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Navigating State Power:
Border Practices of Thai and Lao Petty Traders in a Shared Borderland

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[*Abstract*]

This paper explores how improving inter-state relations and deepening links and growing trade flows between Thailand and Laos are manifest at the level of local traders in the Thai-Lao borderlands. Drawing on interviews with key informants including Thai and Lao traders and Thai officers and participant observation in a border market, the paper unsettles two assumptions that implicitly underpin policies concerning the management of cross-border trade. First is the assumption that cross-border trade and linkages with Laos were largely absent or somehow insufficient before 1988. And second, that the official opening of the border has smoothly and inclusively stimulated greater trade and interaction. Focusing on small-scale and informal traders, the paper argues that trade and cross-border interactions were always present even when relations were at their worst and that the formalization of trade has had negative effects on informal and small-scale activities which were so important at the local level. The paper also shows, however, that in the market itself there is a small space of informalization—where formal rules and regulations are

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informalized in the interests of local people.

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Ⅰ. From a Battlefield to a Marketplace: State and -state Actors in the Thai-Lao

In 1988, Thai Prime Minister General Chatichai Choonhavan adopted a policy of turning Indochina from "a battlefield to a marketplace." In an era of growing national economic self-confidence and declining regional insecurity, this was seen as a moment when Thailand could lead a process of economic growth based on deepening regional integration. This also coincided with efforts by the Asian Development Bank to connect Indochina through infrastructural investment. While Chatichai's expression was critiqued in some quarters as excessively bullish, the years since have resulted in sustained improvements in relations, growing trade, investment and heightened connectivity not least with Laos, a country with which Thailand shares a 2,000 km-long border.

While relations between the Lao People's Democratic Republic (hereafter, Laos) and Thailand have evidently improved and trade increased, how these deepening links and growing flows are manifest at the level for local traders in the Thai-Lao borderlands is less clear. Official views and policies are informed by two assumptions. First, that cross-border trade and linkages with Laos were largely absent or somehow insufficient before 1988. And second, that the official opening of the border has smoothly and inclusively stimulated greater trade and interaction, bringing benefits to all.

The geographical focus of this paper is the Ban Dong Dee Market[1] in Uttaradit Province, close to the Phu Doo International Point of Entry. This checkpoint holds significance as a key border trade hub between Thailand and Laos. The object of study are the

[1] Due to ethical considerations, the authors employ a pseudonym. For more details, please see the research methods section.

consequences brought about by the shift from a traditional checkpoint to a formal one, examining the effects of this change on small-scale traders. While the focus is on traders, the impacts reverberate through local communities and the daily lives of the local population, especially those whose livelihoods revolve around trade. To understand how these traders respond to the emerging opportunities and challenges resulting from this transition, two core questions inform the paper:

How has the formalization of these border crossings challenged the operations of Thai and Lao petty traders?

What strategies have Thai and Lao petty traders employed to cope with the challenges they encounter in the border area?

Ⅱ. The Thai-Lao Borderlands

Laos and Thailand have long been strongly and closely connected culturally, economically, and politically. Uttaradit Province is a northern Thai province bordering Laos, geographically well positioned to foster border trade and to serve as a gateway to Thailand. Historical evidence indicates a longstanding tradition of cross-border trade between Uttaradit and Laos dating back to the Ayutthaya period (1350–1767) (Sapamnuayporn 2002). Nevertheless, border trade in this area gained strategic prominence in Thailand's broader economic development as relations between Thailand and Laos improved from the late 1980s and particularly following the initiation of the Great Mekong Sub-region (or GMS) by the Asian Development Bank (ADB) in 1992. In 2013, the Phu Doo temporary checkpoint was redesignated as the Phu Doo International Point of Entry, becoming in the process a permanent border crossing point. Five years later, in 2018, Uttaradit province revised the vision underpinning its development strategy, explicitly including border trade growth[2] (Mee-udon and Rattanaprathum 2022).

Phu Doo thus became a gateway linking Uttaradit City with the

[2] The strategy is: "Quality of Life City, Safety Product, Tourism Development and Border Trade Growth."

ancient city of Luang Prabang in Laos and from there with Vientiane, the capital of Laos some 238 kilometers away (Uttaradit Province 2020). The recently opened train line from Kunming in China to Vientiane via Luang Prabang is part of this wider vision to connect the GMS, making the Phu Doo checkpoint a node in a much larger and more strategic connectivity project.

Many recent regional infrastructure and development programs have sought to promote increased cross-border connectivity and integration: the Greater Mekong Subregion (GMS); the North-South Economic Corridor (NSEC) and the East-West Economic Corridor (EWEC) Development Project (Tiwaphan et al. 2014 ; Mee-udon and Rattanaprathum 2020); the Luangprabang-Indochina-Mawlamyine Economic Corridor (LIMEC); and the Ayeyawady-Chao Phraya-Mekong Economic Cooperation Strategy (ACMECS) (Mee-udon and Rattanaprathum 2022). These corridors play a vital role within the ASEAN Economic Community (AEC), aiming to enhance infrastructure and logistics within mainland Southeast Asia and thus drive trade and economic growth. Promoting cross-border trade is a central component in broader strategies of economic development, and border sites like Phu Doo are the tip of the spear, so to speak.

Considerable state-led preparatory work preceded the upgrading of the temporary Phu Doo checkpoint to permanent status. Research was commissioned to assess the preparedness of the logistics systems for the anticipated expansion of flows of goods, with comprehensive guidelines issued for the development of the border trade area (se, for example, Limsamat and Mungchai 2014; ASEAN Institute Uttaradit Rajabhat University 2014; Panitchakarn et al. 2015; Panitchakarn et al. 2018). Notably lacking in this wealth of research, however, were studies that investigated the tangible impacts of formalization on the lives of residents and border communities. The assumption seems to have been that formalization is necessarily beneficial, and that any increase in trade will be to the advantage of local residents and border settlements.

Mee-Udon and Rattanaprathum's (2022) study is one of a very small number that have not taken the benefits of increased trade at

face value and investigated how such trade is received by local people. The findings of this study revealed that while formalization of the Phu Doo checkpoint did, indeed, contribute to increased economic activity in the local area most of the benefits accrued to individuals with significant capital, particularly those engaged in the oil and large consumer product trading sectors. For smaller scale traders, impacts were limited, even nonexistent, and in some instances negative. Local residents compared their experience in Phu Doo to the Sirikit Dam where local costs (e.g. loss of land and livelihoods) were justified in terms of national benefits (electricity generation) (ibid.: 143). One interviewee explained:

> When Phu Doo was not open permanently, villagers kept selling and buying between themselves, making it kind of fun. Once the permanent checkpoint was opened, it was good internationally, but not good for us. Small merchants rarely receive any benefits, unlike on the national level such as oil sellers who operate by selling up to 10 to 20 cars of oil daily. Phu Doo like the Sirikit Dam area, benefitted people from far away using electricity (Male, 65 years old, Interview: June 29, 2020).

According to the Office of Provincial Commercial Affairs in Uttaradit (2023) and Government Data Catalog (2024) trade statistics for the Thai-Laos border checkpoints in 2023, there was a consistent trade surplus for Thailand over Laos, mainly attributed to the export to Laos of industrial and agricultural products. Analysis of individual checkpoints indicated that the Phu Doo Checkpoint generated the highest levels of trade (by value) with significant exports of items such as petroleum and tractors. Trade in these items was dominated by larger traders. Ban Dong Dee market, on the other hand, mainly traded low value, highly divisible, and often perishable products such as fresh and dry foods, fruits, cooking utensils, and ready-made clothing. Local inhabitants perceived the permanent Phu Doo Checkpoint as more of an obstacle than a facilitator of cross-border trade due to the complex customs procedures and higher costs. The uneven and mixed effects of the formalization of trade were summarized by one interviewee as follows:

> If you check with the villagers, they're all about going back to the

> old checkpoint. For me? I see the good roads and the livelier Phu Doo. The permanent checkpoint, though, feels like this big legal wall, with new regulations and heavy taxes making things dull and trade dropping. Many restaurants shut down and tourists might go hungry at night since some places close as early as 3 p.m. (Male, 45 years old, Interview: May 30, 2020).

According to Sangkhamanee (2019), the permanent border crossing point has become a tool for controlling this border area, with the result that only those businesses that can afford to navigate the new and more carefully policed regulations benefit. This permanent border crossing point has rendered the border zone "legible" (Scott 2020) to the Thai and Laotian states. In the process, however, Thai and Lao traders who used to exploit this grey zone, taking advantage of the lack of state control, have been squeezed out, excluded from what has become an increasingly regulated context where national laws and regulations have replaced customary procedures. In effect, there has occurred a separation of social space and economic relationships, with the traditional trading practices that used to define and connect border communities being redefined as (Solomon 1970). In summary, the official opening and development of borders with the aim of facilitating border trade have disrupted the long-standing trade relationships that were characteristic of this grey zone, with complex effects on existing practices and relationships within and between border communities.

The contrast in the atmosphere of the permanent Phu Doo Checkpoint and Ban Dong Dee Market was evident in 2019, prior to the COVID-19 pandemic. The Ban Dong Dee Market lay outside the Thai state's line of sight, but this market was vibrant, filled with an abundance of products—including the sale of prohibited items—and a variety of Lao and Thai traders, merchants, and market goers. The Phu Doo Checkpoint, by contrast, had been bureaucratized and regulated into an economically efficient but socially listless state. When Ban Dong Dee Market reopened in early 2023 after nearly three years of closure due to COVID-19, it was evident that the market had retained its liveliness born as much from the cultural context of this border zone as the economic exchanges that were being enacted. It was a cultural performance as much as it was a

matter of economic exchange. In contrast, the Phu Doo checkpoint, which had been operational for a decade, appeared even quieter than it was before the pandemic. The border market area around Phu Doo was in a state of disrepair and the roads, which were in good condition three years prior, were potholed and hard to navigate. The pandemic had undermined the operation of the formal checkpoint, reliant on trans-national flows of commodities, while Ban Dong Dee Market proved more resilient, drawing on local networks and actors. This was recognized, with plans afoot on both sides of the border to exploit the potential of Ban Dong Dee Market for tourism (National News Bureau of Thailand 2023). The surprise, however, is that there has been so little research into this border market area, so few questions asked as to why it functions as it does, and how it managed to recover so rapidly from the pandemic. This has implications for management of this border and others like it across the GMS.

To explore the intersections between the formal and informal, between state regulation and social action, this paper employs Michel de Certeau's (1984) concept of "The Practice of Everyday Life," which illuminates the power dynamics at play between ordinary individuals and the institutions that control their daily lives. De Certeau focuses on the tactics employed by people as they navigate the structured confines and constraints imposed by society and institutions. According to Certeau, "strategies" represent the systematic, long-term plans and actions formulated by institutions, governments, or powerful entities in their pursuit of control or influence over a population. In contrast, "tactics" signify the creative, often modest and subtle maneuvers undertaken by individuals or groups to navigate and subvert these strategies.

Ⅲ. Tactics in the Mekong Borderlands

The works of Walker (1999) and Santasombat (2012) show that while states are often particularly concerned with regulating activity in so-styled lawless and insecure borderland zones (Santasombat 2012), residents in such areas adopt tactics to push back at the controlling

strategies of states. Turner's (2013) work in the Vietnam-China borderlands reveals how small-scale traders adopt diverse strategies to navigate increasingly stringent regulations and controls. She discovered, for instance, that small-scale ethnic minority traders along the Chinese border with Vietnam craft a new commercial landscape by leveraging kinship networks, historical ties, indigenous knowledge, and transnational connections. In essence, they choose to "do something different" from the dominant development approach. This helped them not only survive but prosper as they adapted their trading methods in a manner that aligned with their societal and cultural norms.

In the intricate transnational fruit trade network involving Yunnan, northern Laos and northern Thailand, Laotian small traders have adeptly confronted challenges by embracing "the art of being small as middlemen in the international fruit trade between China and Thailand (Rowedder 2018). Drawing parallels with the study of Cadchumsang (2020) on the Thai-Myanmar border, entrepreneurs in this context employ "flexible capital accumulation" methods. They navigate the dynamic frontier landscape through diversified investments, deviating from conventional capital accumulation.

These studies from other Mekong borderland contexts provide parallels to inform our study of Ban Dong Dee Market.

3.1. Researching the Grey Borderlands

Given that the research was exploratory, undertaken in an area and on a topic where there were sensitivities, a qualitative approach was adopted (Rapeepat et al. 2003). This was regarded as more "open" in helping to understand changes in the trade system, society, and culture of the Ban Dong Dee border market. The focus was on understanding how Thai and Laotian petty traders adapted and negotiated with state rules in cross-border trade during a period of transition from traditional to formal systems of cross-border trading relations.

The study gathered information from Thai and Lao petty traders in the border market area. The data collection involved conducting in-depth interviews with Thai traders, Laotians and

relevant officials utilizing semi-structured interviews. Additionally, insights were gleaned from both non-participant and participant observation including firsthand experiences in the market area. Finally, primary data are supplemented by document research, books, research reports, articles and online media news in Thai, Lao and English. Data were collected in the area in 2019 and then, after an absence, in 2023 because the border market was closed from 2021 to 2022 due to the COVID-19 pandemic. A local research assistant aided data collection.

A notable limitation was the challenge of on-site data collection due to the sensitivity of trading operations, often illicit, with potential legal implications for informants and even for international relations. This border area has a history of territorial conflicts, leading the study to rely heavily on information gleaned from research undertaken on the Thai side of the border. Data from Laos primarily came from participant observation, with the first author adopting a buyer's role. To safeguard the privacy of informants, pseudonyms are used both for the market and the names of the interviewees. The market is referred to as Ban Dong Dee Market or Dong Dee Village Market.

Ⅳ. The Development of Trade, Society and Culture of Ban Dong Dee Market

Ban Dong Dee Market is a relatively geographically isolated market located on the eastern border of Uttaradit Province's Ban Khok District, sharing a border with Xayaburi Province, Laos. It serves as one of four border crossings with Xayabouri. The region is characterized by mountainous terrain and despite efforts to promote tourism, accessibility remains a challenge with poor roads and relatively limited government investment.

The market is in proximity to the Phu Doo permanent border checkpoint and operates one day a week, from 5 am to 6 pm. Peak activity typically occurs in the morning, from 7 to 10:00 am. The market offers a wide range of Thai sourced general consumer goods, agricultural commodities, and livestock, as well as tools like grinding

blades and flashlights. Additionally, medical services are provided at clinics. Lao products offered for sale encompass items such as wickerwork, forest products and wild animal meat that villagers hunt in the surrounding mountains. Most traders in the market are Thai nationals with a limited presence of Lao shops and vendors operating from simple tables.

The market itself is nestled between streets and is accessible by concrete road suitable for car travel leading to three villages that were previously subject to a border dispute in 1984. The question of whether these villages are on Thai or Lao territory remains unresolved. Interviews with villagers revealed that this market has served as a vital conduit for trade and exchange between local populations in Thailand and Laos for generations, even during times of tension. This exchange primarily involved bartering of cattle and buffalo, wild animals, and essential commodities like rice. Near the market, prominent signs convey strict messages in both Thai and Lao languages. One, issued by the National Parks Wild Animals and Plants Department emphasized the prohibition of selling wild products and outlining corresponding penalties in Thai. Thailand signed the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) in 1983, leading to the promulgation of the Wildlife Protection Act of 1992. However, its significant practical impact—or lack thereof—became apparent during the CITES Conference of Parties hosted by Thailand in 2013. That year, Thailand was ranked second for ivory smuggling, after China (Sriubon and Cadchumsang 2018). The other sign, in Lao, was posted by the Excise Department, explicitly prohibiting the sale of cigarettes and alcohol.

Following the end of the conflict between Thailand and Laos an agreement was reached in 1988. This pivotal agreement transformed what was once a battlefield into a marketplace (Hongsuwan 2010), paving the way for the establishment of a formal market at the Thai-Laos border checkpoint. Thai and Lao merchants re-engaged in the trade of agricultural products and consumer goods, often conducted on the roadside or from the backs of trucks. Selling conditions, however, were far from ideal and product availability limited. It was not until 2004 that the local Tambon

(Subdistrict) Administrative Organization (TAO) created opportunities for product distributors to participate in this market. The push to transform Ban Dong Dee Market into a border trade checkpoint was initiated in 2017. As the checkpoint became increasingly formalized, local agencies were compelled to enforce the laws aligning the activities at the market with international standards (TAO 2023).[3]

In early 2023, after a three-year closure due to the COVID-19 pandemic, Ban Dong Dee Market was reopened, with high-level representatives from both Thailand and Laos participating. On the Thai side, the governor of Uttaradit Province was present, and on the Lao side, a representative from Xayaburi attended along with Deputy Heads of the Industry and Trade Department and Foreign Affairs.

According to the Tambon (Subdistrict) Administrative Organization (TAO) (2021), Ban Dong Dee (Dong Dee Village) where the market is located comprises 347 households with approximately 700 villagers. Positioned as one of seven villages in a TAO area, Ban Dong Dee is part of a larger administrative unit totaling 3,547 people in 1,542 households. The villagers predominantly engage in agriculture, encompassing rice farming, maize cultivation, soybeans, and mung beans, and the raising of livestock including cattle, buffalo, pigs, ducks, and chickens. In addition to farming, villagers engage in secondary occupations such as working as hired laborers, participating in trade activities, and operating various businesses including shops and gas stations.

On the Lao side of the frontier, the closest settlement of any size is Muang Khao Thong (a pseudonym), a focal point for multiple villages involved in trade and exchange with Thai communities at Ban Dong Dee Market. Positioned closest to the border between Thailand and Laos, this town often escapes attention due to its small size. In 2015, Muang Khao Thong had an estimated population of around 9,000 people. Like settlements on

[3] The data originate from the local development plan (2018-2022) obtained from the Tambon Administrative Organization [of Ban Dong Dee Market], accessible on the organization's website. Due to the need to anonymize the location of the field site, the source of the data cannot be disclosed in the reference section of the paper.

the Thai side of the border, its economy and livelihoods are predominantly agrarian.

4.1. Cross-border Histories and Contemporary Ties

Given the closure of the border until quite recently and the geopolitical tensions between Thailand and Laos that sometimes erupted into conflict, it is important to note the long-standing historical links between settlements and populations on either side of the border. Before 1904, a substantial area of Xayaburi Province was integrated into Thailand (or Siam, as it was then), before coming under French rule (Theerasawat 2000, 2009; Ongsakul 2001). It is this history and the close familial ties between villagers on each side of the border that explains why—and how—relations remained cordial locally and interactions continued even while the two countries were at loggerheads and during which time official trade was suspended. Trade activities occurred between families rather than between businesses and were conducted at the sub-regional rather than national levels.

Historical documents on the long-standing connections between Thailand and Laos align with accounts shared by villagers. The area is a close-knit community of brothers, sisters and relatives, with the border cutting through villages—sometimes houses—and dividing families (Figure 1). According to one official, even during periods of conflict between Thailand and Laos, when both countries closed their borders, individuals still crossed to visit relatives. The fact that members of the Lao police working in the area were also their relatives helped to facilitate such cross-border interactions and movements.[4] Respondents indicated that sustained and constant interactions between people on both sides of the border underpinned by historical links and familial connections continued even when inter-state relations were at their poorest and the border putatively closed. It is no surprise, then, that trade and exchange also continued particularly when one considers the relative poverty of the area and the need for rice and other essential commodities

[4] That said, staying overnight was not permitted with one Lao official admitting that he used to personally escort visitors back to the Lao side of the border before sunset (Male, 55 years old, Interview: August 5, 2023).

to be traded during periods of scarcity, especially from Thailand to Laos.

<Figure 1> Boundary Map: Thailand-Laos Border in Uttaradit Province, with Laos shown on the north (upper) and Thailand on the south (lower) sides of the image. Note how the international frontier cuts through the village, even across individual homesteads.
Source: Google Maps.

4.2. From Crossing Zone to Check Point: Coping with Change

The Ban Dong Dee Market area is undergoing transformation from a traditional *crossing zone* to a formal border *checkpoint*. When it was a crossing zone, this border space was a grey zone in which interactions were negotiated locally and where national regulations were filtered by local officials, bearing in mind the living and historical contexts of the area. Now that it has become a crossing point, the room for such ambiguity has been narrowed, if not extinguished. No longer is there a grey zone, but a much more sharply demarcated line. The same goes for the ability of local officials to adjust their application of regulations to local

circumstances. This is presenting challenges for both Thai and Lao traders. New regulations—or the more stringent application of existing regulations—have disrupted established practices, for example prohibiting the sale of forest products and other illicit goods, and imposed additional costs on traders, particularly for Lao traders.

This is not to say that Thai and Lao traders have been powerless to adapt, and one of the striking aspects of their activities during this period of border transformation has been the degree to which they have adjusted their behaviors. Interviews reveal Thai and Lao traders' adaptability in navigating the dynamic border market context. This is particularly true of Thai traders who are not only numerous (50 compared with five Lao traders) but can also deploy more financial as well as social capital. These Thai traders fall into three categories: farmers who take up trading activities during the non-farming season (in effect, seasonal or part-time traders); experienced hawkers; and professional traders.

For Lao traders—all women the formalization process attached to the transition from crossing zone to check point has proved more difficult.[5] They encountered formidable challenges including mandatory product inspections and significant additional costs, such as the 400 Baht (US$ 11) fee charged to traders, irrespective of their turnover. In response, many decided to hide their trading status, presenting themselves as tourists or customers and paying a reduced fee of 20 Baht. These 10-15 petty traders sold their products and had no established presence. In addition, a small number of Lao (around five) were "tabletop" traders (Figure 2), setting up tables to display and sell their wares. These tables were as close as Lao traders came to having a "formal" presence in the market area.

[5] Historically, trading of larger animals across the border was mainly undertaken by men navigating forests. However, at Ban Dong Dee Market, women have emerged as a pivotal force in contributing to family income and actively participating in public spheres.

<Figure 2> Lao 'tabletop' traders in Ban Dong Dee Market.
Source: Taken by the author

For cross-border travel, Lao citizens are charged US$ 0.50 per person, or between 100 and 300 Thai Baht (US$ 2.50 to US$ 7.50) for an entire group traveling in a single vehicle. Interviewees also highlighted that what they were charged was at the discretion of Lao officers. Of the Lao traders operating in the market, five set up "shops" at small tables while around 10-15 individuals operated as petty traders, peddling their products without even a table to work from. The challenge they faced was how to continue to work, thrive, and prosper in a context of shifting and hardening (formalizing) rules and regulations.

For Thai seasonal or part-time traders, their entry into trading activities in the border zone was driven largely by the need to supplement their farming-based livelihoods. Dee, a 65-year-old Thai woman, identified herself as a farmer rather than as a trader, but found that farming alone was not sufficient to cover her needs; trading at the border then became a supplementary activity:

> During the non-farming season, I trade. If I don't, I won't have money. … There are various expenses—children's education, water bills, electricity bills and car payments and so on. Life feels like a daily monsoon (Female, 65 years old, Interview: August 6, 2023).

When Dee started trading during the dry season in 2015—selling boiled corn and drinks to market goers—the Ban Dong Dee Market was bustling, attracting sellers from some distance.

More established Thai traders have generally managed to adapt and adjust to the new regulations in operation in the market, as well as new patterns of demand. Mr. Tha, a 33-year-old trader from another district in Uttaradit Province took over his parents' business. He noted that from being very much a local market exchanging products such as herbs and bamboo baskets for catching fish, it now sells snacks, bakery items, Japanese crepes, and sushi. He commended the enhanced infrastructure and the more systematic approach that formalization has delivered. Ms Bau's experience and views were similar. Like Mr. Tha, she also took over the management of the trading business from her parents who were farmers and traders at Ban Dong Dee market. From selling agricultural products, Bua transformed the enterprise into a diversified store and wholesale business collecting and delivering products using 6-wheel trucks. Most of her customers—around 90 percent—were from Laos.

In the case of Thai traders, the absence of issues with officials was attributed to their shared Thai identity and their adherence to trading regulations. By comparison with Ban Dong Dee market, the Phu Doo checkpoint only catered to large traders or those dealing in taxable goods, offering limited economic opportunities for people in the border area. This is not to say that traders were fully satisfied with the situation. Merchants face increased expenses, and they pressed for the government to improve and develop the local infrastructure if the border area was to become a tourist hub, as the Uttaradit provincial authorities envisage. During the rainy season road access became difficult.

By comparison with their Thai counterparts, Lao traders, however, have not fared so well. Mae Kai, a 70-year-old woman who sold sticky rice containers for 60 Baht (US$ 1.50) each, was intent on keeping her business activities hidden. She would carry only two boxes at a time to deceive officials that she was not a petty trader at all, but a buyer herself. She would approach tourists offering

discounts for a swift sale, pleading with them to buy her products and bestowing blessings for good luck and wealth when she secured a purchase. Jan, a 40-year-old Lao vendor, carried a plastic bag with three kilograms of fresh mountain crabs, which she offered for sale at 300 Baht (US$ 7.50) per kilogram. She worried that the sale of these crabs collected from protected areas in Laos was illegal and that they would be confiscated. She hid her produce as best she could:

> I don't know what is forbidden to sell. I don't understand. But if I put things in my backpack, the *nai* [6] [official] won't check and I'd rather not let the *nai* see (Female, 50 years old, Interview: January 12, 2024).

The low-level illegality of these trading activities seemed to be recognized by everyone involved. The Thai traders knew that the Lao petty traders were operating outside the law; most of the Lao traders realized they were sailing close to the wind, even if they might not have appreciated the letter of the law; and even the Thai officials were aware of the extra-legal activities going on beneath their noses. For the Thai traders, the level of activity of the Lao petty traders was so low as not to present a threat to their businesses and profits; for the Lao, it was a way, especially for women like Mae Kai, to keep them from falling into poverty; and for the Thai officials, uniformed and all too visible, it was not worth their while to chase up such small-scale infractions. In this way, the market was the site of a performance where everyone had too little to gain from upsetting the status quo. Even the Lao traders' deception was a performance, but a performance which reassured Thai officials that their activities were nothing more than petty and for which, if they did nothing, they could not be blamed.

This is not to say that Thai officials never acted. One female trader said that Thai officials had once confiscated her merchandise, but they had not imposed any fines as they could have done. A fine might have bankrupted her; confiscation meant that she could

[6] The word nai (นาย) is a term of respect used to refer to someone or to address someone, usually of superior social status. The English equivalent might be "sir."

return. But she also adopted a strategy where Thai buyers would pre-order products which were then delivered to Thai traders for distribution. This meant a lower profit margin but made Thai traders —with better relations with Thai officials—part of her business strategy, providing some protection.

There was also a creeping formalization of activity which was negatively affecting some of those Lao traders with a more established presence. One was Nong Dao, a 25-year-old woman who sold rice noodles, herbal mosquito repellent, and bags of sticky rice from a table in the market. More visible and less mobile than the petty traders like Mae Kai and Jan, she could not escape the burden of growing regulation. In the past she sold Lao cigarettes, liquor, and Beer Lao, products that Thai tourists liked to buy. These were all now prohibited. With decreased sales and additional checkpoint fees, she wondered whether her business would be sustainable in the future.

Discussions with Thai officials revealed a history of traders dealing in chamois and deer meat and facing potential prosecution under the Wildlife Protection Act of 1992 (Division of Wildlife and Plant Protection 2023). The law stipulates imprisonment for up to four years and a fine not exceeding 40,000 Baht (US$ 1,100). Despite these penalties, cases in this border area revealed a tendency for officials on both sides to minimize fines and for those caught to pay their fines without incarceration. In some less serious cases, warnings were issued rather than arrests made and for milder infractions—like the selling of bird or squirrel meat—the items were returned with caution. Surprisingly, it was widely said that those apprehended rarely returned to selling forest products; the performance had boundaries: not too much profit, not too obvious, and not certain products. When these lines on the stage were crossed, a reduced fine or a warning seemed enough to bring malefactors back into line.

Ⅴ. Conclusions: Border Zones and Development Trajectories

How, then, do we make sense of the evolving situation in the Ban

Dong Dee Border Market? Certainly, the market increasingly operates within a framework governed by state regulations and laws related to border trade. These regulations extend beyond the national level aligning with the vision of the GMS and global conventions like CITES. At a grand level, it is possible to identify the effects of globalization in the contours of local trade (Sangkhamanee 2019). Thailand and Laos must adhere to international trade regulations necessitating the transformation of the border market into an institutional space that ensures systematic and stringent trade practices. The government's perspective emphasizes the illegality of wild animals and forest products, framing them as threats to security. Despite this, traders have collectively established a system grounded in longstanding social, cultural, and kinship relationships. This conclusion finds its echo in findings from Turner's (2013) study of small-scale highland traders in the China-Vietnam borderlands where:

> …borderland citizens are anything but passive recipients incapable of change. Contemporary small-scale cross-border traders are active agents constantly creating flexible approaches that allow them to work via minor crossings, or take illegal routes to bypass official border gates and smuggle goods if necessary to maintain their livelihoods" (Turner 2013: 20).

Like Turner's border landers, traders on the Thai-Lao border exhibited creative responses to the evolving situation, seeking to shape and push a local view where their trade practices were not deemed illicit, but morally acceptable or licit (Sriubon and Cadchumsang 2018; Walker 1999; Santasombat 2012). Interviews revealed that both Thai and Lao traders utilized diverse and "flexible" capitals (Cadchumsang, 2020), drawing from experiences passed down through generations, establishing connections with relatives, and building trade networks. Notably, Lao traders needed connections with both Lao and Thai individuals, including traders and officials from both sides, to trade successfully at the margins of illegality.

These varied perspectives resulted in different operations, notably seen in the strategies employed by small Lao traders to discreetly bring goods across the border and sell them in market

areas by employing discrete "border practices." The Laotian petty traders employed different methods to avoid being categorized as formal traders, and thus evade taxes imposed by the Lao border agency. Their trading practices operated outside established systems but their need to remain small to avoid detection also meant that returns also remained low. Once they had sold their products, these traders promptly reinvested in goods from Thailand, essentially functioning as both sellers and buyers in a reciprocal exchange system. Lao traders also exploited customer sympathy by underscoring the necessity of trading for their livelihood, emphasizing the insufficiency of relying solely on agriculture (Rigg and Salamanca 2011; Rigg et al. 2012).

Crucially, these operations found acceptance among local officials in both countries. In cases of law violations, officials collaborated across borders, avoiding imposing the maximum penalties available and specified by the law, sometimes just delivering a verbal warning. This flexible border control approach maintained historical cross-border relationships ensuring that trade continued regardless of the nature of inter-state relations at any point in time. It was found that the Ban Dong Dee area operated under a dual influence: controlled by laws in line with national and international "best practice" and yet flexible to uphold long-standing relationships. De Certeau's (1984) dichotomy of powerful and weak actors does not have great explanatory purchase in the border market. The powerful seemed willing to acquiesce in the interests of the less powerful, and officials were cognizant and responsive to the need to respect the informal and non-official. It seems that the need to make a living in the border zone, above all else, shaped the practices that emerged.

What does this mean for the broader formalization project on this section, and also elsewhere, of the Thai-Lao border? One must hope that it is not too successful, and that the grey zone where the practices outlined in this study evolve, can persist. For many local people, growing formalization has no great attractions and some laws may inadvertently burden local communities. The loss of the space for flexibly negotiating lives, livelihoods, and local economies would not be in their collective interests.

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