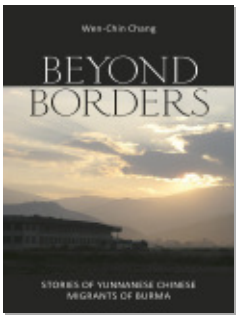
5. Venturing into “Barbarous” Regions: Yunnanese Caravan Traders



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Part II

(Transnational) Trade

5

Venturing into "Barbarous" Regions

Yunnanese Caravan Traders

Mountainous societies have their own rules and knowledge to pass on. There's so much to learn. . . . Looking back upon my former experiences . . . living with nature, and coming and going around the forests and mountains, I feel that life was indeed exciting [*gou weidao*].

—Zhang Dadie,[1] in Xincun, June 15, 2007

Economic ventures across borders have been a significant part of Yunnanese life, and the mule caravan trade, which lasted for more than two millennia, was, as noted in the introduction, the most distinctive commercial practice in the region. The ways in which the trade was carried out were connected to the mountainous environment, which obstructed fluid communication and contributed to arduous living conditions. Able to endure hard work, mules were central for the transportation of commodities to different corners of the region. With their help, the Yunnanese traversed upper mainland Southeast Asia. The accrued knowledge and ethos regarding this peripatetic engagement developed into what is called "mule caravan culture" (*mabang wenhua*) (Wang and Zhang 1993), especially in Yunnanese border towns. People who did not have the stomach for such work were labeled timid and mocked by other Yunnanese (Chang

1. Zhang Dadie is Zhang Dage's father.

2003; Fang 2003; Yin 1984). Drawing on the interpretation of migration culture given by Massey et al., it would appear that movement across borders is deeply entrenched in the behavior of the people in the border areas and has become a "rite of passage" for adult men (1993, 453).

Many elderly informants described making annual trips to upper Burma for the caravan trade before fleeing Yunnan, and continuing the business between Burma and Thailand after settling in these two countries. During the Burmese socialist period, it is estimated that black-market merchandise may have constituted over 80 percent of Burma's total consumption (Lintner 1988, 23; Mya Than 1996, 3). Market-dominated Thailand was the major partner in this illegal trade. According to informants, about 70 percent of the smuggled Thai goods entered the country through Shan State before 1980, mostly by means of mule caravans, and Yunnanese accounted for 70 to 80 percent of the Thai-Burmese cross-border traders.[2] Accordingly, the Yunnanese played a significant role in sustaining the Burmese *hmaungkho* (underground) economy during the socialist period.

Based on the narrative accounts of four key informants, in both oral and written forms, in this chapter I explore the factors that contributed to Yunnanese migrants' involvement in this contraband trade, reconstruct the trajectories of their movement, and look into their borderland knowledge and mercantile agency as they interacted with a range of political entities. Their stories illustrate the concrete and structured social history of migrant Yunnanese traders and demonstrate the cultural meanings of this economic practice during the Burmese socialist period.

Owing to practical constraints, I have so far been able to visit only a small number of the former caravan trading routes. Moreover, data from other ethnic communities are still lacking, a limitation of the present study. Nevertheless, current findings attest to the fact that borderlands are not passive geographical margins but active sites intertwined with different forces, constantly subject to tensions, struggles, and ongoing negotiations.

2. The rest were Shans, Karens, and other ethnic minorities. Among the Yunnanese merchants, 90 percent were Han Chinese and about 10 percent were Muslims.

Zhang Dage

On his former blog, Zhang Dage posted an essay about the long-distance mule caravan trade, which he had observed when living in Bianliang. He writes:

> Bianliang was a small village located in the lower range of a mountain. . . . There were about fifty families. It was a Chinese village; most villagers were dependents of the KMT troops that were stationed nearby. Villagers practiced Chinese customs and spoke [Yunnanese]. The village was distinguished from neighboring villages of other ethnic minorities by its housing style. . . . The highest building in the village was a two-story wooden house—the residence of Commander Luo. Bianliang was a vital point along a caravan trading route in [northern Shan State] providing connections to northern Thailand. All caravan traders passing by had to pay tolls. . . .
>
> The 1970s witnessed the heyday of the mule caravan trade in northern Burma. Owing to the Burmese government's ban on border trade, economic exchanges across international boundaries, including the trafficking of opium and jade stones, went underground. The KMT troops that were entrenched in the mountains of [Shan State and northern Thailand] became a dominant military corps engaging in this illicit activity.
>
> . . . Though located in the mountains, the [KMT stationed in Bianliang] had a wireless system. . . . Waiting [for the arrival of caravans] became the [most exciting] event [for the village kids]. When the first mule appeared in sight, the kids were elated.
>
> We children loved watching the adults unloading the packs off the mules with an efficient division of labor. They did this task in an empty space, arranging the unloaded packs in an orderly manner. Some muleteers arranged the unloaded packsaddles in rows on the ground . . . and covered them with pieces of tarpaulin. These then became warm caves for muleteers to sleep in. Some muleteers went up to the forest to cut bamboo poles for constructing fences and setting up tents. Some people busied themselves by building a fire for cooking. Usually a large caravan consisted of [many small teams] of seven to ten people with a leader. . . . The team members shared the work and looked after one another. The whole group was like a community.
>
> For food, the caravans usually carried dried meat and pickled vegetables. These types of food were easy to carry and remained unspoilt for a long time. When caravans reached a village, they supplemented their rations

> with fresh vegetables and eggs, providing income for the villagers. The mules needed to be fed too. Some muleteers cut grass; others cooked yellow beans; both grass and beans served as feed for the mules. After arranging shelter and food, some muleteers and traders visited their friends or relatives in the village. The meetings were always hospitable and animated as they exchanged news about relatives living far away.
>
> The size of a caravan often increased, with smaller mounted parties joining along the way. [Metaphorically] the journey between upper Burma and northern Thailand resembled the flow of a river with incessantly converging tributaries. The group required a military escort for its safety. Sometimes it encountered natural disasters, such as landslides or floods during the rainy season. Other times it faced attacks [from Burmese forces or other ethnic militias]. The traveling routes had to change from time to time. . . . Experienced groups reacted to danger with accumulated wisdom. What could not be controlled had to be entrusted to gods.
>
> Our family also kept two mules. When caravans arrived in our village, Junior Uncle Fu would join them with the two packed mules. Father would write a note indicating the amount of goods [raw opium] and to whom these should be handed. . . . The trip concerned the economy of our family. . . .

Zhang Dage's colorful essay portrays the intimate relationship between Yunnanese village life and the long-distance mule caravan trade. As he describes it, this risky economic activity excited the young boys from childhood. Having observed the arrival and departure of caravan merchants and muleteers, they were familiar with this traveling trade. It fired their imaginations, and they wanted to be a part of future journeys.

From 1961 to 1973, the remnant KMT forces (the Third and Fifth Armies) had several military bases along the Salween River to facilitate their caravan trade. Bianliang was one of them. The northernmost point was located in Mount Loijie, a four-hour walk southeast of Tangyan, or about half an hour by jeep; but their trading routes extended farther, to Kokang. The number of troops stationed at each post ranged from a few dozen to a few hundred. Each post had a wireless communication system, and the movement of caravans from post to post was reported by means of this system.

The region between Tangyan and Kokang was especially productive for opium cultivation. For the local people, growing poppies was a means of survival. Like Zhang Dage's family, they traded opium for other consumer

goods. Zhang Dage's father, who stayed in the region for more than twenty years, said, "I've done different things, all for a living. In these mountainous areas, what could you grow? The land wasn't fertile enough for growing rice. If you didn't grow opium, you couldn't make a living." His words expressed the lamentable situation of the region, which had been observed earlier by a British commissioner in Shan State:

> The real point about opium in the Wa States and Kokang is that opium is the only thing produced which will pay for transport to a market where it can be sold. To suppress opium in Kokang and the Wa States without replacing it by a crop relatively valuable to its bulk, would be to reduce the people to the level of mere subsistence on what they could produce for food and wear themselves or to force them to migrate. (John S. Calgue, 1937, quoted in Maule 1992, 36)

Before the early 1970s, local people either sold their opium to the KMT forces or carried their produce to Thailand for sale, as Zhang Dage's family did, and then transported Thai commodities on the way back for sale on the black market.

In the foregoing story, Zhang Dage vividly described the performance of different tasks by the muleteers. Each one was assigned specific chores. In interviews and casual conversations, other informants also stressed the importance of caravan organization, which required strict observance of discipline, division of labor, and compliance with taboos (see also Ma 1985; Wang 1993; Wang and Zhang 1993). These were prerequisites for the efficiency of a caravan's movement and for coping with the perils of the long journey. A caravan comprised many small teams belonging to different traders. According to the usual way of classifying caravans, a small team consisted of five mules (*yiba*), and five small teams constituted a small caravan (*yidanbang/yixiaobang*) (Wang 1993, 310). The number of mules may have ranged from several hundred to more than a thousand. Every two to three mules required a muleteer in the long-distance caravan trade. A caravan formed a united body that was characterized by leadership and hierarchy. The group had a commander, usually from the escort troops, and each small team also had a leader. The cohesion among caravan members was reflected in the use of language. Each team organized its own meals; team members ate from the same pot (*guo*) of rice and referred to

their team as *women shi tong guokou* (we are from the same pot). The team leader was traditionally called *guotou* (pot head), and the commander of the whole caravan *daguotou* or *maguotou* (big pot head / pot head of a mule caravan). Traditionally, the caravan commander had absolute authority. He was in charge of maintaining internal order and external relations and meted out punishments to those who broke the rules. Whenever emergencies occurred, he had to respond quickly.

Apart from transporting commodities, each team had a mule that carried food and kitchen utensils; this included "rice bowls, plates, soup basins, chopsticks, knives, chopping boards, fire-tongs, fire-forks, bronze teapots, bronze cooking pots, cooking oil, salt, soy sauce, vinegar, dried fish, dry meat, pickled vegetables, noodles, and rice" (Fang 2002, 25). This mule was referred to as *kongduo* (empty carrier) in Yunnanese (*kongtuo* in Mandarin). Usually it was an old mule that was not afraid of the clatter produced by the utensils while moving (ibid.). Each team had to calculate as accurately as possible how much food its members would need during the journey and where they could replenish it.

Caravans measured the distance of the journey using cooking metaphors. A half day distance, called *yi sao lu* (a journey that requires cooking one meal), was covered in about four hours. A break for cooking was termed *kai sao* (to cook outdoors). Most parts of the caravan routes wound through mountains and were full of dangers, such as wild animals and pestilential vapors (*zhangqi*), or flooding and landslides. Maintaining a peaceful relationship with nature has thus been an essential part of Yunnanese religious beliefs, demonstrated by their worship of mountain gods (*shan shen*) in most rituals.[3] Prior to departure on a long-distance journey and upon their return, travelers pay respects to the mountain gods by sacrificing chickens or pigs. Shrines and temples that house mountain gods are common in Yunnanese communities in northern Thailand and Burma. In addition, the Yunnanese interpret the overwhelming power of nature by strict adherence to taboos. A frequently cited taboo held that if rice was not well cooked during the caravan journey, serious misfortunes would occur. The caravan commander might halt the journey or even turn back. Other

3. This parallels the worship of the sea goddess, Mazu, among Fujianese in southeastern China and Taiwan, reflecting their engagement in fishing or marine trade.

taboos related to the use of language, the arrangement of dishes, and the appearance of certain animals (see Ma 1985, 154).

In addition to seeking harmony with nature, maintaining a good relationship with other communities was important. The KMT forces associated with the Shan, Kachin, and Kokang military groups for convenience of movement. Some of these groups were KKY forces. The KMT forces disguised themselves as KKY troops when entering the latter's territories in order to avoid attacks by the Burmese army. In exchange for this, the KMT provided a small number of weapons to these allied parties. Nevertheless, power conflicts occurred among them from time to time (as mentioned by Mr. Li in chapter 3).

Many informants related that before 1985, almost every village family kept a few mules at home, as Zhang Dage's family did. Villagers either engaged in cross-border trade with their own mules or rented out the mules to other traders. The caravans setting off from Thailand carried different types of consumer goods; among these, textiles were the major commodity. Mr. Tang, who was in charge of taxation in the KMT Third Army in Xincun, said that prior to caravan departure, all commodities had to be taxed (as payment for armed escort). The tax on one mule-load of textiles was eight hundred baht. After the tax was paid, the army issued a tax certificate. One load of textiles could be exchanged for four to eight *zuai* of raw opium in Burma (depending on the textile's quality). Apart from consumer goods, the troops and merchants also carried gold bars for the purchase of opium or for sale in Burma.[4] Informants said that at the beginning the gold bars were carried by porters. One person carried about twenty gold bars. Each bar weighed five *liang* and could be exchanged for eleven to fourteen *zuai* of opium.[5]

When the Burmese government decided to wipe out the KKY forces in 1973, it launched frequent attacks in the mountain areas in Shan and Kachin States, compelling many Yunnanese migrants to move to cities.

4. Several informants said that the gold bought in Thailand or Laos was imported from France or Switzerland. Merchants made good profits when selling smuggled gold brought from Thailand in Burma as it was not officially taxed. Part of the gold sold in Burma was further smuggled to India for sale. (Although Burma contains gold deposits, the mining zeal only started around 2000.)

5. One *liang* is about 37.5 grams. Porters who did not have to tend mules on the way could carry more gold bars. The highest number I have heard is thirty-two.

Around the same time, the CPB took control of the Wa Hills, east of the Salween River. Moreover, international pressure against drug trafficking grew more intense.[6] The KMT forces then withdrew southward inside Shan State. Consequently, the opium trafficking routes fell primarily into the hands of Khun Sa's army (Cowell 2005, 13). Nevertheless, the KMT remained active in their military-cum-economic engagement. The jade trade became the new enterprise for the KMT and for many other Yunnanese traders in Burma and Thailand. The trading routes led from northern Thailand to Taunggyi, Mandalay, and then up to Kachin State, where jade stones are found.[7]

Consequently, the movement of the migrant Yunnanese traders between Shan and Kachin States in Burma and northern Thailand formed a transnational configuration. Their trafficking was officially banned in Burma and denounced by the Thai government from time to time. They were dependent upon the protection of the armed ethnic groups (though these forces were a source of exploitation, too), and, in turn, the latter depended on the former for tax revenue. The composition of the ethnic forces was complex: some, like the KKY, were recognized by the Burmese government, while others, like the KMT, were tacitly accepted by the Thai government, and still others were rebels in the borderlands. They sometimes collaborated with one another to further their economic or political interests, and at other times they fought each other for the same reasons (a situation referred to by Mr. Li in chapter 3). The alliances and the power structures of these militias were in a constant state of flux, illustrating an ongoing process of what Leach calls fragmentation and inconsistency. Nevertheless, no matter how fragmented or inconsistent the power structure was, traders and ethnic forces observed self-regulated rules in relation to taxation, compensation, and meting out punishment as situations required, to ensure economic continuity.[8]

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6. In 1972, the KMT forces made a deal with the US and Thai governments to give up the narcotics trade in exchange for $2 million in compensation. Informants confided that after the deal was negotiated, the armies abstained from openly engaging in the trade, but individual army members continued the business on a smaller scale.

7. The KMT troops that escorted caravans from Thailand only reached as far as Banbishan or Xunding in Shan State. But traders ventured to Taunggyi, Mandalay, or even Kachin State to buy jade stones (see the next section).

8. The best example is the underground trade of jade stones from Burma to Thailand (see Chang 2004, 2006b, 2011).

With regard to the sociocultural meaning of the caravan trade to the Yunnanese migrants, Zhang Dage's narration highlights several significant points. As a distinctive economic practice among the Yunnanese, it satisfied the consumption demands of people residing in much of the mountainous regions. Moreover, it resulted in webs of connection between different communities. Zhang Dage mentioned the exchange of news about kith and kin residing far away. Because of their mobility, the Yunnanese have relatives and friends in different places. Caravans conveyed not only goods but also information. In one conversation, Zhang Dage told me that in the days before electronic communication, the movement of caravans provided people with connections to faraway places. Oral messages were a common form of correspondence, but in case of urgent and important matters, the message sender would prepare a written note tied with a piece of dry chili, a chicken feather, and a piece of charcoal (objects that were associated with light and heat) to indicate its seriousness and urgency and hand it to a transmitter for delivery. This kind of "express mail" was especially utilized by the Shan armies in times of war.

Moreover, as Zhang Dage's story illustrates, the arrival of caravans always brought much excitement and expectation. The goods they supplied linked villagers' lives to distant places they had never been to. Elder sister Lin, now settled in Mae Salong in northern Thailand (Mae Fa Luang District, Chiang Rai Province), lived in northern Shan State in Burma from the 1950s to the 1960s. She once joyfully told me: "I love reading novels. I spoiled my eyesight by reading novels. I especially love the works written by Qiong Yao and Jin Yong. When I and my mother and brothers still lived in Burma and my father [a KMT officer] was in Thailand, our caravans used to bring novels of Taiwan and Hong Kong from Thailand to Burma. And also movie magazines, such as *Jiahe Magazine* [*jiahe dianying huabao*]. I was familiar with Mei Dai, Qing Shan, and other stars." Elder sister Zhou (a narrator in the next chapter), who taught dressmaking in Taunggyi from 1975 to 1980, said that she used the Japanese fashion magazine *Lady Boutique* as a textbook for teaching. Moreover, during our conversations Zhang Dage mentioned other interesting items transported by caravans to his village. These included Chinese dictionaries, copybooks for practicing Chinese calligraphy (*zitie*), Chinese painting books, Chinese almanacs, and so on. It is amazing to see how the Yunnanese migrants, while maintaining a Chinese lifestyle in these remote areas, were able to

glean knowledge of famous movie stars and Japanese fashion through different types of cultural materials imported from abroad. Accordingly, the caravan trade played an essential role in the people's everyday lives by performing both economic and sociocultural functions.

Yue Dashu

Nineteen-year-old Yue Dashu[9] fled from Tengchong, a historical border entrepôt of Yunnan, to Burma with his bride in 1968 to escape the Cultural Revolution. His parents and other siblings fled separately to Burma in the 1950s. He said:

"I took the job of a muleteer for the first three years after my flight to Burma. It was arduous work. If the road conditions were good, one man could drive three to four mules for the short-distance trade. But for the long-distance trade, mostly walking on mountain tracks, one could only drive two to three mules. After walking a long day, muleteers still had to cut grass to feed the mules. But if the campsite was in a valley, mules were released to graze. Muleteers had to look for them the next morning. . . . After having saved some money from the job, I purchased two mules and became a small caravan trader. My number of mules increased year by year. By the late 1970s, I owned twenty mules and was able to hire a few muleteers."

In 1972, Yue Dashu moved his wife and three children to Xincun in northern Thailand. While he continued his transborder commerce, his wife sewed clothes and made Yunnanese pickled food to sell in the village market. While the KMT forces were still active along the Salween River, Yue Dashu used to go on trade trips to Tangyan. Sometimes the caravans left Thailand from Mae Sai and entered Tachileik. In Tachileik, the caravans entrusted their commodities to a KKY group for transportation by car to Kengtung. One load of goods was charged three hundred kyat. Traders and muleteers could join the KKY on the trip from Tachileik to Kengtung or make a separate trip. The traders reloaded their goods

9. *Dashu* (junior uncle), an address for male adults who are younger than one's father. I have known Yue Dashu since 1995. Over the years he has told me many stories of his former trading experiences at his general merchandise store in Xincun, northern Thailand.

on mules again on the outskirts of Kengtung. From there, they entered areas controlled by the ethnic rebels. "This is a region with big mountains. We had to walk up and down all the time. . . . There were dozens of tracks. Even though I traveled in this area for several years, I wasn't able to go through all of them. These places were very wild. The minorities lived in a very primitive way, except the Baiyi," Yue Dashu said.

One frequent direction the caravans took was northward on foot to Panghsang (also known as Pansam and Pangkang). This took five days from Kengtung. Continuing westward, they reached Pangyan, then passed the Salween River and arrived in Nakha (a military post of the KMT Third Army). They usually rested for one day in Nakha before going northward to Mount Loijie, the final stop for the caravans. This took two more days. Traders unloaded their goods at the villages of Mount Loijie and had them transported to Tangyan by vehicle. Two types of vehicles were widely used for the transportation of caravan goods: green jeeps and the Japanese Hino trucks. Prior to 2012, these vehicles still remained a common sight on the road. During the dry season, the entire journey took fifteen days; but during the rainy season, it could take more than a month.

Sometimes the caravans left Thailand from Piang Luang. After entering Burma, they moved northward until they reached a ferry port on the Salween River.[10] Yue Dashu said:

"Crossing a river took time. Both humans and goods were shipped by boats that were rowed manually. If there were several caravans, they were shipped according to their arrival order. This rule was commonly respected by caravaneers. The boats were carved from the trunks of big trees. One boat could ship eight loads of goods at a time, and it took one hour to cross the river. After all the goods had been shipped, the mules were driven to swim across the river. You had to use clubs to drive them. When swimming together, over a hundred at a time, the mules were not afraid of the river. Once mules started to swim, the people remaining on the departing bank had to keep silent and let those on the opposite side call the mules to swim across. If the mules heard noises from the departing side, they would be distracted and turn back."

10. Tamiao ferry was used frequently, but alternatives were sought when the situation required it.

After crossing the river, the caravans arrived at Nawan. Banbishan, a KMT military base, lay to the west, about four to five hours away on foot. They then carried on northward along the river until they arrived at Mount Loijie. The whole journey took about a month during the dry season.

Tangyan was the center of the *hmaungkho* trade in upper Burma before 1973. Most of the commodities that arrived in Tangyan were transported by car to Lashio and then to other main cities such as Taunggyi and Mandalay. These places constituted the first ring for distribution of *hmaungkho* goods. From these nodes the smuggled commodities were then conveyed to various parts of the country. Much of the transportation was undertaken by the KKY. Underground taxes were paid for the goods' passage to officials of various agencies including customs, the police, military intelligence, the migration department, the forestry department, and the military. Given their meager government salaries, the *hmaungkho* economy actually became these officials' main source of income. In other words, state agencies also participated in this underground trade and were in effect integrated into this informal economic mechanism, despite its illegality and denouncement by the government. Although confiscation by Burmese agents occurred from time to time, most confiscated goods were actually divided among the officials rather than handed over to the state. If the receipt of bribes was an affirmative way of participating in the *hmaungkho* economy, confiscation was the alternative. Yet neither method complied with the state-guided ideology—"the Burmese way to Socialism."

In 1975, Yue Dashu and many other Yunnanese caravan traders, following the steps of the KMT armies, which had withdrawn southward, shifted their trading routes. Sometimes they left Thailand from Piang Luang following the route described earlier, until they reached Nawan, then walked in the direction of Nansan to the north, then farther northwest to Xunding, a Shan village that was three to four hours on foot from Pinlong. Other times they left Thailand from Mae Aw (another KMT base in Ma Jang Bye District, Mae Hongson Province) and then crossed the border and walked northwest in the direction of Hsihseng, and then northward to the area near Banyin. (Caravans circumvented rather than entered these towns that were under the control of the Burmese government.) From the Banyin area, they continued westward and reached Kyawdalon (a Pa-O village). These two routes took from six to eight days

during the dry season. Xunding and Kyawdalon were two major meeting points for caravans to and from Thailand; the former was in use from the late 1960s to the mid-1980s, and the latter from the late 1970s to early 1980s for a period of three to four years.[11] Thai merchandise was unloaded in these two places. Local villagers provided places for storage (*duizhan*) and received some extra income. The merchandise was further conveyed to Taunggyi, which became the hub of the *hmaungkho* trade after 1973.[12] From Taunggyi, the *hmaungkho* goods were distributed to different parts of the country.

Yue Dashu pointed out that caravans traveled primarily over mountain routes. Main roads, which they referred to as "public roads" (*gonglu*), were controlled by the Burmese army and had to be avoided. However, caravans sometimes needed to use public roads, and these occasions were said to be intense. Another informant said that caravans usually moved at night for safety. The escorting army had to block a part of the road to let the caravans quickly cross over. Sometimes they had to walk on the public roads for some distance before connecting to a mountain route. If they were unfortunate and encountered the Burmese army, fighting would take place.[13]

Before the early 1970s, Yue Dashu joined the armed caravans organized by the KMT forces once a year. He said: "The whole group often consisted of over one thousand mules. Four hours after the lead caravan had left a village, the rear one was just departing. Although guarded by troops, sometimes as many as seven hundred to eight hundred soldiers, big caravans incurred dangers because of their prominence." Afterward, he often led his caravan alone or joined small groups—totaling forty to fifty mules—that usually were not escorted by troops. He said: "The movement of small caravans was more dynamic than large-size caravans. They could

11. Kyawdalon was an alternative to Xunding when the latter was under Burmese control.

12. The goods from Xunding were first taken by mule to Pinlong (it took about four hours) prior to further transportation to Taunggyi by jeep (this took another five hours). Xunding was a major base of the Shan United Revolutionary Army referred to earlier. Its leader, Bo Moherng, usually stayed in the Thai headquarters in Piang Luang, where a troop of the KMT Third Army was also encamped. The two groups collaborated from 1969 to 1984. (Afterward, Bo Moherng began to work with Khun Sa.) Transporting the commodities from Kyawdalon to Taunggyi took about one hour by jeep. One jeep could carry seven mule loads.

13. From Nawan to Xunding, the caravans had to pass three public roads. The first was between Linke and Monpan; the second between Nansan and Kyusauk; and the third between Pinlong and Laikha.

switch routes immediately upon encountering dangerous conditions. Caravaneers were trained to listen to news [*ting xiaoxi*]. Upon arrival at a village, they would first visit the headman and inquire about the situation nearby. Headmen welcomed caravans and the goods they brought that villagers needed, and the caravans also purchased food from them, such as eggs, chickens, and rice. Transaction was often done with old silver coins [*laodun*—Indian rupees]." Within territories of ethnic insurgency, headmen were obliged to provide necessary information to traders, who in turn had to pay tolls to the ethnic armies. This was nothing new; it constituted continuity in the tradition of caravan trade in this ethnically diverse region that required collaboration between merchants and local political entities. In other words, different groups learned to live together symbiotically over generations in this area, developing their own political ecology. Knowledge of how to cope with emergent situations was transmitted.

In the early stages, Yue Dashu traded his Thai commodities for raw opium. Later on, he engaged in the jade trade for ten years. He left Taunggyi by car for Mandalay and then went northward by train to Mohnyin, which was one of the jade-trading places along the railway line. He said:

"There were several Yue households in Mohnyin that provided me with trading connections. I took my time to shop around, buy a few pieces one day and a few more another day. After buying jade stones, I stored them at the house of some local people. They were Shans. It is safer to store jade stones at the houses of local people, because the Burmese authorities were less likely to search their houses. Depending on our familiarity, I either gave presents to the house owner or paid him some money. Sometimes I stored my stones at a temple. I knew the monks there very well. I brought them the textiles used for monks' robes from Thailand. They were very happy with my gifts. Burmese people were very kind and friendly. I knew sufficient Burmese, and my Shan was fluent. I could travel easily with my purchased Burmese identity."

For a short time in 1981, Yue Dashu also traded British 555 cigarettes from Thailand to Burma. He said: "It was a very lucrative business. Each time I would purchase five thousand cartons that were then carried by ten mules. At that time, the exchange rate was two Thai baht to one Burmese kyat. I paid 88 or 89 baht for one carton and sold it for 280 kyat in Taunggyi. The price in Mandalay was even higher—360 kyat for one carton. But after four months of engagement in this business, the profits plummeted

because of competition. What I had earned still allowed me to purchase sixteen *rai*[14] of land in Thailand."

Even though the profit margins were great, the caravan trade was highly risky, as mentioned earlier. Yue Dashu said: "I lost all of my caravan goods twice. Once the caravan was 'borrowed' [intercepted] by Khun Sa's troops. The other time, all caravan goods were bombarded at Banbishan by the Burmese air force. Fortunately, I escaped alive from that bombardment. But having lost the goods, I felt ashamed to go back home. Most goods were purchased on credit in Thailand. I then stayed in Burma and conducted local trade for two years. In this way, I managed to save thirty thousand to forty thousand kyat, and I used this money to buy jade stones that I took back to Thailand for sale. Subsequently, I cleared my formal debts and had enough money left over to build a house in Xincun."

Circumstances sometimes forced Yunnanese merchants on business trips in Burma to stay too long in one place. Yue Dashu related one such experience that occurred in the early 1980s; the episode reveals important information about interaction with local communities:

"Once I joined a large convoy of caravans composed of more than nine hundred mules, seven hundred to eight hundred traders and muleteers, and more than two hundred Wa escort troops. The caravans reached a village near Laikha [about nine hours north of Pinlong on foot]. The Wa troops assigned the traders and muleteers to different village houses for accommodation. The whole village was occupied by the caravans. Fighting between different Shan ethnic insurgents occurred on and off nearby and prevented the group from further movement. I and my hired muleteers, totaling ten people, stayed at a local family's house for nine months. The host was a Kala, and his wife was Shan. The latter was very friendly, but the former was not.[15] The husband was very strict with us; if we forgot to take off our shoes upon entering the house, we were scolded.

"This family had three daughters but no sons. They had a rice farm. That year, the father could not find enough laborers to transplant the seedlings that were already overgrown. I had been a farmer in Yunnan. After learning about the situation, I led my people to work on the farm. The Indian master was very happy with our help and changed his attitude. I

14. One *rai* (a Thai measurement for area) equals sixteen hundred square meters.
15. Shan hospitality was consistently praised by other informants.

often purchased food from the market and gave it to the mistress of the house for preparation. Yunnanese are not necessarily rich, but they spend generously.

"While I was there, I also did some short-distance trade. I purchased local tobacco wholesale and supplied it to other places. We were young at that time; we could endure harsh conditions. . . . Yunnanese often say you may die but you cannot be poor [*side qiongbude*]. If you die from trading, people will not laugh at you; but if you die from poverty, people will laugh at you."

Yue Dashu's words and his story demonstrate Yunnanese mercantile consciousness and their exceptional risk-taking spirit in this transnational enterprise. Although caravan trade was a lucrative business, unexpected situations, such as overstaying in Burma, required much spending. While stimulating the local village economy, it also resulted in the development of friendships based on reciprocity between traders and villagers. In Yue Dashu's case, the Indian master sought advice from him whenever he traded his cattle in Thailand thereafter.

Tangge

Tangge was Ae Maew's cousin.[16] In 1958, at age fourteen, he fled from Tengchong to Burma with many members of his extended family. Like many other fellow refugees who had originally belonged to the landlord class while in Yunnan, he was compelled to pick up whatever jobs were available to him. The most common occupations included farming, joining the KMT guerrillas, being muleteers or petty traders, and teaching at Chinese schools. In Tangge's case, he worked in a textile factory and then a tea factory in northern Shan State until 1970. Afterward, he took up trade in rotating markets (*zhuan gai/jie*),[17] a common engagement among

16. *Tangge* means senior cousin; he is of my parents' generation. However, I followed Ae Maew in addressing him as Tangge. I had interviews with Tangge in Ae Maew's house (Taunggyi) in 2005 and then at Tangge's home (Pinlong) in 2007.

17. Yunnanese pronounce it *zhuan gai* instead of *zhuan jie,* which is the Mandarin pronunciation.

migrant Yunnanese. He purchased goods from Pinlong or Taunggyi and sold them in the mountain villages of the Pinlong area. He explained:

"A mountain region was divided into several parts. Each part had a marketplace [*gai/jie*] that was open every five days. Traders went to a different market each day to sell their goods. I left around three o'clock in the morning; the market closed at noon. I returned home around three o'clock in the afternoon. . . . Every five days I went to Pinlong to replenish my stocks [which took two days round trip], and every fifteen days I traveled to Taunggyi to get larger stocks. . . . I used to go with three to five other traders with twenty to thirty mules. For short-distance trade, one person could lead five to ten mules. . . .[18] We left our mules in Pinlong and took a private jeep to Taunggyi, which took about five hours. Sometimes I stayed one night in Taunggyi; sometimes two nights; it depended on how the replenishment was processed. After returning to Pinlong by jeep again, I would load the goods on my mules and go back home."

Trading to areas of ethnic minorities was a popular undertaking among Yunnanese Chinese for centuries (Giersch 2006, 168–80; Hill 1998, 46–47, Skinner 1964). In this venture they became the middlemen for selling lowland commodities (such as textiles, needles, salt, salted fish, pots, and western medicines) to the highland, and hill products (such as hides, herbs, and opium) to the valley. Petty traders mostly traveled short distances with one or a few loaded mules, and rich merchants engaged in long-distance trips with organized caravans (Giersch 2006, 175). Traders of the former category often traded to several markets within a certain area, as Tangge described. These markets, called rotating markets, were held every five days by taking turns. This system may have started very early in southwestern China and upper mainland Southeast Asia.[19] Even today, rotating markets exist in rural Shan State in Burma.

Tangge said that prior to 1964, most wholesale merchandise in Taunggyi consisted of Burmese products, but afterward, smuggled Thai goods

18. Tangge's and Yue Dashu's references to the numbers of mules that one could lead for short-distance trade vary. This may be primarily due to different denotations of "short distance." The single trip mentioned by Tangge took only one day and was relatively short. Road and security conditions could be other factors.

19. There are records of rotating markets in the late-Ming *Xinanyi fengtuji* (You 1994, 366–67). Giersch suggests that they originated among the Tai (2006, 167).

predominated. In 1972, Tangge began to undertake long-distance trade to Thailand. He transported animal hides, raw opium, jade stones, and coffee beans to Thailand and carried Thai textiles back to Burma. In accordance with other informants, he confirmed that Thai textiles were popular in Burma. One meter of good cloth that cost about one hundred baht could be sold for three times the price in Burma. He said:

"Caravans gathered in Xunding before setting off to Thailand. . . . Sometimes there would be one hundred to two hundred mules in Xunding; sometimes the number was over one thousand; but most of the time it was around four to five hundred. . . .

"In the beginning, it was quite safe. There were not so many rebel groups. Traders only needed to pay regulated passage fees to them. But when the number of rebels increased, conflicts among them occurred from time to time. Some rebels were not disciplined and robbed traders. Consequently, traders needed to hire escort troops for safety. The most powerful ethnic military groups were the [KMT] Third and Fifth Armies and Khun Sa's forces. . . .

"Caravans did not have fixed places for rest at night. It depended on the situation. . . . There were different mountain routes. They had to ask for information all the time wherever they went [*yibian zou yibian tanlu*]. If there were Burmese troops, they had to take detours. . . . Only big traders rode horses; small traders had to walk. . . .

"Caravans engaged in trade all year round. During the rainy season, the economic benefits were much higher. Many self-employed porters who joined the trade during the dry season had to stop in the rainy season; this gave the caravan traders better margins [because of reduced competition]. Moreover, in the rainy season, the Burmese army was less active. . . . [Nevertheless,] it was very dangerous to cross rivers during the rainy season. Rafts capsized easily. Also, it was very difficult to climb up and down the mountain routes."

When caravans reached the border adjacent to Thailand, the Thai Border Patrol Police (BPP) would let them enter the country. There was an informal agreement between the BPP and the ethnic troops along the border to let the caravans through. Several KMT villages were entry bases for Yunnanese caravan traders from Burma. Many traders would go to Mae Aw, Piang Luang, Arunotai, Xincun / Ban Mai Nongbour, or Mae Salong and pretend to be village residents so they could apply for a permit from

the BPP to go to Chiang Mai or Chiang Rai to purchase Thai merchandise.[20] Xincun was a major caravan post in the 1970s and 1980s. Old villagers described it as a bustling town where the lights were never turned off even during the night [*buyecheng*]. There were always hundreds of mules entering or leaving the village. Traders and muleteers frequented gambling houses, food shops, and general stores during their stay. The traders left their mules in the village and went to Chiang Mai by car.

Tangge was a small trader with three mules. Some of his goods from Thailand were given to his wife to sell in the Pinlong *hmaungkho* market; the rest were sold to other local traders. He said that he was not able to make a fortune from the trade. The goods taken on by his wife were confiscated by the Burmese local officials twice. Moreover, he and most traders were badly hit by repeated demonetization of the kyat during the socialist era.

By the mid-1980s, following the opening of the Chinese market, many Yunnanese migrants in Burma began smuggling between Burma and Yunnan. Chinese commodities were cheaper than Thai commodities. One informant pointed out that the price of Chinese textiles was only about one-third the price of Thai textiles, although the Thai merchandise was of better quality. While Chinese goods were imported secretly to Burma, Burmese natural resources, such as teak and jade stones, were smuggled to Yunnan. In 1986, Tangge switched his trading routes to Yunnan for the jade trade. He bought jade stones and entrusted them to private car drivers for transportation to Ruili, a Yunnanese border town. He then went to Ruili to pick up the stones and sold them there or farther north to Tengchong with the help of relatives. After being a closed economy for several decades, the Chinese welcomed the renewed importation of the much-beloved jade stones from Burma, often called *feicui*.[21] Tangge engaged in the trade for five years and was able to make a good profit. (However, most of his saved

20. Most Yunnanese refugees in Thailand did not obtain legal status until the mid-1980s. Prior to that, their movement was confined to the villages. Whenever they wanted to leave their villages, they had to apply for a permit.

21. Jade is a general term that indicates two different varieties: nephrite and jadeite. Scientifically speaking, the distinction is based on their respective chemical composition, density, and specific gravity (Hemrich 1966, 6). In terms of economic value and aesthetic preference, jadeite is usually more appreciated than nephrite for its rarity, more vivid green shades, and finer translucency. The jade procured in Burma is jadeite. The term *feicui* denotes the transparent green of high-quality jadeite.

money was wasted by his third son as mentioned in chapter 2.) Afterward, he retired and devoted himself to Chinese education.

Zhao Dashu

While the mule caravans provided the primary method for plying trade by land between northern Thailand and the Shan State of Burma during the Burmese socialist period, water shipment—by sea or river—was another way of trafficking. The accounts of Zhao Dashu[22] provide rich information about one major trafficking route by water, the manner of shipment, commodities traded, and the intriguing politics involved.

Zhao Dashu escaped from Yunnan to Burma in 1957 at age fifteen. After arriving there, he worked for several years as a muleteer for a maternal uncle based in Tangyan. The experience trained him in the organization of the long-distance trade between Burma and Thailand. Moreover, he managed to obtain both Burmese and Thai citizenship through connections with a Shan headman and the KMT Third Army respectively.[23] His legal status facilitated his transnational movement. From 1964 to 1969, he explored the trading possibilities at different points along the Thai-Burmese border, which led him to embark on trafficking between Mae Hongson (northern Thailand) and Loikaw (Kayah State, Burma) via water conveyance in 1970. Zhao Dashu was one of the pioneers on this trade route; trafficking via Mae Hongson was not popular until the mid-1970s. His good relationships with a Karenni (Kayah) militia group, the Kayah governor, and other local officials and policemen contributed to the success of his business, which lasted until 1986. His involvement was initiated by his visit to a Karenni insurgent group on the Thai border in Mae Hongson Province in 1969. He recounted the experience:

"I took two men with me to visit a Karenni insurgent base. Fortunately I was able to meet their chief military officer. He had been to university

22. I have known Zhao Dashu since 2009. The narratives quoted here were from several interviews given in 2009 and 2010 at his home in Taiwan.

23. The KMT armies that retreated to northern Thailand were in part recruited by the Thai government from the late 1960s to the early 1980s to fight against the Thai Communists. As reward for their military participation, the Thai government granted the troops and their dependents legal status. Many Yunnanese traders connected with the KMT armies took the opportunity to obtain a Thai identity card by reporting themselves as dependents of the troops.

and was a man of politics. He could speak Shan.[24] I told him my trade plan. He was sincere and gave me two guarantees. He said: 'Firstly, it is safe to trade in our area. Nobody will rob you even if you carry a bag of gold. Secondly, you need some connection with the Burmese authorities. The chief policeman in Loikaw is a good man. You can make friends with him.' I was very happy to receive these two guarantees and went to visit that chief policeman in Loikaw through the arrangement of a Karenni friend who had been an adjutant of the local chief of Loikaw during the colonial period. The chief policeman, that Karenni militia officer, and my Karenni friend had all worked for that chief. After independence, one [the chief policeman] chose to serve the government, one joined an insurgent group, and one became a businessman.

"The chief policeman had studied in Japan. He could also speak Shan. He was *kapya* [mixed blood]; his father was Karenni and mother Shan. His wife was also Shan. Later he became the acting governor of Kayah State until his retirement. He was not corrupt and helped my trade a great deal. During his incumbency, he only asked for one British-made jeep from me, which cost around twelve thousand kyat at that time [1975]. In addition, I also knew a military commander who was Karenni too. That commander had been stationed in Lashio earlier. His wife was Shan from Lashio. I had known them when they were living there."

Like Mr. Li's, Zhao Dashu's narration points to an intriguing picture of political division as well as connection. While politically the local authorities and ethnic rebels were against each other, they were connected in other respects, such as personal friendship from the past and economic interests in the present. Zhao Dashu's proposal to trade via Mae Hongson was warmly welcomed by that Karenni rebel officer, who was aware of the potential economic gain from levied taxes. Likewise, the chief policeman was willing to help. Burmese society was badly in need of smuggled goods from neighboring countries to satisfy people's basic consumption demands. Local authorities understood that the relaxation of the black-market trade was necessary in order to curb potential public riots (Kyaw 2001, 195). In addition, they obtained "extra" income from black marketeers. Whether

24. Like many Yunnanese traders, Zhao Dashu is fluent in Shan, which is the lingua franca in Shan State. He learned the language while staying in Tangyan. It was useful for his connections with several key persons in Kayah State.

they were state-recognized troops (the KKY), the Burmese army, local authorities, or ethnic insurgents, all participated in the contraband trade directly or indirectly.

The following narration by Zhao Dashu gave detailed information about the trade route he resorted to via Mae Hongson and the manner of water shipment:

"We purchased most of the merchandise in Chiang Mai and transported it to Mae Hongson for further smuggling across the border. In the early days, the road conditions were very bad. During the monsoon season, the road was not accessible, and we had to depend on air transport, which was more costly. This situation lasted for five or six years. Afterward, the roads were improved, but sometimes it still took more than three days to reach Mae Hongson during the rainy season. We bought the goods that Burma didn't have, such as sarongs, tin plates, monosodium glutamate, soap, and other consumer goods. The sarongs were mostly made in Indonesia, of better quality than the Thai. In Chiang Mai, I handed the commodities to two companies run by Chaozhou/Teochiu merchants for transport to Mae Hongson."

The goods were transported by cars to Huile, a river village three kilometers from downtown Mae Hongson. From there the goods were loaded on boats and transported via the Pai River. Transporters paid underground taxes to the Thai police before leaving Mae Hongson and then to the Karenni rebel group after reaching the border. In the first year, Zhao Dashu used long, narrow wooden boats for shipment. Each boat could be loaded with one thousand kilos of commodities and required seven to eight rowers. Usually, Zhao Dashu's goods needed two boats. From Mae Hongson, the boats flowed westward with the current and reached the border in two hours. Passing the border, it took another three hours continuing westward to reach the Salween River. The junction was Sopai, from where the boats went southward for two to three hours to Hpasawng. From there, the goods were transported by a big truck to Loikaw, which took about one day. On the way back, the boats went against the current and took six hours from Hpasawng to Sopai and ten hours from Sopai to Mae Hongson.[25]

25. An alternative route was to bring the goods from Sopai across the Salween River to Ywathit, where they were then loaded on oxen carts and transported to Bawlakhe and then to Loikaw. This land journey took two days in the dry season.

In 1971, the wooden boats were replaced by iron boats installed with motors, making the transport faster—one hour from Mae Hongson to Sopai and twenty minutes from Sopai to Hpasawng. On the way back, it took one hour from Hpasawng to Sopai and three hours from Sopai to Mae Hongson. However, the iron boats were too light and easily capsized. Zhao Dashu thus switched back to wooden boats that were installed with motors.

In Loikaw, Zhao Dashu opened a wholesale general merchandise store and hired his nephew to run it. There were about twenty households of Fujianese and Cantonese and ten households of Yunnanese in the town. They all ran general stores, but Zhao Dashu's store was the largest one, and it provided wholesale goods to the others. Apart from the commodities that were smuggled in from Thailand, the shop sold Burmese food products including rice, oil, salt, noodles, fish sauce, chilies, salted fish, and turmeric powder, which were purchased in Mandalay and Meiktila.

Zhao Dashu had four vehicles for transportation. From his shop he sold and delivered sundries and other Thai commodities to shops as far away as Mandalay, Meiktila, Taunggyi, Lashio, and Mawchi. The last point was famous as the largest tungsten site in the world (Steinberg 2010, 31). The mines employed thousands of miners who required a large amount of consumer goods. Zhao Dashu said that his store needed one large truckload of replenishments each month to satisfy the demands from the places listed.

Apart from trafficking via the Mae Hongson trade route, Zhao Dashu conducted business in other places. He purchased a fishing boat with 220,000 kyat that was used to transport gasoline and oxen (purchased in Yangon) to Mawlamyine (Moulmein). Zhao Dashu purchased gasoline from the government through his connection with an immigration officer in Yangon. The government gasoline was very cheap, but one needed connections for quantity purchases. The gasoline was resold to fishermen in Mawlamyine. The oxen were driven from Mawlamyine to two border posts—Myawaddy (connected to Mae Sot in Tak Province in Thailand) and Payathonsu (connected to Sangkhla Buri in Kanchanaburi Province in Thailand). Zhao Dashu's men paid taxes to the Karen and Mon ethnic insurgents in these two places. One big ox was taxed fifty baht, and a smaller one thirty baht. The animals were sold here or later in Bangkok.

Myawaddy–Mae Sot and Payathonsu–Sangkhla Buri were two trafficking access points during the Burmese socialist period. The former was used by porters, mostly Karens. Since the 1980s, many Yunnanese jade

traders have also resorted to this route for the transportation of jade stones by hiring Karen porters. A male porter could carry as much as fifty kilos and a female as much as thirty kilos. At the height of the trading season, the number of porters passing through this route each day could reach one thousand (Boucaud and Boucaud 1992, 61). As for the second route, it is commonly known as the Three Pagodas Pass and has existed since ancient times for economic, cultural, and military exchanges. During the socialist period, traders, including Mon, Fujianese, Cantonese, and Yunnanese, transported goods purchased in Bangkok to Burma via this pass by car. Burmese commodities, such as oxen, antiques, teakwood, and goose feathers, were smuggled to Thailand via these two access points.[26]

It is obvious that Zhao Dashu's connections with different Thai and Burmese authorities and ethnic insurgents greatly facilitated the expansion of his trade to various locations. He said that going to a new place was like traveling for fun. He often made new friends through old friends' introductions, expanding his network. His pioneering status on the Mae Hongson–Loikaw route and active interactions with various political powers strengthened his politico-economic role. Since the late 1970s, General Li of the KMT Third Army and Khun Sa competed with each other for trade routes via Mae Hongson Province. Fighting flared up from time to time. In order to ensure the flow of border trade, the KMT and Khun Sa repeatedly engaged in negotiations. Zhao Dashu was proud to say that he was invited three times by both sides to act as a mediator. In short, the pursuit of economic interests in underground trade is split between intense confrontation and connection among involved parties. Informants' accounts repeatedly attest to the fact that there is no absolute line between friends and enemies. Zhao Dashu moved his family to Taiwan in 1980, but he continued his cross-border business and remained mostly in Burma and Thailand until the mid-1990s.

26. Zhao Dashu and a few other informants also mentioned the smuggling of large amounts of Thai consumer goods from Ranong to Kawthoung during the socialist era. The contraband goods were further shipped by sea or land to Mawlamyine and Yangon. The traders on this route include Fujianese, Cantonese, Mon, Burmese, and Yunnanese. I have not been to the south for fieldwork and cannot determine these traders' engagement. Their involvement may have been primarily linked to their geographical residency. The number of Yunnanese traders was said to be few.

A Transnational Popular Realm

While the large stretch of migrant Yunnanese trading territory discussed in this chapter was seen as an untamed frontier by the central states of both Thailand and Burma, it was in practice an economic core for the Yunnanese merchants and also the heart of the black market for Burmese society—in fact, its economic mainstay. Time and again, informants stressed that their engagement in the risky transborder trade was compelled by external circumstances. Their lives were at stake as they faced a desperate situation that pushed them to the edge of liminality. This arose initially from their marginal positioning as unrecognized refugees from abroad and later from the politically divided frontier in which they were situated. One way to confront the state of double liminality was to venture into this untamed region by taking up cross-border trade by mule caravans or by boats. By doing so, they not only retrieved the traditional knowledge related to this activity but also (unconsciously) broke away from their own ethnocentric perception of viewing the borderlands as "barbarous." Their economic participation required a reciprocal relationship with the ethnic forces and local people. There were rules to learn and respect, although the process was replete with fragmentation and unpredictable inconsistency. Zhang Dadie's words quoted at the beginning of the chapter best characterize this reflection.

With reference to Tsing's discussion of the Dayaks in forested southeastern Kalimantan (2005), the Indonesian government and international corporations, with their overwhelming political and economic control, jointly turned the land into a "savage frontier." A strategy they have applied is to promote the land as comparable to the American Wild West, waiting to be opened up, with resources to be exploited. In their operation, the indigenous are dehumanized and their tradition is erased. In contrast, the Thai-Burmese borderlands we have examined in the narratives above were not areas of complete deregulation, although the government and Yunnanese did perceive them as barbarous. Among a range of intersecting parties, the Burmese authorities made up only one entity, and not the predominant one. The other parties included many ethnic armed groups and civilian traders. All the involved parties were aware that none of them was powerful enough to lead and that complete chaos would benefit no one. Despite frictions and clashes among them, they tried to maintain some kind of a "middle ground" in the region in order to allow economic engagement.

Considering their liminality, the Yunnanese migrant traders' economic agency was outstanding. Regardless of the Burmese socialist regime's isolation from the international arena, the Yunnanese traders found their own way to reach out to the outside world. Neither borders nor national policies could absolutely bar them, physically or mentally. The prevalence of illegal trade opened the window of exchange and saved the country from acute deprivation resulting from the "Burmese Way to Socialism." By the early 1970s, illegal trade already dominated Burma's economy (Kyaw Yin Hlaing 2001, 205). It was tied to the everyday life of the nation—that of civilians as well as state officials.

Geographically speaking, the great majority of the Yunnanese migrants were located on the peripheral frontiers of Burma and Thailand. Yet, economically speaking, they transformed the region into a central area for transnational trade from which smuggled goods were further distributed to widespread locations. Their movements for migration and traveling commerce transgressed the national boundaries of China, Burma, and Thailand, while at the same time connecting them to a wider market economy. In consequence, this resulted in what Roger Rouse calls "transnational migrant circuits," which maintain "spatially extended relationships as actively and effectively as the ties that link them to their neighbors" (1991, 14, 13). The concerned borderlands therefore were not essentialized negatively as wastelands, backward and lawless in a conventional sense, but they embodied paradoxical features—peripheral and central, separate and connected.

In the case of the Yunnanese migrants, their mobility and links with faraway relatives, the KMT forces, other militias, and the state agencies of Burma and Thailand in effect constituted a transnational configuration. Taking the perspective from borderlanders at the "interstices of transnational and transcultural processes" (Thongchai 2003, 23), I suggest that the cross-border economic practices of the migrant Yunnanese constituted a *transnational popular realm* (*kuajing minjian*) that formed an informal oppositional power against national bureaucracies, while incorporating varied state agencies. The concept of "popular realm" (*minjian*) is derived from Mayfair Yang's work (1994), in which she applies the concept to the analysis of the production of *guanxi* (social connections) in everyday activities in China. She points out the emergence of an unofficial order, known in Chinese as *minjian*, that is generated through infinite weaving and spreading of personal connections and group formations and its social force vis-à-vis the Chinese central government. Dealing with a diasporic community, I

adopt Yang's use of the concept, but I apply it to explicate the transnational rather than simply the national. The composition of *minjian* is thus predicated on the people's movement and their interconnection, instead of being truncated by the national boundary. This is in contrast to the viewpoint in the international arena that holds the nation-state as the most widely accepted political entity.

While this popular realm enjoyed informal power in comparison to the power exercised by the governments of Burma and Thailand, it also incorporated a range of official agencies in the course of its operations. Nevertheless, it was not a united popular realm, powerful enough to challenge the central states; rather, it was crisscrossed with factions and characterized by intense competition. Its strength was derived from economic force rather than political power. Alongside the government institutions of these two countries, the mercantile spirit of the Yunnanese migrants created its own civil mechanisms, composed of prevailing networks. As a result, their activity space was not defined by borders but by their transnational connectivity. Moreover, in politico-economic terms, it was not restricted to the fringes of the Thai-Burmese frontiers, but extended to comprise a wide territory within both countries. The interacting forces during the trading process embraced different scales of geopolitical and geo-social entities, ranging from local, regional, national, to transnational.

Seen from a long historical perspective, the long-distance trade, especially by mule caravans, supported the demand and supply of consumer goods in upper mainland Southeast Asia for centuries. Despite the vicissitudes of regional politics, the flow of commodities persisted across "natural and social landscapes" by means of both "regulated and subversive travel," in James Clifford's words (1992, 109). This persistence highlights the economic agency of borderland traders, which originated in their urge to earn a livelihood, and affirms the argument given by Michiel Baud and William van Schendel: "People will ignore borders whenever it suits them. . . . Local inhabitants cross them whenever services or products are cheaper or more attractive on the other side; and traders are quick to take advantage of price and tax differentials" (1997, 211). Relying on their economic tradition and local knowledge, the migrant Yunnanese traders handled with notable success the risky military-cum-economic engagement that played a major role in the Burmese economy during the socialist period.