

EVOLUTION OF
THAI-LAO
RELATIONS

Ministry of Foreign Affairs

PREFACE

The peoples of Thailand and Laos have always been very close, because of their common origins as expressed through their customs and traditions, their culture and religion, which together form a common bond that can hardly be separated. This is an undeniable natural phenomenon that can be contradicted or eroded with difficulty. The Government and the people of Thailand are especially cognizant of the significance of the close relations and cooperation with the Government and the people of Laos, and have continuously pursued a policy of fostering bilateral relations in the political, social or economic fields. Hence, with the firm intention to maintaining the smooth and cordial relations with Laos, the Government and the people of Thailand are convinced that any obstacles that may arise could successfully be overcome if the two sides are sincere in their intentions and do not admit and tolerate any interference nor nurture any ill-intention emanating from foreign sources which are aimed at dismantling the friendship and goodwill between the two sides. The Government and the people of Thailand truly hope that the Government and the people of Laos will come to the realization of this fact and join in the process of promoting the close and amicable relations between Thailand and Laos on a permanent basis.

This document comprises information regarding relations between Thailand and Laos, prior to and after the advent of communism in Laos up to the present time, and should be of value to the general readers, as well as to those who may wish to objectively approach the subject.

Bangkok
28 December 1984

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1. Evolution of THAI-LAO Relations

1.1 History of Thai-Lao peoples on both sides of the Mekong

The ties between the Thai and Lao peoples are so close that one may say they are inseparable. The two peoples share the same roots in race, religion, beliefs, customs, culture and social changes. They also inhabit the same area in the Southeast Asian region. They both received cultural, religious and language influences from the Indian subcontinent.

As far as their race is concerned, the Thai and Lao peoples are said to have the same ancestors — the Thai or Tai people. As a result, the Thai and Lao peoples' basic ways of living nowadays are very similar. For example, they both grow and consume rice, and there are customs concerning rice growing and harvesting that are reflected in their songs and dances. In addition, there exists a custom known as "Heet Sipsong" which induces people to go to monasteries and take part in religious functions and make them understand and appreciate Buddhist principles. The Thai and Lao peoples also observe the principles called "Kong Sipsi", which are practical guidelines for the laymen in their relationships with their families and the Buddhist religion. At a higher level, these can also serve as guidelines to be translated into practical application by those in government.

The general characters of the two peoples are also very much alike. They possess polite and gentle manners. They respect their elders. They are generous and always care about others' feelings. In addition, there exist several similar customs and practices between the Thai and Lao peoples such as the presentation of robes to the monks known as "Tod Kranthin", the boat races towards the end of lent, etc.

Buddhism is the national religion in both Thailand and Laos. The Lao people are as deeply devoted to Buddhism as are the Thai people. In both countries, one will find in almost every town and city monasteries that are the gathering points for religious, social and cultural activities. The people have a high respect for the monks and value the latter's guidance and wisdom. In 1975, the Thai Government sent a number of well-educated and highly qualified monks to advise the Laotian Government, as requested by the latter, on the teachings of the Lord Buddha, the promotion of Buddhism and the teaching of Buddhism in schools.

With regard to the spoken languages in Thailand and in Laos, they have their origin dating back to the Thai language of the past. Both peoples are able to communicate quite easily through their spoken languages in spite of the fact that they had gone through a different evolution. The spoken tongues of the two countries do register some variations from one area to another, and also from influences of foreign languages. Even nowadays, the Thai and the Lao peoples are able to communicate without having to have recourse to interpreters.

However, the long standing proximity and closeness of the two people in the past inevitably resulted both in cooperation as well as conflicts, at intervals, between the Thai and the Lao peoples, and also between the Thai and Lao peoples on the one hand, and other races such as the Vietnamese, the Chinese, the Burmese, the Mons and the Khmers, on the other. On some occasions, the Thai and Lao peoples have even joined hand with outsiders to fight against their own peers. This is quite a natural phenomenon for any human society anywhere in the world. The coming together of different racial groups into alliances are only done to meet the requirements of certain situations, to survive, to fight against stronger forces, or to resist the threat from those who are bent towards domination. But these alliances can only be temporary. Therefore, one can find oneself being ally one day, enemy another, depending upon time and circumstances.

An example of Thai-Lao cooperation may be cited here. In 1545 a Lao king who ruled over Lan Chang joined with a Thai king to success-

fully beat off the Burmese. To mark their cooperation, the two kings jointly constructed a chedi named "Phra Thart Sri Song Rak" now in Dan Sai District, Loi Province.

A thorough and serious study of history will reveal also that, in those days, there was no such notion as that of nation state, or the concept of clearly defined boundaries of states as is common in contemporary times. There was neither any obsession with the concept of nationalism as we know it today. The administrative pattern in the Southeast Asian region assumed the form of a large number of small self-governed realms, each realm being composed of many cities ruled by princes and lords. The relationships among the various realms were not fixed nor rigid. The dependency of a small realm upon another, or their mutual respect or lack of it, depended on many factors, namely the situation existing at the time, acceptance of each other, alliance by marriage, perception of mutual benefits, ect. In this kind of environment, the attempts and ability to unite realms and peoples of the same race into a nation or kingdom by various means such as marriage, military strength, as well as the assessment of internal weakness, if any, of other realms or peoples, inevitably would affect other realms and peoples. This is why the Thai and Lao peoples were unable to unite into one single kingdom. This was demonstrated in the various periods of their history. In the 17th and 18th century, for example, while the Burmese and the Vietnamese had their own kingdoms and the Malays had already begun to group together, the Thai and Lao peoples still had several separate realms such as Ayuthaya, Chiangmai, Champasak, Vientiane, Luang Prabang, Yonoknakhorn, Sipsongpanna, to name a few. By the latter part of the 18th century, alliances and conflicts in Southeast Asia had begun to assume different forms from those between realms and feudal domains to those between various groups with a clearer sense of nationality. Had the expansion of influence and power of the Western colonial powers not entered the scene, it would have been quite possible that the aforementioned trend would have continued for a long time.

In the 19th century, the wars between the various nationalities in the region became wars of resistance against the spreading influence of and domination by Western powers. The struggle by the Thai people against the latter assumed the same form. This period lasted almost one hundred years. Eventually, the Thais were forced to sign unequal treaties with the Western powers and thus losing the rightful sovereignty over parts of their own territory. The Thai people, on many occasions, were in situations in which they had little or no choice. But on some occasions, they were able to take up arms and to fight for their survival. During the "colony-hunting" era, Thailand had to be prepared at all times to defend herself against Western incursions, while constantly maintaining a policy of non-aggression. It can therefore be said that Thailand stood up alone to confront the various colonialist powers during that period.

The domination of one nation by another in the form of colonialism prompted the emergence of the concept of and the ideology relating to statehood and the structure of society as well as the strong feeling of nationalism. This happened simultaneously world-wide.

The conflicts among the Western powers themselves and the rapid development of Japan up until the outbreak of World War II undermined the strength of the colonialist powers considerably. In addition, the cries for independence and freedom emanating from those under colonialist-domination grew louder, thus contributing to the changes that occurred in the international political scene.

1.2 Situation in Laos after World War II

After the Second World War, Prince Petcharaj and his associates comprising Prince Souvannaphouma and Prince Souphanouvong undertook to mount a joint struggle against the French to regain independence for Laos. They did so by setting up a group called the "Free Laos" movement in 1945, which later became known as the Free Lao Government. In 1946,

after the Free Lao Government was defeated by the French army which supported King Srisavangvong, the group took refuge and sought political-asylum in Thailand. The Thai government granted them asylum and extended them appropriate accommodations.

In 1949, negotiations on Laos' independence between Laos and France were held. The "Free Laos" movement faced internal divisions that led to the formation of two groups. The first group was led by Prince Souvannaphouma who accepted France's proposal that Laos should be self-governed but should remain an overseas state within the French Federation, at least for a time. The Prince thus returned to Laos. Prince Souphanuvong, who led the second group, wanted full independence from France immediately and made known his determination to continue his struggle against France and therefore did not return to Laos but, instead, went to China and Vietnam. As for Prince Petcharaj, he remained in Thailand under political asylum.

The resistance against France went on in Laos until 1954. In that year, several powers called for the first round of negotiations on ceasefire and truce in Geneva. The Pathet Lao led by Prince Souphanuvong remained in Pong Salee and Sum Nua. However, back in Vientiane, a Laotian cabinet was formed under Mr. Katay Sarorith's premiership.

The Thai government, which always pursued a policy aimed at fostering good relationship and cooperation with her neighbours, issued a cabinet-declaration on the occasion of the formation of the government in Laos. The said declaration stated that since Laos had to shoulder the difficult and important task of national development after the granting of independence, all government officials and people of Thailand were urged to express their friendship to Laos by extending assistance to Laos in order to enhance the declared government's policy.

In 1959, the situation in Laos became worse because, as the conservative government of Laos found out, the Pathet Lao was engaged in clandestine-activities to spread communist influence and was also ferrying weapons from North Vietnam into Laos. Moreover, the Laotian government had evidence that North Vietnam provided assistance to the Pathet Lao

to stir up rebellions in Pong Salee and Sum Nua. The concern expressed by Premier Phoui Chananikorn was so great that he appealed to the Secretary General of the United Nations for observers to be dispatched to Laos in order to inspect the situation and be acquainted with the evidence which clearly showed that North Vietnam was behind all the rebellions and clandestine movements. The situation made the Laotian conservative government more suspicious of the Pathet Lao, which is also known as the Naew Lao-Rak Chart. Therefore in 1959 Prince Souphanouvong and his associates were taken into custody. However, later in May 1960, the Prince and his men escaped from prison and went to North Vietnam in order to pull together their resistance forces once again.

On August 9, 1960, Captain Kong Le staged a coup d'etat toppling the government and asked Prince Souvannaphouma to head a new cabinet. However, Prince Bounoum na Champasak and General Phoumi Norsawan, who were dissatisfied and refused to cooperate, set up an anti-coup group committee with their headquarters in Suwannaket. The committee was later renamed "the revolutionary committee" with Prince Bounoum its leader. The Committee pronounced its refusal to recognize the legitimacy of Prince Souvannaphouma's government. Thus, Laos was divided into three clearly different groups, namely the conservative or rightist group under Prince Bounoum and General Phoumi, the neutralist group under Prince Souvannaphouma and the progressive or leftist group under Prince Souphanouvong.

The disputes among the three groups dragged on and led to more violence in the country's civil war. The various countries concerned with the situation in Laos therefore attempted to bring about a cease-fire among the fighting groups. Several rounds of negotiation were held one after another. The last rounds also included political negotiations aimed at setting up a coalition government. Eventually, an agreement to have a cease-fire was reached and sealed in Zurich, Switzerland, in June 1961, and general principles accepted. In accordance with the Geneva Agreements, a coalition government was formed on June 12. The country's neutrality was then proclaimed.

After these Second Geneva Agreements, a coalition government was formed, with Prince Souphanouvong, leader of the Naew Lao Rak Chart and General Phoumi Norsawan, leader of the rightists, joining the government of Prince. Souvannaphouma, leader of the neutralists.

However, after a short while disputes flared up again among the three-factions which were unable to cooperate in a fruitful manner. The International Commission for Supervision and Control, established by virtue of the 1954 Geneva Agreements, tried with no success to alleviate the situation. Its failure stemmed from the lack of cooperation from the Vietnamese backed Pathet Lao group. Moreover, each faction sought support from the outside. In this particular period, France attempted to reassert its influence but was not very successful. Later on, a coup was staged by the conservative group on April 19, 1964, but failed mainly because the countries signatories to the Geneva Agreements of 1962 were reluctant to see the fall of the temporary national coalition government under Prince Souvannaphouma. Thailand, however, had no involvement in this process because it considered that such an action would constitute an interference in Laotian internal affairs.

The situation worsened when a split developed within the conservative faction for reasons none other than personal interests. This led to a coup on 31 January 1965. The coup was backed by General Phoumi, who eventually sought refuge in Thailand. The government of Prince Souvannaphouma requested Thailand to ensure that General Phoumi and his followers would not be allowed to pose any further threat to the stability of the coalition government of Laos. Thailand responded to the Laotian request by having General Phoumi moved to Songkhla, Southern Thailand, in September 1965.

From 1965 on, Prince Souvannaphouma devoted his efforts in entertaining more contacts with the international community in order to attract support from other powers to help maintain peace and neutrality in his country. Finally, in October 1972, negotiations took place between the Laotian government led by Prince Souvannaphouma and the Phatet

Lao faction led by Prince Souphanouvong. This led to the signing of an agreement to end the civil war in Laos on 21 February 1973 called the "Agreement on the Revival of Peace and National Reconciliation in Laos".

The Laotian government had to accept the terms and conditions imposed by the Pathet Lao because of the latter's stronger position. The Pathet Lao's strength was made possible by the assistance from the North Vietnamese troops in Laos. Moreover, the Pathet Lao's activities were carried out in harmony with the North Vietnamese activities related to the aggression being perpetrated against South Vietnam. Therefore, with the signing of the Vietnamese peace agreement in January 1973, the Vientiane government again had to accept the conditions imposed by the Pathet Lao Movement in the peace negotiations and the establishment of the coalition government. This time the National Political Coalition Council was set up and chaired by Prince Souphanouvong. Thus enabling the Pathet Lao Movement to acquire wider influence in government.

In the beginning of 1974, the Pathet Lao instigated Lao students to form a protest march to oust rightist senior officers. On April 13, 1975, His Majesty the King of Lao declared the parliament dissolved. It then became clear to many senior officers that the communist danger had engulfed their country and therefore they decided to seek safety abroad. Eventually, Laos declared the establishment of a new socialist regime and officially renamed the country "the Lao People's Democratic Republic" on December 2, 1975. It terminated this phase of conflicts and civil war which lasted for over 30 years. Laos thus came under a communist regime and was granted political and economic assistance and aid mainly from communist East European bloc countries and Vietnam.

The Thai Government, however, gave its recognition to the new regime in Laos. The Thai Government considered that such political change was strictly the result of internal changes and had no policy of intervening in the internal affairs of other countries. Thailand and the Thai people desire to live in peace and be friendly with neighbouring countries. Differences in political ideologies are not considered as impediment to the maintenance of good relations with other countries, especially with such a neighbour as Laos with which it has always enjoyed close and intimate contacts.

The political changes in Laos since 1975 have not resulted in the termination of Thai-Lao relations. The leadership of both countries have in fact tried to strengthen these relations even further. This is evident from the regular exchange of visits by prominent personalities. For instance, a Thai delegation led by Mr. Bhichai Rattakul, former Minister for Foreign Affairs, paid a visit to Laos at the invitation of Mr. Poon Sripasert, Deputy Prime Minister and Foreign Minister of Laos, between 31 July and 3 August 1976. The joint communique issued on that occasion can be considered as an endorsement for the revival of close and intimate Thai-Lao relations.

Apart from this, during the prime ministership of General Kriangsak Chomanan, both governments exchanged a number of visits by their respective delegations. For instance, between 4-6 January 1979, General Kriangsak Chomanan led a Thai delegation to Laos and paid a courtesy call on Prince Souphanouvong and on Prime Minister Kaisorn Phomviharn. The Lao Government reciprocated the visit by dispatching a delegation led by Prime Minister Kaisorn Pomviharn to Bangkok during the course of which an audience with H.M. the King was granted and a courtesy call was made on General Kriangsak. Joint communiqués were issued following both of these visits and these led to the formation of the Joint Thai-Lao Cooperation Committees both at the national and local levels. These committees were assigned the task of formulating appropriate measures and directives for the promotion of border security, as well as for cooperation in other aspects as specified in joint communiqués and other agreements between the two countries, and for solving specific border problems which could arise from time to time. The responsibility of the committee at the local level is to coordinate with the committee at the national level in order to facilitate efficient and prompt contacts and cooperation at all time. In addition, General Srisavad Kaewboonphan, Interior Minister of Laos, also led a delegation to Bangkok in January 1984 for discussions with General Sithi Chirarochana, the Thai Interior Minister.

Apart from the promotion of relations at the government level, civil-servants and people of both countries also cooperated in many aspects in order to strengthen the relations at the local level. These include such events as friendly sports competitions and traditional boat races which both sides alternately hosted. On 19 May 1984 the province of Nong Khai dispatched a team of athletes to Vientiane in order to participate in a friendly sports competition. On 10 October 1984, Vientiane reciprocated by sending a team to participate in the traditional boat race at Nong Khai. And, apart from these, local officials from both sides hold consultations on a regular basis, such as the ones that took place between Nong Khai and Vientiane recently.

The exchange of visits by leaders and high ranking local officials of both sides, together with the joint participation in various events by the Thai and Lao peoples clearly indicate that even if Laos has undergone political changes which are different from the Thai political setting, the conduct of close relations between these two countries still can continue normally at every level. This, indeed, is to maintain the friendly relations which have been in existence for a long long time between the two countries.

2. THAI-LAO Economic Cooperation

The Thai Government realizes that Laos, its close neighbour, is a small developing country. Thailand has the sincere intention to strengthen the good relations between the two countries both politically and economically. Thailand, therefore, has continuously extended economic cooperation and assistance to Laos as much as possible. During an official visit by Thai leaders to Laos between 4-6 January 1979, a joint communique was issued, and an economic and trade agreement between Thailand and Laos was also signed. This cooperation has contributed significantly to the subsequent strengthening of Thai-Lao economic relations.

2.1 Trade Cooperation

Trade contacts between Thailand and Laos have been in existence for a long time. Since the end of the French influence in Indochina, the total value of trade between Thailand and Laos has clearly increased. Since 1970, major Thai exports to Laos have been mainly sweet condensed milk, rice, paper, paper products and other necessary items in exchange for timber and wood products from Laos.

Presently, Laos still imports more goods from Thailand than from any other countries. Major Thai products imported by Laos are mostly food items such as rice, glutinous rice, tobacco leaves, sugar, maize, fish meal, fuel, sweet condensed milk, and other items such as cement, iron rods and iron bars, etc. On the other hand, Laos exports various wood products, tea, coffee and propagation seeds to Thailand.

Furthermore, Thailand and Laos are members of the Trade Negotiation Groups of ESCAP whose aims are to promote trade within each region by lifting various trade barriers in the regional countries. However, Thailand and Laos have for a very long time had close historical ties, and have

continually arranged trade negotiations to seek possible ways and means to help reduce Laos' trade deficits with Thailand. These trade negotiations have been extremely successful. Thailand has reduced import duties on logs and processed timber from Laos (from 10% and 20% to merely 1% and 2% respectively).

The volume of trade between Thailand and Laos has been rather unstable, but of late, has shown an upward trend. In 1982, trade reached a peak record of baht1, 002.43 million.

Exports and Imports between Thailand and Laos During 1974-1983

unit : million baht

year	export	import	balance
1975	254.3	102.3	152.0
1976	376.1	46.7	329.4
1977	291.2	48.3	242.9
1978	360.4	56.4	304.0
1979	648.5	53.9	594.6
1980	910.5	37.2	873.3
1981	586.0	17.5	568.5
1982	969.0	33.43	935.57
1983	762.13	27.24	734.89

Thailand's market share in Laos reached its peak (85.65%) in 1982, but started to decline in 1983, as Laos turned to trade more with other Socialist countries.

Thailand's Market Share in Laos from 1981 to 1983-

year	Import million baht	Export million baht	Market Share %
1981	1,370.80	586.0	42.75
1982	1,131.37	969	85.65
1983	1,550.89	762.13	49.14

Furthermore, Thailand has extended facilities in the transshipment of goods to Laos in various forms such as special freight rates, simpler customs clearance procedure warehouses, as well as studying the ways and means of facilitating the exchange of goods for a smoother and more rapid procedure. Firstly, the Port Authority of Thailand has continuously provided for a quick unloading of goods destined for Laos and charged special renting fees for warehouses at rates lower than normal-average. Secondly, Thailand and Laos have agreed to let the Express Transportation Organization of Thailand (E.T.O.) act as the shipper of goods to Laos to ensure safety against damages. The E.T.O. also charges special-low rates. Thirdly, Thailand has opened up more border crossing points such as at Nong Khai, Ta Na Lang, and Mukdaharn-Suwanaket to facilitate transshipment of goods to Laos. The Thai government has also undertaken various measures to speed up procedures at border crossing points such as the advance surrender of documents related to the receipt of goods.

Besides, goods going through border crossing points at Nong Khai and Mukdaharn worth not more than baht 20,000 are under the authority of provincial governors concerned. Goods destined for or belonging to various international organizations and embassies, entail minimum procedures and paper work.

Agreement was reached at the meeting between the Director-General of the Foreign Trade Department of Thailand and his Loatian counterpart in 1982 to facilitate financial transactions between trading partners by allowing 15 more banks other than the Krung Thai Bank to be involved in the L/C matter.

The volume of cross-the-border trade from 1978 to 1982, were relatively stable with slight fluctuations. The average annual value of imports into Laos from 1978 to 1982 was baht 1,037.5 million while the average annual value of goods exported across the border by Laos was baht 259.4 million. The total value of across-the-border trade was baht 1,296.9 million or about twice the total value of Thai-Laos trade as a whole. Imports and exports through the border points were about

twice the value of Laos' total imports from Thailand and seven times the value of exports to Thailand respectively. Laotian imports through Thailand are fairly consistent in their composition and value, including fuel, iron and steel, radiators, machinery, electrical goods, automobiles, optical equipment, movie cameras, cotton, medical goods, chemical goods, flour and cereals. Major Laotian exports through Thailand include tea, coffee, herbs and spices, timber and wood products, ores tailing and ashes.

Thailand has provided three channels for goods to pass from Laos to third countries and vice-versa:

- between Ta Sadet and Ta Dua piers ;
- between ferry piers, Nong Khai and Ta Na Lang ;
- Mukdaharn to Suwannaket, which is of a special character, namely that the traffic of goods is only one way from Laos to third countries. Permission may be obtained from the Minister of Interior if it is deemed necessary to do otherwise.

Recently, Thailand decided to relax temporarily, from 20 November to 19 December 1984, the restrictions on transshipment of goods by opening another border crossing point at Chieng Khong District, Chiengrai Province, which is situated opposite Huay Sai, Bo Kaew District in Laos in order to enable the private sector of Thailand to deliver goods still pending under previously signed contracts to the Laotian companies concerned.

Thai-Lao trade relations have been in existence for a long period of time and it may be asserted that Thailand is Laos' most important trading partner. At present, Laos continues to purchase Thai goods as this is the most convenient and economical means. Although there have been occasional border incidents, trade relations between Thailand and Laos have always continued unabated. This exchange is mutually beneficial, providing the respective peoples with the opportunity to consume goods at lower prices as transportation costs are minimised and also to enjoy a larger variety of goods which would otherwise not be available.

2.2

Technical Cooperation

Prior to the change of regime in Laos, Thailand had regularly given technical assistance to Laos. Thai advisors in agricultural and in various other fields were sent to Laos to contribute to Laos' development efforts. The Laotian government sent, on a yearly basis, many students to Thailand for higher education and training, and many Laotians came to further their studies in various Thai educational institutions through their own private means.

Since 1975, particularly since 1978, Thailand has provided Laos with scholarships and trainings, experts, specialists, financial assistance, equipments as well as technical services to help promote Laos' economic development schemes.

Since the Thai government has the policy of increasing aid to Laos plus the fact that some of the Thai government agencies are in a better position to offer more training, technical aid in the form of scholarships and trainings such as Applied Plant Protection have been offered. Full expenses for some of the training courses under the Thai Aid Programme such as corn and sorghum improvement, agricultural extension and communication, foot-and-mouth disease control and swamp buffalo reproduction, as well as scholarships under the Third Country Training Programme are borne by the Thai government. Such reflects Thailand's sincere intention to give technical cooperation to Laos.

Apart from the aforementioned scholarships, Thailand still has several scholarships and training courses to be given to prospective Laotian trainees in the near future.

3. THAI-LAO Cooperation in the Framework of the Mekong Committee

The close cooperation between Thailand and Laos in the economic and social spheres is not limited to bilateral cooperation only. An outstanding and significant area of cooperation between Thailand and Laos on a multilateral basis is the cooperation within the framework of the Mekong Committee. The committee was established in 1957 with assistance from the United Nations Development Programme and the ESCAP with the objective of planning and developing the Mekong delta in an orderly manner to the greatest attainable benefit of all the riparian countries. The activities of the said Committee covers developmental activities in various fields and branches of development, namely in the areas of flood control and meteorology, agriculture and fisheries, land and water resources, energy and shipping, etc. Political developments in Indochina in 1975 saw the activities of the Mekong Committee come to a halt and did not pick up again for the next three years. In 1978, the Mekong Committee resumed its activities under the name "Mekong Ad hoc Committee," as the problem regarding membership of Kampuchea had not yet been settled. The resumption reflected the recognition on the part of Thailand, Laos and Vietnam of the great significance of the activities of the Committee towards economic and social development in the region. Since the inception of the cooperative framework in 1957 till the present day, member countries have received assistance in various forms to the total value of 713,731,370 US dollars.

Although cooperation within the framework of the Mekong Committee takes the multilateral form. The close cooperation and amicable relations between Thailand and Laos is a required necessity to the attainment of the objectives as set forth in the numerous projects.

As a direct consequence to the importance which Thailand attaches to Laos as a neighbouring country with which she has very close ethnic, cultural and historical ties, Thailand has continually rendered her support to various development projects/programmes initiated by Laos within the framework of the Mekong Committee, especially projects relating to development of energy resources and transportation by water.

3.1 Energy projects of major significance include The Nam Nguem Project which constitutes a project to construct an electricity-generating dam on the Nguem River in Laos. The project is divided into two phases of development. **Phase I** (1968-1971) involves the construction of a concrete dam 75 metres in height and 469 metres in length with a capability to produce 30 megawatts (MW) of electricity, the majority of which is sold to Thailand. The income from the sale of electricity produced under this project represents the largest contribution to Laos' annual income and constitutes a significant share in her export income.

Laos annual income between 1974-1979

unit: million U.S. dollars

	1974	1975	1976	1977	1978	1979
Teak	7.25	0.54	0.70	0.91	2.70	8.50
Tin	2.13	1.69	1.34	0.93	0.82	1.12
Coffee	0.18	-	3.15	3.08	1.06	1.22
Wood Products	0.59	0.73	0.57	0.45	0.17	1.09
Electricity	-	0.47	1.65	1.85	1.88	6.1
Other Items	0.09	0.09	0.07	1.38	1.48	1.85
Total	10.24	4.06	7.44	8.60	8.11	19.88

Furthermore, during the construction phase of the project, the Royal Thai Government provided assistance in kind to the Laotian Government in the form of a cement loan to the value of 1.35 million US dollars, the electrical energy required during construction and agreed to the laying of underwater cables within Thai territory in

Nakorn Panom and Mukdaharn Provinces in order to facilitate transmission of electricity to Ta Khak and Suwannaket at a small cost. This has enabled Laotians living in the said areas to benefit from consumption of low-cost electricity. It may, therefore, be correctly asserted that Thailand, on her part, has been able to extend a great deal of cooperation to Laos with regard to the implementation of phase 1 of the project. Phase 2 (1973-1978) involves increasing the productive capacity from 30 MW to 110 MW. In this connection, the Royal Thai Government has agreed to purchase all surplus electricity after internal use from Laos. In 1983, Thailand purchased some baht 555.4 million worth of electricity from the Laotian Vam Nguem Project, therefore, contributing significantly to the development of that country.

3.2 Projects to develop transportation by water in Laos.

The Royal Thai Government is always cognizant of the problems Laos faces as a country without immediate access to the sea. In this connection, the Mekong River, in addition to being a gateway to communication with the rest of the world, is for Laos, an essential means of internal communication because all the major cities are located on the riverbank. Communication by any other means would be performed with extreme difficulty. Thus, the Royal Thai Government has accorded generous assistance and cooperation to Laos towards the development of the project aimed at improving transportation via the Mekong River in Laos, particularly within the framework of the Mekong Committee. It is possible to outline the three projects of assistance rendered by Thailand to Laos as follows:

Project to Improve Shipping Routes on the Mekong River.

- Survey of Water Channels and Navigation- In 1958 UNCDF provided financial assistance to the project for the development of the lower Mekong River basin in order to facilitate the surveying of water channels and the placement of navigational signs along the stretch of the Mekong River between Thailand and Laos. In this connection, the

Royal Thai Navy played a major role in accepting the responsibility of conducting the primary surveying. Furthermore, the placement of buoys and navigational signals was mainly carried out by officials of the National Energy Administration. When this project was completed in 1960, it contributed towards the large reduction in the number of accidents and the extent of damage involved in this means of transportation for Laos.

- The Destruction of Krabao Islet- The presence of numerous islands and islets in the Mekong River proves a major obstacle to navigation and shipping in the Mekong River. The largest islet which is also the main obstacle to navigation is Krabao islet in the Tat Panom district area of Thailand and in the Suwanaket area of Laos. The United Nations Development Programme provided financial assistance through the Mekong Committee to facilitate digging by the explosion of a channel 30 metres by 100 metres in Krabao islet. The Royal Thai Government played a major role in this project through organising the necessary technical training for the operation at the Nong Khai Shipbuilding Centre of the Department of Vocational Training. In addition, the Royal Thai Navy sent naval officers to participate and assist in carrying out the said operation. The operation was completed in 1973, enabling shipping between Thailand and Laos and between important cities in Laos such as between Vientiane and Suwannaket cities in Laos such as between Vientiane and Suwannaket to be conducted year round instead of communications coming to a halt during the dry season (February to April). Furthermore, vessels are now able to carry loads to their full capacity on each trip, hence the added benefit accruing to a very large extent to Laos.

- The Improvements of Ports in Laos - Although communication by water is Laos' most important means of communication, Laos lacked modern ports and efficient facilities especially in the sixties. This made shipping a troublesome operation. In the early seventies the Laotian Government received assistance from the Mekong Committee

for the further development of the major ports which include Luang Phrabang port, Ta Khak port, Suwanaket port etc. In this connection, the Royal Thai Government rendered its good cooperation by facilitating the transport of construction materials particularly cement. In addition, the Royal Thai Government allowed the private sector to participate in bidding for the contract for the construction of the abovementioned ports. Thus, it can be seen that, the majority of the ports in Laos were constructed by Thai private companies. Furthermore, the Royal Thai Government's consent to the development of Kang Krabao port in Laos, as expressed at the second meeting of the Mekong Ad hoc Committee in 1978, demonstrates Thailand's sincere intentions towards finding a solution to Laos' problem emanating from the lack of access to the sea. The said port is situated in a location with access to State Highway 9 which leads to Danang in Vietnam. Thus, it may be concluded that, Thailand's consent is equivalent to the granting of the opportunity for Laos to have an access to the sea via Vietnam.

Ship Building

- **P**usher/Barge Building - Prior to 1980, Laos possessed approximately 37 wooden barges with capacity between 20-80 tons. Shortage of barges and modern ports meant the annual quantity of shipping was limited to only 60,000 tons. Transportation by barge took a long time. In 1981, Laos was granted financial assistance from the Mekong Committee for the construction of a modern 400 horsepower barge and two 21-metre-long ferries with the capacity of 10 tons. Thailand cooperated with Laos in this matter by providing facilities at the Nong Khai Shipbuilding Centre of the Department of Vocational Training of these modern for the construction barges. The use of increased the shipping volume by 120,000 tons yearly and saved a lot of time, eg. it reduced the amount of time to travel from Vientiane to Kang Krabao from 5 days to 3 days.

Construction of cargo vessel for use between Nong Khai and Ta Nalang - In 1981, the Government of the Federal Republic of Germany granted US\$ 500,000 through the Mekong Committee for the building of a cargo vessel with the capacity of 90 tons for transporting goods from Nong-Khai to Ta Nalang. Assistance from Thailand in this matter, involved the construction of the said vessel at the Shipbuilding Centre in Nong Khai at a low cost. This project increased the efficiency of shipping between Nong Khai and Ta Nalang by approximately 12% annually. Shipping volume in 1982 was 96,720 tons, increased to 118,330 tons in 1983 and reached 135,200 tons in 1984. The increase in efficiency resulted in more rapid and convenient service for consumers and decreased the damage to products, thus lowering the prices of these products. In order to promote more efficient shipping of goods in response to the increasing level of consumption in Laos, Thailand approved the second ship building project at the 20th Meeting of Mekong Committee in April, 1984 held in Bangkok. This second ship will have a loading capacity of 120 tons loading and will cost US\$ 1,020,000. The Federal Republic of Germany's Government also provided financial support for this project. The Royal Thai Government has agreed that the Nong Khai Shipbuilding Centre carry out the construction of this vessel for Laos. The new vessel should be completed in January 1985. In addition, the Nong Khai Centre will also carry out the repairs on the first vessel.

Though the members of Mekong Committee realise the importance of their cooperation within the Committee. But they all agree that the Kampuchean problem and the problem of the non-participation of Kampuchea in the Committee are, to a certain degree, obstacles to the progress of the Committee's work because of the scope of the projects under consideration being of a basin wide and regional nature. Hence, there has not been much progress towards the attainment of the Committee's objective in the development of the Mekong basin in a systematic manner. The Royal Thai Government is fully cognizant of the immense economic and social potential benefits

the region as a whole could receive from the Lower Mekong Development Project. However, Thailand also realises that under present circumstances, only a limited degree of economic cooperation is attainable. Thus, the Thai Government has demonstrated a clear position in pushing the Mekong Committee as a forum for technical cooperation for furthering economic and social development of all member countries. The Royal Thai Government opposes the introduction of political considerations into the Committee because this may hinder the Committee's activities at the cost of the development process in this region, especially for Laos. It needs to be pointed out that the Project for the Development of Lower Mekong River Basin is a major source of resources for Laos' development process.

4. Reflections

From the past to the present, Thailand has always extended a helping hand to the Laotians in situations of hardship and when they have sought refuge in the Kingdom. Prominent Laotians, several of whom are in power today, were granted refuge in the period of the struggle for independence to liberate the people of Laos from French colonialism. Subsequent to the change in the system of government in Laos in 1975, an unprecedented number of Laotians fled to seek refuge in Thailand. Assistance was extended to these people in consideration of the brotherly ties that exist between Thailand and Laos, and above all for humanitarian reasons.

Since the change over to Communism in Laos in 1975 to the end of November 1984, there have been some 286,650 Laotian refugees that have sought temporary refuge in Thailand. The Royal Thai Government, in cooperation with the Office of the United Nations High Commissioner for Refugees (UNHCR), has provided care and sustenance for these people in the form of shelter, food, and medicine while a durable solution can eventually be found to this problem. In this connection, although approximately eighteen countries have already extended resettlement opportunities to a total of some 206,618 Laotian refugees and another 2,545 people have already been repatriated as of November 1984, there remain some 80,030 Laotian refugees still in Thailand. The trend is for this total to be on the increase, particularly in view of the fact that, from the beginning of 1984 there has been a regular influx of people from Laos at a rate of some 1,000 to 1,400 persons per month. Such mass movements of refugees occur on a daily basis and on some occasions, they involve whole villages including monks. These migrants cite reasons of extreme hardship and the lack of any prospects for the future as justification for their flight.

It is the Royal Thai Government's firm policy that refuge granted to Laotian refugees who arrived in Thailand since 1975 be strictly accorded on a temporary basis and purely for humanitarian reasons. In addition, the Government has rendered its assistance to the voluntary repatriation to Laos programme through providing cooperation and support to the UNHCR in implementing the said programme and seeking the support of various countries for the Laotian government's programme for returnees to Laos under the auspices of UNHCR. This assistance programme, apart from benefiting Laotian returnees, has positive spill over effects on Laotians living within the same community. Unfortunately, the Laotian Government has not provided adequate backing towards the implementation of the UNHCR's voluntary repatriation programme, resulting in an extremely small number of refugees repatriated to Laos. Furthermore, the Royal Thai Government's humanitarian gesture in providing assistance to Laotian refugees has unfortunately been misinterpreted by the Laotian Government as being ill-intentioned.

Concerning bilateral relations, it is a fact that Thailand and Laos are brotherly states, and have continuously rendered mutual assistance to each other in times past. Although there may have been some unhappy episodes, but the problems have always been resolved in a friendly and brotherly manner. However, recently, there are some circles and individuals who are intent upon destroying this relationship through various ways and means. But Thailand, on her part, has always tried to uphold and maintain the existing amicable relations with Laos. Since the advent of a communism regime in Laos in 1975, relations had continued on a normal basis with Thailand continuing to extend assistance and cooperation to the new government in Laos. The difference in political systems has never been perceived as a hindrance to the fostering of these good relations. It is nevertheless unfortunate that Laotian leaders refuse and do not even attempt to understand Thailand's good intentions. They choose instead to seek favours from other countries, particularly Vietnam, asserting that Laos and Vietnam share a special relationship even though it is clearly evident that the two

have nothing in common ethnically, socially or culturally. Furthermore, the activities on the part of Laotian leaders of late clearly indicate that they are willing servants of the dictates from Hanoi, and in so doing, they have at times been neglecting their duties of preserving and promoting the interests and well-being of the Laotian people themselves. The Lao people are fully aware that the cooperation and assistance received from Vietnam are not devoid of any expectation of reciprocity and is really intended to place Laos under the total control of Vietnam and therefore to enable Hanoi to realise the objectives of fulfilling Vietnam's dream of establishing a "Federation of Indochinese States".

In order to realize the aforementioned dream, Vietnam have infiltrated into every aspect of Laos' social fabric both at the official and the grass roots levels. At the grass roots level, Vietnamese have moved into Laos to settle there in increasing numbers. Starting from the country-side far from the capital, Vientiane, Vietnamese settlers, especially Vietnamese soldiers, have moved into various villages to live with the natives, causing them great hardships and creating resentments. Most of these Vietnamese newcomers migrated from North Vietnam, although some used to be Vietnamese refugees in Thailand who later migrated to Laos. It is important to note that these Vietnamese have special privileges over the Laotian population in general, for instance the right to choose where to live or travel. These privileges generate feelings of discontent among the Laotian people who are the rightful owners of the country.

There are Vietnamese in various Laotian governmental agencies as well. In reality, these Vietnamese are not advisors per se, but they are the ones who take control and give orders. Those Laotian officials who are pro-Vietnamese will be trusted and promoted by the party and the state, while those who honestly work for the country will be put under surveillance or prevented from working to their full ability by being demoted or transferred. The latter Laotian officials are found to be high ranking even at the ministerial level, and are also subjected to the same rules and regulations.

In the past, capable ministers who belonged to the old system or who are actually and honestly working for the betterment of the country but who are not pro-Vietnamese, are often demoted or transferred to less significant positions. They are replaced by pro-Vietnamese officials or by officials of Vietnamese descent. It is a highly possibility therefore that, in the future, the Laotian cabinet members will be entirely pro-Vietnamese. If and when that happens, it will turn out to be a great misfortune for the Laotian stock since less and less attention and care will be given to them by the government.

The Vietnamese infiltration into Laos is a gradual step-by-step process. From the outside, there does not appear to occur in any noticeable way, but for the Laotian people themselves, the Vietnamese ploys can be clearly evident. Although the patriotic feelings among the Laotians in general are still quite strong, they cannot express them because of their fear of the new government's totalitarian measures. These Laotians therefore feel that it is pointless to remain in their own country without any rights whatsoever. They view the future as a very bleak one. Many have decided therefore to seek better prospects abroad. Those who flee are mostly young people and government officials who believe that they can no longer do meaningful things for their motherland. For the elderly people, who cannot expect to found a new life and wish to die in their homeland, they wish to see their youngsters make it to other countries and to better things rather than remain in their own country but devoid of rights.

The reasons behind the influx of Laotian refugees into Thailand in the early stages after the change in government were basically the political in nature. However, in the later stages, the reasons have mostly been economic ones, since the new government has begun to put economic pressure upon the people in the form of levies on both small businesses and agricultural produces in order to attain its objective according to the socialist processes, without any due consideration to the negative effects these measures have on the people as a whole. As long as the theoretical objectives are attained, it is considered satisfying to the new government. The reasons mentioned above have caused many Laotians to become dispirited and to resort to fleeing to Thailand. Presently, the number of Laotians seeking refuge in Thailand is increasing every day.

Even with a large number of Laotians fleeing to Thailand, the Laotian authorities have not sought to find any preventive measures to deter them since these escapees are looked upon as undesirable remnants of the old regime, who are not easily convertible to the thinkings of the communist system. Had they decided to remain in the country, it would still be difficult to control them from the administrative standpoint. Therefore, the new government of Laos has paid more attention to growing up youngsters by giving them favourable treatment in order to turn them into genuine followers of communism in the future. As for the gap created by the outflow of the young population, it has been slowly filled by the newly arrived Vietnamese settlers, especially the Vietnamese soldiers who are stationed all over Laos at present. Therefore, the trend for the future could be that the national and indigenous characteristics of the Lao people as a race, characteristics which have been preserved and passed down through the long history of this nation, will at the end completely disappear.

PRINTED BY: RITHISRI LTD., PART.

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