

The background of the cover is a photograph of a road curving through a green landscape under a clear blue sky. A large, semi-transparent white arrow is painted on the road surface, pointing towards the horizon. Inside the arrow, the text "BUILD IT AND THEY WILL COME" is written in a bold, sans-serif font.

**BUILD IT  
AND THEY WILL COME**

**LESSONS FROM THE  
NORTHERN ECONOMIC CORRIDOR:  
MITIGATING HIV AND OTHER DISEASES**

Asian Development Bank

# Build It and They Will Come

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Lessons from the Northern Economic Corridor:  
Mitigating HIV and Other Diseases

A large, light green decorative shape on the right side of the page, featuring a rounded top and a vertical edge that tapers towards the bottom.

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Printed in the Philippines.

ISBN 978-971-561-864-9  
Publication Stock No. RPS091212

#### Cataloging-In-Publication Data

Mandaluyong City, Philippines: Asian Development Bank, 2009.

Build it and they will come: lessons from the Northern Economic Corridor for mitigating HIV and other diseases.

1. Infrastructure development.                      2. HIV.                      3. Greater Mekong Subregion.
- I. Asian Development Bank.

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This project, financed by the multi-donor Cooperation Fund for Fighting HIV/AIDS in Asia and the Pacific, established with an initial contribution from the Government of Sweden, is part of a regional technical assistance project, Fighting HIV/AIDS in Asia and the Pacific (RETA 6321).

Cover photo: Buakham Thongkhamhane  
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# Contents

<b>Abbreviations</b>	iv
<b>Preface</b>	v
<b>Acknowledgments</b>	vi
<b>Rapid Change in the Upper Mekong Area</b>	1
The Dynamics of Social Change	2
Emergence of Local Enterprises	3
Focus of this Study	4
<b>Route 3—The Northern Economic Corridor</b>	5
Affected Communities Along Route 3	5
Increased Mobility and HIV Risk	5
<b>New Arenas of HIV Risk</b>	7
Golden Boten City	7
Rubber Plantations	8
The Rise of Roadside Shops and Bars	10
Establishment of Recruitment Networks	11
<b>Mitigating Risk</b>	13
The Social Action Plan	13
Outcomes of Interventions	15
<b>Social Dynamics of Risk</b>	17
Scope of Mitigation	17
Marginalization	18
Ethnicity and Sexual Exploitation	19
Economic Expansion and HIV Risk	22
<b>Implications for Future Programs</b>	24
Recommendations	25
<b>References</b>	27

# Abbreviations

ADB	–	Asian Development Bank
GMS	–	Greater Mekong Subregion
Lao PDR	–	Lao People’s Democratic Republic
PRC	–	People’s Republic of China
STD	–	sexually transmitted disease

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## Preface

**T**his report was produced under Subproject 3—HIV Prevention and the Infrastructure Sector in the Greater Mekong Subregion. It is part of a study series on HIV and infrastructure in the Greater Mekong Subregion. It focuses on the dynamics of change among communities affected by large infrastructure projects, particularly the Northern Economic Corridor Project (Lao Route 3) in northwest Lao People’s Democratic Republic. The research was led by Chris Lyttleton, Associate Professor, Department of Anthropology, Macquarie University, Australia.

## Acknowledgments

**T**his report was produced with assistance from many people. Our foremost debt of gratitude is to the local officials in Luang Namtha and Bokeo provinces who helped us compile data, often at very little notice. Provincial and district government staff from different sectors assisted in collating statistical records, offered valuable information about the changing impact of the new Route 3 road, and extended logistical assistance that has contributed enormously to this research. We are also grateful to individuals we met in roadside villages along the length of Route 3. Despite the obvious intrusions into their schedules, villagers were always willing to make the time to discuss changes in local livelihoods and share insights into how the road had affected them and their communities. Similarly, women working in bars and staff at the casino talked about their lives in open and forthright ways. We thank them all for their generous cooperation.

Research assistants—Sengthip Kariyavong, a freelance consultant who had worked previously as a health specialist during the construction stages of Route 3; and Buakham Thongkhamhane from the Institute of Cultural Research, who had previously conducted research in these roadside villages—both tirelessly helped collect data. This report would not have been possible without them. I am grateful to the Lao People’s Democratic Republic Ministry of Communication, Transport, Post, and Construction; and to Oriental Consultants which provided technical assistance, background documents, and information on the road’s construction stages; in particular Masami Fukoda, team leader, and Anousack Sihanouvong, resettlement and engineering specialist. The company also provided temporary accommodation at the project encampment and access to computing facilities. Thanks must go to Chansy Phimpachanh at the Center for HIV/AIDS/STI in Vientiane for providing advice and

facilitating this research, and to many personnel in the provincial and district health departments in Luang Namtha and Bokeo who provided cooperation and assistance. In Vientiane, consultants Gary Alton, Jim Chamberlain, and Allan Beesey provided valuable background information and advice. Thanks are due to Macquarie University for technical and management assistance.

Finally, at the Asian Development Bank, Lisa Studdert, Emiko Masaki, and Charmaine Cu-Unjieng have been central to this study's implementation. I am grateful for their support and commitment to broadening the terms of discussion about the impact of infrastructure development on health.

Chris Lyttleton  
September 2009





## Rapid Change in the Upper Mekong Area

**N**ew economic corridors are transforming large parts of the Greater Mekong Subregion (GMS) and offering local communities opportunities for an improved future. Logically, roads are the backbone of these strategic infrastructure programs. They concretely represent broader horizons, and at all levels—from regional planners through to local roadside villages—their construction brings widespread optimism for economic and livelihood improvement.

The impact of this optimism should not be underestimated. In rural communities throughout the region, it creates an atmosphere where men and women willingly embrace visions of progress by accepting that changes in everyday life will bring beneficial outcomes. As the midterm progress review of the GMS program notes, targeted development is “delivering concrete results and contributing to the shared vision of a prosperous, integrated, and harmonious Mekong Subregion” (Asian Development Bank [ADB] 2007, viii).

At the same time, infrastructure development that promotes physical connectivity and regional economic integration can potentially have negative outcomes. Sometimes the enthusiastic desire for change entails willingly (or at other times unwittingly) engaging in new risk environments where negative externalities remain stubbornly prominent. The recent ADB review notes that, alongside specific achievements, “further measures are required to minimize and mitigate the adverse impact of rapid economic development” and that “preemptive measures are necessary to address the potential negative side effects” in the areas of environment, illegal migration, and communicable disease (ADB 2007, 12). Given this combination of positive and negative outcomes, this study (carried out in August–September 2007) was conducted to examine the nature and impact of changes along Route 3, a section of the

Northern Economic Corridor in the Lao People's Democratic Republic (Lao PDR).

Route 3 was recently widened into an all-weather highway that cuts through northwest Lao PDR, so as to create an international north-south corridor linking Thailand and the People's Republic of China (PRC). After 2 years of construction, the 246-kilometer (km) road now efficiently links two of the poorest provinces in the Lao PDR with two of the region's most dynamic economies—the southern PRC and Thailand. Route 3 passes through Lao districts populated largely by ethnic minority groups and characterized by high levels of poverty and minimal service provision. Officially opened in March 2008, the improved thoroughfare is intended to stimulate national economies in the region as a result of greater trade flows, and at the same time “reduce poverty and provide greater opportunities for businesses and people living along said route” (Oriental Consultants 2007). This study finds that the upgrading of Route 3 has already had impacts at many levels.

### The Dynamics of Social Change

Since the completion of Route 3, there have been clear improvements within local communities in a range of sectors, the most obvious relating to the visible and concrete changes the road delivers. The broadened carriageway is now tarmac and not gravel. To date, this is the clearest and most appreciated change for local villagers, as many commented on the decrease in respiratory tract infections due to removal of the oppressive levels of dust in villages close to the road.

The second most noticeable change is more efficient transport. Journeys that would have not been possible in some seasons (or at best taken a whole day) now take a matter of hours. Transport services have improved significantly; many locals now consider purchasing a motorcycle or small truck to take advantage of eco-

nomie and social connections with other villages and towns. Local and regional connectivity has increased.

Better transport dramatically improves access to a range of private and public services. Villagers can reach district and subdistrict health services in nearby towns or neighboring villages more readily, children can travel to schools more easily, mothers can access maternal care services more regularly, and a greater range of petty commodities are traded within the local economy.

The widened, straightened, and surfaced road has not simply allowed villagers more efficient access to government services. A number of government and donor-funded initiatives now reach communities more effectively, thereby improving local appreciation of livelihood and welfare provision. Clean water and sanitation projects have recently installed piped water in many roadside villages, diminishing the arduous and tedious (female) duty of water collection. While not yet empirically evaluated, it is predicted that diarrheal diseases will decrease as septic tanks rather than local watercourses become the primary means of sewage disposal. Literacy, nonformal education, and public health projects have improved local capacity, maternal health, and access to basic pharmaceuticals.

Upgrading Route 3 has also delivered changes that extend beyond targeted development initiatives. Much of the macro impact of the road will come from the improved transport it allows between the PRC and Thailand. As such, certain regional impacts will not be measured (or necessarily felt) in many local communities which will become peripheral to the main surge of passing traffic. At either end of Route 3, investors from the PRC and Thailand are funding factories that manufacture items such as cigarettes and leather handbags. To date, industrial growth has not reached beyond border zones. Much of Route 3 will be a transit zone rather than the hub of substantial investment activities.

## Emergence of Local Enterprises

Small-scale localized changes continue to emerge along the road. A major finding of this research is that changes in everyday life come in many forms and deliver a wide range of outcomes. There is a significant increase in social and economic options for villagers as travelers, traders, and market commerce enter local communities. Similarly, better links with the outside world provide greater opportunities for circular migration, i.e., leaving the village to temporarily seek work elsewhere (sometimes on a repeat basis).

Myriad forms of small-scale enterprise are facilitated by better transport. These include commercial agriculture ventures such as rubber or cassava plantations, forest product trade such as sesame seeds or incense powder for the PRC market, vegetable production for local markets, small-scale production facilities such as brick kilns, and food and drink establishments catering to increased traffic along the road.

During construction, local communities were exposed not only to laborers in construction gangs and advisors from planning and management sectors focused on material adjustment packages, but also to a broad range of social action initiatives. In numerous ways, from the formal awareness-raising meetings to casual conversations with contractors from neighboring countries, villagers have become aware that Route 3 has brought economic opportunities that were not available previously. An immediate impact of the road is a pervasive enthusiasm among residents living close to the road about the possibilities it represents.

Dreams of future wealth inspire people to consider engaging in new opportunities. Entrepreneurialism is given room to grow as a direct consequence of the new road. Local people imagine broader horizons that were previously limited by lack of access, assistance, and encouragement. A major outcome of the road's presence, therefore, is willingness of villagers,

both local and from further afield, to embrace new pursuits as they increasingly engage in a market economy.

One particular form of market enterprise is becoming prominent. Numerous small shops selling everyday commodities are being established in villages along the road. In addition, a number of new food and drink shops are being opened on strategic sites along the road in proximity to the larger towns and occasionally in villages themselves. Owners and women recruited to work in these drink shops make logical choices as to how to best invest their time and labor in pursuit of cash income. In this instance, selling beer—and sex—are chosen as prime mercantile ventures for those wishing to capitalize on the road's presence.

As we will detail in this report, most young women employed in these bars actively engage in commercial sex. It represents a very direct entry into the world of capital accumulation, in a way that overshadows alternative options. The process of establishing market niches along the new road subsequently expands the sites of commercial interaction, and the recruitment snowballs. Networks now reach into more remote areas that feed the demand for young (ethnic) women in the drink shops. To date, these networks flourish due to the potential opportunities they offer: the chance for young women to access money and possibly a (wealthy) husband. However, even though young women choose to engage in this style of wage labor, it allows the owners and customers to take advantage of rural women's limited choices to make an income.

Thus, while we emphasize the active role villagers are taking in choosing how they enter the cash economy, there remains a further horizon to be kept in focus. This process carries both opportunities and threats. For example, even as women make choices based on the available information and options, embedded structures of social and economic exploitation continue to

make them vulnerable, in particular with respect to the spread of infectious disease. This needs to be given careful attention in mitigation activities. Recognizing the specific trajectories of entrepreneurialism that emerge in areas of infrastructure development will allow for more careful targeting of activities to counteract health vulnerabilities that accompany these processes.

### Focus of this Study

To provide an improved knowledge base, this situation analysis has focused on the dynamics of rapid social change and examined the consequences for health, in particular the spread of HIV, in communities affected by road construction and infrastructure development. By detailing how evolving forms of economic and social relations can be the basis of health threats, this report is intended to provide generic lessons for mitigation programs in the Upper Mekong's areas of targeted development. The approach of the report is based on three propositions:

- (i) New economic corridors not only encourage new and increased forms of movement, but they also turn locales along these thoroughfares into magnets, thereby drawing a greater number of people into their orbit.
- (ii) If we are to understand HIV risk, we need to understand the consequences of increased interaction between mobile and nonmobile populations.
- (iii) To do this, we need to understand what structures these relationships. Beyond images of regional cooperation, prosperity, and harmony, social hierarchies, profit seeking, exploitation, and opportunism are also commonplace.

To examine these propositions, the report considers mobility along the road and the specific

context of social interactions that create vulnerabilities to the spread of HIV. Route 3, in and of itself, is not solely responsible for the social changes, but they would not take place in the same way without its presence.

The Northern Economic Corridor is bringing a larger number of people into contact with each other. This is a key benchmark of its success: increased economic opportunities. However, our study finds that what occurs within these interactions is not entirely determined by economics. Relations emerging under the GMS banner of "connectedness, competitiveness, and community" have multiple dimensions. Social and cultural forces also determine the ways in which people from different backgrounds interact with each other.

Sometimes this places individuals in vulnerable positions; choices are made to pursue profits at the expense of the individual's own health or the health of others. For example, ethnicity and social status renders some (women) less able to negotiate their own well-being in new workplace environments. As we will describe, the improved road is facilitating expanded sexual networks and forms of compensated sex. In turn, new forms of social (sexual) relationships carry specific health threats that to date have not been adequately covered by prevention programs.

Even with targeted mitigation activities, preempting problems is difficult because it relies on predicting negative outcomes before they happen. This, in turn, relies on accurately understanding dimensions of social change in areas undergoing rapid economic integration. Rather than expanding on the above-mentioned positive outcomes, this report concentrates on the recognized side effects of infrastructure development in order to assist policy-level prediction and therefore preemption of health problems in areas of infrastructure development.

# Route 3—The Northern Economic Corridor

## Affected Communities Along Route 3

**R**oute 3 has increased mobility in the Upper Mekong area. It connects Golden Boten City at the Lao PDR–PRC border, 2 km from the PRC border town of Mohan, with Houayxai on the edge of the Mekong River and across from the Thai town of Chiang Khong.

Until upgrading began in 2005, the 226 km Route 3 was unpaved and could only be used consistently in the dry season. The road passes 76 roadside villages with a combined population of roughly 37,000 people in the Lao PDR provinces of Luang Namtha and Bokeo. More than 90% of the residents in these villages are from ethnic groups other than lowland Lao. The type and number of ethnic groups in these villages are Khmu (Khmu-ou, Nyuan, and Kwen) (37 villages), Lamed (9), Lue (8), Tai Dam (3), Hmong (2), Lanten (2), Pana (1), Yang (1), and Kalom (1), with a further number of mixed villages. The needs assessment conducted during the initial planning stages of road construction confirmed high levels of poverty and limited access to services in all these villages. The road's construction has dramatically improved transport to or from these villages, as well as travel across international borders.

## Increased Mobility and HIV Risk

Even though Route 3 was only recently completed, the number of people crossing in and out of the Lao PDR at Route 3 border points has increased significantly in recent years. For example, at the PRC–Lao PDR border point of Boten, 13,433 people entered the Lao PDR in 1999 and 15,799 people entered in 2003. However, in 2006, 56,507 people (including 51,833 people from the PRC) crossed

into the Lao PDR at Boten. A similar number of Lao nationals crossed into the PRC (typically on border passes for shopping and trade). Many thousands of undocumented visitors from the PRC come directly to the recently built casino in Boten, bypassing the immigration checkpoint (this will be monitored in the future with the intended relocation of the border post). In addition, travelers and businesspeople from the PRC are increasingly coming further into the Lao PDR on visas. In 2005, 9,851 people from the PRC came into the Lao PDR via Boten on passport visas (compared with 35,473 people on border passes). In 2006, this figure increased by 47%, with 14,449 people from the PRC using visas (compared with 37,244 people on border passes). The numbers entering at the Thai border have not yet increased as significantly, but this is expected to change now that the road is completed and the much-awaited highway from Bangkok to Kunming comes into being (all that remains is the completion of the bridge across the Mekong River at Chiang Khong–Houayxai).

There is a well-established connection between infrastructure development, mobility, and the spread of HIV (Guest 2000, Porter and Bennoun 1997). Clear links have been made in many countries between major transport networks and escalated HIV spread (Skeldon 2000). But in addition to recognized “hot spots” of vul-

nerable migrants and itinerant populations, less obvious intersections between mobile and nonmobile groups also create opportunities for increasing HIV transmission. To implement adequate mitigation programs, these forms of connectedness must be carefully understood. Although HIV seroprevalence currently remains low in the Lao PDR (less than 0.1% of the population), the 2005 sero-survey conducted by the Lao PDR Ministry of Health showed rising levels of HIV among sex workers and high levels of other sexually transmitted diseases (STDs) in the provinces that Route 3 passes through (Bokeo and Luang Namtha). Significantly, all countries surrounding the Lao PDR have notably higher levels of HIV prevalence. Over the past 15 years, the spread of the epidemic has become more diffuse and complex in its vectors throughout the region. In many parts of the Upper Mekong, HIV risk has moved beyond the commercial sex and injecting drug use context, and is entrenched in broad sectors of the population. This means the avenues by which HIV can enter the Lao PDR are diverse and not simply limited to cross-border movement of standard high-risk groups. The multiple new roads stitching the Lao PDR more firmly into regional trade networks have shifted the focus from being landlocked to being land-linked. In turn, these roads will have a major role in how HIV evolves within the Lao PDR as various populations move back and forth.

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## New Arenas of HIV Risk

**A**long Route 3, there are four key arenas of social and economic change that highlight how health threats can accompany infrastructure development: in Golden Boten City, in rubber plantations, the rise of roadside shops and bars, and the establishment of recruitment networks for bar workers.

### Golden Boten City

In previously remote hills on the Lao PDR–PRC border, a 1,640-hectare free-trade zone flanks the first 5 km of Route 3. Planned and built independently of Route 3's upgrading, the new investment and trade zone nonetheless has pegged its fortunes on the efficiency of transport and increased access provided by new roads on both sides of the border. Established on Lao land leased for up to 90 years, investors from the PRC envision Golden Boten City having facilities that can hold convention, entertainment, and sports complexes, alongside business and transport centers that will become a trade hub in the region. The first of these is a casino and hotel complex that opened for business in January 2007 and now brings thousands of people from the PRC into Boten every week. As Boten takes shape, it is a magnet to those with money and those wanting to make money. Commercial sex work is fast becoming part of the equation.

Specific implications for HIV spread are centered on the intersections of widely disparate groups of people. Roughly 900 young, mostly single men and women from different parts of the Lao PDR and the PRC work in the hotel and casino, and many live in a large dormitory attached to the casino. Relationships are commonly established. Men from this dormitory also frequent the few small bars within walking distance along Route 3, most of which em-





Chris Lyttleton

**Casino and hotel complex in Golden Boten City.** A magnet for those with money and those wanting to make money

ploy 4–6 women from minority ethnic groups in northern Lao PDR. The bars are ramshackle venues and possibly will not exist long within Boten, but they currently represent a key nexus of sexual interaction predicated on heavy drinking and sex on premises (or at the number of guesthouses recently constructed just outside Boten).

Many traders, as well as construction workers and laborers, come to Boten. Like the male hotel staff, they also visit the small bars. Similarly, many male visitors come to the casino and some bring Lao service women from bars in nearby towns to stay with them in the hotel.

The karaoke parlors have a number of women from the PRC who also provide commercial sex largely to the PRC clientele at the hotel. There are also more than 100 freelance PRC sex workers among the several thousand temporary PRC residents in Boten. These workers give out name cards with mobile numbers so they can be readily contacted.

To date, there have been no health interventions specifically targeting people in Boten.

## Rubber Plantations

In recent years, investment in rubber plantations has dwarfed other forms of agricultural investment throughout much of northern Lao PDR. With support from large and small PRC companies, rubber trees are being planted on a massive scale from small village holdings to large tracts of government land concessions. Among local communities on the Lao PDR side of the border, abiding optimism that rubber will mean a highly prosperous future is fuelling a headlong and competitive rush to acquire or convert as much land as possible into rubber plantations.

While economic diversification is often positive, and certainly the growth of the automobile industry in the PRC would indicate rubber may well be a long-term commodity with sustained



Chris Lyttleton

**A rubber plantation.** The prospect of long-term profits fuels widespread conversion of land into rubber plantations.

value, contractual arrangements can be problematic. One difficulty is the lack of clear land ownership titles in many rural areas in the Lao PDR, which raises the specter of land opportunism and lopsided contractual agreements. In some instances, communal land is being turned into private land by unscrupulous traders with the result that much communal forest land ends up being managed by outsiders in contractual agreement with PRC companies (Seidel et al. 2007). Labor exploitation is another potential concern, with existing examples of conflict in contract farming (sugar and watermelons) between Lao ethnic minorities and outside investors.

Of specific relevance for HIV spread is the previous history of contract farming in Muang Sing, a border district of Luang Namtha where many young ethnic women, particularly Akha and Kwii, have become sexually integrated into the social and material exchanges linked to agricultural investment. In these instances, market gardeners utilizing ethnic go-betweens are able

to exploit social networks to gain sexual access to young women. At present, condoms are not always used and surveys show that STDs are high in these communities (up to 6% among a general Akha population being treated as part of an HIV intervention in 2006–2007 [Lyttleton 2008]).

Earlier studies of watermelon growing in northern Lao PDR have shown how there is a gradual and insidious move to incorporating financial exchange to facilitate sexual access (Lyttleton et al. 2004). At this stage, the money is brought by outside men to young village women in exchange for sex in ethnic villages close to the border. There are many examples worldwide where, once a pattern of sexual commodification is established, young women subsequently move to more actively seek money themselves in specific commercial sex venues in urban settings. Thailand provides a salient example of how development impacts on minority groups (Klein-Hutheising 1995, Feingold 2000, McCaskill and Kampe 1997). In northern Thailand, young

ethnic women account for a large percentage of women in lower-priced commercial sex venues. This process is beginning in the Lao PDR, particularly in the north. The expansion of rubber plantations within ethnic areas along Route 3 is likely to repeat the dynamics of increased monetization of sexual exchange (already seen in Muang Sing), where young ethnic women follow a market logic that encourages the sale of labor to the point that sexual labor also becomes a negotiable commodity.

In similar fashion to the presence of construction workers along the road, the arrival of outside men allows for sexual opportunism and exploitation of village women who are seduced by promises of entry into a world of modern convenience. Apart from other social implications, when increased sexual networking creates the opportunity for the spread of communicable disease, then proactive strategies are needed. This cannot be simply done by conventional condom promotion alone. Rather, the exact dimensions of emotional and material exchange need to be understood and carefully targeted as many relationships cannot be portrayed as generic commercial sex. Different parties make different choices based on how they perceive the relationship (such as women choosing to not use condoms with men they regard as a potential long-term partner). These choices can put people at risk. People's motivations need to be understood clearly so interventions can be targeted more effectively.

### The Rise of Roadside Shops and Bars

In the immediate post-construction period, the most evident impact of economic change in villages along Route 3 is the rise in the number of small roadside shops selling petty commodity items. The highest selling items are beer and whiskey. Trade in alcohol is maximized in culturally specific ways based on the prevalent social norm in Lao society that young women accompany men as they drink. Here, it leads to

an important trajectory that moves from small shops to the gradual inclusion of sex services and the establishment of dedicated bars and, in turn, an increase in on-site sex. While this progression is a generic process in its broad outlines—commercial sex often expands in areas of infrastructure development—how it takes shape also depends on cultural factors. Along Route 3, it occurs in a series of stages, as follows:

- (i) The motivation to open a small store emerges as a form of market competitiveness among few other possibilities to enter the cash economy in ethnic village communities. It is the key alternative to arduous agricultural labor in the village economy.
- (ii) Running a successful store shifts the focus to selling the most marketable commodities: beer and whiskey.
- (iii) Strategies to maximize sales leads to creating a venue where people drink more and for longer, either through the appeal of young female family members or by actively recruiting women to work as serving assistants.
- (iv) Dedicated drink shops emerge that sell only beer (and some food) and that employ a number of itinerant service women.
- (v) This form of female company in drink shops is also associated with sexual services both off-site and increasingly on-site.
- (vi) To run a store is a key aspiration of young rural women in any wage labor sector in the Lao PDR. If they have worked in towns or areas with existing bars, women leave the sex industry to open stores in their home villages. Sometimes, if villages are in areas of infrastructure development, the stores become bars and the cycle repeats and expands.



Chris Lyttleton

**Small roadside shop.** Beer and rice whiskey, sold from large plastic containers, are the highest-selling items in shops along the roadway.

(vii) Young women in the village observe this process and feel the attraction of working elsewhere to gain enough money so they themselves can open a store. They too become susceptible to offer of work in “restaurants” or drink shops, and again the cycle repeats.

### Establishment of Recruitment Networks

Just as the road allows increased travel and mobility, so too it draws increased numbers of people seeking to take part in economic expansion. There is a resulting influx of young women working in the growing number of drink shops that have accumulated in areas close to towns and major intersections along Route 3.

This phenomenon also has culturally specific elements. Throughout northern Lao PDR, a large percentage of young women in the commercial

sex industry are of Khmu ethnicity—provincial and district health officials estimate that roughly 80% of women working in small drink shops in Luang Namtha and Bokeo are Khmu. In many of the small bars along or near Route 3, all the serving women are Khmu. This predominance highlights the vulnerability of certain communities to recruitment into sex work, as well as changing village attitudes to female migrant labor and the growing value it represents in terms of returned material benefits.

A constant turnover of women in the small bars is based on a widespread assumption that “new girls” will get more clients. This is an operating principle in most sex venues throughout the Lao PDR. Young women reproduce this rationale of supposed short shelf life in their attempts to maximize an income. They regularly move between venues after a period ranging from several months to a year. At times, to access a new clientele, service women will offer to work at small restaurants where in

the past commercial sex might not have been available.

In established venues, the need for ongoing recruitment of new women takes place via a number of networks. Women who are already working in a venue recruit friends, associates, or family members to join them. At other times, the bar or shop owner will visit rural villages looking for young women recently out of school. Some deception is usually maintained that the work entails serving food and drink and washing dishes, although often the young women know that sex will also be included in expected duties. Once they reach the drink shop, young women are sometimes forced into commercial sex, but more often they are subtly pressured through the disparity in income between selling sex and washing dishes or just serving beer. One way or another, most women

in these venues end up selling sex regardless of original intentions. A substantial number are under 18 years of age.

In remote village communities, the appeal of outside employment is expanding as local farm-based labor options decline. Work in drink shops and restaurants is considered by young ethnic women as a key opportunity to enter the wage economy and many see bar work as a prime entry point into commodity capitalism. Similarly, many bar owners capitalize on this changing village climate and persuade young women and their parents of the benefits of outside wage labor. Taken together, there is a growing number of local women who work in, and invite friends and/or relatives to enter, the sex industry. This process has become a logical and central element of contemporary economic expansion. It also carries significant health threats.

# Mitigating Risk

## The Social Action Plan

In preparing infrastructure projects, ADB works with the Government of the Lao PDR to identify and address possible social issues that will arise from, or be exacerbated by, infrastructure development. Most projects, such as the upgrade of Route 3, thus have a social action plan that accompanies the technical design documentation. Prior to road construction, the broad outlines of potential negative externalities were concretely acknowledged by planners. The social action plan (Oriental Consultants 2006b, 1-1) that accompanied Route 3's construction states that, while the road is expected to accelerate development as it links the Lao economy to those of the PRC and Thailand, there are also specific areas of concern:

There are associated risks, however, for the roadside poverty-stricken vulnerable ethnic rural villages such as loss of land occupancy to opportunistic in-migrants; exploitation by unscrupulous traders; potential exposure to HIV/AIDS via increased contact with truck-drivers during R3 [Route 3] upgrading, truck drivers and itinerant traders once upgraded, over exploitation and potential collapse of natural resources such as wildlife and NTFP [nontimber forest products] with increasing demand by outsiders and/or traders.

As part of an action plan to prevent these problems, the social action plan had three components central to its mitigation program—land zoning, primary health care, and nonformal education. The three central initiatives were carried out over 10 months from September 2006 until June 2007.

### Land Zoning Program

The land zoning program included

- land assessment and mapping along Route 3 (50 meters each side of the road) and for residential areas in 76 villages,
- land titling and land use certificates for villagers via community consensus, and
- awareness raising for land use rights and women's ownership of land titles.

### Primary Health Care Program

The primary health care program included

- training village health workers in 76 target villages,
- training traditional birth attendants in 76 target villages,
- establishing revolving drug funds in 10 villages and retraining those in charge of the revolving drug funds in 37 villages, and
- providing medicine and medical kits for the revolving drug funds in 10 villages.

### Nonformal Education Program

Educational activities under the program included

- basic literacy and numeracy education in selected villages;
- awareness-raising workshops in 76 target villages and communities;
- use of safe drinking water, hygiene, and sanitation;
- birth-spacing services to mitigate increased rate of unwanted pregnancies;
- leadership of girls and women as a form of women's empowerment;
- land use rights and protection of land resources;
- land titling in women's names;
- anti-human-trafficking awareness raising for women and children;
- road safety;

- HIV/AIDS and STDs; and
- agricultural extension.

In the program design, the primary health care component was intended to improve labor productivity through providing access to medicines and the services of village health volunteers. The nonformal education component aimed to improve negotiation skills, elevate levels of social competence and self-confidence, and increase engagement in market opportunities through literacy and gender empowerment, at the same time preventing trafficking and HIV/AIDS through awareness raising.

In practical terms, the social action plan was overly ambitious. A short time frame clearly limited the outcomes and some of the activities had to be streamlined. Literacy classes were shortened due to absence required for labor during the harvest season. The awareness program was originally intended to run twice in a limited number of villages, but an ADB review team advised that it be run in all 76 villages; thus, it could only be conducted once per village. Such difficulties notwithstanding, the final report of the social action plan (Oriental Consultants 2007) prepared in July 2007 notes concrete achievements in many of the initiatives.

These activities were carried out by project consultants in collaboration with district and provincial authorities. They are not the only social action programs organized for communities along Route 3. A separate component focusing specifically on HIV/AIDS prevention and anti-human-trafficking was carried out over 2 years in roadside villages during the construction period (2004–2006) by the Lao Red Cross. Anti-human-trafficking has also been the subject of research projects conducted by both ADB and Save the Children United Kingdom. Findings are intended to feed into provincial and district development plans. Nongovernment organizations continue to work in roadside communities. The Adventist Development and Relief Agency has

been funded by ADB to conduct post-construction livelihood improvement in nine villages in Luang Namtha. Concern Worldwide has been conducting broad-based rural development initiatives for many years in 13 roadside villages in Bokeo province.

## Outcomes of Interventions

### HIV Prevention

The social action plan and additional interventions accompanying the road construction provided extensive HIV prevention and anti-human-trafficking initiatives. Overall, the familiarity with the use of condoms as necessities for safe sex has increased enormously in roadside villages. Most residents, from grandmothers to young children, now know about HIV/AIDS and the importance of using condoms as a means to prevent this. Mitigation has had a solid and noticeable impact on knowledge of HIV threats and the use of condoms, but it has not removed all the problems.

### Village Context

Condoms are still not used consistently. Young village men indicated they will use condoms with women in bars but not with local village women based on the logic of assessable threat. Village women prefer oral contraceptives when wishing to avoid pregnancy and most commonly leave the choice of a condom to the male. Unmarried women sometimes want to get pregnant as a means of consolidating a relationship with a prospective (and ideally long-term) partner. This includes an increasing number of outside men as social opportunities have been expanded by the road. Even if village couples are inclined to use condoms, these have not been available in villages since the completion of road construction. Condoms are not included as a medical commodity in village revolving drug funds. At the same time, they

are not considered an appropriate commodity to be sold at local stores.

### Drink Shops

In the bars, women will not always use condoms with men whom they regard as boyfriends or a regular client. Women commonly work in the bars as a stepping stone to a better life through the opportunities of meeting men from a broader social circle. Making money through sex might be new and a logical response to other changes in ethnic communities, but looking for longer-term love is hardly novel, nor any less important in their lives. Similarly, men will sometimes offer extra money for sex without condoms, pull rank, or seek to sell their potential as a romantic partner. Just as in the villages, the ongoing incidence of STDs (treated by local health authorities) and pregnancies (described by women in bars) indicate condoms are not always used. Men are able to exert considerable pressure on young women who are disadvantaged on any number of levels—age, education, and social and ethnic status—which, when coupled with commonplace inebriation of both parties, creates potential for less vigilance during sex.

### Human Trafficking

Anti-human-trafficking activities have taken place in the majority of villages near Route 3, and these appear to have reduced the levels of overt human trafficking to Thailand from communities along the road. It is unlikely an “agent” could now dupe unwitting young villagers with promises of highly paid work across the border. However, this does not mean that young villagers no longer seek work in Thailand, and many still go, informally assisted by networks of family or friends. In fact, the presence of the road has introduced a far more subtle form of trafficking based on desire for modern life through more concrete links to an outside world.



The desire to engage with a more modern world was literally embodied by many young women during construction; the road construction period offered direct opportunities to marry (to men from the PRC, the Lao PDR, or Thailand). In all of the villages where we interviewed local people, several relationships between local women and construction workers, road engineers, or other consultants had taken place. Nowadays, the tendency is to seek work elsewhere. Young village men feel that local women are no longer interested in them as partners. Parents indicate that daughters are no longer interested in working the fields. Modernity has been valorized by the media, in particular Thai television, and employment elsewhere or relationships with outside men are seen as a ticket to achieving this. Young village men, on the other hand, end up feeling that to compete they have little choice but to develop a veneer of sophistication themselves. For some, this means working further afield to buy the requisite motorcycle that will allow this degree of urbanity and ready access to nearby villages on the new road.

As detailed in the main report, more importantly (and dangerously) the road has caused trafficking of a different kind. There has been an upsurge in small drink shops and a growth in the recruitment modes they employ. Women typically arrive to work in these venues from more remote areas rather than villages already close to the road. The majority of women we interviewed in the bars were under 18 years of age and some indicated that they were unaware before they arrived that they would have to sell sex. Insofar as trafficking is entailed in this recruitment (either being under 18 years of age or via direct coercion), the road has been instrumental in broadening the networks that bring women from rural villages into employment opportunities. It has provided a cause and a location for internal recruitment into the sex industry to expand, and in this sense has directly contributed to an increase in trafficking, an area not adequately addressed in existing anti-human-trafficking campaigns.

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# Social Dynamics of Risk

## Scope of Mitigation

**T**his report has not aimed to empirically assess achievements or shortcomings of the social action plan and related interventions. Rather, our intention is to profile the dynamics of change occurring in the wake of road construction and thereby allow us to consider to what extent mitigation initiatives are able to effectively address a broad range of development impact issues. A more useful question is therefore: to what extent does mitigation, as it is currently conceived, lessen dilemmas emerging from the intersection of economic integration and rapid increases in mobility?

The logic of mitigation relies on prediction, what World Bank sociologist Cernea (1996) has called “self-defeating prophecy.” If a problem can be anticipated ahead of time, then its emergence can be avoided. Road planners know that rapid economic growth results in negative externalities. Similarly, we know that a number of intersecting variables lead to aggravated problems of trafficking and/or the spread of HIV and other health problems. These include inadequate resources, lack of knowledge, and lack of negotiation skills, which collectively form the focus of most mitigation campaigns these days.

We also know that what sexual relationships mean to people will determine how careful they are with the use of condoms. It is far more difficult to intervene in this arena as people enter sexual relations with a wide range of aspirations and emotional investments. It is in the ability to negotiate safe (sexual) relations that other issues, such as social competency and marginalization, determine to what extent social disadvantage and exploitation make people more vulnerable to pressure within sexual relationships. In other words, structural elements determine to what extent one

can control the terms of negotiation. The more difficult question then becomes: how do we measure marginalization and compensate if we know it leads to HIV risk? We know that when people put their bodies (or the bodies of others) at risk by exchanging sex in pursuit of material or social gain, it can lead to health problems. This then is where shortfalls in current program mitigation become most evident due to the difficulty for planners to accurately anticipate the multiple dimensions of negotiated relationships that emerge as part of economic engagement.

### Marginalization

The shifting balance between emerging positive and negative outcomes along Route 3 is an ongoing process. Clearly, the road construction allows broader options and certain changes that are welcomed by many whose lives it is transforming. However, as well as bringing concrete improvements at the micro level, these immediate impacts have obscured health threats coming through different types of sexual contact (and other social and environmental problems described by the social action plan). As mentioned, the important question is to what extent individuals will be able to control the terms of engagement. This is most specifically relevant where the impact of the road is a work in progress. A study in Thailand highlighted the complex outcomes of decades of modernization programs in rural villages:

Communities have no wish to reject modernity, oppose globalization, and cling to the past. But they want power to determine the direction of development based on their own body of knowledge, their own values, the principle of sustainable balance between man and nature, and the community's rights to manage resources (United Nations Development Programme 2003, 79).

Development has the potential to reconfigure value systems by creating a new hierarchy of wants and needs. How people achieve these is a product of new forms of economic and social relations available to them. In programs of regional infrastructure development that promote connectedness, cooperation, and competition, different value systems intersect in ways that are not always familiar to local residents. For example, along Route 3, differences in education and language mix with more abstract desires and prejudices to shape how new relationships take form between people who have never met each other before. Collectively these forces affect how the Lao staff are treated in the casino, just as they shape how the Lao bar girls in nearby towns handle their clients from the PRC, the Lao PDR, or Thailand. They determine what happens in the rubber fields and what happens in the small shops and bars along the road. We cannot itemize all forces, but we can say that the effects of market growth are complex and are not limited to financial interactions.

There are examples worldwide showing that "the magic of the markets" does not necessarily apply to all (*The Economist* 2003). It has been widely argued that processes of modernization inevitably produce forms of exclusion and hierarchy (Giddens 1991, 6). Similarly, marginalization takes place when certain people and ideas are favored over others. In either case, negative outcomes occur when different groups of people interact with different levels of competency to negotiate the new market rules and changing value systems (Sugar, Kleinman, and Heggenhougen 1991). The ADB admonition that care must be taken not to "leave behind" certain subgroups stranded in poverty is relevant (ADB 2007, 12). But it is not just about material poverty. It is also about the ability to avoid forms of exclusion and hierarchy that create a combination of social and economic marginalization, which, as Cernea (1996, 2000) has comprehensively argued, is a potent precursor to a number of subsequent problems, including health impacts.

Impact assessments have become central within infrastructure development programs because planners now know from experience that new roads can cause problems. For example, there is abundant evidence that the spread of HIV can be linked to the increased use of thoroughfares. In a number of sub-Saharan African countries, labor migration is regarded as a key factor in the high level of infection. Transport corridors have been labeled as “HIV highways” for the opportunities they promote to spread disease (Caldwell and Caldwell 1997, Setel 1999, and Loewenson 2007). Similarly, in southern PRC and parts of South America, pockets of higher infections have been linked to illicit drug trade routes (Crofts 2000, Beyrer et al. 2000). As in Thailand, recent studies of road development in Viet Nam have shown how minority groups are most vulnerable to negative impacts of economic growth due to increased opportunities for those with resources to exploit those without (Giang 2006).

The difficulty for mitigating negative externalities, in a kind of development-speak Hippocratic oath “first do no harm” way, is that harm can only be prevented if it is adequately conceptualized. The social action plan along Route 3 sought to address issues related to exploitation, but they were only vaguely conceptualized and partially implemented. Commodity capitalism is being introduced in numerous ways that are consistent with economic growth happening in the region in general. The logic of accumulation and economic entrepreneurialism is taking precedence in everyday life in ways not previously encountered in semi-subsistent communities.

In roadside villages, economic integration is creating a wide range of new encounters premised on specific profit-making outcomes. Examples include the Lao traders from the towns buying sesame seeds in the villages to sell to traders from the PRC, the highland Hmong buying land from Khmu to lease to people from the PRC to plant rubber, the Lao truck drivers hiring Akha

villagers to load tobacco from PRC boats at a Lao port on the Mekong River bound for Viet Nam, the Lue bar owner visiting a Khmu village to look for more hands to work in her restaurant, and the lowland government official who buys his Kwii girlfriend a mobile phone to ensure her availability when he wants to see her. The important point is that not all players are evenly placed to engage in the competition underlying each of these relationships for reasons that are not just economic. This, in turn, has specific implications for well-being, including health.

People are willing to engage wholeheartedly in the larger promises that the road represents. Villagers are seemingly happy to turn rice-land over to plant rubber. Bar workers will accompany men from the PRC to the casino. Young female teachers and college students take advantage of a nearby bar to make money from male passersby. Young women bring relatives and friends into the world of male predators. All are considered market niches—each of the above is a perfectly logical entrepreneurial response conforming to trends of economic accumulation. Is there a downside to this? The unfortunate answer is: quite probably.

### Ethnicity and Sexual Exploitation

The social action plan identified gender empowerment and literacy as key means to lessen exploitation and opportunism that could potentially be at the base of ensuing problems. The final evaluation of the land-titling component indicated that land had been mapped in all 76 villages and land use certificates distributed to 1,745 individuals for agricultural land and 5,000 individuals for residential land. Of these, 86 women (4.9%) received a certificate for agricultural land and 399 (8%) for residential land. While these advances should not be downplayed, it is only a first step toward giving women more options in terms of income and socioeconomic security.



Chris Lyttleton

**Store assistants.** Young women serving as store assistants are also encouraged to drink with the guests.

The empowerment of women is a powerful means of diminishing certain types of exploitation. In fact, the process of women leaving the village to work in the cash economy is itself a clear indication of self-empowerment and is encouraged on many levels. Young women take it into their own hands to advance dreams of material advancement—most notably by seeking to earn enough money to own a store in the village. The road has advanced this possibility much more than land titling has provided impetus for them to stay put. At the same time, however, this movement creates new forms of vulnerability if young women end up working in small drink shops or other situations where they (potentially) confront fatal infectious disease.

The literacy program helped 987 ethnic villagers in 21 villages gain somewhat improved Lao lan-

guage skills. This too is a valuable accomplishment, although it must be balanced against the 12,413 people who were ranked illiterate in roadside villages by the 2006 socioeconomic needs assessment (Oriental Consultants 2006a, AP46). It could help some villagers read the texts on posters distributed as part of health or anti-human-trafficking campaigns. Literacy potentially assists in scrutinizing contracts and minimizes opportunistic land grabs.

Does literacy help young women negotiate safe sex in bars? Hardly. Here, the ability to pull rank creates vulnerability when women are treated as commodities subject to market rules. The consumer with more power dominates the negotiation. Sometimes, men remove condoms during sex; women are not always able to object. At other times, more money is offered by some men for sex without



Chris Lyttleton

**Young women in a remote village.** Many want to work in more developed areas to earn money. Meanwhile, bar owners send young women back to their villages to seek out young or recent school leavers.

condom use. Seemingly, women reject this and one must credit concerted HIV/AIDS campaigns for this. However, the outreach programs have now stopped, and new women and girls arrive all the time. Ongoing evidence of STDs and pregnancy confirms that condoms are not used consistently.

Importantly, power is not only invested in money. Leveraging ethnic and social marginality is an effective means of subordinating the ability to negotiate safety. Men with social and economic status play on this. It is not simply a demographic curiosity that very young minority ethnic women substantially fill the lower echelons of the commercial sex industry in the Lao PDR. As described earlier, ethnicity is a key structuring element that creates flourishing recruitment networks. The road assists in the creation of a market niche, and a combination of

economics and specific sociocultural forces provide minority group females to fill this niche.

This market enterprise is also predicated on a growth in demand for quick and easily orchestrated (often on-site) sex. It is no coincidence that the expanding number of small bars providing men with an opportunity to exploit accepted gender norms (the provision of female company while drinking) also provides women who have little or diminished bargaining power during negotiation of sexual relations due to ethnic difference. Sex in the small roadside bars becomes quicker and cheaper than in nightclubs or many urban drink shops where women retain some choice over whether to leave with a client. Age, class, and ethnicity make a difference in a culture where subordination takes myriad forms. As the number of bars expands and the number of women looking for places

to work increases, Route 3 offers us a clear example of how these three elements—age, class, and ethnicity—are central to making cheap, quick sex a growing commodity and a shift to on-site brothel-style commerce with a greater number of men per day a new and worrying trend.

Significantly, most women in the bars along Route 3 come from hinterland districts and have not been the target of the literacy activities in the social action plan. This raises the difficult question of where responsibility lies. It is hardly within the brief of road construction mitigation programs to target all ethnic minority villages in the orbit of the road's impact. However, the fact that the interventions stop before construction finishes highlights that incoming migrants to venues along the road are not adequately included in program targets.

### Economic Expansion and HIV Risk

Global economic growth is undeniably helping decrease poverty in much of the developing world. According to the World Bank, the proportion of the world's poor living on less than \$2 a day has dropped from 67% in 1981 to 47% in 2004 (even as the actual numbers of poor increase due to population growth). But even as economic livelihood is improving for large numbers around the world, inequality is taking a different form, as economist T. Piketty notes: "In spite of the massive reduction of inequality between countries there has been a significant rise of *within-country* inequality" (in Gross 2007, 34). As it improves overall national economic growth, globalization is also contributing to the growing wealth inequities through downward pressure on wages, especially in countries with very rapid growth such as the PRC. ADB's chief economist Ali notes that, globally, workers' "bargaining powers are diminished" by intensifying competition, rapid adoption of new technologies, and freer capital flows (in Gross 2007, 35).

Route 3 represents a microcosm of these forces. Competition has been cited as central to economic integration, and freer capital flows are clearly primary to the new free-trade zone and agricultural expansion along the road. It is unclear precisely what new technologies the road will facilitate, but its presence alone brings modernity to local villagers in the form of new vehicles, improved transport, and greater access to government services and markets. It is most likely within this mix that, as the economies of regional, provincial, and even some local communities improve, there will also be those who assist in this improvement but will end up relatively worse off. Their bargaining power will be diminished due to a number of social and policy implications that provide minimal safety nets in the process of opening up communities along the road to greater market articulation and consumer culture. And, as has been amply evidenced in many parts of the world, those who are economically vulnerable also become vulnerable to social exploitation via diminished bargaining power and thereby, in certain instances, are at risk of HIV infection.

This vulnerability to infectious disease occurs not just through limited resources that can be locally employed to ensure adequate knowledge of disease threat and how to prevent it (although this is an issue); it also occurs through the decisions people make (or which are made for them). As mentioned, commercial sex is increasing along Route 3, noticeably through an increase in venues that provide on-site sex and/or opportunities to meet men with money:

- (i) The casino and its clientele are providing a major and rapid impetus to the growth of service provision. A central element of these service requirements is sex, evident in the itinerant women from the PRC looking for clients, the mobile teams of Lao women arriving in bars, and the underlying touristic appeal of "exotic" sex as part of the travel "experience."

- (ii) Following the road construction, rubber expansion is continuing the trend of outside men looking for local village women as sexual partners. Gifts, direct cash enticements, and imagined prosperity brought about by potential long-term relationships are prompting village women to willingly enter into these relationships.
- (iii) The numbers of small roadside bars are increasing, as is the number of ethnic women who come to work in them. Bar owners recruit young Khmu (and other ethnic) women in immediate response to growing demand. Young women in many instances willingly engage in these opportunities as a means to accumulate cash and thereby improve their material wealth or their parent's domestic situation.

In short, commercial sex growth as a direct product of economic expansion is obvious along Route 3, even though it has only recently been completed. HIV risk need not accompany this, but it is hard to be confident that it will not. If it does, it will happen for many of the reasons that underpin economic growth in the first place. If economic inequities are perpetuated by rapid adoption of "turbo" capitalism, then certain groups become trapped into situations of limited ability to negotiate their position within these new economic relationships. The very forces that have placed them low on the economic gain index also relegate them

to low on the social scale. Lack of bargaining power over workplace rights extends to (sexual) relationships that accompany these economic agreements.

The processes that create market opportunities for commercial sex rely on forces of marginalization that will provide a ready source of young women into these venues. This marginalization does not stop with their arrival. It also suffuses social and sexual relations that accompany the exchange of sex for money. In other words, the market economy provides the structure that increasingly leads women into the sex trade and, once there, social subordination diminishes their ability to negotiate safe sex. The women's lack of education and status, their very young age, and their employment as service providers in the formal and informal sex industry (whether in a bar or as a girlfriend) all mean that men with age, status, money, and education can exert tremendous pressure over the terms of engagement.

This does not mean that the women are powerless, but it does mean they are disadvantaged in numerous ways and there are times when men are able to exploit this to have sex without condoms. At other times, women might actively choose not to use condoms regularly as a means to cement relationships and the possible social escalation it might represent. Either way, the broadened sexual networks represented in these relationships make HIV infection a very real threat.



## Implications for Future Programs

**T**he spread of HIV remains an issue along Route 3. Mitigation programs have instilled a degree of knowledge, and, in some instances, caution within sexual relations. But for reasons we have described, Route 3 has also created a growing context of vulnerability not adequately addressed by the diffusion of HIV knowledge. It creates broader sexual networks with varying degrees of sexual risk. Villagers who have received knowledge of HIV/AIDS make choices as to whom they use condoms with—young men will use them with bar workers but not local women. Young women choose—or are persuaded—not to use condoms with men who present themselves as long-term partners, including men from outside villages (or further afield). In either event, condoms are not readily available in villages, which adds to irregular use. In the bars, women say they always use them with clients but the incidence rate of pregnancy and STDs would indicate otherwise. A key reason for not using condoms is the belief that a partner is “special,” i.e., a boyfriend or potential mate. Men play on this distinction as much as they can or, at other times, either remove condoms or offer more money for sex without condoms.

A broader issue for the spread of HIV is the interaction between men and women from a vast range of sectors and diverse geography. It is this context that has relevance to road-based infrastructure development in general. Route 3 brings together traders, tourists, and investors from outside the Lao PDR; Lao traders, laborers, and government staff; local men who might have worked in Thailand; and young women who have arrived to work in the bars from widely spread and sometimes remote ethnic villages. The types of sexual relationships emerging from these interactions are diverse, ranging from short-term commercial sex to long-term intimate relations. Very few of the mentioned groups have been reached by the HIV mitigation programs carried out during the construction

period. So, while mitigation might have had a positive effect in the short term within localized populations, it is the processes emerging from, rather than during, the road construction that pose the more serious long-term threat of increased HIV infection as a consequence of plans for economic integration.

This raises the difficult question of who should take responsibility for long-term consequences. If we know that problems will emerge after road construction, then programs need to address this. But is it the responsibility of the donors or the respective governments to do this? Clearly, local governments have the most immediate, logical, and pressing motivation for seeking to control HIV within their territory. But insofar as donors take a lead role in shaping the nature and means by which development takes place, they too bear some responsibility to consider and address more long-term consequences.

The Greater Mekong Subregion (GMS) program anticipates that there will be regional economic growth (ADB 2007). This is its primary goal. Route 3 is one step to achieving this through its central presence in the Northern Economic Corridor. The road has been built as part of a plan for future improvements in a number of livelihood sectors, and poverty reduction underlies most of these. The GMS program is oriented to, and focuses its planning on, future achievements. It should also focus more concretely on future negative externalities. If we know that these will occur and the mechanisms by which health threats will arrive, then it is inadequate to suggest it is an issue of the future that does not concern planners or donors.

One very simple equation is undeniable. Economic growth increases opportunities for profit seeking—this is the underlying logic of market growth. In the process, many people benefit. As the midterm review (ADB 2007, 13) notes: throughout the region “the positives outweigh the negatives.” But we can state this

in another way—economic growth increases the opportunities for exploitation. This is also part of the simple equation and leads to a second simple correlation: Exploitation can lead to health vulnerability through the spread of STDs. This occurs when economic exploitation involves social exploitation, which, when gender and ethnicity are implicated, very often means sexual exploitation.

How sexual exploitation actually occurs alongside infrastructure development depends on numerous specific local social and cultural factors. We have sought to elaborate upon these as they are taking place in northwestern Lao PDR. The important point is that, if we know it will occur, then programs need to consider how mitigation might more effectively deal with this. Preemption was the heart of Cernea’s impoverishment risks and reconstruction model, widely used as the basis for current donor-based mitigation programs. In this instance, it is not purely impoverishment via displacement that requires such models. Rather, as the GMS midterm review notes, populations economically “left behind” will suffer (ADB 2007, 12). Along Route 3 impoverishment comes as some groups gain at the expense of others. Commercial and other sexual relations proliferate as a key means to financial or social gain.

## Recommendations

This report therefore makes the following very simple and related recommendations for HIV mitigation programs in infrastructure development areas:

- (i) Programs should have a time frame that extends (at least) 2 years beyond the construction phase. This will allow mitigation activities during the construction phase to be adapted to the negative impacts that take place after the road becomes an active thoroughfare. Thus, rather than

somewhat vague predictions, the interventions can be targeted to actual risks that emerge.

- (ii) Programs should recognize that the populations in need of programs are not only the local communities but also those people that the road draws into its orbit once construction is completed.
- (iii) Programs should tackle the high likelihood that, during the period after construction, economic growth and an expanded market economy will lead to a growth in commercial sex and broader sexual networks. Sex, both commercial and within more informal relations, will be an integral part of the economic and social contract between outsiders and local community members in areas of infrastructure development.
- (iv) Programs need to tackle the fact that economic advantage and social hierarchy very often leads to sexual exploitation within the range of expanding sexual networks, in particular for ethnic minorities. This adds to the potential for unsafe sex.
- (v) Programs need to recognize that, in these instances, HIV knowledge alone is not enough. Here, policy needs to instigate ongoing mechanisms whereby young women are assisted and supported by existing social structures to practice safe sexual behavior in their relationships, e.g., village leaders and/or elders or bar owners must support the women in insisting on condom use in various types of relationships. Itinerant men also need ongoing targeting.

These are simple recommendations, but they are crucial if road development seeks to maximize the positive improvements of infrastructure development and minimize negative impacts, both present and future.



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The next generation of villagers. New roads bring them a different future.

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## Build It and They Will Come

### Lessons from the Northern Economic Corridor: Mitigating HIV and Other Diseases

Infrastructure development brings immediate and obvious benefits to communities. What isn't as immediately obvious is that such development can also open the way for negative changes—such as the spread of sexually transmitted diseases.

This report examines the impact on the local people of an important infrastructure project in northwest Lao People's Democratic Republic—the upgrade of Route 3, which forms part of the Northern Economic Corridor linking Thailand with the People's Republic of China.

The report also outlines the implications for future HIV mitigation programs, and recommends ways to ensure that future programs maximize the good that infrastructure development brings and minimize negative impacts.

### About the Asian Development Bank

ADB's vision is an Asia and Pacific region free of poverty. Its mission is to help its developing member countries substantially reduce poverty and improve the quality of life of their people. Despite the region's many successes, it remains home to two-thirds of the world's poor: 1.8 billion people who live on less than \$2 a day, with 903 million struggling on less than \$1.25 a day. ADB is committed to reducing poverty through inclusive economic growth, environmentally sustainable growth, and regional integration.

Based in Manila, ADB is owned by 67 members, including 48 from the region. Its main instruments for helping its developing member countries are policy dialogue, loans, equity investments, guarantees, grants, and technical assistance.

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1550 Metro Manila, Philippines  
[www.adb.org](http://www.adb.org)  
ISBN 978-971-561-864-9  
Publication Stock No. RPS091212



Printed in the Philippines