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*Globalisation: A Challenge to the Laos  
Economy*

*A thesis submitted in partial fulfilment of  
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## ABSTRACT

The concept of globalisation has spread through many countries. Considerable attention has been given to this area of public policy concerning globalisation. Free trade, an aspect of globalisation, is believed by some critics to be increasing the current economic element. The World Trade Organisation is among many organisations that represent and promote this ideology. This organisation provides guidelines and entry conditions that are required to be met.

This thesis discusses the policies of Laos with respect to the WTO accession within the context of international trade and free market. The benefits, disadvantages and other globalisation issues are also considered. Laos as a least developing country has struggled in its pursuit to integrate with, and participate in free trade according to its objective of national development. This country lacks the human resources to face the tough competition in the global market.

For Laos to succeed in entering free trade in the world arena, it has to consider multiple challenges. Failure may be possible due to the lack of experience when it comes to world trade and poor human resource management. The application of Laos to WTO has been prolonged due to a conscientious effort by the government to avoid unintended consequences.

Globalisation has had direct effects on the world trading system and a country like Laos is unable to ignore the changes brought about by free trade. Laos also has economic ties with other countries and trade organisations and should they decide to participate in globalisation, Laos will be obliged to follow.

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## LIST OF ABBREVIATIONS

ADB	Asia Development Bank
ASEAN	Association of Southeast Asia Nations
CPI	Committee for Planning and Investment
DFAT	Department of Foreign Affairs and Trade
DIP	Department of Investment Promotion
GATT	General Agreement on Tariffs and Trade
GDP	Gross Domestic Product
GoL	Government of Laos
IMF	International Monetary Fund
INGO	International Non Government Organisation
ISO	International Standards Organisation
ITO	International Trade Organisation
LDC	Least Developed Country
LNCCI	Lao National Chamber of Commerce and Industry
LNUOP	Lao National Unexploded Ordnance Programme
MDG	Millennium Development Goal
MoEM	Ministry of Energy and Mining
MoPI	Ministry of Planning and Investment

MoIC	Ministry of Industry and Commerce
NEM	New Economic Mechanism
NLHS	Neo Lao Hak Sat or Lao Patriotic Front
NSEDP	National Socio-Economic Development Plan
TRIM	Trade Related Investment Measure
UNDP	United Nations Development Programme
UXO	Unexploded Ordnances
WTO	World Trade Organisation

## THE WORLD MAP



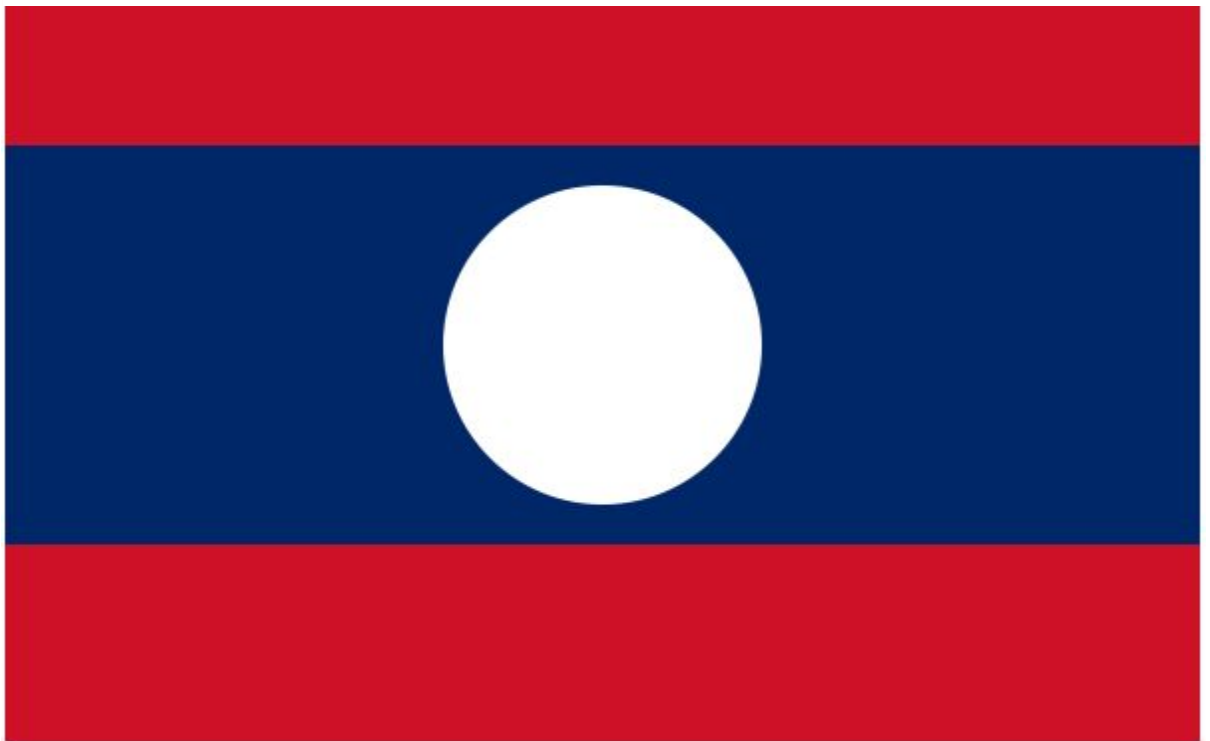
Source: [www.geographicguide.net](http://www.geographicguide.net)

## THE MAP OF LAOS



Source: [www.newsmekong.org](http://www.newsmekong.org)

### THE LAO FLAG



Source: [www.amnesty.org](http://www.amnesty.org)