INDO-CHINA’S DEVELOPMENT

THE EXTENT IN WHICH VIETNAM, CAMBODIA AND LAOS CAN BE CALLED “DEVELOPED”

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Introduction

Vietnam, Cambodia and Laos are three countries with a long history of colonial wars. All three were part of the French colonial empire until 1954. Before WWII the French ruled the area with a strong hand, but in WWII the area was taken over by the Japanese and after the war, the French never got the strong hold on the countries like it had before. In Cambodia and Laos, the process towards independence was quite peaceful. First the French resisted the idea of letting the colonies go, but after 1950, it became also clear to the French that they would not be able to hold the situation the way it was, so eventually they passed over more and more rights and privileges to the kings of both countries and let the colonies become independent. In 1954 The Treaty of Geneva made this official. However, in Vietnam this transition to independence went less peaceful as a war broke out there. During WWII, the US had supported the Vietminh as an organization that opposed the Japanese. However, when the French returned after WWII, this organization under the lead of Ho Chi Minh did not have the intention to let the French take over the country again. They proclaimed their own state of the Democratic Republic of Vietnam and the first Indochina war broke out between them and the French. Eventually after the battle of Dien Bien Phu in 1954, the French were forced to also let go of Vietnam and signed the Geneva Accords to grant independence to Vietnam and Cambodia and Laos. After the Accords, the area continued to be a roaring one, as the next 25 years consisted for all three countries of internal (political) wars, autocratic regimes and US interventions. But from the 1980s onwards all fights seemed to have settled down and all got the chance to build up their countries again. However, as it seems today this development path after these wars seems to consist of quite some differences between these old Indochinese countries. They all started with the same colonial ruler and experienced all internal struggles and US interventions, but the development path of Vietnam seems to be somewhat more successful than from Cambodia and Laos. However, is that really the case or is it just an idea that cannot be supported by empirical evidence?

This MA thesis will examine the question: to what extent and caused by which main reasons have the old Indo-China countries of Vietnam, Cambodia and Laos, developed different from each other after the Indochinese wars? Several reasons can be given for why this research question is interesting and relevant to do research in. The first is that these three countries are becoming more important on the world stage the last couple of years. Especially Vietnam has been a popular destination for MNCs to settle themselves in for the production of different kinds of goods. Therefore it seems that Vietnam is chosen over Cambodia and Laos as a place to settle in but therefore the question can also be raised if Vietnam is really that
more developed than its two neighbouring countries because of this choice of settlement of MNCs, or is Vietnam just economically more developed than the two others, but it lacks the development on a social and political level that the two others do have. Second, all three countries share a common history which is a colonial French one. This shared history makes it more feasible to compare the three countries with each other as they all have the same starting point from where they needed to develop themselves after this colonial period. Third, this thesis can show the applicability of the development theory of Amartya Sen. By applying his development theory to this case study it will show if and how this theory works to explain the development paths of these three countries.

In order to be able to answer this research question, I have created four sub-questions who will all contribute to answering this research question. The first one is: how should “development” be interpreted? This question will be answered with the help of the theory of development by Amartya Sen. This sub-question will be the basis for chapter 1 and will be forming the theoretical framework on which the rest of my research is based. Without this theoretical framework it would be impossible to answer the research question as it is not clear then what exactly the indicators are within this research to call something “development”. However, as I will explain at the end of this chapter, I will transform Sen’s theory somewhat to make it more applicable towards the study of this thesis.

The second sub-question is: what has been the development of Vietnam, Cambodia and Laos individually? This sub-question is the basis for chapters 2, 3 and 4. By first laying out all the individual development paths of the countries it will be possible to compare them in the next chapters. With the help of the definition of the four freedoms that Amartya Sen has given in his theory and that I used in my theoretical framework, it will be possible to identify several indicators that I will use to analyze the country its development. Next is the third sub-question which is: what are the differences and similarities in development between these countries? After setting out the individual development paths of the three countries in the chapters before, it is now time to put all the data together and to see what the differences and similarities exactly are. Also I will elaborate on the reasons why these developments are just the way they are. And finally, the fourth one is: how can the extent of development be explained? This last chapter will be the concluding chapter and gives an answer to the research question. Furthermore I will put the outcomes back in the historical context in order to reflect on them.

As a theory to explain “what is development” I will use the theory of Amartya Sen, from his book “Development as Freedom”. I have chosen Sen and his theory as he is an
authoritative scholar in the field of development. Besides that he focuses his research on India, he also has a large interest overall in the Asian region and his theory can therefore be used very well. I can use his theory in my research as Sen has a very broad theory about development focused on development countries. All three countries are development countries so his criteria and theory will explain the development paths of the countries in a proper way. Also Sen is seen as an authoritative scholar throughout the world as his criteria on development are used for the Human Development Index of the UN.

Briefly, Sen argues in this book that economic freedom does not mean that a country is fully developed yet. Besides economic freedom, also political and social freedom matter. Economics is seen by Sen as a part of life and not as the most fundamental thing. Education, poverty and healthcare are also important to him as these factors also influence the economic development (more education, raises the chance on a higher income etc). With this argument, Sen also stresses the priority of the role of the state in enforcing the importance of education, social assistance, healthcare and employment levels. A state can choose to adopt a capitalist ideology but with that it can also choose to implement social institutions and values that contribute to the rise of the social and political developments in the country. So even though a country is capitalistic, that does not mean that it cannot give any attention to social or political issues. Therefore it can be concluded that Sen adopts quite a broad view on “what is development”.

Although Sen’s idea of development is recognized and for the most part championed worldwide, there are also critics to his theory. On the one hand there is the pro-side. Sen’s theory is being used for the Human Rights Index of the UN and as Kofi Annan describes the influence of Sen’s theory as that “the world's poor and dispossessed could have no more articulate or insightful a champion”.

However, there is also a group of critics. One of these critics is Peter Uvin, a professor in Development Studies at Amherst College. He argues that Sen’s idea is not new at all and that his notion of development, and especially the category of political freedom, already existed by the UN. Namely, in 1992 on the Secretary Generals agenda there was a quote which already stated that development and democracy “are linked in fundamental ways”. So when these ideas were already around why did the world not act upon this, Uvin questions. According to Uvin, the answer is that there are political limitations

towards this view of development. Therefore it can be concluded that when Sen wrote his book, he did not come up with a new theory that could be used to change the world.

A second criticism comes from Benjamin Selwyn, a lecturer and professor on political and economic development from Sussex University. He does not agree with Sen’s view that capitalist markets can have freedoms. According to Selwyn, Sen “in terms of markets does not challenge the status quo, overlooking the detrimental exploitative effect that the market can have on the poor”. Selwyn thinks that Sen should take a more radical and distributive kind of development policy to solve the problems of non-freedom in Third World countries. He is not alone in this criticism, as also Prof. Vincente Navarro of John Hopkins University, argues in his article “Development and quality of life: a critique of Amartya Sen’s Development as Freedom” that Sen’s criteria are “insufficient to explain the key relationship between freedom and development”. According to Navarro there is also a more radical analysis necessary that is able to explain the creation of underdevelopment by international political institutions.

So in conclusion, all critics seem to agree with each other that Sen did not propose a totally new, radical theory with his book but that nevertheless his theory “is an invaluable analytical and philosophical foundation” that can be used to a certain extent to explain the level of underdevelopment in the world. However, despite these criticisms I will use Sen’s theory within this thesis, however I will also transform it somewhat. First I will change the use of non-freedoms towards freedoms, in order to start the analysis from a positive outlook. And second I will take the third and fourth non-freedom together and transform it into one freedom, namely the one of political, economic and civil rights. This taking together will fit in my research as it will still answer to what extent these two indicators can be called developed or have contributed to the quantity of development within the specific country. In this way I will also avoid any repetition as they are both based on the same kind of evidence and because of their very strong interrelatedness they influence each other so much that it will be easier to explain the presence or absence of these indicators.

8 Ibid.
The indicators within these freedoms I will look mainly at are the education, poverty, democracy and healthcare levels of the three countries. I will then compare the outcomes and causes of the indicator of each individual country with the other two countries, so I will be able to explain what the differences or similarities are between all three and what the reasons are for that. All three countries are in the development stage so his criteria and theory will explain the development paths of the countries in a proper way. However, it will not only explain the development of the three countries properly, it is also a very specific, unique way of defining as Sen uses for this a capability approach. So even though his critics argue that his approach is not very new and unique, by applying his theory on this South-East Asian region, this will somewhat create a more unique analysis than his critics have thought off. Eventually his four non-freedoms create a boundary within all the different measurements possible to use when you are assessing a country its level of development. By choosing Sen’s method, I will be able to combine economic, social and political aspects and I hope I will therefore be able to get the most complete picture of all Vietnam, Cambodia and Laos individually and be able to compare them later onwards to equal standards.

I will use different methods in this thesis to answer my research question. The first method will be the study of literature (qualitative). Articles and books will be the most important source to get my information from. The second one is the use of a descriptive statistical method. This I will use to compare the different statistics available about the percentage of school attendances, poverty, health care and economic growth of the three different countries. By interpreting and comparing these statistics the difference between the three countries will become visible and can be used to conclude and answer my research/sub-questions.

The third method I will use is the historical method (qualitative). This method will be the basis for this thesis as the common history of the three countries is the starting point from where the differences between the countries are going to be analyzed. So to explain and analyze the history of the three countries will be an essential part of this piece of work. The final method I will use is the case study method. All three countries are part of the case study as I will research them all on the levels of economic growth, health care, education and poverty. So Vietnam will be a separate case study, Cambodia will and also Laos. Then at the end, after analyzing the individual results of these countries, I will compare these results and come to the conclusion about what the differences are and how these are created.
Chapter 1
Amartya Sen and his theory of development

According to Amartya Sen, expansion of freedom is crucial within development “both as the primary end and as the principal means”. Around that idea, Sen wrote his book *Development as Freedom*. Within the book he created his own notion about what he thought development exactly is. This notion can be summarized in five categories of which Sen thought development exists. These are political freedom, economic freedom, social opportunities, transparency guarantees and protective security. This division then further inspired him to create his ideas about non-freedoms. These non-freedoms can be summarized to four, which are the denial of survival, existing inequality between men and women, the denial of political and civil rights and the lack of economic security. That last idea of him will be the basis for this chapter to explain “how development must be interpreted?”

§General explanation

Summarized, Sen argues in his book that economic growth is not sufficient enough for developing countries to call themselves developed. Besides economic growth also education, health care, democracy and other social/political aspects within a country need to be developed in order to be able to give the inhabitants of that country the definition of being free and developed. Economics is seen by Sen as a part of life and not as the most fundamental part. Sen believes that “political and social freedoms are both inherently desirable and conducive to economic growth”. So economic growth is important but in order to achieve economic growth, social and political freedoms are necessary for the people within that country. That makes these aspects eventually interdependent on each other.

The capability approach that Sen uses “concentrates on whether a person is actually free and able to achieve those functionings that he or she has reason to want”. By capabilities Sen means what effect goods have on a person rather than the reaction a person has towards these products. So how do people use the goods that are available to them to

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13 Ibid.
14 Ibid.
achieve greater freedom? These commodities need to be provided to the people Sen argues, so therefore he stresses the importance of the social responsibility of the state.\textsuperscript{16} The state is needed to provide education, health care, social assistance and unemployment compensation.\textsuperscript{17} A state can choose to adopt a capitalist ideology but with that it can also choose to implement social institutions and values that contribute to the rise of the social and political developments in the country. So even though a country is capitalistic, that does not mean that it cannot give any attention to social or political issues. If the state is able and willing to provide these goods towards its citizens, economic development can also be achieved. However, according to Sen, there are still a lot of developing countries today which are not able to provide these commodities to their citizens and this is seen by him as a “non-freedom”.

\$ (non) Freedoms

In his book he defines four forms of non-freedoms that exist within developing countries today. The first one is the non-freedom of denying millions of people to survive.\textsuperscript{18} Today still hundreds of people die of famines, under-nutrition, the lack of access to health care or clean sanitary facilities. So with this non-freedom, people in developing countries do not get the chance to survive and grow old. The second non-freedom is the still existing inequality between women and men in developing countries. In a lot of cultures women and men still do not have the same rights and that denies them opportunities to develop themselves and make something out of their lives.\textsuperscript{19} The third one is the denial of political liberty and basic civil rights. Countries, who deny their citizens this, claim that it is “good for rapid economic development”.\textsuperscript{20} However there is no empirical evidence for this claim and as most Western, developed countries have less of a harsh political climate but do experience economic growth it does not seem to be true what this thesis claims. The fourth and last non-freedom is the lack of economic security.\textsuperscript{21} According to Sen this means that there is a lack of democratic rights and liberties. So here it becomes clear that the non-freedom of economic security and political and civil rights are connected with each other.

As Sen argues, democracies have to win elections and face public opinions, so they

\textsuperscript{17} Ibid.
\textsuperscript{19} Ibid.
\textsuperscript{20} Ibid.
\textsuperscript{21} Ibid, 16.
will do everything to keep their citizens satisfied.\textsuperscript{22} Authoritative regimes do not have to face that so they have to take fewer incentives to keep the population happy. However, with a starving population, economic growth is very hard to achieve as the productivity of the country will be very low. So in the end this directly affects the economic security for the citizens. Therefore these non-freedoms demonstrate the interrelatedness of economic, social and political freedom just as Sen claims. Because of the fact that these two non-freedoms overlap so much, I will take from the next chapter onwards, these two non-freedoms together and transform it into one new freedom of political, civil and economic rights.

In his book Sen highlights these non-freedoms even further by dedicating four different chapters to it and by explaining their connection with economic freedom. The first non-freedom, of denying people to survive, has a strong connection with economic growth. Here Sen argues that “undernourishment, starvation and famine are influenced by the working of the entire economy and society”.\textsuperscript{23} In this notion social and economic aspects are interdependent on each other, as they both influence the amount of hunger in the world. Hereby it is important that we focus on the entitlement that each person enjoys, as this means the amount of products over which a person can establish ownership and command. People are hungry when they cannot establish entitlements according to Sen.\textsuperscript{24} There are three forms of entitlements. The first is endowment, which means the ownership over productive resources. For most people in developing countries this is their labor power. The second endowment is production possibility and use. Hereby Sen means the amount of technology which determines the production possibilities. And thirdly, there are exchange conditions. This is the ability to sell and buy goods. Eventually all three entitlements can create a famine when they fail.

The failure of entitlements can be created by several causes, whereby the economic and social aspects of a country have an influence on each other. The most important cause is that the people who do not produce food themselves are dependent on the market to acquire food and therefore also their earnings matter as these are necessary to buy the products.\textsuperscript{25} Nevertheless, their earnings are dependent on the economic circumstances in a country as employment and wage rates determine the amount of income. When a country also does not provide a social security net, the chance that a lot of families will fall into starvation and a nationwide famine will break out is quite large. However, there are always families within a

\textsuperscript{22} Ibid, 16. 
\textsuperscript{23} Ibid, 162. 
\textsuperscript{24} Ibid, 162. 
\textsuperscript{25} Ibid, 164.
country that “skip” the famine as Sen claims that famines exist by “divide-and-rule”.  

Furthermore, people with more secure incomes usually do not get to experience famines. This is due to the fact that they are more able to handle potential food price fluctuations then poorer people are. At last, food prices can rise sharply as the increased purchasing power of some social groups have grown. The price has then increased but the incomes of the rest of the people have stayed the same. This creates the situation that the ability to purchase food becomes scarcer for those poor people and a famine can break out easily. However, famines can be prevented according to Sen as he explains that a government can take several measures. The first measure that a government can take is to invest in sanitary facilities and regulation of population movements. Because of the lack of those two assets, infectious diseases can spread very quickly and by taking “sensible public action involving epidemic control and communal health arrangement” this effect can be reduced. Furthermore, the government can choose for compensatory expenditures in the form of unemployment insurance programs. In this way the incomes of the families can be reassured and these programs can be used to create new employment chances. But these kinds of programs are dependent on the amount of democracy available in a land and that brings us automatically at the second non-freedom defined by Sen, namely the lack of economic security and democracy.

As explained earlier, in a democracy rulers are dependent on the opinion of the people whether they can continue to rule the country or not. Therefore, they are more easily inclined to prevent a famine by taking the measure of for example a compensatory unemployment program. Also in a democracy, there is free press and this can bring out the news of the famine around the world which also stimulates the amount of incentives taken by the government as they usually do not want a bad reputation. So, Sen argues that the political system of a country can play a decisive role in the prevention of major disasters as it gives people the opportunity to draw attention to their needs. At the moment, Sen claims that in a lot of third world countries there still exists a lot of downgrading of rights and freedoms. However, this does not mean that democracy is an “automatic remedy of ailments”, as it only

26 Ibid, 167.
27 Ibid, 167.
29 Ibid, 169.
31 Ibid, 180.
32 Ibid, 181.
33 Ibid, 151.
34 Ibid, 151.
opens more opportunities for discussions about how to solve a problem and improve a situation within a country. Therefore democracy is not a blueprint for success but it is an aspect of development and freedom that is needed to acquire more development. So in the analysis here above it again becomes clear that democracy and economic security are very much interconnected and that brings us automatically to the third non-freedom.

This third one is the lack of basic human and political rights. This lack of both rights reflects back on a country its development, Sen argues. The example that he gives is the one-child policy of China. With this policy, people are “forced” to choose to have only one child. This was done as the Republic of China was experiencing a fast population growth in the past, just like many other developing countries experience that today. When the population growth is out of control, other problems of environmental degradation and urban overcrowding come along. Therefore this policy was adopted, however Sen argues that “development is the best contraceptive”. By denying citizens their right to choose how many children they want, something which is a basic right as everybody is free to make his or her own choices, a government can deny itself any kind of development. This forced one-child policy has also a couple of negative effects that Sen highlights further onwards in the chapter.

The first of these effects is that when the government finds out that a policy is not listened to, it usually will enforce its rules. Basic human rights are neglected again. A second negative effect is that it has social consequences. In most developing countries there is a strong male preference so the chances of sex-selective abortions are increasing. Third, usually such a kind of policy, like the one-child one, is not necessary at all. By raising the literacy level of women, creating more jobs for women and expand the health care system, the percentage of population growth will decrease Sen believes. So even though this one-child policy is just an example used to illustrate how basic human and political rights can be neglected by governments, it is clear that expanding these rights will only bring more development to a country instead of just curbing it in.

Finally this brings us to the final non-freedom which is the unequal situation between men and women that is still present in most developing countries nowadays. This inequality again influences the economic success of a country. As Sen argues, the contributions that women can bring towards their families by working outside the home, to be educated and to

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36 Ibid, 213.  
38 Ibid, 220.  
39 Ibid, 220.  
40 Ibid, 221.
own property, can save the lives of themselves and of others. 41 With being able to earn their own income they can raise the income of the whole family, so the chances for under-nutrition are less and therefore the chance that their children die is smaller. But not only can the opportunity to work outside the home save lives, also education can save people. 42 Sen argues that it is proven that the importance of education is shown through the fact that “mothers typically attach to the welfare of the children, and the opportunity the mothers have, when their agency is respected and empowered, to influence family decisions in that direction. Similarly women’s empowerment appears to have a strong influence in reducing the much observed gender bias in survival particularly against girls”. 43 So it can be concluded that women who are more educated, place more priority on child care in a joint situation. In developing countries, usually the men do not have to execute any form of household work but with an increasing percentage of women getting education and jobs outside the household, this pattern seems to be changing. 44 Also it can be concluded that chances that increase female literacy and labour force participation reduce the gender bias, as this gives women less of a disadvantage as they can also develop themselves further on in life. 45 And finally, the advantage of education is that women see and learn that there is more in life than to be a mom, so they have greater freedom in exercising their agency in family decisions, like family planning and childbirth. 46

§Conclusion
To conclude, it becomes clear that Sen advocates that freedom is an essential part for a country to become developed. However freedom is not easy to describe as Sen claims that:

“it is characteristic of freedom that it has diverse aspects that relate to a variety of activities and institutions. It cannot yield a view of development that translates readily into some simple “formula” of accumulation of capital, or opening up of markets, or having efficient economic planning. The organizing principle that places all the different bits and pieces into an integrated whole is the overarching concern with the

41 Ibid, 193.
42 Ibid, 195.
43 Ibid, 195.
44 Ibid, 196.
46 Ibid, 199.
process of enhancing individual freedoms and the social commitment to help to bring that about”.47

So to come back to the question at the beginning of the chapter, “how development must be interpreted?” this answer can be given with the help of Sen’s theory. Development is divided into five categories under which four non-freedoms can be identified. All those non-freedoms within a society have to become nation-wide freedoms in order to achieve a flourishing economy and a fully developed country. Therefore, development can be interpreted in terms of these (non) freedoms. All these four non-freedoms I will use in this thesis as a way to measure the amount of development of Vietnam, Cambodia and Laos, however I will turn the non-freedom around into a freedom to emphasize in this way the more positive development a country can go through and I will transform the third and fourth non-freedom into one. It is possible to do this as it fits the purpose of the research, as this is also positively focused on the development of the three countries. And finally, in this way I will be able to conclude how much the development paths of these countries have differed and what the differences exactly are. At the end the analysis will then be able to answer my main research question: “to what extent and caused by which main reasons have the old Indo-China countries of Vietnam, Cambodia and Laos, developed different from each other after the Indochinese wars?”

Chapter 2
Vietnam

The first country which I will analyze according to Amartya Sen’s development standards is Vietnam. Therefore the question of this chapter will be: to what extent can Vietnam be called a developed country? Of the three countries which were part of Indo-China, Vietnam has developed the most rigorous plan to change its economic path from a command economy to an open market one. This reform plan was called Doi Moi and was implemented in 1986, which marked the start of Vietnam’s economic, social and political change. Therefore I will start by analysing shortly the command economy Vietnam had before 1986 and then I will continue to analyse Doi Moi and the changes and growth it brought along. I chose to start with this historical background information to give the reader the context which makes it easier to place the developments into perspective. After explaining the economic development of Vietnam, I will continue by analysing the extent to which the three “freedoms” do or do not exist in the country. I will use the idea of a balance after assessing every indicator to make it eventually easier to answer the question to what extent the country really is developed. I will also make use of the UNICEF document, “The State of World’s Children”. This document of UNICEF is not only there to compare the economic performances of countries, it also can be used to analyse the three freedoms that are taken as development indicators. At the end I will conclude, with the help of Amartya Sen’s standards, to what extent Vietnam is actually developed and if this development only consists of economic growth or if other freedoms are also expanded and present in Vietnam its society.

§ 2.1 The Vietnamese economy before 1986

Before 1986 Vietnam did not have a very flourishing economy, as it was mainly a command economy not based on open market ideals. This command economy had its roots in the country’s French colonial past. While most of the time is thought that the division between North and South Vietnam started after the French left in 1954, this division had started already before that and laid the basis for the different economic paths the North and South have walked. First there was South Vietnam. As Melanie Beresford describes in her book Vietnam: Politics, economics and society, the South was more ruled like a direct colony, while the North was ruled like a protectorate.48 The difference between a protectorate and colony is that a protectorate has the aid of a larger state while they conduct their own foreign

relations. And with a colony all foreign relations are managed by the mother state.\textsuperscript{49} As the South was therefore of more importance to the French, the region was forced to specialize in exporting commodities like rice, rubber and maize and with that the basis of a market economy was laid.\textsuperscript{50}

However, the North developed, due to its protectorate status, a different economic structure than the South. Halfway the 1940s the area experienced a land reform which increased immediately the agricultural output.\textsuperscript{51} Nonetheless, due to the small farm sizes, which lead to the situation that they did not produce enough to feed the whole population, in 1959 everything was collectivized.\textsuperscript{52} The aim of this collectivization was to bring down the number of bankruptcies among farmers. Around 1968 the collectivization was completed and 90\% of the farmers in North Vietnam belonged to a collective in which labour was awarded in principle to the amount of labour contributed to the collective.\textsuperscript{53} This system of collectives therefore differed enormously from the more commercial system used in the South. Within South Vietnam, the Americans chose, even throughout the Vietnam War, to keep on going on the commercial track for the agricultural sector.\textsuperscript{54} Nevertheless, around 1969 there was a stagnation in agricultural growth and a lot of South Vietnamese decided to move to the city which made a rapid growth of commercial and service sectors possible and flourishing import businesses arose.\textsuperscript{55} Yet, this changed after 1972 when Vietnam was reunited by the Communists.

As the South of Vietnam had depended on the US its help for the last two decades, this region experienced an enormous rise in unemployment when the US pulled out of Vietnam and the whole country came in a recession.\textsuperscript{56} The Communists tried to solve this problem by establishing New Economic Zones in the countryside to raise the numbers of employment again. However, the percentage of South Vietnamese who were willing to move to the countryside was small and so this measure did not help. Therefore from 1975 onwards, socialization of the South started by the collectivization of the agricultural sector which was necessary to finance the heavy industry in the New Economic Zones. Also the creation of joint state-private enterprises had to contribute to that, next to the “attempt to bring domestic circulation of goods under state control through the creation of state trading networks and

\textsuperscript{51} Ibid, 59.
\textsuperscript{52} Ibid, 59.
\textsuperscript{53} Ibid, 59.
\textsuperscript{54} Ibid, 56.
\textsuperscript{55} Ibid, 57.
\textsuperscript{56} Ibid, 57.
administrative pricing system”. At the end of the 1970s this process was finished and 83 percent of the households in the South then belonged to a collective. Overall, it can therefore be concluded that in the beginning of the 1980s there was no large private ownership in Vietnam anymore. Nevertheless, it seemed that the politics of the Communists had not brought the welfare they had envisioned. The failure of this command economy had several reasons, including a lack of effective control and misconceptions about which economic model would be appropriate in a new Vietnam, which eventually led to the implementation of Doi Moi in 1986.

Why the planned economy eventually failed, according to James Riedel et al. in their article “the Politics and Economics of Transition to an Open Market Economy in Vietnam” was the fact that the Communists had the misconception that their war time model of the planned economy could work in the unified country after the war was over. When North Vietnam was in war its economy got a lot of support from the Soviet Union, where from 1966 until 1975 foreign grants and loans occupied 63, 2 percent of the non-military state budget. Therefore the economy was able, in combination with war time mobilization, to function and that gave the leaders the idea that such a system could also work when the war would be over.

Nonetheless, the planned economy model was not the right choice for the Vietnamese society, as Riedel et.al explains. As the state was weak, it lacked the adequate personnel to gather the right statistics to “operate a planning system and the means to communicate orders, prices and other instructions in the requisite detail”. Also the fact that the resources of control were distributed unevenly as of all the members of the Communist Party in 1976, which were 1533500, only 200 000 lived in the South. Nevertheless, the leaders in the North saw the expansion of the planned economy model as the only way to establish effective control over the whole country. This idea was enforced with the Second Five year plan in 1976 which was created to integrate both the economies of the North and the South. But the plan was doomed to fail from the beginning onwards.

This failing had to do with the suspension of Chinese aid in 1978, Khmer Rouge commando raids and severance of aid and trade with the West and Japan. As explained earlier, the North started with collectivization in the southern part of the country which seemed to have succeeded at the end of the 1970s. However, a specific part of the population,
the people who were living in the Mekong Delta, refused to join a collective which led to a decline in productivity and income.63 Also because of the lack of effective control it became quite easy for Southern collectives to disintegrate soon after they were formed. This lack of effective control created also the situation that state owned enterprises chose more often to go “outside the plan” and find local suppliers for the products they needed. Therefore a parallel and illegal, free market was created which fuelled the inflation of the country.64 Eventually the Communist Party decided that a change of plans was necessary as due to all these reasons the public confidence in the party had shrunk and the decision was made that the socialization campaigns in the South needed to be put on hold.65

Even though this decision was meant to be temporary eventually that did not turn out to be the case. In the early 1980s, the Third Five Year Plan was designed in which it was decided that Vietnam would have a “multi-component economy” with regional differences.66 The North would have three economic components consisting of state-run, collective and individual enterprises and the South would have five sorts of businesses, which consisted of the North its three components plus joint state-private and private capitalist enterprises. It therefore seemed that the Party had given up the plan to fully socialize the South. However that was not the case as the Plan also described the goal “to complete socialist transformation in the Southern Provinces and further perfect socialist relations of production in the North”.67

Also, agriculture stayed the top priority of the Party as this was seen as the initial and most important step in the development process.68 The Party hoped that by giving the South some space by allowing private enterprises the people of the South could be motivated to solve the food problem by themselves and by that also raise the whole production of the country. After five years this plan also did not seem to be the egg of Columbus as macroeconomic tensions only inflated more and more.69 The food output did increase from 273 kg to 304 kg per capita however, the population also grew exponentially and that again nullified the food gain. Also the inflation spiralled out of control as the Party had raised the wages for civil servants and state owned enterprise workers, continued by paying subsidies and spend more money to cover its growing budget deficit. Eventually on the Sixth Congress in 1986, Doi Moi was issued with the intention to try to save the country’s economy.70

63 Ibid, 15.
64 Ibid, 14.
65 Ibid, 15.
66 Ibid, 17.
67 Ibid, 17.
68 Ibid, 17.
69 Ibid, 17.
70 Ibid, 17.
§2.2 Doi Moi

Nevertheless Doi Moi, which means renovation, sounded more radical than the program eventually turned out.\(^{71}\) As Duong Luan Thuy analyses in his article “The Vietnamese Communist Party and Renovation in Vietnam”, Doi Moi “favored gradualism and political stability over radical change, with economic restructuring before privatization”.\(^ {72}\) The program did end the state monopoly in foreign trade, created policy innovations to enhance state owned enterprises their autonomy, collectivized agriculture became a household responsibility agricultural system, and allowed more private commercial business activities.\(^ {73}\) So it seemed that the socialization and collectivization was something that was eliminated. However, this was not the case as was emphasized in the original document that stated that “the most important thing was to strengthen and develop the socialist economy, first of all, to enable the state sector to really play the leading role and control the others”.\(^ {74}\) So the Party was not fully able to let the communist principles go and turn towards a 180 degree different policy.

The main reason for that the Party could not commit to a new path of development seems to be that even though just before Doi Moi was initiated there had been an influx of new leaders into the Party, these new leaders were not that “new”.\(^ {75}\) Most of them already had a function in the Party for several decades and also they were depending on the rest of the Party for consensus with their plans. So new radical policies could not be implemented that easily and major results stayed out.\(^ {76}\) An event that happened worldwide, namely the collapse of a lot of Communist countries at the end of the 1980s, eventually triggered the Party to really go further in their reform efforts than before.\(^ {77}\)

Because of the collapse of the Soviet Union and its allies in Eastern Europe, the leaders of the Party were afraid that the turmoil would also spread to them. As the Party leaders also saw that other countries in the world, which did chose for the capitalist and open market path, experienced enormous growth it became clear that their ideology maybe was not the best choice they had made.\(^ {78}\) Therefore they made the decision to take Doi Moi a step further by opening up its economy to international trade and foreign investment, raise the

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\(^{71}\) Ibid, 19.

\(^{72}\) Duong Luan Thuy, “The Vietnamese Communist Party and Renovation (Doi Moi) in Vietnam,” in Political Parties, Party Systems and Democratization in East Asia, ed. by Liang Fook Lye (River Edge, WSPC, 2011), 53.


\(^{74}\) Ibid.

\(^{75}\) Ibid.

\(^{76}\) Ibid, 20.

\(^{77}\) Ibid, 21.

\(^{78}\) Ibid, 21.
interest rates to positive levels, devaluate the dong, allowing foreign exchange and trade and
equalize the tax rates across all economic sectors.\textsuperscript{79} This turned out to be the best decision the
Party could have made and the results of Vietnam its growth became already visible in the
early 1990s.

Whereas in the 1980s the percentage of inflation was enormous, in the 1990s Vietnam
started to experience rapid growth with low inflation. Vietnam’s economic growth rate
reached an average of 7.5 percent, the rate of poor households went down with almost 58
percent and also the life expectancy went up from 63 to 71.\textsuperscript{80} But the real large economic
growth started to happen when in 1994 the US lifted its economic embargo against Vietnam
(55). In 1995 Vietnam joined the ASEAN, got into a bilateral trade agreement with the US in
2001 and eventually joined the WTO in 2007.\textsuperscript{81} The average Vietnamese household benefitted
from that. Prices of products went down drastically and wages were raised in the private
sector.\textsuperscript{82} This created a small brain drain from the state owned enterprises to the private sector
and made the Party realize that cutbacks needed to be made in the state sector and the
percentage of unemployment could decline even more by supporting private enterprises.\textsuperscript{83}
Also the rate of foreign direct investments by non-communist countries, export rates and
domestic savings increased massively, which then also contributed to the growth of the
economy. Therefore it seems that Vietnam was on the right track for economic recovery, and
this is something that can be confirmed with more recent numbers and percentages from the
document “the State of the World’s Children” by UNICEF.

As numbers show in this document Vietnam has experienced a GDP growth between
1990 and 2011 of more than six percent per year.\textsuperscript{84} The average of the region South Asia is 4.5
percent, so Vietnam is performing above the average of the region.\textsuperscript{85} Nevertheless, its
inflation rate is still quite high as it is ten percent on average per year between 1990 and 2011,
while the average of the region is six percent. Even though there is still a high percentage of
inflation, Vietnam is performing quite strong on the world economy stage and also the
average Vietnamese citizens have benefitted from that as wages rose and prices went down.
Now I will continue with the first freedom, namely the chances of survival, to see how well
Vietnam has developed its healthcare and food system.

\textsuperscript{79} Ibid, 22.
\textsuperscript{80} Duong Luan Thuy, “The Vietnamese Communist Party and Renovation (Doi Moi) in Vietnam,” in Political Parties, Party
Systems and Democratization in East Asia, ed. by Liang Fook Lye (River Edge, WSPC, 2011), 54.
\textsuperscript{81} Ibid, 55.
\textsuperscript{82} James Riedel and William Turley, "The Politics and Economics of Transition to an Open Market Economy in Vietnam,
\textsuperscript{83} Ibid, 24.
\textsuperscript{85} Ibid
§2.3 Chances of survival

This first category consists of several indicators that according to Sen are essential to survive. These contain the amount of famines that there are in a country, the percentage of people being malnourished, life expectancy and the condition of the healthcare, water and sanitary facilities. I will use the document “the State of the World’s Children” by UNICEF to extract the percentages of improvement between 1990 and 2011/2012 of all these different indicators and put them in a table. It is essential that I use these indicators as Sen has explained and used them also in his assessment of the three freedoms. I will then, with the help of several other documents, explain and analyse the percentages.

Table 1. Indicators for establishing the chance of survival

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Vietnam</th>
<th>South Asian region</th>
</tr>
</thead>
<tbody>
<tr>
<td>Drinking water facilities</td>
<td>95% improvement in comparison to 1990.</td>
<td>90% improvement in comparison to 1990.</td>
</tr>
<tr>
<td>Sanitary facilities</td>
<td>76% improvement in comparison to 1990.</td>
<td>38% improvement in comparison to 1990.</td>
</tr>
<tr>
<td>Skilled attendants at birth (health care system)</td>
<td>93% in 2012</td>
<td>49% in 2012</td>
</tr>
<tr>
<td>Underweight</td>
<td>12% in 2011</td>
<td>37% in 2011</td>
</tr>
<tr>
<td>Stunting</td>
<td>23% in 2011</td>
<td>39% in 2011</td>
</tr>
<tr>
<td>Wasting</td>
<td>4% in 2011</td>
<td>16% in 2011</td>
</tr>
</tbody>
</table>

So it seems that as the data from the table show, Vietnam has booked a lot of progress the last couple of decades. This progress can be explained with the help of the indicators I have chosen in the table here above. I will start with the improvement in the health care system. The most important reason why the health care system in Vietnam has developed so positively was the initiation of the Vietnam Health Insurance (VHI) program in 1993. The program started with the coverage of health insurance for retired civil servants and employees of large, private enterprises and state companies. Later two voluntary programs were added for some communes and for students. In 1998 numbers show eventually that the percentage of enrolment in the programs is connected to the income class of the people. In the lowest class only nine percent of the people are covered and in the top class this is almost 25 percent (399). This is because the premium for the insurance is a fixed percentage of an employee his salary, so not all employees can afford an insurance. Another reason why the percentage of available health care facilities has risen has to do with the fact that in the early 1990s there was a major growth in private sector health providers which meant a deregulation of the pharmaceutical industry.

The next indicator which shows improvement is the percentage of child malnutrition. One of the main reasons why the number of malnourished children went down has to do with the economic growth Vietnam went through. The rapid economic growth of the early 1990s declined the poverty rate drastically from 58 percent in 1993 to 17 percent in 2011. Also the economic growth has raised the life expectancy as this can also be an indicator of development as the Demographic Transition Model explains. This model links the death and birth rates of a country to the amount of development in four different stages. When, the death rate drops, the more a country gets developed, and finally the birth rate also drops as women get more educated and more money is available for contraception. Eventually in the fourth stage both rates are almost equally low and that equivalence with a strong economy, high levels of education and a well-developed health care system. So it can therefore be

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87 Ibid.
88 Ibid. 400.
89 Ibid. 391.
concluded that Vietnam has reached the third or almost the fourth stage of development according to the Demographic Transition Model.

As Paul Glewwe et. al show in their article “Child Nutrition, Economic Growth, and the Provision of Health Care Services in Vietnam”, it seems that while the economy was growing also the percentage of stunting and wasting declined. Whereas underweight means a low weight for the age, there are also the categories of stunting, which mean a low height for age, and wasting, a low weight for height. It seems therefore that Vietnamese children especially struggle with growing in length instead of gaining weight. However not only the economic growth solely has contributed to this decline, also the creation of the health care insurance program and expansion of the health care system has done that. Numbers show that of the 156 communes in the country, only 2 did not have their own community health centre so it can be concluded that the availability of health care for most households in Vietnam is sufficient. Also these community centres have an educational function most of the time whereby they try to raise the knowledge about nutrition and health. Therefore also the nutritional status of most Vietnamese children has increased the last couple of decades, as research has shown.

Overall after assessing all these indicators it is possible to see if the balance shifts more to the negative or positive side. On the positive side it seems that especially the growth of the economy, which became possible with Doi Moi, and the introduction of the public health care system and insurance have contributed to the fact that the freedom to survive is quite high in Vietnam. And when I try to find any negative points it seems that there are not any to find. Of course Vietnam is not on the same development level as most Western countries are but it has a long history of trying to improve the situation for its citizens. So eventually the balance shifts almost entirely towards the positive side instead of inclining to go to the negative side.

§2.4 Equality between men and women

The second freedom described by Amartya Sen is the equality that exists between men and women in a country. Again I will use the document of UNICEF for the indicators of this
equality between men and women for Vietnam and I will then continue with the analysis what
the role of the government has been in this case to improve or not improve this situation. The
document of UNICEF gives several indicators that determine the amount of equality that
exists between men and women in a country within the period 2008-2012.

Table 2. Indicators for equality between men and women

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Vietnam</th>
<th>South Asian region</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adult literacy rate (% of women that are literate in comparison to men)</td>
<td>96%</td>
<td>69%</td>
</tr>
<tr>
<td>Women literacy rate</td>
<td>86.9%</td>
<td>94%</td>
</tr>
<tr>
<td>Life expectancy (percentage increase for women in comparison to men)</td>
<td>105% increase in comparison to the period before 2008</td>
<td>104% increase in comparison to the period before 2008</td>
</tr>
<tr>
<td>Enrolment primary education (percentages of girls in comparison to boys)</td>
<td>94%</td>
<td>98%</td>
</tr>
<tr>
<td>Enrolment secondary education (percentages of girls in comparison to boys)</td>
<td>109%</td>
<td>91%</td>
</tr>
<tr>
<td>Fertility rate</td>
<td>1.8</td>
<td>2.7</td>
</tr>
</tbody>
</table>


It seems that there is not much inequality in Vietnam between males and females. The
first reason for this can be found by looking at the literacy rate. As the article of Griffith
Feeney “Literacy and Gender: Development Success Stories” shows that around 1980 there is
already not much of a gender gap in the literacy rate. As the economic growth of the country
really started in the early 1990s it can therefore be concluded that the economic growth has
not had a large influence on the percentage of literate females. So the explanation has to be
found before that. Historical analysis shows that from 1945 onwards, the first literacy

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campaign by Ho Chi Minh was started. After this first campaign, two more were initiated until 1980 and raised the literacy level from 10 to almost 90 percent in three decades. However, these literacy campaigns did not stop in 1978, as they continued until 1990 and eventually were the start of a whole lot of development strategies targeting the Vietnamese education system, thereby also having an influence on the enrolment ratios.

As shown before, the enrolment ratios are divided between primary and secondary school. It seems that especially after 1992 the percentage of children that enrolled in primary education has increased. This can be explained by the fact that in 1991 the Nationalist Assembly of the Socialist Republic of Vietnam made the decision to universalize primary education for boys and girls. This decision brought an expansion of the education system along, expenditures on education were increased and also a new literacy campaign was started. With this expansion Vietnamese living in more remote areas where also reached and given the possibility to get education. So girls and boys were given the same opportunity to go to school. As shown before there has been a major increase in girls choosing for secondary education and this is connected to a cultural reason. For a long time most parents, especially in more remote areas, saw more priority in sending the boys to school. Also parents sometimes did not see the extra value of sending their girl to school as she would eventually marry and education would not have any value to her anymore. This has started to change after the government decided to universalize education for both boys and girls and it explains the minor gender gap in enrolment ratios within Vietnam.

At last we can take a look at the overall fertility rate of Vietnam. It is possible to conclude that low birth rates correspond with more development. But when we look at the inequality between men and women this can also be explained with the help of that. When women are getting more educated they usually decide not to have that much children anymore. This is due to the fact that they learn that getting a career is another option and that getting that many children is most of the time not very beneficial to their health. They learn about the use of contraceptives so that too brings down the fertility rate.

100 Ibid.
101 Ibid.
103 Ibid.
So in conclusion, we can assess if the balance within this freedom shifts more to the positive or negative side. On the positive side it can be said that the freedom of equality between men and women is present within Vietnam as both sexes get quite equal opportunities to go to school and to develop themselves. The government already started its literacy campaigns early in the 1950 and therefore the amount of literate men and women is almost equal. On the negative side, there is some room for improvement in the percentage of enrolment of girls into primary education. At the end the balance shifts to a large extent more towards the positive side as all the positive developments eventually outweigh the one that needs some improvement.

§2.5 Existence of political, civil and economic rights

The third freedom that can be identified is the existence of political, civil and economic rights. This time there are no exact data as all these indicators are hard to measure. Therefore I will base my analysis on the level of democracy and freedom of other researchers. I will start to analyse the political system of Vietnam nowadays and on the basis of that I will determine how much freedom and democracy there really is within the country.

The Communist Party is the main leader within Vietnamese politics, overriding the role of the government which is mainly there to implement party policies. The Party controls politics by occupying all main positions within the government. It would have made sense to expect that this political structure would have changed after Vietnam opened its borders but as Erik Paul analyses in his article “Obstacles to Democratization in Southeast Asia”, the shift to a market economy “has not lead to the liberalization of the political regime”. The Communist Party is ruled by democratic centralism, as Riedel et.al explain, as the decisions within the Central Committee are taken democratically. The power of the party also relies heavily on the Public Security Force. This force is the secret police of Vietnam which gathers information about people who are a threat to the state and punishes them. Also material critique, like opinion pieces in newspapers and the Internet, is heavily censored by the Party. Furthermore, the Vietnamese army also has a strong leading role in the country. The military is not just a part of the government, here it is a kind of an

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106 Ibid, 56.
107 Erik Paul, Obstacles to Democratization in Southeast Asia: Vietnam (Palgrave MacMillan, 2010), 121.
109 Erik Paul, Obstacles to Democratization in Southeast Asia: Vietnam (Palgrave MacMillan, 2010), 122.
110 Ibid.
independent unit as it is for a large extent self-financing through businesses in the Vietnamese economy.\textsuperscript{110} So the Party itself does experience democracy and is trying the last couple of years to bring that principle into action in their own manner towards the Vietnamese society.

The last decade it seems that the Party does want to carry out the idea that they do believe in some sort of democracy and therefore grants somewhat of its power to other political institutions.\textsuperscript{111} The first category of such an institution are civil society organizations. Normally these organizations are independent from a government but in Vietnam they are not, as the Party organize the civil society under the umbrella of the Patriotic Front.\textsuperscript{112} This Front unites churches, veterans, women and other social organizations to let it appear as if they have the opportunity to protest against the Party, though all these organizations are a part of the Communist Party so actual protests are not happening. Nevertheless, the Party wants to create the idea that these organizations can mean something for the Vietnamese people.\textsuperscript{113}

Also Vietnam’s National Assembly was created, which is the “highest representative of the people and highest legislative body elected by the people”.\textsuperscript{114} This Assembly does actually work in quite a democratic manner as it issues fundamental policies in areas of domestic and foreign relations, economics and security.\textsuperscript{115} All the deputies of the Assembly have the right to question the state president and ministers and these then have the obligation to answer these questions.\textsuperscript{116} Also the sessions of the Assembly are broadcasted on television so the Vietnamese citizens can watch this process.\textsuperscript{117} The only flaw in this system is that the Assembly meets two times a year so in the meantime the Party is able to rule in its own way.\textsuperscript{118} So there is somewhat of a level of democracy present in Vietnam, but at the end the Party is still the main ruler and civil society does not have the same freedom as it would have in more developed, Western countries.

However, there seems to be some resistance towards this non democratic system mainly caused by the economic liberalization Vietnam has gone through during the last decade.\textsuperscript{119} This economic liberalization has brought some problems along that are suppressed

\textsuperscript{110} Ibid.
\textsuperscript{111} Duong Luan Thuy, “The Vietnamese Communist Party and Renovation (Doi Moi) in Vietnam,” in Political Parties, Party Systems and Democratization in East Asia, ed. by Liang Fook Lye (River Edge, WSPC, 2011), 54.
\textsuperscript{112} Ibid, 57.
\textsuperscript{113} Erik Paul, Obstacles to Democratization in Southeast Asia: Vietnam (Palgrave MacMillan, 2010), 122.
\textsuperscript{114} Duong Luan Thuy, “The Vietnamese Communist Party and Renovation (Doi Moi) in Vietnam,” in Political Parties, Party Systems and Democratization in East Asia, ed. by Liang Fook Lye (River Edge, WSPC, 2011), 54.
\textsuperscript{115} Ibid, 57.
\textsuperscript{116} Ibid.
\textsuperscript{117} Ibid, 58.
\textsuperscript{118} Ibid, 59.
\textsuperscript{119} Ibid, 57.
\textsuperscript{120} Erik Paul, Obstacles to Democratization in Southeast Asia: Vietnam (Palgrave MacMillan, 2010), 123.
by the Communist Party. One of these problems is the locating of polluting industries, which were first situated in China and Taiwan but saw Vietnam as a cheaper alternative.\textsuperscript{120} The costs play a role for these companies but also the absence of health restrictions for labourers and no environmental standards are important. Nevertheless, the damage these factories bring to the ecological system and health of the people is not unnoticed by environmental movements. Furthermore the economic liberalization has created the problem of a growing slum population. The agricultural sector becomes less and less important and therefore people move to the cities to find a better life and income with growing slums as a result.\textsuperscript{121}

Nevertheless, even though it seems that the Party still has a firm hold on all areas of society this has also changed with the economic liberalization, especially after Vietnam joined the WTO in 2007.\textsuperscript{122} First this has, within the party, created some divergence and faction on which road they want to continue leading the country. As Paul says “the adoption of market capitalism expands the legitimacy of what can be discussed and debated, what opinions expressed and what channels can be used and institutionalized”.\textsuperscript{123} This was demonstrated by the admission of more capitalist entrepreneurs into the Party. It creates hope for the Vietnamese people that the Party will maybe see that effective control of the country is also possible in another way, by allowing competition between people and businesses, letting individuals fight for their own position and gain their own wealth as an award for their fight.\textsuperscript{124} However, at this moment the Party does not seem to be ready for this as the amount of control over the media and the rest of the country is still quite strict.

So in the end we can make up the balance again. It seems that especially the negative side predominates here. The whole freedom of the political, civil and economic rights is lacking in Vietnam as there is no freedom of speech and media. On the positive side, the Communist Party tries to improve the situation somewhat by allowing a National Assembly to broadcast its sessions and approve the entering of more capitalist entrepreneurs into the Party. However they still have a strong hold on several political and civil society organizations and therefore Vietnam cannot be called a full democracy. Therefore the balance shifts almost entirely towards the negative side as these outweigh eventually the one positive outcome which was found.

\textsuperscript{120} Ibid.
\textsuperscript{121} Ibid.
\textsuperscript{122} Ibid, 126.
\textsuperscript{123} Ibid, 124.
\textsuperscript{124} Ibid, 125.
§2.6 Conclusion

In conclusion, to what extent can Vietnam actually be called a developed country? In the whole chapter, at the end of every paragraph, I have tried to balance the positive and the negative sides of the economic growth and the three freedoms to each other. First there was the economic development of the country. The balance here was positive as Vietnam is quite well developed, especially after its enormous economic growth of the last decade. However, development does not only consist of economic growth as Amartya Sen argues with his theory, we also have to take into account the definition of the three freedoms. Within the first one, the chance to survive, the balance also was positive. This is a freedom that the Vietnamese government has worked hard on, by improving the health care facilities and bringing down the number of malnourished children.

Furthermore, also within the category of the second freedom, the equality of men and women, the outcome was positive. Vietnamese girls receive the same educational opportunities as boys and also more women are literate within the country. The third and last category of the political, civil and economic rights gave more discussion and eventually ended on the negative side. Democracy is something that is still not really widespread within Vietnam as the Communist Party still is the ruling regime. Even though it has tried to give another impression by “allowing” civil society organizations and supporting a National Assembly. So even though Vietnam does not fulfil the requirements to be called a democracy there is hope for the future that the Party will democratize more now the economy keeps on growing but that process has not really begun yet. Overall it is therefore possible to conclude that two of the three indicators have a positive outcome so that Vietnam for the greater part can be called a developed country.
Chapter 3
Cambodia

After finishing the analysis of Vietnam, I will now continue with the second country that was part of old Indo-China, namely Cambodia. The question that I will answer in this chapter is: to what extent can Cambodia be called a developed country? Besides that it was influenced by the war of its neighbour Vietnam, it has also experienced enormous domestic turmoil with the Khmer Rouge oppression at the end of the 1970s as its deepest point of depression. After the Khmer Rouge had been driven away, the country tried to build itself up again but is still struggling with the aftermath of this oppression. However, it is still possible that despite all of this the country is quite well developed according to Sen’s notions of freedoms. That is something I will analyse in this chapter, after I have explained the regime of the Khmer Rouge its influence on the country and the economic development the country has gone through since then. Overall it seems that in the early 1990s Cambodia started on the right track due to all the economic reforms they implemented. However the last couple of years the economic growth has stagnated due to the lack of foreign investment that is a result of the way Cambodia is governed. It is therefore also possible to conclude that because of the status of the Cambodian economy, this will also have an influence on the three freedoms. Again I chose to start with the historical background information to give the reader the context which makes it easier to place the developments that came after this in perspective. At the end, after I have analysed the existence or non-existence of the three freedoms, I will conclude to what extent Cambodia actually can be called developed.

§3.1 Cambodia its history and economic development

Before 1968 Cambodia had quite a different economic structure than its neighbour Vietnam. Where Vietnam mainly focused on collectivized agriculture and almost not exporting any product, Cambodia chose another way of gaining economic revenue. The country had quite a flourishing export economy in rice, rubber, timber and fish. Thus agricultural products still played an important role, not only for self-use but also for the export to other countries. 125 So it seems that the Cambodian economy was quite stable before 1968. However this would change two years later drastically as from that moment on, until 1980, there would be no data available of its economic performance anymore due to the political situation.

Cambodia has been a country with quite a peaceful history until it became independent from the French with the Treaty of Geneva in 1954. Immediately after the French left, the Americans started to meddle with Cambodian affairs, as they offered financial aid to the country. This financial aid consisted of providing dollars to finance imports and to build ports and roads. The other side of accepting this aid was that Cambodia was kind of blackmailed by the US to join the SEATO, in order to let Cambodia not become a stone in the US’s domino theory. However, the king was not planning to do that as he wanted to stay neutral and claimed Cambodia “would maintain correct relations with all other powers on the basis of non-interference in each other’s affairs, the only solid basis for lasting peace”. Eventually Sihanouk abdicated in 1955, letting his father, Norodom Suramarit, become king. Sihanouk himself founded a new political party, the People’s Socialist Community and won every seat in the Parliament with it, giving him more power than before. From that moment onwards the relationship between the two countries deteriorated quickly.

This was a result of the mistrust Sihanouk had in US’s allies, Thailand and South Vietnam, as these two countries started to invade parts of Cambodia and the US did nothing to prevent this. Also the CIA plotted a coup to overthrow the king, however this was discovered and failed. Sihanouk then decided to close down all US military and financial aid as he was tired of US interference and immediately nationalized almost every company in the country. Finally, in 1965 all diplomatic relations were cut off as the US had bombed some north Cambodian villages in their fight against Communism. The US had driven Cambodia in the direction of China and the SU, something that they wanted to prevent but failed in miserably. However, Sihanouk his political career had not a very long life, as in 1970 he was ousted in a political coup by General Lon Nol. Sihanouk decided to flee to Beijing and tried to win back his old position from there.

In Beijing Sihanouk created the New Resistance Government together with a small Cambodian revolutionary movement, named the Khmer Rouge. The choice for this alliance

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126 Erik Paul, Obstacles to Democratization in Southeast Asia: Cambodia (Palgrave MacMillan, 2010), 47.
129 Ibid, 40.
130 Ibid, 42.
131 Ibid, 43.
132 Ibid, 44.
133 Ibid, 46.
134 Ibid, 47.
would have great influence on Cambodian history, as it made the Khmer larger and more influential than it was meant to be. This momentum was the start of the Cambodian Civil War that would last until the end of the decade. On the one side there was the Lol Non government, which was against communist North Vietnam and on the other side there were the Khmer Rouge who supported the communist North. In 1970, the US and South Vietnam invaded the country, creating the situation that the communists only withdrew deeper into Cambodia, destabilizing the Lol Non regime even more and also giving the start signal for a whole range of attacks and bombings that would last until 1975. These bombings would only strengthen the Khmer Rouge more and more and eventually they gained power as they ousted the Lol Non regime in April 1975. That historical moment was something that would change the Cambodian society and its structure forever.\textsuperscript{136}

Just a few days after gaining power the largest and most gruesome kind of revolution started, initiated by the leader of the Khmer, Pol Pot. As Cambodia was mainly a more industrial, entrepreneurial based economy, this changed within a second as the Khmer ordered every man, woman, child or elderly to leave all the cities and go to the country side so that one may change the Cambodian economy to a peasant-agricultural one.\textsuperscript{137} If you did not listen to this directive or any other one you were executed. Also currency and postal services were abandoned and the Khmer announced that 1975 would go into history as Year Zero. From that moment onwards the “cleansing” started with the execution of the whole Lol Non government. Hundreds of people were able to escape to Vietnam but also thousands were executed. Besides that, thousands of people died due to malnutrition and diseases. All the Cambodians were put to work on the agricultural fields but the only food they got was some porridge or rice. Therefore people became more prone to infections and diseases like dysentery and malaria. Eventually it would be Vietnam who stopped this slaughter of people by the Khmer in 1979.\textsuperscript{138}

Vietnam and Cambodia have always had a tense relationship due to several invasions of the Vietnamese into Cambodia. However, when the Khmer started to invade Vietnam in 1978, the Vietnamese quickly overthrew the Pol Pot government in January 1979. A new government was installed, consisting of the supporters who fled to Vietnam some years before. However the misery was not over for the Cambodians. There was almost no food so again a massive famine broke out and also the civil war was not over yet. The Vietnamese installed government decided to implement the same economic measures as the Vietnamese

had done in their own country. Therefore a lot of companies were nationalized and the economy was closed off for the Western world. So economic recovery was not something that happened either. In the meanwhile the government and the Khmer were still busy fighting with each other so there was also no political stability. The end of the Cold War eventually brought the stability that the Cambodian civilians had wanted for so long and only then it became visible what influence the last decades had on the Cambodian economy.

The data have shown that between 1968 and 1980, so the period that the Khmer gained more influence, the rice production fell dramatically to only 25 percent of the total production in 1968. Although Cambodia, in 1968 had a flourishing export economy in rice, rubber, timber and fishing, there was nothing left of it in 1980. The whole infrastructure, education, health care and money system was destroyed as from the 5000 teachers before the war only 450 survived and from the 5000 doctors only 50 stayed alive. So it is clear that in 1980 the Cambodian economy was at the lowest point it could be when the Khmer was ousted and the new government got the job to build the economy up again.

In the early 1990s, as George Irvin argues in his article “Rebuilding Cambodia’s economy: UNTAC and Beyond”, the economy was again on two thirds of its pre-war level as it had grown with almost 5, 8 percent since 1988. This was however reached with the help of aid donations of the West and the US on which the economy relied heavily. Five years later the income level per capita in US dollars was raised from 100 USD to 200. Also the production of rice and rubber had returned to 1968 standards however there was still a major lack of skilled technicians and professionals due to the genocide of the Khmer. Finally, the inflation rate and the government deficit were growing and on the countryside, there were still epidemics and a high infant mortality rate. So the Cambodian economy was far from being fully restored. Therefore, the decision was made that, just as in Vietnam, the economy needed to be changed from a planned to a market one.

When the decision was made that Cambodia needed a market economy, the agricultural sector was decollectivized and also the industry was decentralized. This meant that it became possible to buy agricultural plots for private use and the foreign trade in

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140 Ibid.
141 Ibid.
142 Ibid.
143 Ibid.
144 Ibid, 3.
145 Ibid, 3.
146 Ibid, 12.
products was liberalized.\textsuperscript{147} In the industrial sector, the state owned enterprises were helped to gradually privatize and prices were freed.\textsuperscript{148} However, this did not seem to be of any help as the financial situation of the country deteriorated even more with a widening of the fiscal gap as the budgetary expenditure stayed 8.5 percent and the revenue dropped from 7.7 to 4.4.\textsuperscript{149} The Cambodian government did not succeed in closing this growing gap as they were forced to raise the wages of civil servants due to the inflation but did not gain anymore revenues. Eventually, the decision was made that more taxes needed to be raised and together with some help of donor countries, like Australia and Japan, the financial situation was finally stabilized.\textsuperscript{150} As it seems that the situation was under control half way the 1990s, this was not really the case if we look at the financial situation of the country nowadays.

François Bafoil discusses this situation in his article “Emerging Capitalism in Central Europe and Southeast Asia”. Cambodia is still one of the most aid dependent countries in the world, whereas especially Japan, Australia, the World Bank and also China have contributed the most to it.\textsuperscript{151} The de-collectivization of the agriculture has not been that much of a success, as almost 77 percent of all plots are still subject of a patronage-client system.\textsuperscript{152} Also the industrial sector is struggling. The wages are still very low, approximately 80 USD per month.\textsuperscript{153} The government does not take action in this as they believe that low wages attract foreign companies. In 2008 the government has tried to create fourteen Special Economic Zones in order to attract more foreign companies, however only four are actually being used nowadays.\textsuperscript{154} This is due to the fact that purchasers in these zones need concession by the head of the state, Hun Sen, to purchase a zone. Hun Sen is part of a small elitist group and political party, the CCP, which rules the country in an authoritarian way.\textsuperscript{155} When the purchaser meets Hun Sen’s criteria he grants his approval. The purchaser then has the responsibility to find investors and to equip the zones with whatever they need, like communal buildings.\textsuperscript{156} Because of all these requirements the amount of enthusiasm to invest in these zones is not that widespread. Cambodia started quite well but the last couple of years the government is not able to pull the economy just a step further and let the Cambodian

\begin{footnotes}
\footnote{Ibid, 12.}
\footnote{Ibid, 13.}
\footnote{Ibid, 14.}
\footnote{Ibid, 16.}
\footnote{François Bafoil, Emerging Capitalism in Central Europe and Southeast Asia: A Comparison of Political Economies (New York, Palgrave Macmillan, 2014), 90, accessed September 10, 2015.}
\footnote{Ibid, 91.}
\footnote{Ibid, 93.}
\footnote{Ibid, 95.}
\footnote{Ibid, 102.}
\footnote{Ibid, 96.}
\end{footnotes}
citizen really profit from it. However in the upcoming page I will assess and analyse the three freedoms according to Sen and see if they did develop more than the economy did.

§3.2 Chances of survival

Just as I did with the analysis of the three freedoms in Vietnam I will start the analysis by using the document “The State of World’s Children” by UNICEF. I will use the exact percentages of the different indicators to asses if there is freedom. I will then continue by explaining and analysing these numbers further with the help of historical information. It is essential that I use these indicators as Sen has explained and used them also in his assessment of the four freedoms. The only thing that differs from the analysis of Vietnam is that I will introduce the numbers of the period the Khmer was in charge to show what the effect was that this regime had on the further development of Cambodia. This is something that Sen does not do but I chose to do so to make the theory even more specified for Cambodia with the help of the article of Damien de Walque “The socio-demographic legacy of the Khmer Rouge period in Cambodia”. This first freedom, of the chance of survival, consists of several indicators to help analysing if there really is such a chance.

Table 3. Indicators for establishing the chance of survival

<table>
<thead>
<tr>
<th></th>
<th>Cambodia</th>
<th>South Asian region</th>
</tr>
</thead>
<tbody>
<tr>
<td>Drinking water facilities</td>
<td>68% improvement in comparison to 1990.</td>
<td>90% improvement in comparison to 1990.</td>
</tr>
<tr>
<td>Sanitary facilities</td>
<td>31% improvement in comparison to 1990.</td>
<td>38% improvement in comparison to 1990.</td>
</tr>
<tr>
<td>Skilled attendants at birth</td>
<td>71% in 2012</td>
<td>49% in 2012</td>
</tr>
<tr>
<td>(health care system)</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>56 (1990)</td>
<td>59 (1990)</td>
</tr>
<tr>
<td></td>
<td>65 (2011)</td>
<td>66 (1990)</td>
</tr>
<tr>
<td></td>
<td>8 (2011)</td>
<td>8 (2011)</td>
</tr>
<tr>
<td></td>
<td>44 (1990)</td>
<td>33 (1990)</td>
</tr>
<tr>
<td></td>
<td>22 (2011)</td>
<td>23 (2011)</td>
</tr>
<tr>
<td>---------------</td>
<td>-----------</td>
<td>-----------</td>
</tr>
<tr>
<td>Underweight</td>
<td>28% in 2011</td>
<td>37% in 2011</td>
</tr>
<tr>
<td>Stunting</td>
<td>40% in 2011</td>
<td>39% in 2011</td>
</tr>
<tr>
<td>Wasting</td>
<td>11% in 2011</td>
<td>16% in 2011</td>
</tr>
</tbody>
</table>


If we also take a look at the population structure of the country, it is clear what the effects of the high birth and death rate have been. The group that is born before 1976 is way smaller than the group that is born in the 1990 as Table 2 shows. So this proves that the genocide of the Khmer Rouge has had an influence on the population structure as it is nowadays, just as it has had an influence on the birth rate.

Table 2. Population structure Cambodia

![Age pyramid, Cambodia 2008](image)


When Cambodia opened up in 1990 it became clear that the birth rate was even higher than in 1970. This was due to the fact that the people started to reproduce after the Khmer was ousted to build up a new family and live. During the Khmer Rouge regime it was quite impossible to reproduce as research has shown that malnutrition has a major influence on the fertility of women.

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158 Ibid, 4.
159 Ibid, 4.
160 Ibid, 4.
The first explanation that can be found to explain the rise in life expectancy and the improvement in health care are that there have been some changes in the health care system.\textsuperscript{161} After the period of the civil war it was inevitable that something needed to be done to improve the health care system in the country. As the article of Bhushan et. al. shows that in the mid of the 1990s the spending on health care was not very much of a priority for the government, as only 2 USD per capita were spend on it.\textsuperscript{162} However this changed at the end of the 1990s as the Ministry of Health Care started to search for a method to see if NGOs and private firms would be able to deliver health services.\textsuperscript{163} This was done through a trial where two categories were created. Contracting-in which meant that the contractors were forced to work within the current management system of a health care facility and contracting-out, in which they got all the freedom to manage the facility as they wanted.\textsuperscript{164} Eventually it turned out that contracting-out had the most positive effects as it reduced the financial burden for the poor from approximately 35 USD to only 4 USD.\textsuperscript{165} It had also a positive influence on the amount of infant, child and maternal mortality.\textsuperscript{166} Because of this success the government decided to continue with this program and nowadays the health care system is still ruled by private and public parties. However, this program is not the only part of the Cambodian health care structure as there are also health equity funds and community based health insurance programs that make it possible that the living situation of the Cambodians improved.\textsuperscript{167}

First, health equity funds are a health insurance, introduced in 2000 by Medecins sans Frontiers for the poorest Cambodians. These funds pay the costs that their “members” make to the public health care facilities. Secondly, there are community based health care insurance programs that are issued since 2006. These cover the health costs of communities that are quite poor and do not have adequate facilities near their community.\textsuperscript{168} So it can be concluded that the health care system has expanded since the early 2000s and because more people are being able to receive medical help, it is safe to say that that these programs have contributed to a higher life expectancy, more skilled attendants at births and overall to a healthier population.

\textsuperscript{162} Ibid.
\textsuperscript{163} Ibid.
\textsuperscript{164} Ibid.
\textsuperscript{165} Ibid, 10.
\textsuperscript{166} Ibid, 11.
\textsuperscript{168} Ibid, 9.
Next to this first reason, also the economic recovery of the country can be attributed to the decrease in malnourished people and the drop of the death and birth rate. As was shown before, the death rate dropped quite quickly after Cambodia opened itself up to the Western world and also the life expectancy rose. Even though, as discussed earlier, the economic situation of the country is far from ideal, some improvements have been made. The minimum wage went from 61 USD to 80 USD. As the agriculture is decollectivized, the production of the fields has risen so there have been fewer famines. However, because of the fact that the country is still very aid dependent it is unclear how much of this economic recovery and also of the health care system will stay intact if the donors decide to withdraw their aid.

So to conclude, there are several positive points that can be identified that have improved the chance of survival for the Cambodian citizens. Due to the economic recovery and issuing of health insurance plans, there has been an improvement in bringing down the number of malnourished people and rising the life expectancy. However, on the negative side there are also some points present. First, the amount of drinking water and sanitary facilities is not sufficient enough for the whole population. And second, a lot of these advancements are created with foreign aid. This is something that has helped to improve the rise of the life expectancy and the number of malnourished people. But it has also a major downside effect. As long as the money keeps on coming, the government is not “forced” to change the policies as they are now and the amount of corruption and poor governance decisions keep on growing. In the end, the balance shifts a bit more towards the positive side as the Cambodian government did issue a health insurance program that improved the malnutrition percentage and life expectancy.

§3.3 Equality between men and women
The second freedom that Sen defines is the equality between men and women within a society. I will use the document of UNICEF for the different indicators that there are to define the amount of equality. And then I will explain these numbers with the help of documents that analyse what the government has or has not done to support this equal situation.

Table 4. Indicators for equality between men and women

<table>
<thead>
<tr>
<th></th>
<th>Cambodia</th>
<th>South Asian region</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adult literacy rate (% of women that are literate in comparison to men)</td>
<td>80%</td>
<td>69%</td>
</tr>
<tr>
<td>Life expectancy (percentage increase for women in comparison to men)</td>
<td>105% increase in comparison to the period before 2008</td>
<td>104% increase in comparison to the period before 2008</td>
</tr>
<tr>
<td>Enrolment primary education (percentages of girls in comparison to boys)</td>
<td>95%</td>
<td>98%</td>
</tr>
<tr>
<td>Enrolment secondary education (percentages of girls in comparison to boys)</td>
<td>90%</td>
<td>91%</td>
</tr>
<tr>
<td>Fertility rate</td>
<td>2.5</td>
<td>2.7</td>
</tr>
</tbody>
</table>


To start with, there is first the enrolment ratio difference between boys and girls, as the table shows. The amount of girls that enrol into primary or secondary education is still much lower than the amount of boys enrolled. This can be explained by the presence of traditional gender relations. The Cambodian society is one that has a hierarchical structure. Women are considered to have a lower status than men.\(^{171}\) Also the woman in the family is still seen as the main caretaker and household manager, without really being able to take decisions about the household and the money as the man usually does that.\(^{172}\) As research has shown in Elizabeth Morris’s article, money also plays an important role in the decision to send a girl to school.\(^{173}\) Usually there is only money for one child to be send to school and preference is given to boys. Also girls are expected, because of the presumed traditional role they will have when they are married, to take care of the household, and education is seen as something not of added value.\(^{174}\) The Cambodian government does seem to want to change this low enrolment ratio amongst girls as they have given around twelve NGOs the permission to start

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\(^{172}\) Ibid, 2.


\(^{174}\) Ibid.
training courses for girls. With these trainings language, computer and entrepreneurial skills are being learned to the girls and women that are interested. Nevertheless, the results are quite disappointing as surveys show that only 1.7 percent of the target group really has participated in such trainings. So even though the will is there to change something, the traditional gender roles present in the Cambodian society plus the economic problems most families have, seem to make it quite hard to let the enrolment ratios of girls grow.

Second, there is the literacy rate amongst women, which can be improved a lot. As the report of Elizabeth Morris “Promoting employment in Cambodia” analyses the gender gap in literacy exists especially amongst older girls and boys. The fact that this is the case can be explained by the evidence that education has become more of a priority for the Cambodian government the last decade. The female generations before that usually did not get the chance to go to school as there was no money or there was not even any education available. The last decade the Cambodian government seems to think that education for both sexes is important as the article of the Asian Development Bank shows. In this article it is shown that it is determined that in 2020 Cambodia has to reach more gender equity in education. Since 2011 this plan is supported by the Cambodia Country Partnership Strategy, which also consists of the Cambodian government. This gender equity can be reached, according to the plan, through different Enhancing Education Quality Projects and other technical and vocational education projects. The goal that can be reached is that “through more gender equity in education and vocational training, better quality of the workforce and more inclusive growth in Cambodia” are created. So therefore it seems that the Cambodian government is willing to do something about the gender gap in literacy.

Therefore after these analyses it is possible to identify the indicators that have changed positively and the ones that did not changed at all. Unfortunately in this category it is clear that there has only one, minor positive improvement and that is the issuing of some educational trainings and programs by the Cambodian government in order to try to solve the inequality between girls and boys. However, the majority of the indicators give a negative result after assessing them. Namely, the literacy rate of women and also the enrolment ratios are still too low to be able to conclude that they get the same educational opportunities as

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175 Ibid. 62.
176 Ibid. 62.
177 Ibid. 62.
178 Ibid. 57.
180 Ibid.
181 Ibid.
most men or boys. Also the presence of the traditional gender roles of men and women seem to be blocking any progress in this area, even though the Cambodian government seems to try to improve this situation by issuing several kinds of programs and trainings. So therefore it is possible to conclude that the balance here shifts definitely a lot more to the negative side, as the negative results of the literacy and enrolment ratios eventually outweigh the only positive result, which were the programs the Cambodian government tries to implement.

§3.4 Existence of political, civil and economic rights

The last category of freedom is the existence of political, civil and economic rights. This category can be assessed by looking at the amount of freedom that the media and civil society organizations have, how much value is given to the idea of democracy by the Cambodian government and how much economic security there is. I will start analysing the political system in Cambodia and on the basis of that I will determine how much freedom and democracy there really is.

When in 1991 the Paris Peace Agreements were signed and there officially came an end to the civil war in Cambodia, the intention was to lay the foundation for a democratic system within the country. Together with these agreements a Constitution was created which highlighted that “not only competitive, free, and fair elections but also civil liberties, civilian control over undemocratic institutions (like the military), and democratic rule under which civilian leaders are effectively kept from abusing their power” must be created. However this idea never really came into practice as in 1997 a violent coup was staged by Hun Sen and Cambodian politics would never be democratic again.

Politics namely are dominated by the CCP under the leadership of Hun Sen. The power of the party is based on repressive measures to control the police, judiciary system and the military. Therefore there is a lot of corruption present in the political system as family networks are being used extensively to get certain people on certain political positions. There also seems to be a kind of symbiotic relationship between the business sector and the CCP. In turn for their support, most businesses get a free ticket to whatever they want, for example land to deforest and money laundering activities are not being

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183 Ibid.
184 Erik Paul, Obstacles to Democratization in Southeast Asia: Cambodia (Palgrave MacMillan, 2010), 40.
185 Ibid, 41.
186 Ibid, 41.
punished. Furthermore it can be concluded that there is almost no opposition present within the country. For the outside world Hun Sen does seem to have opposition parties facing him, but as Erik Paul explains in his article, these parties are created by Hun Sen himself with people that actually support him but play the game along to act as if they are on the opposition side. Sen probably even pays them as long as these people do not become too ambitious. The only opposition party that seems independent is the SRP but everything is done to restrict their area of freedom. The party itself is quite unstable as it does not really have a clear political message and its popularity is mainly based on one man within the party, Sam Rainsy. So there is not much to work with. However, the CCP also blocks the opposition as in election time they dismantle the media outlets of the party and they get limited access to other media facilities. So there is not really any political opposition possible as it is clear that also the media is controlled by the CCP. The reason why Hun Sen can do all these things is accompanied by the fact that there is also not an independent, fair justice system present in the country.

Justice, police and military are repressed and controlled by the CCP. As the Amnesty International report says about the judiciary, “the system is subject to arbitrary and unconstitutional direct interference by the executive branch of government, undermining human rights protection and preventing the independent administration of justice”. The reason why it is so easy for the CCP to control the judiciary has a historical reason. Due to the Khmer Rouge regime the amount of doctors, teachers, judges and lawyers was drastically reduced to almost zero. Therefore the amount of experience and knowledge in the legal system was almost non-existent and it became easy for the political parties to win the lawyers and judges that were present in the country for their side. So besides that most of these judges are corrupt, the amount of corruption in de country also has a historical reason that cannot be forgotten. Nevertheless there seems to be no justice or at least an attempt to give the Cambodian people a fair trial and to protect their rights and that is something that is a major problem within the country. Finally, the police and military are known for their lack of fairness. As they are controlled by the CCP, they are used to silence any kind of opposition. Research has shown that since Hun Sen and his political party came to power in 1997, dozens

187 Ibid, 42.
188 Ibid, 41.
190 Ibid, 89.
191 Ibid, 93.
192 Ibid, 94.
193 Erik Paul, Obstacles to Democratization in Southeast Asia: Cambodia (Palgrave MacMillan, 2010), 43.
of journalists and political opponents have been arrested and assassinated.\textsuperscript{194} So just as it is the task of the judiciary it is also the task of the police and military to protect the citizens, however this task is not taken seriously by all three groups.

This major presence of corruption also has an influence on the economic security and development the Cambodian government should give the country. As research has shown by the chapter of Phurichai Rungcharoenkitkul, one of the reasons why Cambodia does not really develop economically more is because foreign investors do not look at Cambodia as an attracting place to invest in, due to the high amount of corruption.\textsuperscript{195} Further the lack of infrastructure, which is something that the Cambodian government does not invest in, is named as the reason for not choosing to invest in this country.\textsuperscript{196} So without these investments Cambodia does not seem to be able to develop itself further. Therefore it is stuck in a very narrow export market namely the one of the low-skilled garment industry.\textsuperscript{197} Usually most countries, like Vietnam and Thailand, start out in this industry but then develop further into more high skilled industries as their incomes grow. Due to the high corruption and the lack of infrastructure, Cambodia misses out on further investments that would make it possible for it to grow further and raise the income of its people. Therefore it can be concluded that the government denies the people an economic security with its corrupt policies.

So, within the category of this freedom it is possible to identify if all the indicators eventually shift more to the positive or negative side. Unfortunately there is nothing to identify on the positive side and every indicator is eventually more present on the negative side of the balance. First, the CCP is the ruling party which controls the judiciary, police, military and media. Opposition parties are almost non-existent and if they exist everything is being done to make it impossible for them to voice any critique. Also the corruption has influenced the amount of foreign investments that are being made in the country, which then blockades the growth of the economy. Because of this lack of democracy and freedom it is possible to say that the balance here shifts entirely towards the negative side within this freedom.

\textsuperscript{194} Ibid, 43.
\textsuperscript{196} Ibid.
\textsuperscript{197} Ibid, 10.
§3.5 Conclusion
In conclusion, to what extent can Cambodia be called a developed country? In the whole chapter I have tried to balance the positive and the negative sides of first the economic growth and later onwards of the three freedoms to each other. To start with the economic development, the balance was more on the negative side there. They started and did quite well in the 1990s with growing economically, but the growth has stopped the last couple of years due to the lack of investments that need to be made by the government and its political climate. So a next step will be necessary to shift the balance somewhat more towards the positive side. After the economic development, there was the first freedom of the chance of survival. Here the country shifts more to the positive side of development. The government has brought down the number of malnourished people and also made improvements in the case of the health care system. However, the negative side here is the amount of drinking and sanitary facilities and also all the improvements are made with foreign money. So without this foreign aid the government would not be able to do anything. Furthermore, the next category of freedom, the amount of equality between men and women shifts the balance to the negative side. There is still much inequality between men and women, which is reflected in the enrolment ratios of girls on schools and the literacy rate.

Finally, the amount of political, civil and economic rights also is very much on the negative side of the scale. The country does not have a democratic system, there is no freedom for the media, and the lack of these two features has an influence on the creation of economic security for Cambodian civilians. Overall, the conclusion therefore is that only one of the three indicators shifts to the positive side and the rest is more negative. Cambodia is therefore a low developed country as all three freedoms in the end still need much more development and input from the Cambodian government. Also even though Cambodia is not meeting two of the three requirements to be called developed it does not seem that there are many movements to change this situation. The CCP seems not on planning to change the political system and as long as that does not change it seems also impossible to attract more foreign investments and thereby improving the situation of the Cambodian citizens.
The last of the three old Indo-China countries which I will analyse is Laos. The question that I will answer this chapter will be: to what extent can Laos be called a developed country? Laos is maybe the least well-known country of the three. In articles and on schools most attention is given to Vietnam and Cambodia because of their more tumultuous history. However, also Laos was affected by the US and its domino theory and experienced a communist takeover. After the fall of the Soviet Union, the country tried to gain a more important role on the world stage and grow economically. Whether this is something they have succeeded in I will assess the upcoming pages. After the analysis of its historical and economic development and thereby creating the context for all the different developments Laos has gone through, I will, just as with Vietnam and Cambodia, analyse if the three freedoms are present in the Laotian society and what the Laotian government has done to establish these freedoms. At the end I will therefore conclude to what extent Laos really can be called a developed country.

§4.1 Laos its historical and economic development

Also Laos, just as the two other Indo-Chinese countries, has a tumultuous political history. After the country became independent in 1954 there were immediately two parties fighting to take over the power. On the one side there was the pro-communist Pathet Lao and on the other side there was a guerrilla group that was US sponsored.\textsuperscript{198} Eventually the guerrillas under leadership of Souvanna Pouma and the US started an aid program to support the country.\textsuperscript{199} With the Vietnam War the “peace” was over in Laos as North Vietnam came to the conclusion that Laos would be a perfect sanctuary for US bombings.\textsuperscript{200} The US, as a result, started to bomb Laotian territory and in this way the country was dragged into a war it had nothing to do with. Eventually in 1973 the Laotian Peace Accords were signed as the US withdrew from the region. The war plus the withdrawal of the US had as a result that in 1975 the Pathet Lao became the ruling party within Laotian politics, making the country communistic.\textsuperscript{201} This communist victory had a large impact on the population and economics.

First, the old Laotian politics were based on a small group of elitists.\textsuperscript{202} These people, when the Pathet Lao came to power, fled to neighbouring countries or underwent “re-education” programs ordered by the new government “to clean them of their bourgeois

\textsuperscript{198} Clark Neher, \textit{Southeast Asia in the International Era}, (Westview, 2002), 264.
\textsuperscript{199} Ibid.
\textsuperscript{200} Ibid, 265.
\textsuperscript{201} Ibid, 266.
\textsuperscript{202} Ibid, 266.
mentality”. Therefore the country suffered a great loss of more educated people. Also the new leaders decided to change the economic policies. The new politics were focused on distribution and marketing systems, agricultural taxation and property rights. Private enterprises were abolished which resulted in the creation of a public trading network, next to the free market system that already existed. Farms were collectivized, based on a village cooperative system. Through this collectivization they hoped to gain more control over the population and additionally that the production would get a boost by increasing the amount of land under cultivation. Due to the fact that the US withdrew its aid, which meant a termination of more than 90 percent of the government its budget, they were forced to implement an agricultural tax collection system. The Pathet Lao did not create these ideas by themselves as they saw Vietnam as their major role model. Their goal was to let their state planning come into line with the five year plans of the Vietnamese government. However, just as in Vietnam, this model did not work and soon there were major problems with it.

One of these problems was that because the Laotian agricultural society was so used to small scale individual land holdings, the opposition to this system was quite large which resulted in smuggling, emigration and destruction of the agricultural output. A more gradual approach had probably given better results, but this was something that the government did not do. The collectivization was put to halt in 1979 and the government declared that their priority was now more on gaining an increased production and on improved living standards, in order to obtain political stability. However, the agricultural production level would never become the same again as next to some external causes like floods and droughts, the government took the wrong policy decisions. Also the country was still very much aid dependent, this time on Soviet aid, as 80 percent of the annual revenue came from foreign money. At the end of the 1980s, the government decided, again, to try to change its economic policies by announcing a new round of economic reforms.

The government launched the New Economic Mechanism. First, this mechanism called for the decentralization of production targets, wages and pricing. Policy decisions in

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203 Ibid, 266.
205 Ibid.
206 Ibid.
207 Ibid.
210 Ibid, 178.
211 Ibid, 178.
212 Ibid, 180.
these areas would be taken by local economic units. But the most important change the mechanism proposed was the granting of direct access to international markets to state enterprises.\textsuperscript{213} In the agricultural sector trading surplus production for commodities was supported, so the small goods economy was also stimulated. Within the industrial sector more companies were privatized so it seemed that the Laotian economy began to shift from a command to a market driven one, just as its neighbours had done at the end of the 1980s.\textsuperscript{214}

During the 1990s these changes continued, however the country was still very much aid dependent. Namely after the collapse of the SU, it became dependent on Chinese, Thai and Japanese help.\textsuperscript{215} When at the end of the 1990s, the Asian financial crisis broke out this also affected the Laotian economy. Their currency, the kip, was depreciated and therefore the amount of foreign investments and export dropped.\textsuperscript{216} Eventually over the 2000s the economy recovered somewhat. But as a result of inefficient use of the aid it is still very foreign aid dependent as 20 percent of the GDP is based on this aid.\textsuperscript{217}

So on the one side, Laos has definitely made some economic improvements the last decades. However, on the other side, it is still far from being economically developed the way it should be. Being so dependent on foreign aid and never having “enough” of it means that the economic policies of the Laotian government are not working or are not the right ones for the economic situation. Therefore in the end, the economy is still not developed enough and also the country its GDP depends for more than 20 percent still on foreign aid.

\section*{§4.2 Chances of survival}
Just as with the analysis of Cambodia and Vietnam, I will put the several indicators that will establish the amount of survival into a table. It is essential that I use these indicators as Sen has explained and used them also in his assessment of the three freedoms. Just as before I will use the document “the State of the World’s Children” by UNICEF to extract the percentages of improvement between 1990 and 2011/2012 of all these different indicators and I will then, with the help of several other documents, explain and analyse the percentages.

\begin{footnotesize}
\begin{itemize}
\item \textsuperscript{213} Ibid, 181.
\item \textsuperscript{214} Ibid, 181.
\item \textsuperscript{215} Ibid, 183.
\item \textsuperscript{216} Ibid, 183.
\item \textsuperscript{217} Ibid, 189.
\end{itemize}
\end{footnotesize}
Table 5. Indicators for establishing the chance of survival

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Laos</th>
<th>South Asian region</th>
</tr>
</thead>
<tbody>
<tr>
<td>Drinking water facilities</td>
<td>67% improvement in comparison to 1990.</td>
<td>90% improvement in comparison to 1990.</td>
</tr>
<tr>
<td>Sanitary facilities</td>
<td>63% improvement in comparison to 1990.</td>
<td>38% improvement in comparison to 1990.</td>
</tr>
<tr>
<td>Skilled attendants at birth (health care system)</td>
<td>20% in 2012</td>
<td>49% in 2012</td>
</tr>
<tr>
<td></td>
<td>54 (1990)</td>
<td>59 (1990)</td>
</tr>
<tr>
<td></td>
<td>67 (2011)</td>
<td>66 (2011)</td>
</tr>
<tr>
<td></td>
<td>6 (2011)</td>
<td>8 (2011)</td>
</tr>
<tr>
<td></td>
<td>42 (1990)</td>
<td>33 (1990)</td>
</tr>
<tr>
<td></td>
<td>22 (2011)</td>
<td>23 (2011)</td>
</tr>
<tr>
<td>Underweight</td>
<td>31% in 2011</td>
<td>37% in 2011</td>
</tr>
<tr>
<td>Stunting</td>
<td>48% in 2011</td>
<td>39% in 2011</td>
</tr>
<tr>
<td>Wasting</td>
<td>7% in 2011</td>
<td>16% in 2011</td>
</tr>
</tbody>
</table>


It seems that there is still much inequality within Laos as these indicators show. Almost every indicator displays that Laos is performing below the average of the region.

There can be several explanations found for the way the indicators are as they are. First, there can be an explanation found to analyse the improvement in life expectancy and the fact that the percentage of underweight is doing better than the region. Namely this has to do with the health care improvements that have been made the last decades. As the article of Chandavone Phoxay “Influence of Women’s knowledge on Maternal Health Care Utilization in Southern Laos” shows, the health care system of Laos has expanded since the economic reforms in the 1990s.\(^\text{218}\) Before 1975 all health care facilities were free of charge but these

facilities were only public then and they were hard to reach for people who lived in more remote areas.219 After 1990, it was allowed to found a private clinic so the availability of health care grew.220

But not only has the privatization helped to let the availability of health care grow, also the number of pharmacies increased. As Bounthavy Sisouphatong his article shows, of the total amount of health care facilities in Laos two thirds is a pharmacy.221 Therefore the share of self-medication has risen. However as the table also shows, the presence of skilled attendants at births is still very low and that is also a consequence of how the health care system is organized. At the moment the distribution of skills is unequal as still most hospitals and doctors are located in cities.222 As most Laotians work in the agricultural sector (84.7%) the majority also lives on the countryside even though the most skilled doctors are not present there. So that explains the low percentage of skilled attendants at births, as those are usually not present on the countryside. However, there are more explanations found, next to the structure of the health care system, which can explain the low percentages of performance of Laos.

Also the percentages of water and sanitary facilities can be explained. The fact that water facilities are less far improved than the region its average is again connected to the fact that the rural population usually lives in too remote areas or is too poor to get connected to the water system.223 People use the river as a drinking water facility but they also use this water to flush the latrines.224 Therefore the amount of safe drinking water is drastically reduced. However, the Laotian government has seen that this is a major problem and the last couple of years encourage private sector participation in the development of clean water facilities and creating Water Safety Plans.225 All water supplies are decentralized so the seventeen provinces have to take care of themselves by deciding how to expand their water supply system. However the Ministry of Health encourages these Water Safety Plans by giving local officials training in how to fundraise at private investors. So therefore it is possible to

219 Ibid.
220 Ibid.
222 Ibid, 135.
223 Ibid, 42.
224 Ibid, 42.
conclude that the Laotian government does care about this problem. However there is still a lot to do to give every Laotian a chance to clean drinking water.

Finally there is also the quantity of underweight, stunting and wasting within the country. These percentages are still quite high, even though the percentage of underweight is under the average of the region. However the Laotian government is busy to improve these numbers even more. In 2007 the government committed itself to the obligations of the “Right to Adequate Food.” They did that by ratifying the International Covenant on Economic Social and Cultural Rights “to ensure that all Lao citizens would be able to avail of their fundamental right to be free from hunger”. In order to keep their promise they immediately started by issuing the National Nutrition Policy, which states that its goal is to reduce malnutrition and morbidity and mortality risks by all ethnic groups within the state. However even though there is the good will of the government they have trouble to implement their policy in the whole country due to the large amount of people living in remote areas. Therefore more needs to be done to be able to help everyone. A good start with that was made by the direction the economy has started to move in the last couple of years. Because the Mekong River flows through the whole country the Laotian government has chosen to take advantage of that and invest in building a water energy central which can generate hydraulic power. This power then is exported to neighbouring countries and has contributed to a growth in the economy the last couple of years. Due to the initiatives the Laotian government has taken with the health care system, expanding the economy and the nutrition, the amount of underweight has decreased and the life expectancy has increased.

However, after this analysis it is possible to make up the balance. On one side, the positive one, Laos has tried to make some improvements to increase the chances of survival for its citizens. These especially included the privatization of the health care system, the creation of Water Safety Plans and the ratification of the International Covenant on Economic Social and Cultural Rights. However, there are also some indicators that are present on the negative side. Because agriculture is still the most important source of income for a lot of people, they keep on living in remote areas that are hard to reach for the government and are far from being developed. The initiatives and ratifications that the government has done are a good start. However they also have a hard time implementing them as they are especially still

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227 Ibid.
dependent on foreign aid to sponsor these projects. So eventually it seems that the balance shifts almost totally towards the negative side within this freedom, as initiatives are taken but they are not implemented adequately enough and therefore the average Laotian citizens has not benefitted enough of it.

§4.3 Equality between men and women

The second freedom of Sen, the equality between men and women, I will also set out in a table by using the same indicators I have with Vietnam and Cambodia.

Table 6. Indicators for equality between men and women

<table>
<thead>
<tr>
<th></th>
<th>Laos</th>
<th>South Asian region</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adult literacy rate (% of women that are literate in comparison to men)</td>
<td>77%</td>
<td>69%</td>
</tr>
<tr>
<td>Life expectancy (percentage increase for women in comparison to men)</td>
<td>104% increase in comparison to the period before 2008</td>
<td>104% increase in comparison to the period before 2008</td>
</tr>
<tr>
<td>Enrolment primary education (percentages of girls in comparison to boys)</td>
<td>93%</td>
<td>98%</td>
</tr>
<tr>
<td>Enrolment secondary education (percentages of girls in comparison to boys)</td>
<td>83%</td>
<td>91%</td>
</tr>
<tr>
<td>Fertility rate</td>
<td>2.7</td>
<td>2.7</td>
</tr>
</tbody>
</table>


Just as within the previous category it becomes clear that Laos stays somewhat behind within the region its average. This can be explained by looking at the fact whether the government is trying to improve this situation or not.

Historically, Laos has always been one of the few countries which had a matrilineal heritage.\(^{229}\) This meant that after marriage, men moved to the family home of their wife and

also that the daughter took care of their parents and received the land and home of her parents when they died. However this has changed when the New Economic Mechanism was implemented at the end of the 1980s. From that moment on society became more patrilineal as the land legislation and land titling became the right of the male. It seemed the matrilineal line also started to created disadvantages for the women as their traditional roles were used against them now. In the old Laotian culture, before the infiltration of the market economy, caring for your family was something that was highly valued.

However, since the New Economic Mechanism was implemented the value of taking care of your family was degraded and so the women were. Now the men started to bring into the household what was needed. Therefore this degradation of the traditional Laotian culture has had an influence on enrolment ratios for girls. Education is not seen as something that could add value to a woman her life so if a family had to choose who to send to school, they chose the boys over the girls. If girls get the chance to finish their primary school, most of the time the value of secondary education for them is not seen at all as they usually marry at a young age.

Because of the low enrolment ratios also the amount of literate women is below the average of the region. However, the Laotian government has tried to improve the literacy rate, starting in 1975 already. It was something that was very much necessary as due to the war a lot of educated people had left the country so new well-educated people were necessary to build up the country again. Therefore the government issued four non-formal education programs to increase the literacy rate. The programs also founded community learning centres whereby education became more easily available for the people living in remote areas. As most Laotians do live quite isolated this was something that definitely helped as evidence shows. In 2007 almost 113 thousand people participated in this program, of which 63000 were female. So even though the number of women that can read is still below the region its average, there has been an improvement. The government is willing to invest in increasing this rate as it heightens its budget for these programs every year with the help of foreign financial aid.

230 Ibid, 66.
231 Ibid, 71.
232 Ibid, 74.
235 Ibid.
236 Ibid, 15.
Finally, there is the fertility rate which is exactly the number of also the South Asian region. Laos still has quite a high fertility rate due to several reasons. First, as research has shown in the article of Takahashi “Fertility decline in a village in Laos”, the two largest cities within the country do have a low fertility rate that lies below the average of the country. This is due to the fact that because of the globalization, women in these cities get more connected to the world, see what the norms are in the Western world and therefore decide not to marry at a very young age and to get birth control. However, as there are few large cities in the country, a lot of Laotians still live without knowing about Western values and continue with their traditional values of marriage at a young age and not to use birth control. Nevertheless in villages where the Western world does infiltrate more, the education attainment improves and also the fertility rate drops. This is due to the fact that girls and women learn about birth control and the advantages of this. Also girls marry and get children at a later age. But unfortunately there are very few villages in Laos who have reached that stadium yet so therefore the fertility rate is not as low as for example in Vietnam.

So also after this analysis it is possible to see if the indicators shift more to the positive or negative side of the balance. On the positive side the government has invested in educational programs and through the economic growth let Western values penetrate their culture. However, on the negative side, due to the lack of general development in most rural villages, the patrilineal ideas are still very much present and also the lack of education for women makes it impossible to decline the fertility rate and increase the enrolment ratios for primary and secondary education. So also in this freedom category the balance eventually shifts almost entirely towards the negative side as inequality is still present between men and women in the Laotian society.

§4.4 Existence of political, civil and economic rights
The last freedom is the existence of political, civil and economic rights. I will assess this, just as with Cambodia and Vietnam, by looking at the amount of freedom given to the media, civil society organizations and how much value is given by the government to the principles of democracy and economic security. First I will start with analysing the political system of Laos to see how much democracy there really is within the country.

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239 Ibid, 7.
240 Ibid, 7.
241 Ibid, 7.
By reading the article of Erik Paul “Obstacles to Democratization in Southeast Asia”, it becomes quickly clear to me that Laos is not a democratic state at all. Power is controlled by the Lao People's Revolutionary Party (LPRP). 242 The party is organized in such a way that the actual power is centralized within the Political Bureau of the Central Committee, by just a few high-ranking military men. 243 Civil society and also the media are not free at all, as all the media stations, newspapers and radio stations are owned by the state party. 244 Also the civil society organizations are part of the LPRP as the mass organization of the party, the Lao Front for National Reconstruction incorporates all kinds of civil society groups like trade unions and a women’s union. 245 The only kind of resistance towards the regime comes from overseas, where Laotians who once fled the country try to challenge the current situation within their home country. 246 However, until today these groups are not very successful and they are also not operating within Laos so it is safe to say that the media and civil society organizations within the country do not experience any kind of freedom.

Nevertheless, the Party does want to pretend that it supports democracy as they keep talking in official records about “developing democracy”. 247 But this is just a name as in reality this means expanding the number of “directly elected local government posts, ensuring that the Communist Party listens more attentively to state officials and widening the number of ruling-party members who are allowed a role in choosing top leaders”. 248 Besides calling themselves busy in expanding democracy, they also thought that by allowing Western NGO’s into their country they did enough to let the outside world believe that they enhance democratic principles. These NGO’s have tried to work on governance related areas with the Laotian government, however as the analysis here above shows, this has not had major successes yet. 249

The LPRP justifies its actions towards the rest of the Laotian society by legitimizing this actions based on the communists ideology, but at the moment have shifted towards the Buddhist one, with an authoritarian form implemented in it. 250 The Party has “changed” the Buddhist values into ones that benefit their policies and in the hope to gain more support from

242 Erik Paul, Erik, Obstacles to Democratization in Southeast Asia: Laos (Palgrave MacMillan, 2010), 57.
244 Ibid, 59.
245 Ibid, 59.
246 Ibid, 64.
248 Ibid.
249 Ibid.
250 Ibid, 60.
the population. Especially the values about “reverence for life and death and the spirit of ancestors and acceptance of life’s conditions based on reincarnation” are being manipulated. The government stimulates young boys to go into a monastery and there they learn to worship a new kind of constructed nationalism, which supports unity, discipline and is meant to substitute the education the boys otherwise would have had. So it can be said that the Party seems to “brainwash” its population. However, that is not the only problem as next to the lack of freedom and democracy, also corruption is wide spread.

Corruption is the way of doing business in Laos. To get further on the career ladder you have to have connections within the Party or have money to pay for your positions. It is widely known that the LPRP uses the state banks to finance its own projects without paying back. This has a major influence on the trading deficit of the country, as this one is negative for decades already. As Paul summarizes “corruption in that sense is part of the economic cost of doing business in a low-income society with a weak and underpaid administration, and where positions of power are largely self-financed”.

Unfortunately due to the amount of corruption is it not possible to give the citizens any sense of economic security. The last decade Laos has attracted more foreign investments especially in the mining, gold and silver industry. To gain some kind of revenue from this investment the government has leased the large areas of land to these companies so they could develop their industries there. However, the backside of the story is that because of this leasing first a lot of viable farmland has disappeared and second, farmers living on this soil had to move or were removed. These farmers got no compensation for losing their land and source of income so they will have no economic security anymore.

Not only the mining and agricultural industry has received much foreign investments, the Laotian government has also found out they can make a lot of money by generating hydropower. However for building dams the Laotian government needed to attract more foreign investors. It seems a wonderful, innovative project nevertheless, the reality is that the ordinary people of Laos do not see any financial return of it. And again for this project thousands of people need to be relocated, getting no compensation for their losses.

\[\text{References}\]

251 Ibid, 60.
252 Ibid, 60.
253 Ibid, 61.
254 Ibid, 60.
255 Ibid, 60.
256 Ibid, 60.
257 Ibid, 61.
258 Ibid, 61.
259 Ibid, 62
260 Ibid, 63.
So even though the LPRP attracts a lot of investments, the Laotian people do not see any revenues and only lose more of their economic security when the government has set its mind to a new project again.

After this analysis it is possible to conclude that there are actually no positive indicators found within this freedom as it is very much absent within Laotian society. The media and civil society organizations are repressed and controlled by the LPRP. Also the political system does not work in a democratic way, even though they want to pretend and show the outside world that they acknowledge democracy. The state does not take care of its citizens as they only care for the foreign investments they get, without giving the people any form of compensation for being removed of their lands. So the balance here shifts totally towards the negative side.

§4.5 Conclusion

Therefore in conclusion, to what extent can Laos be called a developed country? In the whole chapter, at the end of every paragraph, I have tried to balance the positive and the negative sides of first the economic growth and later of the three freedoms to each other. To start with the economic development, the balance was there on the negative side. The government has tried to make an effort to improve this. They did so by attracting foreign investment, for example by starting to make use of its potential to generate hydraulic power by building a dam in the Mekong River. However, the downside is that the profit that is generated with these projects does not return to the Laotian citizens. Therefore the economic development for the average people has not begun yet and the balance eventually shifts towards the negative side.

Furthermore, in the case of the first freedom, the chance to survive, it is also possible to conclude there are eventually more negative indicators than positive ones. The government has tried by privatizing the health care sector and ratifying different kind of agreements to improve the situation for its citizens. But on the other hand, the agricultural sector remains the most important sector, therefore it seems that Laos is not moving towards other, more developed industries to let the citizens generate more income. Also the government is still very foreign aid dependent, which is something that does not fit into the category of a developed country.

In the next category, the equality between men and women, Laos is performing somewhat better than in the category of survival but still there is eventually a negative conclusion for this freedom. There is a large difference between the amount of girls and boys
that go to school but the last couple of years, Western values start to penetrate the country more and more and therefore the traditional ideas about the role of the woman and man in the household seem to change. However, a long road needs to be taken before it is actually an equal situation so for now the balance is on the negative side. Finally, it is safe to say that there is definitely no democracy or freedom of speech within Laos so that it scores only negative within this freedom. The media is repressed just as there is no democratic system. Also the government does not provide any sort of economic security for its citizens as it does not returns the profits of the foreign investments to its citizens but to itself or the foreign companies.

So overall, the conclusion after this is that Laos is badly developed as all three freedoms are still not developed within the society and the ruling party, the LPRP, does not really seems to be planning on improving the situation much for the population. It even seems that if they continue attracting more foreign investments, more Laotians become displaced and end up without a home or source of income. So the situation even seems to be deteriorating instead of improving. Also the fact that they are still so much aid dependent is something that needs to be changed if the country will ever be called developed.
Chapter 5
Comparative analysis

After analysing Vietnam, Cambodia and Laos separately from each other, this chapter will add a more detailed comparative analysis of all the data and I will answer the question: to what extent have the three countries developed different or similar from each other and how can this be explained? First I will compare the economic growth the three countries experienced with each other in order to lay the basis for the comparison of the three freedoms. In the other three chapters I started with this therefore the most logic thing to do is to also start with it in this chapter. Furthermore, after analysing the economic development, I start with the three freedoms. To keep all the information ordered within the categories of the three freedoms of Sen and to keep it the most easy to make a comparative analysis, I have put all the information that I have gathered in the previous chapters into tables. After that I will analyse these data with the help of the explanations that I have already given in the chapters before about what the major differences and similarities are between the three countries and what the reasons are for that.

§ 5.1 The economic system and growth of the three countries
The first category which we will take a look at is the economy of the three countries. I have chosen to make a comparative analysis of the economic growth of Vietnam, Cambodia and Laos because as explained here above, it fits the structure and logic of the whole thesis to start with this category. It seems that on the economic level there are a lot of differences and some similarities between these three countries that can be explained. First, there is Vietnam. The country was divided in the 1960s and early 1970s into two areas. The North decided to collectivize all agriculture. This sector was the most important economic one for the country. The South, however, had a more commercial economy whereas also the service sector flourished. After unification in 1975, the South was forced to collectivize its agriculture and the whole country was now based on a command economy. Nevertheless it soon became inevitable for the Vietnamese communists to change this strategy as its economy would not flourish. Therefore from the 1980s onwards a lot of changes were implemented, from allowing private enterprises to take part of the economy to de-collectivization. The biggest change was the initiation of Doi Moi in 1986, which was the starting signal of the market economy within Vietnam. Suddenly the country allowed foreign investments, joined the

ASEAN and WTO eventually and its GDP started to grow with more than six percent per year. Also the average Vietnamese citizen benefitted from this as wages rose and prices went down.\textsuperscript{262} So from this analysis it is clear that Vietnam has experienced economic growth the last decade. How about Cambodia and Laos?

Cambodia has had a tumultuous history with a major civil war in the 1970s that destroyed almost the whole population structure. The communist regime of the Khmer Rouge was also based on a collectivized agriculture, however in a much more extreme form than in Vietnam. No one was allowed to live in the cities, most well-educated people were executed and a large part of the rest of the Cambodians died of malnutrition and infectious diseases.\textsuperscript{263} After the Khmer was driven out of Cambodia also here the decision was made that the economy needed to become a market driven one. The same kind of reforms, privatization and the allowance of foreign trade were introduced here. This was mainly realized with major foreign donations, on which Cambodia is still very much dependent. The inflation rate still fluctuates enormously and also wages are not on the level they should be.\textsuperscript{264} Therefore it seems that Cambodia is less developed than Vietnam.

The Laotian economy has also become a victim of communists who wanted a planned economy. Just as in the previous two countries, Laos adhered to such an economy after the Vietnam War was over. The communists who took power collectivized everything and, just as in Cambodia, started to “re-educate” bourgeois people. At the end of the 1980s, just as in Vietnam and Cambodia, it became clear that this planned economy did not work either and also these communists introduced a market economy by issuing the New Economic Mechanism. This mechanism allowed international trade and the de-collectivization and privatization was started. However, the country was hit hard in the Asian crisis of 1997 and after this it is still very much dependent on foreign aid. This dependence makes it therefore hard to say that Laos is that economically developed as Vietnam is.\textsuperscript{265} However, it is possible to identify one major trigger that led to the adoption of the market mechanism in all three countries, so that can be called a similarity within the development of the area. And from thereon it is possible to explain why Vietnam did develop differently than the other two.

\textsuperscript{265} Clark Neher, Southeast Asia in the International Era, (Westview, 2002).
The main trigger for all three was the fall of the Soviet Union and its allies in Western Europe. When communism seemed to be falling apart, the leaders of all three countries feared that their own popularity would become endangered and it seemed that they suddenly saw that the idea of a planned economy had not worked for them. Also with the fall of the Soviet Union, a donor fell away. Especially Laos and Vietnam were dependent on this aid within their plan economies so when this aid suddenly disappeared they realized that they needed to do something. Therefore all three switched to a market economy. So the fall of the SU was the trigger that started the whole changing of economies. However, from that moment onwards the development paths of the three countries have changed a lot.

First, there is a striking difference between the countries which has to do with the relation the country has with the US. For years the US had a trade embargo against Vietnam, but when that embargo was lifted in 1994 the exponential economic growth for the country began. In a very quick pace Vietnam joined the ASEAN, eventually the WTO and even got into a bilateral trade agreement with the US. Cambodia however has a totally different relationship with the US, as it is partly dependent on American financial aid. Therefore there is not at all a kind of relationship on an equal level such as Vietnam has with the US. Laos was and still is very aid dependent and this aid also consists partly of US money. So therefore it is possible to conclude that the kind of relationship that these countries have with the US has influenced their economic performance.

Furthermore there is another reason why their economic paths have differed. This reason is the lack of foreign investment that has been done into Cambodia and Laos and that Vietnam does have. As analysis shows that in Cambodia there is a major lack of willingness by foreign companies to invest in the country. The government has tried to solve this by establishing Special Economic Zones, as explained earlier. However due to the difficulty to get permission to invest there and the amount of corruption present in the country, not a whole lot of foreigners have chosen for this. Also in Laos there is a lack of foreign investment. This is due to the fact that after the country was hit by the Asian financial crisis in 1997, their currency was depreciated and with that the export and investments dropped majorly. From this shock the country never recovered as it became only more foreign aid dependent after

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269 Ibid.
that.\textsuperscript{271} In contrast, Vietnam has kept attracting foreign investments and also is fully engaged in the international trade.\textsuperscript{272} Therefore it is possible to argue that because of the amount of foreign investments done in Vietnam, it developed economically further and different than the other two countries. However, economic growth is in this thesis not the measurement for development, that are the three freedoms. So in the upcoming pages I will analyse these three freedoms and their presence within Vietnam, Cambodia and Laos.

§5.2 The chance of survival in all three countries

In all three countries I have assessed, with the help of different indicators, if there is a chance of survival by the government. The following table gives an overview of all these indicators within the freedom of the chance to survive

Table 7. Chance of survival indicators

<table>
<thead>
<tr>
<th></th>
<th>Vietnam</th>
<th>Cambodia</th>
<th>Laos</th>
<th>South Asian region</th>
</tr>
</thead>
<tbody>
<tr>
<td>Drinking water facilities</td>
<td>95% improvement in comparison to 1990</td>
<td>68% improvement in comparison to 1990</td>
<td>67% improvement in comparison to 1990</td>
<td>90% improvement in comparison to 1990</td>
</tr>
<tr>
<td>Sanitary facilities</td>
<td>76% improvement in comparison to 1990</td>
<td>31% improvement in comparison to 1990</td>
<td>63% improvement in comparison to 1990</td>
<td>38% improvement in comparison to 1990</td>
</tr>
<tr>
<td>Skilled attendants at births (health care system)</td>
<td>93% in 2012</td>
<td>71% in 2012</td>
<td>20% in 2012</td>
<td>49% in 2012</td>
</tr>
<tr>
<td>Underweight</td>
<td>12% in 2011</td>
<td>28% in 2011</td>
<td>31% in 2011</td>
<td>37% in 2011</td>
</tr>
<tr>
<td>Wasting</td>
<td>4% in 2011</td>
<td>11% in 2011</td>
<td>7% in 2011</td>
<td>16% in 2011</td>
</tr>
</tbody>
</table>


\textsuperscript{271} Ibid.

As the table shows there are quite some differences and some similarities between the countries. I will discuss them with the help of the analysis I made in the previous chapters and then continue by explaining how these differences or similarities are created.

I will start with the overall health care system. All three categories, the drinking water, sanitary facilities and skilled attendants at births, together explain how much the government is doing to improve the health care or is taking care of its citizens. First, it seems that there is a major difference in the percentage of skilled attendants at births between the three countries. Whereas there is almost always a skilled attendant present in Vietnam, in Cambodia this is not always the case and in Laos it is more an exception when such an attendant is actually present. Also there has been made a lot of improvements in the presence of sanitary and drinking water facilities within Vietnam. In contrast, Cambodia especially improved drinking water facilities instead of investing in both categories of facilities, whereas Laos seems to be investing just the same amount in drinking and sanitary facilities but a lot less than Vietnam does. So within this category of indicators all three countries developed very differently. However, these are not the only three categories that define the chance of survival as the next category is one of the life expectancy and the crude death and birth rate.

Within this second category of indicators it is clear that all three countries have gone through an improvement within the life expectancy indicator. Nevertheless, Vietnam has experienced the strongest improvement there as in 40 years’ time, the average age rose from 48 to 75. Cambodia its life expectancy had an improvement of 47, to 73%, whereas Laos experienced an improvement of 45, to 65%. So Cambodia performed somewhat better than Laos did in this category. However, within the category of the crude birth rate both Cambodia and Laos perform the same. Vietnam, in contrast, did a better job as its birth rate is the lowest of the three. Finally, within the category of the crude death rate also Vietnam performed the best. Cambodia and Laos again both dropped their rates with the same percentages. So therefore it seems that Vietnam developed quite differently than the two other countries within this group of indicators, whereas Cambodia and Laos performed the same. This brings us eventually to the last group of indicators within this freedom, namely the amount of underweight, stunting and wasting.

Within this last category a lot of differences between the three countries are present. In Laos there is the highest amount of underweight present, whereas in Vietnam it is almost a third of that Laotian percentage. Cambodia is just below Laos its amount and thereby also not performing that well. Second, the percentages of stunting are for all three countries quite high. Vietnam, however, is performing the best here again, followed by Cambodia and at last Laos.
Finally, in the category of wasting there is a different outcome than in the two categories before. Again Vietnam is performing the best here, Laos now comes at a second place followed by Cambodia. So again here it becomes clear that there are many differences between all three countries within this category. Vietnam is scoring the highest in everything, whereas Cambodia and Laos alternate between the second and third place.

The following reasons can be found to explain why these differences and similarities exist between the three countries. First, there was the category of indicators with the skilled attendants and drinking and sanitary facilities. In Vietnam the percentage of skilled attendants was the highest and this can be explained by the fact that in the early 1990s, Vietnam initiated a health insurance program which increased the amount of people having an insurance enormously. Not only public health care facilities but also private clinics and pharmacies were founded. Vietnam is not the only country where such a program was issued, this was also the case in Cambodia. This makes it possible for even the poorest people to get care if they need to. Also private medical facilities are allowed, just as in Vietnam. But Cambodia does perform worse than Vietnam within this category and this is due to the fact that in Cambodia there is a lack of skilled personnel and especially doctors. Therefore even though the Cambodian government has shown its goodwill by implementing this program, the lack of personnel makes it harder to improve the situation.

However, in Laos the situation is somewhat different. There are private clinics within the country but there is no health insurance program. So the poorest are usually not being able to get any health care. Also the amount of knowledge and skills is much centred within the country. As most doctors live in the few urban areas Laos has, the majority of the people lives in the more remote areas. Therefore most of the time there is not even a skilled doctor present when help is needed. So it is possible to conclude that due to the initiation of the health insurance programs in Vietnam and Cambodia the health care there has majorly improved. Laos stays behind in that as it has not started such programs or a way to reach more of its citizens in remote areas.


Furthermore, there was the category of life expectancy and the crude birth and death rate. Within this Cambodia and Laos performed almost exactly the same, whereas Vietnam was performing much better. There can be an easy explanation found for the differences between the three countries within these three categories. As explained earlier, with the help of the Demographic Transition Model, economic growth affects these percentages.

Figure 2. Demographic Transition Model

As Vietnam is more economically developed than the other two countries and therefore, in accordance with the Demographic Transition Model, its birth rate, death rate and life expectancy is already at a lower stage than the ones of Cambodia and Laos. When looking at the numbers of the UNICEF document this statement is confirmed, as Vietnam its birth rate is clearly lower than its neighbours. 276 Also Vietnam is clearly in stage 3, with a sharp declined death rate and declining birth rate, of the Demographic Transition Model as the article of Lam and Marteleto shows. 277 So Cambodia and Laos perform the same within these categories, and there can be a clarification found for this by looking at their economic growth. Both countries are still very dependent on foreign aid and with their export products they are still producing cheaper products like clothes. They did not really take a step further yet to launch the economy to the next level. However, Laos has started to do that with initiating hydropower

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projects. So it is possible that the country will start profiting from that and its life expectancy and crude death and birth rate percentages will improve. However, that is something the future has to tell as there are not really numbers available.

Finally there was the category of indicators of underweight, stunting and wasting. Here again it became clear that a lot of differences exist between the three countries. But just as before, Vietnam is performing the best. These differences can again be explained by looking at the amount of economic growth. Today, Vietnam is economically the furthest and due to this growth the country also has the money to expand its health care system and more and more people have the assets to buy better and more food. In Cambodia the improvements in these percentages were especially made after the de-collectivization of the agricultural sector in the early 1990s. The production of the fields rose then but nowadays there has not been any increase of productivity. An added problem is that Cambodia does not develop itself economically more as it keeps producing simple low waged products like clothes and it does not make the next step to more advanced industries which could gain more revenue for the country and its people.

At last, Laos also has just started to innovate its economy and to try to reach its citizens to improve their nutritional status. However, the government has a hard time to reach the majority of the people living in remote areas and also the new innovations, like hydropower, are developed in such a way that they do not gain any revenue yet for the Laotian citizens. So therefore it is possible to conclude that Vietnam is performing the best because of its economic growth that makes it possible for its citizens to buy more and better food. In Cambodia and Laos this is still not always possible for everyone so therefore they have higher percentages of underweight, stunting and wasting. In the end it therefore seems that the three countries have developed so differently in this category because of the economic decisions they have made now and in the past.

Overall it can be concluded that in this category the three countries have developed differently from each other to quite a large extent. Especially Vietnam has made a lot of improvement in the availability of health care, improving the life expectancy and the life standards of its citizens. Cambodia and Laos both stay behind in this. The reasons for this can be mainly found by looking at the amount of economic growth and also the issuing of health

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insurance programs by the governments of the three countries. It seems that economic growth eventually is the main driver for reaching a more developed status. The freedom of the chance to survive is very much present in Vietnam, while it is more absent in Cambodia and Laos where economic growth hopefully soon will flourish and the government will start to realize that its citizens need an improvement of the living standards.

§5.3 The extent of equality between men and women

Within the second category I looked at the amount of development is the presence of equality between men and women in each of the three countries. The following table presents the data for these indicators that determine the extent of equality.

Table 8. Equality between men and women

<table>
<thead>
<tr>
<th></th>
<th>Vietnam</th>
<th>Cambodia</th>
<th>Laos</th>
<th>South Asian region</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adult literacy rate (%)</td>
<td>96%</td>
<td>80%</td>
<td>77%</td>
<td>69%</td>
</tr>
<tr>
<td>Women literacy rate</td>
<td>86.9%</td>
<td>-</td>
<td>-</td>
<td>94%</td>
</tr>
<tr>
<td>Life expectancy (%)</td>
<td>105% increase in comparison to men</td>
<td>105% increase in comparison to the period before 2008</td>
<td>104% increase in comparison to the period before 2008</td>
<td>104% increase in comparison to the period before 2008</td>
</tr>
<tr>
<td>Enrolment primary education (%)</td>
<td>94%</td>
<td>95%</td>
<td>93%</td>
<td>98%</td>
</tr>
<tr>
<td>Enrolment secondary education (%)</td>
<td>109%</td>
<td>90%</td>
<td>83%</td>
<td>91%</td>
</tr>
<tr>
<td>Fertility rate</td>
<td>1.8</td>
<td>2.5</td>
<td>2.7</td>
<td>2.7</td>
</tr>
</tbody>
</table>

Also for this category there can be several differences and similarities found between all three countries.

First there is the literacy rate percentage. This is the comparison between men and women who are able to read. In this category Vietnam is doing the best job as it is almost equal there. Cambodia and Laos are both lacking behind, but Cambodia is performing somewhat better than Laos is. So here there is especially a large difference between Vietnam and the two other countries. However, there are more indicators within this category whereas the enrolment in primary education is one of them. Within this category the percentages for all three countries are almost exactly the same. So no differences can be found here. That also counts for the category of the life expectancy, as this number increased with almost the same percentage in all three countries. This is in contrast with the next category, which is the enrolment in secondary education. In Vietnam there has been a major increase in the number of girls participating in secondary education. However in Cambodia this percentage is way less and Laos is even performing worse. Therefore within this category a major difference can be found between the three countries. Finally, there is the fertility rate. This is the highest in Laos, followed by Cambodia where it is somewhat less and it is the lowest in Vietnam. Again it becomes clear that there exist a lot of differences between the three countries within this category.

The analysis about these differences and similarities start with the difference within the literacy rate. Vietnam performs best and the explanation for this can be found in the fact that Vietnam has had literacy programs, for both women and men, since the early 1950s. Cambodia never had such programs until recently when the Asian Development Bank issued that there should be more gender equality within Cambodia on this subject. But Laos however does have initiated literacy programs since 1975, just as Vietnam. The difference between the effects of those two literacy programs is mainly due to the fact that the literacy programs of Laos were issued by community learning centres. However these learning centres were not that wide spread and not placed in a lot of remote areas. As the majority of Laotians lives in remote areas a lot of people were not reached with this initiative. So even though the goodwill is there from the Laotian government, the Vietnamese have booked way more success with it as they made it much more a national campaign, available for everyone.

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Second, also within the category of enrolment ratios there are quite some differences. Within the category of enrolment for primary education there were almost no differences in percentages between the three countries. But within the category of secondary school enrolment there were quite some differences present. However, again the numbers in this category are the most positive for Vietnam. This is due to the fact that in the 1990s the Vietnamese government universalized the education for boys and girls in the country.\textsuperscript{282} Thereby comes the fact that due to the internationalization of the trade, also Western values penetrated the country more. These values brought along the idea that girls deserve secondary education just as much as boys do.\textsuperscript{283} In contrast, in Cambodia such a universalizing policy was never issued. In fact the Cambodian society is still very traditional when it comes to roles of men and women in the household. Girls are considered to have a lower status than boys so it is not seen as necessary to educate them further.\textsuperscript{284} Also due to the fact that a lot of households still live in poverty, there is sometimes no money to pay for an extra child’s education and preference is then given to boys over girls.\textsuperscript{285} Even though the last couple of years the government has tried to raise the number of educated women, it seems that it did not have any major effects yet.

At last there is Laos, which has the lowest percentage of enrolment. Also here culture plays the biggest role as again in this country it is thought that women do not need education as they will “only” become a mum and will take care of the household. The Laotian government does not really try to improve this, in fact they even contributed to the degradation of the role of the woman. In the old Laotian culture everything evolved around girls but with implementing the New Mechanism this idea quickly disappeared. So therefore it is possible to conclude that due to the issuing of again a national campaign Vietnam performs much better in this category than its neighbours.

Finally there was the category of fertility rates, where also differences existed. Vietnam was again performing the best, followed by Cambodia and then Laos. This can be explained by looking at the economic performance of the three countries and the Western values that come along with that. As Vietnam is the furthest in its economic process, it has been the most influenced by Western ideas. These ideas also include that women can have a


\textsuperscript{285} Ibid.
career and are not only there to raise children and stay at home.\textsuperscript{286} The Vietnamese society has absorbed these ideas more and more and therefore the fertility rate has declined a lot the last decade. Within Cambodia and Laos there are less of these Western ideas present and so their fertility rate is still somewhat higher. Overall, it seems that the freedom of equality between men and women is in all three countries present, however to a better extent in Vietnam. Because the Vietnamese government has started to universalize education and literacy for both girls and boys they get almost the same opportunities to follow education. In Laos and Cambodia the more traditional values of women that are lesser than men, overshadow the education system. Therefore Cambodian and Laotian women still experience a gender gap on a daily basis, whereas the Vietnamese women live in a better situation.

§5.4 Existence of political, civil and economic rights

The last category was harder to measure as there were no exact data that could be used. However by making use of historical analysis and other authors their articles I found a conclusion for every country about how much of this freedom was present. First, there was the category of democracy. Within this there is a striking similarity between the three countries as they are not fully democratic or in the case of Cambodia and Laos not democratic at all. Second, there is the category of economic security. Also here there is a similarity by the fact that the three countries not really provide such a thing as economic security. Just as within the category of democracy Vietnam performs a little bit better than the other two but it is also, just as Cambodia and Laos, performing negatively here. Finally, there is the category of freedom of speech and media. Again, there is a major similarity here as this is not at all present in the three countries. So whereas within the other two freedoms there were especially differences between the countries, within this freedom there are almost only similarities.

There are several similarities found within this category. First there is the amount of democracy present in the country. In all three there is no such thing as democracy. The countries are all ruled by an authoritarian Party or leader, however Vietnam has some sort of democratic principle implemented within its political system that the other two do not have. This principle is the National Assembly as the people who take part in this do have the chance to ask critical questions to the Communist Party. Its sessions are broadcasted on television so

\begin{flushright}
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everybody can follow it. Both Cambodia and Laos do not have such an Assembly and are ruled under a one-party system with no such thing as democracy present. So this Assembly makes it possible to conclude that Vietnam is somewhat more democratic than Cambodia and Laos and the reason for that can be found by looking again at the amount of economic development.

As Vietnam became more and more a place for foreign investment, these investments started to bring negative side effects along. This included environmental damage and not caring enough for the health of the employees. With these problems becoming more of an issue the last decade and (foreign) civil society organizations that start to exert pressure to do something about it, the government decided to establish the National Assembly. With the penetration of more foreign companies, also the ideas they bring along about democracy enter the country. Most Vietnamese therefore know what democracy is and that it is possible to have it. For avoiding any major uprisings or problems, the Communist Party initiated the idea of the Assembly. Therefore it seems that it is willing to do something about several issues, by listening to the critique, however it is not clear if they really take action. As Laos and Cambodia have way less foreign investments they do not experience so many negative side effects or ideas that come along with these foreign companies. Therefore it does not seem to make any sense to them to implement any form of democracy into their political system.

Secondly, there was the category of economic security. Also here there is somewhat of a more positive role for Vietnam, even though all three countries are not very well in providing this. However, within Vietnam, the Communist Party has decided to allow some capitalist entrepreneurs into the Party. This was done with the hope that the citizens would feel that it is possible to raise their status by working hard and go into competition with each other. Nevertheless, it is not clear if this strategy actually works, that is something the future has to tell. In Cambodia, nevertheless there is no such thing as economic security at all. The government does not seem to be willing to raise the economy to a next level as corruption blocks the amount of foreign investors that wants to invest in Cambodia. Therefore the country cannot make the shift to more advanced industries and its growth is stagnated. Because of that the citizens do not experience any improvement in their economic situation. Finally, Laos is busy with attracting more foreign investments, in more specialized economic

289 Ibid, 124.
sectors like hydropower. However, the revenues of these projects are returned to the foreign company or the government and the ordinary citizens do not profit from it. They are removed from their lands, which is their only form of economic security, if the government needs these to sell to the foreigners. So again, also in this category it is possible to conclude that all three countries lack the providence of economic security for their citizens.²⁹¹

At last there is the category of freedom of speech and media. It became clear that there was only a similarity between the three countries, as they all do not provide any kind of freedom of speech and media. In Vietnam, the Communist Party censors the Internet and the newspapers heavily. There is even a secret police that arrests people for voicing any kind of opposition statements.²⁹² Also in Cambodia there is no free media at all. The CCP controls them strictly and the only opposition party that exists in the country is made it impossible to do any sort of campaign during election time as their broadcasting media are dismantled then.²⁹³ Finally, also the Laotian government does not give any freedom to the media. Through these channels they make propaganda for their idea that every boy should go into the monastery, learn the “Buddhist” values of the Party, and in this way they try to substitute the education system. So therefore also within this category there is no freedom for the media at all in all three countries.²⁹⁴

Although all three countries developed in the first two freedoms quite differently, within this indicator of democracy they all walk on the same, non-democratic path. The reason for this can be found when looking at the political culture that all three countries have.²⁹⁵ They all believe that “the goodwill and high moral capacity of those in authority, and not the impersonal checks and balances favoured by the liberal tradition, should serve as the key restraints on power”.²⁹⁶ This cultural idea can also be used to explain why the countries have a lack of civil society organizations, as they really feel uneasy at giving power to organizations that fall outside the state structure.²⁹⁷ Finally, elections are seen as a way for citizens to confirm the qualities of their leaders, instead of giving the citizens a lot of alternatives they can choose from.²⁹⁸ So in the end it seems that this lack of democracy is

²⁹² Erik Paul, Obstacles to Democratization in Southeast Asia: Vietnam (Palgrave MacMillan, 2010), 122.
²⁹⁵ Ibid, 38.
²⁹⁶ Ibid, 38.
²⁹⁷ Ibid, 39.
²⁹⁸ Ibid, 39.
something that most Vietnamese, Cambodians and Laotians just accept as their culture. In this way it will become harder to implement more democratic principles as changing a culture is something that you cannot do in just one night.

Overall it is possible to conclude that all three countries to a large extent developed almost similar from each other within this category. All three score very negative within this assessment. Vietnam is somewhat upholding a democratic principle by the initiation of the National Assembly. However in reality the Communist Party still rules the country with a very firm hand. In Laos and Cambodia there is nothing democratic and there is no such freedom of speech or economic security. At last also Vietnam does not have media freedom and it is not clear what it does to give its citizens economic security, besides opening its Party up for more capitalistic entrepreneurs. Therefore in all three countries the presence of the freedom of political, civil and economic rights is very much absent.

§5.5 Conclusion

So to conclude, there can be several reasons identified for the differences and similarities in development between the three countries. First, within the category of economic growth, it seems that the reason why Vietnam developed itself in a better extent is especially due to the amount of foreign investments that Vietnam has attracted in the last decades and its equal based relationship with the US. The other two countries suffer from a high percentage of corruption and inflation which makes them less attractive to invest in for foreign companies. Second, there was the freedom of chances to survive. Vietnam and Cambodia both issued health insurance programs which had a positive influence on the overall quality of the health care and life expectancy. Laos did not have such a program. The fact that the life expectancy numbers and the crude death and birth rate developed rather different within the three countries is mainly due to the effect that economic development has on these numbers.

Furthermore there was the freedom of equality between men and women. Also within this category the three countries developed very differently. In Vietnam, with the issuing of literacy and education programs, there was made an end to this inequality whereas in Cambodia and Laos still the more traditional ideas about gender roles exist. At last there was the existence of political, civil and economic rights. All three countries do not really have a democratic system, freedom of media and speech and especially Cambodia and Laos are not doing very well in providing any kind of economic security for its citizens. However, the explanation for this can be found by looking into the culture of the three countries. But overall it seems that especially Vietnam has developed itself to a great extent quite differently from
the other two. This is due to a more advanced economy and issuing of more national education and health care programs than Cambodia and Laos did now and in the past.

Nevertheless, in the end it is possible to conclude that there is a main factor that can explain the existence of all these differences and similarities between the three countries: political culture. In the book *Globalization and Development in the Mekong Economies* by Suiwah Leung et al. they identify that eventually the difference in political culture between Vietnam on the one side and Cambodia and Laos on the other side is decisive in the way the country performs economically, socially and of course politically. First there is the political culture of Cambodia and Laos, both based on Buddhism.\(^{299}\) This belief is based on karma, this means that “one’s deeds will inevitably be rewarded or punished, whether in this lifetime, or the next”.\(^{300}\) Because of this idea and the idea of rebirth, which give the rich elite the justification to behave the way they do, in Laos and Cambodia there is a lack of interest in politics as people believe that the rulers, if they misbehave, will eventually be punished.\(^{301}\) Also the political culture rests on the idea of patronage and personal relationships, where those in superior positions expand their social wealth and power by taking advantage of the ones that are dependent on them.\(^{302}\) So to expand this wealth and influence, you need resources to “buy” your supporters. This is in contrast with the political culture of Vietnam.

Within Vietnam this culture is based on Confucianism. The emperor rules with absolute power, however the mandarins rule the provinces and people on behalf of him. These mandarins earned their position by expanding their own talents through education, so their position is not predestined by birth as within the Buddhist tradition (176). The core of the political culture is the importance of the family, therefore most Vietnamese are very wary of trusting people outside that circle.\(^{303}\) This dependence on the family brings us to the first difference in political culture between the three countries and the effects it has on the rest of the development. It seems that due to this family dependence, Vietnamese are tempted to expropriate state resources for themselves and their families and therefore are more susceptible for corruption. However, the reality is that corruption levels are way higher in Cambodia and Laos and that is due to the fact that the Communist Party in Vietnam is very aware of the danger this cultural aspects poses and therefore does not hesitate to punish officials who are caught with corruptive practices. It has also implemented strict supervision


\(^{300}\) Ibid.

\(^{301}\) Ibid.

\(^{302}\) Ibid, 174.

\(^{303}\) Ibid, 176.
methods to monitor where state resources go to. These officials are not immune as they earned their job through education so they can also be replaced. This belief is in contrast of course with the Cambodian and Laotian notion of karma and rebirth and corruption levels are therefore way higher in these two countries. As Leung et al. argue “political culture constrains and limits economic development in a variety of ways”, and also has significant effects on the social development of a country.

Corruption especially diverts resources that are from the state to personal relationships of those being corrupt. Those resources could otherwise be invested back into building up the economy and on “services designed to create a critical mass of education and informed citizens, who could contribute more fully to developing a modern economy and society”. But not only resources that are gained as revenue by the state are diverted towards personal relationships, also foreign loans “disappear”. As the book of Leung et. Al shows, in Cambodia and Laos the revenue collection is not sufficient enough to meet the expenditures so therefore it is quite common that foreign investments by NGOs and other foreign donors are being used for corruptive practices.

It is clear already that in Vietnam the amount of corruption is lower due to the stricter control on corruptive practices, however the other reason why this is less is because of the family dependent culture that is present. As is argued in this book of Leung et al. by making politics way more localized and decentralized this would improve the amount of transparency and encourage grassroots democracy. In Laos, this decentralization turned out to be a disaster as the local rulers believed that they were the only ones entitled to the money they got from the central government. Also within Cambodia this is the problem, however within Vietnam there is more and more a shift towards a successful, decentralized government. This is due to the long tradition of village and family autonomy in the past that all Vietnamese share, including the leaders of the Communist Party.

So in the end it seems that the political culture of the three countries has a major effect on the rest of the country its development. Where Cambodia and Laos share their Buddhist value, which does not punish any sort of corruption, Vietnam is quite strict in curbing in any form of corruption. Therefore Vietnam has had the chance to develop itself economically and

304 Ibid, 178.
305 Ibid, 178.
306 Ibid, 179.
308 Ibid, 181.
309 Ibid, 184.
310 Ibid, 185.
311 Ibid, 185.
socially further than the other two countries as the money that was available is invested in a correct manner. Cambodia and Laos should therefore start by trying to either change its political culture, or at least start combating any form of corruption if they want to reach the next stage of development.
Chapter 6
Conclusion

In this thesis I researched the question “to what extent and caused by which main reasons have the old Indo China countries of Vietnam, Cambodia and Laos, developed different from each other after the wars?” To being able to give an answer to this question I answered several sub-questions. The first sub-question was “how should development be interpreted?” The answer to this question was given by using the notion of development by Amartya Sen. He argues that there are four non-freedoms that can be present in a country and on the basis of this it can be assessed if a country is really developed or not. These non-freedoms were the denial of survival, inequality between men and women, lack of economic security and the non-existence of political and civil rights. For this thesis I took these four non-freedoms as the basis for my assessment, but turned them around in three freedoms to look at the analysis from a more positive perspective and avoid any repetition of arguments.

Then I continued with the second sub-question which was “what has been the development of Vietnam, Cambodia and Laos individually?”. The first country I assessed was Vietnam. The country scored positively eventually on two of the three freedoms, as the only negative score was on the freedom political, civil and economic rights. There is a lack of democracy and civil society organizations and media freedom do not exist. Within the rest of the freedoms Vietnam can be assessed as developed, especially due to the issuing of health insurance programs, literacy programs and the economic growth it has experienced. Vietnam can therefore be called for the greater part a developed country. The second country I assessed was Cambodia. The outcome there differed from Vietnam, as the country scored only positive on one of the three freedoms. This positive score was in the freedom of the chance to survive as there were made some significant improvements by the Cambodian government, in sanitary and drinking water facilities and also a healthcare insurance program was issued. However, there is still quite a large gender gap, illiteracy and there is no such thing as democracy or freedom of speech and media. So in the end Cambodia can be called a low developed country. The final country I assessed was Laos. It did not score positive on one of the three freedoms. First, there is a lack on chances to survive as the government is taking some initiatives the last couple of years but there have not been made many improvements yet. Also there is a gender gap, quite some illiteracy still and no democracy or freedom of speech whatsoever. So in the end Laos can be called a badly developed country.
Then I answered the third sub-question which was “what are the differences and similarities in development between these countries?”. The answer to this is first, that the economic development path of the three countries shows that Vietnam has developed itself the most. This is especially due to the amount of foreign investments that Vietnam has attracted in the last decades and its equal based relationship with the US. The other two countries suffer from a high percentage of corruption and inflation which makes them less attractive to invest in for foreign companies. So in this category especially Vietnam has developed very differently and more advanced than the other two.

Second, there was the first freedom of the chance to survive. Also here the three countries developed differently from each other. Vietnam and Cambodia both issued health insurance programs, whereas Laos did not. Therefore the health care system and availability in Laos is way less than in the other two countries. Also the life expectancy numbers and the crude death and birth rate developed rather different. The main reason found here was again that it seems that economic development has a major influence on these percentages. As Vietnam has developed itself the most economically, they also have the best performances in these categories. Furthermore there was the freedom of the existences of equality between men and women. Also within this category the three countries developed very differently. Whereas in Laos and Cambodia the more traditional values about the role of the man and woman in the household still exist, in Vietnam this is not the case so much anymore. Vietnam had already started early in the 1950s with universal literacy and education campaigns so therefore both boys and girls have had the opportunity to receive education. Because of this it can be said that there is more of a gender gap present within Cambodia and Laos than there is in Vietnam.

Within the last category of freedom, the existence of political, civil and economic rights, there were almost only similarities found. All three countries do not really have a democratic system, even though Vietnam has tried to implement a democratic principle namely the National Assembly. Laos and Cambodia, on the other hand, are ruled in a very strict, authoritarian way so there is no democracy whatsoever. Also there is no freedom of speech and media within all three countries as broadcasting stations and the Internet are heavily monitored. Finally in the category of economic security all three countries do not perform very well. The revenues that are gained with foreign investments are especially in Cambodia and Laos returned to the rich, ruling elite. In Vietnam the government has let some capitalistic entrepreneurs into the communistic party to encourage the Vietnamese people to go into competition with each other and raise their own income. Therefore it is unclear how
much economic security there is really given by the Vietnamese government towards its citizens.

This brings us to the main research question namely “to what extent and caused by which main reasons have the old Indo-China countries of Vietnam, Cambodia and Laos, developed different from each other after the Indochinese wars?” Overall it seems that the three countries have developed quite different from each other, whereas Vietnam has developed itself the most. The main reasons for this are the economic growth that Vietnam has experienced, which Cambodia and Laos did not really have and also the political culture that differs within the three countries but of which Vietnam has the most fruitful one. Next to these two reasons, also the issuing of national programs in health insurance, education and literacy has contributed to the development of the Vietnamese society. The fact that the governments of Cambodia and Laos have a harder time to let some traditional values go and in reaching their more remote living citizens makes them less developed. Also the fact that Vietnam decided to take the next step in producing more specified products makes it probably develop faster than its neighbours. If Cambodia wants to reach the same development it will have to do something about its corruption problem and its willingness to innovate. Laos however is already innovating with the hydraulic power plants, nevertheless it needs to do something about its infrastructure to reach more people and give the citizens more economic security by not removing them from their lands and invest the profits into the country. Yet, at the end all three countries have a long way ahead of them before they can really call themselves fully developed.

§6.2 Theoretical significance

Finally, the last sub-question that there is: how can the extent of development be explained?, needs to be answered. To give an answer to this question I will put all the data back into the historical context of the countries and I will explain certain outcomes with the help of some theories which reflect on colonialism and by making use of some IPE theories. Eventually it becomes clear that all these theories, focused on colonialism or IPE based, can be mainly used to explain the similarities of development between the three countries but not the differences. To demonstrate this I will assess all theories, to start with the first theory of colonialism, namely Modernization Theory. This theory sees colonialism as an export

product from the Western nations. Through colonial rule, these countries wanted to export the societal, productive and scientific potential of modernity towards backward areas. So they wanted to open up these societies for their modern ideas. If these backward countries just accepted and listened to the Western ideas, success was guaranteed, even when the Western countries would leave eventually. Within this theory there was no room for ideas about dependency. If a country would fail to implement and adjust to the Western ideas it was probably an internal problem that needed to be solved by the government itself. However, there is a second theory that argues something else.

This second theory, the World System Theory, argues “colonialism is the incorporation of new territories and people into the global network of market relationships”. When new colonies were brought into the world economy, they were periphery. The modernized, Western countries are called the core. This World System Theory argues that even when these periphery countries become independent they remain economically and politically weak because they are dependent on the core. But these poor countries can move up to the category of semi-periphery if they improve their status of low productive, low paid economic zones towards more high productive and well paid economic countries. In this thesis, Vietnam is an example of a country that has been able to shake some of its colonial burden off and adapt itself to the new world economy.

Through the last decade Vietnam has moved up the production ladder from making garments to more complex, industrial products. The difference between Vietnam, who was able to adapt itself quite quickly and Cambodia and Laos has mainly to do with the openness of the Vietnamese towards changes. As explained earlier in chapter 5, Vietnamese leaders do not believe that they are pre-destined to rule the country, they earned their spot through educating themselves. Therefore, when the country was still devastated economically at the end of the 1980s and the Soviet Union fell, the leaders felt they needed to do something as their position of power could be overthrown if nothing would change. Therefore by opening themselves up for new ideas and really implementing them they have been able to build up the country its economy that fast. The Laotian and Cambodian government feel less threatened as they are “pre-destined” to rule, so they feel less of an urge to open themselves up. However, this theory also reasons from the perspective of all kinds of different regions. Within this thesis this is not the case, as all three countries are positioned within the same

313 Ibid.
314 Ibid, 27.
315 Ibid, 27.
316 Ibid, 27.
317 Ibid, 27.
Therefore the theory is somewhat less applicable to explain how the differences between the countries were created. Nevertheless in the end, the World Systems Theory is somewhat more applicable to the case of Vietnam, Cambodia and Laos, than the Modernization Theory is and therefore I will refer back to it in the conclusion when discussing the role of colonialism.

Furthermore it is possible to identify, with the help of different IPE theories, the similarities and some differences in development between the three countries. The first theory is realism. Realism rests upon three foundations namely the state, pursuing only its national interest, within an international anarchic environment.\(^\text{318}\) International organizations, law and globalization are terms that are not important within the realist thinking as these scholars believe that a powerful state, that can arrange its own business, is the most important.\(^\text{319}\) It quickly becomes clear while studying this theory that this is not at all applicable to this thesis. Without international organizations and globalization, the three countries were not able to grow economically and socially at all.

This second theory is liberalism. Liberalists believe that the growth of the international economy after WOII is due to the US its leadership, which provided the foundation of international organizations and public goods.\(^\text{320}\) These international organizations allow states to cooperate with each other, providing each other information, standardizing procedures and eventually advance their mutual interests.\(^\text{321}\) Within a state it is important to have domestic stability because in this way it would be possible to expand markets for goods and services. So cooperation and globalization are important within this theory. When looking at the case of Vietnam, Cambodia and Laos this theory is somewhat applicable. Due to the fact that Vietnam first became a member of the ASEAN and later onwards from the WTO, it was possible for the country to grow economically. Cambodia and Laos joined both international organizations much later and therefore profited less from it. Also domestic stability indeed is important in expanding markets, as Vietnam has the longest, most stable political situation of the three and also is the most developed.\(^\text{322}\) However, for all three countries it is clear that the


\(\text{319}\) Ibid.


\(\text{322}\) Rawi Abdelal, “Constructivism as an approach to international political economy,” in Routledge Handbook of International Political Economy: IPE as a global conversation, ed. by Mark Blyth (Routledge, 2009), 66.
US has not played a positive role for them in their history after WOII and that connects them with each other. The Vietnam War, the lack of support for the Cambodian royal regime and the bombings on Laotian and Cambodian territory during the Vietnam war, have had a major negative influence on all three countries and the US has not created any kind of international growth for them in that period. Also liberalism does not explain the openness to changes within the three countries, so it does not go into depth that much with its analysis. Thus liberalism can be used somewhat to explain the countries their development but is also not fully applicable to this case.

The third IPE theory I looked at is structuralism. As Thomas Cohn argues “structuralism looks at IPE issues mainly in terms of how different social classes are shaped by the dominant economic structure”. 323 Eventually structuralists believe that the combination of political, economic and social forces establish and preserve economic markets. 324 Hence these four factors are linked with each other and influence one another. Also about the role of the nation state, structuralists have an opinion. They believe that eventually the state is “overruled” by transgovernmental networks that cut across different countries. 325 Social movements as well play an important role within this theory as these movements are seen as the best way to pursue objectives that cannot be effectively responded to on a national level. 326 So globalization and interlinkage are the key issues within this theory.

When looking at the case of this thesis of Vietnam, Cambodia and Laos it becomes clear that, just as liberalism, this theory can be used for a small part to explain the similarities between the countries. Indeed, it has become evident that political, social and economic factors eventually are intertwined with each other in the countries as they all influence each other in one way or another. However, social movements do not play any role at all in the three countries as they do not get any room for that within the authoritarian way the countries are ruled. Also it is not the case that the social classes are shaped by the economic structure. As explained at the end of chapter 5, Confucianism believes that people through education and wealth can work themselves up and Buddhism believes that you are destined or not for a certain position in society. So religious culture here is way more important than economic structure. Overall, it therefore seems that all five theories are not really able to explain the differences between the three countries and therefore being able to answer the question to

324 Ibid, 10.
325 Philip Cerny, “Bridging the Transatlantic Divide?: Toward a structurational approach to international political economy,” in Routledge Handbook of International Political Economy: IPE as a global conversation, ed. by Mark Blyth (Routledge, 2009), 148.
326 Ibid, 154.
what extent they all developed itself differently. A perspective which is able to explain this more is the religious culture of Vietnam, Cambodia and Laos.

Namely, when looking at all the results, it becomes clear that religious culture is the common underlying factor that explains why all three countries act the way they do and the differences between them exist. As Vera Simone and Anne Thompson Feraru analyse in their book *The Asian Pacific: Political and Economic Development in a Global Context*, these cultures all have a major impact on the way the countries are organized politically, socially and economically. Whereas Vietnam is based on Confucianism, both Cambodia and Laos are more Buddhist.\(^{327}\) The fact that Vietnam has adopted Confucianism has influenced the way the Vietnamese act within the region and towards both its neighbours.\(^{328}\) They feel somewhat superior as they have adopted the same culture as China.\(^{329}\) As China is seen as the most important country within the region and having something in common, what Cambodia and Laos do not have, makes the Vietnamese feel more special. It will become clear later onwards in this chapter that this is not the only factor that makes the Vietnamese differ from the other two countries. But first I will continue with the similarities that all three countries have in their culture. First, every Asian country is based on collectivism. Eventually in the Asian society everything revolves around the family and “responsibility to the collective takes precedence over the individual’s self-(or selfish) interest”.\(^{330}\) However this belonging to a group is not an option like in Western societies. It is seen as a necessary condition to survive as the identity of the person is defined and embedded within the group he or she belongs to.\(^{331}\) This thinking within groups also reflects back on the fact that Asian societies are based on the ideas of classes and authoritarian rulers.\(^{332}\) Both in Buddhism and Confucianism, the ruler’s legitimacy rests on the respect and obedience of the lower classes beneath him.\(^{333}\) So all societies are ruled with the idea that there are several classes and that the ones belonging to the lower class need to serve the higher ones. So here it becomes clear that indeed the group or class you belong to eventually determines the role and person you are within society.

Second, the Asian societies are based on the ideal of achieving harmony or at least led the outer world believe that there is harmony.\(^{334}\) An open expression of discontent is seen as treason and even though there may exist some discussion within a group, in the end the most

\(^{328}\) Ibid, 244.
\(^{329}\) Ibid, 244.
\(^{330}\) Ibid, 220.
\(^{331}\) Ibid, 220.
\(^{332}\) Ibid, 29.
\(^{333}\) Ibid, 30.
\(^{334}\) Ibid, 221.
important thing is that the group is preserved.\textsuperscript{335} This brings us therefore automatically to the next and last feature of the Asian societies, which is hierarchy. It is very normal that there exist unequal relations within families, as long as the outward world believes that you all live in harmony with each other. In reality this means that the men take decisions and women just follow these.\textsuperscript{336} This was also something that became apparent in the previous chapters when looking at the amount of equality between men and women within the three countries. So now that it is clear where the Asian societies revolve around it is possible to zoom in on the three countries and see how these values, in combination with the heritage of colonialism, have defined the countries the way they are now.

First I will start with Laos. The reason why the country was colonized was only because the French saw it as a handy way to transport goods through towards Vietnam. Therefore it was not of really great importance to the French and little was done to develop the economy, stimulate industry and to provide schools and health care facilities.\textsuperscript{337} Therefore as the World Systems Theory argues, Laos was incorporated for just a small part into the world market economy by being used as a transportation country. But when the French left in the early 1950s, the country stayed behind with nothing that was developed and so it was not able to move up the ladder to a semi-periphery country. The rest of the following decades Laos continued with this struggle, as earlier explained in chapter 4, and never lifted itself out of this status as a periphery. But Laos is not the only country who suffered this faith, as Cambodia experienced the same.

Cambodia, just as Laos, has lacked any kind of investment into its economy and society.\textsuperscript{338} The French especially saw the potential of Vietnam to invest in and therefore almost all the money went there. When Cambodia became independent, it also suffered the same faith as Laos. After decades of internal war, the country was still on a periphery level in the early 1990s. So also here the country was once integrated into the world market economy but did not gain anything from it. Vietnam, however, is a whole different story. The French there invested in railroads, the mining industry, factories and all sorts of plantations.\textsuperscript{339} So instead of being used as a transportation route, Vietnam really got incorporated into the world market economy by being a production site.\textsuperscript{340} After independence the country therefore invested in more programs of education than its neighbours did, like the literacy and health

\textsuperscript{335} Ibid, 221.
\textsuperscript{336} Ibid, 222.
\textsuperscript{337} Ibid, 53.
\textsuperscript{338} Ibid, 54.
\textsuperscript{339} Ibid, 54.
\textsuperscript{340} Ibid, 54.
care insurance programs. However the major war in the 1960s and 1970s destroyed a lot of this progress but from the 1990s onwards Vietnam started to grow exponentially again. So it is possible to conclude that the colonial history of the three countries eventually has contributed majorly to the development paths the countries have taken after that. If the French had invested more in Cambodia and Laos then maybe they would have been more successful nowadays. But this is something of course we will never find out.

The colonial history of the three countries cannot only be used to explain the economic path the countries have taken, this can also be used to analyse the way the countries are organized politically. As Simone and Feraru argue in their book it seems that the colonial experience has reinforced the tradition of the pre-colonial political order. Instead of preparing the colonies for the responsibility of self-government, the colonial rulers stimulated the top-down ruling idea by putting sultans, kings and emperors at the ruling spot to indirectly rule the country. The colony was not given any chance to learn how to rule a modern nation-state, but just the simplest solution was chosen at the time. When the French left all three countries, they had no idea how to rule the state so they just kept the existing model alive. Also the French stimulated the lack of democracy by alienating some ethnic minorities and creating hostility between the different groups. This had as a result that there was an absence of national identity in all three countries after the colonial period ended. So in conclusion, the French colonial past and the shortage of willingness to learn the colonies what democracy actually is, has had a major influence on the political path Vietnam, Cambodia and Laos have taken.

However, after explaining the reasons what the influence of colonialism has been on the economy and on politics, it is possible to conclude that the French have also influenced the society of the three countries. Namely, colonialism brought Western ideas along about how a society could be organized in the best way and in combination with the beliefs that already existed within the Asian society, two ideologies became accepted. The first theory that gained ground in the three countries was Conservatism. Within this theory, the emphasis is on authority. The government has the responsibility to secure the well-being of its citizens and the citizens have the duty to serve the government. Also all social relations are determined by the authority of the superior ones over the inferior ones. This belief system matched very well with the existing Asian values of hierarchy and collectivism. But not only

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341 Ibid, 152.
342 Ibid, 152.
343 Ibid, 152.
344 Ibid, 172.
conservatism was a Western ideology that was accepted by the Vietnamese, Cambodians and Laotians, also socialism became very important.

Socialism became so attractive for most Asians as it has an “unequivocal commitment to economic and social equality, achieved through the power of collective action rather than individual effort.” So both the traditional Asian belief and socialism share the idea of collectivism. As Karl Marx stated that capitalism was useful to make the transition from feudalism to industrialism and finally towards an egalitarian socialist society, this was modified by the Asian communists. They assigned the task for this transition to the Communist Party, which would lead the society eventually to a developed one. The Communist Party would first have the right to rule alone and that would change as soon as the stage of socialism was reached. However, as World System theorists argue, this stage of socialism was never reached so the Communist Party still has the “right” to rule alone. Also socialism is strongly against colonialism and that matched with the ideas of the Asian leaders as they were very discontent about their colonial histories. Therefore they saw in socialism a way of becoming developed and modern without being really Western and capitalistic as they were opposed to the Western world. Especially Laos and Vietnam fully adopted the socialist view as they are still both ruled by a Communist Party in a dictatorial way. Cambodia, in contrast, is ruled by an authoritarian party, not so much by one that adheres to the socialist ideology.

So, I have put the way the Vietnamese, Cambodian and Laotian society, economy and politics are organized into a theoretical perspective by making use of the Modernization Theory, World Systems Theory, realism, liberalism and structuralism. First, it became clear that with the use of realism this theory does not acknowledge the role of international organizations at all and that is something that does not fit within this thesis and case study. Second, within liberalism some similarities between the countries could be explained, as the importance of domestic stability, the effect of the role the US has played in their history, and the influence the participation in international organizations has had on their societies. Also with structuralism it was confirmed that economical, political and social factors are intertwined with each other and that is also the case in these three countries. However, these three IPE theories were not enough to give a full theoretical context. Within the World Systems Theory its perspective it has become clear that the French colonial past, that all three

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345 Ibid, 218.
346 Ibid, 152.
347 Ibid, 152.
348 Ibid, 152.
349 Ibid, 218.
countries share, has had a major influence on the way the countries function nowadays. First, the fact that the French once decided to invest more in Vietnam than in the other two countries is something that Vietnam has benefitted a long time from. Furthermore, the imposition of a political system by the French is something that is still present until today and this also counts for the ideologies that they brought along. Of course colonialism is not the only factor that has contributed to the way the countries have developed themselves economically, socially and politically. Also in the end it seems that the traditional Asian religious culture, both Confucian and Buddhist, have shaped the societies to what they are now and how open they have been to changes in the past. In the end it has become clear that Vietnam has developed itself the most and in the light of the World Systems Theory, it can be called a semi-periphery. However, Cambodia and Laos are still in the periphery and they still have a way ahead of them to being able to call themselves semi-periphery.
Bibliography


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http://www.lonelyplanet.com/cambodia/history#144807.


Appendices


Appendix 2. Crude death rate, birth rate, total fertility and life expectancy of Cambodia (Ibid).

Appendix 5. Drinking water and sanitary facilities in Cambodia (Ibid).

Appendix 6. Drinking water and sanitary facilities in Laos.
Appendix 7. Skilled attendants at births, life expectancy, literacy rate women/men, adult literacy rate in Vietnam (Ibid).

Appendix 8. Skilled attendants at births, life expectancy, literacy rate women/men, adult literacy rate in Cambodia (Ibid).
Appendix 9. Skilled attendants at births, life expectancy, literacy rate women/men, adult literacy rate in Laos (Ibid).

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<th>Children underweight 2016</th>
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Appendix 11. Underweight, stunting and wasting in Cambodia (Ibid).

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<td>Brazil</td>
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I hereby declare that this thesis, “Indo-China’s development: the extent in which Vietnam, Cambodia and Laos can be called “developed”, is my own work and my own effort and that it has not been accepted anywhere else for the award of any other degree or diploma. Where sources of information have been used, they have been acknowledged.

Name  Anne Sophie van der Vorm

Signature

Date  17 December 2015