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Living with four polities

States and cross-border flows in the Myanmar-Thailand borderland

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Publication date

2017

Document Version

Other version

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Citation for published version (APA):

Lertchavalitsakul, B. (2017). *Living with four polities: States and cross-border flows in the Myanmar-Thailand borderland*. [Thesis, fully internal, Universiteit van Amsterdam].

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Chapter 5

Diversifying Meanings of Commodities and State Performance

In this chapter, I focus on how the directives of political elites and states have come to shape informal cross-border trade at the Thai-Burmese border, resulting in both proactive and reactive practices triggered by regulations on the trading of particular commodities. To date, most studies on cross-border trade have mainly centered on merchants' strategies in response to border regulations imposed by nation-states (Konstantinov, 1996; Walker, 1999; Wallace, 1999; Kusakabe, 2004; Williams & Baláž, 2005; Turner, 2010; Harris, 2013; Endres, 2014). My goal at this juncture is to investigate how the meanings given to commodities by traders and state actors are directly linked to trade strategies. When transporting goods into Thailand, for example, traders in Shan State often manipulate regulations by adapting the meanings of commodities to suit their business aims. I suggest that particular commodities fluidly traverse conditions of legality and licitness when their meanings transform upon crossings of the international border. For instance, through the Nam Phueng checkpoint, traders regularly report that particular commodities, such as rice and garlic, are *private* goods for personal consumption when their actions are in disaccord with the central government's policies.

As detailed in Chapter 4, the Mae Hong Son government has adopted regulations aligned with modern nation-state ideology based on documentation and complicated procedures (Sharma & Gupta, 2006; Gupta, 2012) to manage cross-border flows. Nonetheless, state authorities perform their duties as mundane activities influenced by familiarity with members of the border communities rather than strictly enforcing the laws. Their mundane practices are conducted within a "regulatory space" (Abraham & van Schendel, 2005) in which dominant and alternative construction of meanings are often in contestation. I argue that, while aiming to succeed in cross-border trade, merchants are compelled to find strategies to outwit state regulations and the performance of border control by state officers, including the manipulation of regulations. As a result, some forms of exchange confound the boundary between gifting and bribery, leading to the creation of negotiable space where 'illegal' activities become accepted as 'licit'.

The performance of the state in regulating small-scale trade reflects a daily form of control under the border regime. Although the Thai state attempts to officially control cross-border flows, most of the time it fails to resist the legacy of the frontier regime, which allowed the creation of negotiable space to occur. Cross-border traders and officials on both sides have

subsequently maintained relationships through gifting and the exchange of commodities to sustain the border economy at a local level, at the same time enabling state actors to employ the border economy to draw larger budget allocations from the central government for the upgrading of the border's status.

In this chapter, I employ a multi-dimensional analysis to study actual encounters of cross-border traders with the border elites' rules and state regulations when moving commodities across the border. First, I consider how they strategize their trade in the fluid space between legality and licitness with regard to their desired manners (Smart, 1993) and social behaviors (Sherry Jr., 1983, p. 158). Itty Abraham and Willem van Schendel (2005) suggest that shifting judgments of what is legal, illegal, licit, and illicit originate from diverse standpoints, and as the statuses of actions shift from one to another. Second, the study of cross-border trade between Vietnam and China by Kirsten Endres (2014) reveals how state officers and traders in a Vietnamese border town mutually created an "accepted space," allowing bribes to sustain the local border economy. Moreover, an exchange in an informal economic transaction potentiality shifts commodities into gifts, altering the transaction and blurring the boundary between gifting and bribery (Polese, 2008). The interaction between traders, the directives of elites, and regulations of the state potentially result in shifting of commodities' statuses within the fluid continuum of legal, illegal, licit, and illicit. As Eric Tagliacozzo (2005, p. 3) argues, the smuggling of commodities illustrates the nature of commodities crossing international borders, and their statuses regularly shift as they move between different unstable spaces.

To present the situation of cross-border trade intersecting with rules and regulations imposed by political elites on both sides of the border at the Nam Phueng checkpoint, I structure this chapter by firstly describing what commodities in Shan State are commonly transported to Thailand. I detail the traders' journeys from particular departure towns in Shan State to the Thai border, which includes the maneuvering of trade passages around arbitrary rules imposed by Burmese officials and the Maha Ja family. Next, I focus on Thai state regulations on commodities transported from Shan State, and how traders on both sides respond to such regulations. The final section of this chapter involves the Thai state's regulations on particular commodities exported from Thailand, including some that are arbitrarily monitored by the Burmese officials.

Commodity flows from Shan State to Thailand

Shan foods and processed items have been in-demand by Shan labor migrants since the initial period of relatively large-scale migration to Thailand began in the mid-20th century. In this section, I provide a broad picture of the types of products and the various modes of transporting the goods from Shan State to Thailand. Exchanges of commodities facilitated by traders on the Shan State side require dealing with border elites' rules and the Burma Army's political boundaries. Explorations of such exchanges reveal how the traders maneuver their passages with money and commodities as incentives to those powers. The exchange of commodities illustrates the blurred boundaries between gifting and bribery. Another important aspect of commodity exchange is that while particular commodities retain significance by becoming sources of income for elites through various forms of informal taxation, other types of commodities are transported by traders to serve the demand of Shan labor migrants living throughout Thailand.

Between 2008 and 2015, taxes on cattle, wood products, food items, and processed products from Shan State accounted for the majority of customs revenue at the border.¹ Recently, the volume of cattle trade through this channel has dwindled, although the Thai government continues to consider cattle a top-ranking and high-value commodity. This is contrary to the situation of the cattle trade during the period of intense ethnic civil war in Burma, when the trade volume was significantly higher and involved different types of traders and middlemen (see Chapter 2). Trade in cattle over the past 10 years has reduced because the number of cattle in areas in Shan State reachable from the Nam Phueng checkpoint has been decreasing. After cattle, the second-highest volume commodity is homemade foods and processed products, which I categorize into three types: 1. processed food products, e.g. soya beans and tofu, dried noodles, pickled mustard leaves, sesame oil, sugarcane cubes, dried chili, dried fish, and herbal medicines; 2. agricultural produce, for example, onions, garlic, nuts, and sesame seeds; and 3. Shan socio-cultural objects used in traditions or festivals, such as Shan language textbooks, booklets used in funeral rituals, Shan-style hats, shoes, embroidered pieces, and Shan fashion clothing and fabric.

In Shan State, foods and preserved products are made in individual households. Traders collect these products when orders are placed by traders on the Thai side. They either go to buy

¹ I obtained these statistics from documents at the Mae Hong Son Customs Office titled "Data of Border Trade: Statistics of Imports, Exports, and Revenue Collection of the Mae Hong Son Customs Office," relating to fiscal years 2008 to 2012.

the products directly from producers' homes, or at the central markets of various towns.² The production of homemade foods reflects a pattern of production that remains closely tied to Shan traditions. On the eve of the market day, specific commodity producers, such as tofu makers, multiply the volume of their raw product to sell the next day, since not only locals from their town come to shop, but also others from adjacent towns. The market day provides space for producers to sell goods, for traders to buy products to sell to retailers, and for distributors searching for products according to their orders received from Thailand. Agricultural produce is homegrown in lowland habitats where abundant fields are available for the cultivation of rice and other produce. Raw agricultural products, such as rice, garlic, and onions, are also cultivated in Shan State, and are favored by the Shan in Thailand compared to such items that are locally farmed due to their higher quality and lower price. These products became sensitive for Shan traders to transport and sell openly in Thailand because of their statuses as banned items according to a Thai Customs regulation implemented in the early 2000s.³

Auntie Hong, a woman in her late 50s from Taunggyi, travels quite far from her home to the border. Before 2014, it normally took her several days to reach Mae Hong Son over a distance of approximately 300 kilometers, though the duration varied based on the condition of the roads. After that mentioned year the Burmese government started the project of road construction and repair in most parts of the country including the Salween's western bank zone (Gecker, 2013) Therefore, Auntie's Hong trip has become shorter—only a few days. After arriving in Mae Hong Son town, she attempts to sell some of her products—specifically turmeric powder, processed soya beans in a disc shape known as *to nao*, and dried fish—then divides the remainder into different quantities in plastic bags. She then walks to the market, strolling around the different stalls to inquire with sellers whether they require any of her goods at this time. Afterwards, she makes phone calls to retailers in other locales to confirm the quantity of goods they would like to order. She writes her customers' names and addresses on the sacks of goods

² Some of the markets in Shan State follow the schedule of the traditional Shan bazaar, which occurs every five days, especially in former Shan *saopha*-ruled states. The five-day market cycle starts from the market day called *wan kat* when producers sell their products at their town's market. The next day is called *wan wai kat* meaning "no market day," so producers do make nothing. The next day is called *wan kat kaeng*, and the next day is *wan kat tat*, with the final day before the next market being called *wan kat toom*.

³ See Mae Hong Son Custom House (2014). In fact, the national restriction on foreign garlic was imposed following the proliferation of cheap garlic from China resulting from the opening of a free trade market in agricultural produce between Thailand and China in 2004. The two governments agreed to a Free Trade Agreement (FTA) in November 2004, resulting in several agricultural farmers being affected by the influx of cheap produce, including garlic originating from China (Thansettakij, 2005).

and sends them by inter-provincial buses to the northern region of Thailand and the capital city of Bangkok.

In several markets in Bangkok's outskirts⁴ are sites where Shan migrant workers can find products imported from Shan State and other Myanmar border areas. However, these small shops or stalls in the larger markets tend to reduce the specific ethnic characteristics of their products, and only represent their items as general goods and foods from Myanmar. In some regions, mobile pick-up truck traders are key actors in moving products to serve the demand of Shan consumers who have difficulty traveling to established markets. These consumers can order goods by telephone to be delivered directly or sent through the post.⁵

As described above, the path of production in Shan State to the Shan consumers in Thailand illustrates that traders rather efficiently transport and sell items to retailers and Shan labor migrants in Thailand. In the next section, I will discuss the rules and regulations imposed by state actors that traders inevitably encounter while transporting goods to Thailand. Their strategies in changing the meanings of commodities into either gifts or bribes helps them to outwit such directives and overcome barriers to trading successfully.

Arbitrary rules imposed on cross-border traders in Shan State

Cross-border traders from the Shan State side must strategize their responses to arbitrary rules imposed by Burmese officials and associates of the Maha Ja family in order to move their goods across various political boundaries. Up to the time of my fieldwork, the Myanmar government had not established a customs office to levy taxes on cross-border traders or their items. In practice, traders were made to hand over a small amount of money or other incentives, such as foodstuffs, to the Burmese officers and soldiers when they journeyed through different posts. In territory controlled by the Maha Ja family, the most common process for traders was to register their pick-up trucks in order to get the license plates necessary for transporting goods and passengers within the Homöng zone (see Chapter 3). Cross-border traders were therefore not regulated according to the goods they traded, but by the vehicles they used in their trading.

In general, Shan cross-border traders are not obliged to register in any of Myanmar's official systems. Furthermore, the Burma Army and the Maha Ja family rarely enforce their

⁴ During my fieldwork in 2012 and 2013, I visited some of Bangkok's outskirt markets in Bangkapi, Phrakanong, and Samrong districts. These were generally fresh markets where there were two or three stalls were set up by migrants from Myanmar.

⁵ I gleaned this data during a May 4, 2014, telephone conversation with Bird, a male Shan trader who operates a pick-up truck in Chonburi and Rayong provinces in eastern Thailand.

respective lists of regulated or banned products. Consequently, the legal status of commodities' does not apply in regard to state control within Myanmar and territories controlled by the Maha Ja family. When passing through areas in the country controlled by state officers or the Maha Ja family, Shan traders are spared the rigid implementation of rules. They need not be scrupulous about declaring what they are transporting in their vehicles. In most situations, a Burmese officer asking, "What is in your truck?" would likely receive a truthful answer. On numerous occasions, officers ask questions without determination to receive an accurate answer, but rather in such a way as to give the traders a chance to answer and offer *something* in return, either as a display of generosity or as an act of reciprocity. When passing through the Maha Ja family's political boundaries, traders are forced to pay certain amounts as informal taxes to personnel at check posts. For instance, the Maha Ja family taxes cattle traders at the rate of 2,000 Thai baht per animal, regardless of size.⁶ For other products, Burmese officials and soldiers at different posts demand different amounts or types of incentives.

Figure 5.1 and Table 5.1 below illustrate data I collected from three cross-border traders from Shan State, as well as via my own participant observation, concerning posts located along the route from Nam Sang Township to the Thai border. In Fig. 5.1, circled numbers 1 to 5 represent stops located on the western bank of the Salween River, which are manned by Burmese Army and civilian officers. Starred numbers 6 to 9 are stations located in zones controlled by the Maha Ja family on the Salween's east bank. Each post is manned by different state actors. In Table 5.1, I show the amount of monetary exchanges and rewards given by cross-border traders to the soldiers, officers, and authorities in zones controlled by the Burma Army and the Maha Ja family, including the SSA-S based in Loi Tai Laeng. All amounts of money that these traders pay to these political elites are unrelated to the value of the goods they carry. Some of the payments transferred to the political elites in this fashion become ambiguous funds in the form of bribes or informal taxes, never reaching the coffers of the central government. The Shan traders also realize that the function of these informal taxes is to facilitate passage through each check post, rather than to contribute to the official border economy of Myanmar. Nonetheless, a monetary exchange conducted in the Maha Ja family's territory could be interpreted as coercive gifting, akin to a bribe, since it involves cash (Noonan, 1984, p. xxi). Furthermore, these funds are demanded by the Myanmar officers and the personnel of the Maha Ja family based on the continuum of gifting and bribery common to both sides on opposite ends (Polese, 2008).

⁶ I obtained this data from a villager who raises cattle in Nam Phueng village on December 18, 2015.

Figure 5.1: Posts in southern Shan State where Shan cross-border traders pay fees or taxes.

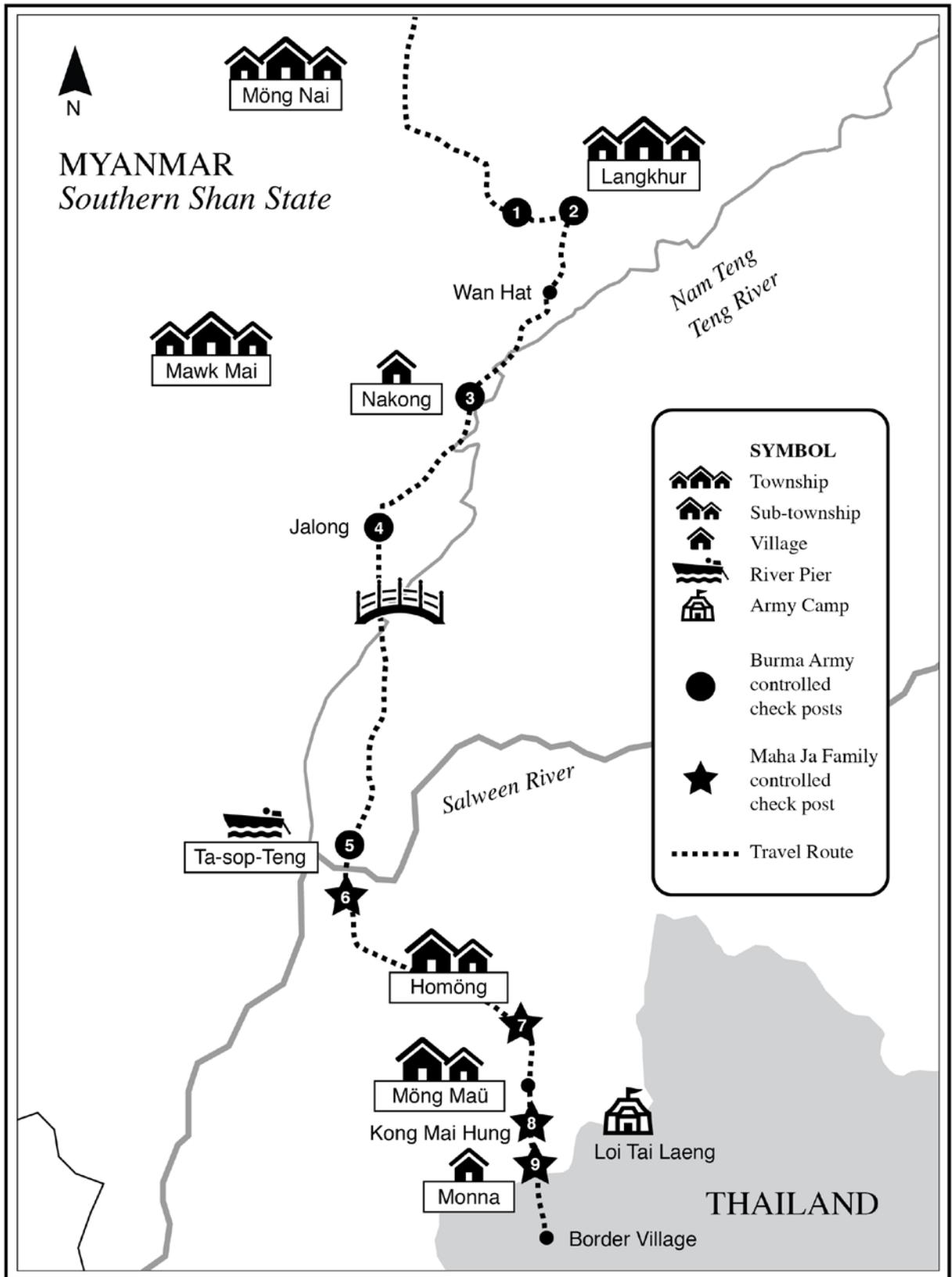


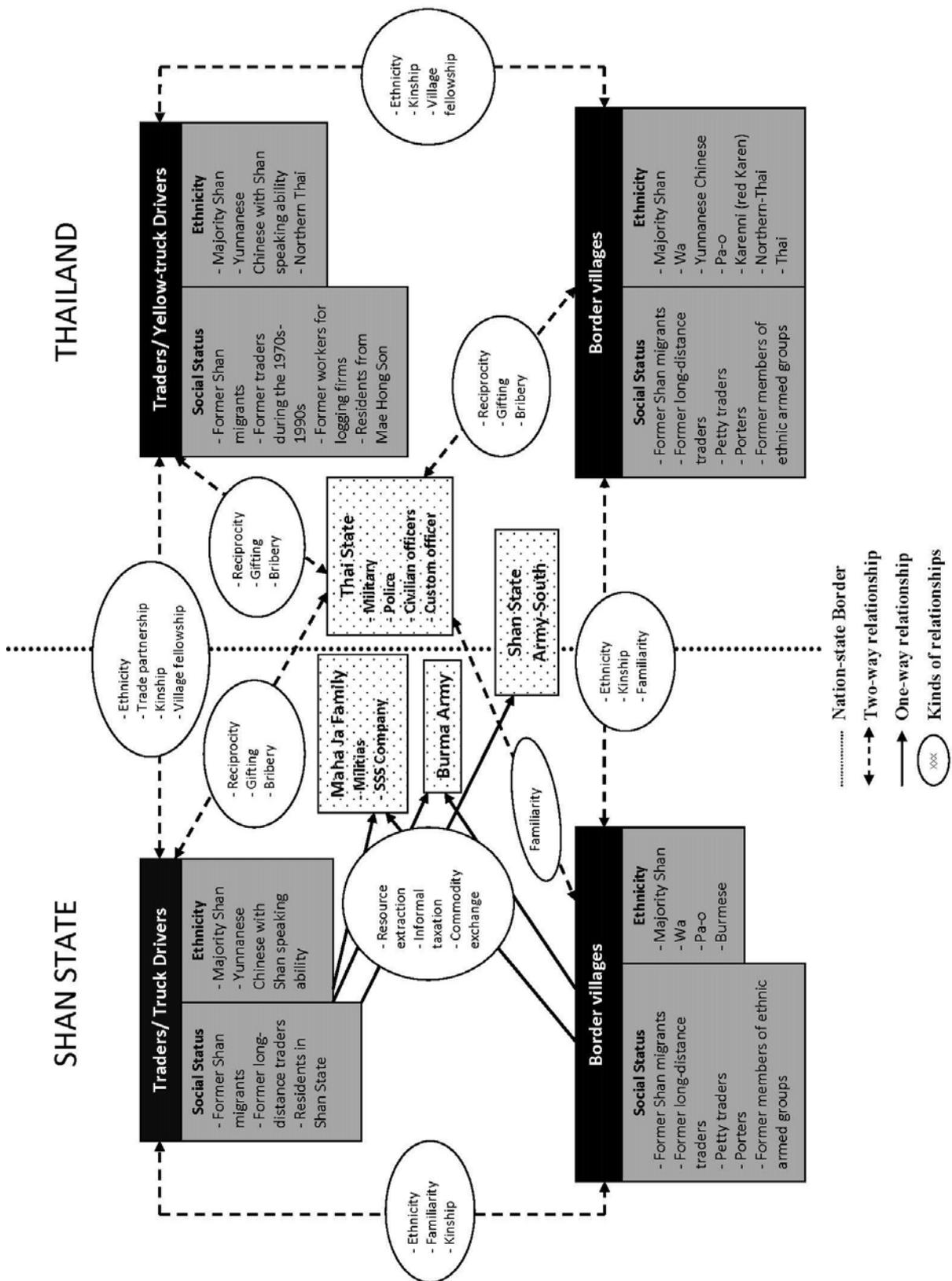
Table 5.1: Select posts in southern Shan State where Shan cross-border traders pay fees and exchange commodities with state and state-like actors.

Administrative power/political boundary	No.	Checkpoint/Location	Controlled by	Amount of taxes per truck, in THB and MMK
Zones controlled by the Burmese government (on Salween River's west bank)	1	At the entrance to Langkhur township	Burmese state personnel	2,000 kyat
	2	Langkhur township	Burmese village's protection personnel	2,000 kyat
	3	Nakong village	Burmese village's protection personnel	No fixed amount, normally 1,000 kyat
	4	Jalong village	Burmese police officers	1,000 kyat and other incentives such as foodstuffs
	5	Ta-sop-Teng pier on the Salween River's western bank	Burmese officers controlling the post before entering the pier area	None
Crossing the Salween River				
Zones controlled by the Maha Ja family (on Salween River's east bank)	6	On the Salween River's eastern bank	Maha Ja family managing queues of trucks and passengers riding in the trucks	22,000 kyat
	7	Homong	Maha Ja family's personnel	400 baht
	8	Kong Mai Hung	Burma Army	50 baht, other incentives or no payment
	9	The village of Monna (pseudonym)	Maha Ja family's personnel Burmese state personnel	50 baht
Shan State Army-South (SSA-S)	*	SSA-S military base	SSA-S militias	5,000 baht per year

To succeed in cross-border trade, maintaining of networks on each side of the border is of vital importance. Figure 5.2 shows how networks are created and sustained by relationships across multiple domains (Trotter, 1999), including ethnicity, kinship, village fellowship, reciprocity between traders on both sides of the border, and their maintaining of relationships with the Thai state and political powers. Besides, traders employ either gifting or bribery as common strategies in moving goods across the border. Upon crossing the border, they may face a situation in which they must change the meanings of particular commodities that are categorized as sensitive or semi-regulated. All of these elements and factors facilitate them to successfully move commodities across the international border.

When arriving at the border checkpoint, traders on the Shan State side transfer goods and passengers to traders on the Thai side with whom they have a trading partnership. The same practice happens in reverse when they depart Thailand for Myanmar; traders on the Thais side transfer Thai consumer products from their trucks to trucks belonging to their trade partners. The strategies employed by traders on both sides of the border to navigate state regulations on the Thai side will be described in the next section.

Figure 5.2: Networks and relationships of traders across the border.



Thai state regulations on commodity flows from Shan State

Under the border regime, the Thai state imposes regulations to control and closely monitor cross-border trade activities. One of the Thai regulations stipulates that vehicles from either side are not allowed to cross to the territory on the other side of the border. Subsequently, porters as significant actors emerged after the establishment of the Nam Phueng checkpoint in July 1996, as they facilitate the transfer of goods and serve as workarounds to such regulations. However, this regulation in particular reflects a contradiction in the Thai state's policy. The directive prevents the convenient passage of vehicles from Shan State across the border, which contrasts with the situation during the time of the frontier regime prior to establishment of the Nam Phueng border checkpoint. It subsequently delays traders' border crossings, and it is the traders who are burdened with the economic costs of time wasted and employment of porters.

Porters: Emerging actors

One effect the regulation against vehicles crossing the border has had is the creation of employment opportunities for villagers to serve as porters. Most porters working at the border are from Monna village on the Shan State side. On the day of my visit, about 10 women with their children in tow walked to the border to work as porters. This work supplements their primary income derived from small-scale farming. The women work under a queue system to transfer goods. The general amount paid to the porters by the traders for the transfer of all goods from one truck to another is 100 baht per transfer, divided by the number of porters. If five people work together to complete one transfer, each receives twenty baht. Therefore, the porters hustle to complete each transfer as quickly as possible in order to begin another transfer straight away (Fig. 5.3). The tiny chain of commodities mobilized by these small-scale actors illustrate a new phase of the border economy, which has opened opportunities for the emergence of new social actors. Meanwhile, these porters are able to cross the international border within the intermediate border zone without undergoing any formal immigration controls from the Thai authorities. The authorities do not consider this border-crossing pattern comparable to that of migrant workers who go farther into Thailand's interiors to seek work. Because of the proximate geography, these porters live in their village across the border and walk daily to and across the checkpoint to participate in the cross-border trade. This practice of porters and state officers' less rigid border controlling reiterates a form of cross-border mobility that violates the official regulations, yet is accepted as licit by border communities and the local state elites. Therefore, controls on human mobility at the border are undermined, allowing the border to become increasingly permeable.



Figure 5.3: *The transfer of goods by porters from trucks on the Thai side to the Shan State side of the border.*

Burdensome procedures

Another significant regulation of the authorities in attempt to control the flow of goods at the border is the categorization of goods transported into and out of Thailand by means of paperwork and official procedures. The cattle trade exemplifies this bureaucratic approach. According to regulations on importing the animals into Thailand, cattle traders must obtain a document from Mae Hong Son's livestock office at least three days in advance, while preparing stalls for animals to be quarantined for 21 days before the livestock are allowed into Thailand. Pending approval by the livestock director-general for another document, which typically requires three working days, the livestock officers inspect the animals' condition. After this step, cattle traders are allowed to bring their animals into Thailand, where the customs officers verify the number of animals once more time before issuing the final documents.⁷

This lengthy procedure may not significantly burden Thai cattle traders as much as their price negotiations for the animals, which is normally conducted apart from the official process. The most active trader at this border, Chaipon, is known to travel up to Homöng in order to negotiate with traders in Shan State prior to the animals' arrival at the border in order to secure the best possible deal. The permits and quantity of animals might not always be reported in advance, according to the official regulations described above. Chaipon relies on networks built over decades of trading to cross the border without undergoing strict immigration checks. It is also considered acceptable for him to bring along a livestock officer to check the animals' health, which helps him gain confidence in his ability to negotiate a price appropriate for the Thai market. Despite Chaipon's actions clearly being in breach of livestock import regulations and

⁷ The first document is officially titled "Thai Ro. 1/1," the second "Thai Ro. 6", and the third "Thai Ro. 7."

protocol, he manages to conduct his business efficiently and successfully by circumventing the rules.

To increase the volume of border trade in Mae Hong Son province, the local Thai customs office has attempted to stimulate the economy of this relatively low-profile province by maintaining the revenue rates on several types of goods traded across the border, including cattle. The market price, in baht, of each animal at the time of this research was between 20,000 and 40,000, but the Thai customs office set the estimated price at only 4,000 baht, the market rate several decades ago. The tariff for the cattle was 5% of 4,000 baht, meaning that each head of cattle imported into Thailand was taxed at 200 baht.⁸ Small-scale traders crossing through this checkpoint derive only a modest profit from their transactions, mostly due to the long distance traveled over poor infrastructure. However, the local government intends to keep this border checkpoint active, so as to meet the international standards of economic cooperation between Myanmar and Thailand.

Moreover, the demand for goods from locals in Homöng has helped forge a relationship through economic transactions between two political elites: the Mae Hong Son provincial government and the Maha Ja family. The Thai government's cross-border trade policy implicitly sustains income for the Maha Ja family by attracting small-scale merchants to trade through this checkpoint. Although the Thai state loses some of its potential income from an economic aspect, the state and state-like Maha Ja family are able to facilitate transborder flows through informal taxation systems that support their political feasibility. Considering the economic value of the cattle, the Thai local state loses potential income from lowering the tariff rates compared to what it would gain by taxing the animals' actual market value. The economic value of animals carries less importance to the Thai government than that of the political significance of sustaining border trade within the larger political economy at a national level.

To reiterate, the cattle trade conducted through this border channel reflects the transformed meanings of certain type of commodities, from economic added value to a political tool of the border elites (see also Chapter 3). And when the meanings of the commodities are changed, opportunities are created for traders such as Chaipon and livestock officials to support their income-generating activities by manipulating border controls, including increasing the mobility of commodities across the international border by not requiring them to undergo complicated and time-consuming border control procedures.

⁸ Interview with a customs officer in Mae Hong Son on January 25, 2013. However, in the Customs Office's decree, the tariff rate for cattle imported for breeding purposes is 0%, while other types of cattle have a tariff rate of 40% (Thai Customs, n.d.). The 0% tariff for breeding cattle is similar to the tax-exempt garlic used in Thai farming to improve the quality of local garlic.

Concerning foodstuffs, the Mae Hong Son customs office enforces two courses of actions upon merchants. The first type, enforced on border-crossers entering Thailand, aims at masking the real nature of the load being brought into the country, which are routinely classified as *personal belongings* with a value not exceeding 20,000 baht. Rather than being taxed, traders are required to pay modest fees⁹ at the office upon arrival. The second scenario, for goods valued at more than 20,000 baht, obliges traders to comply with the official customs procedure. As a first step, merchants are required to submit documents declaring the nature and volume of their loads, on which taxes are levied after these details have been entered into the computer system at the border customs office. However, the system at the customs office at the Nam Phueng border checkpoint has not, at the time of research, been computerized. Consequently, customs officers manually record the data and issue a goods-transfer document that allows traders to move their wares forward. The traders pay the tax at the customs office in the town. This creates an added incentive for traders to not declare goods, and for customs officers to not record the exact volume of goods to be taxed.

National policies and local adaptation

In following the central policies to regulate certain commodities, state officers must comply and occasionally manipulate them to ease the complexity of law enforcement upon cross-border traders, such as relaxing the enforcement of regulations to suit traders' objectives in maximizing their business. In this section, I illustrate the performance of state officers in implementing laws to control the border, and the officers' interpretation of regulations on cross-border activities.

As previously described, the flow of commodities from Shan State to Thailand does not place Shan traders under any rigid implementation of laws by Burmese authorities or the Maha Ja family. The Shan traders seem to be more aware of regulations stipulated by the Thai authorities when moving commodities across the international border. Subsequently, their proactive and reactive behaviors intermingle with the fluid and loose meanings that hover between legality and licitness in regards to the commodities. At the same time, the Thai local state constitutes terms of legality and illegality, and implements statuses of licitness and illicitness on commodities. It fundamentally aims to protect Thai national security in various aspects, for example, preventing smuggling of drugs and other forbidden commodities, limiting the importation of particular products from Myanmar to avoid competition with local products, and managing commodities depending on Thai craftsmanship outflows.

⁹ Known as *arkorn pakrawang* in Thai.

Particular commodities can either be legally traded or illicitly smuggled, which involves the interpretations of different actors within diverse spatial and temporal dimensions (Bair, 2009). The meeting of consumption and production of certain commodities generates people's mobility, and exposes the missing links of studies using only a commodity chain framework. Specifically, while commodities are produced and distributed along the chain, so are people involved in such movements. As a consequence of creating negotiable space, different interpretations of the meanings of commodities results in various forms and varying degrees of state regulations, e.g. one category may be loosely or strictly regulated, or forbidden completely. This situational border dynamic creates inconsistency in law enforcement, and allows actors to perpetuate divergent meanings towards their actions (Long & Villarreal, 1998; Cusicanqui, 2005; Sur, 2012, chapter 6).

The local Thai commercial affairs office publishes lists of banned or strictly regulated items. Commodities such as teak, timber, certain types of medicines, and construction equipment larger than types suitable for domestic use are prohibited due to their status as strategically important in warfare. The Mae Hong Son government has banned certain agricultural produce from Shan State, especially equivalent staple crops grown in the province. Rice is one of the most sensitive products, and the export of it from Myanmar to Thailand is banned due to the national policy that seeks to protect the domestic rice industry (Department of Foreign Trade, 2016).¹⁰ Garlic is another crop on the list of banned commercial imports from Myanmar on account of the potential competition with the local variety, which could adversely affect the sale of Thai garlic. An exception, however, is made for specific types of garlic which, when incorporated into Thai farming practices, can improve the stock of local breeds, as will be explained later. Farmers and consumers in Mae Hong Son are aware that garlic grown in Shan State is of better quality and cheaper than its Thai equivalent due to the more organic farming techniques employed in Shan State. Thai garlic is more expensive on account of the extra costs associated with yields of larger-sized bulbs, which have a shorter shelf-life. The higher cost of farming garlic in Thailand accounts for the higher prices compared to garlic sourced from Shan State.

Changing meanings of commodities

Several studies of border affairs demonstrate that commodities moving across the border in diverse exchanges and circumstances have their meanings altered by traders when

¹⁰ Rice smuggling from neighboring countries into Thailand occurred from 2012 to 2014 (see Nehru, 2012; Bangkok Post, 2013; Phoonphongphaiphath & Thukral, 2013; Eimer, 2014).

encountering border control (Chang, 1999; Kusakabe, 2004; Kusakabe, Sereyvathb, Suntornratanac, & Sriputinibondh, 2008; Harris, 2013). For instance, rice and garlic are categorized as *specialty regulated commodities*, but traders on both sides regularly attempt to bring these items into Thailand for reasons other than household consumption. They have created proactive and reactive strategies and behaviors that intermingle with the fluid and loose meanings that hover between legality and licitness where these products are concerned. Because the central Thai government strictly regulates rice imports, carriers of quantities of rice even lower than those transported to the Thai border by Shan traders are made to comply with the national policy normally applicable to large loads. During my stay in the border village, I received several invitations from villagers to partake of their Shan meals. I subsequently learned the means in which traders carry rice from Shan State to sell to villagers on the Thai side.

Auntie Nong is a 64-year-old woman. She operates a food stall at the border checkpoint, serving curries and Shan rice to her customers. Not only does she handle rice grown outside Thailand, she also cooks it with a commercial objective:

I usually order rice from Shan State, about five sacks [about 300 liters or 165 kilograms] each time. Why don't I use Thai rice? The Shan rice is only 500 baht per *tang* [Thai unit of measure equivalent to 20 liters or 11 kilograms],¹¹ while the Thai rice is 600 baht. I don't *sell* it, I only *cook* it for customers of my food stall.¹²

Auntie Nong rationalizes that buying rice from Shan State is a licit action as long as she does not sell it uncooked for commercial purposes, but instead cooks it to serve to consumers at the border checkpoint, since this is the point from which cooked rice is not allowed to travel further. Therefore, her purchase of banned produce is considered as licit because of the taste and lower price of the rice, which reduces the investment costs in operating a food stall. Similarly to Auntie Nong, several other Shan stall-holders also purchase their rice from Shan State, which they consume at home on a daily basis and use to supplement their rice stock on special occasions such as large social gatherings. Another Shan female trader admitted that she smuggles Shan rice for sale in Thailand with the help of a trader on the Thai side. Therefore, rice is a product that is traded—albeit in a relatively small quantity—through this border channel, even though it is never reported to the Thai Customs Office as an imported item. This situation reiterates the contradiction of the central policy and the local adaptation of policy at the border. While the Thai government attempts to eradicate rice smuggling from neighboring countries,

¹¹ Shan rice is measured by the sack. One sack is equivalent to three *tang*.

¹² Interview with Auntie Nong on November 17, 2012.

border communities consider it a licit activity when rice is consumed in households, prepared during special occasions with many guests, or in petty-scale trade. Rice consequently continues to move across the border, facilitated by traders' perceptions and adapted meanings.

Garlic also maintains a fluid socio-economic status in local contexts. Like rice, it engenders practices of illegal but licit flows in cross-border trade. There are two types of garlic: one is the edible variety, for cooking and consuming, and the other is used in farming or to improve the quality of local breeds.

One day during my fieldwork, I asked a Shan female trader to drive me from the border checkpoint to the village where I was staying. She let me and another passenger sit on two sacks of Shan garlic placed in the back of the vehicle. We drove down from the hills to the village where the customs office is located. The trader pulled her truck over on a hilly mound in front of the office while greeting a customs officer who was inspecting the back of the truck from above. The trader then called out to him: "It's garlic." Upon hearing this, the customs officer in his blue uniform came down from his building to speak with the trader, who was still sitting in the cab of her truck:

Trader: This is garlic for breeding.
Officer: Really? Is it really for breeding?
Trader: Sure, it's really for breeding. I swear.
Officer: [Walking around to the back of the truck] Okay. Let me check that these are indeed for breeding.

The other passenger and I stood up to allow the officer unrestricted space for his inspection. The officer opened one sack and took out a bundle of garlic, and then another one.

Officer: Ok. Give me one bundle, plus another one, 'for breeding.'

Following this exchange, the female trader started the truck and drove slowly towards Mae Hong Son town. The customs officer allowed the Shan trader to proceed to town with her load, even though he likely knew the garlic was intended for sale as edible food, and not for farming to enhance the quality of the local variety grown by Thai farmers. The trader's report was wholly inaccurate. The officer, therefore, took the garlic as a *gift* from the female trader, who had made an untrue statement, the trade-off being safe passage for her load of garlic supposedly intended for cultivation purposes. Acceptance of the two bundles of garlic by the border officer can be considered an act of *gifting* (Smart, 1993) due to the manner in which this unspoken ritual was conducted between the officer and the trader. This illegal but licit practice was also implicitly condoned by the customs officer. The licit flow, in this case, occurred not only beyond the

state's eye (Nordstrom, 2004, p. 11), but also by the state authority's agreement within an "accepted space" (Endres, 2014). The intersection between cross-border flows and regulations did not result in strict controls, delayed passage, or absolute interruption. Rather, the state itself also facilitated and derived benefit from this informal cross-border trade. Furthermore, rice and garlic serve as exemplars that the transnational flows of illicit goods are not fixed in time and space, but are constantly subject to change (Abraham & van Schendel, 2005). In the cases described above, both the rice and the garlic were illegal according to Thai law, but both items became gifted commodities in licit flows accepted by both traders and officials.

Commodity or gift? Bribery or social norm?

Another aspect of cross-border trade that many studies have revealed is that small-scale and petty trade can overlap with smuggling (Konstantinov, 1996; Kusakabe, 2004; Kusakabe et al., 2008; Pophiwa, 2010; Boedeker, 2012; Bruns & Miggelbrink, 2012). Observing trade activities conducted through the Nam Phueng checkpoint, I noted that as goods moved across the border and intersected with state regulations, merchants strategically underreported the volume of a commodity in order to pay tax at lower than the official rates. Several traders from the Shan State side resized goods such as soya beans, dried fish, and other items packed in large sacks immediately upon arrival at the border checkpoint. Their primary aim was to compact their packages into smaller sacks, ensuring that their loads fell within the category of *personal belongings* in order to prevent the customs officers from estimating their value as exceeding 20,000 baht, which would need to be taxed.

The case of Auntie Hong illustrates this strategy to avoid taxation. Her income-generating activities are viewed by political elites in Shan State as those of a petty trader, which can also be an advantage for the Thai authorities. Although Thai customs imposes duties on Shan traders selling goods in Thailand, these traders use a variety of techniques to evade paying duties, such as packing goods into several small bags. For example, when Auntie Hong transported a 100-kilogram sack of Shan beans, she separated the items into two 50-kilogram bags upon reaching the Nam Phueng checkpoint. This parceling re-classified her commercial items into the category of *personal belongings*, thus falling outside the category liable to Thai import duty. Moreover, the rate at which the Thai Customs Office taxes goods varies according to the packaging or container size, and is not necessarily based on the weight of the goods. Although Auntie Hong repackaged her goods into smaller sacks near the checkpoint, in full view of everyone, including several Thai officers, she was not prevented from continuing, even though it violated Thai customs regulations.

Actually, a sack of beans should be taxed at 200 baht. Sometimes, the traders hire people at 20 baht per trip to walk with the bags across and pretend they are the actual owners of these *personal effects*. What can they do? The imported goods have been turned into personal belongings.¹³

Typically, customs officers and soldiers checking goods at the first post on the Thai side are fully aware of the reason the traders re-parcel their loads into smaller packages, and yet they rarely argue or admonish the traders. Perhaps, this is due to the fact that some of the traders are elderly, veteran female traders who have traversed these routes across the border on a regular basis since the period of ethnic insurgency in the 1970s in Myanmar. Thai officers, therefore, allow them leeway, despite the fact that the transfer of goods into smaller-sized sacks is clearly intended to maximize the Shan traders' profit at cost to the Thai state. Although cross-border trade activities are subject to regulations, local authorities do not always rigidly enforce them. As Sarah Turner (2013) asserts, cross-border traders do not necessarily desire to violate rules and regulations, they simply wish to maximize their profits and maintain their livelihood strategies. Turner's suggestion is consistent with Just Boedeker's (2012) observations of Baloch smugglers along the Afghan-Iranian border, where flows of goods and people are embedded in common social practices. In such an environment, smuggling is seen as a normal trading activity, carried out to improve traders' livelihoods rather than simply as a clandestine activity. Furthermore, repackaging goods in order to avoid heavy taxation is a common practice among cross-border traders elsewhere, especially those who shift statuses between trader and tourist (Konstantinov, 1996; Harris, 2013, pp. 114–115).

In everyday practices of border control at the Nam Phueng checkpoint, the Thai army officials are authorized to halt the flow of goods when traders do not possess a permit to transfer goods from the customs office, or a document certifying that the items are tax-exempt. The Thai army base is the first stop where both people and commodities are screened, and it is also a point at which data is collected on commodities traded across the border (see Chapter 4). As observed during my fieldwork, paperwork was the only requirement with which traders consistently complied with Thai state regulations, despite the fact that commodities were allowed to be moved not only by means of paperwork, but also by reciprocal relationships, personal connections, or even unofficial payments. Such a circumstance emphasizes the fluidity of the meanings assigned by Thai officers to commodities traded for many years, such as in the situation of cattle trading illustrated earlier, by treating certain items as *lesser-regulated* goods. The state authorities' performance implies that they interact leniently with traders with whom they are

¹³ Interview with Auntie Hong on April 11, 2013.

familiar, rather than rigidly enforcing the regulations on commodities. Again, the Thai state fails to achieve its stated goals for controlling goods, subsequently allowing traders to successfully move commodities across the border.

At the same time, traders are aware that they cannot explicitly offer bribes as monetary inducements to sway the Thai soldiers, since befriending and building a rapport with the soldiers is more accepted as licit by both soldiers and traders. During one incident I witnessed, a soldier was removed from his post at the Nam Phueng border when his superior discovered he had received money from cross-border traders. The army is the only Thai border state agency where officers are regularly rotated on an annual basis because, in the words of one army officer, “Soldiers are not stationed here long—only one year—otherwise they learn and know too much.”¹⁴ Therefore, it is a common practice for traders to offer raw ingredients and foodstuffs to soldiers as gifts-in-kind. Food is considered a *gift* rather than a *bribe* (Polese, 2008) in Thai reciprocal culture. Foodstuffs become politicized as gifts, while they appear as trivial, insignificant, and low-value commodities. As Endres (2014) argues, bribes twist the notion of state authorities’ engagement with corruption as state and non-state actors mutually shift this form of trivial type of bribery to be accepted as a social norm.

In cases where foods or other items appear trivial and modest in value, bribing can be made easier and distinct from gifting. We can see this form of gifting as a subtle form of bribery based on Marcel Mauss’s (1967) conception of a gift where, though certain items may appear to be trivial gifts from traders to Thai soldiers, the recipients are nevertheless obliged to return the favor. What the Thai officers return upon the exchange is a relaxation in the implementation or interpretation of regulations, which creates more opportunities for traders to avoid being regulated stringently. During my fieldwork, Thai soldiers and Shan traders on the Thai side built friendships while cooperatively organizing festive events, such as celebrations for the New Year in December and the Thai New Year in April. They held small and casual parties, drinking alcohol, singing, and dancing together after the border crossing was closed. Echoing Mari Lee Mifsud’s (2007) argument, this reflects the creation of obligations and norms of friendship and solidarity developed from hospitality and the generosity of the Shan traders honoring the Thai soldiers. It also emphasizes the state performance at the local level where state officers are hesitant in many situations to strictly interpret the laws and regulations, as they have gradually become part of the larger border community which must adapt central policies to suit local living conditions (see Eilenberg, 2012). From this perspective, the state officers’ performance of their

¹⁴ Interview with a Thai soldier on September 25, 2012.

duties fails to control flows of commodities across the border following the development of familiarity and solidarity.

Thai state regulations on commodities moving out of Thailand

State regulations on cross-border flows and on particular commodities are practiced more rigidly by the Thai state, as emphasized previously. This section discusses how the Thai state attempts to control particular commodities, such as Buddha images, from being transported out of Thailand by employing red tape and paperwork in order to protect Thai craftsmanship and prevent improper commercialization.¹⁵ It also explores the performance of low-ranking Burmese officers tasked with cracking down on illicit commodities imported from Thailand. Although the Burmese state arbitrarily implements such rules, traders do not comply with them voluntarily. Instead, they resist by transporting increasingly greater volumes of Thai commodities into Shan State.

From 2009 to 2012, the 10 main commodities transported from Thailand through the Nam Phueng checkpoint in Shan State were consumer products. The first five were slippers, soda drinks, alcoholic drinks, cooking oil, and benzene. It was only in 2008 that used pick-up trucks ranked the highest on the list of exported goods. In later years, people in Shan State became able to buy pick-up trucks made in China with greater ease due to the opening of border trade between China and Myanmar in different border towns, including former and current armed conflict zones (Dean, 2005; Siriphon, 2008; Kyu, 2016; Roi Aung, 2016; Than, 2016).

Before leaving the Thai border, the Mae Hong Son customs office records the types of goods transported from Thailand to Shan State. The Mae Hong Son government's bureaucracy impacts traders on both sides in their attempts to transport consumer products out of Thailand. The Shan side's traders regularly place orders through their partners on the Thai side, and on certain occasions that they require a larger volume of goods, especially during Shan festive seasons like *Poy Sang Long* and Tai New Year. Traders on both sides who export Thai goods to Shan State must procure a paper issued by the customs office in Mae Hong Son, declaring the volume of commodities they carry. If failing to comply with the customs procedure, they may be prevented from moving their goods into or out of the border checkpoint areas by military officers stationed at the checkpoint. Certain commodities such as Buddha images, benzene, and construction equipment used for cultural and religious purposes need to be processed with paperwork certified by the relevant authorities.

¹⁵ *Praratchabanyat boransatan boranwattu Silpawattu lae pipittapansatan haeng chat (chabab 2)*, 2535 B.E. [Ancient sites, antiquities, art objects, and national museum (second issue), 1995 Act].

The regulations on these particular commodities by the Thai state are subject to politico-economic situations in Thailand, including policies concerning national security and border affairs. Until 2000, benzene was listed by the Thai Army as a strategic commodity,¹⁶ the same status as medicine, construction materials, and tools, as it could support motor transportation involved with ethnic conflicts on the Shan State side. The Mae Hong Son government since reconsidered its list of restricted export goods, and benzene was removed due to the relatively calmer political situations along the borders between Myanmar and Thailand.¹⁷ Nonetheless, it has again become one of the most rigidly regulated commodities at the border. In order to be exported to Myanmar, a quantity of benzene must have a value of less than 20,000 baht. And traders must procure a special transfer paper issued by the provincial customs office to comply with the state's attempt to limit the volume and keep a sufficient amount in case of an oil shortage as part of the protection of national security.¹⁸ Additionally, it also prevents traders from avoidance of tax execution, and counters the smuggling of goods exported from Thailand before being imported back in with unusual prices.

The revision of the forbidden goods list illustrates that in border trade circumstances, particular commodities can be carried across the border hassle-free, while certain kinds of goods must undergo a complicated procedure. Different meanings imparted to commodities affects varying regulations imposed by political elites, leading to the politics of commodities crossing diverse time and space. As Tagliacozzo (2005, p. 4) and Harris (2013, p. 115) argue, some particular items can be moved during some particular moments, and their statuses can be shifted in different spaces. For example, cattle are consistently a high-value commodity on which long-distance traders were levied taxes by ethnic armed groups during the frontier regime from the 1970s to the 1990s. In the present times, the Maha Ja family continues to tax the animals, while the Thai state—although agreeing that the cattle are a profitable commodity—has reduced the tariff rate on the cattle trade in an aim to stimulate increased border trade through the Nam Phueng channel.

Similarly to cattle and benzene, the changed meanings of Buddha images illustrate the politics of regime transition and commodities crossing the border from different origins. At present, under the mobility regime, Buddha images are allowed to be transported out of Thailand

¹⁶ *Pharatchabanyat kankha namman 2543 B.E.* [Oil/Petrol Act 2000].

¹⁷ I obtained this data from written records dated December 30, 2003, concerning a meeting between the Mae Hong Son governor and provincial officials.

¹⁸ *Pharatchabanyat kankha namman 2543 B.E.* [Oil/Petrol Act 2000].

only with issued permits, as the Thai government considers this type of commodity as a facsimiled artifact among prestigious and sacred art objects.¹⁹ The procedure to export the images is time-consuming for an individual who is not a professional trader or company. According to the regulation, one must be granted a permit from the province's Office of Fine Arts, and then show the permit to the customs office to a commodity transfer document issued. Then that person has only 30 days to move the Buddha image out of the country. If one fails to do so, he or she can renew the permit up to three times and pay fees equal to the first permit granted.²⁰ While I was collecting data, a few Buddha images were disallowed from being moved out of Thailand because the persons who planned to export them had failed to procure a permit from the responsible offices or supporting documents from the customs office to transfer the commodities. In these cases, the rationalization of transporting Buddha images in order to promote Buddhism in Shan State was not convincing enough for the army officers at the checkpoint. The Buddha images had become strictly-regulated commodities rather than cultural-religious objects for Buddhists to worship and to strengthen their beliefs.

The trade flows of Buddha images was reversed from Shan State to Thailand during the proliferation of underground markets in Burma in the 1980s (described in Chapter 2) to the other way around today, from Thailand to Shan State. According to statistics collected from October 2012 to March 2013 by the army base at the Nam Phueng checkpoint, the average number of Buddha images sent out through this border crossing was 3.5 images per month, and showed that Buddha images were ordered for domestic use purposes rather than for commercial trade. Villagers in the border community explained that, "Buddha images are ordered by Buddhist temples in Shan State because Thai craftsmen's skills and their technologies are more advanced than craftsmen there. In the old days, Buddha images with high economic value were carried from Shan State to Thailand by thieves looting from temples. Nowadays, there are only a few highly significant and beautiful images remaining there." While people viewed this as a reflection of the current unfortunate circumstances of the nation, they felt that Myanmar is now more developed than the old days, since they were able to order Buddha images from Thailand. They reckoned that wherever the Buddha image traveled, that was a fertile and civilized land—significant in that the current situation was the opposite of the past, where now Buddha images are traveling to Myanmar, and leaving Thailand.

¹⁹ *Praratchabanyat boransatan boranwattu Silpawattu lae pipittapansatan haeng chat (chabab 2) 2535 B.E.* [Ancient sites, antiquities, art objects, and national museums (second issue) Act 1995].

²⁰ *Khanton kan songbook boranwattu praputtarup tewarup* [Procedure on the export of antiques and Buddha images by the Department of Foreign Trade, Ministry of Commerce, latest update, 2014].

The case of the Buddha image trade, and the interruption of the movement of such commodities, is an example of a change resulting from the Thai state's shift to the border regime-style of contemporary border control. During the previous frontier regime, Buddha images were moved across the border by long-distance traders from Shan State who enjoyed a high level of mobility. Traders did not face rigid state controls or any bureaucratic procedures. In great contrast, the Thai state's control of the Buddha image trade today has become more sophisticated with enforcement of centralized policies that impact small-scale trade at the border. Buddha images are considered by the state as sacred and revered commodities exemplifying sophisticated skills of Thai craftsmanship that should be prevented from being improperly commercialized. Therefore, the local state adheres to the central authorities' guidelines quite strictly, monitoring the export of such items carefully. This subsequently results in more stringent regulations upon those who seek to export this commodity, in that in order to do so, they must comply with rather complicated and time-consuming procedures.

Sanctions on Thai merchandise by the Burmese state

As referred to in the previous sections, on the Shan State side, especially in areas surrounding Homöng, the Maha Ja family is unlikely to announce any policies to officially regulate commodities exported from Thailand to Shan State. The situation likely differs slightly in relation to goods and people crossing the Salween River to the Burma Army-controlled zone on the western bank. Although regulations have not officially been imposed, information flows regarding sanctions by political elites have occurred. One such form of information flow was a rumor spread that subsequently changed the meaning of particular commodities from one status to the other. One of the crucial results was that all types of items transported from Thailand were placed in the banned category, blacklisted by the Burma Army.

During my period of initial fieldwork during the cool season, the frozen chicken of the Thai company Charoen Pokphand Foods was exceptionally popular due to its low price and meaty flesh. Nearly every trader from Shan State placed orders for this product to their trading partners in Thailand to allow the preparation of large quantities in advance. Records of the Thai army at the Nam Phueng checkpoint confirm this popularity, as one-kilogram packages of frozen chicken were ranked amongst the top five most common products being exported. From statistics gathered from October 2012 to March 2013, the quantity of frozen chicken in kilograms was as follows: 3,800; 5,200; 4,260; 1,800; 2,650, and 1,080.

Nang Saeng, a trader from Shan State, told me that one package at that time sold in Mae Hong Son for 50 baht, but it would bring 90 baht across the border in Shan State. However,

Shan traders were from time-to-time detained by the Burma Army on charges of selling this product because the Burma Army claimed that the product could cause bird flu outbreaks in Myanmar. In usual circumstances, cross-border traders who traveled to the Thai border were hardly aware of what types of goods were in the Burma Army's banned product category. They would only know once encountering the Burma Army and facing the confiscation of their goods, which typically resulted from arbitrary rules rather than official law enforcement. Whenever any trader faced this situation, the news of the occurrence was quickly circulated within the circle of traders:

I accept the fact that selling blacklisted commodities is challenging. This is a trading rule: when goods are in high demand and some traders might dare not bring them in from Thailand, the prices increase. Once I got caught while transporting Thai products that were very popular among the Shan. All of my merchandise was confiscated, totaling more than 500,000 baht. I bribed the authorities in order to retrieve my goods back. I could still make a lot of profit. I have no problem when they place restrictions on some popular goods since it makes the trade in such goods even more lucrative.²¹

Within the context of Myanmar and its borderlands, especially rural areas far from the central bureaucracy where Shan cross-border traders have started their businesses without following any state procedures, the status of commodities like frozen chicken from Thailand could be considered illegal. The Burma Army has imposed unfair rules to hinder the traders of Thai commodities. Because the Burma Army's crack down on the trade of this commodity was not directly against the *act* of transporting this commodity from Thailand to Shan State, a social meaning was attached to it, i.e., Thai chicken as the potential cause of a bird flu outbreak. Whereas the traders did not rationalize their bringing in of so-called banned goods as being outside the criteria of legality imposed by the state, the prospect of selling commodities with economic value (lower prices and meatier chicken) turned the product into one with high demand that was used only for making profits under the regulation-free trade in Myanmar's rural areas. However, traders were aware that they still lived under ongoing authoritarian rule, under which illegitimacy in any form could impact them at any time. This situation also illustrates the ability of different actors to alter the meanings of a commodity, resulting in varying consequent actions. While the Burmese officers endeavored to control the trade of frozen chicken to supposedly prevent the spread of disease, the traders conversely increased the quantity of the trade in this commodity to follow the market's mechanism—high demand with low supplies results in increased value added to such commodities.

²¹ Interview with Nang Saeng on October 15, 2012.

Money's shifted social meanings

Aligning with discussion of money and currency use in Chapter 2, I will further discuss money flows and currencies that reflect socio-political meanings under the border regime. As aforementioned, the Thai baht has been the main currency used since the Khun Sa era following the increased demand for Thai commodities during the period of heightened ethnic conflict, which was concurrent with the weakening of the Burmese kyat. As Carruthers and Espeland (2002, pp. 297–298) suggest, the use of a currency reflects “a historical connection with political sovereignty.” Every day at the border checkpoint, I saw traders on both sides making transactions in both kyat and baht. Only wealthy traders ran this money exchange business and kept quite a large amount of kyat at home since the Shan tend not to deposit money in banks. They still feel uncertain about the political climate in Myanmar, following the terrible dictatorship of the military regime in the past, which at one point announced without warning an annulment of large monetary denominations. Resonating with the situations at borders elsewhere, unlicensed or underground moneychangers conduct a crucial form of economic activity in cross-border trade. Along this border, while money-changing services are unofficial, they are crucial for Shan migrants to remit money to their family members in Shan State’s interiors where Burmese kyat is the national currency.

While the common use of baht continues as usual, occasionally rumors impact people carrying Thai money. While traveling in Shan State, I was warned to leave my Thai currency with people I trusted prior to leaving Homöng. On one such occasion, an individual said to me: “Do not carry it! If the Burma Army sees your Thai money, they could confiscate it. Burmese soldiers are prone to check wallets and belongings of the Shan working in Thailand, suspecting that these people are bringing a lot of Thai money with them.”²² I took their recommendations seriously during my first trip. However, either the warnings were proved to needless, or I was fortunate never to be stopped and checked by Burmese soldiers. While I was in Shan State on my second trip, I received similar warnings. People the Burma Army had a disliking of migrants who chose not to stay in Myanmar, instead fleeing from political pressure to live and work in Thailand. They also unofficially announced the prohibition against Shan people heading toward the Thai border (see also Fink, 2001, p. 124; Balčaitė, 2015, chapter 4).

In these situations, money did not function as a medium of exchange for the Burmese military, but it rather symbolized a potential form of resistance against the Thai state. I theorize

²² I experienced this while traveling in Shan State from the end of February to early March 2013, and in May 2014.

that the confiscation of Thai currency by the Burma Army was an attempt to assert political sovereignty rather than an economic advantage. Moreover, Thai currency in such situations turned into an obstacle for the mobility of Shan inside the country. Considering the warnings that I received from local people, they perceived that the Thai money I possessed could engender difficulties during my travels once I entered Burmese territory. This reflects alterations to the meaning of money and its functions in different circumstances.

While money constitutes cross-border commodity flows, it is traded ubiquitously without license, and Thai authorities never questioned the exchange or use of Burmese kyat at the checkpoint when considering its policies. Quite the opposite, the Thai government was satisfied that the flow of kyat helped symbolize the vibrancy of cross-border trade between Myanmar and Thailand. In November 2012, a group of senate committee members from Bangkok—a distinguished body considering the ongoing promotion of the ASEAN Economic Community—paid a visit to the Nam Phueng checkpoint. Being excited about the possible prosperity of border affairs that would occur at this border, one leader of cross-border traders on the Thai side signaled another trader who was also a money changer to display her stacks of Burmese kyat while the committee was present at the border checkpoint. Burmese kyat banknotes were thus considered an object to please the committee and encourage them to believe in the economic potential of regional cooperation between the two countries.

In the situations described in this section, money acted as something more than a mediator in the transaction of exchangeable objects. As Georg Simmel (1990 [1978], p. 127) argues, money creates value that symbolizes the relationship of objects and people's desires or demands towards objects. Money creates meanings upon the use and contexts of the use of currency, which can be divergent and unsteady beyond and after the act of exchange (Zelizer, 1997; Carruthers & Espeland, 2002). The widespread use of kyat on the Thai side of the border, and its associated meanings, is demonstrated by the Shan trader's use of the currency to symbolize the future prosperity of border communities that are less regulated and controlled by the Thai authorities.

Conclusion

This chapter emphasizes the conduct of small-scale, cross-border trade by traders, border elites, and state officers. On the Shan State side, traders must comply with rules against the backdrop of a Burmese authoritarian regime by employing the strategy of exchanging commodities and gifting to smooth the path to the Thai border. On the Thai side, traders have generated proactive and responsive strategies toward border control and regulations in the fluid

space between illegality and licitness. Mundane practices of state and non-state agents are conducted within a “regulatory space” (Abraham & van Schendel, 2005) in which dominant and alternative constructions of meanings are often in contestation. The Thai state attempts to regulate cross-border flows through a bureaucratic system based on sophisticated procedures and documentation. This contrasts with control measures on the Shan State side, where arbitrary rules are enforced by the Maha Ja family within its political territory, and authoritarian rules remain in the Burmese-controlled areas.

However, to date, the Thai state has not completely achieved its goal of border control on trade and commodity flows. The performance of the local state at the ground level contradicts the implementation and enforcement of policies of the central authorities. Rituals and interactions between customs officers and traders on the Thai side emphasize how central policies are appropriated by the shifting meanings of commodities locally. This coincides with forms of commodity exchange that develop blurred boundaries between gifting and bribery (Polese, 2008). Elusive divisions between the two aforementioned forms of exchange are possibly diverted into negotiable spaces where illegal actions come to be accepted as licit (Endres, 2014). Subsequently, the behavior of traders and the performance of state officers effectively relaxes controls on commodity flows across the international border.

Under the border and mobility regimes, the interaction between cross-border flows of certain commodities and state control reflects the depth of the relationship between state actors and border communities. Cattle are a significant commodity with which the area’s most prominent trader cooperates efficiently with Thai officials to cross the border easily to gain economic benefits. Cross-border trade in rice and garlic illustrate how commodities are moved across the Thai border via trade networks, and the border community’s acceptance of the trade as a licit activity, despite these goods being labeled as semi-legal products. An exploration of the trade in Buddha images illuminates the bureaucratic red tape that traders on the Thai side must follow in order to export such commodities to Shan State. This is in contrast to the situation during the frontier regime, under which Buddha images from the Shan side of the border were transported regulation-free to meet the demand from the Thai side by long-distance traders from Shan State. Finally, both frozen chicken and Thai currency have been shown to have the potential to cause difficulties to traders in Shan State operating under the authoritarian Burmese regime.

In Chapter 6, I will discuss how state and state-like actors have shaped human mobility in relation to commodity flows under the interconnected regimes of frontier, border, and mobility over the past five decades. This will serve to elaborate under what conditions and factors Shan

are able to move while continuing to encounter many situational challenges and impediments. Social actors on both sides have played a crucial role in facilitating Shan mobility over time, while at the same time responding to the political structures of various eras.