



## UN expert: Lao PDR's economic strategy entrenches poverty

VIENTIANE (28 March 2019) - Lao PDR has pursued a top-down approach to economic growth and poverty alleviation that is all too often counterproductive, leading to impoverishment and jeopardising the rights of the poor and marginalised, according to a UN expert.

"Despite important progress in reducing poverty, the Government's economic growth strategies have too often destroyed livelihoods, entrenched vulnerability, and actually made some people poorer by taking away their access to land, livelihoods, and resources," <u>said</u> Philip Alston, the UN Special Rapporteur on extreme poverty and human rights, at the end of an 11-day official visit to the country.

"Unfortunately, many Government policies seem more focused on ticking boxes and improving GDP numbers than making meaningful changes to the lives of Lao people.

"Lao PDR has made impressive progress, halving the number of those living below the poverty line, raising school enrolment rates, and expanding access to electricity and sanitation. However, rapid economic growth has not led to a commensurate reduction in poverty."

Almost a quarter of the population still lives in poverty, and an estimated 80 percent of the country lives at risk of poverty on less than \$2.50 per day. "The Government's single-minded focus on large infrastructure projects, resource extraction, and foreign investment has created all too few jobs for Lao people, generated large debt repayment obligations, and disproportionately benefited wealthy elites," the UN expert said.

"I saw first-hand how this strategy can go wrong in Attapeu, where survivors of the dam collapse last year live in crowded temporary camps. They told me they didn't have money to send their children to the hospital and were going into debt just to get by," Alston said. "Their continued plight is also a warning sign for the country's preparedness for climate change, which will certainly bring more extreme weather disasters and have a disproportionate effect on poor people who are least able to mitigate risk."

By emphasising aggregate economic growth over poverty reduction, job creation, and socioeconomic mobility, the Government has achieved impressive GDP growth but failed to make meaningful changes in the lives of the very large number of people in poverty. Meanwhile, the country has not developed a strong social protection system to support the many people left behind by the transitioning economy, and has failed to invest adequately in health, education, infrastructure, and poverty alleviation, Alston said.

"Large parts of the country have been left behind," Alston said. "Poor women must navigate highly patriarchal beliefs and institutions, are routinely shut out of decision-making processes, and are deeply disadvantaged in relation to education and access to formal work and positions of authority. Ethnic minorities and indigenous peoples continue to experience poverty at a vastly higher rate than the Lao-Tai majority. People in rural areas have been left behind by economic progress, and may lack roads, water, and electricity. Children face steep barriers to education and high rates of child labor and early marriage.

"In what has been described as 'policy-making by aspirational statement,' government officials were eager to share ambitious targets and elaborate plans, but were often unable to provide evidence that their policies had benefited people in the real world or concrete ideas about how targets would be met," Alston said.

The Special Rapporteur visited Vientiane, Attapeu, Champasack, Xienkuang, and Houaphanh between 18 and 28 March. He met with healthcare workers, farmers, weavers, schoolteachers, Village Education Development Committees, representatives of the Lao Women's Union, and village leaders, in addition to government officials at the district, provincial, and national levels.

"A determination to control all civic space has precluded important conversations and deprived Lao people of a meaningful say in the solutions to widespread social problems," Alston said. "High profile instances of reprisals, arrests, and disappearances of people who have pushed ever so gently against the envelope send chilling and highly effective messages to Lao people who want to participate in addressing important and complex public issues," he added. "The government's invitation to conduct a country visit is encouraging, and I urge them to continue their recent trend of more robust engagement with the UN human rights system."

"Development partners have often shied away from most of these issues, and the UN itself does not appear to have done what it can to be a voice for the vulnerable and for human rights," Alston said.

"It does not need to be this way. I met with Lao people doing impressive work to support their communities and provide healthcare and education in remote areas, and many government officials who are clearly deeply dedicated and eager to find effective approaches," Alston said. "If the Government can be encouraged to adopt policies of transparency, meaningful participation, and genuine public dialogue, a huge amount could be accomplished in terms of promoting sustainable development and alleviating poverty."

## **ENDS**

Photos from the Special Rapporteur's visit to Lao PDR are available for journalists' use at <a href="https://bit.ly/2JTbOEi">https://bit.ly/2JTbOEi</a>

Mr. Philip Alston (Australia) took up his functions as the Special Rapporteur on extreme poverty and human rights in June 2014. As a Special Rapporteur, he is part of what is known as the Special Procedures of the Human Rights Council. Special Procedures, the largest body of independent experts in the UN Human Rights system, is the general name of the Council's independent fact-finding and monitoring mechanisms that address either specific country situations or thematic issues in all parts of the world. Special Procedures' experts work on a voluntary basis; they are not UN staff and do not receive a salary for their work. They are independent from any government or organization and serve in their individual capacity.

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