

## CHAPTER III

### MUANG SING AND CROSS-BORDER PRACTICES

#### 3.1 Introduction

This chapter is based on an analysis of secondary data regarding the historical context of Muang Sing and my fieldwork activities which took place there. Since early on, the residents in this area had migrated from Sipsong Panna, including the Lue, Akha and Yao. After the Pangthong border point was opened in Muang Sing in 1962 (Lyttleton et al. 2004), the number of Chinese migrants increased and has continued to increase since that time (Khampeang 2003). In the past, the main reason for crossing the border was to visit relatives and to drive caravan trade, but now people cross the border to carry out modern business activities. According to Certeau (1984) and Cresswell (1997), everyday practices are tactics which are the weapons of the weak, and represent furtive moments. Tactics are the “way[s] of operation” for everyday practices, like walking in the city, during which time the weak contest a spatial domination imposed by the strong using manipulate power and will (Cresswell 1997: 362-363). For residents in Laos, crossing the border to China is an essential practice in their lives, especially for economic activities like shopping and business, and as a result, culture is still retained beyond the national border.

This chapter explores the changes that have taken place in Muang Sing, the cross-border activities of the locals in Laos and China from a historical perspective and taking into account the current context, and the importance of cross-border activities for the locals in Laos. The first section will cover the changes in the Muang Sing border area, looking at history, people, the location and the social economy. The second section will focuses on the cross-border businesses taking place in Muang Sing, in particular the watermelon business, from a historical and recent perspective, and will examine how the Chinese and locals affect such cross-border business. In the

third section, I will focus on the locals' cross-border practices other than cash crop production activities, and will elaborate upon the current cross-border relationships that exist through festivals, the Chinese's lives in Muang Sing and the locals' lives. In the fourth section I will mention other cross-border issues such as goods and people in general, in order to understand the current, modern border context.

### **3.2 Muang Sing: History, People and Place**

#### **History of Muang Sing**

Muang Sing is a small town, but its location has made it important since the colonialization period (Khampeang 1999). The history of Muang Sing usually begins with the legend of Chao Fa Dek Noi, who was the son of the ruler of Chiang Rung (in Myanmar), but was exiled from his father's realm to Xieng Khaeng on the banks of the Mekong River, whose territory spread across present day Myanmar and Laos in the early fifteenth century (Lyttleton et al. 2004). Xieng Khaeng then became a vassal state of the Lanna Kingdom at the beginning of the sixteenth century (Grabowsky 1999) and the Myanmar from the mid-sixteenth century until the beginning of the nineteenth (Lyttleton et al. 2004).

In 1885, Chao Fa Silinor, Xieng Khaeng's ruler at the time, took more than 1,000 Tai Lue from the area which is present-day Muang Sing to Myanmar for strategic military reasons – and to find more expansive and fertile agricultural land. The relocation of the capital from Xieng Khaeng became necessary to better protect against a Burmese punitive expedition. Muang Sing; however, was rather insecure anyway due to British and French efforts to establish a “buffer state” between their expanding colonial territories in the 1890s (Lyttleton et al. 2004).

According to Grabowsky (1999), in 1890, the area was recognized as a neutral state through a British and French agreement, and a colonial boundary was delineated along the east bank of the Mekong – the boundary of the French protectorate (Khamla et al. 2006). In 1895, the British, who governed Myanmar at the time, invaded Muang Sing in order to make it a colony of Britain, and at that time, Cao Fa Silinor, who was already controlled by the French, fled to Luang Namtha. After the British and French

failed to agree the status of the region as a buffer state, the east bank of the Mekong fell under French influence, while the west came under British control. Therefore, Muang Sing came under French control in 1895 or 1896. Under the French, French troops were stationed there permanently, and they built a military fort in the southern corner of the town; thereby destroying the ancient city wall in that sector. Moreover, the French colonial administration built an asphalt road from Muang Sing to the Chinese border.

In October 1901, Cao Fa Silinor died and his eldest son, Cao Ong Kham, seceded to French control, then in 1904 the British finally admitted that that part of Muang Sing fell under the French. Any towns located on the right banks of the Mekong thus fell under British control and those in the north, under the Chinese. "Among the older generation bitter feelings are still expressed because of the divisions created between what were brotherly towns." (Khampheng 1999: 149). In 1916, the French officially removed Cao Ong Kham - who therefore was the last ruler of Muang Sing, though he tried to seek independence from France with the support of Chinese armed groups, who then invaded in 1914 and rendered insecure large parts of northern Laos (Lyttleton et. al 2004).

After this, Muang Sing was abolished as a protectorate and came under the direct control of the colonial administration. Under French rule, several monasteries were founded within the town walls. The Chinese Kuomintang eventually attacked Muang Sing in 1946, when the market was completely destroyed; however, the "China road" remained important. A new market was built in 1954 - attracting traders from near and far. The French finally left the Kingdom of Laos in 1954, and after that, Muang Sing became a part of the Lao People's Democratic Republic (Lao PDR), as it has remained to this day.

### **People in Muang Sing**

Khamla et al. (2006) state that, in Muang Sing, the majority of the population (55 percent) is of Tai-Kadai ethno-linguistic origin (Tai lue, Tai Nua, Tai Dam and Phunoi). According to Lyttleton et al. (2004), an influx of Lue and other minority

groups from China arrived in Muang Sing during the early twentieth century, and the influx of migrants from China increased during the Cultural Revolution around 1958 (Khamla et al. 2006). During the period 1965 to 1968, the area became entrenched in the Lao civil war; therefore, many of the population moved to a new village located in the western part of northern Laos, including present-day Houayxay. After the Communist regime came to power in 1975, Muang Sing was re-populated, as people began to return to their original villages (Khamla et al. 2006). According to Grabowsky (1999), Tai Nua and Lue people were dominant inhabitants of the lowland areas, while the Akha occupied the mountainous areas. The Yao people, who are part of the Hmong-Mien ethno-linguistic group, arrived in Sing District during the nineteenth century, migrating from areas in southern Yunnan Province in China. Some Yao were also relocated to Muang Sing during the early 1990s from refugee camps in Thailand, having been unable to resettle in third countries during and after the war. The Hmong are the most recent migrants, arriving from different parts of northern Laos (such as Xiangkhouang Province<sup>5</sup> and Namtha District) during the period 1991 to 1996. The main reason of their migration was the restriction placed on their shifting cultivation activities and opium production in their upland villages. At that time, the provincial governor of Luang Namtha convinced them to engage in lowland farming in Muang Sing, where land was still abundant (Khamla et al. 2006). In addition, the Han moved from China, crossing the border between the two countries. According to Halpern (1961), there were about 200 Chinese in Muang Sing in 1959 as a result of the introduction of land collectivization in China in 1958 (Lyttleton et al. 2004), most coming from Yunnan Province. Recently, since the Pangthong border point was opened, the Chinese influx into Muang Sing has increased. To sum up, many of the people who live in Muang Sing are migrants (or the descendents of migrants) from within the country or from abroad.

### **Muang Sing as a Trading Center**

Muang Sing is situated in north-western Laos and shares a border with Yunnan Province in China to the northeast, and this area flourished as a result of

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<sup>5</sup> Xiangkhouang Province is located in northeastern Laos.

cross-border trade in the past. In terms of cross-border trade between China and Laos, there is a long, shared history of trade and exchange between the peoples of northern Laos and China, especially those from Luang Namtha Province and Yunnan. Since the fourteenth century, when the Lang-Xang Kingdom existed, international commerce has been important for the area. The main goods traded in the past were minerals, forest products and animal skins or tusks (Stuart-Fox 1997 and 1998, cited in Yokoyama and Tomita 2008). Yunnanese merchants brought ceramics, copper, silk and tobacco, while the Laotians traded ivory and animal skins, each bartering amongst themselves (Khampheng 2003). The Muang Sing and Muang Long valleys – leading down to the Mekong, were for a long time important caravan trade routes, with pack animals moving between the mountainous areas of China, Thailand and Burma (Lytelleton et al. 2004).

Muang Sing was at this time a very small town; however, it was a very important trading center in the upper Mekong area for caravans from Yunnan, and a main trading point for salt brought from Boten<sup>6</sup>. However, its prosperity was not long-lived, as due to the construction of a road from Mengla to Luang Namtha in 1960 the old route was diverted and no longer passed through Muang Sing (Walker 1999). After that, the socialist regime temporarily halted international commerce (Yokoyama and Tomita 2008), but although the border was closed between 1979 and 1986, local people still moved freely across it (Iijima 2003).

With the introduction of *Jintanakan Mai* in 1986, the mechanisms for international trade were put into place with the development of liberalization in trade and agriculture, the deregulation of prices and a simplification of the taxation rules. In addition, after a bilateral agreement was put in place in 1992 between Laos and China, cross-border traffic and trade increased once again, and more recently, under the GMS regime, cross-border trade has accelerated, with road constructions taking place such as the North-South economic corridor, and routes 17A and 17B. Route 17A was

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<sup>6</sup> Boten is located in Luang Namtha Province and is the international border point with Mohan in China.

originally constructed under the French colonial administration and connects Muang Sing and the Chinese border, but the road was improved in 1996. Route 17B, which connects Muang Sing and Xiengkok, runs along the border with Myanmar - passing through Muang Long, and this was also improved in 2000. Since then, going to Xiengkok from the Chinese border has been quite easy. Since the new government took power, the towns of Muang Sing and Muang Long have again become important as both administrative centers and trading towns (Lytelton et al. 2004).

In addition to this, economic activities in the area have been facilitated by the construction of the Northern Economic Corridor in 2007, which connects Houayxay and Boten as part of the Bangkok-Kunming highway. This new route has had an economic influence on Muang Sing, which is only 60 kilometers from Luang Namtha. Since the road was constructed, there has been an influx of people and goods across the border, and so this small border town situated in north-western Laos is once again becoming lively, with cross-border trade and cash crop production being carried out for the Chinese market.

The main cash crop production activities in Laos started in the 1980s. Hasegawa (1998) explains the relationship between the Tai Lue and the Han - the intensification of their interactions in rural and urban areas, stating that fruit and vegetable trade first took place with the Han migrant agrarian from Sichuan, Hunan and Anhui Province, who planted watermelons, chilies and vegetables on land borrowed from the Tai Lue in Jing Hong as part of the ongoing economic development, then they traded vegetables and fruit to Tianjin and Shanghai in the coastal regions. This process started in the 1980s and became a booming business in the 1990s. During my interview with a Chinese Lue technician in the watermelon business, he stated that in 1983 he started watermelon production in Sipsong Panna, and that at that time, one Han person came from Anhui Province and taught him how to plant watermelons. In light of this, it can be seen how cash crop production and trade which started at the end of the 1980s moved to Laos beyond the border during the boom in the 1990s.



### 3.3 Development of Muang Sing as Border Town

Recently, one of the main factors changing land use patterns and local livelihoods in Muang Sing has been the movement of the Akha from the highlands to the lowlands since the 1990s. According to Khamla et al. (2006), the Akha moved to the lowlands from the highlands due to government policies which restrict shifting cultivation and opium production. According to Khamla et al. (2006) figure on demographic change, the number of Akha highland villages decreased from 110 in 1995 to 94 in 2005 – a drop of 20%, and since that time, intensive competition for agricultural land in the lowlands has developed, with the population density increasing as a result of the resettlement of the Akha. Khamla et al. (2006) also insist that the exodus around the year 2000 was facilitated by the increased cash crop production levels in the lowland areas and the emergence of economic opportunities.

The increase in cash crop production activities and the emergence of economic opportunities in the lowlands are clearly related to a rise in Chinese investment. Residents in the lowlands carry out cash crop production in order to export their goods to China, while the Chinese also invest in cash crop production under contract farming regimes. Khamla et al. (2006) point out that the increase in such Chinese investment has transformed the areas agro-ecological landscape, as well as the local farmers' livelihoods and agricultural production systems. In lowland areas along the main road into Muang Sing, farmers now cultivate sugarcane, maize and bananas on a contract basis, and export the products to China, and this has been one reason for the increase in competition in terms of acquiring agricultural land in the lowlands. In addition, development projects have promoted the planting of cash crops as a replacement for shifting cultivation and opium production.

Khamla et al. (2006) also mention that the promotion of cash crop production activities has increased the demand for agricultural labor and led to the commercialization of agricultural production processes, with some farmers outside of the villages hired by others due to a labor shortage during the harvesting season.

In addition to the introduction of cash crop production, other changes have occurred in Muang Sing recently. Wasan (2003) states that 24 hour electricity first arrived in April 2003, whilst transportation facilities have developed and there has been an increasing of number of tourists visiting from all around the world. For example, Muang Sing has become a highly popular backpacker tourist destination (Lyttleton et al. 2004). He also highlights the increasing number of televisions in the area; the Tai Lue tends to buy TVs first using their income from trade, tourism and their trade in agricultural products. A landline telephone service also arrived in early 2003 (Lyttleton et al. 2004). Such changes in Muang Sing have definitely been the consequence of the development of the so-called “economic quadrangle”, for, as Wasan states, “it is simply a small town that is being forced to change by a regional economy” (Wasan 2003:13).

Mengmen is the border town across from Muang Sing on the Chinese side. It is located in the south-western tip of Sipsong Panna, has an area of 489 square kilometers, a population of 18,880 spread across 2962 households and contains 30 villages (2007). Ethnicities based there include the Tai Lue, Hani, Yao, Han and Khamu, and it is an important access point to Laos. Sipsong Panna first developed into a kingdom in the twelfth century and became a part of the People’s Republic of China in 1949. Now, Sipsong Panna is the main rubber producing area in China, with rubber plantations constructed in Hainan and Sipsong Panna due to a national order for the domestic production of rubber as a military and industrial material after the 1950s. During the 1990s, two-thirds of all rubber produced in China was grown in Sipsong Panna. Mengman typically has one of the eight rubber plantations in Sipsong Panna (Fukao 2004). Before, Mengman and Muang Sing shared the same status: ‘muang’ – as Tai principalities in the upper Mekong region and thus formed a mutual social network maintained through intermarriage, trade and religious ties, as fostered by their geo-political proximity (Antonella 2009). In addition, Antonella (2009) points out that although the current socio-economic relationship between Muang Sing and Mengman has been resumed through the development of cross-border trade, a significant economic differentiation has also developed between the former Lue

principalities as a result of China's economic development based on the rubber boom in southern China.



**Figure 3.2: (left) The Main Road in Muang Sing, Laos**

**Figure 3.3: (right) The Main Road in Mengman, China**



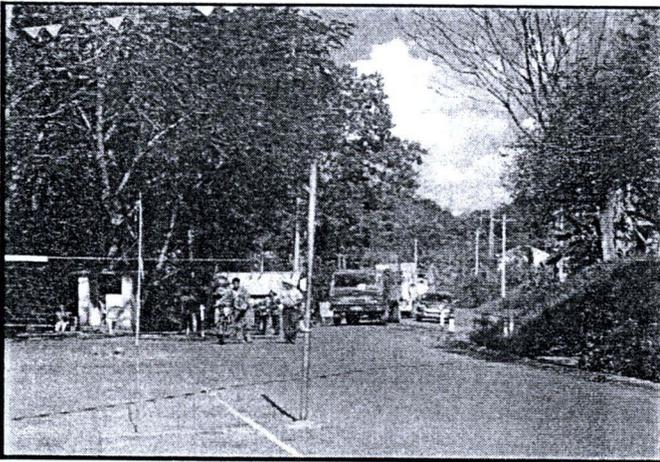
### **3.4 The Pangthong Border: Regulations and Significations**

About ten kilometers long the main road to the east of the center of town, the landscape expands out on either side, with beautiful mountains, a number of villages of different ethnicities such as the Tai Lue, Yao and Akha, and with rice and vegetable fields, and here is the Pangthong border checkpoint with Mengman, in Mengla District, Yunnan Province in China. Here, there is one wood immigration building, one customs house, one agricultural quarantine station, a pool hall, one general store, houses for local workers and one home garden. Fifteen people work at the checkpoint, and there is a regular flow of people across the border in the morning. After that, activity slows until the border closes. People who cross the border regularly know the immigration staff, and they greet each other and talk together.

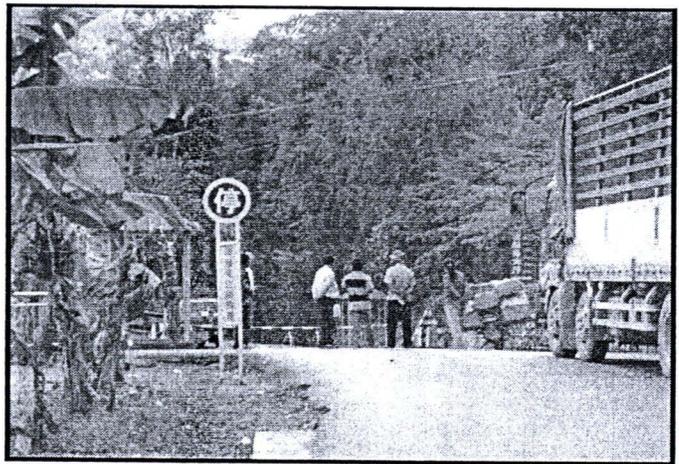
During the watermelon harvesting season, in March and April, this restful and small border checkpoint becomes a lot busier, with many large trucks crossing from China and later returning.

Due to the construction of the road between Mengla and Luang Namtha, Boten has become a center of trade between northwestern Laos and Yunnan Province; however, the Pangthong border point in Muang Sing still plays an important role for the local people. According to the 'Report of Domestic Export Products of Luang Namtha 2008-2009', 90% of goods that go to China from Luang Namtha Province, such as agricultural, forest and mineral products, pass through the Pangthong border point, with the total value of agricultural products passing through there in 2008 being 3,499,197 US Dollars.

When compared to the Pangthong border checkpoint with the Boten international border point, which is situated in Boten village, then according to the data on domestic exports from Luang Namtha and a final report on the imports to Luang Namtha for 2008/2009, 26 out of 34 items exported to China were in the wood, medicine or agricultural, forestry and mineral products categories at the Pangthong border point, while 32 items out of 367 items imported from China were stationary goods, construction equipment, electronic equipment, medicines, clothes, accessories, agricultural products, agricultural equipment, auto-parts, daily commodities, and food and beverages at the Pangthong border point. The majority of imported items were agricultural products such as pigs, rice, fertilizers, threshing machines and agrochemicals. Except for these items, all import goods passed through the Boten border point. Concerning the agricultural items, 23 out of the 46 imported had a value of 817,076 US Dollars, while the value of the agricultural exports was 2,952,584 US Dollars. From this it can be seen that the Pangthong border point is an important trade port with China in Luang Namtha Province, especially for agricultural products.



**Figure 3.4: (left)  
Pangthong Border  
Crossing in Muang  
Sing**



**Figure 3.5: (right)  
Mengman Border  
Crossing in China**

Muang Sing is now an important business center for the Chinese, the reasons for this being related to the conclusion of a border agreement, road maintenance and improvement activities and the subsequent development of transportation links. In terms of frontier formalities and taxes; however, it still creates problems for the Chinese, and all the Chinese I spoke to complained about the expensive taxes and transit fees imposed when crossing the border.

The Chinese have to pay a transit fee at the Pangthong border checkpoint of 150,000kip when entering and 25,000kip when leaving in a four-wheel car, 200,000kip upon entry and 50,000kip upon exit for a six-wheel truck, 25,000kip for entry and exit on a motorcycle, and a 10,000kip charge for entry for people with a

border pass (with a 5,000kip fee for exit at the weekend). Those Chinese who have a border pass are able to stay in Laos for up to ten days.

In terms of the cash crop trade, then according to my interviews with the Chinese, they have to pay 300 RMB for one truck (20 to 23 tons) as a tax in both China and Laos, and then also pay 50 RMB as a disinfection fee in Laos and 1,500 RMB when they bring the cash crops out. The Laotians have to pay the same fee as the Chinese only upon exit. On the Chinese side, for both the Chinese and Laotians, no fees are imposed for the conveyance of cash crops, cars or people.

When running businesses in Laos, such as restaurants, the Chinese are obliged to apply for a visa every six months, costing 1,000 RMB, while the investment visa itself costs 250 US Dollars per year. According to the Chinese business people in Muang Sing, the price of and system used to get a visa changes a lot, and the government officer's all say different things when asked.

As I mentioned above, for the Chinese, this tax and visa system is not convenient at all, but is rather an obstacle to opening a business. Under such conditions, the Chinese only come to Laos to open a business when they know they can gain significant benefits than they return to do business in China.



**Figure 3.6: A Chinese Border Pass**

### 3.5 Cross-Border Business and Activities

In previous times, cross-border business was a lifeline for local people, but its importance has increased recently, having expanded across a wider range of goods. In this section, I would like to focus on the elaborate transformations that have taken place in cross-border trade from a historical aspect, the importance of the Pangthong border point and the current business context.

#### Border Economy

The lives of people in and around the borderlands change as a result of state policies, and people there have to adjust to and follow state policies, especially with regard to the opening and closing of borders. For the border between Laos and China, local people's lives have changed a lot due to its opening, and life on the border has had to adjust to this uncertainty (Nishimura 2007).

One woman's story shows us the importance of cross-border activities for the people who live in Muang Sing. Phimmason Vannavong is 46 years old and was born in Bokeo Province. In 1977, she moved to Luang Namtha to study accounting, and after graduating in 1979, got a job as a government officer in Muang Sing. She then got married to a man she studied with in 1981, and eventually retired from her job after which her first son was born in 1983. Since she got married, she has been selling Chinese goods. She used to buy tobacco and flashlights<sup>7</sup> in China, then sell them in Muang Sing, but at that time the Phanthong border<sup>8</sup> was closed, though local people were able to cross it freely. At that time she used to walk from town to the border with a basket, because she didn't have a car or bicycle. It took her one or two hours to do this. At other times, she sold hand-made baskets and was engaged in sowing. She had second son and her first daughter in 1984 and 1986 respectively, and during this time she sold noodles. In 1990, she had a third son and was then engaged in making bricks, ran a noodle factory, and fed chickens and pigs. At this point, she

<sup>7</sup> Electricity has been provided since around 1988; however, at first it was only supplied for two hours per day; therefore, flashlights sold well.

<sup>8</sup> According to Cohen (2000), the border was closed during the period 1979 to 1986.

started to go to China again, this time by bicycle, buying pots and flashlights and selling them in Muang Sing. However, at this time she had little cash, therefore bought the goods first and paid for them after they were sold. Around 2001, she traded car parts from China in Muang Sing, and also helped run a noodle factory and made bricks, plus she started building a guest house. In 2002, her eldest son went to study business management in Vientiane, and at this time she opened the guest house. Since 2004, she has been focused on running her guest house. Her second son went to study Chinese and tourism in Jing Hong in 2004, based on her strong recommendation, and her third son has been studying in China since 2008. In 2009, her second son graduated and now works as a government officer - as a Chinese/Lao translator.

She is known for being a successful businesswoman in Muang Sing, and her success is related to trade with China. She has always tried to trade, whether the border has been open or closed - using her residential conditions, and she has continued to build business relationships in China. Her children are closely linked to China also. As can be seen; therefore, the close proximity of China and the cross-border economic activities that take place between Laos and China play an important role in the economic lives of those who live around the borderlands here, especially on the Lao side.

### **Cash Crop Production in Muang Sing**

Due to a road having been constructed between Mengla and Luang Namtha, Boten has become a center for trade between northwestern Laos and Yunnan, though recently, the Pangthong border in Muang Sing has also begun to play an important role for the local people. According to the 'Report of Domestic Export Products of Luang Namtha 2008-2009', 90% of the goods that are exported to China from Luang Namtha Province, such as agricultural, forest and mineral products, pass through the Pangthong border. The total value of the agricultural products that passed through this border crossing in 2008; for example, was 3,499,197 US Dollars.

The key Chinese economic activity in Luang Namtha Province is the rubber plantations, as most of the large-scale rubber investments in Laos are operated by the Chinese, and many rubber plantations are located in Muang Sing and Muang Long. Rubber arrived in northern Laos from Sipsong Panna in the first half of the 1990s - in the border areas. The reason for this was that Laos still had a large amount of land and cheap labor available, and this promised lucrative returns. The Lao government has since presented rubber as a natural substitute for opium and as an effective solution to the problem of unregulated swidden agricultural practices; therefore, rubber has become one of the key cash crop innovations for the Lao government (Antonella 2006).

Sugarcane is Luang Namtha's major agricultural export to China, and is mostly grown around Muang Sing. The cultivation of sugarcane began as early as 1990 in Muang Sing, in order to produce raw cane sugar for domestic consumption, with any excess (about 50 to 60 tons/year) exported for sale in the Chinese border district of Mengman (UNDP 2006). In Muang Sing, over 50,000 tons of sugarcane and 600,000 tons of rubber are produced per year<sup>9</sup>. Besides these large-scale cash crops, many other products are exported to China from this area, such as bananas, maize, pumpkins and watermelons, with watermelons becoming the key product after sugarcane and rubber.

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<sup>9</sup> This data was retrieved from: 'The Final Report of Work 2008-2009 for Sing District'.

**Table 3.7: Exports of Cash Crops to China - 2006-2009**

	2006-2007*	2007-2008**	2008-2009***
<b>Watermelons</b>	3,924 tons 234,201\$	3,030 tons 431,346 \$	5,869 tons 630,053\$
<b>Bananas</b>	1,835 tons 99,704 \$	2895 tons 62,493 \$	830 tons 21,189\$
<b>Maize</b>	960 tons 92,548 \$	1,711 tons 286,973 \$	2,001 tons 256,190\$
<b>Pumpkins</b>			1,460 tons 69,545\$

\*Department of Industry and Commerce in Luang Namtha (2007: 2)

\*\*Ibid (2008:2)

\*\*\* Ibid (2009)



**Figure 3.8: (left) A Truck Carrying Rubber Goes to the Border**



**Figure 3.9: (right) Harvested Pumpkins on the Road**

### **Watermelon Business**

According to Lyttleton et al. (2004), watermelons were first planted in Muang Sing in 1997 or 1998, having been brought over from Sipsong Panna, when one Chinese Ho (Haw) person came to start a business as an individual entrepreneur, without having received official permission. At first, watermelons were just planted in and around Mom village in northern Muang Sing, which shares a border with China. After the success of the first watermelon cultivation, the crop expanded to eventually cover the entire Muang Sing area. In 2002; however, many Muang Sing locals began to plant watermelons (210 ha), but the price declined so the growers were not able to get a reasonable price, and this reduced production levels in 2003. In addition, in 2004 a root parasite epidemic occurred, so a significant amount of the watermelon cultivation moved from Muang Sing to Muang Long. Recently; however, most of the watermelon cultivation activities have returned to Muang Sing. In the dry season, Chinese watermelon growers come to Muang Sing from across the border to plant the crop, plus the Chinese watermelon traders come to Muang Sing to buy watermelons and sell them in China, across the border. As noted in the table below, watermelon production levels have increased recently, outstripping those of other petty production products in Muang Sing. This trend has brought with it an increase in the number of Chinese growers, local growers and Chinese trade operators, and has also created an economic multiplier effect for the local people and Chinese. As a result, the watermelon business is now one of the most significant cross-border economic activities for both the locals and the Chinese.

**Table 3.10: Production of Cash Crops in Muang Sing**

<b>Year</b> <b>Product</b>	<b>2004- 2005*</b>	<b>2005- 2006**</b>	<b>2006- 2007***</b>	<b>2007- 2008****</b>	<b>2008- 2009*****</b>
<b>Watermelons</b>	1.410 tons 47 ha	1.290 tons 43 ha	8.880 tons 296 ha	7.560 tons 252 ha	9.500 tons 380 ha
<b>Bananas</b>	1.000 tons 110 ha	1.350 tons 135 ha	1.350 tons 135 ha	800 tons 80 ha	
<b>Maize</b>	1.520 tons 380 ha	920 tons 230 ha	988 tons 247 ha	380 tons 95 ha	60 tons 15 ha
<b>Pumpkins</b>	1.980 tons 110 ha	216 tons 12 ha	180 tons 10 ha	216 tons 12 ha	2.160 tons 196 ha

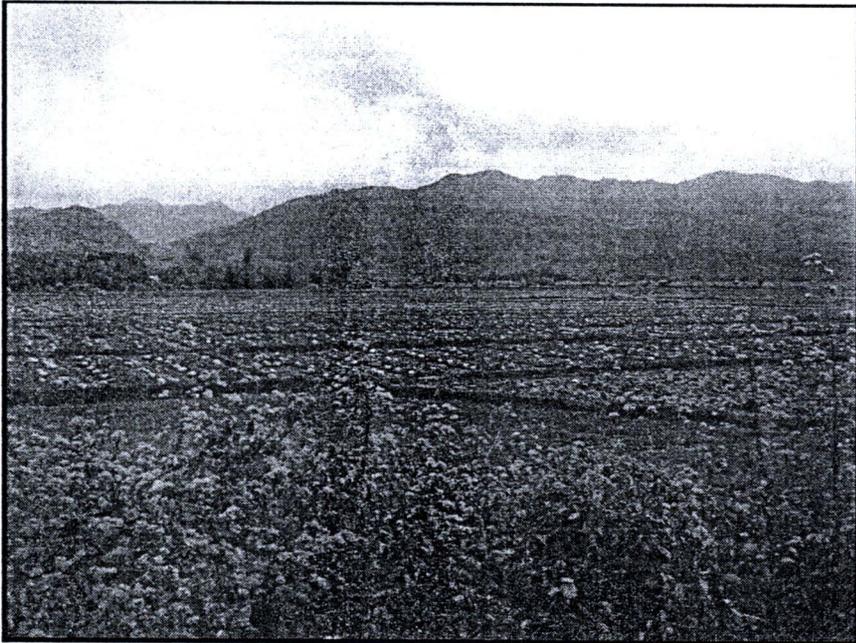
\* Department of Agriculture and Forestry in Muang Sing (2005:8)

\*\* Ibid (2006:8)

\*\*\* Ibid (2007:8)

\*\*\*\* Ibid (2008:9)

\*\*\*\*\* Ibid (2009)



**Figure 3.11: A Watermelon Field in Muang Sing**

### 3.6 Life on the Border

#### The Chinese in Muang Sing

It is said that there are now over 1,000 Chinese in Muang Sing, and as the total population of Muang Sing is 30,548, the proportion of Chinese is 3% of the total population. However nobody knows exactly what the population is. There are two types of settlement style among the Chinese, the first being when the Chinese settle in Muang Sing with their family for a couple of years or a longer period, and the other, when people settle in Muang Sing only during business periods, such as farmers and traders. Both sets of people flow freely across the border. Recently, the main reason for the Chinese to move to Muang Sing has been to open and operate their own businesses, away from the competition in China.

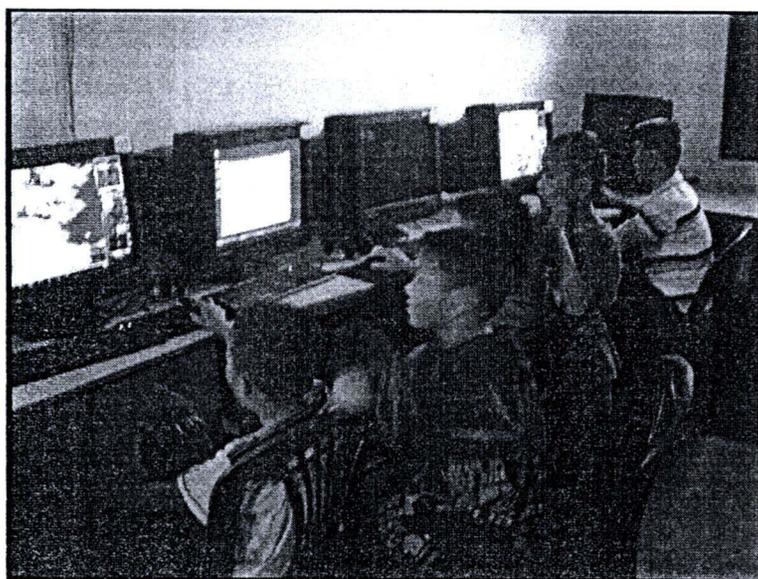
Xiao Hong (47 years old), is one of the longest-serving Chinese residents in Muang Sing. He studied making furniture in China, then came to Muang Sing from Sichuan to teach furniture-making twenty years ago, when he was 27 years old, and after a village head had invited him there. He started a furniture shop business in 1989, and after that opened a rice wine factory in 1995. For one or two years now, he has managed a rice milling plant. His family live in China, but whenever they have holidays they come to meet him in Muang Sing. He said he likes life in Muang Sing: "At first, it was very hard to communicate with the Laotians - I used body language all the time. I like life in Muang Sing because it has a good climate and the Laotians have a warm character. I don't know now whether I will go back to China or not in the near future; it depends on my family, but I am thinking of getting a Laos ID card now." He is known as a successful and industrious person in the town, and everyone knows him in Muang Sing. He has even received prizes from the local government and now employs twelve Chinese and six Laotian full-time workers, plus some Laotian part-timers in his rice milling plant. He said that there were many Chinese in Muang Sing when he came to Muang Sing twenty years ago - they opened businesses such as clothes shops, but said that now most have already returned to China. Although I did not confirm this during my research, in the past it is likely that other Chinese were invited over the border by Laotians in order to pass on their skills in this way.

According to my interviews with a Chinese woman who has a business on the main road, she opened her Chinese Lue food restaurant in July 2009. She is 33 years old and came from Mengla in Sipsong Panna with her husband two years ago. Her husband works for a Chinese state mining company and lives in company house in the mountains with his colleagues. She was previously interested in opening a restaurant: "There are a lot of people and they can get everything they want in China; therefore, it is too difficult to operate a business there. Also, China has a competitive society - everything is related to competition. I like my life in Laos; the Lao people are really kind and helpful. When I opened this restaurant, they prepared all the chairs for me, but I am going to return to China after I have saved enough money, as the restaurant business is very hard for me." She cooks the food in the restaurant by herself, and hers is the only Tai Lue food in town, so it is always crowded with local people and tourists who wish to try Tai Lue style barbecues.

The owner of an internet café in town (aged 27 years) came to Muang Sing in July 2009 from Mengman specifically to open his shop. Before coming to Muang Sing, he worked for a computing company in Kunming for two years and opened a shop in an IT center, but it did not succeed. After that, he returned to his home town, Mengman, and tried to open an internet café there; however, he could not get a business license for the shop: "I thought Laos was a big market; therefore I chose Laos to open my business. I don't need any business license in Laos; I have to pay only tax. I have many Chinese friends here and they helped me to open the shop. Although Lao people are nice, they always think and talk about money; there is no entertainment here; I like life in China more than in Laos. I do not know how long I will stay here because I also have a 200 mu rubber plantation." He speaks only Chinese and doesn't have any Lao friends, saying to me that he doesn't need Lao friends - Chinese friends are enough. He said that Lao many children play TV games during the afternoon and some Chinese businessmen use the internet during the evening.

Another group of Chinese migrants came to Muang Sing from Luang Namtha three to five years ago, having already moved to Luang Namtha from mainland China

except for Sipsong Panna more than ten years ago. One old man I spoke to (67 years old), who has opened a machine tool shop on the main road next to the market, came to Muang Sing two years ago from Luang Namtha, and said: “I came to Luang Namtha in 1998 from Jing Hong, Sipsong Panna and opened a machine tool shop. My home town is Hunnan provinces. After the Cultural Revolution, I moved to Sipsong Panna, but returned to my home town in 1982 because of trouble among my family. In 1993, I moved to a town on the border with Myanmar and stayed there for three years, then moved to Jing Hong. In Jing Hong, I worked as a watch repairer, but had an ambition to do something by myself at that time, so I came to Laos, as I thought Laos had a big market for machine tools. When I first arrived I had no Lao friends, so I did everything by myself. Although I like the life here in Laos, I am going to back to China when I am 70 years old to spend time with my grandchildren.” He has three children, two of whom are in Laos and one is in China. He now has two machinery shops in Luang Namtha, and his two sons and his wife operate these shops, so as a result, he has moved to Muang Sing. There are different types of Chinese people in Muang Sing; however, the common factor among them is that they are living there temporarily, to earn money.



**Figure 3.12: Lao Children in a Chinese Internet Shop**

### **Seeking Modernity: Cross-border everyday Practices of Local People**

The opening of the border and the simplification of the border process in 1992 has made visiting Laos easy for the Chinese Lue (Cohen 2000), and the locals in Muang Sing can go to China quite easily also. This section will focus on the cross-border practices of the local Lao people in Muang Sing, and will examine what kinds of cross-border practices they carry out and how the border plays an important role in the area.

There is a main road to the Chinese border from Muang Sing called route 17A, which was originally built by the French colonial administration in 1895/96. It was originally built as an asphalt road from Muang Sing to the Chinese border, and in 1996 this twelve kilometer section was upgraded (Lyttleton et al. 2004). This road plays a significant role in the local economic activities of the area; many people in Muang Sing depend on this road for their cross-border trade activities with China and their economic development.

At present, buses run between Muang Sing and Mengla leaving at 8 a.m. and 1 p.m. each day (stopping in Mengman also). According to the local people, the bus to Mengman started five years ago, whereas the bus to Mengla started two years ago. In the past, there was no regular bus service; therefore, whether a bus left depended on the number of passengers. The buses now bring not only passengers, but also Chinese goods and foodstuffs from China, particularly to the Chinese restaurants in Muang Sing. As well as the buses, both the Chinese and Laotians drive their own cars or motorcycles across the border. Cross-border activities have recently been enhanced as a result of a border agreement, road improvements and the development of a transportation network.



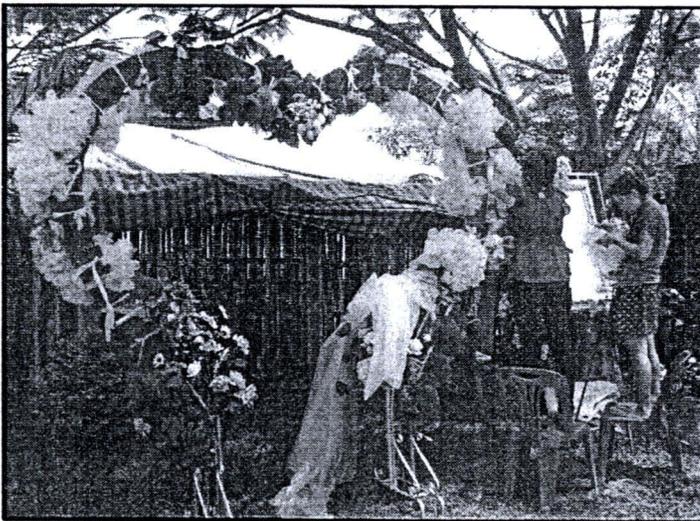
**Figure 3.13: Chinese Bus Crossing the Border between Muang Sing and Mengman**

Crossing the border to China is part of everyday life for many local people in Muang Sing, for they often go to China to seek goods that they cannot find in Muang Sing or that are new. People from the younger generation tend to go to the market at Mengman in order to buy the latest clothes and accessories and to buy the new electronic devices not available in Muang Sing (among these items, Chinese clothes are fashionable). Furthermore, locals go to China to buy wedding decorations, to have their hair cut, to get tuition in the school in Mengman, to visit hospital or sightseeing in Sipsong Panna. In terms of tourism, going to Sipsong Panna is more popular than going to Thailand for the tourists in this area, and I sometimes found family pictures taken in Sipsong Panna displayed in the homes of local people, as if they wished to show-off their economic status – being able to travel to a neighboring country.

Crossing the border for the Chinese is mainly done for business purposes rather than to visit relatives and attend wedding parties. The most popular business sector is cash crop production and trade for the Chinese market, including rubber, sugarcane, rice, vegetables and fruit. Other businesses include selling Chinese vegetables and dried foods to the market in Muang Sing. Almost all the vegetables, dried food and eggs in Muang Sing are imported from China, with Chinese merchants

coming to the market at 11 a.m. to 12 mid-day every day to sell them. In the past, local peoples went to China in order to bring these items back; however, it generated high taxes; therefore, for the past five or six years Chinese merchants now come to sell in Muang Sing instead. In addition, some of the Chinese in Muang Sing regularly move to and fro across the border to buy machinery and sell it in the town.

Therefore, although the locals used to go to China to buy the daily essentials themselves, now the Chinese merchants regularly deliver these to Laos, so the locals now cross the border for entertainment purposes. For the Chinese, although the main purpose of visiting Muang Sing is to make money, others attend festivals and visit relatives.



**Figure 3.14: Wedding Decorations from China**

### **Cross- Border Pilgrimage: The ‘*Bun Ban Fai*’ and ‘*Thaat Chiangteum*’ Festivals**

Cross-border pilgrimages have been researched by a number of scholars (Cohen 2000, Khampheang 2003 and Antonella 2009), and during my research in 2009/2010, I observed some of the local festivals held in Muang Sing. There are two festivals for which the Chinese and the Chinese Lue cross the border to Muang Sing, one of which is the rocket festival - known as *Bun Ban Fai*, which is held in June of the lunar calendar. The purpose of this festival is to pray for a good harvest (Masuhara

2003). The rocket festival in 2009 was held on 25<sup>th</sup> April. In Muang Sing, the rocket festival is known as a Tai Lue festival, is held for Buddhists and takes place in a different Tai Lue village each year. On the day of the rocket festival, the festival location is crowded with Tai Lue from China, local people, Chinese people and tourists. A parade of women wearing traditional Lue dress take the rockets to a 'launch pad' whilst dancing, while the producers of the rockets sit on them. The locals (including companies and schools) and Chinese Lue then launch about 50 bamboo rockets which they have made or bought, while praying for a good harvest. After the rockets are launched, people show their pleasure by throwing hats into the air. The launching of rockets continues from morning until sunset. The Chinese Lue come from Mengman by truck in the morning, enjoy the festival then return to Mengman before the border closes. Some Tai Lue from China may stay in Muang Sing for one night.

Another festival held is the *Thaat Chiangteum* festival. This festival is called '*Bun Thaat*' by the locals and is essentially a Buddhist festival held between the thirteenth and fifteenth day of the waxing moon during the first month of the Lue year (November) - the same day as the same festival is held in Vientiane. The significant purpose of this festival is to make merit (*bun*) (Cohen 2000), and according to Khampeang (1999), the *Thaat Chiangteum* festival expresses the Tai Lue's ancient political cohesion among the current socio-economic developments and religious framework within China.

I observed this festival on October 2<sup>nd</sup> 2009, and although the festival used to be held for three days (Cohen 2000), according to local people, recently it has been reduced to just one day. On festival day, local people drink 'Beer Lao' or rice whisky in the morning and almost all guest houses are full of tourists from other parts of Laos or abroad; the night clubs in town are also crowded with locals and tourists. Many police come from Luang Namtha and they help with traffic control. Based on this, this festival would appear to be the biggest event not only in Muang Sing, but in Luang Namtha Province as a whole.

Thaat Chiangteum is situated at the top of Doi Chiangteum mountain, about four kilometers from the center of town, and I visited there at 6 a.m. with local people. The reason for visiting there early in the morning is that it is possible to drive to the top of mountain by car. At first, we prayed at a wood house with a magnificent Buddha situated to the right of the reliquary, and after that we moved to the reliquary and walked around it three times with candles and offerings. This is the most important rite in the festival, the *pradaksina*, and is known as “*wian thian*” by the locals (Cohen 2000). At this time, the women must wear Lao traditional skirts and those who are experiencing their menstruation are prohibited from entering the reliquary. The women and men also have to walk around in a different way; women can walk in the outside lane, whereas the men must walk in the inside lane (Cohen 2000). When I visited in the early morning there were only a few people there but in the afternoon the festival area was crowded with many people; local women had climbed the mountain in their colorful Lao traditional shirts and high heels. At the top of mountain there were many food stalls and stands, including a mobile phone shop and shops selling clothes, sundry items and offerings, plus Thai pop music rang out. The most crowded shop was the cell-phone shop. Although this festival is known as a Buddhist festival, the Akha and Lolo<sup>10</sup> also came to the festival wearing traditional clothes, plus there were tourists from abroad and some Chinese who live in Muang Sing. Compared to them, the number of Tai Lue from China was only a few – but most of them come to the festival every year from Mengman, Meng Pong and Mengla, which are situated near the border with Laos in Sipsong Panna, and some of them stay in relatives’ houses.

According to Cohen (2000), this pilgrimage of a few of Chinese Lue to Muang Sing across the border has been taking place since before the Second World War and the 1950s. The reasons why only a small number made the pilgrimage were the poor condition of the roads and the presence of thieves. During the period when the border was closed (1979 to 1986), the pilgrimage continued secretly, with people traveling through Akha villages or the mountains. The number of Lue crossing the border

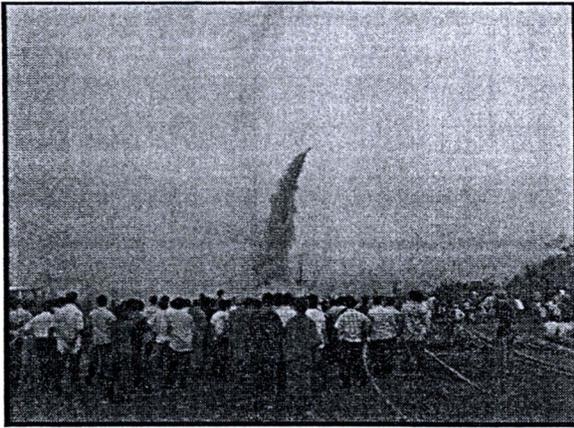
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<sup>10</sup> Lolo is one ethnic group in Muang Sing.

increased after the border agreement of 1992 and after the road was improved, not only for the pilgrimage but also to carry out cross-border trade as well.

However, Antonella (2009) highlights the decreasing of number of pilgrims coming to this festival, stating that in 2005, only 20 to 30 Tai Lue came across from Sipsong Panna, and most of them were rice traders who regularly crossed the border anyway. The reasons for the decreasing number of pilgrims are the difficulty of making the pilgrimage for the more religious older people, the high customs fees at the Lao border gate and the younger generation's lack of interest regarding the pilgrimage. If the younger generation Lue visit Muang Sing, it is to sample the 'exotic' Lao food and try out something that is more fun than in China, not go on a pilgrimage. During my research of 2009, the Lue pilgrims from China added up to only about ten people; the majority were Laotian from other parts of Laos. Antonella (2009) has highlighted the decrease in younger people's interest in the pilgrimages, as I found also. During the 2009 festival, there were two crowded shops; the cell-phone shop and the photo shop, and young local people visited only these two shops and did not even visit the mountain, nor did they wear Lao traditional dress - they wore T-shirts and jeans instead. This traditional Tai Lue festival is therefore changing to become a modern, ordinary festival. Furthermore, the Laotian pilgrims in 2009 were almost exclusively older people. The decreasing number of pilgrims applies to both the Tai Lue from China and from Laos.

Though there are a decreasing number of pilgrims coming to the festivals, the cross-border activities related to Buddhism still remain important, though things change due to the conditions in each country.



**Figure 3.15: (left) The Rocket Festival (*Bun Ban Fai*) in Muang Sing**



**Figure 3.16: (right) Chinese Lue Participants at the Rocket Festival**



**Figure 3.17: Chinese Lue Pilgrims at the Vat Xiengtung Festival**

### **Beyond the Border ? : Time, Money, TVs and Mobile Signals**

There are several things which have been introduced to this part of Laos from beyond the border, such as time, money, plus electricity for cell-phones and TVs. The Chinese use Chinese time in Laos - it is common sense in Muang Sing, though Chinese time is one hour ahead of Lao time. The Chinese use Chinese time not only with the Chinese but also with the locals (as they did with me!). I used Lao time during the early period of my research; therefore, sometimes I did not meet the Chinese. Because they always use Chinese time, they had no idea to tell me about it, but paying careful attention to the clocks in Chinese restaurants, they all use Chinese time.

The Chinese RMB is widely circulated in Muang Sing, and when I used RMB in the market, in restaurants, guest houses and anywhere else we used cash, the locals could immediately calculate the currency exchange rate from RMB to Lao Kip or vice versa. As a result of this, most of the Chinese, especially the cash crop traders, do not carry Kip. They also buy their cash crops using only RMB, and in the Chinese restaurants in Muang Sing, they even show the food prices in RMB. In Muang Sing, although Thai baht and US dollars are available to use, kip and RMB are the most useful currencies.

The Chinese residents in Muang Sing or the Chinese who regularly visit Muang Sing possess both Chinese and Lao cell-phone numbers; they use double SIM card cell-phones because they can access the 'China Mobile' network in the border area. When they call people in China, they use a Chinese number, and when they call people in Laos, they use a Lao number. However, in contrast, in Mengman on the Chinese side, one cannot get a Lao mobile signal.

Chinese TV can be watched in all the Chinese restaurants, guest houses, Chinese houses and Chinese businesses in Muang Sing; they can watch all the relevant channels by connecting Chinese cable TV. The Chinese like to spend their time watching Chinese TV programs during lunch and dinner.

One can see; therefore, that a number of things over and above people and goods have entered into Muang Sing from China, and these things make Muang Sing a livable place for the Chinese – a bit like being in China, and this reduces the barrier to Chinese businesses opening in Laos – it is almost as if Muang Sing is a part of China. During my research, my Chinese research assistant said to me many times that they (the Chinese) misunderstand that Muang Sing is actually China.

### **3.7 Conclusion**

At first, this chapter covered the history, changes that have taken place and the role of the current border in terms of Muang Sing life, in order to understand in more depth the variety that exists in this region and the current context. Due to its location, Muang Sing was once a very important trade route and trading center for the caravan trade in the upper Mekong, though the prosperity this brought diminished with the construction of the road from Mengla to Luang Namtha in 1960, and the closing of the border between 1979 and 1986. In recent years; however, Muang Sing has transformed itself into, not only a trading center once more, but also a producer of cash crops for the Chinese market – since the introduction of the New Economic Mechanism in Laos and with Chinese economic development. Now, this small border town is an important economic space.

This chapter also examined the Phanthong border, the change in cross-border economic practices and the importance of cross-border activities for the locals. In the past, cross-border economic practices involved the buying of basic goods or things that could not be found in Muang Sing - for barter or for sale. The dominant form of business was individuals. Now, the form of business has changed, with cash crop production for the Chinese market dominating. The production of cash crops for the Chinese market is increasing year on year, and is becoming a key means for making a living among the Chinese traders, Chinese Lue farmers and local farmers. Among the various cash crops grown for the Chinese market, watermelon production and trade is increasing in importance; the number of people engaged in the watermelon business is also increasing, which means that the cross-border watermelon business is important

for their lives. In addition, now the Phanthong border gate plays a significant role as an export point for agricultural products in northwestern Laos.

In the fourth part, I elaborated upon the cross-border, everyday practices of people who live around the border area. Muang Sing is a town where a variety of ethnic groups co-exist, not only the locals but also Chinese and Chinese Lue who come to Muang Sing in search of business opportunities due to China's socio-economic conditions, which include a lack of suitable agricultural land and a lack of job opportunities – in part due to the increasing population. The purpose of crossing the border for the Lao people; however, is not for economic gain, but for tourism purposes - to shop for modern clothes and buy new electronic devices; to visit a hair salon and study Chinese. In other words, the locals tend to cross the border in order to bring something back to Muang Sing they cannot find in Laos. For the locals, going to China is like going to a neighboring town; furthermore, people who live in this area, especially the Tai Lue, have maintained their cross-border culture and identity in-tact through festivals held in Muang Sing: *the Thaat Chiangteum* festival and the Rocket festival. Although cross-border practices have changed depending upon the political and socio-economic situation in both countries, for people in this area such practices play an important role in maintaining their economic and cultural relations.

In the last, I mentioned the various items which come to Muang Sing from China across the border, over and above human activities. There are many visible or invisible things which come from China such as the time, money, a phone signal and a TV signal. The Chinese use Chinese time, Chinese currency and the Chinese phone signal in Muang Sing, plus they watch Chinese cable TV in the Chinese guesthouses. Such things make Muang Sing a space which is very similar to China and allows the Chinese to feel that Muang Sing is a part of China. This has also resulted in an influx of modernity to the local area, especially in terms of the TV and mobile signals, and this is one of the factors that has led to the making of an economic negotiation space in this part of northern Laos.

In this region, cross-border practices have been going-on for a long time; not only in terms of the caravan trade but also in terms of the mobility of people, most of whom are migrants from China and Myanmar. In fact, crossing the border even continued when the border was closed between 1979 and 1986. At that time, although the logistics were difficult, locals still crossed the border and bought daily goods for sale in Muang Sing - their economic activities became the basis of making a living. Now, the relationship with and beyond the border is ongoing and stronger than ever due to business activities, though the features of the border landscape have changed drastically due to the introduction of a regional commodity system in which Laos is the production base for cash crops sent to China and its huge domestic market. Now, the production of watermelons has become big business in Muang Sing, emphasizing the fact that the border has been an economic lifeline for the people who live in this area for centuries. Furthermore, the people who live on both sides of the border have maintained their communication and identity through the holding of festivals, and now time, money and TV and phone signals are coming out of China to Laos - across the border. In other words, the Phanthong border is a porous one, physically, mentally and culturally, and is becoming a more complex economic space as the circumstances change in both China and Laos.

Cross-border economic practices are conducted by a number of ethnic groups in this area, so in the next chapter I will focus on the ethnic relations and networks that have been created as a result of the development of the cross-border watermelon business, and elaborate upon how such cross-border businesses operate in the border area.