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7 Shaping Vientiane in a global age

Forces of change

Vientiane’s urbanism in the contemporary age has been shaped by a number of significant new forces. Economic reform, the collapse of Soviet and Eastern European socialism and closer engagement with the region and the world are major forces that have affected Vientiane’s role in Laos since the second half of the 1980s. The communist government’s engagement with the

Plate 7.1 The Lao PDR national insignia, authorized by the 1991 constitution, featuring the That Luang as key symbol, together with the iconography of development. Note the irony of the modern highway leading directly to the base of the historical monument.
wider world has brought with it an exposure to forces of globalization in a variety of manifestations, including a heavy reliance on foreign investment as well as dependence on foreign development assistance for basic infrastructure, urban maintenance and heritage conservation. Just as significantly, ideological and policy adjustments flowing from these changes have been reflected in the infrastructure and symbolism of nation-building, with a variety of effects on Vientiane’s landscape.

The dissipation of Cold War antagonisms in the region was reflected in the gradual rapprochement between Vietnam and China, and Thailand and Laos. The remarkable turn around in regional political dynamics was sealed with the acceptance into the Association of Southeast Asian Nations (ASEAN) of Vietnam (1995), Laos (1997) and Cambodia (1999). Today, Laos is no longer a ‘buffer state or battleground’, but potentially a hub of networks linking China, Vietnam, Myanmar, Cambodia and Thailand with other parts of Asia and the world – a role, as Sisouphanthong and Taillard suggest, that the Lao kingdoms played before the disruptive onset of colonialism. Economic restructuring is having a more substantial affect on Vientiane than most other parts of the country. As the capital of Laos and one of the nodal points in these regional networks, Vientiane is arguably resuming the prominence it held in Lao political and economic life some three centuries ago.

Economic restructuring and the end of socialism

The ad-hoc liberalization of the socialist economy that had taken place in Laos from the late 1970s was formalized and greatly extended at the Fourth Party Congress in November 1986, with the adoption of the ‘New Economic Mechanism’ (NEM). The first half of the 1980s was a period of disappointing economic performance in Laos. The same command economy model that was entering a period of crisis in the Soviet Union, Eastern Europe and Vietnam was faltering in Laos too. The need for major changes to the centrally planned economy was made obvious by the slow pace of economic growth, concerns about high inflation, large budget deficits, increasing trade deficits, growing dependence on foreign borrowing and a shortage of public resources to fund the burgeoning number of public sector projects. But compared to the other socialist countries, Laos’ small economy was more manageable. From the onset of communist control in Laos, the country’s overwhelmingly peasant semi-subsistence economy had limited severely any comprehensive economic transformation towards a socialist paradigm. So the relatively confined extent of the modern, monetized economy in the Mekong Valley towns meant that liberalization measures could be implemented in a limited, controlled way. The relatively small size of the Lao public sector also enabled the rapid implementation of quite substantial reforms, such as the increases in salaries and reductions in subsidized goods that accompanied the 1979 reforms.
Thus, while perestroika in the Soviet Union, and liberalization in Eastern Europe exacerbated economic contradictions within socialism and led to a general crisis within the system, Laos’ program of incremental reform from an early stage – much of it driven from below as peasants demonstrated their reluctance to embrace collectivization – produced the conditions for a more effective, manageable and successful marketization of the economy after 1986.

Although the implementation of the NEM in 1986 should be seen more accurately as a consolidation and extension of reforms already tried in previous years, it remains the case that the measures announced at the Fourth Party Congress were of profound significance, as they effectively amounted to the abandonment of socialism – in all but name – by the LPRP. A similar process has occurred in Vietnam under the so-called doi moi, or renovation policy. The NEM also signalled the emergence of Vientiane’s role as the motor of economic growth in Laos, although many of the problems that constrained its ability to perform this role during the Royal Lao Government (RLG) period – poor integration with the rest of the country being a primary one – remain today. In fact the NEM’s liberalization of private and foreign investment and emphasis on market forces has had more ramifications for Vientiane than perhaps any other place in Laos. The capital’s built environment and social and economic structures are, as a result, undergoing substantial change. The tensions accompanying transition from a centrally planned economy to a market economy in a one-party state are played out, sometimes quite dramatically, in Vientiane.

Initial reform efforts were focused on transforming public enterprise management, and this occurred even before the formal announcement of the NEM in 1986. The first step involved price adjustment, commencing in April 1985. Prices were increased between 150 per cent and 2,400 per cent and affected most commodities sold in state shops. At the same time the average basic wage in the public sector was increased between 200 and 400 per cent. In the following 2 years several major decrees were published, specifying and quickening reform. The main aim of these reforms was to convert the system for managing state enterprises from one based on administrative (ultimately political) control to one based on economic incentive (price, profits, taxes, etc); the introduction of freely contracted trading arrangements between firms in a monetized economy to replace the system of compulsory supply of goods and barter; and domestic and foreign trade liberalization, with ‘full equality of all sectors with respect to trade and taxation’. Officially at least, state enterprises lost their privileged status, while joint ventures with domestic or foreign partners were encouraged so as to make up for financial, technical or managerial deficits. Private companies were given the right to sell shares to the public and borrow foreign currency. Privatization of state firms was announced in 1988, while the state’s monopoly over imports was relaxed to allow private involvement. Substantial taxation reforms were implemented in March 1988, including the
introduction of new taxes (including income tax and profit tax). Wage adjustments took place and payment in kind was abolished in March 1989, while subsidies covering operating losses to state enterprises were eliminated. A restructuring of the banking system was commenced and foreign banks were allowed to open.

The macro-economic effects of the changes spurred by the NEM can be seen in statistics for economic output. The amount contributed to GDP by the category ‘banking, insurance and real estate’ increased dramatically between 1988 and 1993, from 1.36 billion kips to 21.09 billion kips. Industry contributed 22 per cent of GDP in 1999, up from 14 per cent in 1990. Agriculture’s share of GDP declined from 60 per cent in 1992 to 52 per cent in 1999. Services contributed 24 per cent of GDP in 1990 and 25 per cent in 1999. Over this period, GDP for the nation as a whole increased by 57 per cent. By 2004, industrial output was growing by 12 per cent a year, the services sector by 6.5 per cent, and the agricultural sector by 4 per cent.

Regional and global integration

The decision of the Lao government to expose the economy to market forces went hand in hand with the imperative to open the country to much greater regional integration. Vietnam has remained a close partner, particularly at a political level, where there is still much government-to-government and party-to-party cooperation. However, as in much of South-East Asia, China’s influence is increasingly being felt, in everything from import and export trade to business investment and funding for cultural programs. China views Laos as an important conduit for its goods destined for the Thai market, and has invested considerable sums in improving highway links between Yunnan Province and Thailand, through Laos. China is Laos’ third biggest trade partner, one of the top three foreign investors. Beijing provided $1.7 billion in financial assistance to Laos between 1988 and 2001 – a considerable proportion of which went to stabilizing the Lao economy in the wake of the 1997 Thai financial crisis – and recently agreed to cancel most of this debt. Lao resources such as timber, iron ore, copper, gold and gemstones, are also increasingly in demand in China. An indication of the rivalry for influence that appears to have developed between the Vietnamese and Chinese can be found in the recent construction of prominent buildings in Vientiane. The large National Cultural Hall (see Plate 7.2) on Thanon Samsenthai was constructed with $7 million of Chinese financial assistance in 2000, while the new Kaysone Phomvihane Museum benefited from Vietnamese technical and financial assistance. The heavy reliance of the Lao communists on Vietnamese assistance during the war and in the early years of socialist construction is amply reflected in the museum. The displays, designed with Vietnamese assistance, are substantially dependent on Vietnamese photographic archives, and the Museum presents a standard revolutionary narrative.
The extent and nature of other nations' influence can also be read in Vientiane's landscape. Relations were improved with Thailand after a period of tension during 1987–1988 caused by bloody skirmishes over border demarcation, when Lao forces proved too strong for those of their larger neighbour. Thailand lifted trade restrictions in 1990, and quickly became Laos' number one trade and investment partner. The Thai baht replaced the US dollar as the major trading currency and Thai goods and investment flooded into Laos. The negative consequences of this high level of trade and investment dependence were severely felt in Laos when the Thai financial system collapsed in 1997. While dependent on substantial Thai trade flows and investment, the Lao government has been cautious about Thailand's cultural influence, particularly evident through television programs, which are highly popular among Lao citizens. In mid-2004, in a measure reflecting concerns about Thailand's cultural influence, the Lao government imposed a ban on the showing of Thai television and video programmes in public places, including restaurants, hotels, bus stations and markets. The Lao government frets about the potentially destructive effects of some Thai and western cultural and social practices – crass materialism, hedonism and individualism. Not surprisingly, the government is much more comfortable with the assistance of its ideological brothers, China and Vietnam, in the state-sponsored cultural sphere. The relationship with Thailand is reflected in big commercial developments, such as the Lao Plaza Hotel, and the presence of major Thai banks occupying sites along the capital's major

Plate 7.2 The National Cultural Hall, constructed with Chinese financial assistance and opened in 2000. Photo by C. Long.
thoroughfare of Lan Xang Avenue. Efforts to improve transport links between Laos and Thailand, and ultimately between those two countries and China, will see the construction of a 3-kilometre rail link from the Thai-Lao Friendship Bridge (built in 1994) to Tha Na Laeng, followed by a 9-kilometre stretch to Vientiane. Lao planners then hope to extend the railway to Luang Prabang and ultimately to the northern town of Boten, bordering China. If constructed, the railway will be the first in Laos, other than the short-lived goods transhipment line built by the French to bypass the Khone Falls near the Cambodian border.

Other Asian investors have recently started to target Laos and Vientiane as a lucrative opportunity. Unfortunately, the Lao government’s enthusiasm for such investment in the capital, and the attitudes of investors to development—with scant regard for environmental or social costs—has recently produced projects and proposals of questionable value to Vientiane. The Singaporean-constructed shopping mall next to the Morning Market also seems to be a case of imposing on Vientiane a model developed for Asia’s larger cities, with little thought for the social, economic or environmental costs. The construction of a hotel complex on the environmentally sensitive banks of the Mekong at Vientiane is symbolic of the vulnerability of the river to damage done in the name of obtaining foreign investment. Until the mid-1990s, the Vientiane waterfront, extending some 10 kilometres, was still a semi-natural landscape, little changed from colonial times. From the late 1990s, a major redevelopment of the waterfront has taken place, with the removal of bars, the construction of parking areas and substantial earthworks to alter the bank itself. Most intrusive and destructive was the construction by a Chinese-Malaysian contractor of the Don Chan Palace Hotel on one of the best areas of recession floodplain in South-East Asia. The hotel is owned by the same consortium responsible for the construction of the Dansavanh Casino Resort at the Nam Ngum reservoir. The concession to allow the construction was negotiated at the highest level of the Party, thus excluding the government agencies responsible for urban planning, and environmental and cultural protection. The hotel was finished in time to host sessions of the 10th ASEAN Summit in 2004 and the ASEAN Ministerial Meeting in July 2005.

Western nations, including Australia, France, Sweden and the United States (the US normalized economic relations with Laos in 2004), have developed closer relations with Laos and have become major providers of development aid. Japan has also become critically important to Laos, ranking as first among its international aid donors since 1991. In the period 2002–2004, development assistance from these countries represented from 11 to 15 per cent of Lao’s national income. While western governments, either directly or through multilateral agencies such as the IMF and World Bank, have encouraged market-based reform, their investments have been less visible in the urban fabric of Vientiane, being focused largely on investments in power generation, such as the controversial Nam Theun 2
Dam, and gold and gem mining. However, various infrastructure projects effecting Vientiane have been initiated through foreign grants and loans. They include the Friendship Bridge linking Laos and Thailand. Entering Laos just south of Vientiane, the bridge was constructed with Australian financial and technical assistance (amounting to over $US30 million). From 1995 a major upgrade of the capital’s main roads (including construction of storm water drains) commenced as part of a major urban development project funded largely by a substantial loan of over $US93 million from the Asian Development Bank (ADB), which included French funding. This has been followed up from 2001 by a second ADB-sponsored project ($US25 million) which includes upgrades to secondary roads in the capital, as well as a host of urban environmental, management, and urban community participation programs.

The extent of the transformation in Laos' relations with the region and its greater integration in regional economic and political networks is illustrated by its engagement in two of South-East Asia’s major multi-national organizations, ASEAN and the Mekong River Commission. Laos’ status as a new ASEAN member was enhanced when Vientiane hosted the 10th ASEAN Summit in November 2004 and the ASEAN Ministerial Meeting in 2005. ASEAN membership since 1997 has provided Laos with political recognition, technical assistance and trade opportunities. At the same time, engagement with ASEAN has committed the country irreversibly to the expansion of the capitalist market place, because the economic goals of ASEAN complement – and indeed largely depend on – the aims of large

Plate 7.3 The Don Chan Palace Hotel. Photo by W. S. Logan.
funding agencies such as the ADB whose programmes for the Mekong region countries stress regional integration (through enhancement of transport and other trade-related infrastructure) and the opening of countries to greater flows of goods and tourists. At the 2004 Vientiane summit, Lao leaders applied pressure on the wealthier countries of the 'ASEAN six' to provide economic assistance to the new, poorer members (the so-called CLMV – Cambodia, Laos, Myanmar and Vietnam) in order to narrow the 'development gap' between member states, and this was affirmed in the formal summit declaration, the Vientiane Action Plan (VAP). At the same time they affirmed with other members a commitment to increasing economic integration with a goal of creating an ASEAN single market (initially in 11 categories of goods) by the year 2010 (the ASEAN Economic Community). Aside from serving the purpose of show-casing the capital and its modernizing landscape, the Vientiane summit turned out to be significant for the Lao government (and its CLMV partners) because of a number of programmes heralded in the VAP: most notably the agreement to establish an 'ASEAN Development Fund' that would serve to provide seeding money for development projects.

The Mekong River Commission was founded in 1995, with its membership comprising the Lao PDR, Cambodia, Thailand and Vietnam, and with Myanmar and China affiliated as 'dialogue partners'. The aims of the MRC are to cooperatively manage the river in a sustainable way, and to use it to improve transport and trade links throughout the region. Supported by funding from its member states – and buttressed substantially by grants from international donors including the Netherlands, Germany, Sweden and Denmark – the MRC's programmes emphasize sustainable water use, flood prevention and maintenance of fisheries. The MRC replaced the Mekong River Committee, which had been established under UN auspices in 1958 (replacing a previous secretariat) and was charged with the task of turning the Mekong into an engine of development through major power and irrigation projects. In the mid-1960s, despite the clear obstacles posed by civil wars in Vietnam and Laos, an ambitious 'Mekong Project', with strong backing from the US, was proposed as a panacea for under-development and political strife in the region, with a proposed budget of $US10 billion over 10 years. This remained an idealistic dream in the face of the turbulent geo-political realities, and the Mekong Committee was essentially moribund by the 1970s. The new organization differs from the old one in being managed autonomously as a council of ministers and focused on sustainable resource management rather than hydro-power generation. Ironically, the controversial mega-projects which the MRC avoids in its environmentally sensitive remit are being implemented by its members' governments in concert with private investors and large international lenders like the ADB and the World Bank.

The importance of the Mekong to Laos – a third of the river runs through the country and 40 per cent of its tributaries originate in Laos – and the fact
that Vientiane is the only capital actually on the river, were central arguments in the Lao lobbying that persuaded the MRC to relocate its secretariat to Vientiane in 2004. Today the secretariat, which provides technical and administrative support to the Commission, is housed in an impressive building on the Vientiane waterfront, a testimony to the extent to which the city is now seen as a pivotal location in the network of important cities of the region – Bangkok, Hanoi, Phnom Penh, Ho Chi Minh City, Rangoon and China’s Yunnan province capital, Kunming. Notwithstanding the MRC’s well-intentioned programmes, however, over-development along the Mekong – including dam building on its upper reaches by the Chinese and on its tributaries along its course – pose a real threat to the vision of the Mekong as a facilitator of sustainable economic growth and regional integration.

For over a decade the ADB’s Greater Mekong Subregion Project has been the most significant force driving regional economic integration, holding out the prospect of economic growth for Laos, as well as auguring a host of future social, environmental and settlement changes for the country and its neighbours. In 1992, with the encouragement of the ADB, the six countries of the so-called Greater Mekong Sub-region (Cambodia, the People’s Republic of China, Lao PDR, Myanmar, Thailand, and Vietnam) joined a multi-pronged program whose centre-piece has been the construction of an ambitious road and communications network linking the six countries of the region. The GMS Program was designed to enhance trade flows, attract investment, alleviate poverty by generating markets and labour mobility, and build regional cooperation. The proposed transport arteries running north–south, east-west and south through the peninsula will, according to the ADB, form major economic and development corridors, enhancing the GMS countries’ exposure to the globalizing world economy. In the GMS configuration, important transport corridors pass through Laos, giving the country a key linking role. The Lao leadership eagerly embraced involvement in the GMS Project, and announced that Laos would no longer be ‘land-locked’, but ‘land-linked’.

The most important corridor running through Laos is the so-called ‘East-West Economic Corridor’, with its core element being a road extending from the Myanmar town of Mawlamyine on the Andaman coast through Thailand, crossing the Mekong into Laos at Savannakhet and linking to Vietnam’s port of Da Nang. The corridor comprises a number of further linked routes, including Laos’ Route No. 8 which runs from Vientiane to the Vietnamese seaport at Vinh. A section of GMS’ northern corridor runs from Thailand’s Chiang Rai across the Mekong and passes through Ban Houai Xai to Kunming in China. Progress on the main GMS-sponsored corridor routes and affiliated road projects in Laos was interrupted by the 1997 financial crisis, but by 2004 key elements of the system were completed or under way, including the upgrading of the 1,500 kilometre-long Road N 13, which runs north–south from Luang Prabang through Vientiane to
Savannakhet, Pakse and the Lao-Cambodia border. Planning for the cross-Mekong Thai-Lao bridges for the northern and east-west corridors has commenced. While the role of Laos in the GMS configuration is central, and the key corridors in the north and central regions will no doubt stimulate a host of settlement and economic changes, the implications for Vientiane’s position in economic and demographic terms remain unclear.

In a model of the spatial dynamics of contemporary Laos, the geographers Sisouphanthong and Taillard have proposed the idea that pre-colonial trading networks are being re-established in the region thanks to the end of the artificial divisions fostered by the Cold War and the promotion of economic integration by the GMS and ASEAN. They divide Laos into three regions based on urban hierarchy, provincial divisions, and road network, including international links. The central region is focused on Vientiane, consisting of the urban core, the central districts of Vientiane Municipality and Province, and three peripheral areas of parallel belts. The first of these belts is the diagonal link between Vientiane and Xiang Khuang and Huaphanh provinces to the north-east. This, they argue, places Vientiane on the Bangkok-Hanoi axis, although substantial road construction would be necessary to make it viable. The second peripheral area consists of eastern Borikhamxay province, which provides a connection between Vientiane and the south of the country, and between Vientiane and the industrial and port area of Vinh in Vietnam, along Road 8. The third periphery extends from the west of Vientiane to the northern region, on both sides of the Mekong and spanning Xayabury and Vientiane provinces.

To Sisouphanthong and Taillard, Vientiane can potentially play an important role linking national and regional networks. But while the strengthening of axes between Vientiane and Hanoi (via Bangkok) holds out the possibility of enhancing Vientiane’s centrality, they also acknowledge that the historical tripartite geo-political division of the Lao settlement space – between the northern, central, and southern regions – still exerts a powerful legacy to resist modern forms of centralization. Admittedly there is sometimes rather too much hyperbole around Vientiane’s future as a modern capital – one writer proclaimed that ‘Vientiane is not a city that burns bright with neon, but there is nothing, with the exception of good taste, to stop it from being as dazzling as Kowloon or Singapore ...’ – and much needs to be achieved, especially in terms of infrastructure development. There is also a substantial risk that in the rush to develop the region enormous damage will be done to ecological systems by highway developments and the exploitation of rivers, as already mentioned. But while regional and international events may yet intervene in ways currently unforeseeable, it is clear that moves to liberalize the Lao economy and integrate the country into regional networks have repositioned Vientiane in what is likely to become a dynamic area, allowing it to reclaim at least some of the role that it once held before the devastation wrought by the Siamese in the early nineteenth century.
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Dynamics of urban change in Vientiane

We saw in Chapter 5 that the central component of the RLG’s nation building efforts, and the primary plank in the United States’ anti-communist strategy in Laos, was the establishment of Vientiane as the centre of the monetized economy from which the rudiments of a market economy could be spread to the rest of the country. From 1975 until the end of the 1980s Vientiane languished as the government concentrated its energies on the reorganization of agriculture, the implementation of a command economy and the socialization of the population. It was the NEM reforms that reinvigorated the idea that Vientiane could provide the motor for national development, a concept that also had profound implications for the capital’s built and symbolic environment, as we shall see.

The resurgence of the city has been manifested in a number of ways. For example, between 1985 and 1990, Vientiane Municipality registered the highest population growth rate for the whole country, with a mean growth rate of 4.6 per cent compared to a national average of just 2.9 per cent. This high growth rate was a result of net migration flows into the city from adjacent rural areas. Vientiane accounted for almost one half of the immigrants recorded between the censuses of 1985 and 1995. Of the arrivals, 16 per cent came from the four other large towns in the Mekong Valley, and 17 per cent from the peri-urban districts of Vientiane municipality. The remainder came from other provincial capitals or rural districts, mainly along the north-eastern axis of Huaphanh-Xiang Khuang. Job opportunities in Vientiane are clearly a major attraction for rural people.

Investment flows clearly favour Vientiane. While a small number of large projects in the hydropower and mining sectors account for the majority of foreign investment in Laos, the remainder is largely concentrated in industry and to a lesser extent in services. Most of the foreign invested firms are located in and around Vientiane. While the Lao economy grew by 7.2 per cent in 2004/2005, Vientiane’s economy grew by 11 per cent, and the capital accounts for about 25 per cent of the nation’s GDP.

The impressive growth in the industrial sector (although from a low base), with output growth figures exceeding 10 per cent since 2001, has benefited the Mekong Valley towns, and particularly Vientiane. The industry and construction sector contributed 53.8 per cent of the capital’s GDP in 2005, an increase of 11 per cent on the previous year. Partly this reflects historical development patterns, with Vientiane being the focus of the very small amount of industry fostered during the colonial period and the centre of RLG and US modernization efforts. But the economic reforms of the NEM and the market pressures they introduced have reinforced the attractions of the main towns. Manufacturers are attracted by Vientiane’s relatively large consumer market, as well as sources of skilled and unskilled labour. Recent improvements to the road network linking Vientiane with the rest of the country have also made it possible for firms to benefit from
agglomeration economies, while improved links with Thailand have opened that country’s much more substantial market to manufacturers in Laos. Although the government has recently moved to decentralize some decision-making on foreign investment to provincial level, there are still benefits of proximity to central government decision-makers for companies establishing in the national capital. Foreign companies in particular soon come to realize that there is still considerable political bargaining to be done for development approvals and support. Vientiane is also attractive to foreign firms because of its well-established infrastructure for expatriate staff and higher standard of living. It is also disproportionately favoured by foreign aid policy, especially in urban infrastructure provision.

There has also been significant growth in the service sector in Laos, and again Vientiane has benefited disproportionately. Services accounted for 20.6 per cent of the capital’s GDP in 2005, a 7.14 per cent rise on the previous year. The liberalization of the banking sector led to an influx of foreign banks, from Malaysia, Vietnam, but predominantly Thailand. Liberalization of trade and ownership regulations has also encouraged the proliferation of small trading firms and private businesses, including shops. Vientiane’s main commercial streets are now lined with relatively well-stocked shops, retailing goods from Thailand, Vietnam, China and other parts of the world. State shops, in comparison, have declined in number and lack the consumer pizzazz displayed, often with some style, by newer private retailers. For better or worse, Vientiane appears unlikely to escape international retail trends. Already a large new shopping mall is proposed next to the Morning Market, and on the outskirts of the city, on Road No. 5 (Done Koi), a commercial exhibition centre, the Lao International Trade Exhibition and Convention Centre (Lao-ITECC), has recently been erected by a Thai company at a cost of $7.5 million.

These new trends have both reinforced and altered Vientiane’s historic development patterns. The old historic core of the city has been consolidated as a centre of retail, government and business functions, with an element of gentrification occurring, especially associated with the Nong Chanh wetlands redevelopment on Khu Viang Road. But the extension of the city past the boundaries of the old city wall, a process that began in earnest in the late 1980s, is now well established. When the Americans built their residential compound at Km6, it was intended to keep their staff physically and financially separate from the indigenous town. Now, a trip out to the compound or to the nearby Kaysone Museum leads through a long strip of new shop-houses and businesses spreading either side of Phon Kheng Road, and eventually out towards Dong Dok University. Over the past decade, development has spread to the east of Khu Viang Road, and then even further east once Road No. 5 (Done Koi) was constructed. Although there is a considerable amount of new development taking place along Done Koi, as with so much of Vientiane – there is still substantial agricultural land remaining amongst the urban development, especially to the east of Done Koi.
New investment is also going into areas on Vientiane’s fringe or within Vientiane Province. A bio-organic fertilizer factory has been established in Dong Xiengdy village, and a tile factory at Phai Lom village, both in Vientiane Municipality, while another tile factory has been erected in Hathdeua village, Keo-oudom district, Vientiane Province, and two cement plants within the province. The old growth corridor between Vientiane and the ferry crossing at Thadeua and the Chinamo army camp to the south of the city has been reignited by the construction of the bridge to Thailand, and will no doubt receive a further boost with the construction of the railway linking the two countries. Larger industries, such as coffee processors, a pharmaceutical factory and the Lao Tobacco Factory are located in this area.

Vientiane’s dominant position within Laos’ urban hierarchy and the character of its economy are reflected in employment figures. Vientiane’s economy is dominated by the government sector, commerce and trade. Together these sectors employ over 50 per cent of the city’s workforce. The city’s main economic activities, listed in relative importance, are: construction, timber, business services, electricity/radio/television, transport and trade. Most of these activities (with the exception of timber, the prominence of which is due to Vientiane’s proximity to the Friendship Bridge and the Thai timber market) are a reflection of the national capital role that Vientiane plays.

Laos’ economic liberalization has also literally meant an opening up to the world. The financial benefits of tourism have been enthusiastically embraced by the government. Tourist arrivals grew rapidly after Laos came in from the Cold War: from 14,400 arrivals in 1990 to 463,200 in 1997, and 894,806 in 2004, providing $119 million in revenue. Tourists from Laos’ neighbours (Thailand, Vietnam, China, Myanmar, Cambodia) make up the vast majority of visitors: 658,322 in 2004, of which Thailand accounted for 489,677 and Vietnam 130,816. A large number of these visitors spend only a very short time in Laos (two-thirds of Thai visitors, for instance, spend only 1 day in Laos) and many are actually engaged in trade or business activities rather than tourism as such. International tourists numbered 236,484 in 2004 (see Table 7.1.). The top five markets for international tourists are the US, France, UK, Japan and Australia.

As with other aspects of Lao socio-economic development under the NEM, Vientiane has been at the centre of tourism growth. In 2004 Vientiane Municipality received 544,253 visitors; Savannakhet was the next most popular destination, with 118,821, while Luang Prabang received 105,513. The popularity of Vientiane as a tourist destination seems to be closely related to its proximity to entry points – half of all visitors enter by the Friendship Bridge, and 10 per cent at Vientiane’s Watay Airport. The large number of Thai tourists entering Laos helps to explain the popularity of the Friendship Bridge. Although many of the main attractions for international tourists are not found in Vientiane – natural features, ethnic minority cultures, and the World Heritage sites at Luang Prabang and Vat Phu
Table 7.1 Number of tourist arrivals to Laos, 2004

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<td>Total tourist arrivals</td>
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<td>International Tourists</td>
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near Champasak – 96 per cent of international tourists (as distinct from tourists from regional countries) visit the capital. While the city’s function as the nation’s main port of entry ensures this is the case, the relatively small number of places that are easily accessible and the relatively challenging nature of travel to Laos (the country is not yet a mass-market tourism destination) mean that most international visitors consider a visit to the capital worthwhile. The city functions as a base for tourists visiting other parts of the country, either by air or by bus, or, more rarely, by river, and, although not as picture postcard attractive as Luang Prabang, features a number of important cultural and historical sites, including the national symbol, the That Luang.

The growth in tourism has fed improvements in tourist infrastructure. The number of accommodation establishments in Vientiane Municipality increased from 81 (with 2,099 rooms) in 1998 to 194 (4,004 rooms) in 2004. There were also large rates of growth during the same period in the World Heritage-proximate areas of Champasak (from 18 establishments to 110) and Luang Prabang (45–120). However, Vientiane has a larger proportion of hotels (46 of 194 accommodation establishments) compared to other places in Laos; Champasak has the next highest number of hotels – 22 of 110 establishments – while the tight controls over development in Luang Prabang have constrained the number of large hotels – only 15 of the 120 accommodation establishments in that town are hotels. Other towns tend to have much higher proportions of guest houses. The number of hotels in Vientiane reflects its importance as a tourist destination, the need for accommodation for business and government visitors, as well as the burgeoning group travel market largely consisting of Thais who make short shopping trips to Vientiane (the Morning Market is a major attraction), as well as government policies encouraging investment.

While large new hotels, such as the Lao Plaza and Don Chan Palace, are the most obvious manifestations of tourism growth in Vientiane’s built fabric, there are other new tourism-related features in the city’s landscape,
Figure 7.1 Vientiane at the beginning of the twenty-first century.
such as internet cafes, bars, and private guesthouses, as well as less concrete but no less real social effects, including greater exposure of the population to outside influences, prostitution, drug abuse and a dependence of a substantial sector of the workforce on the tourist economy.

Perhaps the most revealing indication of the extent to which liberalization and the introduction of the market economy have disproportionately benefited Vientiane is in income and expenditure figures. Per capita income is 2.3 times higher in Vientiane municipality than the national average, while Vientiane residents spend a much higher proportion of their incomes on services than rural dwellers and less on food. The accoutrements of the modern consumer economy such as cars and telephones are much more likely to be found in Vientiane than other parts of the country (71.7 per cent of the nation’s 18,139 telephone lines are in Vientiane). Poverty levels in Vientiane are correspondingly lower than for the nation as a whole. While the incidence of poverty at a national level was 39.5 per cent in 2000, in Vientiane it was 12.2 per cent (16.7 per cent for the urban areas and 4.5 per cent for the rural areas of Vientiane prefecture).

The changing urban development process

These broad changes have had a dramatic effect on the process of urban development in Vientiane. An important facet of this is the changing balance of private and state activities in the urban development process. The effective abandonment of socialism has meant that the role of the state as the dominant agent of large-scale construction is now being challenged by private capital. This has not entailed a full-scale retreat of the public sector, but rather the addition of new types of development and new sectors of urban activity. The opening up of the economy to market forces has created new demand for hotels, banks and commercial buildings, which is largely being met by private capital, much of it from overseas investors.

The state and the infrastructure of legitimacy

While the state continues to build collective consumption infrastructure (such as schools and medical facilities), it has also focused much of its effort in the built environment on constructing what we might call the ‘infrastructure of legitimacy’. Indeed, some of the most significant state-constructed buildings since 1990 have had a strong ideological purpose. One of the most important is the National Assembly building, erected near the That Luang in 1990, in time for the fifteenth anniversary of the establishment of the Lao PDR. This was a time of dramatic change for the LPRP, not long after the official launching of the NEM, when the Berlin Wall had already fallen and the rule of the Soviet Communist Party was looking decidedly shaky. In deciding on a site near the That Luang, the Party hoped to draw on the latter structure’s cultural and symbolic power to help
legitimize the new building which laid claim to manifest the people's sovereignty. It also provided a formal dais from which the Party leaders could observe passing parades along the That Luang fairground. Given the national and international context of its construction, the National Assembly building was a brave attempt to develop an architecture distinctive to the Lao PDR's circumstances. Designed by the Lao architect Hongkad Souvannavong, the building features a number of motifs that were intended to reflect the Party's new direction - a combination of Lao national character and modernization. The increasing recourse to the celebration of Lao national identity and traditional culture by the LPRP is an indication of its search for new sources of legitimacy, given that its earlier justifications - the struggle against foreign intervention and the construction of socialism - have disappeared.

The National Assembly building features a complex and didactic symbolism. The triangular steeply raked roof forms in the centre of the facade hint at the Lao traditional roof form commonly associated with temple architecture. In this case the three large triangles stand for the three broad ethnic categories into which the Lao population is divided - the Lao Lum (lowland Lao), the Lao Thoeng (Lao of the mountain slopes) and Lao Sung (Lao of the mountain tops). All three triangles are steep, pointing sharply

upwards in a symbolic expression of united progress. The truncated triangle in front of the three large triangles represents the Party, leading the people. On either side of the central triangles, the three-level façade is identical and punctuated by sixteen windows on each side, which represent the sixteen provinces of the country.\textsuperscript{55} However, whether ordinary Lao citizens perceive this building's didactic symbolism in the way the state and its architect have intended is another question.

The National Assembly building has had a substantial influence on both private and public architecture in Laos. This is because its main motifs emphasize nationalist and development themes rather than typically socialist symbolism. The contrast with the large signature developments of the early years of the Lao PDR, the 150 Bed Hospital and Polytechnic School examined in the previous chapter, is stark. These were essentially Soviet designs that deferred little to their local context. The Assembly building also represented a confident rejection of the bland modernism that characterized the buildings of the period of US influence. Despite the uncertainties facing the regime in 1990, the National Assembly building expressed a certain confidence that the government's new direction, emphasizing economic liberalization and national development, would enable it to survive.

Other large state-owned buildings constructed in recent years are manifestations of this concern with political legitimacy. The Cultural Hall in the centre of the city provides a space for temporary displays of Lao culture and products, and a new Army Museum has been built near the Monument to the Unknown Soldier, but the most overtly ideological structure is the Kaysone Phomvihane Museum, opened in 2000. In many ways the museum is an anachronism: that such buildings, complete with socialist realist statues made in North Korea could be erected a decade after the collapse of communism in most of the world, and 15 years after the abandonment of socialist economic policies by the LPRP itself is an indication of the extent to which the Party still clings to Marxist-Leninist frames of reference despite the changes. The museum's location some distance from the centre of the city, just in front of the old US housing compound at Km6, seems to speak to the compound's contemporary inhabitants – the Party Central Committee has its offices there – rather than the general population.

Yet, there remains a strong emphasis on national identity in the new structure. It was designed by its architect, Vipraseuth Souvannavong, in a style reminiscent of Lao temple architecture, although some Lao believe the roof form in particular owes more to Thai architecture than Lao. The utilization of temple architecture to commemorate a dead communist leader may seem rather odd, but it is a clear indication of the government's strategy of seeking legitimacy by identification with national culture and independence through traditional Lao motifs. As such the Kaysone Museum is the major element in the effort by the Party to construct a personality cult behind the late revolutionary leader, emphasizing Kaysone's socialist
rectitude and commitment to Lao independence as models for Lao citizens to follow.

A substantial amount of the funding for these symbolic buildings has been provided by Laos’ remaining ideologically sympathetic allies, China and Vietnam. State construction activity with a more practical focus has tended to be funded by multilateral or bilateral aid. Since the late 1980s, considerable effort has been put into infrastructure projects with international assistance, including the upgrading and rehabilitation of the water supply, road improvements, sewer construction at That Luang, the rehabilitation of the Sihom area, Mekong river-bank protection, renovation of the airport, cultural heritage conservation and capacity building. Assistance has been provided by the ADB, UNDP, the World Bank, the Australian Government aid agency, AusAID, the UN Capital Development Fund, the Japan International Cooperation Agency (JICA), the EU, the Government of Denmark and the Agence Francaise de Developpement.56

Planning the national capital

These infrastructure improvements represent a major component of the government’s long-term strategy for Vientiane – to transform the city into the modern face of the Lao nation. It is this vision of Vientiane as a

Plate 7.5 The Kaysone Phomvihane museum, complete with North Korean-produced statues. Photo by C. Long.
modern capital city of a modern nation-state that has driven urban planning policy for the period since the introduction of the NEM reforms.

In 1985 an Institute of Technical Studies and Urban Planning (ITSUP) (under the Ministry for Communication, Transport, Post and Construction) was established. The ITSUP was given authority over town planning for the whole of the country and set about developing a master plan for Vientiane. No substantial strategic planning for the city had been conducted since the 1960s, and much had changed since then. By the mid-1980s, concern about the unplanned and uncontrolled growth of urban areas and resulting poor living conditions led to the establishment of an Urban Development Program of Vientiane Prefecture (UDP) with UNDP assistance. The Program was also intended to meet the goals concerning urbanization and the development of human settlements included in the second and third 5-year plans (1986–1995).

The UDP commenced in January 1986, targeting five areas: planning, housing, construction materials, training and information, and documentation. The immediate goals in these areas were formulating a master plan for Vientiane, conducting feasibility studies for low-cost housing, and training planning professionals. In 1989 a plan for Vientiane was produced, its key goals including: creating a more consolidated city; protecting large rice fields surrounding the capital; maintaining small rice fields existing in the midst of urban development; restructuring the internal road network and planning for roads in areas of future development. A system of zones to regulate the city's development was proposed. The zones would be: central zone; peri-central zone; river-bank zone (its character in particular to be preserved); perimeter zones; zones of the new extended metropolitan area; isolated zones (rural); sensitive environmental zone; ‘zones naturelles agricoles’ (irrigated rice fields); industrial zones; and transport zones (airport etc).

The plan represented a systematic attempt to order Vientiane's urban development. This was not a plan for a socialist city, but for a city in a rapidly liberalizing economy expecting a surge of development. The model adopted was of the typical capitalist city, with the centre reserved for offices, government departments, hotel and entertainment facilities, shops, religious, cultural and sporting functions, some residences and car parking. The surrounding zones would then contain a mix of less intensive development, becoming increasingly residential, with some integration of shops and small industry. The plan also proposed the imposition of an urban perimeter limiting future urban expansion. The urban area thus created would consist of the existing city plus the proposed extensions to the north and south.

The modernization of Vientiane that was a key theme of the 1989 Vientiane plan was even more prominent in the next major planning document produced in 1994, the Vientiane Integrated Urban Development Program (VIUDP). As expressed by the Indian consulting engineers who produced the planning document, the VIUDP sought to provide policies and objectives for the development of Vientiane as a 'modern city with a human
The monumental structure of the city would animate its role as the national capital, with a heavy reliance on the historical elements of the city:

The holy shrine of That Luang, which is believed to encase the remains of Lord Buddha, dominates the urbanscape with its location on the highest level of land. It is reported that the only area which stood above the flooding waters during the devastating floods of 1966 and 1973 was That Luang. Today, Lane Xang Avenue connects the Presidential Palace to the Vientiane memorial (Anousawari) [Patouxai] and That Luang in succession of visual urban continuity. That Luang Avenue, on the other hand, visually connects That Luang with the Prime Minister’s office. Thus the river front in the centre of the city, the Presidential Palace, Vientiane Memorial (Anousawari) and That Luang are to be treated as an urban space continuum and as a symbolic place for the Nation’s capital. Setthathirath Road and Samsenthai Road run at right angles to the axis of Lan Xang Avenue, accommodating the major commercial centres of the city. This quadrant is also built on the remains of war ravaged Vientiane, housing the ancient Wats of Sisaket, Pha Kaeo, Simuang, Ongtu and Inpen, That Dam, and few existing villas built by the French colonial regime.

Assessing the current land use distribution in Vientiane, the VIUDP drew a number of conclusions. First, there was a growing conflict between the historic character of the old core of the city and its function as the central commercial district, with increasing amounts of unsympathetic development. Second, it identified an area where government offices were concentrated – along the axis of Lan Xang Avenue and That Luang Road – although there was still a spread of government buildings throughout the central area. Third, it noted that small commercial establishments were distributed along all the major corridors of movement, causing traffic congestion. The legacy of inadequate planning and regulation could also be found in the presence of non-conforming industries within residential areas. Diplomatic missions and international agency offices, the VIUDP reported, were scattered all over the city. Finally, social facilities such as schools and hospitals are reasonably well distributed, but there was very little organized public open space.

For the framers of the VIUDP, all of this added up to the conclusion that the existing structure of land use was inefficient, chaotic and, above all, inappropriate for a national capital. Other pressing problems were identified that highlight the recurring problems faced by Vientiane’s urban administrators and planners: drainage, roads, solid waste management and sanitation. The VIUDP also sought to emphasize the modernization theme by rather grandiosely proposing railroad stations, a new airport and a bus public transport system.
The emphasis on the physical modernization of Vientiane was complemented by recommendations for significant improvements to urban governance. The system of urban management prior to the mid-1990s reflected the emphases of the government’s early attempts at consolidating power through a centralized socialist planning system. In this early period power was concentrated in the national government and its ministries, although in the more distant provinces considerable autonomy was exercised by local authorities. The autonomy granted by distance was not, however, available to Vientiane’s administrators. Vientiane Prefecture was headed by a governor and its government consisted of 14 departments, which were in reality local branches of the national ministries. The Prefecture had no authority to collect its own taxes: all revenues it collected had to be transferred to the National Government.

The VIUDP instituted significant changes to this system. As part of the general national pattern of decentralization of authority (in economic and urban management matters at least) that has accompanied the NEM reforms, responsibility for urban development was delegated from provincial and prefecture level ministries to urban local authorities. The Vientiane Urban Development Management Committee was established in April 1995, the first example of municipal government in the Lao PDR. Subsequently, in February 1999, the VUDMC was replaced with the Vientiane Urban Development and Administration Authority (VUDAA). UDAAs have also been established in Luang Prabang, Thakhaek, Savannakhet and Pakse. The VUDAA is an administrative organ at the Vientiane Prefecture level with responsibility for management of the city’s development. Despite these moves to decentralize responsibility for urban management, there remains little room for direct democratic involvement in the running of the city. The VUDAA has a president or mayor, who is vice governor of the Vientiane Prefecture, and a board chaired by the president. Beneath the board is a manager who is the most senior staff member. There is no provision for direct democratic participation, and while there have been considerable advances in community participation (largely at the behest of various projects supported by donor agencies), there is little experience within Lao planning agencies of real participatory planning and management.

While the UDAAs provide improved processes for decentralized control of urban management, the government has been determined to retain central coordination of urban planning policy. In 1999 a Law on Urban Planning was promulgated, having the purpose of encouraging ‘the enforcement of relevant policies and laws in order to develop safe, healthy and sustainable cities according to the principles of the national socio-economic development plans, and also to protect the national heritage, architecture, culture, environment and natural scenery’. The Law on Urban Planning assigns the Department of Housing and Town Planning (DHUP) the role of
the national coordinating body for urban policy, ensuring that the work of UDAAs fits within the national policy context. This national policy context has been set out in a 5-year program of DHUP, authorized in January 2001. Called COMNAPDEV (Comprehensive National Physical Planning and Development), its objectives include: poverty reduction through improved living conditions; participatory planning and empowerment of local communities; environmental protection and security of persons, goods and investments. Not surprisingly, the language of the 5-year plan echoes closely the dominant rhetoric and urban-environmental planning paradigms of the UN agencies that supply the major funding support for specific programs in Vientiane.

An example of the new planning system and its primary concerns at work is the Sihom rehabilitation project. This project, undertaken over the period 1991–1997, was funded by the UN Capital Development Fund (nearly $US5 million), and aimed to solve the particular environmental problems in the Sihom area in the Chanthabuli district of central Vientiane. A stream at the centre of the Sihom area, the Nam Passak, was largely stagnant and polluted by human and domestic waste. Vehicular and pedestrian access was difficult, with narrow unpaved streets and paths. Water was supplied by an old and leaking distribution network and disposal of domestic solid waste was left largely to residents. The project's goal was to tackle these problems and improve the living conditions of Sihom's residents in a demonstration project that would also help improve the capacities of the staff of responsible government authorities. Credit schemes for housing improvements were also established and community development initiatives introduced.

The Sihom project demonstrates the key components of urban planning and management efforts in Vientiane since the late 1980s, with its main emphasis being on basic local environmental improvements such as drainage, water supply and waste disposal. Funding, as with most such projects, was sourced from outside the government budget, from an aid agency. And, finally, the project was used to improve local urban management capacity. The model has been replicated in subsequent projects, such as at the Nong Chanh Wetlands, although this project appears to have been somewhat more controversial, with the displacement of a number of low-income families, contentious beautification works, and the construction of tourism facilities in the wetlands area.

Over the past 20 years, Vientiane's rudimentary infrastructure has demanded the most attention from planners, understandably enough, with a particular emphasis on sanitation, drainage and roads. Related to this has been the need to regulate land use, not only in the interests of efficiency and amenity but also to provide the basis for a system of taxation (rates) and to realize the goal of a modern, organized national capital. Overarching all of this has been the effort to establish a more effective system of urban governance and a supply of skilled urban professionals.
The historical landscape: building a nation, destroying Vientiane?

The modernization of Vientiane that has accompanied the liberalization of the Lao economy, together with the state’s efforts to use traditional symbolism to shore up its legitimacy in the post-Cold War era, have had significant ramifications for the city’s landscape. On the one hand, certain symbolic sites, events and historical figures have been given a new prominence in the pantheon of state rituals, while others have been ignored, fundamentally altered or even destroyed. During the 1990s Buddhism and the monarchy – keystones of national identity for the ill-fated Royal Lao Government – have been allowed to emerge more openly (albeit selectively) in narratives and representations of the Lao past by a post-socialist state wedded to the task of projecting itself as a guardian of national identity. Historical and archaeological studies have also become important to the task of affirming the authenticity of the nation through proving the essential longevity and integrity of the Lao peoples. With regard to the capital of Vientiane as a site and landscape associated with this past, however, the Lao state’s commitment to preservation and study has been highly selective. Thus, while the government pays lip service to urban conservation ideals through legislation and high-sounding planning documents – largely, it would seem, to gain international development assistance – much of the material and environmental legacy of Vientiane’s history has been destroyed or neglected. This process mirrors general trends in the region, notably Thailand, where selected elements of a ‘Great Tradition’ (focusing on elite structures and material culture) have been given privileged status as ‘national heritage’ at the expense of other, often more prosaic, elements of the urban landscape, to reinforce the official discourses of history and national identity. But in Vientiane, in contrast to the Thai state’s conservation and display of the old Rattanakosin zone of Bangkok, even elements of the ‘Great Tradition’ of Lan Xang’s past are being destroyed, as we shall outline.

In the Lao Constitution, promulgated in 1991, the That Luang was established as the central symbol in the official insignia of the country (surrounded by a wreath of rice ears; see Plate 5.1). In that year also, the That Luang became the centre-piece illustration on the new 1000-kip banknote. The That Luang Festival has been revived as the most popular and culturally meaningful public celebration on the Vientiane calendar. In contrast, as Grant Evans has described, the National Day celebrations of December 2 appear increasingly idiosyncratic, bureaucratic and artificial. Indeed, in recent years the National Day festivities themselves have been transformed from the old style socialist parade of earlier years into celebrations of the Party’s vision of Lao traditional culture. The clear message is that the LPRP needs to be seen as the defender of Lao unity, independence and culture, rather than the local representative of a failed global movement of socialist revolution.
In contemporary Laos, the government embraces simultaneously a commitment to a utilitarian urban model and an imperative to reinforce the symbolic elements it sees as important to Vientiane’s status as the national capital. Thus the primary axis of Lan Xang Avenue has been confirmed as the city’s pre-eminent space of political and cultural power and legitimacy. At one end of this axis are the That Luang and National Assembly, at the other the Presidential Palace. Between the two are situated many government ministerial buildings, with the victory gate (Patouxai) acting almost as a central pivot, located where Lan Xang Avenue’s northward course bifurcates: one road leads past the Monument to the Unknown Soldier, the Army Museum and the Ministry of Defence, towards the Kaysone Museum; the other leads to the That Luang. The area around the Patouxai itself was recently subjected to substantial urban design works that have emphasized the monument’s importance and also provided a larger open space, complete with a café that can be used by the city’s citizens. Near the Patouxai, the old RLG National Assembly building, now the Office of the Prime Minister, is earmarked for a redevelopment scheme that will increase the size and prominence of this currently under-recognized site. At the same time as these symbolic elements have been reinforced and emphasized, basic improvements in urban infrastructure – such as roads and drains – have given the city a more developed appearance. In the case of Lan Xang Avenue, road and drain improvements have been combined with beautification efforts to give the thoroughfare an appearance befitting the main symbolic axis of the nation’s capital.

Yet, as well as consolidation and improvement there have been neglect and destruction. The government’s choice of symbols – which reflects its particular vision of Lao national identity and history – excludes as much as it includes. For instance, the surviving structures of the colonial period, and even many of the pre-colonial period (the That Luang being an exception here), do not feature in the state’s preservation priorities. The old French Residence lies abandoned and rotting behind the Presidential Palace, while the old French Treasury building on the waterfront between the Lan Xang Hotel and the Palace was recently demolished. Such neglect of French colonial buildings might at first seem understandable in a country formerly dominated by the French; but such neglect is actually less understandable in the light of a 1993 ministerial decree (Decree 834, Ministry of Information and Culture (MIC)), which proclaimed the ‘Adoption of all historical Lao and Colonial buildings as part of national heritage’. The most successful examples of the restoration of colonial buildings in Vientiane are those undertaken by private businesses, not government agencies – such as a two-storey colonial residence on Lan Xang Avenue restored and operated by the Siam Commercial Bank, and the Settha Palace Hotel, formerly a French administrative building, in Pang Kham Street.

It is perhaps harder to make sense of the destruction in 1996 of the remnants of Vientiane’s old inner city wall along Khu Viang Road, or of the
neglect of the That Dam (or Black Stupa). Perplexingly, the destruction of the wall occurred shortly before the proclamation of a new Presidential decree (03/PR, 1997) on the 'Preservation of Cultural, Historical and National Heritage'. In the case of Khu Viang Road, archaeologists from the MIC made hurried efforts to document the base of the old walls, but they had to abandon their efforts for fear of being injured from advancing bulldozers (working under instruction from the Ministry of Public Works). The remnants of the outer walls of Vientiane have also suffered from neglect, despite the efforts of members of the MIC from 1992 to develop a project for the preservation of some sections with the aid of some small grants from UNESCO. With sponsorship from UNESCO, a Research and Exhibition Centre was constructed in 2000 next to the largest surviving (south-eastern) section of the wall in Ban Nongkhai Tai. Adjacent to the building a large canopy was erected to protect a section of the wall from the weather. The MIC planned to develop this centre as a focus for research into the city's ancient walls, but the centre has remained empty and locked ever since its construction, due to lack of funds for equipment or staff.

From the late 1980s the Lao PDR government has indicated concern for the preservation of historical sites through the ratification of international conventions and the enactment of legislation. The increase in legislation and the incorporation of conservation provisions in town planning reflect this progressive engagement with the international bureaucracy of the heritage movement. In 1987 Laos became a signatory to the World Heritage Convention, administered by UNESCO. In the same year the government nominated the That Luang as one of three sites for consideration as world heritage sites and this monument was accepted for preliminary listing. In the 1990s there followed a number of decrees for the protection of 'national heritage', a reflection of the increasing engagement with UNESCO and the importance of such engagement to access to foreign funding and technical assistance for conservation projects. The increasing attention given to the city of Luang Prabang from the early 1990s (and later the old Khmer shrine of Vat Phu) as a candidate for UNESCO World Heritage listing highlighted the government’s priorities in enhancing heritage for tourism and emphasizing spectacular landscapes. Aided in particular by French specialists, who undertook surveys and prepared documentation, the Lao government was successful in having Luang Prabang declared a World Heritage site in 1995. Although Luang Prabang's historical landscape is highly compromised by colonial intrusions, its suitability was determined by aesthetic, 'cultural' and practical factors: the apparently harmonious ‘fusion’ of colonial and pre-colonial elements, the ‘traditional’ way of life of the inhabitants, and the compactness of the town and related agricultural environs, which enabled more effective application of planning controls. The protection of the site of Luang Prabang from threats to its environment and fabric is not without its problems (major concerns have been voiced by the World Heritage Committee of UNESCO in recent years). Nevertheless the significance
accorded this city by the Lao government as an exemplary centre of Lao history at the expense of Vientiane is obvious, and ironically reproduces the French colonial division between Luang Prabang as a royal centre and Vientiane as a primarily administrative capital.

Vientiane has certainly not lacked for advocates to preserve historic sites and areas – whether among Lao specialists and scholars, or western specialists, research institutions or governments – but their capacity to resist or modify the state’s pragmatic development focus and its tangible impacts on the capital’s landscape have been limited. In 1996 a major conference was organized in Vientiane by EFEO, with the support of the French Embassy, on the topic of the safeguarding of the artistic and historical inheritance of the country. Among other topics, the impact of urban development on Vientiane’s landscape was highlighted as a matter for concern.\(^{83}\) Beginning in 1997, the Parisian Institute of Research on Architecture, Urban Structures and Society (IPRAUS) became involved with Vientiane’s Institute for Urban Research (IUR) in an ambitious task of creating an inventory of Vientiane’s heritage, incorporating buildings, streetscapes and assessments of ambience. Funded by the French government, this project is linked to the drafting of regulations for a zone-based urban heritage plan for the capital by the IUR.\(^{84}\) A variety of workshops and exhibitions have been staged by IPRAUS and IUR in Vientiane to demonstrate the findings and recommendations of both projects. The zonal idea was first incorporated into planning legislation for secondary towns (1996) and applied to Luang Prabang; however a full zonal plan for urban heritage protection has yet to be applied to Vientiane, despite the ongoing work of IPRAUS and the IUR.\(^{85}\)

The elevation and denigration of particular symbolic elements is nothing new in the development of cities, particularly national capitals. But the intersection of the utilitarian model and the effort to reinforce the symbolism of the capital has not only led to the neglect of structures from earlier historical periods – it has also had an effect on more prosaic aspects of the urban landscape. The ‘modernization’ of the capital has seen the revamping of the Mekong riverfront, including the construction of the Don Chan Palace hotel on an ecologically sensitive recession flood plain. Previously, the riverfront consisted of a fairly ramshackle collection of bamboo and timber bars and restaurants. These were removed when the road was resurfaced and widened, and parking areas constructed, to be replaced by equally ramshackle bars with plastic chairs and tarpaulin roofs. A large structure that can only be described as a shed seems to serve little function other than to shelter occasional public aerobic sessions! The final appearance of the riverfront remains uncertain, but if the Don Chan Palace Hotel provides any indication, the pressure of commercial investment is likely to triumph over broader concerns for sound urban design or the public good. The widening of Khu Viang Road in 1996 led to the destruction of a large number of mature trees planted by the French. As with most urban development projects, this was carried out with little or no public consulta-
tion, and the only outcry was from expatriates and belated protests from some of the embassies after the damage was done. There are no civil society channels through which public opinion on such matters can be expressed. In addition, government agencies with responsibility for protection of the historic landscape – chiefly the MIC – lack the power wielded by big infrastructure-providing ministries like the Ministry of Communications, Transport, Post and Construction. It is difficult for Lao or foreigners to argue for priority to be given to the preservation of urban heritage when there are other more pressing needs to be met – it should be remembered that Vientiane still does not have a sewerage system.

As well, we should note that, in addition to the Lao state, ordinary urban dwellers are also involved in the destruction of the city’s historical fabric. This is not simply because they are ‘ignorant’ of ‘heritage significance’ as discerned by specialists, but perhaps more so because they embrace difference values of significance. This was demonstrated in December 2000, when the people of Ban Nakham gathered joyously to watch the destruction of the old sim (ordination hall) of Vat Ou Mong as a prelude to the building of a new structure, an initiative of the abbot. The old sim contained rare mural paintings of the Lao Ramayana (executed in the 1920s); but this was of minimal importance to local people who, as good Buddhists, wished to make merit by building a completely new structure and adding to the overall prestige of the temple. The murals of the old sim were documented by a resident American environmental planner (Alan Potkin), but that was all that could be achieved in the face of popular enthusiasm and the lack of any regulations to prevent destruction.86

From her recent research focusing on archaeological sites around Vientiane and popular ideas of historical significance embraced by surrounding communities, Anna Karlström argues that what represents significant heritage for ordinary people is largely invisible in the archaeological artefacts privileged by specialists. Rather, the significant past for ordinary Lao people resides in rituals, magical symbols and places made potent by locality spirits.87 This world view is widely shared in neighbouring Buddhist countries such as Thailand; it is sustained by popular Buddhist beliefs in merit and magic that accord significance to potency, having the effect of encouraging both preservation and indifference to destruction in the landscape.88 How specialists in Vientiane can deal with such ‘multivocality’ in their policy and practice remains to be seen. Nevertheless, popular reverence for places deemed as sacred provides a strong motivation among ordinary Lao for valuing some key historical structures in Vientiane, even if such reverence is sometimes based on popular misunderstandings of history. Thousands of ordinary Lao who travel to Vientiane and visit the Ho Pha Kaoe each year continue to believe that the former royal chapel built by Anuwong once housed the original Emerald Buddha, although it never did. Myth, in Laos as elsewhere, plays a powerful role in endowing some of Vientiane’s key historical sites with popular significance, and why, one might
ask, should specialists disabuse ordinary people of a sacred past in favour of a secular history?

**Conclusion: memory, urbanism and landscape**

Vientiane suffers, through design and default, at the hands of an official state policy that maintains Luang Prabang as an ‘exemplary centre’ representing the Lao traditional past, while Vientiane is developed as a utilitarian centre of modernity. The only exception to this, as we have seen, is the centrality of the That Luang and the That Luang Festival, which have become key components of national symbolism and identity. Although in Lao historical writings (and occasional state rhetoric) the era of Chao Anu and the fate of his capital is of great significance in highlighting a history of brave defiance against powerful invaders, it is somewhat ironic that this nationalistic imperative has not been translated into much concern for the material fabric of Vientiane’s landscape that survives from Anu’s era, or earlier.

It remains critically important for the contemporary Lao regime to maintain its control over the past in order to affirm the party’s position as a guardian of the nation and Lao identity. To this end the stories of the Lao kings embodied in the Khun Borom chronicles have been reconfigured to emphasize these rulers as nationalist warriors forging unity and heroically defending the Lao political and cultural space signified by Lan Xang. In the first Lao official history, published in 2000, Fa Ngum looms large as a ruler with the skill to achieve this integration. As Bruce Lockhart observes in a recent analysis of the official history, the standard Marxist historiography that condemns pre-modern polities as ‘feudal’ and subjects the past to a periodization based on modes of production is muted in the new history, and downplayed in favour of a strong emphasis on Lan Xang as a unified national entity. In addition to this, however, there is an imperative to draw on history to assert ‘Lao-ness’ against ‘Thai-ness’, and here we may discern a continuity with the concerns of earlier non-communist governments and historians to affirm the integrity of the nation through the narrative of a distinctive people and political heritage. In the assertion of Lao nationhood and identity against Thailand, the memory of Chao Anuvong’s Vientiane and the fatal conflict with Siam looms large. In May 1988, during a tense border confrontation between Thailand and Laos, the enduring significance of Anu’s defeat was revived when former Thai Prime Minister Kukrit Pramoj proclaimed in a press interview that: ‘We should cross over and burn Vientiane once more’. A few months later the Lao government authorized the publication in Vientiane of a history of the Chao Anu period, which acted as an indictment of past and present Thai expansionism. Its preface, written by the Chairman of the National Social Research Committee of Laos, made the significance of these events clear to Lao readers by stating: ‘Chao Anu and the rulers of Lan Xang have passed
away, but the duty of the people endures and follows them’. The new official Lao history likewise accords to the Lao-Siamese conflict of 1827–1828 a critical importance, devoting some 81 pages to a treatment of the conflict and Vientiane’s destruction. The Lao-Siamese confrontation is defined as a ‘defence of Lao territory’, in contrast to its characterization as a ‘rebellion’ in traditional Thai historical accounts. Anuvong is cast as an example of bravery and nationalism, and the mobilization against Siam in this ‘war of independence’ is portrayed as a popular movement demonstrating unity and courage among the Lao people (pasason).

In the year following the publication of the country’s official history, the Lao leadership faced another painful reminder of the conflict of 1827–1828 when it was announced in Thailand that a leading film director was preparing to make a historical blockbuster that depicted the wife of the Governor of Khorat (Thao Suranari) and her heroic role in leading resistance to Lao forces during Anuvong’s campaign. As Lao diplomats pointed out, there was no historical evidence attesting to the activities of the Khorat governor’s wife, notwithstanding the emergence of a flourishing popular cult surrounding her statue in that Thai city. Lao officials warned the Thai government that misrepresentation of the Lao King Anuvong as a villain in the film would pose a severe threat to bilateral relations. Following a flurry of press reports and interviews in mid-2001, the controversial film appears to have been shelved.

In 2003 the Lao government unveiled a statue of Fa Ngum in Vientiane and declared 5 January to be a national holiday marking the 650th anni-

Plate 7.6 The statue of Fa Ngum, erected in 2003. Photo by C. Long
versary of the birth of the Lao nation, deemed to begin when Fa Ngum staged his victory celebrations in Vientiane in 1353. The statue was erected in the Pakpassak area of the city amidst an enormous celebration which included the parading of the sacred Prabang image, specially brought from Luang Prabang for the occasion. The irony of the reactivation of royal iconography by a professedly Marxist-Leninist regime was noted by some international press observers and Lao exiles, who read into the event a possible revival of monarchical sentiment and a legitimacy crisis for the ruling party. One Lao academic in Bangkok observed:

Thus, that the communist government of Laos now allows royal symbolism and promotes monarchical sentiment can be considered as a re-traditionalization of the totalitarian regime to garner political security. The Lao government is urgently in need of new symbols for its legitimacy after long years of authoritarianism.97

Lao officials were quick to deny the association of Fa Ngum’s statue with a monarchical revival. Dr. Souneth Phothisane, Director of the National Museum and one of the leading promoters of the Fa Ngum statue idea, affirmed that the point of the monument was ‘not to promote a monarchical regime but to celebrate the true spirit of Laos’.98 The government may now regard the idea to erect the Fa Ngum statue as problematic, for Souneth no longer holds his former position.

While the pre-modern past is given more prominence by the state in Laos, it is notable that the rulers most closely associated with Vientiane’s status as capital of Lan Xang from the mid-sixteenth century are not conspicuous in public imagery, despite their centrality in official written narratives of the history of the Lao nation, its defenders and its enemies. A statue of Xethathirat, erected in 1957, still stands near the That Luang, but it has not featured in public ceremony.99 Arguably, it could be said that Xethathirat and Chao Anu are implicit in the built landscape through the presence of the That Luang and Vat Sisaket, but nevertheless their other legacies (notably the capital’s old outer walls) are rapidly deteriorating. What counts as ‘history’ in Laos, and with clear consequences for Vientiane, is determined by those who hold the power to assign priorities and determine policy, despite the existence of contrary views among Lao specialists in some parts – the least powerful – of the bureaucracy, and the presence of foreign heritage specialists who hold rather more nuanced views about conservation practice. Yet it is easy enough for academics and conservation purists to bemoan the fate of an urban landscape that has already been fractured and fragmented by the historical processes of pre-modern politics and colonialism. Beguiled by modern national boundaries which isolate the city from its once flourishing trans-Mekong assemblage of associated urban sites on the Thai side of the river – the port of Viang Khuk, the meuang of Tha Bo, Sri Xiang Mai and Phon Phisai – journalists and writers of tourist
guidebooks continue to brand the city as a timeless sleepy town. But the Lao have to deal with what they have, both in terms of what remains in their national territory and urban landscape, and in terms of what resources are available to them to deal with this highly compromised legacy.

Entering the twenty-first century, Vientiane in political terms commands a prominence in Lao affairs that it has not enjoyed since the sixteenth century. Now, as then, Vientiane presides over a differentiated and geographically divided territory. The Lao capital may be well positioned to expand economically by harnessing the new trans-regional communication and trade networks developed under the ADB’s GMS schemes, now being boosted by encouragement from ASEAN; then again, the Lao capital may be by-passed and other centres such as Savannakhet could well outstrip the capital economically in the future. Christian Taillard has suggested that a new type of urbanism has emerged in Laos, one that builds on the effects of colonialism; it is an urbanism where differences between city and country are starkly highlighted in contrasting ways of life and economies, disrupting an earlier urbanism of cultural and economic synergy built on ritual and pre-modern economic exchange. Although this contrast distinguishes Vientiane from its own region and the country as a whole in the contemporary period, there is nonetheless an echo of an earlier Lao urbanism, reflected in the revival of Vientiane’s key religious monuments and the state ceremonies built around them. While the traumatic erasure of the capital nearly two centuries ago is forever written in Vientiane’s landscape, its key symbols function to evoke the idea of a Lao meuang, which, however compromised, functions as one of the key foundations for a Lao national past and identity.