

The Politics of Poverty

State, citizens, and the non-provision of services in rural Laos

Introduction:

“Post-development” theorists have argued that “poverty” is “anti-political,” a damaging discourse which marginalises those that it claims to assist while simultaneously extending state power. Indeed, as will be evident in the examples explored in this paper, poverty is arguably exacerbated by much “poverty reduction” intervention and policy. Poverty reduction interventions in Laos fail to deliver on their promises because they are based on faulty understandings of rural sociality and production, and significantly, on faulty understandings of the causes of poverty and possible solutions. Rural Lao want poverty reduction and they want the state services that are often promised in poverty reduction interventions. In the myths of state that circulate in rural Laos, a legitimate state is one that protects and provides. Contemporary “poverty reduction” interventions, spurred by the fads and funds of the international development industry, now espouse ideals of decentralisation and local “participation.” An examination of such a participatory “poverty reduction” project in rural Laos will illustrate that the poor have merely become “empowered” with the non-provision of state services. This ongoing non-provision breaches entrenched expectations of state. Citizens are rejecting this abrogation of state responsibility for poverty and poverty reduction, and use appeals to their own poverty to reassert ideals of the legitimate state as a provider and protector. Development projects in Laos are thus inevitably embroiled in struggles over ideas of state and citizen. Far from “anti-politics” events, or instances of state imposition on a resisting peasantry, development projects are politically charged zones where utopian and dystopian understandings of state and citizenry are configured and contested.¹

The Politics of Poverty

¹ This paper draws on anthropological research conducted in 2002/2003 in a rural village in southern lowland Laos, and my subsequent return visits and correspondence with residents there. I thank the participants, the Government of Laos, the Anthropology Programme at the Australian National University and the Program in Agrarian Studies at Yale University for facilitating this research. Andrew Walker has been instrumental in thinking through the issues at hand, though any shortcomings are wholly my own.

Escobar borrows the phrase “the politics of poverty” from Procacci (1991) to describe how the disruptions caused by the spread of capitalism allowed the newly-poor to be treated as “objects of knowledge and management” (1995:23). In his telling, poverty justified a range of interventions, from hygiene to education, eventually allowing the declaration of the Third World “by fiat” after the Second World War. Thereafter, “development became a force ... destructive to Third World cultures, ironically in the name of people’s interests.” (1995:44). Scott notes that “Contemporary development schemes ... require the creation of state spaces where the government can reconfigure the society and economy of those who are to be ‘developed’” (1998:187). Likewise, Ferguson (1994) associates the development industry decisively with state power. Ferguson describes the industry as an “anti-politics machine” because the “unintended yet instrumental” impacts of development programs have the “effect of expanding the exercise of a particular sort of state power while simultaneously exerting a powerful de-politicizing effect” (1994: 20). There is a revelatory aspect to Ferguson’s work: the notion of “development” seems at first innocuous, “like “goodness” itself” (Ferguson 1994: xiv), but through his analysis it is revealed as essentially a tool of state expansion. It is this rhetorical effect of unveiling which in part gives Ferguson’s work its charisma: *The Anti-Politics Machine* reads like an exposé.

But this rhetoric of exposé is only effective when targeted at a certain readership, one that had assumed development was above politics in the first place. But for those targeted by poverty reduction interventions, or for policy makers, or for the petty officials charged with carrying out “development”, the entire enterprise is unmistakably political. Indeed in Laos, the notions of “poverty” and “development” are key rallying points for shoring up or questioning state legitimacy and citizen rights. There, Escobar’s vision of development as essentially a Western discourse does not ring true, because there, “development” is a discourse which is deployed by socialist state and citizen alike in political manoeuvrings. Below, I will describe a poverty reduction intervention which took place during my residence on ດວ້ນ ຫໍ້າວ, a village in rural Laos, to illustrate these points.

The Poverty Reduction Fund

In the hot, humid end of the dry season in 2003, a voice carried up to me as I sat on my veranda overlooking the Mekong. “Holly, the World Bank is coming tomorrow.” It was my neighbour. He was on his way home from the village chief’s house where he had read the letter announcing the impending visit. I had witnessed first-hand the lack of amenities in ດວ້ນ ຫໍ້າວ— the run down dirt-floored school, the lack of decent

roads on the mainland, the effects of having tenuous access to medicines and, all too often, no rice to eat. I responded, “That is so good! I wonder what the village will get – maybe a school or some rice to eat?” My interlocutor simply replied, “*b̄w̄ l̄ē ɛw̄*” (no already), in a tone both weary and wary. He explained that he had seen the like before – such as when a group of Japanese officials came and spoke about building a school. They had asked the village to draw up a proposal, but the village had never heard back from them. As I was to quickly learn, the day the World Bank came to *D̄w̄n Khi aw* was not a “new day”, but another scene in a familiar saga concerning the continuing non-provision of services.

The next day, the “World Bank” convened a meeting in *D̄w̄n Khi aw* to introduce the Poverty Reduction Fund (PRF). In fact, the PRF was formed out of a loan from the Bank and supplementary support from the Government of Laos and was defined as independent of both the Bank and the Government. Despite this “independence,” the project showed hallmark signs of the World Bank’s latest emphasis on “participatory” planning and, less obviously at first perhaps, the Government of Laos’ long-running emphasis on the organisation of the countryside into communal villages in order to facilitate popular donation to state projects.

The main principles of the project were international aid buzzwords such as “ownership”, “village choice”, “simplicity”² and “transparency and accountability.”³ The outcomes of the project were to be “development infrastructure,” but also “empowerment” of the citizenry through “decentralized decision-making” and the participatory process itself. The PRF envisioned a far-reaching transformation of the poorest regions – not only would infrastructure and services be provided to these depressed areas, they would be provided through the enhanced organisational and labour capacities of rural residents themselves: new citizens in a new countryside.

But the rhetoric of “village choice” belied the strict parameters defined by the project. For instance, the project had to “benefit everyone” – loans or infrastructure which would be used by individuals or a select group were deemed inappropriate, thereby essentially limiting the possibilities to those facilities usually considered state responsibilities – roads, schools, water supply, medical facilities and the like. Indeed I later discovered that the PRF design included a “menu” of acceptable projects – this

² Defined by the PRF as, “Simplicity: The villagers should be able to do things themselves and to maintain everything” (PRF 2003).

³ Transparency and accountability were to be achieved through “regular meetings” and an “information board” (the board was, incidentally, never posted to the knowledge of any of the participants I interviewed during the three years that I tracked the progress of the project).

“menu” was not disclosed in the village meeting.⁴ The menu clearly prioritised government services.⁵ At the participatory meeting, the attendees were divided into groups to brainstorm ideas for “poverty reduction” projects and rank these. The parameters set by the project quickly limited and quashed various proposals and directed the “people’s choice” towards a handful of state services – roads, schools, water and sanitation. After this village meeting had produced a list of three priority projects, these were sent along with four representatives to a regional meeting of ten villages, which narrowed all of their projects down to four priorities, and these were then taken with four representatives to the District level. At this massive District meeting, the available funds were revealed as 69, 000 USD for the entire District. The distribution of these funds was to be negotiated in a participatory meeting of the representatives at the District. While the organisers of this meeting asserted that the assigned funds could be spent in any fashion – perhaps in one highway for the District, or a health centre and two schools – the delegates, acting as representatives for their home regions and villages, chose to divide the project funds equally so that each region, and ideally each village, gained some share of the funds, however small. Dɔɔn Khǎaw’s district hit on the idea of building a few tens of meters of “road” at each village as a way of dispersing the funds – now quite meagre, some 6,900 USD – in the form of wages between the residents of each village.

When I returned to Dɔɔn Khǎaw in 2004, a few meters of the road had been dug by village residents, and a strict accounting had been taken of how many meters were

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Sub Project Type	Items Eligible
Access and Transport	Bridges, footpaths, tracks, culverts, ramps, piers, road repairs and up-grading
Water systems	Wells, gravity water supply, small weirs, ponds, etc
Community Irrigation and Drainage	Weirs, canals, bunds, gates, spillways, and other structures
Markets, community halls, and sanitation	Buildings, drainage, latrines, wells, and furnishings
Health post or clinic and sanitation facilities	Building, furniture, latrine, supplies and medicines, allowance for nurses/midwives (in cash or kind)
Schools, nurseries and sanitation facilities	Buildings, latrine, allowance for teachers (in cash or kind), supplies, equipment, furniture.
Community electrical supply	Mini-hydro generator, wiring

Manual of Operations (PRF 2003:1)

⁵ Furthermore, at the village meeting, the participants were not told the proposed budget, though the staff already knew how much money was to be allocated to the District: 69, 000 USD. Among project staff, there was a sense that disclosing such project information to villagers would somehow sully the purity of villagers’ “local” knowledge.

dug by each individual. However, no wages had been forthcoming. The workers refused to continue the heavy labour without pay. A disappointed participant said “I dug more than the others, because I am short of rice – no rice to eat. But then they didn’t pay us.” The “road” petered out unfinished and – with no vehicles or even carts on the island – completely disused. In 2005 when I returned once more, the road had sunk further into the undergrowth. Though its scar on the landscape was becoming less visible, its scar on participants remained raw – the village chief was still seeking rice as compensation for the labour expended, though most people has dismissed any thought of receiving the pay they believed was their due. The newspaper reports on the PRF in 2005, meanwhile, continued to hail the PRF as a success.⁶

An “empowered” citizen

In PRF documents, the citizen is to be empowered, participate, have ownership, and make decentralized decisions. The PRF is an archetypal example of the new trend in international development industry towards the “participatory method,” a trend which accounted for \$7 billion of the World Bank’s projects and lending in 2003 (Mansuri and Rao 2005:2).⁷ The participatory method is premised on the theory that drawing on

⁶ In the *Vientiane Times* on December 12 2005 it was reported that the PRF had “improved living standards” and provided “basic infrastructure” (Noradeth 2005:3).

⁷ Robert Chambers is perhaps the most influential figure in the participatory movement. In a series of articles (1994a; 1994b; 1994c) and a monograph (1997) Chambers outlines a “family” of techniques and approaches which development workers can use in order to facilitate the participation of local people in the planning, management and implementation of development activities (1994a :953). In this approach, information gathering is “shared and owned by local people” rather than being “elicited and extracted by outsiders” (1994a :953). Chambers holds that by subverting the “dominant behaviour by outsiders” (1994a :953) and “Top-down, centre-outward prescription” (1994b :1447), locally-gathered local knowledge will be able to guide the more effective and efficient planning and implementation of development projects, with the positive outcomes of local ownership and empowerment. Participatory projects, then, involve an attitude of humility on the part of the facilitators, and attention to local capabilities, knowledges and priorities.

The participatory approach relies on a series of dichotomies (insider/outsider, etic/emic, uppers/lowers), dichotomies reminiscent of the “grand dichotomy” identified in modernisation theory. While modernisation theory denigrated the traditional *Gemeinschaft* side of the dichotomy, in the participatory approach such traits are celebrated. The new orthodoxy, then, is not so much a revolutionary break as an inversion. Indeed Chambers himself frequently writes of his techniques as “reversals”, writing, “an overarching reversal is from etic to emic, from the knowledge, categories and values of outsider professionals to those of insider local people” (Chambers 1994c :1262). In these reversals, “insiders” are discussed as holding traditional, efficacious “local knowledge” as opposed to the technical, “top-heavy” developmental knowledge of the “outsider”.

“local knowledge” and local labour contributions in the planning and implementation of development projects will engender more appropriate interventions and incite feelings of “ownership” thus creating more sustainable projects. One PRF staff member explained his understanding of participation:

When we have activities all people and villagers and departments concerned can participate. Also if villagers need to construct a school, what kind of cash or participation in cash or kind or wood they can contribute? There must be village contribution. If we provide the fund for a school, *villagers should contribute in cash or labour*, because we need to make the ownership of the people. When they participate and they think ‘this building is mine.’ For example after the project is completed they can maintain it for themselves (emphasis added).

Often participatory projects suggest that villagers use “local products” such as bamboo and grass thatching for constructing schools, rather than demanding the low-maintenance but expensive concrete and corrugated iron constructions which have previously been provided by the state and international development agencies. Such “locally constructed” projects are seen to draw on “local knowledge” and thus “empower” local residents.

This “empowerment” is discussed as not only necessary for “poverty reduction”, but as a key outcome in and of itself: such projects aim to create new citizens of a certain kind. This remodelling of the citizen has its precedents in Lao agricultural policy. Evans records the push for “the new socialist man” by the revolutionary regime, a vision of the rural populace which included the standard modernist desire for transformation of peasant into industrial workers, but went further in that it was fundamentally about “changing people’s heads” (Evans 1990:1). The agricultural collectivisation drive of the 1970s aimed not only to increase rice production, but to organise the populace into self-managing political units that could repel “enemies” and “bad people.” Today, the socialist ideal of creating a “new countryside,” of not only modernizing and industrializing the rural, but transforming and moulding rural subjects, has been incorporated into the latest international development industry jargon of “empowerment,” “participation” and “decentralised decision making.”

The sketching of the transformed “empowered” citizen in contemporary poverty reduction documents is often hazy, more evocative than explicit. One report writes that “it entails self-respect, along with the rights and skills for participating in public life – and thus for building a society that can satisfy the needs of others in fulfilling their own hopes to lead safe, productive, and creative lives” and is the result of:

helping people themselves to improve their health and that of their families and giving them opportunities to learn the basic skills that enable them the opportunities to learn more. Such skills also enable them to help planners shape policy further so as to provide a broadening range of opportunities and choice (UNDP 2001:9).

There is a presumption in this sketching of “new participatory man” that people want and even need to be “participating in public life” – contributing to all state activities from health care to policy planning.

But whether private residents necessarily want to shoulder the burdens of the state has been questioned (Herbert 2005, Cleaver 1999). On this point, and many more, the critiques of the “participatory” approach have been stringent and numerous.⁸ In assuming that the “small-scale” is an effective unit for cooperative altruism for the common good, these projects conflate the administrative unit of the village with the social phenomenon of “community”: but in reality communities can occur *or not occur* on any scale (Purcell 2005, Green 2000). The participatory method conflates “good” knowledge with the local, but provides no tools for distinguishing “local” wishful thinking from “local” rash suggestions or these from considered proposals (Herdt and Bastiaensen 2004). Many critiques focus on the revelation that participation is in fact not participatory: it is subverted by “greedy elites”, gender exclusion, or local officials (Agrawal 1997, Mohan 2001, Platteau and Gaspart 2003, Harrison 2002); or it elides the degree to which the participatory approach itself is an internationalised policy and thus itself non-participatory at the point of conception (Mosse 1997, Mosse 2001, Green 2003). It seems that the goal of participation is deceptively difficult to achieve.

Instead of attempting to do justice to each critique here, I want to turn to the question of what, exactly, it is that “the people”, “the poor” or “the villagers” will actually be participating in, should that lofty goal be achieved? What sort of power, exactly, would the recipients be empowered with? What is it that they will have ownership of? Which decisions would be decentralised?

The instant answer is that they would be “participating”, “owning” or “empowered” with “development” or “poverty reduction”. Any kind of familiarity with rice production, poverty, and migration in Laos, however, makes it clear that rural persons already undertake numerous “poverty reduction strategies” in pursuit of their personal

⁸ Mansuri and Rao (2004) have attempted a summary of the vast literature.

definition of success (see Rigg 2003, High 2005). It seems derogatory to imply, as in PRF policy, that these people do not already “own”, “participate in” or have “power” in their own poverty-reducing activities. But of course the PRF is not engaging with poverty reduction in the general sense of the personal pursuit, but in the specific sense of communal participation in the provision of government resources. This can be seen in the promotion of educational facilities, roads and other public goods in the discourse of both PRF officials and PRF policy. In view of this definition of “poverty” and “development”, what, to restate the original question, would the recipients be “participating” and “empowered” in? The answer, clearly, is government service provision.

In PRF planning, the provision of government services will be “decentralised”. The planning, budgeting and selection of services is transferred from the few skilled, resourced and trained staff in the centre to the inexperienced, unpaid and otherwise engaged local populace. It seems inevitable that the severe capacity short-comings experienced in Lao line ministries will only be increased through this process. What is more, the participatory method tends to approach rural recipients as if their labour, time, skills and resources are freely available to the project at hand. Though official policy states that labour contributions must be voluntary, the logic of PRF practice led to village contributions being more or less demanded. The budget allowed for was simply too small to recompense village residents for their labour or donations of items. While in this instance, there is a discrepancy between policy and practice, in other instances, policy explicitly demands inputs from recipients. For instance, the principles of the PRF state clearly that “the people will plan, implement, manage and maintain the sub-project”. Here it is explicitly stated that “the people” – ordinary people with their own occupations and private lives – are expected to “plan, implement, manage and maintain” their own government services, should they be fortunate enough to be recipients at all.

In Dɔɔn Khǎaw, the village-level meeting included 60 people and lasted five hours (300 man-hours). There were 66 villages (so approximately 19800 man-hours consumed just at this level). The *khêet* (regional) level involved 50 people for five hours (250 man-hours) with 10 *khêet*, thus about 2500 hours consumed in total. The District level meeting involved forty *khêet* representatives for two days (about 5120 man-hours), as well as District and Provincial officers, PRF officers and foreign experts. Just to get to District level decision making stage (barely one-half of the way through the “proposal preparation” phase of the project cycle), then, we can very roughly estimate that around 27420 man-hours had already been consumed. Under current ANU award rates, this is the equivalent hours worked by a full-time employee

over 15 years. The amount of hours to this stage of the project cycle alone is truly astronomical, especially when compared to the total budget of only \$68 000 USD. When it is considered again that the process underway is essentially that of providing government services, the “participatory” method emerges as both odd and inefficient.

Surely there is a more time-effective means of building a road? This question loses its potency when it is remembered that the PRF is not, in fact, in the business of building roads. Nor schools nor medical centres or any of the other projects on its “menu” or indeed the “negative list”. The PRF is in the business of building legitimacy for certain configurations of state and society. The issue is not how or whether or if public infrastructure will be built or provided – the budgetary limitations suggest that some will be built, though not appreciably more or less than before the advent of the PRF, and certainly not enough. The greatest effect of the PRF will not be the installation of adequate public services, but a *reorganisation of their non-provision*. As before, public services will not be provided, or will be provided rarely, or inadequately provided. However, under the “participatory” approach of the PRF, it is “the people” who have “ownership of” who “participate in” make “decentralised decisions” in the non-provision of government services.

When the lack of access to government services is defined as poverty (rather than ineffective state provision), and the provision of government services is defined as poverty reduction (rather than a legitimate state’s duty), the citizens claiming their right to equality in the provision of government services are recast as the marginalised poor requesting to be helped. In the PRF, future “help” (i.e. government services) is contingent upon successful implementation by the recipients themselves. At the District meeting, participants heard that the performance of the District one year will inform funding decisions the following year. As one staff member explained, “They have to show the people in the Bank and the government that they can use the money to help the poor if they want to get more money next year.” If, due to “capacity shortcomings,” delays or other problems, they do not acquit their entire budget within the financial year, he said, then “obviously” this will impact on the distribution of the funds the next accounting year. The definition of service provision as poverty reduction, then, has the effect of making service provision dependent on the poor proving themselves “worthy poor” by, ironically enough, providing their own services. Of course, given the budgetary and planning deficiencies, success in terms of real poverty reduction or adequate service provision was never on the cards, and the poor were bound to prove themselves unworthy from the very start.

In terms of the international development bureaucracy, it can be speculated that the turn to participatory approaches involves a similar reorganisation of meaning (and a

similar non-reorganisation of resources). This international move towards participation comes at a historic juncture of global disillusionment with international aid. The 1980s were dubbed the “lost decade” of aid, with the debt crisis and negative growth in many recipient countries causing a widespread questioning of the very activity of “development” (Molyneux 2002). The solution, starting in NGOs and civic groups, of “ideas of participation and ‘bottom-up’ development” (Molyneux 2002) quickly spread to become the new orthodoxy. Just as “the failure of aid” seemed absolute, then, it was asserted that “the poor themselves” will be able to avoid the chronic problems of aid – as if the causes of and the solutions to poverty could be found at the village level. Now those potential victims have been turned into development planners, thereby removing victimhood from the equation. As Molyneux notes, this conceptual shift leaves issues of resources distribution and policy untouched. This conceptual shift does not actually mean that aid will have better or worse effects, only that in the event of negligible or negative effects of intervention, the accusatory finger won’t know which way to point.

But citizens are rejecting the state’s abrogation of state responsibility. Citizens continue to behave as if the state and the international assistance community are rightfully accountable for the adequate provision of public services. The provision of rice to farmers during times of drought or natural disaster is a particularly sensitive issue. When I returned to Dɔɔn Khǎaw in 2004 the village chief spoke to me with intensity about how he was still trying to get rice or money as wages for the work that had already been completed digging the road for the PRF. There had been a severe drought that year, and all but four households were short of rice. The PRF project was held up as one, albeit dimming, candle of hope that some food aid would be distributed to mitigate this disaster. In the village chief’s reading, residents had “participated” and dug the road in expectation that the rice would be forthcoming (not, notably, that the road itself would be useful or that participation in the road project would be “empowering”). From what I knew of the project, however, it was apparent that it was premised on the appropriation of labour free of charge – the heart of the participatory method is getting labour “on the cheap,” what Ribot terms “participatory corvee” (1999). But in Dɔɔn Khǎaw, when wages or rice were not forthcoming there was a sense of injustice. The state and the World Bank, it was felt, had had a duty to help. “The people” had done their bit by toeing the PRF policy line:

to a point. But now it was time for the state to come through on its half of the perceived bargain.⁹

The debris of development

The PRF road is one of many scars of past development interventions scattered around the rural landscape and memory, scars that tell of broken bargains and disappointed expectations. An irrigation pump floats abandoned, the pipes, ditches, and dikes crumbling with disuse. Memories circulate of food aid that never came, a school that was never built, a glorious future that never arrived. The residents of ດວ້ນ ຫໍ້າວ are experienced players in the non-provision of government services. For them, the “shining path” of progress promised by the Lao People’s Revolutionary Party has resembled more a maze of false turns and dead ends. Rural Laos is marked by the powerful, often tangible debris of development: the disappointed expectations, suspicions, and fear which feature in the Lao landscape and resurface in the stories told of the state.

After the village-level participatory meeting, one participant explained his distrust:

“They plan to steal the money – maybe not all of it. Just most of it. That’s how civil servants are. They take the money meant for the people. I believe that the World Bank really wants to help us, but they give the money to the civil servants. If you give a million *kip* to a civil servant, maybe 200 000 will get to the people. I feel sorry that that’s how it will be. Civil servants never used to have motorcycles. But today, you see they all ride motorcycles, rich and poor, they all have them.

“It is like the school they said they would build here. It was going to be a full school with cement walls and toilet and water supply. They got the full plan and then had the village chief to sign it. But today, you can see that the school was never built. The village chief signed it and we never heard from them again. What do you think happened? The civil servants took the money. The Japanese people wanted to help the Lao people, but they never came to see the true story for themselves. They just ask the civil servants, “Is it built yet?” and

⁹ You will have noticed by now a slippage between references to the PRF and references to the Lao regime and the state. The PRF asserted itself as an independent body, but its locally-engaged employees were not differentiated there from state officials by rural residents. In rural discourse the PRF was often conflated with and compared to other state developmentalist policies, and slotted in to a history of poverty reduction interventions under socialism.

the civil servants say “yes”. And say the Japanese want to come and see, the civil servants won’t let them go. Or they will take them to the wrong place.

“It is the same story as the food aid. New rice has already arrived to help those affected by the drought, but it has not arrived here. Where do you think it is? If you give rice to a civil servant for the people, the civil servant will certainly sell at least some of it. Even if you give it to the village chief, they will take some for themselves.”

A woman interjected with a telling of the story of the Japanese rice, a story I had heard many times. Directly after the revolution there was a rice shortage, she recounted, and some food aid was sent to Pakse. She said, “In Pakse, on the bags of rice we could see the name of the country ‘Japan’ ‘Japan’ ‘Japan’ written on each bag. The government officials were selling the rice, but we knew that it was free assistance from overseas. But the government, they are not honest. Some Japanese people came and saw the officials selling the rice which they had given, so the Japanese took the rice back again – because the government was dishonest. So the people obtained no rice. But what can we do? They *pen càò pen náay* (are the princes/leaders and the heads/rulers). If they let us eat, we eat, if they don’t, we don’t.”

She held my arm to make sure I was listening, and told me again another story I had heard before. She had been forced to abandon her business in the urban centre by that food shortage and the need to care for her aging mother at Dɔ̀ɔ̀n Khǎaw. On the cargo boat from Pakse, she took out a container of cooked rice to feed for daughter, then only five years old. The other passengers were so hungry that they snatched the food away from the child. “Everyone was so hungry, they forgot themselves.”

It is in a choked voice that the man quietly stated: “our party and government are dishonest.”

In explaining this prediction of the impending failure of the PRF my interlocutors drew on and reaffirmed established perceptions of the state. These perceptions were generated through the almost myth-like retelling and interpretation of past encounters. The Lao state, my interlocutors explained, is corrupt. They will steal the money, lie to the World Bank, and let the people go hungry. They have done it before and they will do it again. Others suggested that various officials planned to “*phǐt*” (wrong) the PRF project, that is, they suspected corruption. The taint of corruption colours all

perceptions of the state apparatus in rural Laos: it operates as a powerful myth of state, a point of reference for the interaction with all state and development projects.

Mixed in with suspicion is fear – when my interlocutor finally stated, “our party and government are dishonest” it was a significant moment in our relationship – this man had previously told me that development could be achieved by following correctly the policies of the party and the state. When he told me his suspicions, his demeanour was one of shame and bitterness. As he had mentioned at another point, it is perceived as “dangerous” to speak of any problems under this regime, even in private. At the supposedly “participatory” meeting, one participant stated clearly: “None of us will say anything. We don’t know. Tell us and we’ll do it. Whatever they want to do, I’ll go along.” The representative of the village to sent participate in the *khêet* (regional) meeting stated afterwards that, “I didn’t say anything. I am too scared to speak to officials. They frighten me. I wasn’t bold enough to speak.” A preliminary conclusion we can draw here that it takes a great deal of political naivety – either earnest or affected – to even propose that a “participatory” project will meaningfully “empower” the people of rural Laos.

I do not wish to claim here that corruption is only a myth and not a reality in Laos: corruption does exist. I recall one young customs official bristled when I suggested that civil servants were poor. He demonstrated his wealth by explaining that he received extra money from “the big people” for his “stamp”, money for “food and drink” and payment for his “signature”. He concluded by telling me that he would be purchasing a mobile phone the following month and he already had a motorcycle. This man did not appear ashamed in telling me this – indeed, he seemed to be attempting to impart a positive impression. Corruption, in this instance, emerges as one of the rights of office. But this was far from a universal attitude held by civil servants. The Ministry of Education staff who assisted me in gaining research permission never asked for a bribe, and in fact when I offered to pay the officer who was teaching me Lao, he refused, stating that payment may give the appearance of corruption. Instead, he supplemented his meagre monthly salary by teaching night school after office hours. It is also common for civil servants to supplement their income through farming or petty trade. The center has declared its opposition to corruption. Two politburo members were dismissed in 1991 under allegations of corruption.¹⁰ Laos signed the United Nations Conventions against Corruption in 2003 and now celebrates the infectious “Anti-corruption day” each year. On that occasion in 2005, Deputy Prime Minister Asang Laoly stated: “Corruption is a serious bug that

¹⁰ Sisavat Keobounphan, one of the dismissed, was reinstated in 1996 and served briefly as Vice-President.

eats into a nation, and it will finally topple the nation” (Laoly 2005). Corruption has been identified by the center as another battle it sees itself engaged in, another common enemy (like poverty) which state and society fight side by side for the common good.

But I do not subscribe to the belief that poverty reduction projects failed simply *because* of corruption, actual or imagined. The best of intentions have had no more successful results in development projects, and have often led to the most disastrous results (see Porter et al, Scott 1998). The causes of poverty are multiple and are in many ways global in scale: it cannot be hoped that the decision of some petty official to take a little cash under the table or not will change those global configurations. From what I witnessed of the PRF, it was not so much corruption as poor planning that sealed its disappointing fate. In the PRF participatory meeting D๔๓n Khi aw residents proposed that a school be built in their village, but this proposal was ruled out at the regional participatory meeting – not corruption, then, just a participatory approach to the non-provision of state services. In the end, the villagers were required to labour digging the road for free, but this was because the budget was too small to allow payments. The work was, in any case, completed after the close of the financial year, so it was have been administratively difficult for the PRF to release funds after that date, especially given their policy of demanding that villagers demonstrate their “capacity” to acquit funds in a timely fashion. The post-development writers have argued persuasively that failure in terms of real poverty reduction or service provision is often built into these projects. While I do not want to dismiss corruption as a reality, I do want to question whether it is the dominant reason for poverty reduction failure.

The *perception* of this (arguably inevitable) failure as corruption and as calling into question the legitimacy of the state is striking. There is a sense of corruption whenever positive results are not forthcoming, or when expectations are disappointed. For instance, when the “Japanese” did not return to build the school after requesting a proposal, there was a suspicion of corruption. It is at least a possibility that the Japanese had asked for a number of proposals, and selected only one: in this scenario, D๔๓n Khi aw did not make the cut, but not necessarily because of corruption. Likewise, it is possible that the rice aid that my interlocutor was wondering about was distributed to areas deemed more needy. Residents often simply did not know the outcome of these processes, and were too afraid to ask, too distrustful to believe any official explanation in any case.

This nexus of fear, suspicion, and lack of verification resonates with Taussig’s understanding of a “culture of terror.” “What distinguishes cultures of terror” he writes, “is that the ... problem of reality-and-illusion, certainty-and-doubt, becomes

infinitely more than a ‘merely’ philosophical problem. It becomes a high-powered tool for domination and a principal medium of political practice” (Taussig 1984:492). Taussig suggests that fear has a “silencing” effect, witnessed in Laos in the near total absence of open dissent (those few who express open political dissent are punished severely).¹¹ He argues that this silence only confirms terror, as it drives stories of the state into the realms of myth and nightmare. But Taussig warns that silence is not to be confused with forgetting. He writes: “The point about silencing and the fear behind silencing is not to erase memory. Far from it. The point is to drive memory deep within the fastness of the individual so as to create more fear and uncertainty in which dream and reality commingle” (1992:27). As Taussig has noted, such a regime pushes stories of state into intimate realms: after meals, by lamplight and in intimate places. Circumscribed from the public sphere, these stories are divorced also from factual verification and resolution. Stories of state in Laos take the form of rumour, hearsay, speculation, and cautionary tales where suspicion and fact are difficult to distinguish.

As I investigated this distrust of the regime, I had trouble distinguishing stories about corruption from stories about rather mundane state extraction or standardised regulation. In speaking of her suspicions of the state, one woman told me that taxes were meant to be used to pay the teacher’s salary, but that the teacher’s salary had not been paid: “where did the money go?” she asked, “we just don’t know.” A man told me his conviction that the District authorities definitely had money, but that they were hiding it. He did not know where, or indeed why. He just claimed that he knew that they had money and were not sharing it. The collection of tolls, boat registration fees, interest on bank loans, and taxes were offered as examples of the dishonesty of the state as a whole and of individual officials. Residents of ດວນ ກຳພັງ reported that they have received food assistance many times, but that this is never “free assistance.” One instance recalled took place in 1997 when rice was provided as aid to the village.

¹¹ In May 2004 the US House of Representatives adopted a resolutions criticising the Lao government on Human Rights, and calling for the end of alleged violence against the Hmong (EIU 2005:6). Three high ranking government officials were arrested in October 1990 for writing letters demanding political and economic change in Laos. They went on trial in November 1992 where they faced charges such as “making preparations for rebellion”, “propaganda against the Lao People’s democratic republic” and “libel and slander” (AI 2004). Two were released to France on 16 December 2004, the third died in prison. In October 1999, the “Lao Students Movement for Democracy” reportedly attempted to raise banners of protest. Five were arrested and their fate has since been obscured, their existence flatly denied and their whereabouts undisclosed for years. Foreign nationals also have strong disincentives to express open dissent: in June 2003 Belgian reporter Thierry Falise, French photographer Vincent Reynaud, and their American interpreter Naw Karl Mua were arrested along with their Lao guides while attempting to access a Hmong group. After diplomatic talks, the foreign nationals were expelled, Falise commenting of the regime “I would call it an injustice system, there was no justice, no fair trial” (AI 2004).

In order to obtain the rice, however, each household was required to dig a number of metres of “road”. In addition, they were asked to pay for the costs of transporting the rice to the island. This story was recounted with apparent disgust: residents held strong suspicions that the rice was intended as free assistance, but that they were instead forced to work and pay for it. It should be noted, however, that the World Food Programme endorses and promotes “food for work” programmes in Laos (World Food Programme 2005), and that it is standard in international aid programs for contributions of labour, cash and in kind to be provided as evidence of “participation” and “ownership” by the receiving community. The state and its agents were perceived as behaving illegitimately even when carrying out regular state duties and standardised international development industry practices.

In these stories of speculation and suspicion, the state is described as distinct, opposed to and imposing on the people. In these stories the state is a controller of resources – money, rice, taxes and development funds. These are seized, lied about, distributed, hidden, and hoarded. There is an “oppositional consciousness” evident here (Cohen and Pearson 1998:109). Taussig terms this “State fetishism”, the process by which the state – admittedly fictional or a mask (Taussig refers to Abrams 1988) – is reified in everyday action. This fiction carries real political power, especially when the context is one of fear. This reification is evident in the discursive tendency to refer to the state simply as *khǎo* (they) or *phāk lāt* (the Party and the State). While it is analytically clear that no such distinction between state and people exists, and that the “oppositional model” does not hold up to scrutiny, there is nonetheless a “lived opposition,” as persons describe themselves as *pásáason* (the people) living under an oppressive and exploitative state.

It is important to note, however, that this “oppositional consciousness” does not entail a complete rejection of the state. To the contrary, a legitimate state is sought and even demanded, and it is the disappointment of these demands which evokes distrust. Schools, roads, medical centers and other state services are all explicitly desired by the rural poor. During my last days of residence in Dɔ̀ɔ̀n Khi aw, I asked those I farewelled if there was any message they wanted me to convey in my writing. With a surprising consistency, my diverse set of informants expressed a request for state services, such as a clean water supply, electricity, welfare for the poor, and social support in times of crisis. The process they were attempting to leverage my writing into was an ongoing attempt by rural people to attain a closer and more beneficial integration into the state (Li 2001). This is not some vision of content traditional peoples who simply want to be left far from the meddling efforts of development workers and agents of the state. Quite the opposite: these are people with explicit

desires for incorporation into economic frameworks and state services, who draw on established discourses about expectations of the state and international development efforts. It is not that the ideas of modernity and developmentalism are rejected, but that services simply have not been forthcoming in ways that match these expectations.

It seems that frustrations and resentments with the state and officials are ubiquitous in modern and modernising states – slow processes, unresponsiveness, excessive fees and charges. But in Laos, the line between the legitimate and the illegitimate state imposition seemed to be based not on breaches of regulation or procedure but on breaches of expectations. The expectation breached was that the state would provide and protect: there is a sense that a bargain has been broken.

Bargains Broken

The idea of the legitimate state as a deliverer of modernity and progress has, to some degree, been formed by the rhetoric of the socialist regime itself. Since its inception, the Lao People's Revolutionary Party (LPRP) has proclaimed modernisation and prosperity for the Lao nation as its ultimate goal. Directly after the 1975 ascendancy of the LPRP, the new President Kaysone Phomvihane announced the regime's intentions. A newspaper reported:

The next battle, he said, would be to achieve two strategic tasks: to safeguard the nation and build it. These tasks needed to be accompanied by improvement in people's living conditions, health care access to all, schools for children and jobs for the workforce. Society had to be just and civilised, with unity and equality among the people (VT 2005b).

From these earliest days onwards, the LPRP regime has legitimated itself by claiming to be a modernizing, developmentalist state. The twin goals repeatedly identified are social control and social welfare.

The current President, Khamtay Siphandone, took the occasion of the regime's 30th anniversary in December 2005 to reflect on how the regime has performed on these goals. He stated that "Despite some areas of weakness, the Lao People's revolutionary Party has always remained a progressive political party. It is the only strong political organization which has been able to lead the people and Lao society to prosperity" (Vorakhoun 2005a:7). But this successful leadership to progress depends on mutual striving with people, as the President "also urged all Lao people to work hard to develop the nation and create momentum aimed at pulling the nation out of its least developed status by 2020" (Vorakhoun 2005a:7). Development is presented as

the inevitable result of party wisdom, and the state is legitimated by its progressive leadership into a glorious future. The citizen is envisaged as actively pursuing development alongside the state in a mutual and cooperative struggle for progress.

President Khamtay emphasized success in this mutual struggle, stating: “Over the past thirty years, we were able to develop the economy and maintain a consistent pace of growth. We have ensured the country’s political stability and maintained public order” (VT 2005a). These self-congratulatory remarks are a little questionable: growth has been far from consistent – a recent economic report summarized growth as “volatile” (EIU 2005:22). During the last thirty years, the economy has been rocked by triple digit inflation, massive currency devaluation, and the Asian financial crisis. Sadly, infant mortality hovers around 87 per 1000 live births. Laos is classified as a Least Developed and Heavily Indebted Country, and is the poorest economy in Southeast Asian. While the central party has been remarkably united – relatively free of the purges and schisms which have marked other socialist regimes – the ongoing bombings and armed insurgencies call into question the claim to stability. Freedom House ranks Laos as “not free,” one of its “worst of the world: the world’s most repressive regimes 2005.” Amnesty International condemns the regime as one which “lacks transparency, clarity or reason” (AI 2002). President Khatay’s statement is not so much a recounting of fact as a posturing.

These claims to legitimacy tug on not only socialist rhetoric, but on the notions of rightful rulers that are evident before the advent of the Lao nation-state. Prior to 1946, ດອກ ກິ າວ was not part of “Laos”, but part of the Kingdom of Champassak. The royal house, established in 1713, ruled first independently, and after 1779 as vassals of Siam.¹² The Kingdom of Champassak was one of the polities of the “Tai world,” a world that included what we now think of as Thailand, Burma, parts of Southern China and Western Cambodia. The Tai were Buddhist rice farmers inhabiting mostly the lowlands and valleys around the rivers and their tributaries. In these polities there was no meaningful distinction drawn between the rice-farming rural zones and the centers of power – both countryside and capital were denoted with the term *mī aang*. There was a sharp distinction drawn, however, between the civilised lowland *mī aang*

¹² In 1893 the left bank was absorbed by the French, and in 1904 the right bank followed. The French treated the Prince of Champassak as a minor official. After the Japanese surrendered in 1945, a referendum in October of that year Champassak residents voted for autonomy under their Prince, Bun Um. However, on May 12 1946, the French Commissioner wrote to Prince Bun Um to inform him that the French hoped for a unified Lao nation under the king of Luang Prabang in the North. The Prince, perhaps burdened by guilt and broken by years of marginalisation under both the French and Thai, agreed to the proposal, renounced his claim to the principality and facilitated the unity of the new Lao nation (Archambault 1971).

and the “wild” and untamed lands, particularly the highlands, considered beyond the state, through importantly related to it through tributary and exchange (Reid 1993:5). Among the lowlander Tai, Wyatt argues, “the whole of the area was in some sense meaningful to those who inhabited it: they regarded it as a coherent cultural and intellectual zone” (Wyatt 1997:429). At the center of this “zone of experience” Wyatt argues, were the Chakri kings of newly-founded Bangkok. In the Tai kingdoms, the king was a charismatic centre, gaining his position through demonstration of *bun* (merit). In a world where all actions were seen to have moral dimensions, and all events had karmic causation, a rightful king could create a righteous worldly order through his spiritual merit.

The Burmese invasions and the fall of Ayudhya were a turbulent time for the Tai world – Wyatt estimates that during this period, *most* people were living in a place distant from where they were born (Wyatt 1997). When the Chakri brothers came to power, they drove out the Burmese and then went on to subjugate further territories, including Champassak. They rebuilt a new capital in Bangkok, but they also worked to distance themselves from the previous discredited regime by drawing links between themselves and the rightful Buddhist rulers of the past. Rama I ordered a Council of Buddhism and the Chronicle that emerges from that time depicts the Chakri brothers as rescuing the people from a dark age because they are “merit filled and compassionate” (Reynolds 1979:97). The *1789 Chronicle* records that with their rule food became more abundant, collective efforts such as rechanelling the river were possible, and Buddhism was revived. Reynolds writes:

The transformation that occurs, then, from the anarchy and chaos of 1767 to the peaceful and orderly society of 1788, is complete. Abundance, prosperity, and contentment have replaced scarcity, deprivation, and misery. And these better conditions permit people to lead a better life – a *morally* better life. The historical cause of this transformation is royal virtue, and the interdependent nexus linking royal virtue with agricultural and economic prosperity, which in turn begets the morally good life, is as explicit in the *1789 Chronicle* as in any other ‘traditional’ Southeast Asian text. The rule of a king fructifies the land and thus enhances the opportunities for merit-making (Reynolds 1979:99).

Reynolds notes that this story of rightful rule and reconstruction is reminiscent of the legend of the first Buddhist king, Mahasammata (‘The Great Elect’) who was invited by a warring and impoverished population to eliminate discord and restore order and prosperity” (1979:99). The *1789 Chronicle* legitimated the new rule by depicting it as conforming to myths of rightful rule and reconstruction.

In ດວງ ກິ າວ, the temple was constructed in 1881, suggesting an established incorporation into the Tai world. As an island in the Mekong, and only a few kilometres from the old capital of Champassak, ດວງ ກິ າວ during that period was literally “in the thick” of the trade, mobility and exchange which Wyatt describes. Indeed, its island status made it a natural hub. The island served as the former *tasseng* (canton) capital and as the home of the state trading enterprise. In this sense, before the advent of modern-day “development” programs, ດວງ ກິ າວ was not in any meaningful way a “non-state” space. Rather, ດວງ ກິ າວ has been incorporated into the Tai polities where particular expectations of rightful rule and reconstruction circulated. In these expectations, the virtue of the leader and the prosperity of the land were explicitly linked. By assuming power, the ruler also assumed responsibility for prosperity is what might be conceived of as a morally-charged “bargain” between state and citizenry. Poverty, war and strife are evidence of a “dark age”: they forcefully bring into question the leader’s righteousness. In the current regime, the nexus between kingly virtue, righteousness, and prosperity has soured into the triple condemnation of suspicion, illegitimacy, and poverty.

Legitimizing politics through poverty

In the LPRP’s agricultural policies in the last thirty years, poverty has been used as a rationale for attempts at the total transformation of the countryside. The collectivisation of the rural populace into socialist cells during the 1970s and 1980s, or the attempt at an instant green through irrigation in the 1990s are some of the more salient forerunners to the current attempt to transform rural residents into “empowered” citizens through “participation.” All of these state visions of rural change have been justified through the spectre of poverty. But poverty is also the rationalisation given by residents in their relinquishment of cooperating with these projects. Scott writes that “Any dominant ideology with hegemonic pretensions must, by definition, provide subordinate groups with political weapons that can be of use in the public transcript” (1990:101). The developmentalist ethic propounded by the socialist regime provided one such weapon. In the PRF rice shortages were used by residents to demand wages in what was to be a “participatory” (that is, corvee-style) project. The failure to provide wages was then used by residents to legitimate their cessation of cooperation with the project. Likewise, rural residents halted collectivisation and irrigation in breach of these regulations, but neither they nor the officials I interviewed remembered such actions as illegitimate. Poverty legitimates farmer-led policy change.

Unlike, rebellion or combative challenge, and despite the bellicose language of the “war on poverty,” poverty cannot be fought or locked into a re-education camp. Unlike defiance or dissent, poverty cannot be silenced through terror. After the “dark age” of the war, the LPRP promised prosperity. Thirty years later many rural residents report that they are poorer than at the time of the revolution. When a farmer says “I am too poor to dig the road/irrigate/collectivise” they speak directly to a shame at the heart of the LPRP regime. Through appeals to poverty, citizens reassert their client status, reassert the notion of state as provider and protector, frustrating projects aimed at extraction through “participation,” “user’s fees”, or “collectivisation”. Citizens reject responsibility for the poverty which is quite evidently inflicted by structural constraints, and they demand that as citizens they be served by a magnanimous state and a charitable international development industry. Poverty, it appears, is a powerful political tool for state and citizenry alike.

While poverty can be used a political tool by the poor, I hardly wish to conclude that poverty is therefore a secret boon which we need to conspire to conserve. A conclusion that I do want to draw from this material, however, is that poverty is political. Poverty and the promise to eradicate it has become part not just of how the rural is shaped by the centre and how interventions are justified (this is the point made well-known by Ferguson, Scott and Escobar), but also a means by which the centre legitimates itself, makes claims to slot into pre-existing and evolving perceptions of a just rule. Furthermore, ongoing and seemingly intractable poverty has become part of how the rural populace perceive that claim to legitimacy by the centre. The state’s failure to deliver development has become bound up with suspicion and fear as the state’s trustworthiness and claim to virtue erodes in the face of frustrated expectations of state. Finally, poverty has become an important motif in how poor persons position themselves not just in relation to the national state apparatus, but in relation to the international development industry: poor people emphasise their client status, demanding that – because they are poor – they should be served by a state provider and a charitable aid industry.

Conclusion

The triad who have become classed as “post development” writers – Escobar, Ferguson and Scott – each conclude their treatises with the suggestion that more positive outcomes can be achieved by stepping outside the frame of development as we know it, and seeking more local engagement. Scott describes the “the dogged, day-to-day resistance of thousands of citizens (that) forced the abandonment or restructuring of projects” (1998:352-353 parentheses added). In recognition of the

efficacy of such “metis”, Scott suggests that state planners factor in flexibility and responsiveness to local conditions, change, and participants’ input. Taking a more radical stance, Escobar suggests that the negative effects of development discourse can be countered only through the “political promise of minority cultures” (1995:225). He does not presume to foreshadow what these alternative cultural solutions may be. Likewise, Ferguson points out that “The toiling miners and the abandoned old women know the tactics proper to their situations far better than any expert does” (1994:281). He does not support a reformed development industry because he resists the assumption that the solution to poor development is more development. Instead, he suggests that interested scholars limit their intervention to engagement, where appropriate, with grassroots groups such as unions. In these three analyses, there is a common call for the incorporation or ascendancy of non-state knowledge as a solution to poverty.

Perhaps unsurprisingly, then, the works by Scott and Escobar have been identified as influential in the diverse ancestry of the participatory method (Mansuri and Rao, Herbert 2005, Purcell and Brown 2005).¹³ The conclusions of the post-development school have often been read to imply that the modernizing state and the international development bureaucracy can do little to ease poverty – the answer lies with the “the poor themselves” (as PRF puts it). Their works have, thus, indirectly contributed to the conception of the Poverty Reduction Fund which I have used as an example in this paper.

But what if “the poor’s” suggestions for “development” is in fact a state which furnishes adequate services, and an international development community which delivers assistance free of charge and free of demands for labour? What if the poor really do want schools, salaries, commodities and good health? If getting modern state service provision operating effectively is not what planners or analysts are interested in, then this must come with the realisation that the poor’s expectations of state must be trampled over in order to deny them this. The case of D๖๓ Kh๓aw demonstrates that poor people are far from apolitical. They use their meagre resources, such as claims to poverty, to highlight the duties of state rule, and breaches of these expectations. They do not dwell in “non-state spaces” (Scott 1998) or necessarily constitute a “counter-hegemonic alternative” (Ferguson 1994:287) or operate from

¹³ I should note that on my reading of Scott, the common categorisation which places his *Seeing like a State* among the post-development school is a misreading. He is in almost all instances more cautious and conciliatory than Escobar or even Ferguson. Indeed, his *Seeing like a State* concludes with reflections on how to improve, not abolish, state planning. However, I am responding here not to Scott directly but to those who have read him as arguing that “the answer” lies somewhere in his “non-state spaces”.

“the sheer fact of cultural difference” (Escobar 1995:225). They are embroiled in historical state and internationalised processes – Tai politics, socialism, developmentalism, the “participatory method.” They pay tolls on the roadways, pay taxes on their land, and send their children to schools. When promoting rural Lao residents as a well-spring of alternative thinking, it is important to remember that their knowledge is not radically innocent in any sense of modernising goals. Li made the point powerfully when she wrote of upland Suluwesi:

There are no pristine primitives or antigovernment rebels in the hills . . . nor do people see themselves in the terms supplied by the indigenous peoples' movement, proudly autonomous communities interested in 'alternative' development paths. The goal consistently expressed is for a closer relationship with government authorities . . . They imagine a future that includes a school, a road, electricity, and routine consumption in a coastal style . . . (and) seek to enmesh themselves more firmly, and more advantageously, within the government administrative system (Li 2001:58).

If the participatory approach is to be “truly participatory” (as so many of its critics and proponents argue) then the fact that what poor people want is a state that serves and an aid industry that gives must be incorporated. This recognition puts the issue of real service provision back on the table. What would happen if the state participated in providing the education, roads, and health facilities the populace desire, rather than asking the populace to participate in their non-provision? What if this provision was seen as a citizen’s right, rather than the poor’s request to be helped? Such provision would require real reordering of resources and regulation, not just on a national scale, but a global one. Perceiving poverty in this light brings the global-scale politics of poverty back into question.

The bare bones fact is that places like Laos have been given a very bad hand in a global deal. Laos has *never* received a concerted injection of gratis funds post-war as seen in the Marshall Plan. The Marshall Plan, like the *1879 Chronicle*, is a legend of rightful reconstruction after a period of war and destruction.¹⁴ Like most effective myths, the Marshall Plan can be interpreted in various ways: as a tale of the effectiveness of Keynesian economics, as proof of the power of regional integration, as a narrative of the success of international development aid, as a parable about the power of altruism, or just an anecdote about the ascendancy of all-American know-how. Whatever the interpretation, the Marshall Plan continues as a metonym for

¹⁴ It is currently evoked in discussions of “reconstruction” in Iraq (for example Smith and Darahagi 2006, Powers 2004).

rightful reconstruction after a “dark age”. Between 12 and 13 billion US dollars were transferred to Europe in 1948 and 1949 under the plan (Agnew 2004:1) – or about 2-3 per cent of US GDP in those years (Corbridge 1997:245). If such a percentage of the 2005 US GDP alone were expended, it would amount to between 249.6 and 374.4 billion US dollars¹⁵ – a stupendous amount to consider, especially in comparison to actual USAID 2005 expenditures of 8.8 billion for all development assistance recipients combined (USAID 2005).

Let us compare the Marshall Plan to the US response to Laos. The US dropped more bombs on Laos than were dropped during Second World War in total. When the US withdrew from the Vietnam conflict, they abandoned their “secret war” in Laos, and the Pathet Lao were able to come to power relatively peacefully in December 1975. By then, the US had already withdrawn all development assistance several months earlier.¹⁶ The US continued punishing Laos by withholding Normal Trading Relations until December 2004, and direct USAID has still not been resumed.¹⁷ Rather than action guided by a Marshall Plan morality tale of rightful reconstruction, it has been US policy to perpetuate poverty in Laos after a period of immense destruction. It is not my intention here to suggest that it is USAID who must deliver Laos unto development through more generous assistance. My point, rather, is to remind analysts of development that poverty reduction efforts have not “failed” or been “resisted” in Laos so much as poverty has arguably been deliberately perpetuated in Laos for political reasons by certain actors. These are not “anti-political” effects so much as blatantly political tactics.

A Marshall Plan-style injection of funds is not a likely possibility for Laos, but there are changes to the global regulatory and resource distribution context which could have real effects on poverty in Laos. For instance, legalising labour mobility (both within and across national borders), smoothing the progress of international cash transfers, reducing trade barriers, and providing basic state services would facilitate the pursuit of personal poverty reduction strategies. These solutions need not be

¹⁵ Based on estimation of the 2005 US GDP at 12,479.4 billion (Bureau of Economic Analysis, 2006).

¹⁶ USAID provided economic assistance to Laos between 1954 and 1975, “provided and justified for political purposes” (USAID 1976:10), that is, shoring up support for the beleaguered Royal Lao Government. “Economic development, per se, was not a priority requirement for the use of A.I.D. security assistance funds” reported the USAID withdrawal statement (USAID 1976:6).

¹⁷ The legacy of US bombardment lives on in extensive Unexploded Ordinance (UXO): approximately a third of all explosives did not detonate and must now be cleared manually (The Consortium 1997:i). The US Department of Defence continues to search for POW/MIAs in Indochina, at an annual cost of approximately \$55 million annually (POW/MIA database 2006). USAID funding for UXO clearance in Laos in 2005, by contrast, was nil.

framed in terms of “development” projects: they fit more comfortably into the framework of (righteous?) state provision and international policy. But again, the constraints on these solutions are political in nature.

The case of poverty and poverty reduction in Laos teaches us that poverty is always married to politics. While it may be a union which either partner may at times attempt to deny, poverty remains political in origin, political in its perpetuation, and a powerful political tool. “Participatory” methods must practice a studied political naivety of the politics of poverty on the local, national and global scale if they are to seem convincing. But if this political naivety is challenged, the highly political distribution of regulation and resources which perpetuate poverty are returned to conversations about poverty reduction efforts.

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