

## CHAPTER 6

### Conclusion

#### 6.1 Research Results

Understanding the border space of *Mae Sai* helps us understand the border town itself. That is, *Mae Sai* is best understood as reflecting ‘political border dynamism’ that generated out of the mobility and movement of different waves of people who have not only migrated to *Mae Sai*, but have also created their own border space through a variety of border practices over different periods of time. As a result, the meanings and functions of the border are never static, but rather temporal in nature. They keep changing and shifting, amidst negotiations and articulations with diverse spatial, political and socio-economic trajectories.

Generally speaking, *Mae Sai* has been created out of the interplay of migrant people and geographical spaces, amidst wider geo-political and socio-economic contexts. This situation has determined the chances, limits and conditions for *Mae Sai* border space. Around the early 20<sup>th</sup> century, the Upper Mekong borders, against the backdrop of late colonialism and the modern-nation state, included early groups of ethnic borderers, these being the *Shan* (1927), *Tai Lue* (1940) and *Kuomintang* soldiers (KMT) (1960), who migrated to the area of contemporary *Mae Sai*. These ethnic borderers had struggled against the colonial, oppressive and rival powers at their homes, which included the *Shan* principalities (Burma’s *Shan State*), *Xishuangbanna* (China’s *Yunnan Province*) and the *Yunnan* border area. These ethnic borderers resisted such powers at homes, while negotiating and contesting with spaces beyond theirs. The more intensified and oppressed their old home places became, the freer the new border space appeared to them. As a result, the *Mae Sai* border became of increasing concern in relation to the survival of the ethnic borderers who moved there, and eventually was made to become their new homelands, as they searched for a safe haven.

To put it differently, the border space of *Mae Sai* has been constructed out of tension, and the contestation of an ongoing articulation and negotiation between the frontier spaces of ‘old places there’ and ‘new border here’ over the course of the 20<sup>th</sup> century (Pitch, 2007). The relevant spatial instances of frontier violence, ethnic migrant movements, and border contestations have brought about the creation of a small political border. *Mae Sai* has primarily been created out of interactions of neighboring places, and chained to these places through the mobility of the ethnic borderers.

Therefore, the state border is not necessarily perceived as obstacles to, or restriction on, the act of movement (Scott, 2009). While the borderers see the borders as providing an opportunity for making space, by linking spaces here and there through their movements, the state’s border practices are accomplished based on the border having to be divided, separated physically and politically among modern nation-states. For the active borderers, their border practices can also blur and challenge state boundary-lines. To put it another way, state border space is made narrowed, so as to be controlled; in contrast, the people’s border is wide and free.

In a nutshell, the state border is passive, but people at the border are active. On the other way around, the state border is subsumed into the geo-body, reproduced through maps, while for people at the border it represents new opportunities and challenges. The state perceives space needs to be tamed through technology and legibility or accessibility (Scott, 1998), while the borderers perceive space to be grounded in negotiated experiences based on spatial and social interactions (Massey, 2005; Tsing, 2005; Harvey, 2006). As such, the border space of *Mae Sai* is never natural *per se*, but reflects a see-saw production of relations pushing and pulling between state controls and borderers contests.

This is also in line with contemporary border scholars’ views that borders are not lines out there nor are they absolute space, but instead dynamical and changeable spatial and social constructions, which are the direct products of people’s negotiations and articulations with unavoidable challenges in order to create the border differences (Massey, 2007; Gielis, 2009).

Nonetheless, the Thai state has been active in terms of border economic development since the 1990s, under the new contexts of cross-border trade, investment and tourism promotion, and these developments have, in turn, led to spatial changes in *Mae Sai*. One consequence of these changes has been that the town has attracted a contemporary group of migrants<sup>1</sup>. This group has included the *Chanthaburi* gem traders (from 1990), who migrated to *Mae Sai* to take part in the gem trade, and also ethnic petty traders from Myanmar (since 2000), who have crossed the borders from *Tachilek*. The former were domestic migrants and latter were cross-border migrants. Nonetheless, these two groups both engaged in cross-border exchanges through both informal and illegal/illicit economic activities at the borders.

The *Chanthaburi* gem traders came to take advantage of the grey area in under-regulated cross-border gem transactions. Rather, they could impose their own spatial regulatory regime onto the border area, using their knowledge and technical expertise to cultivate gem trade transactions, based on a specific norm and border practices. They also made use of state border infrastructure to facilitate the cross-border flows of resources needed to support the gem trade. Thus, the *Chanthaburi* gem traders shaped the *Mae Sai* border into a 'techno-economic border', generating extensive and sizable informal economic activity at the border.

In such case, both the state and the borderers have exploited state border loopholes to maximize benefits and power. For the general public's perspective, the state has played a one eye closed, one eye open role, allowing illegal gem transports to slip through the state border. Both the state and the borderers have helped draw a mutual economic border over time; however, this mutual economic border has been divided at times. The *Chanthaburi* reaped the benefits to be made from the local gem trade which took place in *Mae Sai*, while the state also benefited from this trade, but at the global level via gem trade exports. The state border loopholes that exist in *Mae Sai*

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<sup>1</sup> However, there are many different groups of people who have migrated to *Mae Sai* border, but it not every group of them who can make use of the border to benefit their socio-economic well-beings. There were people who became victimized to human trafficking or labor abuses.

are by design, as the state has made use of the porous border to generate benefits for itself, and not just for the borderer individuals. The informal economy through exploiting the porous border has not been deemed part of a subversive economy, but part of the constitutive economy within *Mae Sai* itself.

Informal or underground economic activities have always been a characteristic feature of the border economy at *Mae Sai*. Myanmar's ethnic petty traders have also come to the border over the years to take advantage of the border town and its tourism. They sell pirated CDs/DVDs, smuggled *Viagra* and contraband cigarettes to tourists. Given the illicit/illegal nature of their trade, their transactions are based on building alliances and trust across the borders of *Mae Sai* and *Tachilek*.

Therefore, these borderers have shaped *Mae Sai* border into an 'inscribed border', based on the way they have been able to shape their own meaning and functions at the border through the use of border tactics. Their everyday cross-border movements have played a key part in liberalizing and challenging the borderlands in practice, interfacing between the two juxtaposing borders of *Mae Sai* and *Tachilek*. They are part and parcel of the cross-border flows that the state has tried to impose control, while also resisting this control through their everyday moves. As such, the border is made on a daily basis through the movement of these borderers, and through their illicit/illegal components of commodity that slip across the border. These borderers have made *Mae Sai* a 'free market economy' in their own right, as a result of attempting to break free of the control imposed by the authorities.

The *Mae Sai* border also set limited on these borderers. The border space is never isolated, but always open and relational. Its border is always linked to neighboring borders via their state policies and practices of the bordering countries in the Upper-Mekong region because these states also plays a vital role in setting parameters for economic border development. As Myanmar and China have changed their policies, it has also affected *Mae Sai* and the borderers themselves. As a result, the gem trade came to an end in *Mae Sai* due to China's and Myanmar's new gem trade regulations. Also, Myanmar's ethnic petty traders have increased in number in *Tachilek*, before crossing the borders to *Mae Sai* because both Myanmar and Thailand have introduced initiatives aimed at border economic development. These ethnic

borderers have also been turned to ‘ethnic wanderers’, moving around from one border to another in search of enhanced economic well-beings.

Both *Mae Sai Market* and *Tachilek Market* are increasingly overlapping with China’s southern border, Myanmar’s eastern border and Thailand’s northern-most border. This is because these border markets are connected through cross-border movements and the mobility of people, capitals and goods, as enhanced by improved physical infrastructure in the border areas. These border markets are usually taken-for-granted, yet apart from buying and selling activities among most of the people there, the markets are a small lived world defined through socio-economic practices and spatial interactions.

These border markets reflect an ethno mosaic space, constituting increasingly diverse groups of migrant people with different ethno-social backgrounds who arrive in the areas. The borderers, who have long lived along the borders, conduct trade, commercial and also social activities, regardless of the state borderlines and based on their daily life experiences. Moreover, as southern China increases its economic ties with both Thailand and Myanmar, these border markets have become a virtual ‘China border space’, due to increasing Chinese economic influence over the area. These spaces are overwhelmed as much as represented by the visibility of Chinese goods and traders as well as their money. The border markets pose a challenge to the boundary between the conventional state’s border and the more open market economy.

Additionally, the everyday life interactions of ethnic people such as the *Tai Lue*, *Tai Yai*, *Thai Chinese*, *Chanthaburi Thai* and *Burmese*, can usually be witnessed at *Mae Sai Market*. Besides, there are social and religious festivals that encourage the mixing and matching of these ethnic people. Inter-ethnic marriages are now common in *Mae Sai*. Such events help not only break down ethnic boundaries, but also provide ethno-social links within *Mae Sai*. To put it differently, the border town is space of ethnic blending, grounded in ethno-social mobility, and cutting across both the ethnic and physical borders.

In retrospect, the state border has come to exist because of, and being defined by, the modern nation-state. The importance of the state border lies in its ‘exchange value’.

Since the 1990s, the rise of border economic development has not necessarily reduced the importance of the state border and boundary, in fact, they are still very important. Strictly speaking, the exchange value of the border is grounded in the other resources for which it is exchanged, in order to maximize state benefits and power. That is, the *Mae Sai* border, which has long existed from the state's point of view as a state boundary, has now been converted into an economic borderland based on tourism, investment and cross-border trade, as supported by state programs and the state's modern infrastructure. It is a border which was once used as fence for protection, but is now used as bridge that connects with regional economic outreach activities. The former is its used value, the latter is its exchange value. The state trades its border security in exchange for economic value (Smith, 1984; Harvey, 2006).

To put it another way, the state has exchanged what was once considered 'border liability' for a 'border asset', produced through a discourse on border economic development. This is to confirm that the state has re-made and re-generated its border in order to make it attractive for trade, investment and tourism to take place (Fougner, 2006; Cerny, 1990; Chai-Anan, 2001; Ong 2002).

As a result, the *Mae Sai* border is never a monolithic space. It is always re-constructed, re-negotiated and re-appropriated by both the state and borderers over time. While the state has changed the *Mae Sai* border into an asset through the use of regional development discourse, and at the same time, the borderers have also made use of the borderland in their own right. Through a variety of practices, their border has been made into a safe haven, a dream place, an object and economic destination (Tsing, 2005; Gielis, 2009).

As such, the border logic of *Mae Sai* is characterized as a space of intense concentration and contestation between the state control and borderers' contests, with cross-border exchange carried out through both formal and informal/illicit border economic activities. The border space of *Mae Sai* generates much friction and contradiction, and this can lead to abrupt changes, more so than in other areas due to the high levels of mobility, ethnic diversity and the movement of commodities which take place amidst different parties' competing regulatory regimes over and across the

borders (Martinez, 1995, Tsing, 2005). *Mae Sai* has become a crossroad of different power dynamics at all levels, locally, regionally and globally.

## 6.2 Findings and Theoretical Implications

The border space of *Mae Sai* is grounded in ‘border re-configuration’, a process in which active borderers negotiate, regulate and re-function the state border. These borderers work and re-work the state border in relation to the border constraints and border opportunities that exist, as enacted through a variety of border practices aimed at enhancing socio-economic border activities. However, this ‘border re-configuration’ cannot be maneuvered alone; it relies on state border structures, state power and regulations and state border loopholes. This ‘border-reconfiguration’ exists in the form of a symbiosis between the state and the borderers. The meanings and functions of the border have been embedded in its changing and shifting socio-cultural contexts over time. Underneath *Mae Sai* lies ‘border re-configuration’, which is a key part of the town’s deep structure.

Secondly, these active borderers have also re-configured the border into ‘spatial capital’ in order to cultivate the benefits arising from the locationality of the border in *Mae Sai*, and so enhancing the outreach of their socio-economic border activity. Its locationality is used as a production factor to maximize cross-border production and cross-border trade, and to facilitate the cheapness of the illegal/illicit components of cross-border commodities. Particular groups of active borderers also have particular strengths in terms of their border negotiations. The borderers’ ‘spatial capital’ is used as a means of border practice, that developed out of their use of particular knowledge and technical expertise, or their everyday cross-border movement tactics, those also combined with the border situation and setting and taking advantage of loopholes in the state’s border regulations. These active borderers are able to de-regulate or work free of state regulations in order to facilitate cross-border resource flows in support of informal cross-border trade and the benefits it produces.

Lastly, the border space of *Mae Sai* is discontinuous and incoherent due to unavoidable and unexpected challenges articulated in the border area. This is because the border is always being re-made and re-drawn through discursive interactions

between the state control and the borderers' contests. The state and the borderers sometimes compete with each other for power and benefits; but on other occasions, under the right circumstances, work hand in hand to gain mutual benefits, colluding in a border game with no portable rules. As a result, the border space of *Mae Sai* must be viewed as complex and fluid.

### 6.3 Policy Implications

Special Economic Zone (SEZ) is a commonly used term which refers to any designated modern economic area. Broadly speaking, the aims of an SEZ are to increase trade and investment, create jobs and improve administrative effectiveness. SEZs are created by states to take advantage of economic globalization through the direct penetration of globalizing market economies in terms of export-targeted goal (Ong, 2002). To encourage businesses to set up in these SEZs, states implement policies typically involving investment incentives, tax exemptions, export quota promotions and flexible labor regulations.

The border town of *Mae Sai* is still in the national agenda regarding SEZ for light industry and logistic hub in support of the GMS. This proposal was once initiated during the tenure of Prime Minister *Thaksin Shinawatra*. The border town of *Mae Sai* is by its very nature complex, and as a result, from a policy perspective, it is necessary to consider in broader and more historical and spatial terms, the underlying socio-cultural and socio-economic contexts that constitute *Mae Sai* itself (Perkmann and Sum, 2002).

First and foremost, it was previously ethnic-armed conflict-prone area, and even today the *Wa* group is still influential in the local border business sector. *Mae Sai*'s economy still largely involves informal/illicit or underground businesses, linked to powerful ethnic groups. Secondly, *Mae Sai* is part of a state-led border economic development program, and so has been equipped with modern infrastructure. Some local border actors have been able to exploit state infrastructure in support of their cross-border economic activities, gaining direct access to cross-border resources, but while simultaneously by-passing state and national capital. Thirdly, there is a high level of mobility to be found among both ethnic people and commodities at the *Mae*



*Sai* border. There are a number of undocumented and documented ethnic migrants gaining strength through the use of cross-border ethnic network. Lastly, Chinese influence is actively present in *Mae Sai* through the presence of its people and products. Besides, there is a concern regarding environmental degradation of the *Mekong River*. The SEZ policy-makers should take into account of the multi-dimensional aspects of the border area, and the policy formulation process should also encourage civil participation. This will help to guard against an overly optimistic assessment, usually arising from top-down and institutional level projects.

Additionally, in terms of spatial administration, the *Mae Sai* SEZ would be administered directly by its own committee appointed by and responsible to the central government. It is a sub-administrative unit within the national administrative structure, but perhaps equivalent to *Chiang Rai* provincial administrative unit. There is a possibility that in the long run, labor-intensive industries would also move their production bases to *Mae Sai* in order to tap the increasing amount of ethnic labor in the area. The mobility of these ethnic laborers around the neighboring border areas may pose a major concern in *Mae Sai*. The management of such issue may involve both the SEZ's administrative and provincial administrative units working together, despite the potential problem of conflicting and overlapping spatial administrative and authority structures in *Chiang Rai Province*.

#### **6.4 Limitations of the Research**

This research is limited in that it involves the study of a single area of border town research. The issues presented are not so much related to the degree of border configurations or the extent of the border regulatory regimes in place, but instead how they are subsumed into the construction and production of spatial, social and material interrelations in the border town of *Mae Sai*. The different groups of people studied here are not the majority group of people in the town, but rather used as representation of a specific group or community. This research mainly presents two case studies of groups of border people who contemporarily migrated to the border town of *Mae Sai*, but these two groups cannot be compared on like-to-like basis, due to the different periods of time over which they migrated, as well as the different border situations and

settings they have found themselves in. Furthermore, it is not the aim of this research to provide a comprehensive story of the border town of *Mae Sai*.

## 6.5 Suggestion for Further Research

At the outset of the 21<sup>st</sup> century, *Mae Sai* and *Tachilek* have changed from border towns into twinned border towns. They are founded in proximity and have since expanded into one another over time, as tourism and cross-border trade have grown and developed. This process has blurred as much as changed most of the states' mutual borderlines and boundaries. Nonetheless, the border towns twinned by proximity do not necessarily match demographically, socio-economically or politically. The border areas home to diverse ethnic groups such as the *Shan*, *Lue*, *Akha*, *Lahu*, *Lawa*, *Haw* and *Wa*, to name just a few, those who have migrated from bordering areas of northern Thailand, eastern Myanmar, China's *Yunnan Province* and western Lao. Thailand's political economy is more advanced than that of Myanmar. In most cases, border towns that expand into one another's space lose their individual characteristics, and presumably the borders that still divide them are rendered almost outdated. Further research should be conducted on how the time-space of twinned border towns is constructed through the everyday practices, fixities and fluidities of borderers, commodities, capitals and ideas located there, and in turn the way in which these tensions and concentrations are produced to re-shape the twinned border spaces.

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