case.

In order to get an idea of rice consumption among the Lao, aspects of "consumption" must first be broken down: taken into consideration should be the rice lost in the process of milling as well as that consumed by the family as food; also a part is set aside as seed for the next year's crop. In addition there is the daily contribution of rice to the bonzes, regarded as an obligation by all Lao, and daily special offerings of rice to the phi. Other uses include rice to feed guests, the amount utilized in making rice wine, and the losses due to rats. Unfortunately the latter is often considerable.<sup>3</sup> Another important but variable expenditure of rice is payment in kind, in the case of land rental.

The largest individual uses are the amounts of rice consumed as food and the rice set aside as seed and for making alcohol, the lat-

about ten percent to less than two percent.

Estimates of daily rice consumption per person range from .2 kilos cited for the Lamet<sup>4</sup> to from .5 to .8 kilos in the Vientiane and Luang Prabang areas.<sup>5</sup>

In terms of yearly individual consumption, rural figures from the Vientiane area and the Bangkok Plain are almost the same, roughly 250 kilos. Since there are significant differences in crop yields in these two areas, this approximation implies that although production increases personal consumption tends to remain the same.

What happens in those cases where there is not enough rice and the villagers cannot secure an additional supply? The Meo of the Luang Prabang area turn to corn, which is pulverized on grindstones turned by hand. To a much lesser extent some Khmu and Lao also eat corn. Among both the Khmu and the Lamet the gathering of forest plants, particularly bamboo shoots and tubers, is of considerable importance. Forest products such as various roots, greens and flowers, as well as frogs and insects figure in the diet of the Lao. For all groups these other sources are particularly significant in the month or so before the harvest.

An idea of the general range of foods available to the peoples of northern Laos, and the groups producing them, is given in Tables 1 and 2. Tables 7, 8 and 8-A represent the consumption patterns of Thai-Lao villagers near Ubol (Ubon) in Northeast Thailand bordering on Champassak Province in southern Laos and culturally and economically resembling the other side of the Mekong. The most significant variation is probably related to the extent of participation in



a cash economy. Since the Lao of Laos appear to be poorer, the wide utilization of plant and insect life indicated, is if anything greater in Laos. Although the Lao are principally farmers, their gathering activities certainly cannot be overlooked, and supplements to cultivated plants and domesticated animals form an integral part of the diet of the great majority of the rural population.

But would it be possible for any of the people to survive without rice, living only on gathering, fishing and hunting? Izikowitz posed this question to some Lamet, who replied that they could get along for most of the year but that many people would surely starve during the difficult spring months. The women would have to seek wild plants in the forest constantly, and the men would be obliged to fish and hunt day and night. Living would not be tolerable again until the rainy season.<sup>6</sup>

The Lao eating pattern of three meals a day consists of glutinous rice served with chilis and padek, a spicy fish paste, sometimes accompanied by curries or other vegetable dishes. Fish is served occasionally, while meat is rarely consumed. Often fruit is eaten between meals. The morning and evening meals are served warm and the noon meal is usually cold leftovers from breakfast. Variations in the supply of certain fruits, vegetables and fish account for minor regional differences. There are also some variations in diet related to the economic status of the household, particularly with regard to store-bought foods such as beverages, bread and canned goods, as Table 18 indicates.

that the consumption of meat among all groups is

usually associated with ceremonial and ritual occasions. Products of the hunt, although significant, are nevertheless fortuitous, and can occur only when there is a slackening in the primary tasks involved with agricultural work. Dishes utilizing small amounts of meat or fish combined with other ingredients are traditional Lao delicacies, and as such are often on sale in the town markets. Table 4 describes some of these specialties and their methods of preparation.

Like the Lao, the Meo practice certain preserving techniques. Pork is smoked, and beef is sometimes salted and dried. These simple methods are easier for them than for lowland peoples because of the cooler, drier air on the mountaintops.

The Lao, Meo and Khmu share the cultural trait of Chinese rather than Indian civilization in that they make no use of fresh milk or milk products.<sup>7</sup> Canned evaporated milk is sometimes added to coffee, tea or ovaltine. Prosperous villagers have begun to use it as a luxury, but it certainly does not figure in the diet of children or of pregnant women.

The Ubol area survey provides some interesting data on protein sources of the Lao in Northeast Thailand. With minor modifications these observations hold for the Lao in Laos. It was found that the average villager eats meat only about twice a week, and even the more prosperous villagers have meat but three or four times a week. In approximately ninety percent of the cases when meat is eaten, it is purchased.<sup>8</sup> This lends support to the point made in the discussion of the natural economy, namely, that buffalo and cattle in



particular are raised largely for prestige and ritual purposes, since no use is made of their milk, limited slaughtering occurs and cattle are not used as draft animals.

In contrast to the case of cattle, pigs and buffalo, it was found that chicken was eaten as frequently as once a week by practically every family in the rural area around Ubol. Ducks were consumed less frequently. Most of the poultry was raised at home. About seventy-five percent of the villagers considered chicken eggs a normal part of their diet, with the figure for duck eggs somewhat lower.

Fish is a very important part of the villager's diet in Ubol, being the only high quality protein food eaten at least once a day and sometimes more often. Small fish (less than two inches long) are especially popular. They are found in the rivers, ditches, lakes and in the rice fields during the rainy season when they are abundant. Their consumption during the dry season gradually decreases although fish can still be caught in the rivers. Fish figures less prominently in the diet of the Lao in Laos, and of course still less among the mountain peoples.

After fish, frogs are the most frequently used protein food in the Ubol district. They are caught throughout the year but are particularly abundant during the rainy season. As in Laos, several kinds of insects are eaten. Some are available only seasonally. Snails, shrimp and small crabs are consumed during the rainy season. Sometimes silk worms are eaten.

women for certain foods such as citrus fruits. Larger amounts of glutinous rice are also consumed at this period. During the week or two immediately before, and following delivery, women are restricted to a diet of rice and salt. Infants are breast-fed for about twenty months or until another baby is born. A few weeks after birth, infants are introduced to small amounts of pre-chewed glutinous rice and banana, and by the age of about one year they appear to have approximately the same diet as the average villager.

Although it cannot properly be called an item of diet, still the use of betel nut is regarded as a necessity by many rural Lao and Khmu. At one time the blackened teeth and stained gums which result from its continued use were considered a sign of beauty. Now it is mostly older Lao who chew betel, and many of the younger, educated Lao regard the habit with disdain. Many Khmu of all ages use betel. The juice is spat out rather than swallowed, and the presence of a spittoon in most Lao homes attests to the widespread practice of betel chewing.

Tobacco, both home-grown and processed varieties is also widely used, particularly by males of all ages. It is chewed as well as smoked.

To sum up, rice is the basic food of the peoples of Laos, supplemented by vegetables and meat, fish and forest products. Fish is of varying importance among the Lao and meat is consumed sparingly or on special occasions by all groups. With the exceptions of rice, salt, certain vegetables, forest products and possibly crude sugar and tobacco, all other items of food for personal consumption are

considered luxuries consumed on special occasions.

#### Housing

With regard to housing, there are a number of essential features which all Lao dwellings have in common.<sup>9</sup> They are rectangular and are adjacent to paths and rivers, and avoid facing the west, the direction said to be traveled by the dead. They are built elevated on wooden piles about six feet off the ground, a form of construction with many advantages: it separates the living quarters from the rainy season mud, keeps out the village dogs and chickens and, in the space underneath, provides storage place for a loom, firewood, livestock and sometimes the rice bin. In cases of minimum standards the house itself has a split bamboo floor and woven bamboo walls, with one main room. The thatch roof slopes over a bamboo veranda running along one length of the house, and at the rear of this porch is usually a wooden frame filled with sand, which is used as the base for the charcoal or wood fire over which cooking is done. Here too, is the place where food, utensils and sometimes people get washed, with waste water poured off through cracks in the bamboo flooring. Garbage is disposed of in a similar manner, to the pigs and chickens below. On a post next to the entrance ladder, there is often a moss-covered clay pot in which drinking water is kept.

An average dwelling can be constructed rapidly, with a minimum of expense when a group of villagers pool their labor in customary fashion. The cost of materials for an all-wood house with thatch roof is approximately 16,000 kip, while an average bamboo house

costs about 10,000 kip.<sup>10</sup> The builder supplies food and rice wine for the workers, who usually contribute their labor on the same reciprocal basis used in transplanting and harvesting rice. Often a celebration is held in connection with construction and dedication of a new dwelling, in which the women of the neighborhood share the cooking, and in the evening the village youth participate in a traditional love court.

The following is a description of the ceremonies connected with house construction in the Luang Prabang region:

In building a new house they ask each other's help, calling it "taking a meal to build a new house." There is no hiring at all. The principal pillar has bananas, dried areca, and white thread tied to it, together with a fishtrap. This is called lag chai, literally "stake of victory." When this is finished, they find a prop for it and then invite monks to come and chant in the evening. Next morning at the time of the "silver and gold light" they bury it, because they believe that if they set the principal pillar when the silver and gold light is shining in the sky this is tantamount to putting these precious metals into the new house. When they have finished setting up the principal pillar, they set to work until the house is finished. When it is finished the monks are invited to come and pray for the second time. Then the old people are invited to enter the house after which the possessions are moved in and a feast is held.<sup>11</sup>

Bamboo is usually available locally, as is hardwood (usually teak) for the house posts. The woven bamboo walls allow for relatively free circulation of air, and the floor has enough give to make sleeping on it on mats extremely comfortable. Windows are found only in the more prosperous homes.

A bamboo house does not carry much prestige, nor is it adequate for a large household. Where possible it is improved upon. This means first of all a larger layout. Among certain groups such as



the tribal Tai, where people live together in extended family groups, this would be a necessity, with the main room subdivided into a number of sleeping compartments.

A larger house is constructed of wooden planks although in many cases thatch would continue to be the roofing material. In some of the more developed areas, such as among the Lao around Vientiane, wooden plank floors are a regular feature in house construction. These floors per se imply a higher standard of living, since they are usually accompanied by the use of kapok-stuffed sleeping pads instead of woven fiber mats. In more prosperous homes the walls are also of wood. In some cases the traditional roof is replaced with corrugated tin, or more customarily, tile. A further development is the use of a sort of wattle and daub cementing over a bamboo framework.

Sometimes there are separate sheds for cooking and storage. A small granary is often mounted on piles adjacent to the house, and occasionally there are seed beds on platforms out of reach of the animals. Larger compounds include a vegetable garden. Clumps of bamboo and banana trees often serve as boundary markers.

Although wooden houses doubtless offer more protection during chilly winter nights, many of them lack sufficient ventilation. Windows, if constructed, are frequently small and ineffective, so that for most of the year these more elaborate dwellings are actually less comfortable than the simpler bamboo houses.<sup>12</sup>

Only the major towns of Laos are electrified. Some rural homes

use crude kerosene lamps made from tin cans, and a very few have pressure lamps with incandescent mantle. Flashlights are also used. Generally speaking, because of the constant drafts, candles are not employed as a source of light, and the villagers retire when it gets dark.

Rural Lao consider their homes sacred places, presided over by a resident spirit (phi huan) for whom an altar is built near one of the posts. This spirit is frequently consulted and offerings of balls of rice, flowers and candles are left for it. Several small images of Buddha may also be kept here.

Since the Lao live and eat on the floor, home furnishings are at a minimum. There are a few low, round stools and tables made of plaited bamboo on a rattan frame, some wall pegs for clothing, and perhaps a bamboo cradle hung from the rafters. Sleeping mats are rolled up along the wall during the day. The home of a village headman might have a table and chair for conducting official business<sup>13</sup> plus a few cheap suitcases for storing clothes, and some enamel dishes and other utensils including the omnipresent spittoon.

The use of mosquito nets is a conspicuous status symbol in the homes of teachers, headmen and some of the wealthier farmers. For most, however, the cost of the netting combined with a lack of felt need precludes its widespread use.

Khmu houses are basically similar to those of the Lao, except that they are more modest. This description of the setting up of a household as described by a Khmu<sup>14</sup> can also be taken as indicative of the fundamental requirements of the Lao in the Luang Prabang area:



Husband and wife wish to put up a house and live apart from their parents.<sup>15</sup> They go and cut saplings and trees and carry them back. Then they go and cut thatch and when it is carried back to the house site the wife makes thatch panels. When the panels are ready they build the house.<sup>16</sup> When the house has been built they go and look for furnishings, clothing and tools. They buy a machete, then a weeding tool, a digging stick with an iron tip, an ax and a small pointed knife. Then the husband goes and brings in vines from which he makes a large basket for storing seed rice for the next year. Then he weaves a basket for cooked rice and a flat tray for winnowing rice.<sup>17</sup> When these things have been woven he goes and looks for money and buys earthenware pots, dish, spoon, cup, blanket, pillow, sleeping mat and clothing. Then he goes and buys chickens, pig, dog, duck, buffalo and goat.

The only absolutely essential items which must be purchased are the iron tools used for building the house, cultivating the fields and cutting the vines. The clothing and livestock mentioned represent more of an aspiration than an easily achievable reality.

Meo houses are, like most other aspects of their culture, quite distinct from those of the Lao. The material culture of the Meo has changed relatively little in recent years, so that the observations of a French ethnographer recorded over sixty years ago are still applicable.<sup>18</sup>

A Meo house is built at ground level. Walls are made of puddled clay or ill-fitting boards, and the house is roofed with thatch or crudely squared wooden shingles. The doors are made of wood shaped with an ax, and there are no windows. Often several /nuclear/ families live in the same house, and each family has a fireplace and a compartment which serves as a bedroom. In the common room there is an oven and a fireplace above which objects are placed to dry on a bamboo framework....In front there is a narrow veranda where the horses are kept when not housed in a stable built on piles and overhanging the mountainside, as are the animal barn, pig sty, the rice granary and the goat pen. This protects the animals from dampness. Inside the house there are few furnishings...benches, tables, crude beds, dishes, iron and copper utensils and opium smoking accessories, all very dirty.

Entering a Meo home during the daytime requires several minutes

ng  
fact that not only does the Meo house have no windows lacks a chimney, and as a result much of the interior by soot. This is in dramatic contrast to the airy homes of the Lao. Since the Meo move their villages every few decades, the homes are often not built with care. The boards, beams, supporting posts, intersecting walls, and all parts of the roof are roughly hewn, the wooden parts lashed together with rattan; nailing or notching are not employed in most cases.

The size of the house is directly related to the size of the family and reflects the household wealth which is usually roughly proportionate to the number of able-bodied males. Every house has two entrances. Along one side there are a series of elevated compartments in which the individual nuclear families sleep.

Against the wall which faces the main entrance is a fireplace for cooking and there are also tables and shelves for utensils. The Meo live more off the floor than the Lao, having dirt rather than wood or bamboo under them. On the same wall as the fireplace is the altar to the house spirit, a rice mortar and a place where guests can rest. Each house has a separate storage loft in which are kept saddles, carrying bags, nets, smoked meat, corn and grain. In contrast to the houses these storage places are built on piles which serve as protection against dampness and the intrusion of mice, rats, pigs or other animals.

The site of a new home is chosen with care. The ancestor spirits are asked whether the choice for the site is an auspicious one, and omens or unfavorable dreams may affect the choice. When

the corner posts are driven in, the future owner proclaims loudly, "May the evil spirits stay away from this place in the future, for now I am going to live here." Once the house is completed, a temporary altar is erected and the owner sacrifices two chickens, inviting the ancestors and spirits to move into their new residence.<sup>19</sup>

Lamet houses are built on piles but are not as far off the ground as those of the Lao. A distinctive feature of housing among the Lower Lamet is that every sleeping place has its own hearth, providing illumination as well as warmth during the damp, cold nights of the winter months. The smoke helps to ward off gnats and mosquitoes. The row of hearths forms a line of demarcation dividing the rest of the room from the private area into which a stranger is not supposed to intrude. It is possible that these fires also are believed to serve as protection against evil spirits for fire is used in driving out the spirit of death, and as a safeguard from it.

Every Lamet village has a community house which functions as the gathering place for the men, and provides sleeping quarters for bachelors and strangers. Constructed of bamboo, it has double doors adorned with a carving of a buffalo head. The large village drum, partitions and shelves for implements and hunting equipment, and sacrificial poles at the base of which are stones on which is usually smeared the blood of a sacrificial pig, are all located in the community house. A smith is also often found here.<sup>20</sup>

Knowledge of these traditions associated with house building can be of great importance to government administrators in charge of resettlement programs. There are numerous recent examples of the failure of government planners to consider these cultural patterns. In certain cases the Lao government has built homes for villagers who, in turn, have refused to occupy them. The sanctity of the home is also significant in any program of resettlement of mountain peoples. In this case it is also necessary to take into account attitudes with regard to village and household spirits. This is not to say these customs are immutable, but to suggest that a successful program would not ignore them. The Communist governments in neighboring North Vietnam and Yunnan have deliberately set out to destroy similar beliefs with intense propaganda campaigns. How successful they will be remains to be seen. But even if successful, the decline in the sacredness of the home and the village may heighten dissatisfaction with rural life.

In terms of clothing, what constitutes basic necessities would be rather difficult to define, since during most of the year it is possible to survive quite well with only a negligible amount.<sup>21</sup> Among the Lao, infants and small children frequently go naked. More important than clothing, particularly for children, is silver, or preferably gold jewelry in the form of anklets, bracelets or small gold Buddha medals suspended on chains or cords around the neck. Jewelry is believed to protect the wearer from harm and prevent the khwan (soul) from leaving his body and so causing illness. Village people believe the khwan has an affinity for gold. In terms of Lao



culture, this jewelry can, because of its supposed protective and therapeutic value, be considered an essential item.

When possible, most Lao villagers have at least one set of clothes for work in the fields and another for bouns or holidays. The former is usually woven at home, while the good clothes, a western-style pair of trousers and shirt, are bought in town. For men, homespun clothing is regarded as inferior, western-style clothing being considered more attractive. A Lao male outfit consists of a hand-woven indigo dyed cotton shirt and short pants for work in the fields. Sometimes a western style shirt is also used. He may work in, and also bathes in a pakhoma, a short cotton sarong wrapped around the waist. In addition, he may have a longer plaid silk sarong for informal use around the house.

The traditional male garment is the sampot, still worn on ceremonial occasions. Usually woven of bright silk in shades of pink, purple, blue or emerald green, it is wrapped around the waist like a sarong and drawn up loosely between the legs and tucked into the rear waistband. Some older men wear the sampot all the time, and it is official Lao dress for formal occasions, worn with a high-necked white jacket. Shoes and socks are uncommon in rural areas but are often worn in towns. Prices of some of these items are given in Table 9A.

The basic dress of the rural Lao woman is the sin, a sarong-like skirt. It is invariably hand-loomed, embellished with a characteristic Lao border at the hemline. It may vary from a simple

striped cotton skirt to one of dark red, wine or brown iridescent silk trimmed with an elaborate silver or gold woven border. This skirt is made exclusively within Laos by the Lao women themselves. All urban Lao women, even those who go abroad, continue to wear this distinctive garment which is something of a national trademark.

Formerly no upper garment was worn, and even today, in urban centers as well as villages, small girls and old women often wear only a skirt. Western notions of style and modesty have penetrated, however, into many rural areas, adding another essential item of clothing for women between the ages of fifteen and fifty. Girls and younger women wear blouses imported from Hong Kong, and older women wear a simple white cotton halter with one shoulder bare, something of a compromise between a blouse and the traditional silk scarf which is draped loosely across the bosom and over one shoulder. On ceremonial occasions this traditional scarf is always worn. In urban areas it is of shimmering silk, with finely woven elaborate designs in bright metallic thread. Older women wear an unadorned white scarf.

Much gold jewelry is worn by women and is used to a limited extent by men. This is said to be because the khwan of a woman is weaker than that of a man and so requires more protection. Among wealthier Lao, investments are quite significant, amounting to several thousand kip just for hair ornaments, a characteristic feature of the female Lao dress, consisting of strands of small gold beads



arranged around the traditional chignon surmounted by an ornate gold hairpin. Bracelets, necklaces, rings, earrings and silver or gold belts are also worn. The Lao say, "A chicken is pretty because of its feathers, and a woman is beautiful because of her dress." The villager considers jewelry a sound investment, and sometimes he uses it as security for a loan when he is in need of cash. Wrist-watches are worn by some men, but can also be included in the category of jewelry, since the need for accurate time-telling cannot be called necessary or even desirable in rural Laos.

The clothing of the Khmu is quite similar to that of the Lao. In fact, much of it is obtained from the Lao since the Khmu do no weaving themselves.<sup>22</sup> Very often their clothing is bought second-hand or is given them by the Lao, and is in poor condition. Some Khmu have but one set of clothing which they wear until it literally falls apart. The men wear mostly homespun pants and shirts, and the women have striped cotton Lao skirts. One characteristic feature of their dress is a red or yellow draped headband or manufactured towel worn as a turban. Where possible, they also wear hairpins ornamented with old silver coins. In some areas, necklaces of red and white beads are worn. A Khmu woman may save the one blouse she owns to wear on a trade excursion to town.

Like the Khmu, the Lamet neither spin nor weave, and obtain their clothing from the neighboring Tai Lu. It is claimed that their wearing of clothes is of a relatively recent date.<sup>23</sup> When they can afford to, the Khmu and Lamet purchase blankets. Often two or three people sleep together in order to share one. In cases

where there is no money for blankets, a fire is kept burning on cold nights.

As a result of their sale of opium the Meo and related Yao are generally the most prosperous tribal groups. Here there exists a very definite cash surplus which is invested in silver jewelry. Most adult men and women have at least one silver neck-ring, usually hollow collars among the Meo, and slender solid rings among the Yao; many have two or three, as well as solid silver bracelets.<sup>24</sup> This heavy jewelry is decorative as well as having religious significance. Sometimes neck-rings are consecrated by a shaman. The flat rectangular plaque which hangs down the back and links the chains by which the neck-ring may be removed, is intricately incised with symbols to ward off evil spirits.<sup>25</sup>

Meo neck-rings cannot be considered luxuries, like coffee or canned milk, but essential items of social prestige. One head of a Meo household of very modest means, where only salt and some fabric was purchased during the course of an entire year, complained that during the cold months they were chilled since they lacked adequate clothing and blankets. When asked if their photograph could be taken, however, husband and wife disappeared into their house for a moment and reappeared with three large neck-rings apiece. These silver neck-rings, then, represent a complex of values -- a convenient bank account, an item of social prestige and a protection against evil forces.

Meo sub-groups are distinguished by the dress of their women. The Meo Kao (White Meo in Lao) wear short hand-woven pleated skirts

of flax with a batik imprint, painstakingly made by them in what time they can spare from the household chores. Meo Lei (Lao for Striped Meo) women wear loose-fitting trousers and shirts of manufactured black fabric. Horizontal strips of red are appliqued on the sleeves, and large square collars are embroidered in geometric designs. All Meo women wear distinctive black turbans. The front part of the head is usually shorn.

Male dress consists of loose-fitting black trousers secured around the waist with a large red sash. Instead of a shirt, the men wear brief bolero-type black jackets. A small black skull cap is frequently worn, and many men retain the pigtail. Evidently, like their housing, Meo dress has changed little during the past few decades, as this 1926 description indicates:<sup>26</sup>

...the men wear a shirt or jacket that covers everything except what a shirt is most expected to cover, leaving bare a foot or more of the waist, with the navel as its central point of departure. But to every race its own ideas. The girls are not prudish, yet not at all forward, for their jackets, open almost to the navel and giving frequent half-glances of the breasts, were plainly designed for comfort rather than coquetry, as were their plaid skirts reaching hardly to their bare knees...a few men wore Chinese skull caps, red sashes, and dressed their hair in old Chinese fashion and the majority still had queues, while sometimes those of both sexes have as many as half a dozen silver collars on a single neck.

Meo dress has evidently proved more stable than that of either the Lao or Khmu, both of whom have adopted many traits of European origin. Included would be items ranging from the halters of the Lao village women and short pants of village men, to the high heels and business suits of their urban counterparts. The Lao skirts have also become shorter following western styles. However, those Meo who go to live in towns adopt the dress of urban Lao. This is

sometimes true of prosperous rural villagers and students. There appears to be a parochial stigma attached to tribal and it is worn only in the rural areas. These attitudes reflect acculturation to the dominant Lao culture as well as westernization. When one Meo village headman who lived near Luang Prabang was asked why he no longer wore the dress of his people, he replied that he wished to be modern and live like the Lao.

Within Laos, groups such as the Tai Dam, Yao, Kha Ko and Vietnamese have sharply defined forms of dress. In all cases it is the women's costumes which are most distinctive, and a point might be made that it is usually the women who tend to be more conservative in matters of dress. As manufactured fabrics become more easily available and cheaper, beyond doubt these distinctive modes of dress will gradually be abandoned in a series of stages, although national self-consciousness may slow the process or cause the revival of older styles. This is true, for example, in the case of the characteristic Lao skirt worn in Bangkok or Saigon by women, and girl students from Laos.

In directing the acculturation of tribal peoples, the Communist countries of China and Vietnam favor the retention of such innocuous manifestations of cultural variation as dress. In fact, museums have been set up to preserve traditional costumes, and they are frequently described in publications for foreign consumption.

#### Ceremonial and Religious Needs

The point has been made that the use of livestock for sacrifice to the cult of the phi constitutes a great expense in Lao, Khmu and



Meo economies. Additional religious and ceremonial expenses are incurred by the Lao in their support of Buddhism.

Almost every Lao village has a wat with a few bonzes and several novices. Larger villages have two or three pagodas. In accord with Buddhist doctrine it is considered a privilege as well as an obligation of the village population to fill the bonzes' begging bowls with rice as they make their rounds of the village every morning (or sometimes the villagers go to the wat, where the bonzes wait in line for their food). On holidays special meals are brought to the wat, and on ceremonial days gifts are made to the bonzes. These may be in the form of money, sacred manuscripts or personal needs such as the traditional yellow robes, fans, cigarettes, pillows, mosquito nets, pencils, notebooks, kerosene lamps, tea kettles, brooms, umbrellas, sandals and cuspidors. In fact, since the bonzes have no independent source of income, everything they use must be supplied by the laity.

A villager does not regard these contributions as an onerous burden; rather it is one of the ways in which he may gain merit for his future life, and thus expenditures for religious gifts are extremely important to his emotional security. Nor are the monks strangers to the villagers. They are usually fathers, sons and brothers, for in the Buddhist faith as it is practiced in Laos and Thailand, it is the accepted pattern for a man to become a bonze for a few months or years and then freely revert to his secular way of life, although there are a few who remain monks permanently. Often support is given directly to the relative who is a monk.

In addition to the expense of maintaining the personnel of the pagoda, villagers are responsible for the upkeep of the wat itself, which may be of wood or of concrete and stone construction. It is invariably the largest and best kept structure in the village. The bonzes may do some of the work of keeping the pagoda in repair, but it is the laity who provide whatever tools and materials are needed, and who often contribute labor as well. Various sums are also spent on decorating the interior and particularly for gold leaf for the statues of Buddha. Villagers bring candles and elaborate floral offerings on their frequent visits to the pagoda. In a modest village of 50 houses near Vientiane the nai ban estimated that over 30,000 kip had been raised for a new wat. Government aid was also solicited for this construction, although the road was poor and there was no school or first aid station in the village.

A further example of the value system with regard to the allocation of resources is provided by the programs undertaken by the Bureau of Rural Affairs during the first half of 1959. Of 992 projects, 238 were for the repair of pagodas throughout Laos. (This was exceeded only by the 249 schools constructed and 59 repaired, and in some provinces the majority of projects were for the repair of pagodas).

Marriage, death and ordination into the priesthood are for the Lao major ceremonial occasions demanding considerable expenditure, and are a crucial means of validating social prestige. Examples of the cost of these ceremonies among both rural and urban Lao are given in Table 23 A. The many religious and ceremonial expenses



which the Lao regard as essential represent a major allocation of resources, and no understanding of Lao economy is possible without taking these factors into account.

#### Barter Trade and Lam

A cash economy is becoming increasingly important all over Laos, but barter is still of great significance, often supplementing cash transactions. Table 10A lists a few examples of the various types of barter arrangements in force today. Both Meo and Khmu prefer barter trade to cash sales with paper currency.

Formerly contact between the Lao and the other ethnic groups was more difficult than it is now, due mainly to language and transportation problems. This gave rise in northern Laos to the institution of lam, still in use today.<sup>27</sup> The lam is a person who acts as an intermediary between traders and occasionally the government on the one hand, and the tribal peoples -- usually the Khmu and sometimes the Meo -- on the other. He himself is a Lao, frequently a nai ban or tasseng, and usually inhabits a village that has relatively easy access to markets.<sup>28</sup>

Traditionally the Khmu came to their lam whenever they had some forest products to sell, or wanted to buy salt or clothing. He provided their food on these visits and would arrange the trade with a merchant. Sometimes the lam himself engaged in commerce directly with the tribal peoples.

Lam is distinctly a reciprocal relationship; head taxes levied by the French were often paid by the lam, and in return the Khmu worked in the fields of their lam when necessary and supplied him

with game and forest products. In those cases where the lam was also a merchant, he enjoyed a complete monopoly, with all the tribal trade funneled through his hands. The relationship between a lam and his client was not formalized and depended largely on individual personalities. A man might act as lam for a few tribal families or for entire villages. He might be their lam by virtue of inheriting the position from his father. If the Khmu found him to be dishonest in his dealings, they could seek another.<sup>29</sup>

The lam appears never to have been of importance among the Meo, since much of their opium trade was carried on directly with the Ho, Yunnanese who traveled in horse caravans throughout northern Laos.<sup>30</sup>

Reinach describes the importation of goods in this manner at the turn of the century, listing as exchanged for opium, such trade items as iron and copper pots, small utensils, articles for opium smokers, swords, machetes, rifles, silk, cotton, light woolen goods, tea and horses. The merchandise originated in Yunnan, Tibet, China, India and even Europe.<sup>31</sup>

This caravan traffic was of great importance in the Luang Prabang area. An official customs report of 1917 estimates 1,200 "Chinese" (Ho?) with 2,000 horses entering Luang Prabang Province. Each caravan was composed of about thirty horses with nine well-armed men. They brought with them copper pots, medicines, tea, tobacco and clothing, their chief interest having been to procure opium.

By the mid-1920's caravan traffic appears to have declined and Bangkok became the source of much of Luang Prabang's imports. Luang Prabang functioned mainly as a center for the exchange of goods, since little in the way of trade items appears to have been within the town itself. This would indicate that the blacksmith villages in the vicinity of the town are of recent origin.<sup>32</sup>

Since it has been the Khmu who have produced part of the surplus rice to feed Luang Prabang, and the Meo whose opium cultivation has attracted a good portion of the commerce in the area, it would not seem an exaggeration to say that without the tribal peoples Luang Prabang would lose much of its commercial significance, bearing in mind that historically it has functioned primarily as a religious and governmental center.

The Yunnanese traders and the institute of lam appear to have existed simultaneously in northern Laos. Undoubtedly their functions overlapped, but it appears that the lam, being mostly Lao, have specialized chiefly in trading with the Khmu and to a lesser extent with the Tai peoples, while the Yunnanese have been engaged in trade with the Meo and Yao, the major factor being opium, as we have seen. The Khmu have specialized in forest products such as benzoin and lac, items handled by the Lao. All these items have a substantial foreign market. The Lao turn theirs over to European exporters, and the Yunnanese pass on the opium to other Chinese merchants in the towns.<sup>33</sup>

Until recently, many Meo could speak Yunnanese, but this has gradually changed and younger men have learned Lao, particularly in

those Meo settlements some distance from the Chinese border. Trade with Yunnanese is by no means extinct and according to many sources remnants of Chinese Nationalist troops in northern Laos, Thailand and Burma play a prominent role. During my travels in northern Laos in 1959 several cases were noted in which "Chinese" from Yunnan carried on opium trade, in some instances stealing the raw opium from the Meo. The Meo are hardly a docile people, however, and one Meo related how he and a group of fellow villagers pursued the robbers and vanquished them with their flintlock muskets.<sup>34</sup>

Some Khmu, too, are learning to speak Lao and to transport and market goods for themselves. A difficulty in this regard is that the Khmu do not know how to make or use pirogues, nor do they have horses like the Meo. In mountainous northern Laos, waterways are an important means of transporting trade goods in any quantity. Some Khmu groups, however, make bamboo rafts and float them down to Luang Prabang to make their annual purchases of salt. There they break up the rafts, sell the bamboo and then trek back through the mountains with their purchases. In contrast, the Meo come in horse caravans.

The institution of lam still functions in the more remote areas although the government has attempted to suppress it. One French merchant obtains benzoin and lac (which must be painstakingly collected in small amounts over a long period of time) through a lam, and not directly from the Khmu gatherers themselves. According to some reports, the traditional pattern of lam exists almost unchanged in Phong Saly Province.



Although no historical data is available on the subject, it seems logical to suppose that the lam type of symbiotic relationship or more generalized trading ties have existed for a long time, since it appears unlikely that any of these groups were ever completely self-sufficient. The importance of these relationships is evident when the situation elsewhere is examined.

With regard to the Karen of northern Thailand, who are in contact with itinerant Shan or Lao traders, it is said that most of these contacts are recent, as an indirect result of general postwar stimuli for development and change, and that the items traded are still in the nature of luxury rather than basic needs.<sup>35</sup> Speaking of the same group, another observer stresses that the primary subsistence of the Karen does not depend on trade, since they raise most of their own food and know how to weave. Some know how to smelt iron and make tools as well. However, it is pointed out that certain requirements such as kerosene, matches and salt are obtained by barter of jungle roots, deer horns and tin ore in Lao market centers. It is further noted that in times of famine poorer Karen go to Lao villages to beg or barter for rice, sometimes even resorting to selling their own children.<sup>36</sup>

Different observers place varying emphases on trade contacts, but there is no doubt that the commercial contacts between groups can be most vital. Bartering one's children is no trivial matter. In northern Laos, Khmu children are relinquished occasionally in exchange for buffalo needed for sacrificial purposes. Although further reference will be made to this point later, I would like to

suggest here that trade acts as the most important integrating force among the diverse ethnic groups of northern Laos, for in these areas government contacts are tenuous below the district (muong) level and schools have until recently been sporadic.<sup>37</sup>

With a relatively well-developed economy in the western sense, it is of course, possible for these inter-ethnic relationships to break down and even become largely exploitative. This appears to have already happened to the Moi in Vietnam.

...the Vietnamese, whose solidly organized communities receive constant reinforcements from the coastal plains, press outward from their established communities. Their overwhelming technical superiority, enhanced by a notable receptivity to Western influences, enables the Vietnamese to best the Moi in all of their dealings with them -- particularly since French rule has had the effect of multiplying the "needs" of the Moi (for textiles, ready-made clothes, brine, dried fish, rice brandy etc.) and hence of increasing their dependence on their Vietnamese purveyors. At the same time /in - creasing Western influences/ have lessened the Vietnamese demand for Moi products which, in any case, /they/ are now in a position to obtain for themselves. Nowadays the Moi are of interest only to Vietnamese merchants, as customers for some of the latter's wares.<sup>38</sup>

Such a situation does not appear about to occur in Laos -- for one thing the non-Lao peoples represent approximately half the total population, while in Vietnam they are a decided minority. Also Western influence in the broad commercial and organizational sense is much less pronounced. The above account is nevertheless suggestive of the kind of problems that may arise in the future, with the lowland Lao having easier access to manufactured goods. Already groups such as the Khmu are seeking magical means for access to goods denied them but possessed by at least some Lao. Although the Lao still feel the need for such items as Khmu forest products, it is conceivable that with increasing economic develop-

ment this will lessen and destroy the former symbiotic economic relationships.

#### Transportation

In northern Laos river transport is naturally the most important means of transportation. Hand-poled pirogues are the usual river craft owned by a significant number of Lao villagers along the Mekong and its tributaries, and used for transporting goods and for traveling and fishing. Examples of pirogue transport costs are given in Table 13. Pirogues with outboard motors usually belong to traveling Lao merchants.<sup>39</sup> Chinese, often with Thai crews, operate antiquated river barges whose main business is large-scale freight (sacks of rice and garlic, wood, machinery, heavy crocks of fish oil); passengers are incidental. Finally there are the bamboo rafts of the Khmu.

The wooden barges are the most significant in terms of commercial river traffic. There are no regular schedules on the Luang Prabang-Ban Houei Sai run, with departure when they have a full cargo, provided the day is auspicious. A little shrine is set up on the prow, with flowers and rice offerings to the spirit of the river. These vessels have a maximum carrying capacity of forty-fifty-five tons and may be seventy feet long (barges capable of carrying as much as 200 metric tons have been on the Savannekhet-Vientiane run since the end of World War II). The tremendous decline in river traffic evidenced in Table 12 may not be precisely correct due to unreliable statistics, but the very significant air traffic (Table 13B) offers a partial explanation, and certainly the in-

creased ferry traffic between Thadeua and Nong Khai in Thailand, which has multiplied twelve times since the beginning of 1958, is another.<sup>40</sup>

While river trade between Vientiane and Luang Prabang is important within Laos, it certainly cannot be called large-scale commerce. In 1952 something over 200 metric tons were transported by barge from the administrative capital north. More recent estimates indicate that this traffic may have tripled. Even allowing for such an increase, this is relatively small when compared to the commerce carried on the Mekong below Vientiane.

In any case, a most important function of the barge and pirogue traffic is to connect the many small villages along the Mekong which are not accessible either by road or airplane. Travel by river is most favorable during the rainy season when transport by air and road are often impossible, but navigation is difficult for big barges during the dry season.<sup>41</sup>

Good examples of the significance of transportation costs are the varying prices of two vital commodities -- rice and salt. In Ban Puong in Nam Tha Province, about thirty kilometers from the Mekong there is a valley where a relatively large surplus of rice is produced. Here the price of rice is 20 kip per kalon. By the time it is transported on mountain trails overland to the Mekong it is sold to Lao merchants for about 30 kip or more at a river trading center such as Ban Houei Sai or Pak Tha. If a sufficient amount is received above the needs of the local Lao, this remainder is shipped by barge to Luang Prabang town, several days downstream, to sell for



60 kip a kalon. Some years Ban Puong cultivators raise more rice than they can sell or use, and so either feed it to their animals or destroy it. At the same time, fairly large quantities of rice must be imported from Thailand to feed the population of Luang Prabang. There are also surplus rice producing areas near the Thai border in Sayaboury where the price of glutinous rice is approximately half that in the royal capital.

A similar situation exists with regard to salt. One of the most important sources of salt is the mines at Bo Tene, about four days journey by foot east of Muong Sing near the Chinese border. These mines are worked by the Tai Lu who live to a great extent on income derived from the sale of salt. In 1957 a kilo of salt sold for about 5 kip at Bo Tene. After being transported by horseback for two days, it brings double the price in Nam Tha town, and when it reaches Luang Prabang the price has risen to 15-20 kip per kilo. At a Mekong River village north of Luang Prabang town, Khmu coolies labor an entire day for three kilos of salt, while Meo villagers south of Luang Prabang barter a part of their opium crop for it.

This relationship between price and transportation is by no means unique to relatively isolated areas of northern Laos. An official citing the need for roads in southern Laos gave as an example the fact that pineapples cost 5 kip for three in Pakse and 30-35 kip apiece in Vientiane (in 1959).

In the above examples overland transportation was by foot and horseback. We have seen that horse caravans are still used in

northern Laos for transport from areas inaccessible by truck, boat or plane, Meo ponies being famous for this purpose.

As far as automobile roads are concerned, they are non-existent in northern Laos except for the route connecting Luang Prabang and Vientiane with a branch going to Xieng Khouang.<sup>42</sup> This was originally built by the French colonial government before World War II. At that time it was of great importance since the Xieng Khouang branch connected with North Vietnam, the shortest route from Laos to the sea. That part of Vietnam has come under Communist control and the road has been closed.<sup>43</sup> The section between Vientiane and Luang Prabang was destroyed during the Vietminh war and has been rebuilt with modern machinery supplied by the American aid program. However, it is useable only in the dry season. During the rains the crude plank bridges wash out and the roadbed is undermined by erosion, necessitating expensive repairs each season.<sup>44</sup> Nevertheless, this road plays an important role in local trade and has been the scene of much fighting during the 1960-61 civil war.

In a way it can be compared to a major river such as the Mekong, with the qualification that the river be navigable for only half the year. There are a number of Lao villages situated along the road which function as trading centers and in some cases as administrative centers as well, in the pattern of Mekong river villages. Some of these roadside villages are recent, established specifically for the purpose of trade. For example, in a small village north of Muong Kassy several dozen Lao families moved their homesites about

a thousand feet from their valley up to the level of the road to set up a small trading center alongside it. Both Meo and Khmu villagers come here to trade. Even after the road is no longer passable this village and others like it remain active since they stock enough goods to last through the rainy season.

The Vientiane-Luang Prabang road has also enabled town merchants to buy items from villages located near the road. This is particularly important in the case of bulky items such as charcoal, which is needed in large quantities as fuel for Luang Prabang's electric plant. Vegetables and occasional livestock are also transported by road from the villages to Luang Prabang. Towns such as Vang Vieng, Muong Kassy and Xieng Ngeun located along the route provide examples of administrative and trade centers that have expanded recently as a result of the road. Although district seats, these are in reality large villages of a thousand or so people, where the stores, government offices and even army detachments are all housed in bamboo huts or wood shacks along the single lane dirt highway.

Sometimes the cultivator is transported together with his produce which he himself sells or barter in town instead of acting through an intermediary. An extreme illustration but one perhaps indicative of a growing trend is provided by a group of Meo who were dissatisfied with the prices they were getting from the sale of potatoes to a Vietnamese middleman from Luang Prabang, who used to visit their village. They arranged for about a ton of potatoes to be transported by jeep from their village down to Luang Prabang town.

They then loaded them on a river barge and traveled with the potatoes downstream to Vientiane. There they received a price several times higher than that which they would normally have received. When the transaction was completed they made the return trip north by plane.<sup>45</sup>

Although some goods are carried by jeep or truck the entire length of the Vientiane-Luang Prabang road (approximately 200 miles) during the dry season, this type of commerce is at a decided disadvantage: the charge for road transport from Luang Prabang to Vientiane is seven kip per kilo versus three to four by motorized river barge.

When asked to name the major economic problems facing their country and the priorities in an aid program, government officials invariably replied that they lacked transportation facilities and roads. The American and French governments have been aiding Laos in programs of road construction, while the North Vietnamese appear to have improved their road links with the provinces of Phong Saly, Sam Neua and Xieng Khouang.<sup>46</sup>

With regard to air transportation, there are 32 airstrips in Laos, three of which are at airports serving international flights. These are at Vientiane, Seno<sup>47</sup> and Pakse. A few of the strips can handle four-engine planes, but the majority accommodate small craft only. None of the airports is equipped for night landing, and only a few have ground-air communications. At the main airport in Vientiane the American aid program has been financing the construction of a new runway and drainage system, and the French a terminal



building. Undoubtedly the 1960-61 fighting has set this program back drastically and destroyed many existing facilities. It is also probable that the North Vietnamese, assisted by Russia, have improved landing facilities at Xieng Khouang.

While major towns have regularly scheduled air service, in the smaller provincial capitals this represents an ideal which is achieved only when sufficient passengers and cargo make it profitable. Frequently the passenger has to wait for days before a small craft arrives to pick him up. In isolated areas the airstrips are simply rough clearings cut from the jungle. The town or village may be some distance away. In northern Laos there are bungalows for transients only at Luang Prabang and Xieng Khouang, with no hotel facilities at smaller places. If traveling on official business it is usually possible to stay with the chao khoueng or chao muong.

Within Laos much bulk cargo e.g. vegetables from Pakse to Vientiane and rice, salt and petroleum products to various towns in the north, is carried by air. While 3,689 tons of cargo were transported by air from Vientiane in 1958 and an even greater amount the year before, still truck transportation is much cheaper. For example, truck transportation from Vientiane to Luang Prabang during the dry season of 1959 was about one-quarter the cost of airfreight. An even better ratio prevails on the run between Saigon and Vientiane, which like the trip to Luang Prabang is possible only during the dry season. Here the costs vary between two and one half to five kip per kilo as opposed to 44 kip by air freight.

Most imports, however, come from Bangkok. Costs for transporting goods by rail across Thailand are from 3-4 kip per kilo, although in many instances the costs of the trip through Thailand exceeds that of the ocean freight from Europe or America to Bangkok.

As a system of road transportation becomes more developed, Laos will become an increasingly viable economic entity. Certainly the water, land and air transport systems can be expected to supplement each other, although the problems of maintenance of these systems present varying degrees of difficulty for the Lao. In the case of the river barges and port facilities, with the exception of the ferry terminals at Thadeua, the local Lao-Thai-Chinese crews appear quite capable of running them without foreign assistance. The Lao are also capable of repairing jeeps and maintaining stretches of road with local labor, but cannot yet operate complicated road machinery. As for aircraft, all the pilots (outside the military) were French (as of 1959), although the Lao did run the ground installations.

Changes in transportation facilities in the immediate past have been dramatic: in 1952 there were 45 trucks and 48 automobiles in all of Laos; in 1959 there were 1,350 trucks and 3,580 cars. A number of these represent Mercedes-Benz and other luxury automobiles limited to the high officials and wealthy merchants, and used in Vientiane. These have been justifiably criticized as abuses under the American aid program which provided the currency for their importation. But the large numbers of jeeps which are used as taxis in rural areas and help villagers market their produce have undeni-

ably played a positive role in raising living standards.<sup>48</sup>

Generally speaking the greatest amount of individual travel is undertaken by the tribal peoples who come down from the mountains, usually on foot, to the Lao or tribal Tai settlements in the valleys. They may travel several hours or several days to reach their destination. Most of these journeys are made by men, but women of the Meo, Khmu, Yao, Kha Ko and other tribal groups can frequently be seen in the towns. By contrast Lao village women and most men seldom venture far from their homes, leaving only to visit relatives or go to the market. Long pilgrimages do not appear to be important. In villages located near major towns some of the villagers may come to market almost every day. Men from tribal villages a week's walk away may appear in town but once or twice a year.

There is also an interesting relationship between trade, transportation and politics. According to an official in the Ministry of Social Welfare, during the first half of 1959 there was a salt shortage in Sam Neua. The Vietminh established depots at the border where the tribal peoples could come and receive up to 5 kilos each. At the same time they were subjected to propaganda. To counter this the Lao government began to fly salt to the remote province, a method that proved very expensive.<sup>49</sup>

#### Land Tenure

Traditionally the state is the ultimate proprietor of all land. It has been estimated for Vientiane Province that over eighty percent of the rural households own their own rice fields. The remain-

ing families rent land from wealthier farmers in the community, paying from twenty to fifty percent of the rice yield to the landowner, or they work on the land of others for payment in rice. The actual rental fee is based on the kin relationship of the parties involved and also on the degree of fertility of the soil. Absentee landlordism in rural areas here is virtually non-existent.

The price of land has risen in the past decade due to general inflation and increases in the rural population, plus new and improved roads combined with better transportation facilities which enable the peasants to market their produce more easily.

Land deeds are kept in the district office, but disputes over land rights and division of land are quite common. The system of squatters' rights was practiced until very recently in Vientiane and still exists essentially in most of the outlying areas, particularly with regard to hai land.<sup>51</sup>

In most parts of Laos the approval of the traditional leader of a district may be required for land transfers. For example, the remaining members of the hereditary princely family performed this function in Muong Sing. In many areas the government is now trying to establish exactly which land belongs to whom. This has created many problems, and in areas where the government has taken action to reclaim land there has been much bitterness on the part of uprooted farmers. Also the resettlement of peoples such as the Meo in Xieng Khouang has created conflicts about land ownership and water rights as well. Little reliable statistical information is available concerning the size of landholdings in the Vientiane area.



A Lao agriculturist estimated that there is a 1 - 5 hectare variation in the size of peasant land holdings. The largest holding he could recall was one of 30 hectares. He thought that perhaps a hundred people had land holdings of this size, while ten to twenty percent were estimated to be without rice lands. It is these landless peasants who appear most eager to work in the towns.

Ban Pha Khao villagers were interested only in their total harvest and were indifferent to the size of the farmland that produced the crop.<sup>52</sup>

A somewhat different situation appears in Luang Prabang Province. Here the royal family, others of noble rank and some merchants, are absentee landlords. In a number of villages in the immediate vicinity of the royal capital only a small minority of the villagers own land; in others about half the villagers possess land. As far as can be determined, this situation is not general throughout the province but is limited to Lao villages in Luang Prabang District. In addition to this absentee landownership there exists, as in Vientiane Province, the rental of land by more prosperous villagers. A villager may also own one piece of land and rent another. A chief advantage of renting land is that the parcel is probably well irrigated by systems maintained by the royal family or other owner. Rental for land use alone amounts to from fifteen to thirty-five percent of the crop. If the landlord supplies buffalo, provides the seed and maintains the irrigation system the tenant must turn over fifty percent of his crop as rent.

According to traditional practices of the Tai Dam in Nam Tha and neighboring areas, the district land belonged to the Chao Muong. This was a hereditary political and social position held by a member of one of the noble clans of the community. The individual farmer had no title to the land he worked. He was also compelled to contribute labor to the Chao Muong's fields and in return received his protection. The peasant was free to leave the area, but if he did so his fields reverted to the village and were distributed to the other villagers.<sup>53</sup>

A similar situation appears to have existed in the various Lao kingdoms before the arrival of the French. Certain remnants of this system are found in the valley in which Luang Prabang is located, in which even today a good portion of the irrigated land belongs to the royal family or other members of the nobility. This is not the case in Vientiane where the royal family was destroyed by Thai armies in the early part of the last century.

No clearly defined patterns of individual land holdings have been discerned as far as the Lamet are concerned. Although there is a concept of village use first of both hai and grazing lands, a man is free to make his swiddens where he wishes, even in the neighborhood of another village although he usually prefers them near his own community. Generally the most prosperous members of the Lamet community have their fields in the best locations such as those nearest the village.<sup>54</sup>

Among the Meo the village headman is regarded as the owner of uncultivated land. Cultivated land belongs to the cultivator or to

the person who inherited it, for example, the head of the extended family. The head of every family has the right to cultivate untilled land in the proximity of the village, although in theory it does belong to the village headman. Special permission is not necessary. Through the labor performed on the land the cultivator can become the owner (i.e. the head of the household group). There is no distribution of land among the nuclear family groups. The members of an extended family often cultivate several fields at the same time or several extended families may join forces in order to cultivate a large field. In the latter case the land is divided into sections each one of which is tilled by a single extended family.<sup>55</sup>

Uncultivated land in Akha areas is at the disposal of the community, as are the forest and streams. Accordingly, land may be occupied by anyone without asking permission, by simply clearing it. There is apparently no concept of selling or leasing land, nor are the Akha familiar with the Meo practice of joint land ownership or at least usufruct of several extended family groups.<sup>56</sup>

It is interesting to compare these accounts with observations of a communist journalist:

The principle of land ownership varied from province to province. But invariably if a village or group of villages moved, the local satraps chose their piece of land first and this had to be the first cleared. Usually he took three times the average of the rest of the villagers. The remaining land was divided up equally, sometimes on a family basis, sometimes according to the number of adults or even to the total mouths to be fed, according to the custom of the particular group. This applied only to the land in the valleys, which could be used for irrigated rice fields. As for the "ray" each family could take as much as it could cultivate.<sup>57</sup>

Implicit in this description is the idea of exploitation by the local chieftains. While abuses undoubtedly did exist, their extent

is largely an historical question.

Obviously the authority of local hereditary or traditional officials will gradually be supplanted by that of a central government, regardless of whether the government is Communist-dominated or not. It remains a fact that despite population increases there is no real pressure on the land in Laos, and there are no large land holdings or land-holding class. It also remains to be seen, however, whether land tenure for the hill peoples will evolve in terms of individual nuclear family land ownership as practiced by Lao villagers, or if government sponsored groupings, a likely prospect in those areas subject to communist control, will result.

We have seen that Laos is underpopulated. Even in the river valleys and particularly in northern Laos extra rice land is usually available to those who will take the trouble to clear it. This is not always an easy task and takes considerable time as well as labor. A poorer Lao farmer with a small family cannot always clear land by himself, and to invite others to help him would necessitate incurring the expenses of a feast. Still, as we have seen, most Lao do work primarily on their own land.

#### Extent of Participation in a Cash Economy

We have been examining the economy of Laos mostly in the context of what has been called a natural or subsistence economy, that is, a non-cash economy. But every group in northern Laos, no matter how "simple" their economic or cultural state nevertheless participates to some degree in a cash economy. At some point in their economic life they are affected by cash transactions involving the



use of paper money or the exchange of silver.

Among the ways a Lao villager obtains a cash income are included sales of rice, fruits and vegetables, forest products, domestic animals and home-prepared foods. These factors are summarized in Tables 1 - 6.

Some villages distant from Luang Prabang provide special food products for market. Dane Lom in the valley of the Nam Ou, cultivates large areas in pineapples and it has been estimated that the fifty households each year produced 85,000 pineapples and also raised 1,500-2,000 coffee plants. This village lacked sufficient rice and had no buffalo or cattle, but they did have approximately 600 ducks producing 5-6,000 eggs per year. Another example is the Nam Bac area where quantities of oranges are sent to Luang Prabang by pirogue. (The trip takes about four days, but due to poor packing and waterlogging about two-thirds of the shipment is lost and the pirogue owner makes a net profit of only a little over 600 kip). Transportation difficulties in addition to lack of care of the trees drastically cut down the income potential from oranges. It has been estimated that the oranges from this region could yield 1,000,000 kip per year, or 373 kip per inhabitant of the Nam Bac valley.<sup>58</sup>

Most towns in Laos are sites of military camps, as are a number of villages, and soldiers and their families provide an important market for nearby villagers. In certain areas, such as near Luang Prabang, many farmers have abandoned their fields and set up

stores and built houses to provide for the military and their families, and Khmu coolies come in great numbers to work for brief periods. Both Khmu and Meo come to trade in much greater numbers than was the case earlier.

According to a Lao agronomist, during the period 1956-1959 much progress has been made in the Vientiane area in the production of vegetables such as cucumbers, eggplant, pumpkins and beans. Previously these products were either raised by local Vietnamese truck farmers,<sup>59</sup> or imported from Thailand. A bus service linking Vientiane with surrounding villages has stimulated vegetable production for market.

The line between village and town dweller is not always sharply drawn in this respect. Many of the inhabitants of Luang Prabang town raise vegetables in riverside gardens and others do considerable fishing. A similar situation exists in Vientiane where a woman living next door to a brand new air-conditioned movie theater grazes her cattle and water buffalo on the grassy area in front of the National Assembly building. These roaming animals are of sufficient nuisance in Vientiane that many of the Lao elite erect fences to keep them out. Not a few of the Embassies and new villas in Vientiane are encircled by rice fields.

Supplementary factors and, in certain areas, means of prime importance are three other sources of cash: village crafts, self-employment and wage labor.

#### Special Crafts

In the Luang Prabang area are villages devoted to specialities

such as blacksmithing, pottery-making and weaving. These villages are said to be unique in Laos and are thought by some to have developed for the purpose of serving the King.

It is said that in southern Laos skills transmitted in families include boat building, healing, goldsmithing, and the making of musical instruments and agricultural tools. Family traditions in these crafts do exist in the north but they do not appear to be particularly rigid. At present crafts in Laos are for the most part not well developed, although they may have flourished in the past. Generally they are derived from Thailand and are usually inferior to the Thai products. They are discussed here because they may provide a possible base for the expansion and development of local industry.

Inseparable from a description of the crafts themselves are the attitudes and values which the Lao place on their manufacturers. This situation is summed up by an observer of the Lao of Northeast Thailand:

The Thai people are naturally gifted in the use of their hands and in aesthetic self-expression. They like to improvise and they are not concerned with permanence; but for the popular arts of the village this may even be an advantage. What is needed is to foster a high standard of skill, otherwise both in work and play the Thai people are inclined to be careless and slipshod. If they take the trouble their natural talent asserts itself, and the results are deeply satisfying. This is equally true of the carving in a temple, or the singing of a Mo Ram -- it is even true of the building of a village house, or the cultivation of a village garden. By keeping standards high in carving and painting, in singing and dancing we can help to keep them high in all the activities of farm and village. It has been said that Thai people "play at work and work at play" and that they will carry out any task if they can get fun out of it. The enjoyment they get from self-expression can give the villagers a new impetus to fulfil their daily tasks and to do better than before.

The idea that the Lao do not value permanence in their art work is very important. A special art form practiced today is that of decorating coffins with elaborate geometric designs fashioned from gold-colored paper. This takes long hours of work by groups of men and the product is then consumed in the funeral pyre the following day. Equally painstaking are the floral offerings of minute concentric rings of vari-colored buds and blossoms, skewered by bamboo splints to a core of banana stalk, surmounted by a crown of frangipani and set in a silver bowl, prepared by the women to be brought to the wat.

Some work such as the silver bowls is certainly permanent. What all of these art forms share, however, is religious motivation. Even a cursory examination of the many wats in Luang Prabang or Vientiane cannot help but impress the visitor with an appreciation for the high degree of skill that went into their making, from the graceful lines of the architecture itself to the painting of wall frescoes, carving of the Naga balustrades and casting of the bronze Buddhas. Unfortunately many of the wats are in a state of disrepair, and those which have been renovated lack some of the sweeping grace and aesthetic sense of the originals.

It is tempting to draw a rigid line and state that certain crafts are urban or were connected with former royal courts and that others are exclusively rural. This, however, is not the case. Such highly developed arts as gold and silversmithing are found in small Lao towns outside of Luang Prabang as well as Meo villages. Even such items as fireworks and rifles are made both in towns and



villages.

Usually a craft is practiced by a single artisan or perhaps in combination with a relative or neighbor. There are no organized factories or marketing cooperatives, nor are there any training schools, the crafts being acquired wholly within a traditional context. Generally the items are produced in limited quantities for local sale. To date, in Laos' programs of economic development the crafts appear to have been ignored by planning authorities.

An exception, perhaps, is the annual New Year's Fair held in Luang Prabang in April, and the Tat Luang Fair in Vientiane in the fall. At these exhibitions are examples of silverwork, weaving, basketry and other items collected for display by governors and district chiefs. Here is one of the few areas in the world where authentic folk handicrafts predominate over tourist-inspired items, and many of the displays can truly make a museum collector's mouth water. Most of the items are for sale and foreigners and some urban Lao do a fair amount of buying. When the fairs are over, the crafts sink back into their former obscurity. Laos has not yet reached that stage in psycho-economic development where local products and museums are developed not only for local business reasons, but also as an accompaniment of assertive nationalism. In fact, the Lao are notably lacking in the latter characteristic.

It is ironic, but the most eagerly sought souvenirs in Laos are the "Kha" ceremonial bronze drums, no longer used. These are reputed to have been fashioned after traditional designs by European firms and imported into Southeast Asia about half a century ago.

Silver and goldsmithing are ancient crafts in Laos.<sup>60</sup> The King of Laos has a collection of gold and silver boxes, bowls and betel service made in Luang Prabang which are reputed to be over 500 years old. They are intricately incised with fanciful arabesques, many with scenes from the Ramayana. A private collector long resident in the area has many fine examples produced during the 19th century. Unfortunately most of the work done today makes use of geometric designs.

While ornate betel services are no longer used by many of the westernized elite, large silver bowls and vessels for floral offerings and ceremonial foods for a wedding or baci are important urban furnishings. A new item is the ash tray.

Reinach's description is interesting in this connection and, in Luang Prabang at least, the techniques still apply:<sup>61</sup>

In nearly all the large centers there are gold and silver smiths who are also jewelry-makers. They work either on their own behalf manufacturing articles which they then sell, or else on order for individuals who wish to transform silver coins<sup>62</sup> which they have saved over the years, or native gold which they have obtained by gold washing or purchase,<sup>63</sup> into gold and silver articles of jewelry.

The Lao silversmiths and jewelers use very few tools. A bellows, a crucible, a few pairs of tongs, some draw plates, caulking chisels, graving tools and hammers are all they need to cast, forge, braize, draw, laminate, chase and checker gold and silver.

The different phases of the work include casting the metal either with or without alloy, laminating it with a hammer and drawing it partly with a hammer and partly with a draw plate, embossing it, chasing it, checkering it, brazing on filigree or globular ornaments and giving a patina to and burnishing the finished product.<sup>64</sup>

The patina is obtained on silver by dipping it in lemon juice and tempering it while hot in a strong alum solution.

Gold jewelry is usually covered with a reddish patina which has a very warm color. This is obtained by tempering it in boiling water containing saltpeter, salt, alum and sulphur.

All the artists work from uniform models. The decorative motifs are taken from Brahminic tradition, with a few modifications arising

ing out of the introduction of certain elements which are derived from Chinese art.

Yet the Lao are capable of producing work which is not based on their usual models. Thus a great many jeweler-goldsmiths can reproduce designs which are different in shape, appearance and style from the common types which are handed down from father to son or from master to pupils.

The usual gold and silver articles include betel services, vases cups, boxes, knife handles and sword hilts. Generally these objects are made of silver, but sometimes also of gold. Jewelry includes bracelets, necklaces, rings, long neck chains and chignon chains, hairpins, buckles, buttons, earrings, either of gold or silver.

The purity of the metals used in this work varies widely, and is usually left to the choice of the person who commissions the work. In some cases gold is left free of any alloy, while often a fourth part of silver is used and sometimes even more.

Silver taken from coins is left as pure as it was originally, or else its purity is decreased by alloying it with copper and tin. In some cases the customer supplies the silver and they then charge only for their labor.

Precious stones used in jewelry include sapphires, rubies, quartz crystal, onyx, glass and even basalts. Stone cutting is unknown in Laos and more or less regular nuggets are used.<sup>65</sup>

The following information, based on interviews with a group of five silversmiths and one goldsmith in Luang Prabang bring out some of the social features of their craft, and attitudes toward labor and business.

One pair is a father and son partnership and the other three are neighbors who work together. (This is often a euphemism for kin ties). They usually make bowls and dishes on direct order, and when there are no orders they make items for sale and keep them at their homes while awaiting customers. They say that "southerners" (people from Vientiane) often come to buy. Their silver comes from Thailand,

the Meo, or is smelted from old coins in Luang Prabang.

Work hours are irregular, depending on personal whims and the weather. They estimated that they worked six to eight hours a day, unless the day is too hot. Income varies according to the amount of work done, with a maximum of 500 kip for a day's hard work. The oldest smith who is over 70 and cannot do any of the heavy work specializes in fine incising and advises the others. He said that he had learned the craft from a neighbor when he was twenty-two. Before that he was a merchant and carried on trade with Thailand. His son learned silversmithing from him and has worked at that craft only.

It takes a few years to learn to become a silversmith, but a person is able to earn money at the same time. One of the smiths claimed that this was different from the case of the goldsmith, who was able to exploit the labor of his apprentice without compensation. He said apprentice silversmiths are usually neighbors or relatives so that it is not possible for them to do this.<sup>66</sup>

They stated that only three of the five smiths work at the same time, while the others sit and talk. Although there does not seem to be any direct sharing of profits, the equipment belongs to the eldest smith, who also supplies the necessary charcoal. The others give him small gifts or commissions from time to time.

The goldsmith said he learned his trade from an artisan friend from Vientiane ten years ago. At that time three of them worked together, although now he carries on his craft alone. After he had been working at it for three or four years "a Chinese who was the



best goldsmith in town instructed me for a time." Like one of the silversmiths, he said that he had been a merchant previously but that he could not earn enough that way. His work provides his sole source of income. He has no regular hours and usually completes one job at a time, working five to eight hours a day. For example, he can make ten gold earrings a day, which sell for 110 kip per pair. His income varies from 200 to 400 kip per day. A chignon pin costing 1,200 kip takes two to four days to complete.

His gold supply comes from Vientiane, Saigon, Bangkok or Hong Kong. He claimed that the equipment he has to work with is poor, but he cannot obtain better, and expressed the feeling that while silversmiths work harder, they can earn more money.

Blacksmithing, too, is an exclusively male village craft, the chief products of which are metal tips for digging sticks, machetes, hoes and axes. Charcoal is bought from the mountain people, and the iron bars, imported from Europe, are purchased in town.<sup>66-A</sup>

The forge is very simple, consisting of a hand-operated piston bellows and a small round anvil. Sometimes as many as seven or eight men work together. In some villages women and children help by fashioning the wooden handles for the machetes. Digging stick tips and hoe blades are sold separately without handles. Net income varies with the demand and may range from 100 to 300 kip a day for the average blacksmith. Unlike the gold and silver smiths in Luang Prabang town, blacksmiths in nearby villages practice their craft as a part-time specialty, devoting the rest of their efforts to farm work.

This distinction between part and full-time specialists is perhaps a possible way of distinguishing between urban and rural craftsmen. Some Meo villages have blacksmiths who are also part-time specialists, and the Lamet and Khmu also have forges for repairing tools. The Lamets have used as raw material special ingots imported from Sweden. This is significant in that even before World War II, groups as seemingly isolated as the Lamet were involved in world trade, the price they paid for their iron depending on the trade value of their rice.<sup>67</sup>

Among the Khmu the making of a new forge, done annually, involves special rituals with sacrifices offered to the spirit of the pump. A chicken and rice are offered on the bellows, hammer and anvil, chicken blood having first been smeared on these surfaces.

Although smithing has in part been made a sacred activity, it would be interesting to know the approximate date of the introduction of iron tools to the mountain peoples. Presumably groups such as the Meo have had them for a long time because of their contact with the Chinese, while the Khmu and Lamet have probably obtained them through trade with the Thai and Lao.

In the pottery villages work is done by both men and women. Formerly pottery-making was a male occupation, but in recent years it has come to be considered a dirty and undesirable task to at least some young men in the area of Luang Prabang. Made from local clay, the pots are turned on a wheel and are crudely fired. The pots are available in several sizes and are used for cooking, stor-

ing, preserving and as water receptacles.

No decoration or glaze is used and they are of poor quality. Some items are, however, given a shiny black finish by firing them for a second time in paddy husks.

One is impressed, when comparing contemporary Luang Prabang pottery to that of Chiangmai, for example, by the poor craftsmanship of the former. Whether this marginality has any historic depth is an intriguing question, and detailed comparisons of pottery types from both areas might provide a clue to broader cultural features. Unfortunately not enough archaeological research has yet been done in either area. With the ready availability of pots and pans and enamelware from Hong Kong, it is possible that pottery-making has degenerated in recent years.

Weaving is practiced exclusively by women among the Lao. Despite the availability of a wide range of imported fabrics and the growing popularity of manufactured clothing, about sixty-five percent of the village households in the Vientiane area still have looms. There is a village on the outskirts of Vientiane where the women specialize in weaving the traditional scarves and skirt borders, but lack an organized sales outlet.<sup>68</sup>

A former government minister established a small weaving industry in Savannekhet, and the wife of a prominent Lao businessman set up a twenty loom factory in Vientiane with a retail outlet.

Some of the traditional skirts, scarves and skirt borders were said to have been exported from Vientiane to other countries in Asia and to Europe. Since it takes two or three days to weave an

ordinary skirt length, and over a week for a more elaborate one, production was on a small scale. In 1960 the Vientiane shop was closed, reportedly because the free market in Lao currency had made the production of goods too expensive.<sup>69</sup>

As in the case of gold and silver work, the weaving process has remained stable, and here again Reinach's description is applicable:

The weaving of certain kinds of silk goods with various shaded effects and often spangled with gold, as well as embroidering on cloth, is practiced by a certain number of women in every locality which is of any importance.

The looms used for weaving are extremely simple, and yet brocaded stuffs are made by isolating or alternatively raising certain woof threads by means of thin strips of bamboo.

Vegetable dyes are used, that is to say, that they are produced by trees or plants which grow in the country. Dyeing methods are simple, yet despite this fact the colors last for a long time thanks to a mordant composed of alum or lemon juice. The fundamental colors are blue (indigo), red, yellow and black. With the aid of these dyes the women are able, either by suitably proportioned mixtures or by various juxtapositions on the threads or on the cloth, to obtain a great variety of shades.

For some fifteen years now tinctorial powders have also been used which have an aniline base and are of German origin. But these dyes fall far short of being as color fast and long lasting as the local dyes. These colors do not merge well, and with them it is impossible to obtain the harmonious shades which the dyes of Laos impart to thread and cloth.

For brocaded goods and embroidery, the gold thread in most widespread use is the one made by the Chinese. It consists of a strand of cotton on which a strip of paper gilded with fine gold a few tenths of a millimeter thick is wound in a spiral. Attempts have been made to introduce gold thread of European manufacture, but it has not met with favor on the part of the specialists who have preferred the Chinese thread.<sup>71</sup>

Weaving is also done by some Meo and Yao while only the more Laotianized Khmu have skills in this craft. Meo women make elaborate pleated skirts and headcloths; the Yao women's indigo trousers with front panels tightly re-embroidered in intricate multi-colored



cross-stitch designs, are perhaps the most colorful of the many magnificent costumes of northern Laos. All the Tai groups do their own weaving. Among all of these groups, the Lao included, it is in the manufacture of women's clothing that traditional techniques have persisted.

A minor local craft practiced by Lao women is the making of beeswax candles. The wax is allowed to soften in the sun and is then wound and shaped around a string suspended from a rafter. This is often a social and communal activity. The candles are important in Lao economy, being used extensively for all kinds of religious observances.

Brass casting, although not of great contemporary importance, has previously been significant in Laos.

One has only to explore the pagodas of Laos in order to realize that brass-founding used to be held in honor. Religious statues can be found which are sometimes of great weight and usually of fine workmanship and taste, taking into account, to be sure, the quite special manner in which they conceive aesthetics.

Although the crucibles have not been fired for many years for casting such large pieces, the industry of brass-founding continues to be exercised by a certain number of specialists who are content with producing religious statuettes, necessities for betel, bells for elephants and livestock, various kinds of vases, cuspids.

This industry is an extremely ancient one in the land. It was practiced during the Bronze Age, as is attested by the spearheads, daggers, hatchets and halberds which have been found in northern Laos and which can now be seen in the Saint-Germain Museum.<sup>72</sup>

The best basket-makers in Laos are the Kha, although all the inhabitants of Laos practice basketry to some extent.

The inhabitants of Laos, especially the Khas, are masters in the art of basketry, and the objects which come from their hands have a finish, a delicacy, and a seal of elegance and a purity of form which are surprising at first sight.

Rattan, certain kinds of bark and thin skins and strips of bamboo are the materials used in basketry.

The main articles produced by this industry include floor mats, bed mats, calibrated baskets for measuring grain, buckets for drawing water, large baskets, baskets for holding cooked rice, platter covers, trays with feet, boxes for betel necessities, baskets to carry on the back, bird cages, hats etc.

Most basketwork articles are delivered unfinished, although some are smoked or else laquered black or red. Except for a few articles which find a market outside of the region of manufacture, but always within the limits of Laos, it may be said that the basketwork industry is an entirely local one.<sup>73</sup>

Lao and Khmu men work bamboo in many forms other than for baskets. In more modest houses the walls are panels of woven bamboo and the floor consists of thin split strips worked between the main supports. Animal and fish traps are also made of this material. As we have seen, woven bamboo and rattan materials are indispensable in fashioning household furnishings. They provide one of the most important trade items for the Khmu. An additional craft is the making of string bags, practiced by the Khmu and Lamet women. The latter are also experts in making cord and fine rope.

Carpentry, particularly the building of pirogues, has been a traditional Lao craft.

Nearly all the inhabitants of the banks of the Mekong or its principal tributaries are able to fashion pirogues. Certain villages, however, have a monopoly on this industry.

When it is a matter merely of hewing out a pirogue which is to be used only for crossing the river, fishing or agricultural work, everyone does a fairly good job. But for the large pirogues which are reserved for regattas, voyages and commercial transports, recourse must be made to specialists. Only they know how to give their products the purity of line and elegance, joined with solidity, which go to make up the deserved renown of Lao pirogues. If it be noted that some of them are more than twenty meters long and can hold from forty to fifty paddlers, it will be agreed that a certain amount of effort is necessary to bring from the forest to the workshop the trees from which the pirogues are to be hewed.<sup>74</sup> Pirogues are exported from Lower Laos in fairly large numbers.

Except for some ceremonial racing, the larger pirogues are no

longer used. Smaller ones are still hollowed out of single logs for local use. In Luang Prabang, Vietnamese carpenters have taken over at least some of the jobs of the Lao boat builders.

Common village industries which do not require specialists are those which produce lime, rice alcohol and charcoal. The first is made from local limestone, using charcoal as fuel, and is an essential item in betel masticatories still consumed by a large proportion of the population. Rice alcohol is made by both the Lao and the Khmu. The latter always offer the guest a crock from which alcohol is sipped through a long reed straw. Charcoal is also produced by these two peoples.

An interesting minor industry practiced by the Meo and Lao is the manufacture of gunpowder used in homemade rifles. The Meo make rather elaborate flintlocks with a smooth-bore barrel around which their smiths often place bands of silver to link the barrel to the wooden stock. Despite the fact that they do not always fire and that the bullets are often little more than hunks of metal, they are used with considerable success both in hunting and warfare.<sup>75</sup>

The inhabitants of Laos make the powder themselves which they use for hunting and for fireworks. They know how to proportion and mix the ingredients, charcoal, saltpeter and sulphur, in order to make either explosive powder or fusing powder.

The bonzes are the fireworks-makers par excellence who make the many and varied fireworks without which no celebration is really complete. Bombs, firecrackers, Roman candles, serpents, pinwheels and in a word, almost all the usual fireworks are made using rudimentary processes and local products.<sup>76</sup>

The rockets (Bang-fai) deserve special mention. They consist of a body containing fusing powder, to which is attached a wick several meters long made of spun cotton or sometimes even of paper. The latter is smeared with mealed gunpowder mixed with

gum, and the whole is fastened to a directing shaft. If the rocket is an Aeolian type, its rear is provided with a kind of Pan's pipe made of bamboo tubes which give forth a harmonious sound as it describes its trajectory in the air.

The rockets vary greatly in size. In some the powder weighs only a few decagrams, and the guide shaft is from two to three meters long. Larger ones carry about twelve kilograms of powder and sometimes more, and the guide shaft is a whole stalk of bamboo some 15 meters long and from 12 to 15 centimeters in base diameter.

Rockets are generally decorated with gilded or colored paper. With the application of rice paste motifs, some of them manage to look very like a dragon with threatening jaws and terrifying eyes, and in these the body envelopes the shaft and the head contains the Aeolian harp as well as the powder cylinder. The stands used for launching the rockets are naturally in proportion to the size of the latter. For large rockets, they are made up of a kind of broad, triangular ladder whose top is braced against a tree-top.<sup>77</sup>

Similar rockets are still used for celebrations and even funerals today, and Boun Bang-fai is a highlight of the Lao cycle of festivals in Vientiane.

The Lao also construct elaborate paper lanterns in cylindrical shapes, with candles inside for illumination. A series of cut-out images are pasted to the inside of the cylinder and as the heat from the candle causes the lantern to revolve, there is an illusion of movement. During the festival associated with the end of Buddhist Lent, in Luang Prabang town these lanterns were made by individuals as well as by groups such as the police. Some of the cut-outs depicted boatmen paddling a pirogue and couples making love. It is significant in terms of Lao sense of values that some of these highly inventive craft techniques are not concerned with earning a living but with the production of art forms and amusements used in connection with religious holidays, and as we have seen, are of a very temporary nature.



The occupations of craft specialist and trader are by no means mutually exclusive. In fact both the potters and the weavers usually merchandise their own products in stalls at the town market. The silk weavers of Ban Panhom are well known in Luang Prabang town. Blacksmiths may travel into the countryside to market their wares, but do not sell directly to the town market. Often they make materials on consignment to local Chinese shopkeepers.

#### Self-Employment and Wage Labor

In discussing the lam we have seen that some rural Lao run small shops or peddle goods to mountain tribal villages. There is no division of labor, although women do most of the petty trading in village shops. In the larger settlements almost all the shops and commercial activities are run by the Chinese, and in a few cases by Pakistanis. Lao women in both town and village indulge in small-scale business, with roadside snack concessions. These are simply a cleared space spread with clean banana leaves, where rice cakes, noodles, sugar cane, roasted peanuts and other tidbits are offered for sale. Bigger businesses for Lao women are in the form of fresh fruit and vegetable sales, or prepared-food stands in the town market. They raise the produce themselves and do the actual selling. Their income from this enterprise is usually around 150 kip on a good day.

Generally, there are no stores in smaller villages, but a family may set up a booth to sell such items as cigarettes, beer, soap flakes, dried fish, rice whiskey, powder, matches, cotton

thread and candles. The booth is operated by women, and the daily profit averages 80 kip. In larger villages the front of a centrally located house is often converted into a store, with the occupants living in the rear section. Such a shop may stock cold cream, perfume, canned milk, canned fish, shirts, socks and other items. Net profit here may average 150 kip a day.

All over rural Laos at the various wat festivals, young marriageable girls of the village set up small tables within the wat compound where they sell fruit, candy, soft drinks, cigarettes and beer to the young men. A girl may net as much as 200 kip in an evening, or as little as 25 kip, depending on her popularity. At these festivals women may squat along the roadside selling prepared foods and cigarettes.<sup>78</sup>

During major wat festivals in central Laos, itinerant Chinese vendors also come to the village and set up stalls. They travel from boun to boun during the dry season, supplying their own lamps, charcoal for cooking and lumber for the construction of their booths. The local wat rents them tarpaulins at 100 kip per day.<sup>79</sup>

Larger villages in Vientiane Province have one or two tailors, male or female, who earn their livelihood making pants, shirts, mosquito nets and sheets. They have purchased their foot-pedaled sewing machines in Vientiane. Profits range from sixty to eighty percent, and in villages with several sewing machines, tailoring costs tend to be uniform. One or two members of a community may supplement their income by being herb doctors or midwives. There is also usually a barber in each village, who works from house to house.

Every village has a few skilled carpenters. When not employed in construction, they saw lumber to sell for 10-15 kip a board-foot.

Farmers owning buffalo gain income from renting out their animals during the plowing and harrowing season. Payment is in rice, the amount being determined by the number of days the animal is used and by the consanguineal relationship of the two individuals. In larger villages there is usually one villager who owns and operates a rice mill.

Logger guilds exist in some Vientiane villages. They are usually composed of several members who cut the trees, share the cost of transporting the logs to town, and divide the profits. In the vicinity of Vientiane, there are a number of logging truck companies owned in many cases by Chinese, which operate with Lao crews.<sup>80</sup>

It has been noted for Ban Pha Kao, near Vientiane, that 14 households out of 89 were not engaged in agriculture. (Table 11 A) Most of these occupations are less than five years old in the village, and most of the men employed in them are not native to Ban Pha Kao. The village also has a professional curer, and there are those who make pottery and charcoal as a secondary occupation during the dry season. Two families have rice mills, one of them as a full-time business. In the cases of the road laborers, chauffeurs and soldier listed in the table, the wives in almost all cases do some agricultural field work.<sup>81</sup>

But to the average villager real wealth is determined not by these secondary sources of income or even by size and number of fields under cultivation, but by the amount of rice harvested. In

Vientiane Province a man harvesting under 200 myn<sup>82</sup> (5,300 lbs.) is poor, while a comfortably situated farmer harvests over 300 myn. A man obtaining 400 (10,600 lbs.) or more, is considered wealthy.<sup>83</sup>

As to wage labor, some Lao may work for others in the village and receive payment in cash or kind, while others will go to work as laborers in town. They dislike being designated by the term coolie, which they feel should be properly applied only to various Kha groups. These Lao work for local merchants, the army and the various government offices, doing menial chores. Sometimes they work for only a month or so and then return to their villages. Recently an increasing number of people from villages near Luang Prabang have tended to give up agriculture for permanent jobs, a trend accelerated by poor rains and army confiscation of some rice lands.

In Vientiane there are a large number of samlaw (pedicab) drivers from the villages of Northeast Thailand. They were originally attracted to the city during the period of artificial prosperity created by the favorable dollar exchange rate. By 1959 their incomes had fallen due to the increased competition and the larger numbers of taxis whose prices in many cases were competitive. In addition to the licensed drivers, there were many unlicensed ones, and the turnover rate appears to be high. In Luang Prabang all the samlaw drivers are local Lao, many of them farmers from nearby villages, who did this work part-time. Table 23A lists income and wages from these and other sources.

Neither in Luang Prabang nor Vientiane do the local Lao perform most of the common labor, these tasks falling to Khmu in the royal



capital and to immigrants from Northeast Thailand, in the administrative capital. Women, and occasionally even children participate in heavy labor such as road building and construction, sharing these jobs with the men.

As part of this new urban group, there are now in Vientiane some itinerant young shoeshine boys mostly from impoverished regions in Northeast Thailand, from where their parents had come to Vientiane to work as coolies, samlaw drivers and in other unskilled jobs. In some cases they appear to have lost contact with their parents and associate in groups, sleeping in abandoned buildings or those under construction. They may earn from 50 - 100 kip a day. In contrast to general Lao behavior patterns they are often quite aggressive about soliciting customers.

Another occupation making its appearance among the Lao and probably also a further indication of the growth of Vientiane, is the Lao prostitute. Although the overwhelming majority of the women in this category have been Vietnamese or Northeast Thai, in recent years some have originated from villages in the Vientiane area. A few have made their appearance in Luang Prabang where their contacts are mostly soldiers and younger civil servants. These girls work in brothels owned by Lao; the Hong Kong and Vietnamese girls operate from Vientiane's foreign-managed night clubs patronized by the elite.

There is often a largely traditional relationship with household servants. A Lao employer almost always provides his domestic board and clothing. The actual cash salary is quite

small. In some cases a village girl will be taken in and the money sent to her parents. The strength of these mutual obligations is evidenced by the fact that Europeans rarely if ever employ Lao as servants, but prefer Vietnamese or Thai on a cash basis.

A Lao urban proletariat composed of migrants from rural areas may emerge, but at present the population of the two major towns is mainly composed of Lao officials, Chinese and Vietnamese merchants, and craftsmen, with most of the common labor supplied either by migrant tribal Khmu in Luang Prabang, or Northeast Thai in Vientiane. In both cases the immigrant labor groups appear to be the most unstable elements in the population. An important factor here, of course, has been the absence of industry, with the towns functioning mainly as commercial, administrative and religious centers. A Lao proletariat based on emigration from rural areas may be some time in developing because of this lack. Another important factor seems to be a labor deficit in rural areas, at least in the vicinity of Vientiane. Although some Lao move to the city, a significant number come from Northeast Thailand at planting and harvesting time to work in the countryside. They receive from 30 to 50 kip per day with food, depending on the number of days they work.<sup>84</sup>

There are also many farmers in the villages around Vientiane who would prefer off-season work in Vientiane. It is possible that the labor deficit in rural areas may be temporary, due to the explosive growth of Vientiane and with it the spread of "modern" ideas including the concept that rural life is backward.

Most, or at least many, of the jobs created by Vientiane's expansion, outside of official positions, appear to have been taken over by groups with more training than the rural Lao, undoubtedly increasing the frustration of the latter who would like to move to town.

#### Expenditures

It has been estimated that a typical rural Lao family in central Laos spends about \$150 a year, or approximately \$35 per family member. Of this sum, about half goes for supplementary food expenses and perhaps another twenty percent is spent on clothing. The remainder is divided among expenses for tools, entertainment in the form of gambling at bouns, and gifts to the wat and bonzes. Although the Lao villager is not poor, in that he has ample food to avoid starvation and frequently has small luxuries as well, still this figure is not very high even by Asian standards. A prosperous villager in Vientiane Province may have \$250 a year to spend, in contrast to a prosperous Bang Chan farmer on the Bangkok plains who spends about \$500 a year.<sup>85</sup>

A rural household budget for the Luang Prabang area would be approximately the same, since less commodities are purchased while the cost of living is somewhat higher due to transportation costs. In most cases cash income would be proportionately less in areas away from the vicinity of the town.

Although data for 1959 are not available in the same detail as they are for 1957, a glance at Tables 10 and 13 E provides interesting comparisons in time and space, showing that prices on manu-

factured goods tend to be consistently higher in Luang Prabang than in Vientiane. Certain items, notably skirts and scarves woven in the Luang Prabang area, are cheaper there, as are regional fruits and vegetables. More detailed statements are difficult to make because of seasonal variations as well as price fluctuations due to variation in quality and in the relationship between buyer and seller (Europeans as well as tribal peoples are frequently charged higher prices). Further, the dates of the studies on which these comments are based span the period of inflation and subsequent currency reform.

The significance of religious and ceremonial expenses has been discussed. The activities of the wat and the cycle of Buddhist holidays offer the villager his chief recreation, particularly in the form of bouns to raise money for the wat.

Throughout Laos the most common type of village boun is one where a number of prominent bonzes, frequently from a town or other villages, are invited to the local pagoda to read the scriptures. Villagers pay for the privilege of hearing these recitations, often in the form of "money trees," branches adorned with small banknotes decoratively folded in the shape of leaves. At bouns in larger villages, and especially nearer towns, there is almost always dancing. Several young women of the village contribute their services as dancing partners, and villagers and guests from town pay to dance the lam vong with them.<sup>86</sup> Western dancing is unknown. Although the monks themselves do not encourage it, gambling is sanctioned as an amusement at bouns. It is logical to suppose that a



proportion of gambling profits are ultimately used for religious purposes. Proceeds also go to benefit the local schools.

Gambling expenses are closely related to the opportunities available and consequently to the extent that an individual participates in urban culture. In Vientiane many samlaw drivers and coolies claimed they were unable to save money, although some earned as much as 10,000 kip a month, because of the lure of gambling. Some Lao women gamble, at least among more prosperous urban groups, and occasionally go into debt.<sup>87</sup>

Considerable sums are sometimes spent on lottery tickets. The outcome is felt to be of sufficient importance to call upon monks to predict the lucky number. It has also been reported that in the Luang Prabang area, buffalo have been sacrificed to predict lottery results.

Religious expenditures in Luang Prabang Province are at least equal to those in Vientiane and probably exceed them. The villager of northern Laos does not have opportunity for many secular pleasures available to his countrymen in the south. The town of Vientiane is much larger than Luang Prabang, and as the secular capital of Laos, offers movies, professional gambling, drinking places and prostitutes. Easy access to towns across the river and regular bus service from nearby rural areas makes these entertainments readily available. Luang Prabang, as the royal capital and residence of both the King and the highest ranking bonze of the country, is a conservative town. Similar diversions exist, but on a considerably more restricted scale. Thus, villagers in Luang Prabang Province spend

proportionately more on amusements associated with the wat, and probably on religious donations as well.

Taxation does not constitute an important demand on the villager's economy. The head tax which existed under the French was abolished with independence. As far as the writer is aware, no effective land tax exists. The government derives its chief revenues from custom duties, levies on urban merchants and foreign aid.

Table 14 summarizes peasant taxes in central Laos. There are theoretically certain types of taxes levied on farmers, as on goods shipped from one village to another, store sales, and on forest products. Exemptions are liberal. If a farmer breaks an arm or leg he is exempt for one year. Even more to the point is that for all practical purposes the government, largely for political reasons, makes almost no effort to collect taxes.

In recent years some government ministers have thought about reinstating a tax of about 100 kip to be paid by the head of each household.

#### Rural and Urban Indebtedness

Throughout Southeast Asia there is considerable indebtedness by the local population to the Chinese merchants. (According to one Lao official, many Chinese are indebted to Lao in the urban areas. This may be a reflection of the channeling of foreign economic aid through the Lao government).

When one wishes to borrow money, he usually makes a contract before three witnesses and lists his house, garden, livestock or gold as security. The interest rates in urban areas vary from 4 to

10 percent per month. The larger the amount borrowed, the smaller the interest rate. Generally speaking, there is more indebtedness among the urban Lao who may want to build a house (hired labor is usually used in town), start a business or buy a car. There is a tendency for Lao farmers to go into debt when there is a failure of the rice crop, but rural debt does not appear to be a major problem. This may be a reflection of the general undeveloped state of the total rural economy as far as cash exchanges are concerned. By contrast, indebtedness is a major problem among urban Vietnamese and Lao-Thai coolies and samlaw drivers, due in part to their enthusiasm for gambling.

A great deal of borrowing is done by Lao villagers, with sums of 500 kip or less borrowed from relatives. Larger amounts, for the purchase of a sewing machine, bicycle, radio, buffalo, rice seed for the planting season, lumber for a new house, and for weddings or funerals are borrowed from merchants in secrecy. Large loans must be repaid within six months and interest rates range from 10 to 15 percent monthly. Rice is borrowed quite freely among relatives in amounts not exceeding 20 pounds, and is rarely expected to be repaid. Money for construction or major repair of a wat building is loaned at interest rates of only five percent, and on rare occasions, at no interest. The loaner, in both cases, obtains merit by not charging the normal rate. Unfortunately credit of the majority of farmers is very poor since they have little which can be offered as collateral. Thus ambitious farmers interested in raising cash crops such as coffee or kapok often do not, because they cannot obtain the funds.<sup>88</sup>

### Tribal Economies

The key factor in Meo economy, as we have seen, is the cash value of their opium crop. The history of this crop is rather interesting, with important political as well as economic implications. Evidently in the early years of their colonial control the French encouraged this crop and even experimented with improved forms of cultivation, since it was an important revenue source.<sup>89</sup>

Some estimates of opium prices and production were obtained (see Table 3). As with most of the statistical information in this report, the reader is advised to view these data with caution. Enough sampling was done, however, to give some idea of the range.

The opium crop varies with the size of the family, that is, the amount of land a household can clear and cultivate. The weather too, is an important factor. In some cases there are two crops a year, one planted in the eighth month of the Lao calendar, and the other between the ninth and tenth months.

The Meo cultivate three different types of opium, which can be distinguished by the color of the poppies, -- white, red or purple. The soil is loosened with digging sticks and the seeds are sunk into the earth. Six months after planting, the opium is ready to be gathered. This is done by scratching the poppy heads with a knife. The opium, a milky fluid, oozes out and is carefully collected. Opium poppies can be grown in old corn fields, and harvests can be collected for ten to twenty years from the same field, depending on the fertility of the soil.<sup>90</sup>

Most estimates of production per household range from a minimum



of two or three kilos to a maximum of nine or ten, with an average at about four kilos. Prices range from about 2,000 to 6,000 kip a kilo for raw opium, or even more, depending on supply and demand. In general, prices are higher in central Laos than in the north, e.g. in the Luang Prabang area prices are as low as 1,200 kip/kilo for raw opium and 5,000 kip for the cooked variety; comparative prices in Vientiane area, where there are relatively few Meo, are 3,000 and 9,000. It has been estimated that about sixty-five tons of crude opium are produced in Laos annually. It is a relatively poor quality.

Incomes range from a possible minimum of 4,000 kip to a conceivable maximum of 60,000 kip per Meo family per year. These incomes are from opium alone and presuppose that they do not market any other products. Those Meo settlements nearer Luang Prabang market a number of other products, such as charcoal, firewood, potatoes and other vegetables. A village headman's income was estimated at 70,000 kip from potatoes and cabbages and 40,000 from opium, while another received 50,000 from opium and 10,000 from vegetables and pigs. The first instance is atypical in both magnitude and relative importance of vegetables and opium. In another Meo village it was estimated on the basis of maximum and minimum yields cited, that cash income varied from about 14,000 to 40,000 from opium.

All these figures are based on the supposition that the Meo do not consume any of the opium they produce. This is not entirely true. Although they use but a small portion of the crop, a number

of older men and women appear to be addicts. Most of the younger people seem to be healthy, vigorous and hard working, qualities not possible in a confirmed opium smoker.

Some investigators have stated that the Christianized Meo tend to gradually abandon opium growing, in favor of vegetable crops, especially potatoes. There is some evidence to support this claim both in the Luang Prabang and Xieng Khouang areas, although a number do continue their cultivation. There does seem to be a growing self-consciousness about opium among some younger urban influenced Meo, and it has been suggested that they are continuing its cultivation only because of parental pressure.<sup>91</sup>

The considerable cash surpluses of the Meo are readily illustrated by their abundance of silver jewelry. In addition to jewelry, many Meo have hoards of silver bars which they bury in the ground. Naturally it is difficult, if not impossible, to get reliable figures on the extent of such holdings, but confirmation of this custom is provided by a workshop in Luang Prabang town, which specializes in melting down old French, Chinese, Indian and Burmese silver coins to fashion into bars to be used in trade with the Meo. In most cases the Meo will not willingly accept paper money. To illiterate people the value of silver is more readily ascertained, and silver cannot be easily destroyed as is the case with paper currency. The Meo reckon both income and purchases in terms of silver bars.<sup>92</sup>

The chief purchases of the Meo are salt, clothing and iron bars for making tools. They sometimes buy kerosene for lamps, and lux-

ury items like powdered coffee and condensed milk which are reserved chiefly for guests. One prosperous family estimated that expenses for purchases came to about 10,000 kip a year. Presumably the surplus income goes into silver. An example of the potential use of surplus income is provided in the case of Kiouketcham, a large village on the Luang Prabang road, with a resident Catholic priest. Here the villagers turned over to the priest sufficient funds for him to purchase a power-operated rice mill for the community.<sup>93</sup> Although this particular project never materialized, the availability of funds for it is highly significant. In any case, there is little doubt that because of opium the cash income of the Meo is much higher than that of the Lao.

This situation may be subject to change in the near future. Both Vietnam and Thailand have officially banned the use of opium. Enforcement is another matter, and while the trade has not been previously conducted in legal channels, it has often had a certain amount of unofficial cooperation. Thailand has recently embarked on an anti-opium smoking campaign, and although it might be too much to assume that opium trade with neighboring countries will entirely cease, the future of the Meo's chief cash crop remains in doubt.<sup>93A</sup> One of the leaders of the Meo community in Xieng Khouang gave as an excuse for the persistence of the trade the fact that there were still smokers.

The international implications cannot be ignored. In Laos one hears many rumors on this subject and the machinations of rival export dealers wrecking each other's planes in Xieng Khouang. A recent

magazine article cited Laos as one of the sources of narcotics reaching the West Coast of the United States. Transportation across the Pacific is probably controlled by Chinese secret societies presiding over a series of Asian networks which get most of their opium from growers in Red China, Burma and Laos.

Oriental opium is converted illegally into morphine base in Rangoon and several other cities and is then usually shipped to Hong Kong and Singapore where a number of heroin laboratories are located. Thereafter it is smuggled out to the United States, Canada, Japan, the Philippines and South America, at profits similar to those in Europe, roughly calculated at 100 times the price of raw opium.<sup>94</sup>

Another source detailed the operations of some of the opium exporters in Laos, whereby raw opium is secured from the Meo in Xieng Khouang by Chinese agents acting for a group of Frenchmen of "Mediterranean" and North African origin. Beavers and Piper cubs with extra gas tanks take off from Pong Savanh and parachute the opium into valleys near Saigon, from where it is transhipped to Hong Kong. Some is consumed there, and the rest is sent on to the United States.<sup>95</sup> With the Communist conquest of Xieng Khouang it can be assumed that this trade has been interrupted or redirected.

This should not be construed as advocacy of opium cultivation. One high Lao official said the government ban on opium traffic is not strictly enforced because of the dislocation it would cause in the Meo economy. It cannot be denied that profits derived by merchants and some unscrupulous officials also play a part. In cases



of more flagrant violations, however, there have been arrests resulting in imprisonment. This is in Luang Prabang Province; in neighboring Xieng Khouang where a majority of the Meo are concentrated, opium is sold on the open market.<sup>96</sup>

Factors significant to the economic and social status of the Meo in northern Laos can be summarized as follows: the size of the family and the number of able bodied workers; amount of opium production; amount of vegetable and rice production; amount of silver owned in both bars and jewelry; numbers of livestock, particularly horses and cattle; ability of the men as hunters and capacity of the men to speak Lao.

Convincing evidence of relative Meo prosperity is found in the fact that although Meo tribesmen are often seen shopping in Luang Prabang, they are never seen working as coolies.

Just as the absence of Meo laborers provides some insight into Meo economy, so the prevalence of Khmu coolies is indicative of their economic patterns. Generally they walk to town from their villages, which may be less than a day's walk to as much as a week's trek distant. Luang Prabang, although a small town in many respects, is nevertheless the major center of cash labor in northern Laos. The Khmu come mostly during the dry season when there is not much work in their own fields, appearing to be most numerous in Luang Prabang from December to March.

Although some stay as permanent workers, most remain only for a few days to several months, engaged chiefly on road gangs, construction workers or sometimes as domestics for private households. For

the most part the Khmu wage laborers are men. Usually they stay long enough to earn sufficient money to buy some salt and clothing, and then return home. Such an excursion may be repeated any number of times. Sometimes certain Khmu work as coolies for the Meo and are paid in opium. Like the poor Lao who work for other Lao farmers some Khmu will hire themselves out as agricultural laborers to more prosperous Khmu and are paid in rice.

A Thai scholar explains in some detail how young Khmu are enlisted to work in the logging forests in northern Thailand. They are brought in from Laos by men called "captains" (in the northern Thai dialect) who promise the parents that they will escort the individual to the place of employment and guarantee his return at the end of a year or pay 50 Indochinese piasters. (This operation is described for the period prior to World War II). When about twenty individuals have been recruited and the rice fields have been cleared and planted, they depart, usually at the end of May. A short knife and sword are carried as weapons of defense and the "captain" provides tobacco and food which usually consists of rice, peppers and salt. The trip usually takes about two weeks until they reach the Mekong, where they avoid the French officials. The employer pays the "captain" one month's wages for each of his recruits which is in effect deducted from their earnings. After the year is over the "captain" takes the workers home. Even if a person does not wish to return home, the money must nevertheless be paid to his parents.<sup>97</sup>

Nor is this a new pattern. A European traveling in the area

about eighty years ago makes the following observations:

The labourers /in the teak forests/ mostly employed are men belonging to a hill tribe called Komaws /Khmu/, living to the eastward beyond the Melkong River. They are darker in colour than the Laosians, short of stature, but very muscular...These men are hired as a rule for three years, and receive as wages the munificent sum of about eighty rupees a year in return for their arduous labor. Even so, I am sorry to say that they are often cheated by the lower class of employers. For every Komaw hired on the three-years system the employer has to get a permit from the Chow Radjasampan, for which he has to pay twelve rupees, and as a setoff against this, the unfortunate labourer is mulct in a portion of his hard earned money. These primitive mountaineers do not take away their money, when returning to their hill-retreats, but invest in one of the much-prized gongs made by the red Karians. "If," they philosophically argue, "we take the money back to our country it gets less every day till at last it is all gone; whereas the gong we can keep, and hear its beautiful sound daily." <sup>98</sup>

These gongs and jars which were of tremendous value to the Khmu and are characteristic of many tribal peoples in Southeast Asia have virtually disappeared from their culture. They were important as symbols of prestige and wealth. <sup>99</sup>

Although the gongs were doubtless acquired through trade long before they were purchased with wages, the long standing importance of wage income in the Khmu economy cannot be ignored. It is possible that the relatively large number of Khmu laborers in Luang Prabang is a comparatively new development, but their tradition as part-time coolies is definitely not. Certainly neither they nor the Lamet, nor the Meo, can be regarded as isolated tribal peoples living exclusively in a natural economy.

Some Khmu, particularly in the Luang Prabang area, act as merchants for their fellow villagers. A few manage to build up a modest prosperity through this trade (see Table 16), but the process is also reversible, as related in this Khmu text: <sup>100</sup>

Some people have no money saved up to go and buy things. They go and borrow and obtain money from other people. Then they go and buy clothing, animals, a buffalo, a pig. They come back and sell these things and make a profit. They pay back where they have borrowed the money. With their small profit they go and buy a chicken, a duck. They do this again and again. They buy and they sell. This continues and they make a lot of money. They hire people to work in their rice fields and to build a house for them. This continues and they become great merchants. They are people who have money, they are rich, they are very well off, very lucky. <sup>101</sup>

Then there are people who have a lot of money as an inheritance from their parents, which they think they are going to keep. They go and buy clothing, animals. They take a loss. This continues two or three times. Finally they change and become thieves. They steal from people. Sometimes they take money. The inheritance which they thought they could keep is all gone. They gamble money. People like this are very bad and very unlucky.

We have seen that the Khmu and Lamet sometimes sell rice to the valley Lao. Why then, it may be asked, if some Khmu produce a surplus of rice, is it necessary for them to work as coolies for the Lao? There are several reasons for this seeming paradox. First, their rice crop varies with districts, households and years. Second, the traditional relationship between Khmu and Lao has been similar to that of slave and master. Formerly the Khmu were forced to do corvée labor at the pleasure of the Lao without compensation. A provision in the constitution of Laos now makes this illegal, although word has neither reached many Lao tassengs or nai bans or else they choose to ignore it, while the Khmu are unaware of their new rights or are afraid to resist. <sup>102</sup> Many Lao merchants do not hesitate to take advantage of the situation, driving hard bargains with the Khmu and in some cases cheating them. The Lao also have been known to do this to the Meo who come to town to trade, but unlike the Meo the Khmu passively accept their inferior status and do not protest.



It would be most unfair to the Lao to attribute the poor economic position of the Khmu solely to Lao exploitation, for in an economic and political sense they are inferior -- that is, less developed. They lack crops which give a high cash return, and even with their superior basketry they lack compensating crafts which could be a significant source of income. They have no permanent political organization above the village level. Rice and forest products and the making of baskets and mats such as those listed in Table 3 are not exclusively Khmu activities, nor is the demand for them sufficient for them to be the basis for any real prosperity.

Their position of cultural and social inferiority has given rise to a messianic cult not dissimilar to those found among suppressed peoples in other parts of the world. In 1956 word spread among the Khmu of Luang Prabang Province that their "King" was about to come and save them. A traditional legend of this king claimed that when he was born he would be able to help all his people and establish a kingdom for them. One Khmu tribesman is supposed to have visited his cave "in the north"<sup>103</sup> and reported that it was very large and that people there spoke a language similar to Khmu. He said it was very "civilized" containing all sorts of things -- automobiles, airplanes, pirogues, plenty of gold and silver, clothing, buffalo and even chickens. The king was supposed to leave the cave and go out among the Khmu to distribute his bounty. To show their respect for him, the Khmu stopped work and did not plant any rice. They feasted on what little livestock they had, and awaited his coming. When the government received word of this they arrested

82

some Khmu and supposedly broke up the movement. This did not happen in time for the Khmu to be able to plant a rice crop. As a result an even greater number of Khmu than usual were forced to seek work as coolies.

This belief has evidently been widespread in Laos and seems to have been connected with previous revolts of the Khmu. In addition a recent appearance has also been reported among the Meo. An interesting point made in some of the versions is that the "king" is supposed to be white-skinned.

The overt suppression of these movements does not, of course, eliminate them, since they are symptoms of deep cultural conflicts. As we have seen, the Khmu engage in extensive trade with the Lao, not infrequently receiving the worst of the bargain particularly in market transactions which require the handling of unfamiliar paper currency. And despite the fact that many Khmu work as coolies in such tasks as road building and construction, their financial and other material returns are modest and enable them to participate only to a very limited extent in the obviously superior culture which they encounter in the towns. With their desires simultaneously stimulated and frustrated, it is not surprising that they resort to magical ends to attain that which is denied to them by rational means.

This situation presents many parallels to the cargo cults of Melanesia.<sup>104</sup> Missionaries have played an important role in these beliefs in Melanesia, although the role of the Christian missions which have worked among the Khmu is not known.<sup>105</sup>

In this connection the fact that the Khmu king is white is very suggestive of direct European influence. Similar movements in other areas of Laos have, however, concretely incorporated Christian religious symbols.

In any case the economic and also political impact of these beliefs cannot be minimized. The communists have shown a concrete awareness of the Khmu position in terms of their propaganda and military recruitment policies. The Lao government and elite are increasingly coming to realize that the non-Lao peoples must be taken into consideration in any future plans for economic development.

The Khmu around Muong Sai in northern Luang Prabang Province are better off economically than those of Luang Prabang District because they have learned blacksmithing and silversmithing from the Lao and Meo, weaving from the Lao and opium cultivation from the Meo. These Khmu are the exceptions, for, as stated before, the Khmu are the most depressed group and have the smallest cash income.

#### Lao-Tribal Interdependence

In both barter and cash economies the relationships among the Lao, Khmu and Meo are very close. Although conceivably these groups could survive independently, it would be at considerable sacrifice to all concerned. The dealings between the Lao and Meo are roughly on a basis of equality while those between either the Lao or the Meo on one hand and the Khmu on the other, imply a superiority -- inferiority type of relationship. Yet this cannot

be pictured as a simple case of exploitation, for the Khmu desire substantial benefits. There is, for example, no administrative pressure forcing them to work as coolies, and they can terminate these jobs whenever they wish.

The role of these interdependent trade and economic relationships to the larger world economy should also be borne in mind. For example, Izikowitz has this to say of Lamet trade of surplus rice for steel bars to make machetes and other implements:<sup>106</sup>

For some hundred years back the blacksmiths in these parts have been used to forging blister steel produced according to old-fashioned methods. Such steel is produced today at a few Swedish foundries, and this only for the purpose of export to the primitive blacksmiths of exotic lands. The Swedish export of this steel has been going on since the 17th century, and it has partially displaced the native production of steel....It is quite strange to see how far world commerce stretches its tentacles into the jungles, and in this case we also see how the Lamet have been influenced in their one-sided production of rice by economic fluctuations, such as the loss of the value of the franc, and the opening of new roads of transportation.

As a result, two decades ago the cost of the essential steel nearly doubled. The same process of international economics is at work today and has an even greater effect on even the most remote tribal groups in Laos. Certainly the consumer goods imported under the American aid program and traded throughout the country, have been involved.

Still, economic interdependence has deepest roots within the area. None of the groups inhabiting northern Indochina and neighboring areas exist on self-sufficient economies. Trade is truly essential. The hypothesis has been advanced that in many respects for certain basic economic items, plains villages may be more self-



sufficient than hill areas.<sup>107</sup> In the Luang Prabang area economic and craft specialization among the Lao functions mainly to serve the royal capital, while among the hill peoples it has the more basic function of maintaining the cultural inventory. Thus crafts villages help support a luxury sub-culture, enhance the position of the elite and help perpetuate the state, but the village economy does not depend on these items. In contrast, the mythologies and prayer texts of the Khmu and other peoples<sup>108</sup> refer at length to the material culture of the lowland peoples, not merely with envy but with the assumption that they themselves are involved with it. Their myths are complete with legends of how they once had similar cultural trappings, and the Khmu cult previously cited may well have historical antecedents. Ritual linkage between hill and valley peoples is also important. Lao and Khmu participate jointly in buffalo sacrifices, the Lao considering the Khmu better acquainted with the phi, since the latter were the indigenous inhabitants before the coming of the Lao. The Khmu participate in certain rituals for propitiating the spirits as well.

In marked distinction from the Lao, the Thai, dwelling in a homogeneous ethnic environment, have their villages united more by formal political ties and less by regional trade and specialization although these factors are doubtless interrelated, for example, by the institution of lam.

It is possible to suggest that some of the unique features of the various Southeast Asian cultures may revolve around the type of economic and cultural symbioses existing between the valley

people and the hill tribes in Laos. Such relationships are, naturally, not necessarily stable over long periods of time, since new groups have been constantly migrating south out of China.

Thus economic specialization is a factor in the economy of the lowland Lao. There are several kinds of specialization: full versus part-time; those designed primarily to serve the Lao elite; agricultural versus non-agricultural; and finally, that of a group of villagers versus an individual. In many cases these criteria overlap. The silver and goldsmiths in Luang Prabang town are examples of full-time specialists that obviously originally served only a select social and political elite, although today their clientele has widened to include prosperous town dwellers as well. Certainly few villagers in the past (or even today) were able to indulge in silver or gold bowls or betel sets. Examples of part-time specialists serving the King of Luang Prabang are the elephant riders and keepers, and the royal dancers who are farmers living in nearby villages and perform only on ceremonial occasions or special holidays.

There is definite agricultural specialization on the part of Lao villages, as illustrated by the case of Dane Lom with its pineapples and ducks, and the Nam Bac orange cultivation. The reasons for this, other than simple ecological factors are not entirely clear.

Unlike the situation of smiths, weavers and potters in crafts villages, traders do not appear to be specialized by villages in areas where there are mountain peoples ( and in northern Laos this

includes virtually all areas); some households act as traders whether as part of the formalized lam pattern or otherwise.

Although economic integration and interdependence, formal or informal, is an established fact, political integration does not seem to have really occurred up to the present day. Neither the Lao kingdoms nor the French colonial government seem to have really integrated the upland peoples into their government structures. Even the French had to cope with a series of Meo and Kha uprisings up to the time of World War II. To be able to combine political and economic integration would appear a major challenge facing the government of Laos. Significantly, crucial trade items have become part of political and military warfare, as in the example of the establishment of salt depots by the North Vietnamese to lure some of the mountain peoples across the border. Regardless of the outcome of the present fighting in Laos, the closer integration of the Lao and tribal peoples seems assured, either in the formal Communist pattern of the Autonomous Regions or an improvised structure such as the Thai border police.

#### Urban Economy

Local industries in Vientiane and Luang Prabang have been referred to briefly in connection with opportunities for employment of villagers. In this section the urban situation is detailed and the over-all economy of Laos surveyed.

In the period between the two World Wars there were very few Lao who could be classified as urban in any sense of the term, and these were mostly titled officials plus a few merchants and crafts-

men who were very much outnumbered in the towns by the Chinese and Vietnamese who were brought in by the French to perform many of the skilled jobs in the administration. The so-called urban Lao purchased few imported goods. According to one long-time European resident, twenty-five years ago any Lao woman who wore shoes was considered a harlot. Concrete houses, except for those of the French administrators, were rare; differences in levels of status were indicated by homes with plaster (over bamboo) walls, plank floors, and tile roofs, by the variety of foods consumed, and by the amounts of the jewelry and other items of craftsmanship possessed by families. An additional factor was the possession of servants, who, in Luang Prabang, were often Khmu in hereditary positions. The small elite also had wealth in the form of land and buffalo. Automobiles were practically unknown. As recently as twenty-five years ago, the three cars in Luang Prabang town belonged to the King, the French Commissioner and the Director of Public Works. Ironically perhaps, although the material differences between groups were less, the power position of the elite was more secure and the prestige that went with rank more widely accepted.

The significance of the term urban in relation to the present day economy of Laos is summarized in Table 15, in which the facilities of the administrative capital of Vientiane are compared with those of Luang Prabang and the provincial town of Nam Tha. Luang Prabang is roughly equivalent in facilities to Savannekhet, Thakhek and Pakse, while Nam Tha approximates the other provincial capitals



such as Sayaboury, Phong Saly, Sam Neua and Attapeu; Xieng Khouang occupies something of an intermediate position.

#### Growth of Vientiane

The metropolitan area of Vientiane is the center of what little industry exists in Laos, with 146 of a total of 194 companies officially incorporated under Lao law, found there. A majority of these are in the hands of the Chinese (see Laos Project Paper No.1, on the role of the Chinese). There are reportedly over 300 small industries and businesses scattered about the city or its environs. Most are individual or family enterprises with a limited number of employees operating well below their capacity. The principal ones (Table 25) are charcoal plants, brick kilns, sawmills, carpentry shops and rice mills. There are also printing shops, ice plants and weaving shops.

Enterprises above the level of cottage industries include a few of the rice mills, several construction firms, two carbonated drink plants and one producing alcoholic beverages, a match factory, a soap factory and a cigarette factory.

Established in 1959 on the outskirts of Vientiane, with French and Lao capital amounting to 25 million kip, the cigarette factory is managed by a Frenchman. Much of the labor is supplied by young Lao girls. Tobacco grown in Champassak, Nam Tha and Vientiane Province is blended with that imported from Thailand, South Vietnam and the United States. Daily production is 25,000 packs, all of which are sold within Laos, aided by a local advertising campaign appealing to Lao national consciousness.<sup>109 A</sup>

With regard to services, there are two hotels (equivalent to what might be found in a provincial town in Thailand), a few movie theaters, one of them sizeable, several restaurants and nightclubs, five or six garages, trucking lines and two domestic aviation companies. Two main open air markets, one operating in the morning and the other in the afternoon, should also be mentioned. There is also a slaughterhouse, staffed mainly by Vietnamese.

The largest category in terms of number of installations, although not of kip value, is that of charcoal production. It is largely a small-scale rural industry based on local resources. The sawmills and rice mills and raw sugar processing plant use local products, although the first two require consider capital investment and are controlled by Chinese merchants, with a number of prosperous Lao including government officials, holding shares. Seventeen foreign companies are licensed to do business in Laos, all but one, a French tin mine near Thakhek, located in Vientiane. These include insurance companies, two banks, an oil company (Shell Oil Company and Stanvac have subsidiaries incorporated in Laos), an airline, and import firms.

Many of the "industries" have grown up in recent years, particularly since the advent of the American aid program. Their future development is problematical since they are largely, if not completely, dependent on foreign imports and exchange for their continued maintenance. A large number represent luxury aspects of the economy, with utilization limited to the urban population and, in some cases, to a very small proportion of the urban population.

Garages provide an example. Certainly there is a need for jeeps, buses and government vehicles, particularly in maintaining contact with rural areas, but the excessive use of automobiles within the town of Vientiane is open to question, since they rely entirely on imported gasoline paid for with foreign assistance funds.<sup>109</sup>

October 10, 1958, is a key day in the development of Lao economy. On this date a monetary reform was put into effect. Previously, with the aid of American subsidies, a 35 kip to one dollar rate had been maintained with licenses issued to importers. This provided tremendous opportunities for graft and corruption since the free market rate in Bangkok and Hong Kong ranged from 80-100 to 1. When the kip was stabilized at 80 to the U.S. dollar, with free convertability, there was no longer an incentive to smuggle goods out of Laos to Thailand, and Thai prices exercised their influence by stabilizing some prices and causing others to fall. For several months after this change, local economic activity slowed down considerably.

A brief review of construction activities provides an example of the effect of this reform. Approximately 280 new structures were put up in Vientiane in 1957, about 170 in 1958, and some 40 in the first half of 1959. (Eighty percent of these are wood, bamboo and thatch construction in a traditional style, and the others are more substantial homes, offices, apartments and hotels). It is estimated that the value of all construction was something under one million dollars in 1957, with perhaps a half million spent in 1958, and about \$150,000 in the first half of 1959.<sup>110</sup>

Vientiane's urban growth problems are manifold. A diesel power plant was installed in 1958 with American aid, but by 1959 it already appeared inadequate to the needs of the expanding city. Only about twenty percent of all houses in Vientiane have even limited electricity, and very few have electrical appliances of any sort. Kerosene is imported in large quantities for lighting homes and shops. There is no central water distribution system, all water being supplied by truck or by coolies. About a tenth of the homes (mostly those rented to foreigners) have limited and uncertain indoor plumbing. The major problem is the open sewage usually stagnant and cleaned but occasionally.<sup>111</sup>

In addition to these considerations the development of Vientiane in recent years raises serious questions with regard to class structure, the efficacy of foreign aid, and the total problem of culture change in Laos. (See Laos Project Paper No. 20).

#### Traditional Urban Commerce

The types of small businesses found in some of the provincial areas are typified by the following account for Luang Prabang. In terms of the local economy, most important are the three rice mills. One is located in town, and the other two are in nearby villages. The first is owned by an individual of Lao-Chinese parentage. His mill has a capacity of 1,200 kilos of rice per day, but the volume of work is unsteady because of the fluctuating rice supply. The busiest months are May through June, and during the rest of the year the mill processes 100-200 kilos of rice per day. Sometimes it is shut down due to the lack of business.<sup>112</sup>



One to four coolies are employed. Occasionally rice is bought directly from local farmers, but the mill owner claimed that the rice imported from Thailand was cheaper.<sup>113</sup>

Luang Prabang also has a brick kiln, run by a local Chinese. It employs seven laborers, each operating a separate kiln. The raw bricks, made by Lao with local clay, are sold to the proprietor for 300 kip per thousand, representing a good day's work. These are fired for seven days and then left to cool for two weeks, after which they can be sold for 1 kip apiece.

A sawmill, also owned by a Chinese, employs about a half dozen coolies. At times extra workers are hired to saw wood by hand when the machinery cannot handle the load. The operation is irregular because of the erratic supply of lumber. There are also several local building contractors, both Vietnamese and Lao. The number of their employees varies with the amount of work at hand but appears never to be more than a dozen or so. In recent years they have been busy erecting government buildings, shops and private residences. This growth has been aided indirectly by the foreign aid program and, as in Vientiane, seems to be a popular way for merchants and government officials to invest surplus profits. For example, during the 1957-1959 period, a large movie house, numerous shops, a military warehouse and headquarters and private residences for the governor and military commander were built. These are all two-story concrete structures which, although modest by the standards of any large Asian city, are quite impressive for this small town.

Two dye shops are owned and operated by Chinese. They use cotton imported from Bangkok; the dyed skeins are hung to dry on the roof of an old barge on the Mekong. The six coolies employed are given a free place to sleep in the other establishment.

The town's two ice plants are owned by a Chinese merchant, and a Lao who is a local representative in Parliament. Each employs three to four workers and turns out about 200 kilos of ice per day. Ices are also made, using sugar and sometimes grenadine syrup. Their busiest season is during the holidays, particularly the New Year's season in April which coincides with the hottest time of the year. At this time they work "day and night" and supposedly can produce 15 tons of ice per day.<sup>114</sup>

Two bakeries producing French bread, one run by a Chinese, the other by Vietnamese, turn out about a thousand small loaves a day. Aside from the usual Chinese retail shops there are a soda bottling works, the silver smelting shop already mentioned, and on the outskirts, a small slaughterhouse. The daily open market is over by mid-morning.

Pakse, with a population of about 8,000, is located on the Mekong near the frontiers of Thailand, Cambodia and Vietnam. It is in the heart of the Bolovens Plateau and can be reached in about two hours by plane from Vientiane. By Laos standards the economic position of Pakse is relatively good. The main roads within the town are fairly well paved. Outgoing arteries into the province are in need of repair and extension, in order to facilitate the movement of goods and people to and from markets. This is particularly im-

portant here, since Pakse is the center through which rice is regularly supplied to provincial areas in Vientiane, Savannakhet and Thakhek. Pakse is also the market through which some livestock is exported to Cambodia and Vietnam. It has two ports of entry on the Mekong, Vang Tao from Thailand and Kinak from Cambodia and Vietnam. Prior to the monetary reform, the value of imported goods was quite high and the customs offices collected an estimated four million kip per month. Since devaluation, however, there has been a decline in imports and in 1959 only about one million kip per month was collected. Principal items imported include gasoline, oil, cement, salt, flour, milk, spare parts for cars, sheet iron, and household articles. The limited exports in addition to cattle include unginmed cotton, chilis, coffee, soybeans and dried hides, the overall values of imports being about twenty times that of the exports. The difference is in effect subsidized by American aid.

Savannakhet has a slightly greater population and is also located on the Mekong. Table 24 compares its construction activity with that of Vientiane. There are several small lumber mills and a tannery for cow and buffalo hides. The central market appears too small to serve the population, with the result that most of the merchants have now opened small places of business just outside the market area. Saravane Province, of which Savannakhet is the capital, has long been an exporter of cattle to Vietnam and Thailand. The area does not produce enough rice to feed itself and about one-third the necessary rice must be imported from Thailand or obtained from other parts of Laos.

Thakhek is located opposite the Thai town of Nakhorn Panom on the Mekong. A tannery for cow and buffalo hides for export to Vietnam, an ice plant and two lumber mills constitute Thakhek's industry. There are several movie houses, a hotel, a few small textile shops which produce for local consumption and the usual small retail stores. Like Savannakhet, Thakhek must import about a third of its rice. Other imports include textiles, canned foods, salt and bicycles. Exports include buffalo, beef cattle and hogs. As in Pakse, the volume of imports exceeds exports by about 20 to 1. The town has a small power plant and a few wells, but most of the water is obtained from the Mekong.

#### Problems of the Urban Populations

All the major towns in Laos appear to have deficits in both the balance of trade and public budgets. None derive enough food from the surrounding countryside to feed itself, all depending to varying degrees on rice imports from Thailand. This is, of course, a reflection of the fact that the whole economy of Laos operates at a deficit and that the provinces are unable to produce enough, or at least transport it to market, to maintain the relatively low level of living in the towns.

Except for some administrative services and the existence of a police force, each of these towns is typified by the lack of facilities available to its citizens. There are no sewer systems or reliable piped water supplies. Hospitals exist, but they are inadequate. In some of the towns are fire engines supplied by the American aid program, but these are not always kept in operating



condition. Electric power facilities are small, sporadic and insufficient.

These towns are deficient in investment capital. Although they are all located on the Mekong, transportation of goods to market is a major problem because of inadequate roads, for the Mekong is not navigable throughout its length due to rapids below Savannakhet and as has been pointed out, there is sometimes insufficient water to reach Luang Prabang during the dry season.

Housing has become a problem. Often rural relatives come to join their families in town. One Lao source estimated that nearly twenty percent of urban families live in household units of seven or more members. In Vientiane and Luang Prabang the housing situation is aggravated by the influx of refugees from North Vietnam.

In Pakse, Savannakhet and Thakhek it is estimated that some eighty percent of the population living within the town limits are engaged in agriculture, at least on a part-time basis. In addition there are ten percent in small industry and handicrafts, and the remaining ten percent are in administration, transport and religious activities.

In the Vientiane area approximately sixty-five percent of the population is engaged in agriculture, twenty percent in industry, business and handicrafts, and fifteen percent in administration, commerce, transport, domestic services and religion.

It is estimated that in 1959 about 250,000 persons or roughly one-eighth of the population of Laos were directly involved in a cash economy. This estimate was arrived at in the following way:

There are about 9,500 civil servants in Laos (2,800 of whom are in the administrative capital).<sup>115</sup> There are about 3,300 police and 25,000 in the army, or approximately 37,800 individuals directly employed by the government. If family size is conservatively estimated at a little over four, the figure of 160,000 is reached. Added to this are some 60,000 individuals encompassing the Chinese, Vietnamese, European and Indian communities, the overwhelming majority of whom are engaged in business, plus approximately 30,000 Lao and dependents, who are engaged in business, industries and crafts of all types.

In a country such as Laos where demographic information is so limited these figures raise a number of questions. How, for example does one classify a farmer who works as a coolie during the dry season, a rural craftsman, or a village family supported in part by a son who is a soldier, a monk living in a town wat? All these obviously borderline cases certainly differ from the farmer who occasionally markets part of his rice crop and purchases a few thousand kip worth of goods.

In any case, twelve or thirteen percent of the total population primarily dependent on a cash income is a relatively small proportion. Nevertheless, it can be said with some justification that there are virtually no people in all Laos who do not have vital economic contacts outside their village, even if only to acquire salt or iron by barter.

We have already presented in some detail data dealing with the consumption and expenditure patterns of rural peoples of Laos. Some

index of emerging economic class differences<sup>116</sup> can be gained by comparing the rural standard of living with that of urban officials. For a number of years the government's Bureau of Statistics has been carrying on surveys on the cost of living of Lao officials in Vientiane. This cost of living index (Table 18) reflects to some degree, one can fairly assume, the standard of living of the urban officials, although the weighting of each item should not be interpreted too rigidly. Certainly if an item appears on the list, one can assume that it figures in urban consumption patterns, and the emphasis may give us some rough idea of its felt importance by the Lao conducting the survey. By perusing this list we can easily see that items such as canned goods, aperitifs, and Paris Match are obviously confined to the elite, but such items amount to only approximately three percent of the weighted coefficient on which this standard of living is based. If, however, we examine those items which are infrequently used by villagers we find that more than one-third of the cost of living (by weighted items) is composed of goods or services rarely if ever available to the villagers.

Foodstuffs such as bread, canned food of all kinds, certain bottled beverages and many types of clothing are not found in those villages which are away from the main roads, a situation encompassing the overwhelming majority of the rural population. Also, services such as electricity, western style doctors, and urban entertainment, are not accessible to villagers. To the rural people of Laos the unavailability of a commodity like bread could not matter less. Nor are the lack of toilet articles, bottled beverages or

movies per se, often mentioned by Lao farmers as a reason for envy of townspeople. But these and many similar items, combined with the paucity of education, health and communications facilities, do combine to form a material and psychological barrier making for friction. The barrier is not absolute, as Table 18 might indicate. It is no coincidence that a good proportion of the commodities are imported, for, with the exception of rice mills and sawmills, the few existing industries are devoted to serving the urban population. Except for a few weaving enterprises, cottage industries have not been developed. A Vientiane household buys a teak table made in Thailand although Laos has many teak forests. They buy Hong Kong clothing although Laos produces both silk and cotton. They may buy canned sardines although the Mekong offers a variety of fish. All this suggests potential small-scale industry which might serve the rural as well as the urban population.

An average Lao clerk enjoys a higher standard of living than his compatriot in the countryside. Still, they share a common problem in that both have been affected by the inflation of the past ten years. Let us look first at the government employees whose salaries have remained more or less stable during this period. Tables 20 and 20A summarize families surveyed in Vientiane and comprise a total of 100 households with an average of 7.07 persons per household unit. These households have an average of three or four children, 28 have a servant or two, while others have their parents living with them. Seventy-eight households pay no rent since they live in their own homes, while only six households live in government-



supplied housing. Monthly expenses average 7,650 kip for a couple with four children, 8,025 with five children and 8,535 with six. To take a typical case, an official with the equivalent of a junior high school diploma, six years of government service, and four children receives 6,080 kip per month; and from these data it would appear that he cannot meet expenses on salary alone.

In Luang Prabang the problem is even more acute, with the cost of living generally higher than in Vientiane. The greatest number of civil servants here are single.<sup>117</sup> The large size of families is apparent in Table 23, and these figures would probably be still more emphatic if data were available on the ages of the officials, since most of those with one or two children are apt to be in their twenties or early thirties. In Table 23 we see that more than half of the officials in Luang Prabang earn under 5,000 kip per month. The average salary for a man with two children amounts to 4,749 kip.

Assuming daily rice consumption of .6 kilos per person, the cost of rice alone amounts to one-seventh of his salary. When an approximately equal amount for meat and vegetables (a minimum estimate) is added, plus the consideration of housing, clothing, supplies and other expenses, it is apparent that the average government employee has difficulty making his budget balance.

The inflationary price rises have proceeded somewhat unevenly over the past decade (Table 19). From 1949 to 1951 prices were relatively stable. The food index of 100 in 1948 rose to 107 at the end of 1951, while the general index stood at 116. During 1952-1953 there was an influx of rural people to Vientiane. This was the

period of the Indochina War and resulted in the first housing crisis. Prices rose sharply. The food index jumped to 244 by December, 1953, representing an increase of 103 percent in the two years. The period 1954-1955 saw the end of the Indochina War and the beginning of the American aid program. Prices were relatively stable in spite of poor harvests during this time. Despite a great increase in imports, food prices remained almost the same. Thus the food index went from 251 in January, 1954 to only 253 in December, 1955. (If an average is taken for these two years there is actually a decline in the food index by 9 points, while the general index rose by only 1.5 percent).

From 1956-1958 there was a period of intense commercial activity engendered by the increasing American aid program, making available dollar credits which were used mainly to finance the army and the police. Many small businesses mushroomed, foreign businessmen arrived en masse from Hong Kong, Bangkok, Saigon and other areas. There was a severe shortage and as a result rentals reached their height in about March, 1957. Food prices rose sharply: the indices were at 264, 342, and 384 in 1956, 1957, and 1958 respectively, representing an annual rise of 3, 29 and 12 percent. During 1956-1957 the demand for certain services such as domestic help and artisan labor resulted in an approximately 130 percent increase in these wage scales. The general rise in the cost of living appears to have slowed since the devaluation of the kip in October, 1958. Between 1958 and the first quarter of 1959, although the general cost

of living and food in particular continued to rise, the relative cost of clothing declined.

Standards have changed significantly in the past decade. In Vientiane an increasing number of homes have become electrified, improved types of living quarters have been constructed, and forms of recreation have become more diversified. It is true that most of the better housing has been monopolized by the elite, as have many of the imported foods and luxuries, but rural people too, have benefited as in the introduction of evaporated milk, mosquito netting, wider availability of certain types of clothing and other items. A number of items on which the current price index is based did not even figure in the expenditure patterns of "Lao Middle Class Families" in 1948 or even 1950. So, although the salaries of these government workers have remained almost unchanged and there is considerable dissatisfaction, still the developments during the past decade have not been wholly negative.

This steady inflation has also been the concern of the rural population. Table 22 indicates increasing prices of several commonly used items. Prices increase sharply as one goes further north or south of the Vientiane area. While the price of some articles has trebled and quadrupled during this period, the price of rice has little more than doubled. Therefore, a farmer who owns no land must pay three to five times as much for essential items as he did prior to 1955, whereas those with rice to sell at the new prices find themselves paying two and one-half to three times as much as previously. For example, in 1955 a farmer could take a small pig to

market and return with a shirt for himself, a shirt for his son, and a simple cotton skirt for his wife. In 1957 he could return with only a shirt for himself.<sup>118</sup>

As has been emphasized, while the disparity between urban and rural standards of living has been a cause of social conflict, at the same time the picture here is not entirely negative. It appears that the standard of living of people in rural areas has improved somewhat over the past decade and that they now have access to many more types of goods. Here too the change has been disproportionate, with those who live along the main road benefiting most, and the mountain peoples affected to a much lesser degree. These developments are hardly surprising in view of the abundant external aid Laos has received during the past five years.

#### The Lao Five-Year Plan

The Five Year Development Plan of Laos calls for government investment of approximately 500 million kip a year in equipment and social projects (Table 38). The principles on which this Plan are based have been summarized by a United States government source as follows:

- (a) To provide effective and equitable distribution of foodstuffs throughout Laos so that the people are assured of a proper diet.
- (b) To promote and develop those industries for which raw materials are available locally and which are necessary to the economic and human development of the country.
- (c) To increase the production of goods for export in order to improve the country's balance of payments.
- (d) To develop facilities necessary for the desired circulation of foods, people, and ideas throughout the country.
- (e) To promote the general well-being of the people through improvement and expansion of educational and public health programs.



- (f) To undertake studies in areas necessary to the development of indigenous natural resources of the country, e.g. mining, hydroelectric power, etc.

If the Plan is to be kept in correct perspective, the major assumption on which it apparently rests must also be borne in mind. These would seem to be that:

American aid, along with that of France, the Colombo Plan countries, and the United Nations and its specialized agencies, will continue to be forthcoming in support of the economic and social objectives of the present government and of the Plan. In this general connection, Article 3 of the Presidential Decree promulgating the Plan is pertinent: "The Commissariat of the Plan will coordinate with the Ministry of Finance, the National Budget, Foreign Aid, and interested private organizations, the means to be used in the financing!"

American project aid in the future can be effectively integrated into a long-range, legally based, development program formulated by the Royal Government, one which expresses the national will.

The Plan at this stage is intended to serve more as a working paper than as a final blueprint.

The level of financing at which the Plan is pitched is realistic in terms of the Lao resources and their potential, the absorptive capacity of the country, and the present assumed level of national income; also that it is within the capability of the Lao leadership to administer.

Laos can continue to exist as a free and independent nation over the long run only if it begins now to build a sound productive base, develops and makes increasingly greater use of indigenous resources -- human and material, creates the necessary institutional structure, etc.

The Lao government indicates that while it expects to spearhead the development effort, it plans no interference with private initiative and free enterprise. Its role would be mainly to make basic studies and to orient private capital and initiative toward those areas where it has not yet appeared. In this connection the Plan indicates that government loans to business and incentive legislation are contemplated; also measures to help artisans and village enterprises which, it is believed, will encourage the development of rural communities. In this latter respect, special emphasis is placed on improving methods of cultivation and basic equipment. Mechanized cultivation is also to be encouraged due to the lack of manpower and the need to raise per capita production.

The Royal Government is aware that the execution of projects and the realization of programs, beyond financial assistance, requires the help of many technicians at all levels. While a few of these, especially at the lower echelons, can be recruited within the country, it is recognized that the greatest number would have to be brought in from abroad and given certain legally guaranteed advantages. In this respect the Plan calls for greatly increasing the numbers of trained personnel.

As a vital part of the development effort, a broad range of programs is contemplated. These would include, for example:

1. Construction of housing, mainly in urban centers;
2. Road building to assure movement of goods from rural areas to their markets and communication among the urban centers;
3. Improvement of the central channel of the Mekong River to make possible the shipment of heavy freight within the country as well as to link up the regions of Luang Prabang, Vientiane, Thakhek and Savannakhet;
4. Development of airport facilities;
5. Extension of postal, telephone and telegraph services;
6. Expansion of basic educational facilities; also of health programs;
7. Initiation of city planning focusing on the development and improvement of such basic facilities as water, markets, sidewalks and drainage systems.

Aside from the domestic factors that must be considered in a meaningful development effort, the Royal Government is also conscious of the necessity to improve its commercial balance with the outside world as a sound means of promoting the economic stability and social well-being of the nation. This is evidenced by the fact that the Lao Government would pursue concomitantly with the domestic effort a program of suppressing certain imports (e.g., food productions, lumber and cement for construction, etc.), reducing gradually imports of certain items such as fuel and increasing sources of domestic energy while also developing exports of mineral, agricultural and forestry products.

One area in which the Plan is particularly tentative is the matter of financing. This is understandable, given the heavy reliance of the Royal Government on foreign aid. Not until agreements are worked out with the donor nations or organizations will the Lao government be able to evolve a firm plan which will not only show the use of foreign aid funds but also the allocation of anticipated revenues during the period of the Plan's operation.

Negative factors standing in the way of the implementation of this plan all revolve around the fact that Laos is an example par excellence of an underdeveloped country. At present she lacks a

stable political climate or structure, a sound fiscal policy, the basic infrastructure required for economic growth (education and health facilities, housing, a reliable transport and communications network or adequate electric power). In addition there is an inadequacy in trained labor, marketing and distribution systems, indigenous savings, legal and administrative frameworks, management and technical proficiency and institutional relationships with other countries.

A glance at Tables 35-37 illustrates the tremendous imbalance in Laos' trade position, and Tables 28-29 clearly point up the fact that most of the Lao economy and government is based on foreign aid. Actually, under its aid program the United States has supported almost all the pay and allowances in the Lao military budget. Also covered is approximately eighty percent of the budget of the National Police. In addition, the civil budget (which does not include the military) has never been balanced. Of importance here is the extent to which the population can be taxed so the local revenues can be raised to meet expenses.

Under the present system the amount of taxes from rural areas is not significant, while two of the most numerous and highly paid categories of government employees -- the police and the army -- are exempted from taxation. In effect the American government has also been paying a major part of the salaries of such government employees as teachers, amounting to approximately forty percent of the current operating expenses of the civil government. In 1960 the civil government budget was estimated at approximately fourteen million

dollars of which about nine million was to be collected in taxes and customs duties, leaving a five million dollar deficit. Customs duties are the most significant source of income amounting to some seventy percent of the tax revenues. Ironically even this source of taxation is indirectly a result of the American aid program since, of course, the import program is underwritten with dollar aid and not with Laos' exports.

The base of the income tax in Laos is very narrow (See Table 31); actually fewer than 2,000 persons and corporations pay taxes, most coming from a few large corporations. This is the consequence of tax exemption and generous credits for dependents, so that the initial tax rate on personal income is only 1.5 percent. In view of the pressure of inflation on stable government salaries, it is doubtful that much more could be raised from this source without seriously further damaging morale. In 1959 3,250 business firms paid a turnover tax amounting to four percent on most items, with a fifteen percent tax on luxuries. Although Laos is a poor country, still with tax revenues under ten percent of her annual national income there seems to be proportionately lesser taxation effort than is currently being put forth by other countries in Southeast Asia.

(Table 34):

It does not appear realistic at the present time to attempt to increase the amount of taxes collected in rural areas, but certainly as the government extends aid to these areas there should be a maximum of both labor and financial contributions of villagers who already possess some economic surplus.<sup>119</sup>



Increased income might also be derived from the gambling at bouns, while a tax on urban real estate would force the urban elite to carry a fairer share of the burden. In this connection increased efficiency in the collection of taxes would also help the situation. Under present conditions close kinship ties among the controlling elite make this difficult, when some of the highest government officials have close relatives in various industrial and commercial enterprises.

It is difficult to foresee any simple solution to the economic problems of Laos. The development of transportation facilities is obviously vital, but this represents an instrumentality only, although an essential one, and not a basic source of income. Of primary importance is the development of agricultural, mineral and other natural resources. Certainly it is indispensable that the country produce enough food to feed her small urban centers. A major difficulty has been an almost total disregard of the traditional economies of the diverse ethnic groups. Only a brief and preliminary summary has been presented in these pages. Surveys have been undertaken of airport and harbor development, electric power plant operation and road construction, and some preliminary work has been done on mineral resources, yet, with a few minor exceptions, almost no research has been undertaken on the economic patterns of the villagers of Laos, their utilization of forest resources and the extent to which they engage in trade and are involved in a money economy. Surely the only way any lasting development program can be brought about is to enlist the positive support of the rural people and

enable them to participate to some extent in any economic improvement which takes place.

Since the above comments were written the possibility of Communist domination of the government of Laos increases daily. In a broad sense, however, these remarks remain valid, for if Communist control becomes an actuality it will mean, in part, the replacement of one extensive set of subsidies and technical assistance for another. In either case, the economic resources, infrastructure and pool of trained labor in Laos is such that she cannot be completely responsible for running her own affairs.

Whether by democratic or totalitarian methods, or a combination of these, Laos will be "developed" -- the question remains as to who will oversee the processes employed.<sup>120</sup> The traditional practices described here are due for eventual elimination regardless of the ruling political system, and even the Communists must take account of them if only in a negative way.<sup>121</sup>

# FOOTNOTES

1. The cross-cultural definitions of terms such as "surplus" have long concerned anthropologists. By limiting biological factors we merely mean that if people do not consume a certain minimum amount of food they cannot continue to exist.
2. Similar expressions occur in Thai and Chinese.
3. It has been estimated that in parts of Nam Tha Province, chiefly Muong Nam Tha and Muong Sing, about five percent of the rice is fed to horses and ten percent to pigs, with some also used as chicken feed. See Table 5. Duclos, 1959 a:8.
4. Izikowitz, 1951:287
5. For Northeast Thailand .75 is given as a desirable minimum, although only 12 out of 69 households surveyed in one village near Ubol reached this amount. Madge, 1957:48
6. Izikowitz, 1951:174.
7. In Vientiane canned French and Australian cheese is available, and some Vietnamese restaurants sell a Vietnamese specialty of sugared buffalo milk.
8. Bertholet, 1958:76-91.
9. See figures 1-3 in Laos Project Paper No. 14.
10. Kaufman, 1960, (the official rate was 35 to 1) At the black market rate of 80 kip to \$1.
11. Srisvadi, 1950.
12. In the towns the more important Lao officials sometimes reside in two-story French style villas which, although having the status of a European house, are very poorly suited to the climate. Prosperous urban Lao often have ceiling fans in their main rooms.
13. Small low folding chairs are often used since the Lao are more accustomed to squatting than sitting.
14. Smalley, 1952-54.
15. Among both the Khmu and Lao the couple usually resides with the wife's parents for a while after marriage.
16. Among the Lao the men usually weave the wall panels. When a

house is completed the Lao invite the bonzes to bless it; the Khmu sacrifice livestock to the spirits.

17. Khmu men weave baskets, many of which are purchased by the Lao.
18. Reinach, 1901:407.
19. Bernatzik, 1947:298-318.
20. Izikowitz, 1951:65-79.
21. This is the lowland area - except during the winter months. At the altitude at which the Meo live nights are cool throughout the year. Pneumonia and other respiratory diseases are common.
22. Except in certain areas such as Muong Sai where Lao traits are being adopted to an increasing extent, and even there weaving is usually done only by the more prosperous individuals and is a symbol of prestige as well as acculturation. Smalley, 1959.
23. Izikowitz, 1951:111.
24. In Xieng Khouang the neckrings are usually solid silver. The silver is obtained from French colonial piasters or Burmese rupees which are melted down. Making bars from old coins is a small industry in Luang Prabang town.
25. Since they are removable they do not cause physical deformity as is seen among the Paduang of Burma.
26. Franck, 1926:270-71.
27. Lam means interpreter in Thai and Lao.
28. This is the pattern in Luang Prabang Province. In some parts of northern Laos where there are no Lao the function of the lam may be assumed by tribal Tai. For example, in Luong Sing in northern Nam Tha a descendent of the hereditary "Prince" of the Tai Lu acts as lam for the Kha Ko of the area.  
The position of lam is relative to the power-political position of the various ethnic groups in a given area. The late Prince Phetsarath acted as lam to a group of Lu living in northern Luang Prabang, a position he inherited. Here is clearly seen the hereditary and governmental aspects of the position of lam, which has certain feudal overtones. In this case Phetsarath purchased certain Lu products and helped them attempt improved agricultural practices; in return some of them acted as his retainers. By the late 1950's however, only fragments of



the pattern remained.

29. The institution of lam has been given an orthodox Marxist interpretation by a Communist observer (Burchett, 1957:236-37):

Among the mountain people -- except the Lao Xung /Meo/ -- almost every village has a "professional" Lao Lum /Lao/ who settles in as a doctor or a lawyer might into a village community in Europe. Because he has learned to read and write in the pagoda and has a higher social status, he sets up as "general advisor." He arbitrates in quarrels between villagers and offers to settle inter-village disputes by collecting a fee from both sides. He provokes disputes in order to settle them. He lends money at exorbitant interest rates. On holidays he makes some insignificant present to each household and collects an important contribution of rice, meat or alcohol in return. The principle was imposed that the mountain villagers "owed" a living to any Lao Lum who condescended to live with them. "As a tree has leaves, so a Lao Thenh must have the Lao Lum" says a Lao Thenh proverb.

The author of these remarks then goes on to describe the ways in which the French increased inequalities and exploited the mountain peoples. Although some Lao may have lived in mountain villages, the function of the lam was more expediently served when the mountain people brought their trade goods to him. There is no question that the Lao and others often exploited the less culturally developed tribal peoples but to ignore the very real symbiotic functions of the interrelationships does violence to the facts.

30. Seidenfaden, 1958:134, provides the following information on these people: The Hos or Panthays who used every cold season to come down to the markets of the towns of Northern Siam with their caravans of pack mules loaded with walnuts, chestnuts, velvet cloth, brass utensils, etc. are Muhammadans from Tali at the large inland lake of Erh-hai in western Yunnan. The Hos are the descendents of Kublai Khan's Arab and Tartar soldiers who married Min chia girls (besides also both Tai and Chinese ones). The Hos, who have suffered terribly at the hands of the Chinese ... are some of the world's greatest peddlers, first-class muleteers and opium smugglers...

31. Reinach, 1901:312.

32. Robequain, 1925, does not mention them stating that tools from Xieng Khouang villages supplied Luang Prabang; about a decade later Izikowitz refers to blacksmith villages in Luang Prabang and says they originated in Xieng Khouang.

33. Bernatzik, 1947:223-28, gives a detailed description of Meo and Akha trade in northern Thailand: The Hô supply the Meo with iron, metal pots and pans, flints, matches and sulphur for

making of gun powder. They sometimes obtain nitrate from bat droppings. The caravans also bring cowrie shells, buttons, silk, small mirrors, thread, needles, and magic amulets. They also supposedly trade in children for adoption and women. In return the Meo offer raw opium, stags' and rhinoceros' horns (greatly valued in the making of traditional Chinese medicines), and ivory. Much of this trade is on a barter basis, but currency is also used. If a Meo does not have silver coins he may use opium as the medium of exchange.

Evidently the Thailand Meo do not visit the markets of the valley Lao (in the late thirties in Northern Thailand) to the extent that the Meo in Laos do (today). Occasionally, however, Lao merchants come to trade salt. Throughout Northern Thailand and Indochina the Meo also obtain embroidery thread through trade.

The Akha trade with the Shan in Burma, selling opium, cotton, pepper, pigs, and also honey and wax. In exchange they obtain salt and silver ornaments. One of their main items of trade is raw cotton and in suitable regions they also breed buffalo to trade to the Lao. They also carry on some opium trade with the Chinese merchants who live in Lao villages.

In both these groups the commodities obtained in inter-tribal trading are obtained directly from the producer, while in extra-tribal trading the commodities are obtained through a trader.

It is interesting that in this description of trade Bernatzik remarks that both the Meo and Akha produce everything needed for survival within the family itself, with additional extra commodities obtained from the migratory traders. It is possible to disagree with this assertion, since life in its present form obviously could not continue without salt and iron (although embroidery thread might be dispensed with).

34. The Bangkok Post of October 28, 1959, carried the following account on the first page: "Four Haw /Ho/ tribesmen, part of an estimated 100-man opium smuggling caravan, were killed in a two day battle with border police in a forest in Ban Huey Hoke, Tambol Samerng-tai, Ampur Sanpatong, Chiangmai Province.... Sixteen of the carriers, including two who were wounded, were captured together with 639 kilograms of opium, valued at 6,390,000 baht."

35. Truxton, 1958:64.

36. Embree and Thomes, 1950, quoted in Truxton.

37. Lafont (personal communication) asserts that the function of lam has been combined with that of government official -- this is implicit in the lam paying Khmu taxes and acting as an intermediary, but despite this it appears that trade rather than administrative functions are primary.



38. Condominas, 1951, 77-82.

39. Their use is relatively recent. Most of the motors are of American manufacture and have been obtained under the American aid program.

40. Thadeua is about ten miles downstream from Vientiane on the Mekong; a modern international ferry slip has been built there with American aid. Also supplied under this program were three pusher tugs and two barges. This ferry system began operations in January, 1958, and links Vientiane to Nong Khai, from which point the Thai Railway System connects with Bangkok. At Thadeua a terminal customs warehouse was also constructed with American aid. Traffic crossings on this ferry in the first five months of 1959 totaled 9,572 metric tons, carried in 1,915 trucks to Vientiane.

Two other Mekong ferries and ramp facilities were scheduled for installation in 1960-61 at Pakse and Savannakhet. At Pakse thought has been given to the extension of the railway from Ubol in Thailand to the Mekong, where the ferry would link up with Pakse. This development would give Laos a second major link with the port of Bangkok and an outlet for the agricultural crops of the Bolovens plateau.

In connection with transport facilities, mention should also be made of a receiving and forwarding warehouse established with American aid at the Port of Bangkok for handling cargoes destined for Laos from world-wide shippers.

41. Another important development has been a regional survey of the Mekong River Basin, a project sponsored by the United Nations' Economic Council for Asia and the Far East, with headquarters in Bangkok. The United States has financed the initial phases of the planning stage. This includes providing the services of an American engineering firm to set up a basic data collection system. The project is aimed at opening the Mekong River and its tributaries for navigation, irrigation, flood-control and hydroelectric purposes in the neighboring states of Vietnam, Cambodia, Thailand and Laos. Actual construction of dams on the tributaries was planned to start in 1961, with various nations in Asia and Europe assisting -- Australia, Britain, Canada, France, India, Iran, Japan, New Zealand and the United States. The Nam Num north of Luang Prabang was selected as the site for the project in Laos.

42. A connecting road from Nam Tha to Ban Houei Sai was planned in 1957, with the assistance of the American aid program, but has been completed for just a few kilometers outside Nam Tha.

43. It appears to have been reopened in 1961 as an important supply route for the Pathet Lao occupation of Xieng Khouang.

44. The route is extremely rough and is best negotiated by jeep or truck. It is necessary to carry enough fuel for the trip. In contrast southern Laos has some all-weather roads.

45. This took place in 1957; by 1959 they have expended their operations by transporting 6½ tons of potatoes to Vientiane.

46. In 1956 Laos had about 1800 miles of roads, about half of which are all-weather. The rest are useable only during the dry season, mainly because of the lack of bridges destroyed by wars or weather. About 250 miles of road are black-topped, but most of this requires improvement. The most important road in Laos begins at Saigon, crosses into Cambodia and runs due north through the main towns of Laos. In recent years the American and French governments in cooperation with the Lao government have built new bridges and repaired and improved existing ones. The magnitude of the requirements is revealed in the need, for example, for 952 bridges in seven provinces, about 25 of which should be sizeable structures ranging from 150 to 900 feet long.

47. The French military base near Savannakhet.

48. At the village of Ban Pha Khao near Vientiane there were 81 bicycles, or almost one per household, 2 oxcarts (not used in the north), 2 motorcycles and 2 cars (a small English Morris and a German Volkswagen stationwagon, owned by wealthy villagers and used as taxis). Ayabe, 1959.

49. Sam Neua was supplied from Hanoi during French rule, and this link has presumably been restored by the Pathet Lao, who regained control in 1961.

50. As regards the public domain, we maintained the custom which is consecrated by the local laws and usages. By virtue of these usages and these laws, the state is sole proprietor of the land and everything under it, without any exception, no matter how it is being exploited or what establishments have been made there, either on the surface or underneath.

The inhabitants of the land are, in the last analysis, only usufructuaries who have the right of enjoyment of the land which they occupy and cultivate. The state may expropriate any occupant at any time by paying him a sum equal to the value of plantations or constructions made by him on the expropriated ground.

The right of enjoyment of land is subject to certain conditions. The first of these is that the land occupied shall really be occupied and kept in a state of cultivation. Any property which has been abandoned or not cultivated for more than three years is defined as free ground and reverts to the state, which may cede it to any new usufructuary who is desirous of working it. Any inhabitant who clears free ground and



places it under cultivation becomes the legitimate proprietor of the products and harvests which he obtains therefrom.

What is true for individuals is equally true for certain races who are accustomed to living a patriarchal life. These groups which hold their work and their profits in common are regarded as a single civil person. Notice sur le Laos Francais quoted in Reinach, 1901:242.

51. Kaufman, 1961.
52. Ayabe, 1959.
53. Hickey, 1958:138.
54. Izikowitz, 1951.
55. Bernatzik, 1947:239.
56. Ibid, 242.
57. Burchett, 1957:236.
58. Duclos, 1959a:5,8.
59. They migrated to the Vientiane area during the period of French rule but left after Laos became independent.
60. About 1350 A.D. a Khmer colony, including artisans, was reported to have been established in Luang Prabang. Robequain, 1925:711.
61. Reinach, 1901:346-47.
62. Old coins are still melted down and cast into silver bars both for local smiths and for the Meo, who either keep the bars as currency or have them refashioned into neck rings by their own smiths. There is an enterprise in Luang Prabang that specializes in this process.
63. Alluvial gold is reportedly found in the region of Pak Beng and in several other areas in northern Laos.
64. In Luang Prabang the silversmiths use a wax core over which the silver is hammered; when the work is completed the wax is melted away.
65. Today some of these are obtained in the Pak Beng area and sold in Vientiane.
66. There appears to be some professional rivalry between goldsmiths and silversmiths, the former having slightly more pres-

tige.

- 66A In 1960 the Lao Commission for Rural Affairs began to import steel bars for distribution to villagers, as part of a rural self-help program. Vientiane World, April 9, 1960.
67. Izikowitz, 1951:312-13.
68. The weavers at this village of Ban Panom are not Lao but Tai Lu who were originally brought to the area several generations ago by the ancestors of the late Viceroy. These women are much more aggressive than the Lao. During our residence in Luang Prabang, sound of the arrival of the USOM plane soon brought them to our doorstep eager to make a sale to expected visitors.
69. An enterprising American, Jim Thompson, has achieved impressive results with the Thai silk industry, and it is not impossible that a similar development could take place in Laos. Bangkok World, (Vientiane Weekly Supplement) April 2, 1960.
70. Reinach, 1901:333-4.
71. The presence of Chinese gold thread and dyes of German origin indicate the rather long period in which even the local Lao weaver has lived at least in part in a cash economy with far-reaching commercial ties.
72. Reinach, 1901:337-8 There are survivals of brass-casting among the Lao of Northeastern Thailand near the Lao border. Madge, 1957-58 notes:  
"Nearly every man in Pa-ao has some knowledge of casting cowbells and other small objects out of brass. Among the seventy-six households, there was only one which had given up farming entirely for brassware, but there were thirty-two others for whom it was at that time a secondary source of livelihood. The headman said that so far as he knows there are only two other villages in Northeast Thailand with a similar industry.... The products of Pa-ao are traded all over the Northeast and as far as Chiangmai. Similarly, scrap metal is collected from a wide area and brought to the village. There is some division of labor between those who collect the metal, those who make the brassware, and those who deal in it. Most of the work is done after the harvest and when there is little employment on the farm. Apart from the scrap metal, all the other equipment and materials are available locally. These include beeswax and earth from termite heaps. There is plenty of space under the house for making the moulds. The metal is heated in furnaces dug in the ground and supplied with air by a simple but effective kind of home-made bellows. There are from thirty to forty sets of these bellows and those who do not own them can

hire them at the rate of two bahts per five days' use, or per 10,000 cowbells manufactured. The product, though not of high quality or aesthetic interest, meets a popular need cheaply and adequately. In many respects it seems to be a model village industry, though probably not one which could be duplicated elsewhere in this area. Its advantages are that it gives employment at idle seasons, it needs no elaborate equipment or materials, there is a localized fund of skill in the process, and the product is widely acceptable. It seems to have expanded in the past thirty years and is much practiced by the younger men."

73. Reinach, 1901:341.
74. Ibid, 342-44.
75. These flintlocks are reputed to have been modeled on those given the Chinese centuries ago by Jesuit missionaries. Dooley, 1958:129.
76. There is today at least one village in the Luang Prabang district which specializes in the preparation of gunpowder and rockets, especially for the Tat Luang festival. The sulphur and saltpeter are obtained in town, whereas formerly the latter was collected in calcereous grottoes and was composed mainly of bird and bat droppings.
77. Reinach, 1901:345-47.
78. This pattern also occurs in urban areas. Women vendors squatting along the curb are always found in the evenings outside the movie theaters in Luang Prabang or even when the United States Information Service sets up screens in the street.
79. Kaufman, 1961.
80. Ibid.
81. Ayabe, 1959.
82. One nym equals 26.5 pounds.
83. By contrast in Bang Chan near Bangkok a marginal farmer is defined as one who produces less than 11,100 pounds (well over 400 myn), and the average is 23,400. Sharp, 1953:164.
84. In Vientiane Province most landless villagers hire out during the busy transplanting and harvest seasons. They work on either a daily or seasonal basis and receive their wages in rice (36 pounds per day or 1500 pounds per season from May to October). Affluent farmers seem to prefer to hire Thai workers

for the season, claiming that they are much more diligent. They are recruited from the Thai towns across the river and are paid (as of 1957) 1,000 kip for a harvest season, and 600 for the transplanting period. For a complete season the farmer provides them with food and a place to sleep. In the most prosperous areas a man can earn as much as 2400 pounds of rice a season, and a woman 1600. It is presumed that the rice can be converted into cash if the laborers come from a distance. Kaufman, 1961.

85. Sharp, 1953:218.
86. This dance has reached Luang Prabang only within the last few years. Known in Thailand as ram wong, it is adapted from the folk dance ram tane from the southern part of Northeast Thailand.
87. One woman in Vientiane was reported to be 1,000,000 kip in debt, having mortgaged her inherited property to secure loans. It was claimed that she might lose up to 50,000 kip in an evening.
88. Kaufman, 1961.
89. The government of Indo-China which is both the preparer and seller of chandoo or opium for smoking is the party which would gain most from obtaining the raw drug on French territory. It is still dependent on British India for this product, and can still acquire it only on extremely disadvantageous terms. Since much time must still pass, however, before the Meos and the Yaos give up their age-old methods, it would be essential for the intensive cultivation of the opium poppy to be undertaken by Europeans on behalf of the administration. This would be possible if there were a guaranteed labor supply in the form of Chinese coolies, who would be enlisted primarily for the greater part of the work, and of native specialists who would deal only with scarification of the capsules, harvesting the opium and the first stage of its preparation. These delicate operations are the ones which the Meos and Yaos like best, but they dislike plowing, fertilizing, weeding and irrigation, all of which tasks are indispensable for obtaining a high yield of capsules and consequently of the raw drug. It would therefore be best to entrust this heavy work to foreign coolies, and it is probable that after a certain time they too would be capable of extracting opium. Impelled by their example, the natives would doubtless then be seen to break with their prejudices and devote themselves also to intensive cultivation so as to reap its full benefits. The role of the administration would then be at an end, and it would gradually diminish its intervention as free cultivation of the poppies increased. Reinach, 1901:310. In an appendix Reinach describes his experiments and con-



cludes that it should be possible to get a yield of up to 50 kilos a hectare if the proper methods are followed. As far as the author is aware the "improvement" was never put into effect and cultivation today still appears to be carried out in the traditional way. The changes that half a century brings are amazing: today the major problem seems to be the reorientation of the Meo economy as a result of the increasing restrictions on the sale of opium.

90. Bernatzik, 1947:358.
91. Barney, 1957:40.
92. The Meo regard these silver bars as having their own phi. They sacrifice chickens on them in order to attract the spirits of other silver bars. The standard 400-gram bar is called kan and is worth about 1,000 kip. In Nam Tha silver coins are valued over paper money at a ratio of 1.8 to 1. (Duclos, 1959a:10).
93. Iwata, 1959, reports a Yao village near Vang Vieng which was considering the purchase of an automobile for transport to Vientiane.
- 93A The strict suppression measures enforced by Thailand are said to have closed virtually most of the historic opium trade routes leading to the Gulf of Siam.
94. Life Magazine, January 25, 1960:91-92.
95. Time Magazine, February 29, 1960:25.
96. Robequain, writing in 1925, notes the great clandestine opium traffic in Luang Prabang (from Yunnan, Burma and the Meo of Xieng Khouang) and also notes that almost all the Lao of the town smoke opium. It appears there must have been a shift to Xieng Khouang since that time. Although there may have been some undercover trade in the late 1950's, it did not attract general notice.
97. Srisvasdi, in Thirty Nationalities in Chieng Rai.
98. Bock, 1884:363
99. Smalley, 1956:50.
100. Smalley, 1952:54
101. Inheritance here probably means livestock and land.
102. A few Khmu have refused to heed Lao calls for forced labor and the Lao villagers concerned have let the matter drop.

103. This is a convenient location for the Communists, who are said to have manipulated the tale to their advantage.
104. In its simplest form a cargo cult starts with a prophecy announcing the return of the ancestors, who will arrive by steamship. The ship carries a huge cargo of all sorts of coveted goods of European or American origin. These goods are going to be distributed by the ancestors among the faithful who have obeyed the prophet's exhortations to construct a big warehouse and to contribute lavishly to the numerous feasts and dances which have to precede the return of the ancestors. Much dancing and praying is necessary and great feasts are arranged. All ordinary work comes to a standstill, the gardens are pilfered and the pigs slaughtered.... Envy is a fruit of contact difficult to forestall and many well-meant efforts to stimulate the economic activity of backward peoples have unwittingly contributed to this special kind of ill-feeling. These efforts were based preferably on the principle that stimulation of needs would result in activity to procure the money necessary to satisfy them. So far the idea is sound enough, but where needs soon surpassed the restricted opportunities of unskilled laborers for money-making, the most obvious result was a frustrated desire for more and better, the kind of desire ending in bitter envy." Van Ball, 1960:108-09.
105. However variously embellished with details from native myth and Christian beliefs, these cults all advance the same central theme: the world is about to end in a terrible cataclysm. Thereafter God, the ancestors, or some local culture hero will appear and inaugurate a blissful paradise on earth. Death, old age, illness and evil will be unknown. The riches of the white man will accrue to the Melanesians. Ibid.
106. Izikowitz, 1951:313.
107. F. K. Lehman (personal communication).
108. For example, the Chin of Burma.
109. During the fighting in Vientiane in the autumn of 1960, newspapers described shortages of gasoline and canned goods. For a time this was supposedly being remedied by a Russian airlift. In December, after the defeat of the "anti-western" forces, the Americans organized an airlift to bring in medical supplies and galvanized tin roofing. Obviously serious epidemics would break out without medical supplies, but much of the fuel requirements and items such as canned milk mentioned specifically in news dispatches represent recently introduced commodities which have now come to be regarded as essentials in urban areas.

- 109A Vientiane World, June 25, 1960.
110. American government agencies operating in Laos in 1959.
111. The Japanese government has offered to install a sewage system as part of its reparations agreement.
112. No use is made of the bran and hulls which could conceivably be salvaged for livestock feed.
113. One of the rural rice mills is operated by a Lao woman with capital supplied by her Chinese son-in-law. Much of the rice she uses is also imported from Thailand, arriving in Luang Prabang by barge from the Thai port via Ban Mouei Sai. Most of it goes to a nearby military camp, the army constituting one of the most important consumers in rural areas. This mill has a capacity of over three and a half tons per day, but like the mill in town, operates intermittently. Further, villagers permit the mill to operate only during the day since they feel that night-time operation would offend the local phi.  
Some other northern centers such as Nam Tha and Muong Sai also have rice mills. They have similar operational problems, and despite the presence of army units in all areas, the capacity of the mills, small as it is, far exceeds the demand. In Luang Prabang and particularly in the more remote areas, the price of gasoline for the engines is quite high and often the profits are small. Most rice in Laos is milled by the villagers themselves, with foot-operated pestle and wooden mortar.
114. They have their own gasoline generators, since the local charcoal-fueled power plant operates only during the day or when high officials are visiting.
115. This figure evidently does not include about 9,000 nai bans and tassengs who receive about 1,800 kip a year from the government and are part-time employees whose earnings are supplementary.
116. Prior to French rule the Lao were organized into a series of petty kingdoms with elaborate gradations of rank and an inherited royalty, but their consumption patterns were fairly uniform. There was not enough of an economic surplus to permit widely varying standards of living, although, of course, status distinctions were strongly felt.
117. This is related to the great expansion of government services which, in recent years, have employed almost every reasonably competent elementary or secondary school graduate.
118. Kaufman, 1960.

119. See footnote 1. Especially in Laos is the term "surplus" difficult to define, since it is so closely related to the system of values. Thus a village may apparently have no money to help build a school or pay for a well but enough to buy gold leaf for the local pagoda.
120. Although the methods differ greatly there are some interesting parallels between the Lao Five Year Plan and the aims of the Viet Bac Autonomous Zone in the Democratic Republic of Vietnam, as expressed in a 1959 report. ("Duties of Viet Bac Autonomous Zone in 1959," Independent Vietnam, 12-18 and 19-25, April 1959 Thai Nguyen, Nos. 723 and 724, 3 and 5 as transl. in U.S. Joint Publications Research Service, JPRS, 1881N, Sept. 10, 1959:18-27)

"In the process of a socialistic movement, we will focus our attention on the cooperativization of agriculture; we must strengthen and develop the elementary work exchange teams and cooperatives this year. The food requirements for 1959 will be to provide enough food for both the lower/lowland/ and upper /upland?/ areas which have fixed /amounts of/ land for cultivation purposes. The lower areas, in particular, will have to have provisions in reserve. At the same time, production will have to be adequate to ensure enough supplies for various towns and industrial sites which are being developed. We will expand the competitive movement for improvement and application of new techniques in order to raise the production of rice, vegetables, industrial plants and domestic animals. All localities will have to organize a number of collective farms and state forests in order to help guide the people to develop their production.

The main task remains agriculture development; at the same time, we must guide and encourage collective handicraft and private industry along the path of socialistic improvement. To bolster the production of agriculture, handicraft, industry and forestry, we will have to strengthen and develop the part played by the State in the field of domestic trade, as well as by the sales and purchasing cooperatives, so that we may become predominant in the market.

We will have to build new roads in remote areas and to centers of agricultural and forest production. Besides reinforcing and developing a system of large and medium-sized roads in remote areas, we will have to mobilize the people so that they may build more roads linking townships or hamlets, and develop the rudimentary transportation.

We will have to take charge of all revenues accruing from mineral exploitation and forestry products of our zone, in order to guarantee the basic material conditions for the increasing needs and rate of development of our zone.

We will have to have textbooks appropriate to every class of people, and to every level, so that we may have a systematic



and extensive training organization.

We will also raise the quality of our medical service /and/ have a plan for the gradual elimination of pneumonia, malaria, and a number of common diseases in the population."

121. "...it goes without saying that the difficulties encountered /in development/ are not insignificant. The level of a socialistic awareness of the people in the region is generally still rather low; the level of the administrative authorities is also low. There is a lack of cadres, conservative thoughts are still deeply entrenched in the mind of the cadres, the population is scattered."

("Four Years of Progress in the Thai Meo Autonomous Zone," Nhan Dan, May 11, 1959:3; transl. in JPRS, 1,881:4.