



Abstract

Battery of Asia ?

The rise of regulatory regionalism and transboundary
hydropower development in Laos

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Regionalism has become a major trend in economic development in Southeast Asia since the end of the Cold War. In the Lower Mekong Basin, riparian states use water for hydropower, which is one of the important potentials of the river. This strategy supports the regionalization of economic activities that is promoted by policies of regionalism, which is aiming for more participation of the private sector and the creation of an integrated regional market. However, large-scale hydropower projects, especially on the transboundary watercourse of the Mekong mainstream, potentially have critical impacts – something that draws attention to the existing arrangements for transboundary water governance (TWG). The dissertation draws on fieldwork conducted in Laos and Thailand and a case study of the Xayaburi Dam in Laos, the first hydropower project on the Lower Mekong mainstream, to illustrate the relationships between TWG and regionalism.

The research found that emerging marketization of water for energy through so-called ‘regulatory regionalism’ is an essential element of hydropower development in the Lower Mekong Basin, especially in Laos. The idea of regionalism is connected essentially to the transformation of the state, which implies that regional development policies have been incorporated into national governance without the creation of strong, centralized regional governance. This process enables states to embrace the political project of regionalism, without transferring power to regional institutions. Therefore, TWG of hydropower development in the basin seems to be more an aggregation of governance mechanisms, diffused across agencies of national governments, instead of a unified structure of regional institutions. By instituting new regulatory mechanisms, the states and their collaborating private developers can take advantage of regionalism as a strategy to achieve their goals of water nationalism and political legitimacy, while stimulating regional market building at the same time.