

The Flow of Goods over the Lao-Thai Border: an Observation on Thai Goods in Southern Laos

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1. Introduction

Markets are the places where people gather in order to buy and sell goods. Although markets exist all over the world, there has been a lack of anthropological research on their structure and how they function. Clifford Geertz (1979), who focused on the local “bazaar” or Islamic market in Sefrou, Morocco, illustrated the geographical structure of the market and the character of the communication between buyers and sellers. William Skinner (1964, 1965a, 1965b) focused on the geographical structure of rural Chinese markets and, through the market, that of the community. Although these studies illustrated the connection between the structure of the market and the behavior of people, they did not consider what kind of people and goods the market is composed of and where these people and goods come from. The special importance of the market is as the place that allows people to achieve changes in their material circumstances. Therefore, it is important to examine flows of people and goods.

This paper will illustrate these flows by using data from a local market in the Lao People’s Democratic Republic (hereafter “Laos”). Laos converted a socialist planned economy into a market-oriented economy through a process called the “New Economic Mechanism” announced in 1986. Since then, Laos has opened to the world economy. This shift in economic direction involved Laos’ adoption of a capitalistic economic regime in addition to the existing communist ideology, a tendency similar to that seen in other socialist countries. This change impacted not only macro-level political and economic conditions in



Figure 1: Map of Lao PDR

Laos, but also the people's everyday lives. Although the border with Thailand was closed once by the Thai government in November 1975, limited trade with Thailand restarted in early 1976.

Today, Lao people, especially the younger generation, watch TV programs broadcast from Thailand by satellite and listen to Thai pop music. More importantly, daily goods made in Thailand are becoming increasingly important in the Lao people's everyday lives. Lao people increasingly rely on goods imported from Thailand.

The purpose of this paper is to ascertain what kinds of goods are brought from Thailand to a local market in Laos, based upon observations made at Don-talaat market, one of the local markets in Champasak district, Champasak province.

2. Basic information about Don-talaat

The Don-talaat market is located 20km south from the center of Champasak district⁽¹⁾. It is surrounded by farming villages and agricultural land. The market is located along a crossroad, and people come from all directions to meet each other and buy or sell various kinds of goods they have brought. From Don-talaat, the road leads northwest to Chongmek (Vang-Tao)⁽²⁾, the market at the border between Thailand and Laos, northwest from Don-talaat, and to Sukuma district, the most southern town of Laos.

The name "Don-talaat" combines two elements: the name of an island and the name of the ancient king, Lasala Nai. "Don" means "island" but it does not refer to a real island, because there is no sea or river around this area. The reason this place is called "Don" is that is a hill that was once in the middle of a forest, and the topography resembles that of an island.

The element *ta* in "talaat" is the appellation for elders, and the element *laat* indicates Lasala Nai, the king of the ancient Champasak kingdom. He is known to have enjoyed hunting in the forests of his territory, and often visited the area called Don-talaat today for hunting. At that time, he often rested in the hill then looked down on the forest. There is a temple, Wat Don-talaat which was built by the king Lasala Nai about 100 years ago.

On the other hand, the development of Don-talaat market began only forty years ago. Initially it was an ordinary market comparable to other similar markets in this region. After the revolution in 1975, the shortage of essential goods hit Lao villagers heavily. A villager who had experienced this hard time related the following story about his brother, who went to the Lao-Thai border with his fellows to exchange 20 cows for seasoning powders.

It was a very risky action since they might have been shot by the army if found. Despite this, the man's brother had to carry out this action, because there was no other way for his

family to earn money. In those days, cows and the buffaloes were traded in the domestic market at approximately 50 kips a head. However, trading at the border with the Thai merchants, the price tripled to 150 kips a head. Although a few cows were lost on the way to the border, the Lao traders returned safely. The brother brought back 5kg of seasoning powder from Thailand.

Shortly after the revolution, as the above case story illustrates, most markets in this area were inferior places to trade goods. However after the Lao government announced the New Economic Mechanism in 1986, important changes have occurred in Lao society. Improving economic conditions have made motor vehicles including motorcycles, minibuses and tractors available to most villagers, allowing them to move further more easily in order to trade goods. As a result, more and more, Don-talaat welcomed people living in more distant villages.

As of 2007, the markets at Don-talaat contained 28 large shops, 21 midsize shops and 35 small shops⁽³⁾. The large shops are located facing the outside street, and the average profit is relatively high. The midsize shops are found inside the market. Most of these shops sell men's and women's clothes. Almost all the owners of shops were born in the Don-talaat area and engage in farming as well as retail sales. The small shops are simple: merchants sell their goods sitting on a wood board or a plastic seat.

While there are only 86 shops in the markets during the week, the number of sellers increases rapidly on Saturday morning to more than 300 shops. Those who want to sell goods gather in Don-talaat market at about 3:00 a.m. Especially in the rainy season, they come early to compete for places and wait for the sunrise. Sellers who live in other districts far from Don-talaat come on Friday afternoon and stay overnight. Those who only come to buy goods arrive at about 6:00 a.m., the time of the sunrise in the rainy season. After the villagers sell and buy their goods, they leave Don-talaat by about 9:00 a.m. Therefore, this market is crowded only for three hours.

Those who manage their own shops in Don-talaat usually go to stock their goods at Pakse, the capital city of Champasak Province. Pakse is the second largest city in Laos and historically inhabited by Vietnamese and Chinese. It has functioned as a commercial and trading center since the adaptation of the New Economic Policy in 1986. Today, since the Lao government has tightened its economic relationship with Thailand, most of the goods observed at the market of Pakse are imported from Thailand. This explains why various kinds of goods from Thailand are found in Don-talaat.

3. Places of origin and work backgrounds of shop owners

Shop owners in Don-talaat come from various cities and villages and have various backgrounds.

Table 1 shows their hometowns and previous jobs. It is interesting that while 14 shop type B owners were born in Don-talaat (77% of total type B owners), only 5 shop type A owners were born in Don-talaat (23% of type A total). However, looking at owners from Champasak district but excluding Don-talaat, the number of type B owners is down to 2 (11% of type B total), while the number of type A owners is up to 13 shops (59% of type A total). Previous jobs held by shop owners are divided according to shop type. Most type A owners were farmers (31%) or unemployed (31%) before opening their shops, whereas for type B owners, numbers of both ex-farmers (17%) and formerly unemployed (28%) are relatively low. Instead, they still engage in farming, and therefore have two businesses; farming and running shops.

These data indicate that while most type B shop owners are farmers born in Don-talaat and have not engaged in commercial trade previous to opening up their shops, most type A shop owners move to Don-talaat to start new businesses. For type B owners, management of a shop in the market is a secondary business and can be regarded as an “investment of surplus capital” earned by selling rice grown as farmers in order to buy marketable goods. These sellers are able to acquire much more profit from selling goods than only selling rice.

On the other hand, type A owners do not invest in this way because their commodities are not goods bought by the use of surplus money. While a farmer has his field as his property, the vender has his goods as his property. Therefore, for the owners who don't have any fields, their commodities becomes like a field for farmers.

Don-talaat offers the villagers an economical space in which to invest their profit. It is easy for farmers to access this small market inside the farmer's village. Therefore, the market in the farmer's village becomes the place where the farmers cultivate their capitalistic ethos.

4. Goods found in Don-talaat

What kinds of commodities are found in Don-talaat and who brings them there? A variety of items are found in Don-talaat: vegetables, fruits, daily goods, western medicines, indigenous

Table 1: Place of origin and previous jobs of shop owners in Don-talaat

previous job	Born in Don-talaat		Born in Champasak district		Born Outside Champasak district		Total		
	Type A	Type B	Type A	Type B	Type A	Type B	Type A	Type B	Total
Farmer	0	8	4	1	0	0	4[18%]	9[50%]	13[33%]
Ex-Farmer	2	3	4	0	1	0	7[31%]	3[17%]	10[25%]
Nothing	1	3	4	1	2	1	7[31%]	5[28%]	12[30%]
Other job	2	0	1	0	1	1	4[18%]	1[5%]	5[12%]
Total	5[23%]	14[77%]	13[59%]	2[11%]	4[18%]	2[11%]	22[100%]	18[100%]	40[100%]

medicines and so on. Among of them, this paper especially focuses on 9 classes of goods.

I. Vegetables and fruits

Both during the week and on Saturday mornings, various kinds of vegetables and fruits are sold in the market: cabbages, cucumbers, papayas, eggplants, ginger, onions, sweet potatoes, tomatoes, pumpkins, apples, bananas, coconuts and so on. Although a few fruits are imported from Thailand, almost all of the vegetables and fruits are domestically produced and brought from the surrounding regions in Laos.

These goods are sold in seven small shops on weekdays; on the other hand, on Saturday morning, large numbers of sellers appear in the market even though their business scale varies from those who sell a few kinds of vegetables which they have gathered themselves to those who sell tons of bananas which they have brought by car.

For example, when the research was conducted one shop sold 33 kinds of vegetables and fruits. While availability changes seasonally, at this time 26 kinds of produce (approximately 75% of the total) were obtained either in Champasak district or in Paksong district located on the Boloven plateau⁽⁴⁾. Goods imported from Thailand consisted of only 12 kinds of item (5 kinds of items were acquired both in Laos and Thailand).

II. Daily necessities

While most vegetables and fruits are provided from the surrounding regions, a variety of daily necessities are imported from Thailand: shampoo, soap, lipstick, toothpaste, seasoning powders, sugar, detergent, and even instant foods are found in some shops.

It was very difficult for people to purchase these Thai products during the post-revolution period of the late 1970s and early 1980s because these commodities were in short supply. For example, while Vietnamese soaps were distributed by the government, Thai soaps commanded a high price because they were illegally exchanged at the border at Chongmek. This situation changed in the late 1980s. Since then, various kinds of daily necessities have been imported from Thailand to the market at Pakse. Today, people in Don-talaat are able to purchase these goods much more easily than before. For example, a midsize shop sold 64 kinds of product (among them, origins of 60 products were confirmed). Among them, 43 products were imported from Thailand (approximately 70% of the total). This suggests that villagers in Don-talaat and its surroundings come to depend on Thai goods in their daily lives.

III. CDs and VCDs

There are 2 CD and VCD shops in this market. Most of these goods are imported from Thailand. For example, when this research was conducted there were 545 items in a researched shop. Only 37 (8%) of those items were made in Laos. This indicates that the contents of entertainment products made in Thailand have influenced Lao people's everyday consumption of music and culture. According to the owner of this shop, these items were been bought in the Pakse market once a month.

IV. Clothes

There are two types of clothing shops in Don-talaat; some sell Western-style clothes and the others, a traditional skirts called *shin*. Both are supplied from Pakse; however, the Western clothes are originally made in Thailand or Vietnam, whereas the traditional clothes are produced in Laos. Sapaai village and Don-Ko village in Champasak province are especially well known as production of *shin*. There are 12 clothing shops in Don-talaat, and most of the owners live in the village. The six of the owners and their family members own farm land. They meet household expenses by selling clothes.

V. Betels

A few of betel shops are found on Friday afternoon and Saturday morning. Betel is a combination of three kinds of plants and limestone that is chewed by older women. These plants are all produced in Paksong district. Unlike vegetables, Betel is brought to Don-talaat by local traders living in Paksong, once a week on Saturday morning. In general, these betel traders arrive at Don-talaat on Friday afternoon by bus or self-owned car.



Figure 2: Betels

Staying one night at the market, they remain until they have sold all their betel. Afterward, they purchase catfishes and frogs because they are difficult to obtain in the area of Paksong.

VI. Cigarettes

Cigarettes are sold only on Saturday morning. They are produced in the southern region of

Champasak province, especially in a village in Khorng district, which is located 20km away from Don-talaat. Every weekend a few villagers come to the market with cigarettes stored in bamboo boxes, by car. It is interesting that they do not sell their goods directly to consumers but sell cigarettes by the box to people residing in Don-talaat, who then retail to consumers at the market.



Figure 3: Cigarette

VII. Catfishes and frogs

Catfishes and frogs are a local commodity in Don-talaat. The area is surrounded by a wide range of agricultural land, where swamps or marshes are abundant. Thus, it is suitable habitat for catfishes and frogs. Both animals are cheap but valuable sources of protein. Some catfish fry are imported from Thailand, and retailers frequently go to the border to purchase a stock. After returning from the border, they sell to the villagers, who raise the fry to adulthood in their swamps.

VIII. Charcoal

Charcoal, called *kaborn* in Lao, was used as a fuel for lamps. It was necessary for people living in villages where electricity was not reliable. Charcoal was obtained from the forest; because the western area of Don-talaat has abundant forests, charcoal was generally considered to be an important indigenous commodity comparable to catfishes and frogs. However, today demand for charcoal has declined because almost all villages in Champasak district have electricity. Although there were many shops selling charcoal in Don-talaat until the late 1980s today only a few vendors are found on Saturday mornings.



Figure 4: Charcoal

IX. Tools for repairing engines or electronic devices

There are shops owned by Chinese immigrants along the main street of Don-talaat⁽⁵⁾. They sell tools for repairing car engines, pirated VCDs and electronic devices such as televisions and stereos. These people immigrated by way of Vientiane from Yunnan province in China, where economic opportunities are few, in order to earn a living. They migrated to Don-talaat in 2003 through a Chinese agency in Vientiane. This agency urged the immigrants to settle in several regions of Laos and open retail shops. This agency supplies all the goods to the retail shop. These kinds of Chinese-owned tool shops were found in several markets in Laos.

5. Conclusion; What kind of goods come from Thailand?

Among the goods found in Don-talaat, how many goods are imported from Thailand? This study discovered that daily goods, video and audio discs, Western clothes, and catfish fry are brought from Thailand. On the other hand, fully grown catfishes and frogs, many kinds of vegetables, charcoal, cigarettes, and betel are produced in Laos, although some clothes are imported from Vietnam and electric devices are brought from China.

Don-talaat is a rich area of rice fields on the banks of the Mekong River. Therefore, it is easy for villagers to grow rice and raise fish themselves. They are important sources of carbohydrate and protein. On the other hand, it is difficult to grow vegetables in this terrain, and the people of Don-talaat must trade with people in Paksong, on the plateau, where the temperature is cool enough to grow vegetables. On the other hand, it is interesting that Lao people go to the border market to trade for catfish fry. In fact, catfishes can be reared in the rice fields around Don-talaat. Nevertheless, people in Don-talaat go to the market to buy their fry.

Although this study can not explain the reason in detail, one possible explanation can be sought in the imbalance of demand for and supply of catfishes. An informant explains that population growth around Don-talaat has caused a rise in demand. As a result, a shortage has occurred.

In conclusion, it is difficult for Lao people to avoid using daily products, entertainment products, or other convenient and useful goods coming from Thailand. Today, Lao people are tempted to follow Thailand's model of development. In an age of high-speed communication technology and transportation systems, the Lao people's cultural identity in everyday life seems to dissolve into Thai or Isarn culture. On the other hand, from an ideological perspective it is interesting to recall that the Lao government celebrated the 30th anniversary of friendly relations and deep solidarity between Laos and Vietnam in July, 2007. This event indicates that the Lao government still desires to have a connection with the Vietnamese government on the

ideological level. In fact, state-owned Lao TV continues to broadcast songs to propagate the deep solidarity between Laos and Vietnam almost daily. Further, according to my informant, Laos and Vietnam are brothers who share one blood. This is not metaphor; it is the actual truth. Therefore, we can see the 30th anniversary celebration as an act meant to forcefully foster a socialist political and cultural identity of the Lao people now exists in this discrepancy between commercial and cultural relations with Thailand and political and ideological relations with Vietnam.

[Foot Notes]

- (1) Champasak district is one of the 10 districts in Champasak province, which is located in the southern part of Laos. Champasak district is famous as the site of an ancient city and an old temple, Wat Phu, which is registered as the second UNESCO World Heritage Site in Laos.
- (2) Chongmek is the name of the market at the customs checkpoint on the Thai of the Thai-Lao border crossing. Vang-Tao is the name of the town on the Lao side.
- (3) This research was conducted by the author in August 2006 and August 2007. The author interviewed the owners of all the shops in Don-talaat.
- (4) Paksong district is in Champasak province. Paksong is famous as a coffee-growing area. Since it is located at 1200 m above sea level, its temperature is relatively cool, and the climate is suitable for growing vegetables including pumpkin, cucumber, and watermelon.
- (5) There are three Chinese-owned shops in Don-talaat. Each of them has a Lao partner who has the right to use the lot. The Chinese rent the lot for their business from their partner. Most of Chinese came to Laos with their families, and do not speak Lao.

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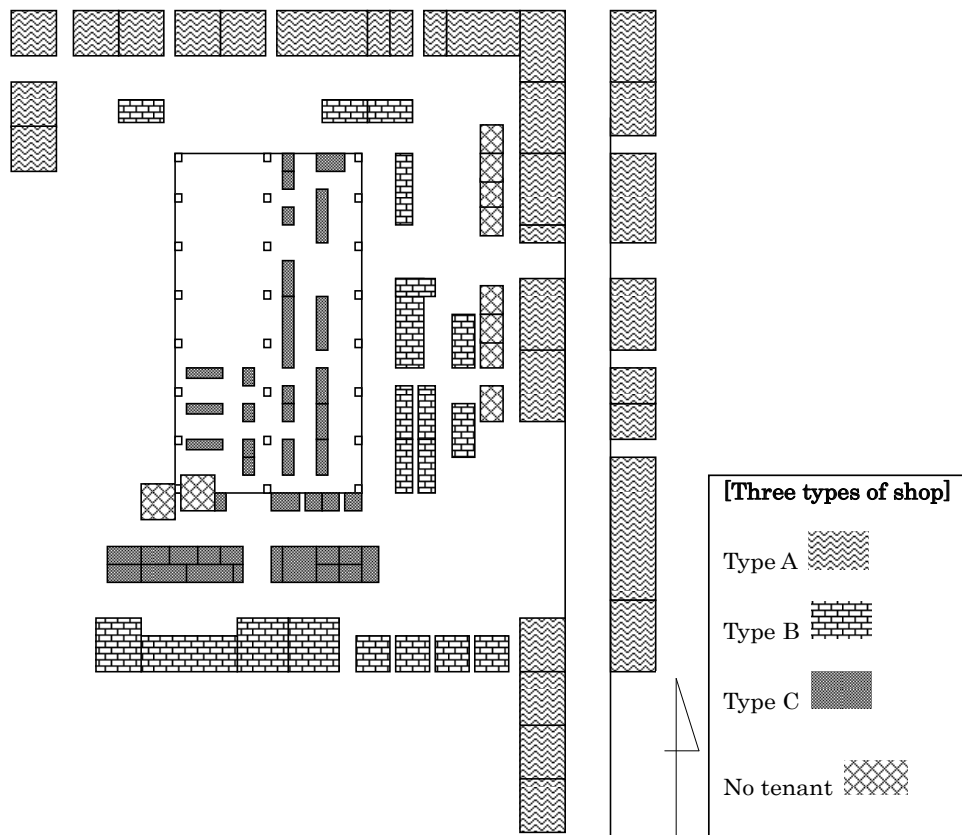


Figure 5: The location of shops in Don-talaat market

Table 2: The list of the commodities in a shop selling vegetables in Don-talaat

Name(English)	Name(Lao)	Country of origin
Orange(small)	Mac kian	Thailand
?	Mac kam	Thailand
Apple	Apple	Thailand
Orange(big)	Mac kian	Thailand
Longan	Mac lamnyai	Thailand
Grape	Mac leeseeng	Thailand
Carrot	Mac kyarot	Thailand
Corn	Mac sari	Thailand; Paksong, district
Water-melon	Mac moo	Thailand; Paksong district
Coconut	Mac pao	Thailand; Laos
Tomato	Mac len	Thailand; Paksong district
Small onion	Pak bua noi	Thailand; Paksong district; Vietnam
Onion	Pak bua	Champasak district
Cilantro	Pak hoan poam	Champasak district
Dill	Pak sii	Champasak district
Morning glory	Pak bon	Champasak district
Peppermint	Pak hoam laan	Champasak district
Lettuce	Pak salad	Champasak district

Chinese cabbage	Pak kaat hoo	Champasak district
Sweet potato	Man keo	Champasak district
Kidney beans	Mac tua	Champasak district
Cucumber	Mac teng	Champasak district
Sugar Cane	Ooi	MooPuu village, Champasak district
(a kind of leaf)	Pak chonmik	Doon Maak Eek village, Champasak district
Pumpkin	Mac uu	Paksong district
(Tiny fruit)	Mac tan	Paksong district
Banana-leaf	Pii kuwai	Paksong district
Ginger	Kin	Paksong district
Lemon(small)	Mac nao	Patomporn district
Cauliflower	Mac garampii	Paksong district
(a kind of squash)	Mac sabuu	Paksong district
Chili	Mac peet	Paksong district

Table3: The list of the commodities in a shop selling daily products in Don-talaat

Name(English)	Place of origin	Name(English)	Place of origin
Soy sauce	Thailand	Shaver	Thailand
(a kind of snack food)	Thailand	Energy drink	Thailand
(a kind of instant food)	Thailand	Seasoning sauce(Kapi)	Thailand
Orange juice	Thailand	Seasoning sauce (Big fish)	Thailand
Jelly	Thailand	Laundry detergent	Thailand
Shampoo	Thailand	Seasoning source	Thailand
Seasoning powder	Thailand	Toilet paper	Thailand; Laos
Condensed milk	Thailand	Rice noodles	Thailand; Laos
Toothpaste	Thailand	Soap	Thailand; Vietnam
Sanitary napkin	Thailand	Lighter	Thailand; Vietnam
Facial cream (POP brand)	Thailand	Dish detergent	Thailand; Vietnam
Toothbrush	Thailand	Water-bottle	(Nongvien village)
Bird food	Thailand	Plastic bag	Laos
Pencil	Thailand	Salad oil	Laos
Battery	Thailand	Pepsi	Laos
Straw	Thailand	Beer(Beer Lao brand)	Laos
Cotton	Thailand	Sweet food(Kanom)	Sukuma district
Candy	Thailand	Notebook	Laos
Scrubbing brush	Thailand	Instant coffee	Laos
Sandals	Thailand	Salt	Kung village
Umbrella	Thailand	String	Laos
Pepper	Thailand	Cigarettes	Laos
Ovaltine	Thailand	Garlic	Laos
Suger	Thailand	Buddhist paraphernalia	Laos
Energy drink (M150 brand)	Thailand	Peanuts	Pakson district
Soy milk	Thailand	Leaf for tea	Vietnam
Candle	Thailand	Rubber bands	Vietnam
Chili sauce	Thailand	Marbles	Vietnam
Fish sauce	Thailand	Nails	?
Syrup	Thailand	Ruler	?
Vinegar	Thailand	Comb	?
Hair gel	Thailand	Pot for water	?

