

## **Inequitable integration of rural pluri-ethnic society into a market exchange system. The northern Lao case.**

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Vietnam Popular Republic on the East part, China Popular Republic and Myanmar on the North and North West part, Thailand on West and Cambodia on South surrounded Lao People's Democratic Republic (LPDR). LPDR is one of the rare South East countries without any seaside access. Mekong river could have been a navigable, but "Si Pan Don" cataracts (south) stop any boats.

From Birmano-Lao-Chinese border (North) Lao-Cambodia border Mekong River cross during 1865 kilometres LPDR. This river constitute a 1500 kilometres natural border among the 1835 kilometres west border between Thailand and Lao. Opposite to Mekong river, East part, from North to South the Annamite cordillera (another natural border).

LPDR is a mountainous country, remote and hard to reach Gunn qualified it as "backwater" (GUNN, Geoffrey C. 1990).

LPDR is 236 800 km<sup>2</sup> big and it is populated by 457 5000 inhabitants in 1995 (NATIONAL-STATISTIC-CENTRE 2000). Population density is about 19,3 inhabitant/square kilometres. LPDR is divided in 18 provinces, mainly populated by peasants (about 84%). Population belong to 41 ethnic according to 1995 census (SISOUPHANTHONG, B., TAILLARD, C., 2000). LPDR has a very important ethnic diversity, higher than neighbouring countries. The dominant group represent 65 % of LPDR population, in Burma the dominant group represent 69%, 83% in Thailand and 87% in Cambodia (SISOUPHANTHONG, B., TAILLARD, C., 2000).

Before French occupation the country was called "Million of Elephants Realm" and did not really constituted an entity, it was made by several vassal realms and its borders were fluctuant.

In October 1893, King Oum Kham signed a protectorate agreement with French representatives. Progressively the country start to be include into the French Indochina Federation. The federation regrouped 5 entities : Tonkin, Annam, Cochinchine (Vietnam), Lao and Cambodia.

The first political changes started during the Second World War. Japanese troupes invaded the country from September 1940 to August 1945. They gradually kicked French occupants away. The first independence was proclaimed before Japanese defeat in April 1946. Prince Phetsarath headed the new government of the independent Lao. In March 1946 French army overrun Lao again. The government flee to Thailand. Under different forms, French domination continued until Geneva Agreement in 1954.

October the 22<sup>nd</sup> 1953 a new independence was proclaimed. Then gradually, the country plunged into war, which ruined a country already very poor. With an erratic intensity, from 1954 to 1975, Lao was theatre of conflicts indirectly stir up by East and West blocs.

After 1973, progressively the Popular Revolutionary Army won more and more provinces and the country was completely reunified in 1975, after more than two decade of war. Lao People's Democratic Republic was created in 1975, December the second.

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This troubled period (war), let the country bloodless, almost on the ground and socialist reforms finished it off. Regression started, autarkic producing system increased over the whole country and famines appear late in the 1970.

Then, land and buffaloes were redistributed (late in 1970) and, in 1986, the New Economic Movement (NEM) was engaged. Private trading and private property was allowed. Step by step LPDR involved into the general regional growth trend.

But, provinces growth was heterogeneous. It only started in the 1990, in the more remote. Phongsaly Province, north of LPDR, , our study case, is one of them.

The recent opening policy allowed exchanges and goods and services quantities marketed have increased. Unfortunately the growth do not benefit to the different ethnic groups according to the same intensity.

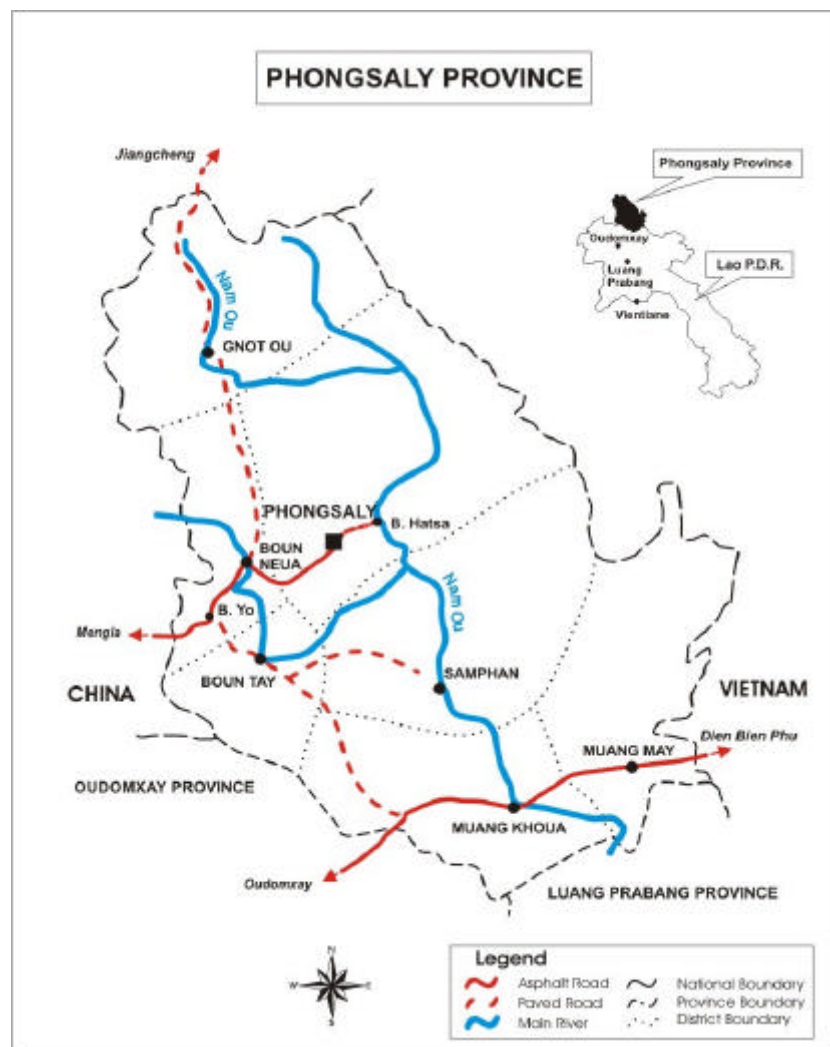
Through out this work, presented in four chapters, we propose to analyse "Inequitable integration of rural pluri-ethnic society into a market exchange system".

First we are going to present Phongsaly Province general characteristics, its singularities and its constraints. Secondly, we are going to focus on the methodology adopted to collect data and the constraints we faced during data gathering. Thirdly, we are going to describe Phongsaly province ethnic diversity, their specificities, their origins. Then, to finish, we are going to stress our interest in volume exchanged according to ethnicity.

## 1 PHONGSALY A SINGULAR PROVINCE.

In June 1895, Phongsaly region, including Nam Ou watershed, was joined by treaty to the Lao territory under French Protectorate.

Traditionally, this area belonged to the Thai Lue principality : Sip Son Phan Na (Xieng Houm was his former capital in China (DEYDIER, H. 1954)). In 1916 after two year of fights against Chinese irregular troupes, Phongsaly region became the Fifth "Territoire Militaire" belonging to the "Fédération d'Indochine Française". Muang Khoua was the administrative center (GAY, B. 1989).



Map n°1 : Phongsaly Province. Xavier Zimmermann Map 2003.

Peace did not follow independence (1945) and the province was divided in two parts : one handled by the revolutionary party (Pathet Lao or Lao Issara) and the other one managed by Kamoune Boupha. He was first employed by the Royal army, he had a very vague statute during the war, he cooperated with Chinese communists and he became a Minister after the revolution. In 1974 Phongsaly province was reunified, Muang Khoua was the chief town of the province. In 1984 Phongsaly city got this administrative statute.

16 270 square kilometres big, Phongsaly province is indeed more a "backwater" on the extreme north of Lao Peoples' Democratic Republic (LPDR), wedged between China (North-West) and Vietnam (East). In addition, Phongsaly province is very far from any significant big cities. 800 kilometres from Vientiane, LPDR capital city, 1000 kilometres from Kunming, Yunnan province chief town (South of China) and 650-700 kilometres from Hanoi (Vietnam). In this context, in general, Phongsaly province dwellers are culturally and economically oriented to China and Oudomxai province (Map n°1). Since 1997, Mengla (China) is 3-4 hours far from Phongsaly city and Oudomxai town about 10 hours for a four wheels drive vehicle or a lorry, if tracks are practicable. In this context it is interesting to understand if physical reasons as altitude, topography, explain this remoteness.

Phou Doychay Mountain culminating at 1842 metres (NATIONAL-STATISTIC-CENTRE 2000). Even if this mountain is not the highest point of LPDR, Phongsaly province is one of the most mountainous and steep. High declivity slopes converge to very deep V valley, where altitude approximates 500 metres.

Flat valleys are scarce and disseminated by small units. Few of them got a significant size (It is hard to assess their size. Boun Neua, Nyot Ou, Boun Tai valleys, for example, must exceed 300 hectares, settled in rice irrigated field). Nevertheless they only represent a congruent part of the provincial territory.

From these valleys, flat or not, starts a dense hydrographical network, irregularly supplied by monsoon rains. According to periods, pluviometry fluctuates from 16 millimetres in January to 369 millimetres in August. Annual average is 1568<sup>3</sup>, which matches with the regional monsoon climate pattern. Phongsaly province climate specificity is from low temperature and mist. In altitude, the coolest months, temperature can border on 0°C. It can even freeze some years. December and January are the coolest with average temperature of 15° C, in Phongsaly town. At that time, a thick and persistent mist is often a low temperature fellow. It can remain one indeed two or three weeks. Sometimes visibility does not exceed fifty metres.

In between this cold period (December, January, February) and rainy season (June, July, August), Phongsaly province climate is relatively dry, in aggregate sunny, clement, with the highest temperature in April and May, 22°C. Average annual temperature is 19°C. Georges Aymé, French infantry battalion commander, presented Phongsaly climate as : "*Europeans weather very well the climate, if they arrive steady , not infected by malaria and if they remain sober. The reputation of the territory insalubrity, is very likely, partly from a legend; too often misdeed of alcohol and opium have been attributed to climate* " (AYME, G. 1930).

Such abiotic conditions (climate, topography) are not in favour of South East Asia agriculture crops. Sun miss when moisture is sufficient and present mechanization possibilities do not

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<sup>3</sup> Data from Phongsaly meteorological centre. They concern a nine year period from 1991 to 1999. They have been compiled by Xavier Zimmermann. X. Zimmermann worked five years, 1996-2001, in Phongsaly, three years for a French NGO (CCL) and two years for a World Bank's project. From 2000 to 2001 he compiled many data from various local sources.

allow to crop such slopes. Therefore, the main part of the territory is covered by endemic vegetation and forest is prevalent. If forestry fallow is included in forestry territory, 85% of the territory is covered by forest and primary forest represent 30 to 40 % (CHEN, J., YAO, T., ZHANG, L., BEI, Z., 2000).

This succinct description gives an idea of the province profile, wild, mountainous and hard to reach. In this context, for a moderate cost, a decent road network cannot be built, therefore tracks just appear.

Before French colonisation, horse trail and Nam Ou river were the only ways of communication (AYME, G. 1930). This river has an erratic flow, fast here and there. Canoe bigger than 3 tons<sup>4</sup> cannot sail. The first track suitable for motor vehicle was build under French occupation, in 1926 according to Georges Aymé. The network was expended in 1962 by Chinese cooperation, then a first track linked Phongsaly City to China border and a second one linked Muang Khoua to Oudomxai City. Few years after Ngot Ou was link to China by north. Vietnamese cooperation participated to Moun Koua to Vietnamise bordern, track construction. The junction in-between Phongsaly city and the other LPDR province was inaugurated in 1997. A track finished in 2002 link Nyot Ou to the existing network. In 2003 Samphan must be connected as well. Nowadays all district chief town are researchable by track. In rainy season mud and land slide make moving hazardous.

Periods	Network in km	Road tarred in km
1953	57	
1974	197	130
2001	490	60 <sup>5</sup>
2003	560	80

***Table n° 1 :Track network in kilometres.***

Even if track and road network have been improved, in quality and density, it is still very weak. The main part of villages is not served and villagers have to walk<sup>6</sup>. It takes one day indeed more for the farthest to reach the network. Heavy, cluttering and perishable items cannot be moved from remote villages to the network.

Through an example we are going to show, carriage constraints for a remote village. The chosen village, X, is four hours far to the track. A "Xien" wants to trade rice surplus. A packhorse can carry about 40 kilograms. Carrying a ton of rice requires 25 journeys or 100 hours. According to a working norm of 35 hours a week, it takes 2,8 weeks for the rice to be transported. Without considering the way back. Incomes for this selling are from 150 to 200 US\$. In similar condition, the same horse would have carried from 110 000 to 140 000 US\$ of opium (we computed thank to 2000 prices). Comparison is explicit and marketing products with a low weight value represents a huge constraint.

<sup>4</sup> Nam Ou river has been for a long time the only way to penetrate this area. In 1872, to conquer Sip Son Chau Tai (twelve Thai principalities) around Lai -Chau (North-West Vietnam), Siamese used this way. Later, in 1894 Pavie mission (for french interest ) explored up this territory by Nam Oun river. This area exploration is described chapter VII "Le Bassin de la Nam Hou" of Pavie mission report.

<sup>5</sup> Road asphalted in 1974, are not asphalted any more in 2001. Only parts rebuild in 1997 and 2001 are included in the asphalted network.

<sup>6</sup> As an example, in Phongsaly district, 29 villages among 97 are desserved by a track or a sailling river in 2001.

Means of communication as, radios, telephone and airways are very weak as well. Since 1985 all districts chef town are connected by a wireless telephony system (it was morse code before 1985). The first telephone lines arrived, in Phongsaly City, Muang Khoua in 1997 and in Boun Neua in 2000. In 2001 there were 96 lines for the whole province, 48 for Phongsaly City, 24 for Muang Khoua and 24 for Boun Neua City (cf map n°1). Before the helicopter scratched, an airway line worked for few months in 2000. It took 3 hours to reach Vientiane from Phongsaly City.

This connecting process directly impacts the socio-economic evolution and the more urbanised centres evolve faster than remote villages.

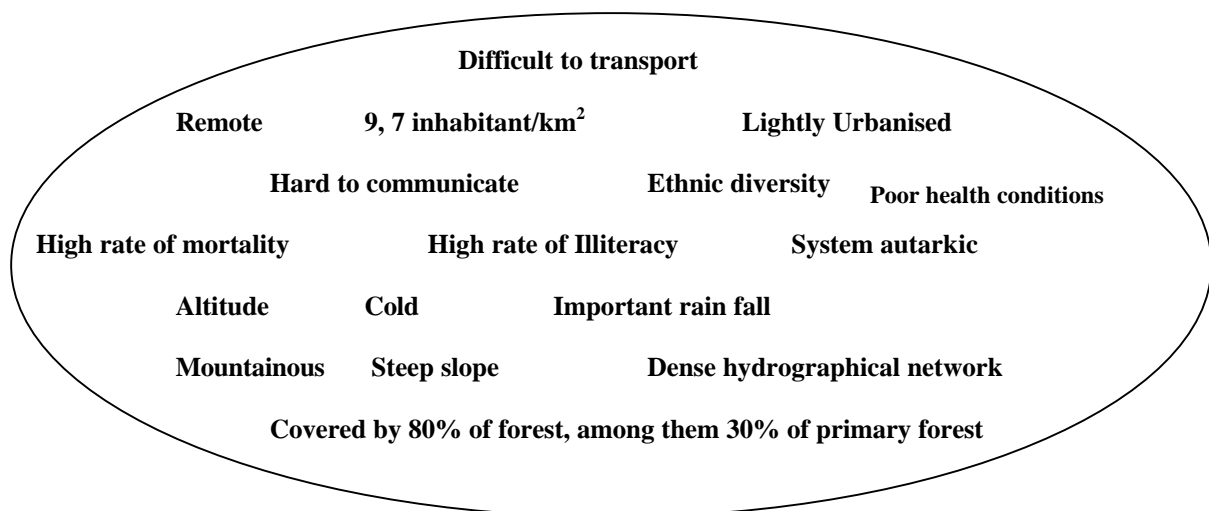
These centres are getting bigger. In 2000 Phongsaly City had 5000 dwellers, Muang Khoua 4000 and other districts chef town less than 3000. In general, villages are largely spread over the provincial territory. Population density is still homogenous. A networking of 673 villages inhabited by 215 persons.village<sup>-1</sup> traduces this homogeneity<sup>7</sup>. Until now (2000) population growth has not really affected the geographic repartition of persons.

In 1975, provincial population was 99000 persons, 154100 in 2000. Unfortunately Phongsaly province dwellers have a limited access to health services and education. Average children mortality before five years approximates 10 % (9,4 % en 1995) (NATIONAL-STATISTIC-CENTRE 1999), but for some poor village it is close to 25%<sup>8</sup>. Illiteracy is a problem as well. For persons elder than 15 (in 1995) the rate is 55% for men and 75% for women (BOURDET, Y. 1998). In addition high disparities among villages characterized this pattern. In many villages only few notables are able to speak and decipher the national language.

Ethnicity is highly correlated to actors behave as health, education and type of product marketed.

In this area where 31 ethnic groups live<sup>9</sup> (CHAZEE, L. 1991;1999) considering ethnicity is crucial to understand the development process.

Before to tackle this problematic we are going to present one of the first step of this study : data gathering.



**Schema n°1 : Synoptic view of the province.**

<sup>7</sup> Xavier Zimmermann.

<sup>8</sup> Information gathered from health provincial services in 2000.

<sup>9</sup> Xavier Zimmermann.

## **2 METHODOLOGIE AND DATA COLLECTING.**

From 1975 to 2000 the national statistic centre does not provide all required data for the survey (even if this centre produce interesting information now). Therefore we created our data base. Data were gathered for every five years (1975, 1980, 1985, 1990, 1995, 2000). Our data do not consider all production, but only products exchanges in piastre, kip, foreign currency or bather. Self-consumption is excluded<sup>10</sup>. As this area is specific we did not chose a standard process and we adapted the methodology. This chapter is devoted to present these adaptations. It is organised in three parts : the methodology, the sample chosen and the limits of this work.

### **2.1 The methodology.**

To assess productions exchanged in-between 1975 and 2000 we interviewed villagers and recorded data according to the unit of value in used. Several units were used.

Several units of value, multiplicity of exchange operation and historical perspective, made this work hard. When we interviewed actors, they did not remember acutely amounts sold. Interviewees first thought about quantities to determinate amount.

Therefore, we adopted the way villagers naturally proposed without avoiding this method limits. According to the period of the year, prices evolve. After harvesting price can be 2,3 or 4 times lower than before the harvest. Multiply quantities and average price erased these differences and can introduce significant mistakes. Such a problem has been noted for self consumption (DUFUMIER, M. 1996; LAMBERT, S. 1992).

Unfortunately, we do not have a better technique and we kept this one : quantities\*prices to assess villager selling during our study period. For a better understanding we transformed amounts in constant US\$.

The second methodological is from the technique of survey we used.

Must we use a qualitative survey or a quantitative survey ? Done in good conditions, both give comparable results. After few test, we chose the quantitative one, it seemed to be easier to implement.

Thank to preliminary survey and bibliographic available, we made a questionnaire ranking 87 products exchanged by villagers since 1975.

### **2.2 The chosen sample.**

100 Phongsaly province villagers households compose the sample. They are spread in 25 villages belonging to 12 sub ethnic groups, among the 31 in the province (cf table n°3, page 11). They are located in the seven districts of the province. The abundant information collected was treated with the statistical software SAS.

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<sup>10</sup> As self-consumption is consumed by the producer, this production part is not involved in exchange system. Self-consumption participates to reproduction and not to production.

<b>Ethnic Sub-group</b>	<b>Number of village</b>	<b>Number of questionnaire</b>
Phounoi	5	20
Akha Loma	1	4
Akha Tchepia	1	4
Akha Noukoui	3	13
Akha Moutchi	1	2
Lao Pan	1	1
Ho	1	5
Hmong Kao	1	4
ThaiYang	1	2
ThaiLue	2	11
ThaiNeua	2	11
Kamou	6	23

***Table n° 2 : Questionnaire repartition according to ethnic groups.***

Data gathering was done over the period 1998-2001. Interviews were implemented in four or five times, it took about one or two day for each household. This work was fruitful and gives many interesting information. Unfortunately some imperfections limited results exactness. We are aware about them and it seems very important to integrate this constraint to our reflection.

### **2.3 Results collected in a singular context.**

Three limits directly impact our results. First, it was hard to assess selling level in an historic perspective. Second, it concerns prohibited crop estimation (poppy for opium) and third how to assess the value of products bartered where no uniform system of value exists.

- For data concerning the beginning of our study period, we regularly consulted the household elders, even if, in general, household interviewees were old enough. They remembered years 1970. Unfortunately, time smooth events perception and absence of written support worsen this problem. Then we face two different problems.

First, in a rural society extremely remote, life of villagers follows its own rhythm. Years are not automatically the time unit to assess period elapsed since an event. Versus, actors have a good date memory of outstanding facts, even if there are not able to say how many years are over since this fact happened. To get a common understanding, of our cultural time perception, we used (to make a calendar) the relative dating method. Example "*When did you marry? How much did you sell when you married? The year when rice fields and buffaloes were collectivised? The year when the border with China was closed? When you were a young lady as the cook is? Etc.*"

Second, interviewees had a sharp and acute idea and quickly replied for year 2000 even 1995. For previous years, reflexive silent and discussions were generally long and we had to tally answer to get a precise one.

Sharpness of information obtained is limited by these two constraints. But, we do not have better sources and the general trend given by these data matches with parallel reports.

We noticed a decreasing level of sale after the revolution. One the first hand, this reflects reality described by many actors. When we discussed they complained "*We were so poor. When I was twenty I never saw bank notes. We did not have rice for daily consumption. Buffaloes presence was scarce and I never saw any cow. Bolls and spoons were bamboo*

made, as the one my wife is using. We lighted with animals fat or with very dry bamboo slice strongly bunched ". On the second hand, late in the 1970, famines started to appear.

▪ Opium constitutes a significant income generating. Poppy cropping is prohibited, under penal code article 135<sup>11</sup>. A taxation system have been settled in order to dissuade villagers from planting these purple or white beautiful flower.

Questioning about opium trading introduced suspicion. Then and peasants trust is spoiled for the reaming part of the questionnaire. Therefore we chose not to ask about opium and we used official data..

We used data published by United Nations for the Drug Control Program (LCDC 1993) (LCDC-UNDCP 2000) (LCDC/UNDCP 1998) and data produced by the US embassy (ACOCK, M.C. 2000). Both institutions gathered they own data from field observations at flowering period. Then they estimate production.

As we only are focused on selling, we subtracted self consumption from total production. Self consumption is estimated by the aforesaid institutions.

Then, according to LCDC-UNDCP estimation, information we gathered, reporting on locals agrarian systems or marketed products (ALEXANDRE, J.L., EBERHARDT, N, 1998;BAUDRAN, E. 2000;CHAZEE, L. 2000;JOUANNEAU, R, . LAFFORT, J.R., 1997) and lighting work did in different areas (CULAS, C. 1999) (EPPRECHT, M. 1998) (YANG, D. 1972). We affected quantities sold according to ethnicity.

▪ Presence of barter brings a double problem. First, how to estimate a pig price, a bunch of bamboo shoots, etc bartered, when exchange rate change according to quantity, utilisation, period, place and relationship between exchangers.

To avoid this constraint, we approximated an average price of product and we converted it into constant US \$.

Secondly, daily transactions : few vegetable barter against cassava, an antelope leg witch have to be given back when hunting will be fruitful, etc. are vastly underestimated. The part of recorded exchange they represent is insignificant, but they are numerous and without a real marketable value. Their value change according many criteria and they are necessary to constitute social relationship. This phenomena corrective estimation is very hazardous and we did not undertake it. We accept this looseness.

Poppy cropping has a capital cultural and economic importance. According to social norms and for medicinal or entertaining reasons some peasants consume opium (CULAS, C. 1999). It was noted at the beginning of French colonisation (AYME, G. 1930). Such an opium using does not seem to make any problems for Phongslay dwellers, except the few addiction case. On the other hand, opium is an important resource. Its selling permit to satisfy basics needs as health, etc. "Papaver somniferum " cropping prohibition, under international pressure, impoverish some peasants already very poor. In addition, always under international pressure, slash and burn has to be vanish. Slash and burn has been used for ages, to clear up land fields in order to crop the necessary food, in an environment where low land areas are almost absent. Therefore, we refuse our results are used against peasants. They have been already criminalized and weakened (EPPRECHT, M. 1998) by these directives. They deprive peasants from a part of them meagre resources. Then, we did not collect opium data, we used official ones.

<sup>11</sup> The prohibition directives have been settled in 1971 September 24, but they started to take effects in 1990, when constitution was made. Having opium, its production or consumption are ruled by article 135. Few amendments have made this article stronger and since 2000, producing, having, consumption of opium, 000 is only authorised : "Households in which there are elderly addicts are allowed to grow opium in limited plots for their consumption only". Order of the Prime Minister (Sisavath Keobounphanh), N° 14, 28 November 2000.

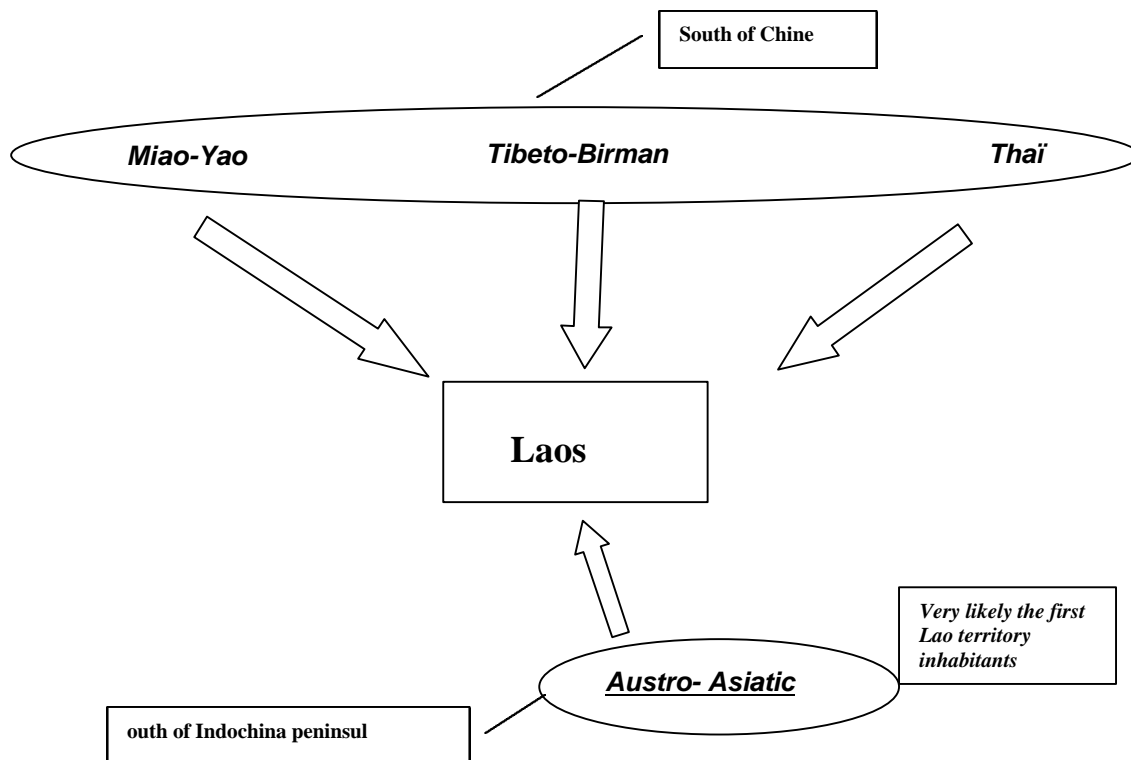
In this study we adapted concepts already established to our field specificity. We must keep in mind two points. Quantitative data covers the period every five years. Convert, product volume into prices introduce an imprecision for estimating income generation. Data related to opium sold are from official sources. Acuity of information is inversely proportional to their age. It is very hard to assess goods price in a barter system. Nevertheless, adaptation did are quite usual in such a context and in an historical perspective. In any case our survey shows a local reality and we have to accept some estimation.

### **3 Lao PDR a multiethnic country.**

#### **3.1 Ethnic diversity and complex classification in Lao PDR.**

Under the Lao monarchy, ethnic classification was not very strict, it used the ethno-geomorphologic categories instead of ethno-linguistic categories. The division in three parts was relatively simple: Lao Soun, Lao Theung and Lao Loum. Lao Soun are described as people living on the “top of mountains”, especially Tibeto-Birman and Yao-Meo groups. Lao Theung lives in “the mountains and hills slope”, majority of them are Austro-asiatic. Lao Loum lives in “low-land” area, they are the dominant group in Laos. They belong to Tai-Kadai ethno linguistic group. Of course, this division according to habitat altitude does not give a real picture of the social reality. For example, some family or villages of Lao Soun or Lao Theung are living now in lowland area. The two Indochina (1950-1960) wars and civil war (1961-1975), deeply transformed the former settlement of population. We just need to remember that this traditional classification of ethnic groups in three categories was only a frame but not a classification with scientific background. After 1992, the Lao administration used the linguistic model of classification of the ethnic groups following, in this way, the Chinese and Vietnamese system, but as all classificatory systems, this new system is not free from ideological orientations and hierarchy.

Austro-Asiatic groups are probably the Lao territory natives, it is shown by some prehistoric artefacts. The main part of them came from the south of the Indochina’s peninsula. Today, they are 24 % of the total Lao population. Thai group is the most important (demographically speaking): 65,5 % of the total population. They left south of China, where many of them are still living, between 9<sup>th</sup> and 13<sup>th</sup> century, to escape Chinese and Mongols armies pressure when they invaded the south of China. Miao-Yao people migrated in Lao territory in the early 19<sup>th</sup> century because Taiping revolt (CULAS, C., MICHAUX, J., 1997). They came from South-East China, Sichuan, Yunnan and Guizhou provinces, they represent from 6 to 10% of the total population. At last, Tibeto-birman lives in Lao territory since 19<sup>th</sup> century. They left China for the reasons Miao-Yao left, they are only 3 or 4% of the population (CHAZEE, L. 1999;SISOUPHANTHONG, B., TAILLARD, C., 2000).



**Scheme n°2 : Population origins.**

Through out this description we would like to show how the ethnic diversity description is complex. Studying groups and sub-groups can show difficulties to identified them. It is as well a problem at national level.

“In fact, the first assessment of the provincial censuses gave a list of 55 ethnic groups which was whittled down to 49.” (PHOLSENA, V. 2002). “...After the population census’ [of 1995] ...The Statistical Department has received letters and phone calls from Central Committee’s offices and ethnic groups’ representatives in the provinces, pointing out the absence of ethnic groups’ names as well as names that did not satisfy ethnic groups.” (CHOMMALY, S. 2000). Majority of these ethnic groups are divided in sub-groups. In each ethnic group the number of sub-groups is different according to the experts. Because this question is not central for our subject, we choose to follow the official number of 131 sub-groups in Lao PDR. In a book about the ethnic people, Laurent Chazée (CHAZEE, L. 1999) recorded 800 sub-groups identified by themselves. Some very small sub-groups as Mlabri included only few families, sometimes less than 30 people.

### **3.2 Phongsaly province Peoples, an ethnic mosaic.**

This province singularity is not only ethno linguistic. It is specific as well in term of repartition of population. A brief presentation of this two points (ethnicity and repartition of population) helps to understand our problematic.

- Repartition of population.

Phongsaly province is one of the LPDR provinces the lowest populated. Population density is about 9,5 dwellers/ km<sup>2</sup> in 2000. Such a density has a capital importance. It is directly linked to sustainability of the natural resources management. This characteristic is going to be used later on this presentation.

- A mosaic.

Ethnic composition of Phongsaly province does not reflect the national share. Thaïs group is not dominant in Phongsaly province. Phongsaly's Thaïs belong to a minorities branches among the Thaïs ethno -linguistic family. Tibeto-birman is the first group with 51% of the population, Thaï is the second group (25%), then austro -asiatics (22,5 %) and Miao-Yaos the last group in term of representatives (2,5 %). Data census 1995.

<b>Groups</b>	<i>Austro-asiatic</i>	<i>Thaï</i>	<i>Tibeto-birman</i>	<i>Miao-yao</i>
<b>Sub-groups</b>	<i>Kamou Kha Bit Lao Seng Phaï Tchaho</i>	<i>Thaï Lue Thaï Dam Thaï Kao Thaï Yang Lao Thaï Nuea Thaï Deng</i>	<i>Phounoi Akha Akoui Akha Nyaheu Akha Homa Akha Sila Akha Chepia Akha Loma Akha Pouly Akha Moutchi Akha Noukoui Akha Eupa Akha Pala Akha Tchitcho Akha Moutchoui Poussang Hayi Lolo Keu Ho Alou Lao Pan Mounteun</i>	<i>Hmong Dam Hmong Kao Hmong Kio Hmong Lay</i>

**Tablen° 3 : Ethnic sub-groups present in Phongsaly province<sup>12</sup>.**  
**((NATIONAL-STATISTIC-CENTRE 1996), (CHAZEE, L. 1999))**

In parallel with demography (154000 inhabitants in 2000) and Phongsaly Province area (16270 km<sup>2</sup>) such diversity seems to be amazing. In the same territory, with many economic influences (CHAZEE, L. 2000), (Epprecht studied these relations in another north Lao province (EPPRECHT, M. 1998) and had a similar conclusion) and cultural influences (possibility of inter-ethnic wedding, etc.), these sub-groups organised in 10 to 60 household villages<sup>13</sup>, have protected their singularities.

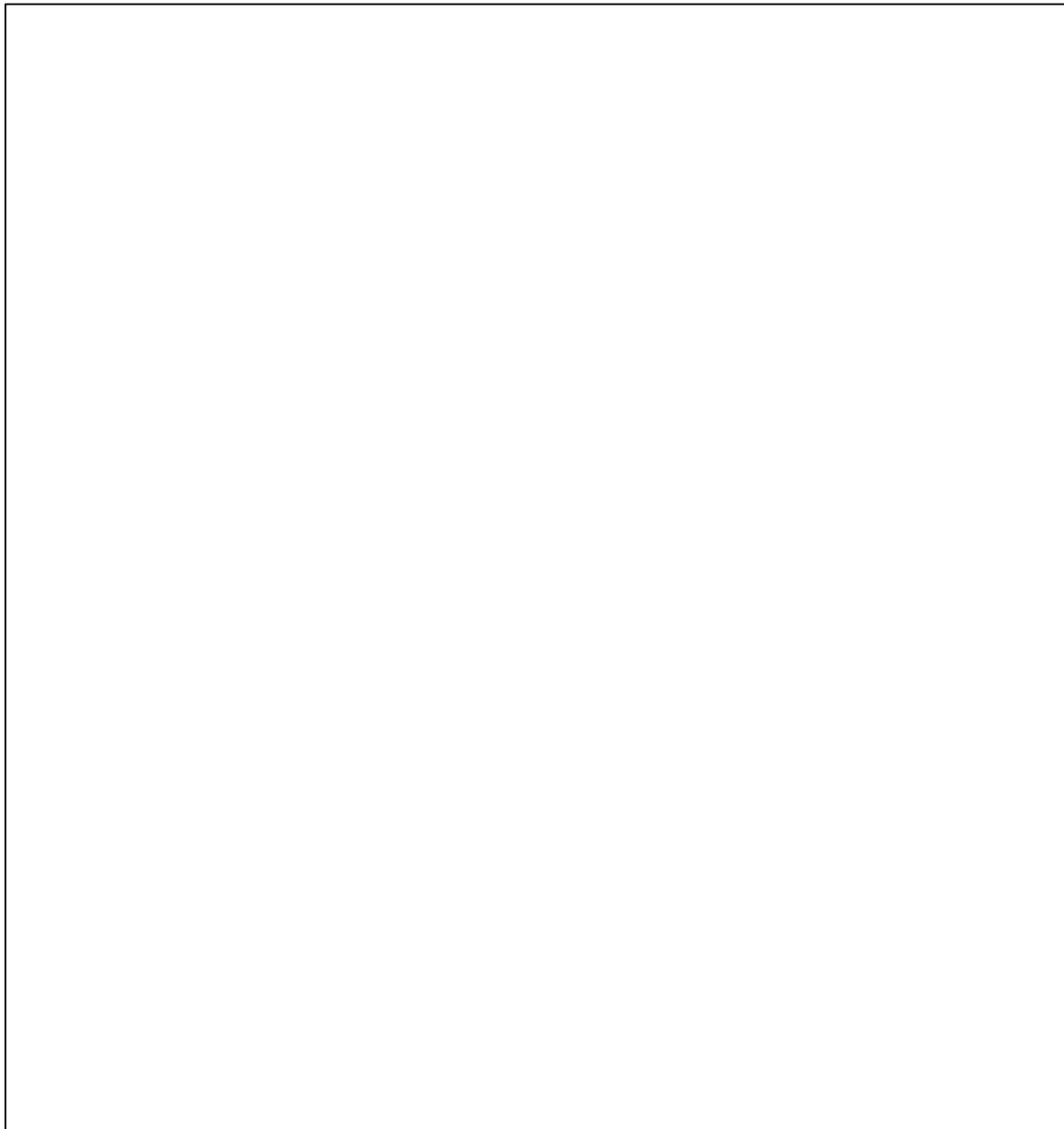
<sup>12</sup> To simplify the classification of the ethnic groups, we use the official Lao terminology in Lao language. These ethnonyms are used by the Lao administration (exonyms), but majority of them does not fit to the local terms (endonyms) used by the ethnic populations.

<sup>13</sup> Very few villages have more than two sub-groups differently organised. But many villages, according to rules, accept few families or households from another ethnic group.

Heterogeneous territorial<sup>14</sup> repartition of these sub-groups (map n°2, page 12) can be advance as an explicative point. We can notice a relative concentration of some sub-group in some areas (Even if a relative concentration is noticeable, overlapping with other sub-groups is not excluded). Lue line for the Thaï Lue, Ngot Ou district for Ho and Lolo, Phongsaly district for Phounoi, Muan Khoua and Samphan for Kamo u etc. Nevertheless, a sharp analyse does not give credence to this territorial approach.

In the general tendencies above described, we note that every villages are, few minutes indeed one or two hours (by foot) far from a village belonging to another sub-group. Generally speaking they have many contacts. Territorial proximity is not a homogenisation vector.

**Map n°2 : Provincial territory occupation according to ethnicity.**



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<sup>14</sup> These terms, territorial, territories are not used as they used to be defined by geographers. Here, territorial, territories represent a physical unit as province, district, village or intermediary units ; independent from network, topography.

### 3.3 Ethnic groups in our sample

Our sample included 12 sub-groups from the four ethno-linguistic families. Economic behaviour of these sub-groups was, and is strongly determined by topographic factors, specific recent history and social representations of actors.

For each ethnic group we are going to briefly introduce the socio-economical characteristics as and important components to explain space organisation. This short introduction does not pretend to give a complete picture of the social organisation, cultural behaviours of these ethnic groups. We just want to show element from the socio-economical context to understand the development of different productions.

Before presenting ethnics groups two prefatory remarks are necessities.

▪ The first concerns, for all actors we interviewed, the social value of rice. Having enough rice for daily consumption, over the year, is not only a dietary need, there are substitutes<sup>15</sup>, but it represents a social value. It

From a semantic point of view rice social value is showing as well. Eat in Lao is Kin Kao. Kin means to consume and Kao rice.

is a social recognition element. *“We are poor, we do not have enough rice. We do not have any more rice, we are obliged to eat tuber or maize as pigs do. Tubers do no really feed, without rice we do not have enough power to work“*. These remarks are significant and having rice is the first preoccupation of peasants<sup>16</sup>. Reaching this point mobilize all their energy. Rice self sufficiency is a fundamental first step and before getting it, they only sell irregular surplus and gathered products (picked up when there is no major work to do). Once they reach self-sufficiency, peasants start to change their dynamic and produce to sell.

Admittedly, reality is more moderate and dynamic evolution happen slowly. But this basic feature of rural society, explain the system coherence. This characteristic of North Lao society is a constant of almost all rural societies as it was noted by Park and Clifton (CLIFTON, R. WHARTON, J. 1970;PARK, J.H. 1970). Consistence of rural societies functioning is based on necessity to minimise risks (NEWBERY, D.M.G., STIGLITZ, J.E. 1981) (NEWBERY, D., et STIGLITZ, J.E., 1979) in a context where satisfying basics needs is not acquired. If results of risk (investment, innovation, etc .) are not successful, they can break the weak balance and prevent the basic system reproduction.

Sub-groups of our sample do not escape to this social fact and only self-sufficient household committee themselves in cash crops productions.

▪ The second, set out to distinguish tow different rice cropping system. Hai and na.

The Lao concept of hai or ray has not an exact translation into English. Slash and burn, concept, quite close to hai, does not exactly match the concept of hai in Phongsaly. Hai represents a plot of land, in an up land area. During several years (3 to 25 years) a natural vegetation grows, the fallow. Slash and burn is the technique used to clear the plot in order to crop it one, two indeed three years. Pluvial rice is very often associated to other cultures, but in general rice is the first objective. Without fallow period is not call hai anymore, but “souan” and rice is not cropped. In this paper we are going to call hai : up land rice field.

Na represents a low land irrigated field were rice is cropped. In this paper we are going to call na : irrigated rice field.

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<sup>15</sup> Maize, wild or cultivated tubers constitute the mains substitute of rice. Forest is an important reservoir of these substitutes. In addition it gives wild legumes and fruits, forage for cattle, game and various materials. Its importance is capital for villagers.

<sup>16</sup> Concept used as Henri Mandras difined it MENDRAS, H. 1984. *La fin des Paysans..*

### 3.3.1 Akha People.

Six Akha villages are included in the sample. They belong to 4 sub-groups : Loma, Tchepia, Noukoui, Moutchi. These Akha sub-groups show numerous cultural differences, but from our point of view their socio-economical behaviour seems to be similar. In this study we did not make the difference between the sub-groups considering all the Akha as a homogeneous group.

- Some social singularities

From this sample, all Akha sub-groups, a large majority of women wear traditional clothes. Extremely colourful, decorated with many silver patterns. Usually Akha men do not wear traditional clothes. Only few Akha can speak Lao. The level of alphabetisation is extremely low.

Akha group still lives, in general, in a relative autarkic<sup>17</sup> based on the village functioning. Social pressure (in the village) has a very important role on structuring the production, the distribution and the repartition of various products. Group strategy prevails over individual strategy, as in many rural societies (PLATTEAU, JP., ABRHAM, A. 2001). Very often, ostentatious indicators of wealth, owning a number of cattle head upper than a norm, flew into a rage malefic spirits. Then cattle owner has to scarify animal to get the spirit good graces. In addition, Akha religious practices, pay a special attention to the spirit of the territory. It is usual for them to build ritual fences and gates for the ceremonies at the village level.

- Socio-economic organisation and village setting up.

Akhas' villages are generally settled up land. Akha start to build irrigated rice fields under the very limited irrigable land plot they own. In general they get rice from up land fields. Slash and burn is the technique used to clear plots to sow rice and other accessory plants or vegetable (opium, maize, cabbage, etc.). Household do not usually have many domestic animal and they get a substantial part of they food from forest, tubers, fruits, wild vegetable, game.

### 3.3.2 Hmong people.

Not many Hmong live in Phongsaly province. Only one White Hmong village is recorded in this study, with 208 families in 2000.

- History and social life

When Hmong was in the South-West China, they probably cultivate irrigated rice fields (CULAS, C., MICHAUX, J., 1997). Hmong language has specific expressions to describe low land agricultural technique (YANG, D. 1972) (HAUDRICOURT, A.G. 1974). Historically, when the first Hmong arrived in Northern Laos territory, around 1850 (CULAS, C. 2000), suitable areas to crop irrigated rice, were certainly available. But , the majority of Hmong chose to be settled up land. Then for some Hmong groups, corn became the main food. Rice was usually a food for feast (YANG, D. 1972). After 1940, for daily food, Hmong groups started to give up corn to pluvial rice (YANG, D. 1972). Today, majority of the Hmong groups prefer to eat rice (if they have enough rice), corn is dedicated to feed animals. Breeding cattle has a central place in Hmong society, as a way to store value, sources of

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<sup>17</sup> Autarkic system does not really exist. We do not have any examples of a society without any exchanges. At least with neighbouring villages. To define autarkicity is necessary to defined the unit (country, province, village, etc). Here an autarkic village has : few exchanges with neighbouring villages and very few with farrest ones.

income and for sacrificial practices. In Hmong culture, there is three main way to show the wealth : traditional silver jewellerys, very large family and important cattle.

Almost all women in this village and some men to wear Hmong traditional clothes. However, women from this village do not wear the white pleated skirt. It was the common clothes for White Hmong in Laos. Many Hmong men are fluent in Lao, Hmong women usually have a very low level in Lao language. In this village only few people are able to read and write in specific Hmong writing.

#### Village life and socio-economical organisation

The village is settled in Nam Yien valley since 1995. The responsible of the administration have pushed villagers to leave hills to resettle in the upper Nam Yien valley. Ethnic minorities village resettlement seems to have been a disaster (GOUDINEAU, Y. 1999). The critical position is certainly justified in many cases, but moving was a positive choice for this village. Villagers appreciate their new site and they build irrigated rice fields near a river in a valley. Villagers are enthusiastic when they related the future they will have, thanks to irrigated rice fields. Rice surplus and farming animal developed.

It seems important to keep in mind for this village, its evolution over the studying period. Years 1970, up land settled, pluvial rice and maize constituted their basic food. Presently low land settled, with an increasing breeding capacity and an increasing irrigated rice field area, as well. For this group poppies cropping is perfectly integrated to they farming system and it constitute an important resource. This historical tendency (AYME, G. 1930) is noted in different place for the Hmong society (YANG, D. 1972) (CULAS, C. 1999).

#### **3.3.3 Ho People.**

##### ▪ Few social singularities.

Arrived in North Lao from China, about two century ago, Ho have kept many ostentatious and specific features from cultural background. Female tunics are easily recognizable versus the male ones, presently standardised. Their idiom presents many similarities to Chinese language. According to pronunciation, Ho speakers can communicate with Mandarin speakers.

Ho celebrates the Chinese New Year. Ho are generally animist.

They have got a reputation of traders. They used to market the meagre locals products (opium, benzoin, cardamom, bear bile etc.) and importing goods (Iron, small manufactured goods) in the former time. During the French colonisation, Ho caravanners were linked to French militaries to supply Phongsaly garrison. From the city of Laichau (Vietnam) to Phongsaly, they carried products and supplies necessities for French (AYME, G. 1930). Some Ho was famous caravanners in the mountains areas of South-East Asia. They keep strong links with traders in many cities in Laos, Vietnam and China.

▪ Socio-economic organisation and village setting up.

In our sample, Ho live in up land area and their practice slash and burn as a farming system. First crop rotation<sup>18</sup> is rice. Joint to rice they crop maize, vegetable, opium. Around years 1920-30, G. Aymé (AYME, G. 1930) already noted their interest for poppies culture. Opium production is very well integrated to their farming system (ALEXANDRE, J.L., EBERHARDT, N, 1998) (BAUDRAN, E. 2000). Livestock has a capital function in their social organisation. They seem to have particular disposition for bovine breeding. They used bovine as pack-saddle animals. If their living territory has flat valley, they start to build irrigated rice fields.

### 3.3.4 Kamou People.

▪ Some social singularities.

Only Kamou group represents Austro-Asiatic ethno-linguistic family. The main part of them are able to speak Lao, even if they speak Kamou together. As well men and women, do not wear their traditional clothes. Since years 1960-70, where their traditional clothes disappeared they all have standards clothing.

Before years 1960 Kamous had long hair wreathed with a black headband. They dyed teeth and wore a piece of wood in their pierced hears. They had black clothes.
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▪ Socio-economic organisation and village setting up.

Kamou left valley when Thai arrived (between the IX and XIII centuries). They presently occupied a hillside habitat. It is where the denomination Lao Tung from. Their farming system is slash and burn based. As other “up land” groups they try to build irrigated rice field in the rare flat valley they own. They have a small scale-farming animal.

### 3.3.5 Lao Pan People.

Our sample neglects this ethnic group. We only surveyed one household. Their farming system is close to Kamou system. They live up land. According to Laurent Chazée (CHAZEE, L. 2000) this group used its non-cropping period to basket-work or wicker-work. They exchange the product of they work with surrounding villages. This group wear standard clothes, both men and women.

### 3.3.6 Phounoï People.

Phounoï are still essentially disseminated in Phongsaly district, in a radius quite close to Phongsaly city. Traditionally Phounoï villages are up land settled. In our sample, villages settled outside Phongsaly district moved late in the 1960. They migrated under local authorities pressure, to move in uninhabited valley. They moved to build irrigated rice fields. Therefore, economic behave of Phounoï is not homogenous.

▪ Some social singularities.

At the first sight, Phounoï identity seems deeply influenced by Lao society. Apart few old women (they ware beige cotton short leggings) Phounoï do not ware any more traditional clothes. In general, Phounoï speak Lao, except old persons and women in some villages, and in some cases. Phounoï language remains their daily language. Alphabetisation is quite important, even in remote village.

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<sup>18</sup> First crop rotation : Under the same plot land, the first crop in a system (short term) where several cultures succeeded to the other ones.

According several revolutionary, arrived in Phongsaly years 1960, Phounoï started to “become as Lao” during the revolution. Before, Phounoï wore traditional clothes and it was not really possible to speak Lao in Phounoï villages. A translator was necessary.

Phounoï people do not seem incline to be directly opposed to dominating cultural influences. They show some propensity to absorb the power norms<sup>19</sup>. Some of them were employed by French militaries. Phongsaly city choice as a French base was not (perhaps) innocent.

A French colonialist, years 1920-30 had the following description of Phounoï (AYME, G. 1930). “*Phounoï is quite intelligent, happy, sometime guileless, he is not bellicose, perhaps he is not brave, form him to be submitted is enough, devoted and hard worker*”.

During the war, they have been largely associated to the military force of General Kamouane Boupha, from 1955 to 1973. Therefore they fight with Royal forces at first and then with the communist forces.

Even out of power conflicts, Phounoï show a remarkable integration capacity. Phounoï villages that migrated in Thaï Lue area (two in our sample) have changed their habitat and their behave. These two villages have now, versus their traditional housing, spacious stilts houses, similar to the Thaï Lue houses.

▪ Socio-economic organisation and village setting up.

- ✓ The three villages settled up land do not have irrigated rice fields. They get rice from up land non-permanent rice field. In association with rice, they crop traditional culture, as maize, tuber and various vegetables. Their farming system is close to other up land groups and it has been vastly reported by in a rural development project, the PDDP<sup>20</sup> (JOUANNEAU, R. , LAFFORT, J.R., 1997) (BAUDRAN, E. 2000) (ALEXANDRE, J.L., EBERHARDT, N, 1998).

Phounoï villages got an evident advantage to be near the road and near Phongsaly city, compared to village far from both. They can easily move fresh product (vegetable) and or products hard to carry. Phongsaly city is developing and its food needs increase. It is a niche market for village near this city.

- ✓ The two low land Phounoï villages have irrigated rice fields. They been settled in valley in 1967 and 1967 in Boun Neua districts. They started building irrigated rice fields when they arrived. Its process had continued until all flat areas were colonised. Actually majority of families have irrigated rice field, the other ones crop up land rice field. In general, irrigate rice field access offer to villagers a rice production potential upper than needs. Then, they adopt a productive behave quite similar to Thaï one. Micro-mechanisation starts to replace buffaloes working power.

In every villages animal farming, poultry, pigs, bovine and bubaline is present, but according to villages proportion of ducks, bovine and bubaline is different. Up land villagers do not have many ducks and start to develop bubaline breeding in parallel of bovine breeding. Lowland villagers (near river) have many duck and marketed ducks surplus. Their bubaline herd is developed. Buffaloes are harness animals to plough irrigated rice fields.

### 3.3.7 Thaï people.

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<sup>19</sup> Personal communication. Vanina Bouté, a Phounoï Ph.D anthropology candidate (University of Paris X – Nanterre, France).

<sup>20</sup> PDDP : Projet de Développement Rural du District de Phongsaly. This project works in Phongsaly province since 1996.

Three Thai-Kadai sub-group constitutes our sample. Thai Lue, Yang and Thai Neua. According to this paper point of view, differences between these groups are not significantly different. Therefore we are not going to separated them and our analyse will consider Thai Lue, Yang, Thai Neua as Thai .

▪ Some social singularities.

Thai sub-groups speak dialect close to Lao. They speak very well Lao and in general, even the female part, reads and writes Lao. Buddhist, only Yang makes exception. A part of Yang is animist.

▪ Socio-economic organisation and village setting up.

Thai live in valley along rivers. Generally speaking Thai villages own irrigated rice fields. Dissociate Thai society and irrigated rice fields does not seem possible. But, this phenomena (having irrigated rice field in general) is new. During interviews we undertook, villagers were unanimous. They remembered wasteland presence where they actually plant irrigated rice. Some villagers, less than 30 years ago, practiced slash and burn as the only way to have rice. Presently, only few families crop up land rice.

Animal power has a capital function in order to make soil preparation, but hand tractors start to replace buffaloes.

Thai ethnic groups have a lot of farming animals, poultry, pigs, buffaloes and cow. They got rice surplus since a few years and they start to explore new niches. They develop trading with neighbouring villages and start to crop non timber forest products.

Thai s groups are well integrated to the Lao society in general. Social organisation is family based even if some specific tasks (building houses) are community work based.

#### **4 ETHNICITY AND MARKETED VILLAGERS PRODUCTION DEVELOPING.**

As peasant productions we understand all different products provided to the markets by peasants. Panel of these products is vast. This concept (peasant productions or products) is not related to a profession, but to type of productions produced or gathered by a social group of rural people.

Producing products, directly consumed by the family, the clan, the village is a peasants' objective. Their first aim, is to produce food, handicraft, etc. to insure the unit reproduction. Once they reach this point they extend their activities and they start to produce income-generating products. (CLIFTON, R. WHARTON, J. 1970).

The unit, the family, the group acts to achieve this first aim and according to the stage of development, the ratio work to produce self consumption/work to produce income generation products evolve.

To get all the needs required by the unit they produce a vast panel of products. In this paper we cannot focus on all different products marketed by our sample of ethnic groups and sub groups. Therefore, we have merged the products into tow classes according to : the products specificities, the products destination.

We identified six classes or variables<sup>21</sup> :

Variables Rice, Cash crop, Consu&Sold, Livestock, Small Anx, trading activity represent products marketed by the producer.

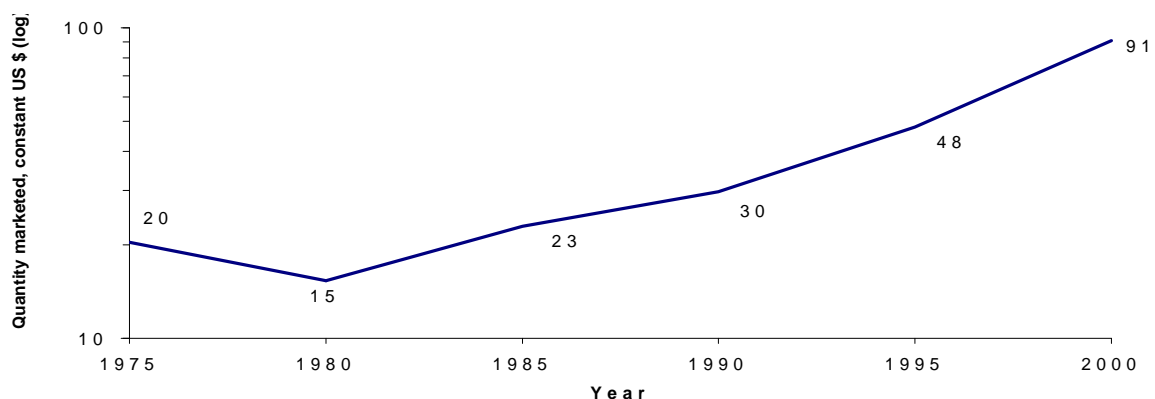
- Rice variable (Rice). As it is presented page 13 rice has a special statute and a special social function. Rice marketed constitutes a comprehensive element to understand development according to ethnicity.
- Cash crop variable (cash crop). Wild or cultivated crops, only marketed oriented.
- Consume and simultaneously sold products variable (Consu&Sold). Here we have merged crops wild or cultivated. They have a double function : marketed and self-consumed.
- Livestock variable (Livestock). Big animals as buffaloes, cows, and horses are in this variable.
- Small animals variable (Small Anx). Pigs and poultry.
- Trading activity variable (Trade). Trading activities undertaken by peasants. Trade activity represents the business made by peasants on buying goods and selling them. It can be manufactured goods or peasant products. Only Ad value is considered.

The number of products recorded into the variables is erratic. From few products for cash crop up to 60 in Consu&Sold. In its study, Laurent Chazée (CHAZEE, L. 2000) noted the same trend *"Among the 82 products identified, two (2,5 %) are only marketed oriented. cardamom and sugar cane. 12 products (15 %) surplus are regularly marketed. 26 products (32 %) are occasionally marketed. 41 products (51%) are never marketed"*.

Ethnicity impacts the level of products marketed in each variable. We are going to present this study results in three parts. The first part is dedicated to present general data from all groups put together. The second part shows, according to ethnicity the level of income generated by marketed products. This second part enables us to constitute homogenous groups. Lastly, the third part aims the show correlation between ethnicity and the variable above described.

#### **4.1 General quantitative evolution of peasant products marketed.**

The following graph presents general quantities of peasants products marketed. Data are from our sample of families. Tendencies expressed in graph n°1 are in constant US \$ per capita.



**Graph n°1 :Quantitative evolution of peasant products volume marketed (in log).**

<sup>21</sup> In front of every variable, in between brackets, the abbreviated name of the variable as it is shown in various graphs.

The revolution of December the 2<sup>nd</sup> 1975, initiated drastic changes that broke the previous socio-economic balance (page 1-2).

Factor of production collectivisation did not really get population assent. There were not any land lord (microfundiaire system) and the few irrigated rice fields and buffaloes were took away from peasant already very poor.

In parallel, a commercial state network was created instead of the existing private one. Resettlement brought on the floor evident disorganisation problems and a decrease of peasant products quantities marketed.

Years 1980 the tendency changed and volumes of markets products have increased slowly. Several elements under mentioned explain this trend. Irrigated rice fields and buffaloes were given back to their former owners. Rules regulations of population and goods movement were been more flexible. Private business was allowed. China border was reopen and transport infrastructure started to be build (1996). All together, these elements promote the setting of a propitious environment for exchanges development.

Year 1975, selling level of peasant products per capita was close to 20 US\$ (constant), in 1990, it approximate 30 US\$ and then it has started to really increase. The main part of the growth is concentrated between 1990 and 2000. It has been roughly treble (29 US\$ in 1990 and 90 US\$ in 2000).

Nevertheless this growth has not to hide the very weak level of peasant products exchanged per capita. In 2000, it is still very low and this area. It is one of the poorest area in the world. It seems that the relation demonstrated in other place by Clifton (CLIFTON, R. WHARTON, J. 1970) or Mosher (MOSHER, A.T. 1970) is verified here *i.e.* Transition from a system less and less oriented to self-sufficiency to a system more and more oriented to market is a necessary condition to the development of agriculture.

However, Phongsaly province is not a homogenous entity and we are going to enhance the ethnicity influences through out the level of peasant products marketed.

#### **4.2 Is there any inter-ethnic differentiation.**

In every ethnic group (group of Akha, group of Thaï , group of Ho, etc.) we have recorded a relative homogeneity. There is no significant difference<sup>22</sup> in between sub-groups, sub-groups of Akha, sub-groups of Thaï , etc. Phounoï is the only sub-group which is split in two parts. We will explain the reasons of this share page 16.

This part is devoted to compared the seven sub-groups : Akha, Phounoï , Lao Pan<sup>23</sup> , Hmong, Kamou, Ho et Thaï in an historical perspective.

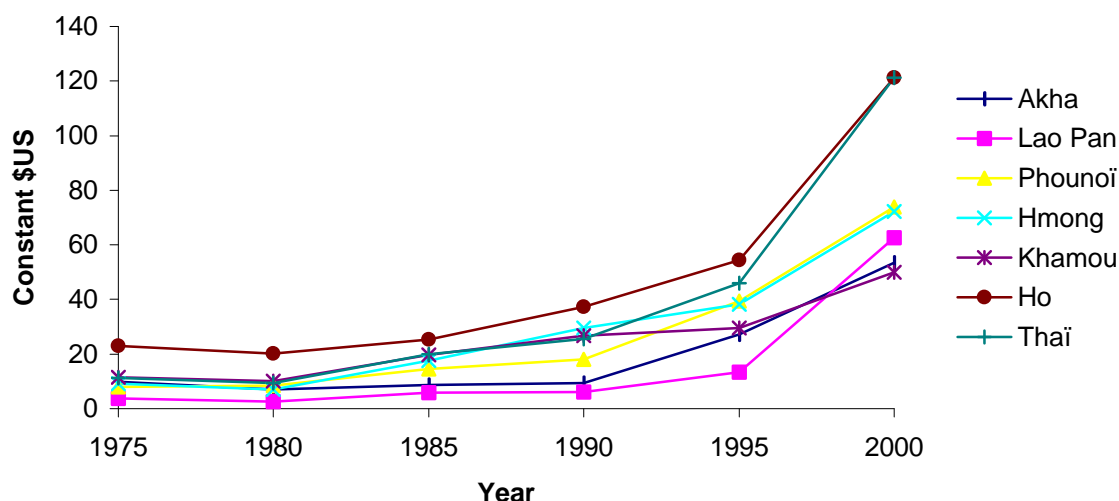
A kind of homogeneity is noted before 1990. Average of peasant products sold are not significant different. Only Hos, up to year 1980 had a level of income generating activities significantly different, higher than others groups.

It starts to change around year 1990 and groups trajectories, slowly diverge. In 2000 there is significant difference according to ethnicity. Graph n°2 shows this evolution from 1975 up to 2000. As is more visual to see difference, we did not convert this graph in log as we did for the others graphs.

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<sup>22</sup> Significant difference, means with a probability of 0,95. In this paper we are going to use significant different or significantly different with this mistake probability.

<sup>23</sup> We keep this group without considering our results as representative. Our Lao Pan. sample is not big enough.



**Graph n°2 : Volume quantitative evolution of peasant products marketed, by ethnic groups.**

Differentiation starts in 1990 and, in 2000, we identified two main tendencies. The first one, is composed by Akha, Hmong, Kamou, Lao Pan and Phounoi (group 1 or G1) and second one by Thai and Ho (group 2 or G2).

G1 does not evolve as far as G2 to a system where exchanges are more and more important.

G1 retains a system of management qualified by Penny (PENNY, D.H. 1970) as "*typical subsistence*"<sup>24</sup>. Peasants are focus on productions for self-consumption and not on marketable productions. As their objective is self-consumption they produce a large panel of various complementary products to get a supplying, as regular as possible, over the year. Sales are uncertain, from 0 US\$ a year per family to a very low level. They represent surplus or products gather during non-busy periods. Technology used fits to the organisation mode, they are basic with very low out put from outside, they have not really changed since ages and equipment is very rudimentary (hoe, machete, axe, pack-animals, etc.). Peasant labour is almost the only input .

For G1 papaver somiferum production waive to the general principle of typical subsistence system. Versus other crops, where production marketed correspond to surplus, its production has two aims, self-consumption and to sell. Opium trading has been, since age one of the only income generating activity. 13 US\$ per capita in 1975 and 21 US\$ in 2000. Nevertheless, in spite of opium production, G1 actors have general behave completely identifiable to behave identified in the concept typical subsistence.

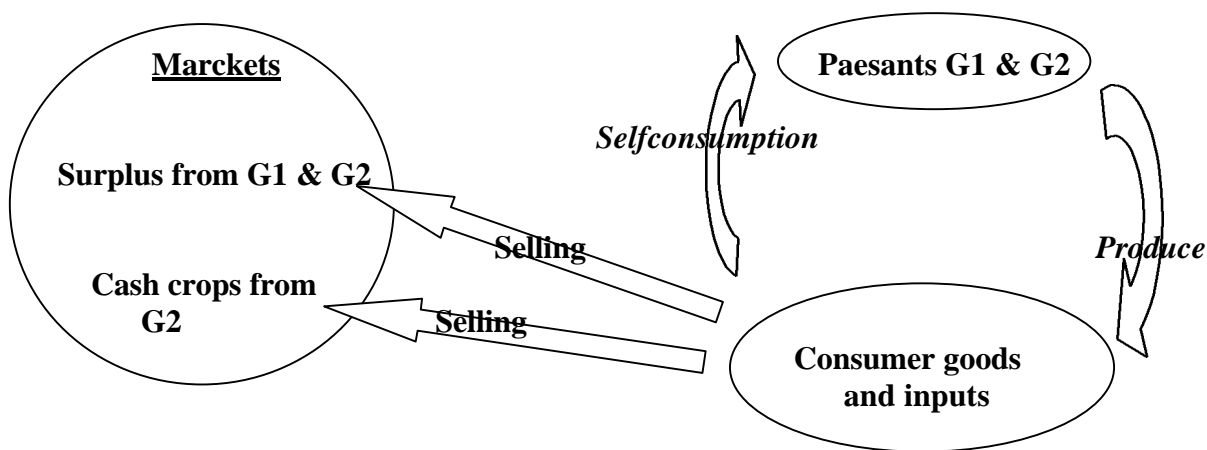
From "*typical subsistence*", G2 is moving slowly to a managing system called "*expanded subsistence*". This concept was proposed by the aforementioned author. G2 attached a capital importance to self-sufficiency, but G2 aim becomes double. G2 peasants produce to feed their families, as G1 peasant do, but in addition they want marketable surplus. These selling provide to them incomes and they invest in factors of production. Step by step they use input

<sup>24</sup> Concept defined in the late 1960 by DH Penny in North of Sumatra (CLIFTON, R. WHARTON, J. 1970. "Subsistence Agriculture, Concepts and Scope," in *Subsistence Agriculture and Economic Development*. London: Frank Cass and Company Limited, pp. 481.) According to the same principle, level of development, for a rural societies, depends on the ratio : products self-consumed/products marketed.

as : improved seedlings, draught animals and they stress more and more attention to cash crops. Through our sample of villages, we notice an interesting fact, irrigated rice fields emergence. G2 families represent 25% of our sample families and they produce 61% of rice sold in 2000.

G2 start to research the point where some productions are only used as an income generating. They invest in building planting as cultivated cardamom for instance. G2 started to market this plant berries few years ago. G2 sold almost no cardamom in 1995 and in 2000, 97% of quantities marketed are from them.

Thought G2 group evolution we can follow the development process already identified in various agrarian societies. Many authors analysed this process (NEWBERY, D., et STIGLITZ, J.E., 1979) (CLIFTON, R. WHARTON, J. 1970). Once villagers reach the self-sufficiency step, they got enough food then security and production become an income generating activity.



**Scheme n°3 : Two types of peasant products marketed.**

The rural society of north lao follow this scheme, but according to ethnicity, groups have not reached the same step. Ethnicity directly impacts the development stage. The next chapter is devoted to analyse how in G1 & G2 the different sub-groups get self-sufficiency or get marketable incomes. Do they market the same products or the products market is determinate by ethnicity.

**4.3 Does ethnicity influence producing choice.**

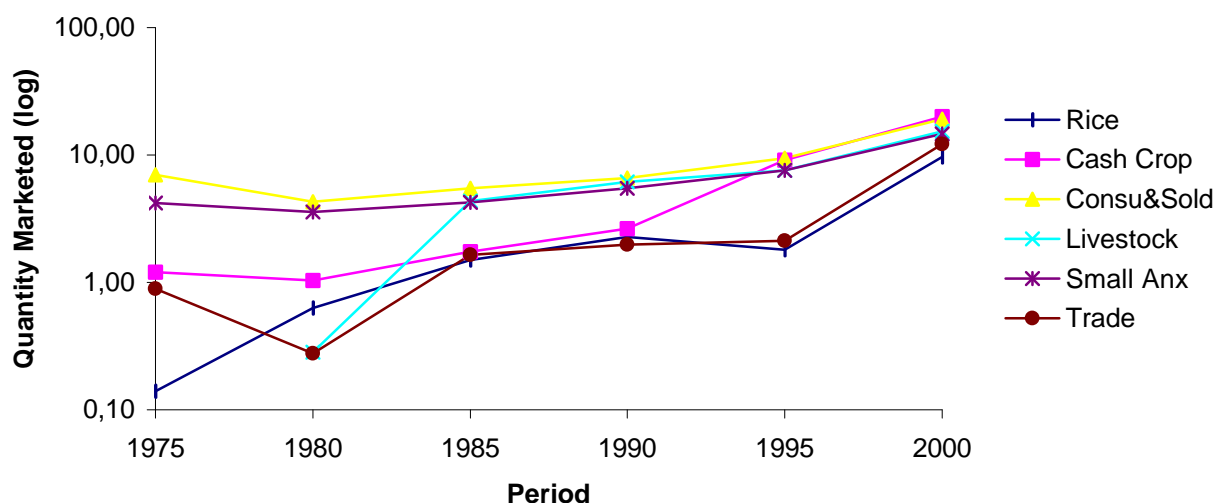
Accessibility to market is not equal according to ethnicity. Health, believes, education level, capacity to integrate new network. These point influence actors interests for income generating activities. In this context products price is not the main criteria of choice. Lambert (LAMBERT, S. 1992), Stiglitz (STIGLITZ, J.E. 1989) Winters (WINTERS, L.A. 2001), have already demonstrated this phenomena and we are going to use their theoretical contribution to enhance ethnicity influences. Then we are going to analyse, what are the different products marketed by the different ethnic group and why these products have been chosen.

Sometimes we are going to identify constancies in between the different groups. We will not repeat constancies in every presentation devoted to a group. We will present constancies once, for the first ethnic group. For the other groups, we will only describe difference and specificities.

### 4.3.1 Thaï.

Thaï group has the highest level of selling. Over our study period trading activities, cash crop, rice and livestock selling have been developed. Level of selling of small animals and crops which are characterised by a double vocation remain relatively stable.

As rice production, has a special statute, is going to be the starting point of our analysis. Then, our analysis is going to enhance importance of others marketable productions for the Thaï society.



**Graph n°3 : Quantitative evolution of products marketed per capita.**

Thaï live in valley where setting up irrigated rice field is possible. Natural topography make easy flatten work for a relative low cost. River passing through valley supply the necessary water for irrigation.

Irrigated rice fields setting up, encouraged during the war, follow its progression. Presentment, Thaï villages have surplus of rice. Since 1975 quantity of rice market has been multiplied by 70. 0,14 US\$ per capita in 1975, 9, 64 US\$ in 2000. In its report, Laurent Chazee (CHAZEE, L. 2000) noted the same tendency *"The most interesting income generating activities for more than 50% of villagers are Sticky rice, ordinary rice, cardamom, pig and poultry"*<sup>25</sup>.

This evolution reflects a sort of innovation. A system, already known (irrigated rice fields), has been spread to the whole Thaï society. This cropping system, versus up land rice fields require draught animal. Generalisation of draught animals directly impact work productivity. It increases.

Our quantitative survey, reporting work did for development project<sup>26</sup> (ALEXANDRE, J.L., EBERHARDT, N, 1998;BAUDRAN, E. 2000;JOUANNEAU, R, . LAFFORT, J.R., 1997), give interesting notion to compared up land rice fields and lowland rice fields work productivity. These notions are from various contexts in term of topography, soil quality, vegetation, fallow periods, cultivation technique, etc.

<sup>25</sup> L.Chazée survey is not only for Thaï society. This remark reflects a general tendency, which enhances rice importance. Thaï society does not escape to this tendency.

<sup>26</sup> PDDP. A rural development project in Phongsaly.

Data compiled from these work delivered the following results :

- For up land rice fields, one labour force crops 0,7 hectare. Hectare yield is from 0,5 to 1,5 ton/ha.
- For lowland rice fields, one labour force crops 0,55 hectare. Hectare yield is from 2 to 4 ton/ha.

Quantity harvest per labour force is :

- Up land rice field.  $0,7 \text{ hectare} * 0,5 \text{ ton/ha} = 0,35 \text{ ton/labour force}$  or  $0,7 \text{ hectare} * 1,5 \text{ ton/ha} = 1,05 \text{ ton/labour force}$ . Then up land field gives from 0,35 to 1,05 tons of rice per labour force.
- Irrigated rice field.  $0,55 \text{ hectare} * 2 \text{ ton/ha} = 1,1 \text{ ton/labour force}$  or  $0,55 \text{ hectare} * 4 \text{ ton/ha} = 2,2 \text{ ton/labour force}$ . Then irrigated rice field gives from 1,1 to 2,2 tons of rice per labour force.

Following Timmer analysis (TIMMER, C.P. 1988): "*The process starts when agriculture productivity per worker rises*" increasing productivity work is crucial for agriculture development. Our example confirms his assertion and that point has a double importance.

On the first hand, for the same quantity of work, villagers produce more food. They can easily reach self-sufficiency (if it is not reached). Self-sufficiency reached, peasants are insure to have the necessary food for their family and their productive logic can evolve. They enter in a dynamic where selling get an increasing importance versus production assign to self-consumption.

On the second hand, thank to work productivity improvement, surplus are regular and more and more important. Following the aforementioned sentence Timmer says "*This increase of productivity, create a surplus*". These surplus supply market as it is shown scheme n°3 page 22. Therefore a new dynamic is initiated, surpluses stimulate the market and the market moves peasant products.

For Thai society rice surplus are correlated to development of specialised production (cash crop, cattle, parallel activities). But rice surplus is not correlated to surplus from products initially assigned to self-consumption (Consu&Sold) and small animals sold (small Anx). During the studying period, products as Consu&sold and Small Anx have loose their relative importance. Their volume have been multiplied 4 times (Consu&Sold) and 3,5 (Small Anx) times. For Thai group, production as Consu&Sold and Small Anx are important in term of providing food. The products, that peasants have in excess are sold but they do not consider them as an income generating activity. For Thai having products included in variables Consu&Sold and Small Anx has not a capital importance to switch from "*typical subsistence*" system to an "*expanded subsistence*" system. Rice seems to have this importance, therefore when villagers start to have enough rice and rice surplus they start to be interested on income generating activities as cash crop, cattle.

Collectivisation programs, explain very likely absence of cattle (buffaloes, cow, horse) marketed in 1975 (In 1975 cattle was mainly buffaloes). According to our information, peasants were afraid by collectivisation and sold their buffaloes before it happened. Therefore the bubaline population decreased. In addition during the collectivised period, meat was not marketed but distributed to families. At the end of year 1970, when irrigated rice fields and buffaloes were redistributed, former owner get back their alive animals. They slowly breed animals again. Quantity market per capita increase from 2,24 US\$ in 1980 to 12,5 US\$ in 2000.

Breeding cattle has a capital importance for cropping irrigated rice fields. Buffaloes are necessary as a draught animal and its absence (own or rent) directly impact peasant cropping

irrigated rice fields capacities. Having irrigated rice fields and buffaloes is complementary. As draught animals, buffaloes provide the necessary power for tillage in rainy season. In dry season, as soon as rice is harvested, irrigated rice fields areas are used as grazing land plot for cattle. Their dejections fertilise irrigated rice fields.

These complementarities between factors of production give to the system its relevancy. The system works, because the different techniques fit together. Importance of complementarities noted in Phongsaly was theoretically analysed by Schultz (SCHULTZ, W.T. 1970). A technique is appropriate in a context. Taken out of this context it can be inefficient. That point can partly explain absence of culture in irrigated fields in dry season.

In dry season, buffaloes and presently cow graze without distinction in every irrigated rice fields areas. A peasant that would crop, a dry season culture in its irrigated rice field areas would have to block its fields access to every cattle. Its animals are feed by grass growing on somebody else irrigated rice fields areas, but he cannot give any think to feed back other peasant buffaloes. Its irrigated rice field areas are used for dry season crops.

Complementarity's in between irrigated rice field area and buffaloes can partly explain emergency of this system (large production of rice), but it can prevent now some innovation in term of introducing dry season crops. The common management of area assigned to feed animals has a direct impact on agriculture development. That point was noted in Europe by Marcel Mazoyer et Laurence Roudart (MAZOYER, M., ROUDART, L., 1998). It explains actually, in north Lao why cash crops are not cultivated in dry season in irrigated field. For Thai society cash crops are from souans (up land garden), hai s (up land fields) and forest.

Development of cash crop constitutes in 2000 the principal source of income, about 20 US\$ per capita. In 1975, resources from cash crop were lightly upper than 1 US\$. They really increase after 1990. 2,6 US\$ en 1990 and 9,1 US\$ en 1995. A limited number of crops is the second feature of cash crop development. 8 products give more than 0,5 US\$ income per capita and only one more than 1 US\$ (dry chilli, cardamom, orchis discolor and a sort of ginger). In 2000 dry chilli gives the highest level of selling, 3,7 US\$ per capita.

Cash crop supply evolution gives several interesting point to analyse. First, one product (silk) is not marketed any more. Even in 1980 when the level of silk marketed had the highest level it only represented 0,4 US\$. Secondly, few cash crops recorded an interesting increase of their quantities marketed.

Cultivated cardamom introduced few years ago and cropped in forest. Thai were the first to introduce this plant from China. First planting started to produce at the end of year 1990 and we can expect and important growth of quantities marketed in the coming years. Through cardamom, Thai introduced an innovation, they carry innovation according to the concept used by Grossman (GROSSMAN, G.M., HELPMAN, H. 1991). This concept : *“generally speaking, persons in better conditions (in term of health, education) and more open test innovation. If the innovation works, step by step others peasants adopt it, then its propagation starts”*. For cardamom Thai have this function and this case follow the scheme described by Grossman. Generally speaking, Thai get a better access to education, health and as they own irrigated rice fields, they have reached the food sufficiency step. In addition, they have a net work of relationship in China, thank to chinese Thai just on the other side of the border. Chinese Thai have started to cultivate cardamom a long time ago. This general context gave to Lao Thai , innovation capacity and actually this innovation is spreading in north of LPDR.

Cardamom grows in forest, as 6 products among the 11 marketed. That point is important in an environment where 85% of the superficies is covered by forest in a regional context (south east Asia) where areas devoted to forest are decreasing.

Business is an other Thai characteristic. It represents quite a decent source of income. After the revolution, peasant stopped this prohibited activity. In 1985, trading activities only gave (ad value) 0,28 US\$ per capita. Gradually this activity have got importance, 2, 24 in 1990, 5,5 in 1995, 7,6 in 1995 and 12,1 in 2000. This trading activity is shared in two parts, a new activity and a traditional activity.

Selling in village small chop, goods used on a daily base (candles, soap, teeth past, etc ) constitute the new activity. This small business is a way to re-invest farming surplus.

Traditional activity, is a male activity (generally speaking). It concerns direct or indirect products collecting, produced by hill tribes. Thai move these products from producing areas to consumption places or to traders' place, which export these products. Thai geographical position gives then a double advantage. In the valley they are on the way from remote villages to more developed areas. Thai are culturally close to the cultural dominating entity. For them it is easier than for hill tribe, to communicate with "outside". G. Aymé (AYME, G. 1930) had an interesting remark concerning this Thai aptitude to be a link between hill tribe and what it can be called outside. This remark concerns, a Thai Lue head of village at the beginning of the century "*Nawai head man has a strong authority over the Lue and over hill tribe as well. He is quite devoted to us*".

We should not conclude that only Thai are in charge of the local business. Other actors from various ethnic groups have a function as well. Nevertheless, this kind of business belong to the Thai way of organisation, it is a feature of this culture. Our quantitative survey strengthens, trading activities as a significant part of income. This point was already noted by Laurent Chazée (CHAZEE, L. 2000).

In fact, Thai group get many advantages from its geographical situation. They have valley to set up irrigated rice fields. As they have rice, they are food sufficient and food sufficiency insure food security. As a necessary step, for every rural society, food security attains, villagers start to thing to produce cash crop. Then once they produce cash crop they get incomes and they invest the found earn in complementary activities. As business was traditional it becomes one of these activities for Thai people.

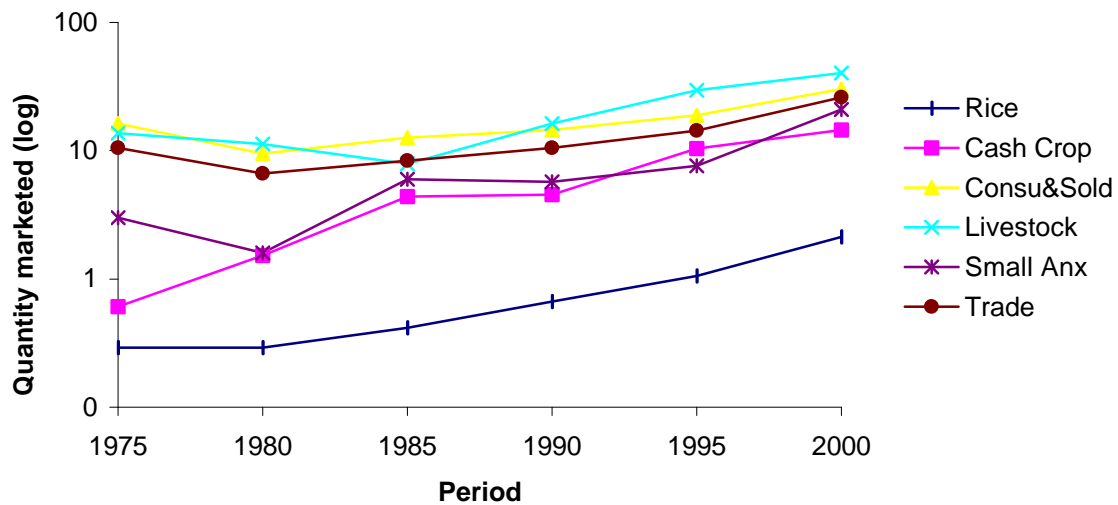
This cultural disposition of Thai, explains their capacities to catch development opportunities and to develop new strategies. They innovate and they obtain the better income among our sample of ethnic groups.

#### **4.3.2 Ho People.**

A distinction has been established from Ho group to other ethnic groups. First, before 1980 this group has an income level significantly different than other groups. Second, after 1990 Ho are include in the heading group, with Thai (G2), even if its selling structure is very different.

Results hereunder are from data collected in five households. Tendencies given by the survey translate well enough the way Ho manage their productions. Features of these ethnic group were noted by Georges Aymé (AYME, G. 1930) at the beginning of the century. We are going to use its remarks every times they are going to light our presentation. Aymé largely

noted their interest for the business. Even if Aymé remarks present an evident interest, we do not adhere to the way he judged Ho society. He was partial and very likely, remarks reflect less the reality than the author's anger to a group not subordinate to the French occupants.



***Graph n°4 :Quantitative evolution of products market by Ho.***

Generally speaking Ho villages are up land settled. They do not have irrigated rice fields or very few and they cultivate up land rice field. Quantities of rice marketed are very low, this fact should tempt to refute our assertion about : the symbolic value of rice, work productivity (up land rice field and irrigated rice field), food security represented by rice. For Ho, rice value is important as well and they need food security as it is required by the other group. But Ho do not use rice as a springboard; versus Thai s.

Income from rice are derisory, 0,3 US\$ in 1975 and 1980, 0,4 US\$ in 1985, 0,66 US\$ in 1990, 1,1 US\$ in 1995 et 2,1 US\$ in 2000. Income from framing products and agro-forestry products (Consu&Sold) are the second income generating activity. This variable is secondly ranked because of opium production. Apart of opium, Consu&Sold products have a very low weight. They are generally self-consumed and they do not give surplus. If we exclude opium marketed, results of this variable should be below 1 US\$ before 1995 to reach 4 US\$ in 2000. Opium represents 86% to 96% (during the studying period) of income generated from this variable.

In parallel to cash crop production this fact establishes the Ho low interest for farming. For Hos cash crop are essentially from products gathered in the forest and represent 1 US\$ in 1975 and 14,5 US\$ in 2000. Therefore, for variable Cash Crop and Consu&sold as well, the main part of income is from wild product and not cultivated products, except for poppies.

From our results it is impossible to establish a correlation between opium production and having irrigated rice fields. In its report Emmanuel Baudran (BAUDRAN, E. 2000) seems to link these two elements. Poppy cultural calendar and up land rice fields working calendar are in competition. Opium has to be harvested during up land rice fields clearing period. Versus, irrigated rice fields ploughing, which it starts later, when opium has already been harvested. According to E. Baudran, villagers that own irrigated rice fields produce more opium than villagers that do not crop cultivated rice fields.

We have seen Ho low interest for cropping as an income generating activity. Apart of opium they get few incomes from various vegetable productions. As they belong to G2 they must get income from other sources. Ho incomes are from livestock and business. Ho singularity is based on these two activities.

Add up, small animals (pigs, poultry) and cattle (buffaloes, cow, horse) constitute half of Hos selling in 2000. Livestock importance was already noted by Aymé at the beginning of the century. "*Ho are excellent cattle farmers and pig breeders*" (AYME, G. 1930). Incomes from small animals have really increased. 3 US\$ per capita in 1975 up to 21 US\$ in 2000. Pigs represent the biggest share over the study period and 85% of the total amount of small animals sold in 2000. Likewise, page 57 Aymé wrote "*pigs are huge wallowed in front or in huts*".

Presence of big animals is even more important. Breeding and marketing them constitute the first income generating activity for Ho. We cannot explain the decrease recorded in 1985. Perhaps it from imprecision link to the methodology we used or from disease problem.

In spite of the revolution, in 1975 income generated by livestock were important (14 US\$ per capita). That activity explains the significant difference in term of level of income between Ho and other groups before 1980. Year 2000 cattle provides 40US\$ per capita.

Versus to Thai , breeding bovine is traditional for Ho. In 1975 level of incomes generated by bubaline were similar to the ones generated from bovine. In 2000 incomes from bovine are four time more important than incomes from bubaline.

Versus other groups that did not have a lot of bovine in the past and start to breed them, Ho have a long bovine breeding tradition.

This breeding bovine tradition, booming from 1975 to 2000, is may be explained by the second Ho interest, the business. Aymé page 57 again, qualified them as "*remarkable caravaner*". Ox, bulls or cow are adapted for pack saddling as horses<sup>27</sup> (Buffaloes cope well with agrarian work but they are completely in adapted for carrying). Road transportations have replaced Ho' caravans but their interests for breeding bovine remain.

For Ho, livestock occupy the function rice has for Thai . They get important income from it which constitutes the necessary security. Livestock provide proteins and alive way to store value. In case of problem they can sell animals or they can invest the money keep in cattle in other activities.

Livestock provide to Ho the security required by a rural society to jump from a dynamic self-sufficient oriented to an income generating dynamic.

Ho used to breed cattle partly for caravanning needs. This ethnic group had a real interest for business and under French occupation they collected few local products bartered against iron, or small tools. Aymé page 58 said "*we can easily said, without exaggerating, that almost all opium smuggling<sup>28</sup> is done by Ho*".

Versus the traditional Thai Business, Ho business was not locally done. In 1975 Hos caravaners still went from village to village to barter imported products. Nowadays this activity has more or less disappeared and old caravaners do not make the same business or have left villages. Those who continue this "foreign trade" business became urban. Others ones, continue a local business in relation with they traditional network. According to

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<sup>27</sup> Horses assigned to pack saddling are not really marketed. Indeed this animal is traded some times but its meat is not generally consumed.

<sup>28</sup> Before this territory annexation by France, Hos insured opium business. To finance its colonial expansion , the colonial power attribute to himself the trade opium monopoly. For Aymé Hos business was normal (smuggling ) but against occupant interests.

rumours, Ho collect a part of the opium locally produced and move it thank to their network (the ones who became urban) in urban centre or abroad.

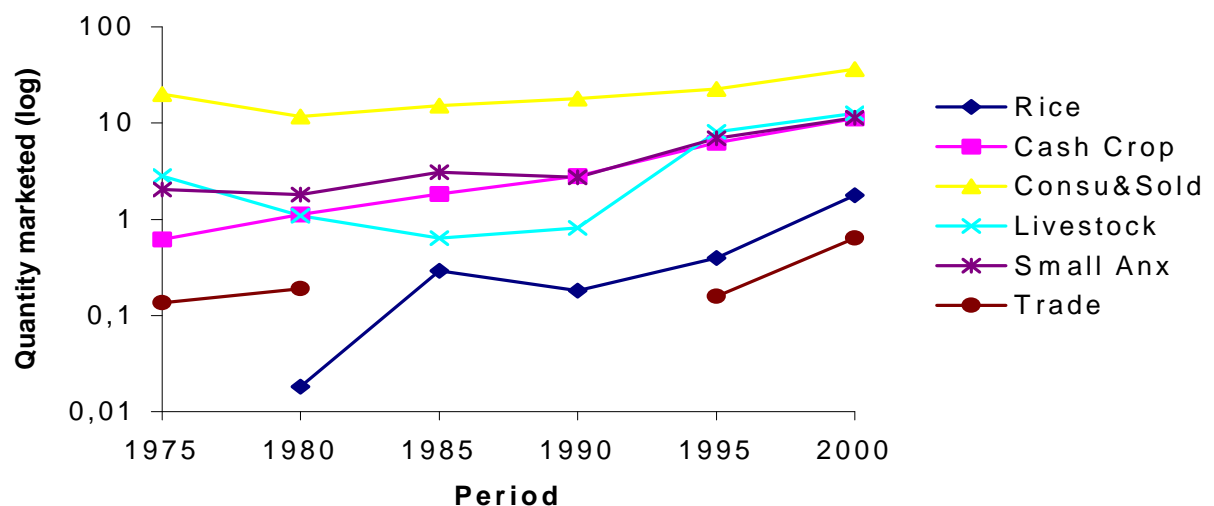
Ad value from business activities was close to 25 US\$ per capita in 2000. It was only 14 US\$ in 1995, 10 US\$ in 1990, 8 US\$ in 1985, 7 US\$ in 1980 and 10 US\$ in 1975.

From now on, we note an interesting distinctions between Ho and Thai . Socialist revolution had not stopped their trading activities. Far from valley and administrative authorities, not subordinated, as it was regretted by Aymé, the directives of the new regime had less influenced them. Nevertheless, even if they were reluctant to adopt revolutionary instruction, they do not refuse the opening movement. Evolution of their ad value from business shows their capacities to get opportunities from new trading activities.

If we must keep only one idea from Hos evolution of marketed productions we should choose the following one. Versus to Thai , rice production, culturally important as well, do not constitute the base where all social dynamic start. Livestock has this function. It is an insurance against life insecurities (health, deficient harvesting, etc.) in addition it provide food. Then they build up a strategy to develop some agriculture production but they generally concentrated their knowledge on livestock and business development.

#### 4.3.3 Akha People.

From one family we cannot constitute a group of Lao Pan. As this single Lao Pan family results are not significantly different than Akhas results, we have integrated this family in Akhas group. Both Lao Pan and Akhas belong to G1 and according to our qualitative survey, we have noted as well many similarities between Lao pan and Akha farming system. Only interest for handicraft seems to be different in between the two groups. In its report, Laurent Chazée (CHAZEE, L. 2000) noted this Lao Pan feature. He attributes to Lao Pan a basketry specialisation. Products of their handicraft are exchanged with neighbouring villages, belonging to other ethnic groups.



*Graph n°5 :Quantitative evolution of products marketed by Akha .*

Trading activities do not represent for Akhas a regular activity. In general they (trading activities) take an exceptional character according to opportunities. They do not have a

priority statute and globally actors do not expect too much from trading activities. In our sample only one household has trading activities, but not every year and at a very low level, even in 2000. Versus to Ho and Thai, business has a marginal function in Akha monetary resources.

Selling rice suffer from the same deficit and irregularity than business, but for Akhas, lack of rice, is a real problem. For Akha, having rice has a social value. Not having rice in sufficient quantity over the year, represents a sort of fear. Among the different Akhas villages surveyed, we noted (in 2000) : 66 % of household regretting a lack of rice (34% have enough rice over the year). Then, all energy converge to this focal point, having a rice self sufficiency. Only families which have a ratio working population/household population upper than 0,5 reach self sufficiency.

According to estimation, rice yearly consumption is fixed from 0,25 to 0,3 ton per capita. With a ratio (working population/household population) of 0,5 a labour have to produce 0,6 ton of rice every year. Akha generally live up land and do not have many irrigate rice fields. Rice is from up land rice fields where work productivity is very low (page 24). A labour get from up land rice field, between 0,35 ton to 1 ton a year, roughly 0,7 ton in average.

This succinct presentation shows the constraint of the low work productivity in up land rice field system. This system can not supply enough rice for a family where non working persons are more numerous than working population.

In general the main objective of Akha is to have rice in sufficient quantity. Before they have not reached this objective they do not think about producing something else or to get an alternative solution to buy rice.

As ratio is generally below 0,5, Akha do not market rice. In 2000 average of rice selling was 2 US\$ per capita. These selling were only done by two families. Their ration working population/family population were 0,66 and 0,75.

Therefore, Akha peasants objectives are hardly reachable. As reaching this step is a necessary condition to evolve, Akha peasants have many difficulties to get out the "*typical subsistence*" system (page 21). They try to limit all the different risk they face (animal diseases, lack of food, bad harvest, etc.). This strategy reflects a type of social organisation that does not supply many surplus. Through the few categories of products marketed, surplus (Consu&Sold), animals (Small Anx or livestock) and sometimes cash crop (Cash Crop) we are going to analyse these strategies.

- Consu&Sold variable. Product include in this variable represent the main part of products marketed by Akhas. 20 US\$ in 1975, 11 US\$ in 1980, 15 US\$ in 1985, 17 US\$ in 1990, 22 US\$ in 1995 and 36 US\$ in 2000. These selling are surplus marketed and we can enhance two tendencies from these results.

First, if official opium quantities assessed are acute, they cover 97% in 1975, 96% in 1980, 95% in 1985, 1990, 1990 and 90% in 2000 of products marketed for this variable.

Until now it did not represent any danger, opium is easy to carry, market was globally steady and stable, selling can be differed (non perishable) and it was cropped during a non busy period, even if there is some competition between the end of opium harvesting and the beginning of clearing up land rice fields. Therefore superficies of poppy planted are limited not to compete rice planting. As opium production is less important than rice production, even if surplus are more or less chronics, we classified it in Consu&Sold.

Unfortunately, laws prohibiting this culture affect particularly peasants who have this illegal crop as the first source of income. Illegality exposes very power persons to monetary

sanctions and deprives them of a bargaining power in front of traders. Juridical frame has a real influence on villager development.

Secondly, we do not notice any specialisation and products marketed are from occasional surplus (apart of opium). All selling are included in the interval inferior of 0,1 US\$ in 1975 and 1,2 US\$ in 2000 per capita.

This fact (no specialisation) shows actors preoccupation. They minimise risk in having a large panel of products. If for any reasons (climate, diseases, etc.) one or several productions are damaged other productions balance the deficit. Therefore this strategy, sharecropping share risking, provides in average the food required by the household. This strategy is a rural society invariability in many countries as it was noted by Newbery (NEWBERY, D., et STIGLITZ, J.E., 1979).

Peasant aim (minimising risk) is reached, but absence of specialisation does not incentives innovations and productivities gains are inexistent or very low.

- Cash Crop variable. In fact what we include in the variable cash crop are not really cash crop. These productions are from gathering, they are not cropped, but they are only sold and not locally consumed. Selling of these gathered products were below 2 US\$ before 1990 and equal to 11 US\$ in 2000. Over the period, 80% of these selling were from non timber forest product and 20% from sesame.

Nevertheless, in 2000 we must add a precision to modulate the selling level recorded. In one village, close to China border, villagers produced sugarcane. They had contract with a Chinese sugarcane factory through provincial authorities. This isolated case is marginal and exaggerate the general Akhas level of income. Among the 11 US\$, 52% are from non timber forest products, 6% from sesame and 42% from sugar cane.

- Livestock and Small Animals activities.

Animal breeding is the last point tackle concerning Akhas. Their conception of this activity reflects their general conception of production in general. Small Animals level of resources are upper than livestock level of resources. Two explicative phenomena can be presented.

First, livestock is generally a rich peasant activity. Poor breeds small animals. In general if disease do not stop the cycle, having animals follow this under-described scheme, even if many subtleties are observed.

Peasants breed extensively few poultry. Incomes from poultry are devoted to buy one or few pigs. Then pig breeding is going to provide necessary income to get a big animal. It is a local adaptation to accumulate capital. Unfortunately it can be a very long process and it can take several years to jump from one step to another one. In addition this alive way to store value can be annihilate by disease in few day (absence of sanitary innovation bloc the process). The process has to start from scratch again. Difficulties to access to bubaline or bovine step explain predominance of small animals selling.

Secondly, peasants face permanently precarious and insecurity. As a protection or insurance, they privilege group dynamic instead of individual strategies. Individual surviving is based on general cohesion. This cohesion is from alliances between families, clans. These alliances are seal by ritual feasts where animals are consumed. This way to share wealth gives in return helped if a problem happens. But it prevent accumulation process and investments.

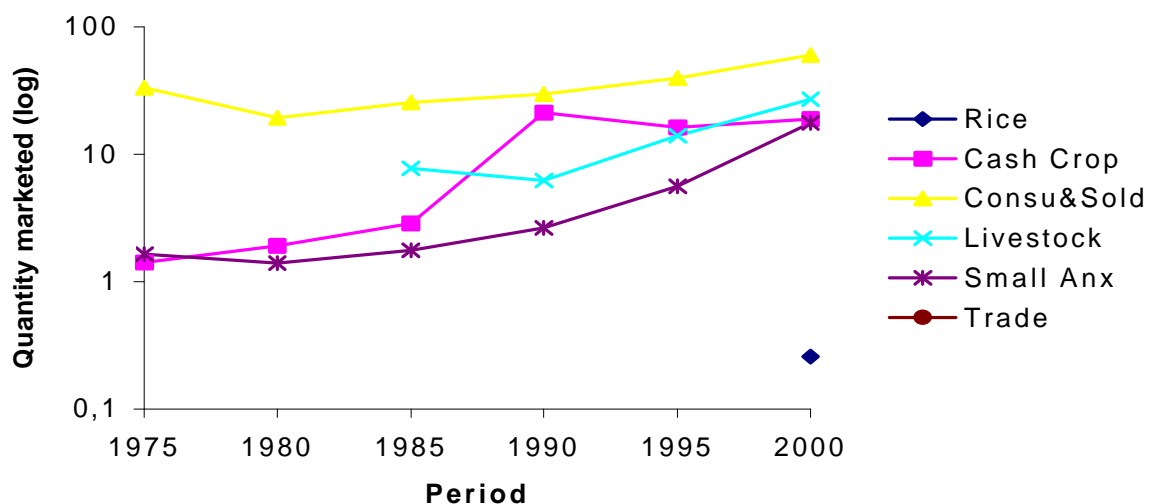
Low work productivity (rice production) results an Akha chronic rice deficit. Then a myriad of production, plant, animal, gathered, hunted are produced to compensate this rice deficit and to insure food security. In such a system were surviving is already a challenge, every single new risk is banish. Peasants are reluctant to adopt new technique or new production, even if expected incomes seem important. This poor peasants feature, noticed for Akha

society, is more or less general for many poor rural society (DE JANVRY, A., SADOULET, E., et FALCHAMPS, M. 1989).

Further more, risk can compromise the system reproduction. Fear risks prevents innovation (necessary development step) and fears are worsen by health problem and low level of education. These correlations, between risk, innovation, health, education identified through Western Europe history by Schultz (SCHULTZ, W.T. 1964) seem real in this example. Akha group is the poorest over the study period, mortality rate is very important and only few of them speak the national language. (page 5).

#### 4.3.4 Among people.

Theoretical contribution, from the different author quoted, explains the reality noted in Phongsaly. In general G1 poverty reasons seem to be roughly common : low work productivity, few irregular surplus, high level of daily insecurity, desire to limit risk, absence of innovation or few minor innovations, low degree of specialisation. Hmong belong to G1 and their poverty is largely explains by these theoretical aspects. Therefore, we are going to lightly present, points already noted for Akha. We are going to enhance Hmong specificities and what determinated of their productive choices.



**Graph n°6 :Quantitative evolution of products marketed by Hmong .**

Even if few actors probably have business activities, in our sample and versus Thai or Ho, Hmong do not have business activities.

Rice incomes are only present in 2000 in a very congruent quantity. Our actors sample do not have rice surplus from their up land rice fields. Rice has a very high symbolic value for Hmong, even if for historic reasons, maize became a basic food (page 14). Household we interviewed, owned only few irrigates rice fields. As they got a recent access to valley they start to settle irrigated rice fields and concentrate all their energy on this task.

Cultural Hmong heritage is from south of China. In this culture there is many reference to irrigated rice fields. They used to own irrigated rice fields before migration (page 15). Actual irrigated rice fields settlement reviving the irrigated rice fields tradition they had. Since 1998, they are doing an impressive work of irrigated rice fields setting up. Fears from this sort of innovation are surmounted "We used to have irrigated rice fields, for our ancestor it was normal to cultivate irrigated rice fields, as our ancestors knew is going to be easy for us" and

they expect to get rice and to sale rice. They expect to jump into the above described cycle (Page 21).

Features noted for Akha can be clearly identified for Hmong as well. Cash crops are insignificant in 1975 and about 18 US\$ per capita in 2000. Selling are from non timber forest products. Every product is sold in small quantity and we do not notice a real coherence on choosing product marketed. Between 1975 and 1985 two products were marketed, between 1985 and 1990 four products were marketed, between 1990 and 1995 three products were marketed and between 1995 and 2000 seven products were marketed. Absence of continuity shows that gather is done according to opportunities and does not represent a priority.

Income from variable Consu&Sold is a mirror of this general tendency. Without opium, they could be neglected, less than 0,5 US\$ before 1990 and 5, 4 US\$ in 2000. These incomes are from a vast panel of products. These products are sometimes in excess and surplus are sold.

Opium belongs to this variable. It is the only production that represents a significant amount of income. 32 US\$ per capita in 1975, a light decrease between 1980 and 1995, an increase in 2000 up to 54 US\$ per capita. Transportation constraints (page 4) do not let a vast choice of solution to get incomes for this hill tribe group and as every one they need monetary resources if they want to cure themselves for example. In addition, cropping poppies is cultural for Hmong and it participate to they farming system balance.

Poppies cropping has a double value, being an income generating crop and having social function, regulated by rules, which have social organisation importance (CULAS, C. 1999).

For animal farming our results do not reflect many work that praise Hmong animal farming aptitude. Hmong's animal farming is a quality noted by any Hmong specialist.

Our survey enhances, two points. Incomes from small animals were quite low and increase over the period. Less than 2 US\$ per capita before 1990, 5,6 US\$ per capita in 1995 and 17,6 US\$ per capita in 2000.

Incomes from livestock were absent in 1975 and 1980, equal to 8 US\$ in 1985, 6,2 US\$ in 1990, 14 US\$ in 1995 and 27 US\$ in 2000 (all per capita). As an example, Ho, famous for breeding cattle marketed in 2000, 40 US\$ for livestock and 20 US\$ for small animals. In an other side, Thai's sell per capita in 2000, 15 US\$ of cattle and 14 US\$ of small animals.

Therefore even if our sample of Hmong households do not show a high level of income from animal farming, Hmong have an intermediary level between the two G2 ethnics groups and a significant different level ( of income generated by animals farming) compare to G1 (its group).

Hmong group is completely in the "*Typical subsistence*" dynamic. There are not specialised, their selling from surplus and work productivity remain low. Nevertheless is clear that Hmong have choose an animal farming option. In the G1, this ethnic group has the highest level of animals marketed. Unfortunately, as Akha they get a large part of they monetary resources from a crop presently prohibited.

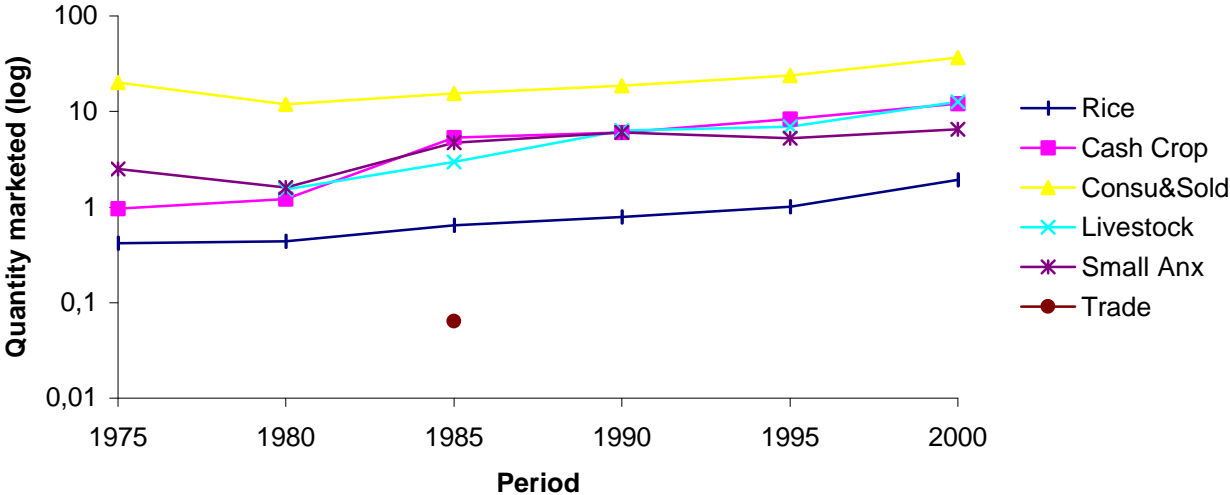
#### **4.3.5 Kamou people.**

Kamou group is the only representative of austro-asiatique ethno-linguistic family. According to the point of view choose in this study, Kamou and Akhas have a similar productive behavior. Level of products marketed is similar, but as believes, language, social representations are very different, the share of them is different.

Generally speaking, rice is from up land rice fields, work productivity is very low and they do not get enough rice, over the year, for self-consumption.

Cash crops are gathered in the forest, they are not cropped. Livestock is not really developed, but they breed more dogs than others. Animals diseases are frequents and surplus are mainly from a prohibited crop. They do not have trading activities over the period. Except in 1985, but less than 0,1 US\$ per capita. It is insignificant.

Kamou objectives are not production to get income, but production to insure the system reproduction. They limit every risk that could destabilise this balance.



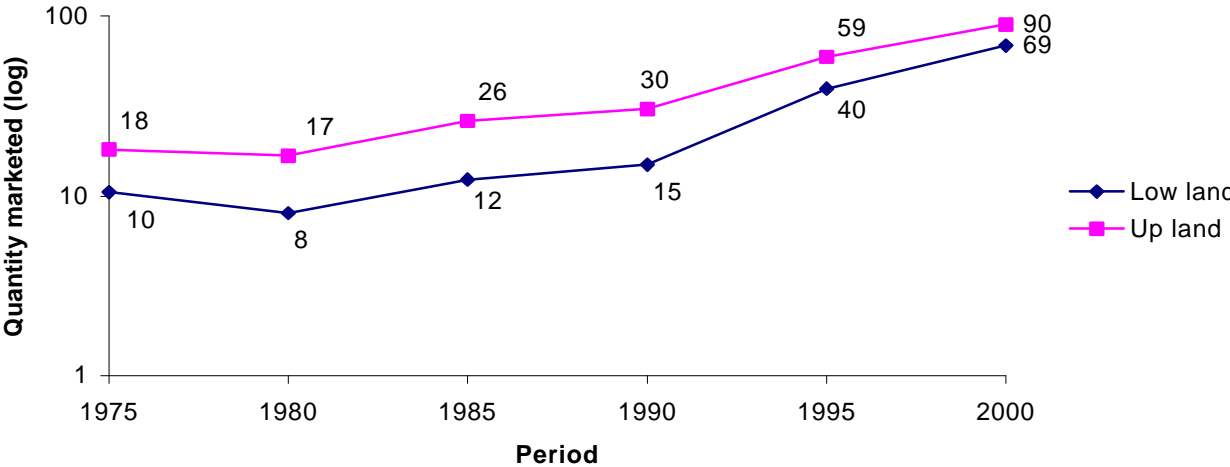
Graph n°7 : Quantitative evolution of products marketed by Kamou .

**4.3.6 Phounoi People.**

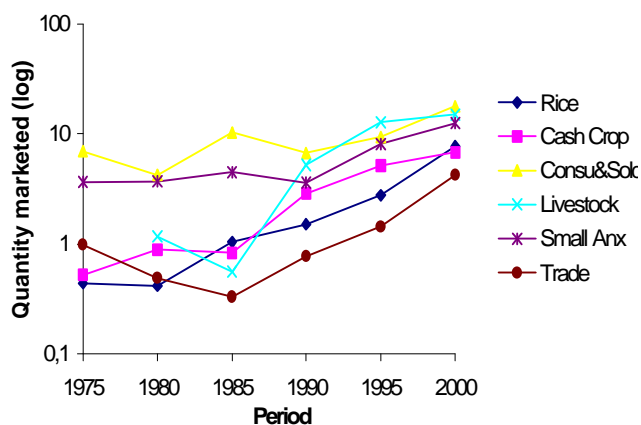
The classification made (G1-G2) include Phounoi s in G1. As Phounoi group is heterogeneous we cannot treat our problematic uniformly. Our sample is made from "Low land Phounoi "29 (LP), they generally own irrigated rice fields and "Up land Phounoi " (UP). UP, quite close to Phongsaly town, do no have irrigated rice fields.

Comparison between the different Phounoi s villages shows significant differences. Two homogenous groups can be identified.

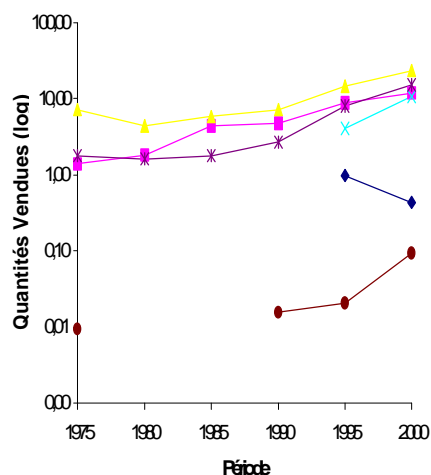
Graph n°8 : Quantitative evolution of products marketed by Phounoi .



Quantitative evolution of products marketed by LP and UP is significantly different and differences increase. A difference of 8 US\$ is recorded in 1975, 9 US\$ in 1980; 14 US\$ in 1985, 15 US\$ in 1990, 19 US\$ in 1995 and 21 US\$ in 2000. The productive behavior of the two groups explains the phenomena. We are going to break the LP and UP tendencies into two parts.



**Graph n°9 : Quantitative evolution of products marketed by low land Phounoï .**



**Graph n°10 : Quantitative evolution of products marketed by up land Phounoï .**

Middle of years 1960 some Phounoï s villages have been resettled from up land area in Phongsaly District to low land area in Boun Neua District (page 16). In 1975, LP already have irrigated rice fields, they were encouraged and sometimes helped by army in the late 1960. They rapidly face rice surplus (as Thai ) and these surplus increased over the study period. They copied irrigation techniques known and used by Thai (Thai play the role of innovation carrier. Concept defined by Romer (ROMER 1990)).

For LP new cropping techniques (thanks to innovation) improved work productivity and they insured regular and sufficient food supply. Then LP has got more and more surplus and they slowly jump out of the "typical subsistence" logic.

Thai influenced LP productive behavior. They marketed about 8 US\$ of rice in 2000. UP did not market any rice before 1990 and sold in 1995 and 2000 less than 1 US\$.

These Thai influences are not only divided up to rice production. LP have small business, 5 US\$ in 2000. Sure this business does not represent an important activity but it is more important than UP business activities, which have been always equal to 0.

Animal farming follow the same trend. UP only marketed small animal and selling livestock started in 1995, versus LP, who always marketed livestock, apart of years following the revolution. Cropping irrigated rice fields is linked to buffaloes owning.

If LP behave look like Thai behave, UP behave is very close to Akha and Kamou behave. Nevertheless, and versus to G1, in general, Phounoï s (UP, LP) do not market Opium and they poppies production is marginal. It is partly explained by agronomic reasons (quality of soil) and Phongsaly city proximity, where political and administrative authorities reside. UP got their income for other resources than opium. Phongsaly city proximity is and advantage and local demand gives out let to heavy items (fire wood), fresh products hard to carry, vegetable,

<sup>29</sup> UP and LP are not locally used. We only use them here.

etc. These productions development is new and it represent 2/3 of selling growth between 1995 and 2000 of UP.

### **Conclusion.**

Since a few years, Phongsaly province, north of Lao PDR, takes a turn to the shift toward a new direction. These changes are broken away from a secular socio-economic way of organisation, typically self-sufficient.

Revolution (December 1975), had not really influenced peasant daily life, they are as poor as they were before. Changes have started in the early 90's, early 90's.

A 100 peasants' household sample were used to record income generating activities. Incomes rise slowly since 1990 from 30 US\$ per capita to 90 US \$ in 2000. In ten years time, quantities of products traded have been trebled and two dynamics appeared. First, more and more surplus are marketed and new productions, only market oriented, start to be produced.

Unfortunately all ethnics groups do not equally benefits from this evolution. Some groups have not really changed their producing way since 1975 versus other groups. Those ones blithely jump into a new socio-economic model, "*expanded subsistence*".

Two groups : Thai and Ho, with a different profile, are already well engaged into the "*expanded subsistence*" model.

Thai reach food sufficiency and get the necessary security from rice production. They produce rice as well as for selfconsumption and for income generating. Food security step overtaken, they invest in various cash crops. Ho considers food sufficiency as capital too, but rice is not the way to reach this point. Along the studying period, Ho have the highest level of livestock sold, among our sample.

The others ethnics groups, Akha, Kamou, Lao Pan, Hmong, Phounoi , are less advanced in the development process. Generally speaking they do not have at their disposal enough rice over the year. Up land rice fields work productivity is too low and they have not reached the food security step. To secure supplying food they crop or gather a wide panel of products. Year in, year out they only get the food required by family needs. As their system of production is not specialised these ethnic groups do not have marketable surplus. They are in the vicious circle, low work productivity, no food security, minimising risk, share cropping, no specialisation, and not any or very few surplus.

In addition, (group 1) apart of Phounoi , they get a significant part of their resources from opium, a prohibited production.

Nevertheless, for this second group we must moderate the uniformity of behavior here presented. Hmong get an important part of incomes from livestock. Phounoi group is shared in two groups, low land Phounoi and up land Phounoi . Low land Phounoi have adopted the

productive norms of Thai . Up land Phounoi close to Phongsaly city, start (since 1995) to crop vegetable required by this city dwellers.

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