1. Mission

The mission of the Socio-economics Unit of NAFRI is to undertake socio-economic research in the rural areas of Lao and to provide information and advisory services of high professional integrity to NAFRI and other stakeholders for the benefit and development of the rural people of Lao PDR.

The Socio-economics Unit (SEU) was created by NAFRI in 1999 in order to answer the increasing demand for socioeconomic input into NAFRI’s programme of work. As such the SEU is part of the NAFRI mission and mandate, as given in the Ministerial Decree No. 1149/MAF, which defined the role and functions of NAFRI. With specific regard to socio-economics the Decree states that NAFRI shall:

- Organize natural resources assessments (including land, aquatic and forestry resources and micro-climate), socio-economic studies within agriculture, forestry and fisheries in order to support land use master plans (including wetlands) and the development of agriculture, forestry and fisheries production in accordance with the potential of the agro-ecological zones.
- Determine farming systems research and agriculture and forestry development strategies regarding the potential and socio-economic environment in the different agro-ecological zones for poverty alleviation and income generation of the farmers without environmental degradation.

Socio-economic aspects of this mandate are broad and in need of further interpretation and definition, parts of which are elaborated in NAFRI’s Agricultural and Forestry Research Strategy for 2001 –2005 and Vision To 2010 ¹, which makes several mentions of socioeconomic concerns under significant aspects that will be taken into account in implementing the agriculture and forestry research and development strategy:

- Develop more intensive production systems appropriate to the potentials of the different agro-ecological zones and which allow sustainable use of the natural resources. This may entail expansion of production areas and multiple cropping combined with greater employment opportunity balanced with high socio-economic efficiency.
- Promote commercial crop production in different areas of the country to generate cash savings for socio-economic growth so as to improve the living conditions of multi-ethnic rural communities.

¹ Revised version as of November, 2002
- Efficiently implement policies and measures to ensure the supply of sufficient food for demographic growth in the future. This means that agricultural and forestry production should be developed in a manner, which is most appropriate to the different agro-ecological zones and socio-economic conditions in the country.

- The form and development of livestock production must be determined for the different ecological and socio-economic zones in each region.

- Appropriate agricultural tools and machinery for each ecological and socio-economic zone in each locality must be determined.

In other documents, such as the programme document for the *Lao-Swedish Upland Agriculture and Forestry Research Programme*, NAFRI has voiced its commitment to *The Government’s Strategic Vision for the Agricultural Sector* (MAF 1999, 2\(^{nd}\) edition), which calls for the creation of a demand-driven extension system. The programme document expresses NAFRI’s intention to support MAF’s vision through a demand-driven research system that works hand in hand with farmers and extensionists.

The achievement of these intentions will require the development of a highly qualified capability in socio-economics research, which in turn will require the Socio-economics Unit to go beyond generalities to develop a more complete and professional vision of what will actually be required from socio-economic researchers in order to reach the stated goals of NAFRI.

**How the SEU Can Contribute to the Realization of NAFRI’s Mandate**

- Research to identify new economic opportunities for increased incomes in agriculture, forestry, and household enterprise
- Research on improvement of labor productivity through the use of labor-saving tools and techniques
- Market research to identify opportunities to reduce market constraints and improve market access and performance
- Research on village finance needs and institutions to identify opportunities for improvement (e.g. through rice banks, livestock banks, savings-and-loan associations, etc.)
- Go beyond conventional development clichés to identify and support genuine quality of life indicators consistent with Lao values, cultures and peaceful lifestyles in harmony with nature
- Identify development pathways, technologies, social institutions and market mechanisms that provide specific support to the achievement of this vision
- Undertake policy oriented research
- Provide practical methods for group planning, decision-making and conflict resolution at the village level
- Promote group learning and collective action at the village level through interest groups, producer groups, marketing associations, village finance associations, etc. as appropriate for different ethnic groups
- Support unity in the development process through effective farmer-research-extension linkages
- Identify and make use of indigenous technology whenever appropriate
• Use the “technology blending” approach to combine existing technologies with new technologies to create technologies that are optimal for Lao conditions
• Strengthen market knowledge and marketing skills so that Lao producers and traders can stand on their own in the regional marketplace
• Develop methodology of socio-economic study and database
• Policy research

2. Current Situation of the Socio-Economics Unit

The Socio-Economics Unit was created in 1999 as a Unit within the Database Management, Information and Strategic Planning Division of NAFRI, the National Agriculture and Forestry Research Institute of Lao PDR. It is located on the NAFRI campus at Dong Dok, on the outskirts of Vientiane.

Current staff complement and organization of the Unit

The current staff consists of five persons, with the following qualifications:

<table>
<thead>
<tr>
<th>No.</th>
<th>Name</th>
<th>Educational Qualifications</th>
</tr>
</thead>
</table>
| 1   | Linkham Douangsavanh (Head of Unit) | MSc. Agricultural Economics  
MSc. Regional and Rural Development Planning  
Diploma of Professional Training, Research-Extention Linkage (ICRA) |
| 2   | Vongpaphane Manivong        | BSc. Economic (International Economic)                                                     |
| 3   | Manoluck Bounsihalath       | BSc. Economic (Commerce)                                                                  |
| 4   | Khamphou Phouyyavong        | BSc. Business Administration                                                              |
| 5   | Vongphachanh Thongpadit     | BSc. Economic                                                                          |
| 6   | Veokham Phearsakha          | BSc. Business Administration                                                              |

The internal organization of the SEU is shown in the following organogram:
This is the current vision. Since the SEU is very new, staff recruitment, evaluation of suitability and assignment to subunits is still an on-going process. It should be recognized that, given the general lack of candidates with the appropriate professional qualifications in present day Lao PDR, it may take time to make the subunits fully functional.

**Stakeholders and beneficiaries**

The main stakeholders in the SEU are NAFRI, MAF, NAFES, PAFO, DAFO, Sida, IRRI, CIAT, ICRAF, NUOL, the Cultural Research Institute, the Lao Front for National Construction and any other organizations with an interest in the research findings and services of the Socio-economics Unit. Of special importance are those stakeholders who may have an interest and capability to join in the research and networking activities of the SEU.

The beneficiaries are the villagers, poor farmers, and other rural residents and society in general, who will benefit from development made possible by the research findings, as well as other research units, government departments, university teachers and students, etc., who may participate in the research and/or make use the research findings to assist them in their own work.

**Current programme of work**

*Geographic focus* - Although it is the hope of the Socio-economics Unit to work in all regions of the country, in accordance with NAFRI’s short to medium term priorities for multidisciplinary research with support from LSUAFRP, the focus in this first five year period is on the northern provinces, with particular attention to the designated research areas in Luangphabang (Phonsay District) and Oudomsay (Namor District).

The current programme of work represents both a programme of research and services to address longstanding needs for socioeconomic research and a programme of capacity building through on-the-job training and learning-by-doing. The programme of work is
comprised of methods development, field research activities, and institution building activities as shown in the following table (together with current and proposed partners):

<table>
<thead>
<tr>
<th>Current Programme of Work</th>
<th>Partners</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Research Activities</strong></td>
<td></td>
</tr>
<tr>
<td>Diagnostic research and livelihood studies -- fieldwork &amp; training in Luang Phabang and Oudomsay, with close attention to ethnic and gender differences, and different landscape niches; focus on understanding and improvement of land use and livelihood systems.</td>
<td>LSUAFRP, GTZ, regional research stations, NUOL, NAFES, Lao Front, Inst. of Cultural Res, Lao Women’s Union</td>
</tr>
<tr>
<td>Base line survey-IUARP (on going)</td>
<td>IUARP, IRRI and ICRAF</td>
</tr>
<tr>
<td>Field study on stress and shock coping mechanisms in three villages, Pak Ou District, Luangprabang Province( Lathahair, Houayleung and pakchek)</td>
<td>NAFRI (SEU) in collaboration with the European team (University of Durham,…)</td>
</tr>
<tr>
<td>Field study on stress and shock coping mechanisms in three villages, San Thong District, Vientiane Municipality (Ang Noi, Sakhai and khop Phem)</td>
<td>NAFRI (SEU) in collaboration with the European team (University of Durham,…)</td>
</tr>
<tr>
<td>Field study on stress and shock coping mechanisms in three villages, Tulakhom District, Vientiane province (Phon Hai, Nam Ang, and Nong Hai Kham)</td>
<td>NAFRI (SEU) in collaboration with the European team (University of Durham,…)</td>
</tr>
<tr>
<td>Marketing studies, with special attention to cross-border trade in northern region field sites; training, methods development &amp; field research</td>
<td>LSUAFRP, MMSEA, CIAT</td>
</tr>
<tr>
<td>Research on land use problems and improvement of Land Use Planning/Land Allocation processes from a livelihood perspective</td>
<td>LSUSFRP, Land Mngt. Component, FIFI/DOF</td>
</tr>
<tr>
<td>Research on village finance institutions (rice banks, livestock banks, village savings-and-loan associations, etc.)</td>
<td>LSUAFRP, NUOL</td>
</tr>
<tr>
<td>Economic assessment (household economy and production economics); training, methods development &amp; field research</td>
<td>LSUAFRP, NUOL</td>
</tr>
<tr>
<td>Inventory of indigenous technology (primary fieldwork in Luangphabang and Udomsay), screening of relevant global technology for socio-economic relevance, and development of diagnostically-keyed technology menus and livelihood recommendations</td>
<td>LSUAFRP, regional research stations, NUOL, Information Component</td>
</tr>
<tr>
<td>Baseline survey methods development and application to M&amp;E (fieldwork in Luangphabang and Oudomsay)</td>
<td>IUARP, IRRI, ICRAF, IIRR, LSUAFRP</td>
</tr>
<tr>
<td>Adoption research – training, methods development and field research on adoption &amp; adaptation and blending of new and traditional technologies</td>
<td>LSUAFRP, NUOL, NAFES</td>
</tr>
<tr>
<td>Impact assessment -- training, methods development, field research</td>
<td>LSUAFRP, NUOL, Lao Front, Inst. of Cultural Research</td>
</tr>
<tr>
<td><strong>Research Support Activities</strong></td>
<td></td>
</tr>
<tr>
<td>Vision for the Socio-Economics Unit – visioning and drafting processes, identification of possible implementation arrangements and supports needed</td>
<td>LSUAFRP, HRD Component</td>
</tr>
<tr>
<td>Gender mainstreaming activities</td>
<td>LSUAFRP, Lao Women’s Union</td>
</tr>
<tr>
<td>M&amp;E system for research -- methods development and application in research areas</td>
<td>IUARP, LSUAFRP, CIAT, IRRI</td>
</tr>
<tr>
<td>Methodology framework, guidelines &amp; examples – documentation of methods used</td>
<td>LSUAFRP, IUARP</td>
</tr>
<tr>
<td>National network coordination – organize socio-economic research collaboration with other units and institutions</td>
<td>LSUAFRP, NUOL, Lao Front</td>
</tr>
<tr>
<td>Regional networking to develop contacts for training, backstopping &amp; collaborative research</td>
<td>LSUAFRP, MMSEA, FSIV, ICRAF</td>
</tr>
</tbody>
</table>

Note: Within the Lao-Swedish Upland Agriculture and Forestry Research Programme all components are working together in a multidisciplinary way under the paradigm of Farming Systems Research and Extension (FSR&E). The Socioeconomics Component (implemented by the SEU) is actively involved in joint research with Farming Systems and Land Management components, PAFO and DAFO and village farmers, and in research support activities with the Information and HRD components. The SEU also seeks collaboration with NAFES to promote effective research-extension linkages and with NUOL and others in collaborative research.

Research activities encompass both disciplinary research (social science, economics and marketing research) and interdisciplinary research (cooperation in farming systems and livelihood systems diagnosis and design, multidisciplinary research planning, farmer evaluation of on-farm trials, follow-up studies, monitoring and evaluation, etc.). This includes a priority focus on understanding rural livelihood systems, including their cultural and economic dimensions. The research agenda is primarily oriented toward applied research for development, and has a strong multidisciplinary and interdisciplinary orientation. It is not NAFRI’s role to undertake pure research on the history and culture of Lao ethnic groups but it is vitally important to have sufficient understanding of these matters to identify culture specific development opportunities and constraints. In support of NAFRI’s efforts to build a strong multidisciplinary research system, current priorities of the Socio-economics Unit are derived from participation in collaborative farming systems research (FSR).

Given the limited current capacity of the SEU, not all of the activities listed in the above table can be initiated immediately. It is necessary to take a phased approach and to give priority to ongoing collaborative activities and to new research priorities arising from the FSR process in LSUAFRP. For example, the first three topics on the agenda (livelihood diagnosis, market research, and land use planning research) are priority assignments from the field diagnostic and research planning exercise conducted at the beginning of LSUAFRP and have been given precedence in the workplan for 2002. The next three topics have also been identified as FSR priorities and are next in the cue. A comparative study of experience in Lao PDR with various village finance mechanisms has been initiated and will be followed in due course with field activities. Economic assessment of household and production economics is a high priority but capacity within the unit is limited. Inventory of indigenous technologies was partly addressed during the FSR field diagnostic exercise in early 2002 but awaits opportunity for more systematic follow-up.

Baseline survey methods development has been an on-going collaborative activity with IUARP and several international partners, which has a separate priority outside of the cue. Adoption research, impact assessment and M&E activities are all things that must await further progress at the LSUAFRP field research sites before much research can be initiated, although a head start can be obtained through collaboration with IUARP, which has been on the ground longer. Gender mainstreaming is another area in which the SEU lacks specialized capacity, but this might be solved through additional staff recruitment.

Regional networking activities have leapt forward as a result of participation in the 3rd MMSEA Conference in Lijiang in 2002. Subsequently, the SEU has turned attention to national network development in an effort to catch up. It is hoped that the SEU’s capacity can be expanded over the short term through activation of collaborative activities with NUOL and others, filling gaps in current staff capacity by providing research opportunities for
students from outside the unit to work within the SEU’s research agenda. Wider access to existing knowledge bases and grass-roots experience on economic, cultural, ethnic and gender dimensions might be provided through access to publications and dialog with other stakeholders such as the National Economics Research Institute, the Institute of Cultural Studies of the Ministry of Information and Culture, the Lao Front for National Construction, and the Lao Women’s Union.

Additional research capacity, training and HRD opportunities are currently provided through the SEU’s participation in a number of collaborative programmes, chiefly the Lao-Swedish Upland Agriculture and Forestry Research Programme, which is providing a senior advisor to work full time with the Unit. Additional support is provided by IRRI, CIAT, and ICRAF, in part through the SEU’s participation in the Integrated Upland Agriculture Research Programme. Further opportunities for professional development through participation in other donor-sponsored programmes are continuously emerging.

One of the main challenges facing the SEU is to maintain sufficient focus, in the midst of competing demands on its time, to develop its own programme of work, to carve out a sustainable niche for itself and not be just a service unit responding to outside demands. The Unit’s ability to establish itself as a credible source of socio-economic research and advice and to play a significant role in the future of NAFRI and the country as a whole would seem to depend on that. At the same time, the SEU is aware of the demand for socio-economic services from other centres and institutions and is committed to fulfilling this aspect of its duties. The SEU would like to strike a balance of approximately 50% core research and 50% service activities. The FSR mandated research topics, since they have arisen from the SEU’s own diagnostic research would be considered “core” research activities, while such activities as conducting baseline surveys and providing M&E services to others would be considered “service” activities.

3. A Vision of the Socio-Economics Unit in 5-10 Years

The Socio-Economics Unit is well aware that this initial 5-year period is the proving period, the establishment phase for the Unit, the time when it tries hard to acquire professional capabilities, demonstrate its usefulness, and carve out a permanent niche for itself within the government research system. The future of the SEU will depend upon how well it performs in this period.

Assuming that the necessary support is available and that all goes well during this establishment period, the SEU envisages a modest course of expansion in staff numbers over the next 5-10 years, as shown below.

<table>
<thead>
<tr>
<th></th>
<th>Current Situation</th>
<th>5 Years from Now</th>
<th>10 Years from Now</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total staff</td>
<td>5 staffs</td>
<td>7 staffs (2 more than now)</td>
<td>10 staffs (5 more than now)</td>
</tr>
<tr>
<td>Disciplines</td>
<td>Social Science, Economics, Planning</td>
<td>Social science, Economics, Planning</td>
<td>Social science, Economics, Planning, Management</td>
</tr>
<tr>
<td>Degrees</td>
<td>1 MS, 4 BS</td>
<td>1 PhD, 3 MS, 3 BS</td>
<td>2 PhD, 4 MS, 4BS</td>
</tr>
</tbody>
</table>

After 5 years, in this vision, the Socio-Economics Unit will be well established in its role in NAFRI and beginning to play a more active role with its stakeholder group and beneficiaries (still the same stakeholders and beneficiaries as before but with more active engagement).
Based on its useful contributions during the first 5 years, and with the backing of NAFRI, the Unit will have begun to earn recognition from policy makers and planners as a source of reliable socio-economic research information and policy feedback, and it will be given more scope to develop its full professional potential.

The SEU will now have the capability to undertake a wide range of research and service functions, but it will lack the capacity to undertaken these activities on a large scale. The focus will now shift to capacity building through the addition and training of new staff, bringing the total staff complement of the SEU up to 10 by the end of its first decade. The second five-year period will be a time of growth and maturation. Professional qualifications will be upgraded across the board, with the majority of staff holding an MS or above. By this time the SEU will have become a reliable source of research capability on socio-economic aspects of agricultural, forestry and rural development and a sought after partner in interdisciplinary research. It will be involved in all projects at NAFRI in a monitoring and planning role, helping to evaluate and plan the social and economic content of the programmes. It will have a research agenda of its own, based on its own professional judgment of research priorities, and it will have become a trusted source of insight and feedback to planners and policy makers.

Even with the envisaged expansion of staff it is likely that there will always be greater demand for socioeconomic research than can be efficiently handled by the SEU itself. Therefore, the SEU will seek to supplement its capacity by providing opportunities for student researchers from NUOL and universities abroad to conduct research under the umbrella of the SEU on topics accorded high priority by the SEU. The SEU proposes to activate this programme of supplementary student research within the first five-year period and to continue it thereafter. This will complement the practice of having members of the SEU “take their research with them” when they go away for formal education, then developing thesis topics around these research themes before returning to conduct the research as part of their degree programmes. Thus, members of the SEU will become student researchers in their own unit. Providing practical opportunities for collaboration between educational and research institutions is always a good strategy for capacity building.

Networking with other Lao institutions will also be part of the SEU’s strategy for expanding socioeconomic research capacity. Among the institutions the Unit will seek to actively engage with are the Social Science, Economics, Agriculture and Forestry Faculties of the National University of Lao, the Institute for Cultural Research of the Ministry of Information and Culture, the Lao Women’s Union and the Lao Front for National Construction. On the international front, SEU will seek active engagement with a network of institutional partners in the Asia region, especially with research institutes and universities within the Montane Mainland Southeast Asia (MMSEA) subregion (focusing on mountainous areas of Laos, Vietnam, Thailand, Myanmar, Kampuchea and southwest China).

It is envisaged that the structure of the SEU itself will not undergo much change over the course of its growth. It is likely that there will still be three subunits: 1) Social Science, 2) Economics, 3) Monitoring and Evaluation, but there will be a larger number of people in each unit, and there may be some specialization with the subunits (e.g. production economics & marketing might have separate staff) but it is still anticipated that they will function as a team for most research undertakings. Although we must always leave scope for change and development, it is anticipated that the main focal areas covered by the subunits will be somewhat as follows:
1) Social Science  Indigenous knowledge, ethnic and gender studies, diagnostic studies, research planning, baseline surveys, participatory land use planning, adoption and impact studies

2) Economics  Cost-benefit analysis and data storage, marketing research, household enterprise and production economics, analysis of economic efficiency and returns to production factors, etc.

3) M&E  Participatory monitoring with villagers, research monitoring, project and programme monitoring, adoption studies, impact monitoring and data storage (in cooperation with other subunits)

At the end of its first decade it is envisaged that the SEU will still be quite actively engaged with donor funded programmes and projects, but that it will be in a much better position to negotiate project support for its own more programmatic and clearly articulated agenda, rather than vice versa. EXPAND -- Division

It is also foreseen that the SEU will have an active network of institutional partners within the Asia region, especially with research institutes and universities within the MMSEA subregion.

4. Institutional Development Strategy

How can the SEU get from where it is now to where it wants to be? What needs to be done to develop the Unit into the future self of its Vision? As conceived in this Vision, the needed responses fall into four categories:

On-the-Job Training and Technical Assistance

As discussed in the previous sections, the kind of assistance the SEU needs in this category over the next 5-10 years is currently provided by the Lao-Swedish Upland Agricultural and Forestry Research Programme, as part of a systematic capacity building programme for NAFRI. Additional contributions are being made by other international partners of NAFRI, like CIAT, IRRI and ICRAF, who provide technical assistance and numerous training opportunities in areas of concern to the SEU (e.g. farming systems field research, baseline studies, participatory M&E, etc.). This will be supplemented by networking activities with national and regional institutions, as discussed above.

Human Resource Development

One third of the total budget of the Lao-Swedish Upland Agriculture and Forestry Research Programme is allocated to Human Resource Development and capacity building. A significant amount of funds are available for formal education and training. It is envisaged that the programme over the next 5 years will support degree training for 1 PhD and 3 MS degrees. It will be especially important to upgrade staff capability in social aspects of socio-economic research, since staff with formal qualifications in social disciplines (e.g. sociology, anthropology, cultural geography) are currently lacking. It makes sense to try, in some cases, to link degree study with the TA strategy for regional networking, in order to establish links that will mature over time into longstanding professional relationships. Among the main
institutions currently thought to have potential in this regard are universities and research institutes in Thailand, Vietnam and China (Yunan)

**Networking**

Networking is important for three reasons: 1) as an aspect of professional development in its own right, 2) as a means of supplementing technical assistance, and 3) as a means of attracting additional research collaborators (external researchers and students) to participate in the SEU’s research programme. Networking among researchers to share information and obtain professional assistance and feedback is one of central activities of all science. If the SEU is to mature into a respected research unit it must certainly enter into these networks.

Networking as a means of supplementing existing TA is one of the strategies of the LSUAFRP programme, in which it will be enabled to shift from traditional TA toward greater reliance on regional networking and twinning arrangements to meet its needs for supplemental capacity. One of the current priorities is to establish network contacts with regional institutions capable of providing the relevant backstopping and training support. This will be in addition to the continuation of ongoing relationships with international partners like the Social Science Division of IRRI, CIAT and ICRAF (e.g. through IUARP) with possible expansion to institutions like the International Centre for Development Oriented Research in Agriculture (ICRA) in the Netherlands, the Centre for Biodiversity and Indigenous Knowledge (CIBIK) in Yunnan, INCO in Europe and Asia-Japan for more specialized training and support needs, and other universities and research institutes in neighboring ASEAN countries.

National networking with partners in Lao PDR is seen as an important means of increasing the research capacity and “leverage” of the SEU. There is a natural harmony of interests in this, since researchers and students can benefit from the opportunity to participate in a well organized and supported research effort, and the SEU can benefit from the additional research capacity that this will bring to the Unit.

**Resources**

Where will the budget for all of this come from? Staff salaries and basic institutional support must come from the government budget. For operational budgets and support for programme activities, TA and HRD, the LSUARFP will go a long way toward meeting the budgetary needs of the Unit over the first five year period, and possibly beyond.

Over time it is expected that the government allocation for basic support and eventually even for operational budgets will increase, in step with the growth of the SEU, as the Unit proves its worth to government. For supplementary project and programme funding for a vigorous programme of field research and development support, the SEU envisages that it will not be so difficult to attract additional donor support from a variety of sources, providing that the Unit can establish a track record of professionalism in socio-economic research-for-development in the rural areas.