

# Navigating informal institutions: supporting wetland management in Laos



The Asia Foundation

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Laos's abundant wetlands have long provided a range of benefits to local communities, including water for irrigation and wildlife habitats that yield fish for consumption. These benefits are increasingly at risk. In addition to the threat posed by climate change, the country's natural wetland ecosystems face rising threats from unsustainable development practices. Among these, the reclamation of wetlands for conversion into agricultural land is one of the most significant.

In the past, water resource management in Laos was centralised, with water projects often implemented without local input or deliberation. In these circumstances, the biggest hurdle to wetland protection is posed by the governance structure, which involves a carefully orchestrated top-down approach. Over the past decade, however, as pressure on water resources has grown, the national government in Laos has become more open to introducing a degree of community-based decision-making. That entry point has enabled a shift in the governance of common wetland resources.

Since 2018, under the leadership of our local program staff, The Asia Foundation has supported several communities in setting up a participatory wetlands management framework that is owned by local communities. Six years on, there has been significant progress in improving wetland management, which has contributed to increased water levels and fish stocks in several areas. In understanding the change process, it is useful to see the important role of local informal institutions in the Foundation program team's approach, and how this approach differs from more traditional development practices.

It is now well established in development practice that relying on purely technical solutions to drive change fails to take account of the complex political factors that facilitate or resist change. That said, for many programs that intentionally grapple with the political economy “rules of the game”, the focus is often on how to facilitate changes that can be driven at a policy level within formal rules – constitutions, policies, laws, regulations, or contractual agreements. Where there is consideration of informal rules – social norms, customs, and habits – they are often framed as something to be avoided (for example, they might be associated with nepotism or corruption) or as something to be overcome (for example, deference to hierarchy or patriarchal behavioural constraints).

There is more to informal rules – or informal institutions as they are also known in the field of Political Economy Analysis (PEA). The rules of the game can be inclusive as well as extractive. Arguably, development initiatives could do more to understand how informal rules operate in a given context, and to seek opportunities to build on the potential development benefits of inclusive informal rules and behaviours. Political economy approaches are as much about societies, culture, and shared history as they are about political and economic systems.

The developmental potential of inclusive informal rules has consequences for development organisations’ theories of change – most importantly, that change at the policy level alone is often insufficient. Expectations of change that do not consider the ways in which the informal rules of the game structure incentives and behaviour will likely be disappointed. So how do we interpret these informal institutions? And how do we integrate this dimension into our understanding of local change pathways?

The Asia Foundation’s approach has taken account of informal institutions in several ways. To return to our example, rural communities in central Laos tend to place great emphasis on norms about the equitable sharing of resources, knowledge and ensuing benefits, and on being demonstrably seen to share. People tend to value their relationships with neighbours, on whom they are encouraged to unburden themselves of problems and challenges. The idea of “hukphang ganh” – loosely translated as “love and care for each other” – manifests itself in a willingness to help others beyond one’s family with harvesting rice, repairing infrastructure, or providing support when times are hard. Visitors to rural areas often comment on the level of generosity they experience.

This culture of sharing, with different emphases and manifestations in each village, has been an important component in the participatory design of local wetlands management frameworks, owned by communities and chaired by a representative of the district authority. Sharing at the community level underpins the regulation of

and participation in these committees, centred on the importance of sharing the fish, vegetables, and other benefits derived from wetlands. It has enabled a discourse that successfully encourages farmers to agree to manage rice lands in ways that do not further encroach on wetlands.

Yet sharing has had its limits in this context, for it tends to emphasise the sharing of benefits but not so much the sharing of responsibilities. The Foundation team notes how much more difficult it had been to improve wetlands management in one respect – preventing the dumping of rubbish into the river.

Navigating informal institutions also involves working around those that are extractive, such as patriarchal norms and behaviours. In co-designing management frameworks in each community, the team had to work around norms that prevent women from voicing their opinions in front of men. This is particularly important since women use the wetlands differently from men, and the norms around food preparation in the family and childcare mean they tend to prioritise food security more than men do. At the same time, women in rural areas frequently have less access to education, which reduces their willingness to speak in front of their better educated male peers. To enable women's views to be incorporated into collective decision-making, women join separate consultations, where a comfortable space is created for them to express their honest opinions. Women's involvement in the longer-term is facilitated through participation from members of the village-level Laos Women's Union in each activity.

Over the past six years, community management of this important pooled resource has improved through the establishment of a new formal institution – the local wetlands committee – that leverages certain informal institutions while trying to overcome those that are extractive so that ultimately, the formal and informal support each other better. It takes a deep understanding of context to do this. In Laos, this approach has proven highly successful in enabling communities to use and preserve their wetlands more effectively. Since 2018, for instance, there have been significant improvements in the use and preservation of wetlands in villages along the Xe Bangfai River where fishing is better managed: harmful fishing and wetlands encroachment are prohibited, reducing riverbank erosion and enabling more productive fishing. In several communities, this has led to increased income for local infrastructure development.

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