

Food Provisioning and Wholesale Agricultural Commodity Chains in Northern Vietnam

Jonathan Gerber, Sarah Turner, and B. Lynne Milgram

Recent research examining the functioning of agricultural wholesale markets in the Global South tends to aim at understanding how these connect commodity chains between Global South suppliers and Global North consumers (often via large chain supermarkets), identifying groups of winners and losers en route. Often, the everyday lived experiences of individual actors along these chains, and how they maintain a livelihood within these vast networks, is omitted in favor of macro-level interpretations. Focusing on agricultural food provisioning in Hanoi, Vietnam's capital city, we analyze the complex negotiations among numerous actors operating both local commodity chains as well as regional South-South networks through the city's Chợ Long Biên wholesale market. These negotiations and trade relations rely on intricate networks, ties, and social capital. In present day socialist Vietnam, long-standing agricultural commodity chain actors are not necessarily losing out to new players such as supermarkets as one might expect, nor is their trade declining due to recent food safety concerns. Instead, these actors constantly renegotiate their positions along dynamic networks to maintain viable livelihoods.

Key words: commodity chains, social capital, marketplace trade, informal economy, Vietnam

As the sun dips behind the horizon, Giáp peers through his truck's windshield and spots the silhouettes of newly constructed apartment blocks on Hanoi's peri-urban fringe emerging from the haze.¹ After a 48-hour journey from Ho Chi Minh City, Giáp and his younger brother are finally reaching their destination with their precious cargo of lychee and watermelons. At the same time, 15 km southeast of Hanoi, Thân loads his motorcycle with 300 kg of peanuts, spring onions, and chilies at his peri-urban farm and sets off for market. Both Thân and Giáp are integral actors in agricultural commodity chains supplying Vietnam's capital, Hanoi, with daily fresh produce, and both are headed for the same destination: Long Biên market (Figure 1). This nightly market, located on the banks of the Red River, is Hanoi's main agricultural wholesale market. Although Thân and Giáp start in very different locales, one transporting fruit, the other vegetables, both play a vital role in the daily functioning of these agricultural commodity chains² and, in turn, depend on them for their livelihoods. These chains—stretching across Thailand, China, southern Vietnam, and Hanoi's peri-urban areas—are the product of numerous social interactions and

networks. In order to conduct a profitable business, Giáp depends on trucking contracts organized and provided by his wholesaler cousin, while Thân relies on long-term, trust-based relationships with several restaurant agents and neighborhood market-stall holders.

Over the past 30 years, as countries in Southeast Asia and the broader Global South have moved to “modernize” and “globalize,” local authorities, national governments, and international development agencies have increasingly embraced Northern-based, neoliberal visions of development that promote carefully controlled and sanitized urban spaces (Brown 2006). These visions privilege the construction of modern retail outlets such as shopping malls and supermarkets while discouraging or even destroying what governments view as “traditional remnants” of entrepreneurial trade such as public marketplaces, informal stalls, and street vendor activities (Milgram 2013). Such modernization initiatives limit urban livelihood options by restricting business opportunities and replacing trade sites that enable flexible uses with more prescriptive structures. One might consequently expect the ensuing demise of “traditional” and “informal” fresh food provisioning networks and their replacement by those linked to supermarkets and bulk stores (Reardon and Swinnen 2004; van Wijk et al. 2006). In the context of socialist Vietnam, our research suggests otherwise. Rather, these “traditional” sites from which traders have supplied city dwellers with essential fresh food commodities for decades continue to function at retail and wholesale levels to fulfill the varied consumption needs of

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Figure 1. Chợ Long Biên Market (in black) in the heart of Hanoi, Vietnam



residents and act as vibrant distribution hubs. Analyzing the dynamics of urban trade livelihoods based on the sale of fresh produce highlights that actors maintaining these supply routes, like *Thần* and *Giáp*, operate in a finely-tuned trading-scape—one that challenges the hegemony of state framing of such food provisioning approaches as pre-modern and inefficient (SRV 2004).

Much recent literature on wholesale agricultural markets in the Global South has focused on the impacts for wholesalers of becoming increasingly integrated into global commodity chains for overseas buyers, predominantly supermarkets or large-scale commodity distributors (e.g., for chocolate, coffee, vegetables) in the Global North (Dolan

and Humphrey 2001). Often utilizing a global commodity chain approach (Gereffi 1994), this literature identifies the key organizing actors along these chains who maintain the power to structure such commodity flows to their advantage. Less well understood are the everyday lived experiences of individual actors in the Global South operating within long-standing food provisioning chains and how their opportunities and constraints not only determine their ability to continue to supply thousands of retailers and consumers, but also to maintain sustainable livelihoods (but see Cadilhon et al. 2006; Freidberg 2004; *Markets for the Poor* 2007). In the Vietnam case, we argue that actors along these agricultural flows have operationalized innovative formal and informal

networks, ties, and social capital to carefully maintain and refashion aspects of these “traditional” chains in the midst of economic change—namely, growing competition from, and government support of, larger-scale, “modern” retail markets (e.g., supermarkets, bulk stores).

We begin this article by drawing from sustainable livelihoods, commodity chain analysis, and social capital literatures to conceptually situate the shifting trajectories of marketplace trade. We then introduce northern Vietnam’s core wholesale market, *Chợ* (market) Long Biên, at the heart of this study. By analyzing the local, national, and international fruit and vegetable commodity chains that move through this wholesaling site, we show how local actors are not necessarily losing out to new players. Due both to important social capital ties, as well as to local consumer food safety concerns, wholesalers and traders constantly renegotiate their positions along dynamic commodity chains to maintain viable livelihoods.

Primary fieldwork for this investigation was completed by the first author during the summer of 2009, with 112 conversational/informal interviews with actors along these commodity chains. Interviews were undertaken in Vietnamese with the help of a local research assistant. Interviewees included peri-urban farmers (11), small and large/wholesale stall holders for fruit and vegetables (36), porters (4) and truck drivers (6) at Long Biên market, as well as street vendors (17), city market stall operators (26), and consumers (12). Semi-structured interviews were completed with two market managers in the city. Follow up conversational/informal interviews with street vendors (35), consumers (20), and local academics working on urban development were completed from 2010-2012 by the second author. In October 2012, the first and second authors returned to Hanoi for a follow-up site visit of Long Biên market.

Urban Livelihoods and Commodity Chains Conceptualized

Livelihood frameworks are increasingly informing research in urban arenas in the Global South (Hanson 2005; Rakodi with Lloyd-Jones 2002). This scholarship argues that both assets and vulnerabilities (the existence or lack of human, physical, natural, financial, and social capitals), strategies (how people use these assets or resources to pursue particular economic activities), and the sociocultural, economic, and political processes mediating access to these resources, coalesce to determine how people make a living (see Chambers and Conway 1991; Scoones 2009). In order to interpret the actions of agricultural traders, this research further highlights how individual and household livelihoods are shaped by institutions (e.g., city or state-wide regulations over trade and food safety) and social relations (e.g., gender, ethnicity, kinship, and so on), alongside economic opportunities (Ellis 2000).

“Social capital” or the social glue that helps (or hinders) individuals to create a meaningful living is a core component

of the livelihood approach (Chambers and Conway 1991; Hanson 2005). Integrating key aspects of social organization such as “trust, norms, and networks” (Putnam 1993:167), “social capital focuses on the resources embedded in one’s social network and how access to and use of such resources benefit the individual’s actions” (Lin 2001:55). These resources can enhance economic performance and the ability to adapt positively to a specific environment, such as a wholesale or neighborhood market trading-scape when formal economic institutions or rights are lacking as in our Hanoi case.

More specifically, classifications of bonding and bridging social capital help us to understand livelihood support mechanisms. Bonding social capital includes networks built upon relations within homogeneous groups, frequently kin and friends or within certain business organizations or ethnic enclaves. Such networks, including ties among Hanoi’s itinerant street vendors originating from the same rural village, are often tightly connected and closed to outsiders. With exclusive group loyalties, this social capital often helps people to “get by” on a day-to-day basis (Putnam 2000). Bridging social capital includes more open, heterogeneous networks that may intersect different communities. These links afford opportunities to connect to more diverse sources beyond the insular kin and friendship circles, helping individuals to “get ahead” such as connections forged between peri-urban farmers and their regular customers (Turner and Nguyen 2005).

Early scholarship in this area focused on positive outcomes with inadequate attention to the “dark side” of social capital. Because social networks can isolate non-members, analyses must also consider power relations and inequality (Durlauf 1999). To this end, Portes and Landolt (2000:532) identify four negative consequences of social capital, namely “exclusion of outsiders, excess claims on group members, restrictions on individual freedoms, and downward levelling norms”—all of which can challenge those seeking an entry into fresh food marketing.

Commodity chain analysis is another important conceptual approach to probe how traders work, not in isolation, but within complex socioeconomic networks. In recent years, the commodity chain literature has grown exponentially as social scientists analyze the “network of labor and production processes whose end result is a finished commodity” (Hopkins and Wallerstein 1986:159). The system of provision approach to commodity chain analysis focuses upon the interactions between production and consumption, investigating how different actors assign meaning to goods at each node along the chain (Fine and Leopold 1993). This approach allows one to delve into the on-the-ground connections among actors and how specific chains operate for a range of distribution scales (Gereffi 2001; Leslie and Reimer 1999).

To better understand the dynamics of commodity chains and how related livelihoods are facilitated, we emphasize both the vertical and horizontal dimensions of commodity flows. A horizontal analysis examines “consumption practices that occur similarly across different networks or between commodity chains” (Bush 2004:39). This reveals how processes

differ in alternative commodity chains of the same goods when different actors are involved (e.g., for imported fruit versus that grown locally around Hanoi). In comparison, a vertical analysis follows each step through the chain of a specific commodity, examining the negotiations required to move a good from producer to ultimate consumer (Bush 2004). Drawing upon livelihood dynamics, social capital forms and commodity chain approaches emphasize how Hanoi marketplace actors exercise agency to innovatively operationalize commodity flow opportunities and to negotiate constraints given that state forces are bent on modernizing the traditional food retail sector.

Contextualizing Northern Vietnam's Agricultural Commodity Chains

To understand Chợ Long Biên's rural-to-urban commodity flows and the personalized networks that activate them means situating these market dynamics with regard to the politico-economic policies currently being applied to the region. Recent cross-border trade agreements with China and selected mainland Southeast Asian countries, for example, have had a considerable impact on Vietnamese consumers' ability to buy fresh food. Prior to 1986 and "economic renovation," such importation was far more difficult. Recent projects such as the East-West Corridor of the Greater Mekong subregion (GMS), linking Myanmar, Thailand, Laos, and Vietnam, have eased regional trade restrictions, allowing, for example, Thai wholesalers to sell their products at Long Biên market. A 2008 agreement on traffic rights allows vehicles to carry goods among Thailand, Laos, and Vietnam without trans-shipping at each border (BBC 2009). These new trade and transport opportunities are resulting in new "lines of flow" that draw from regional trade organizations, local producers' decisions, and the willingness of wholesalers to seek out new sources (Whatmore and Thorne 1997:289).

At the national level, the 2003 "Decree on the Development and Management of Marketplaces" is the procedural framework for the investment, classification, regulation, and management of all marketplaces (SRV 2003). The "Decision of the Prime Minister Approving the Program on the Development of Marketplaces until 2010" further establishes targets to be achieved. These include developing pivotal market centers for key commodities, upgrading urban marketplaces, and building supermarkets. The "professionalizing" of market management is deemed central to ensuring that marketplace organization is "ordered and disciplined" (SRV 2004). As we subsequently demonstrate, these demands for order and discipline are a far cry from the nightly trade-scape of Long Biên market.

At the municipal level, Hanoi's authorities have a particular vision of security, orderliness, and development as they strive to create a modern, "civilized" capital. Rapid urban expansion involving dubious land transactions and clearances has created specific concerns for peri-urban farmers who form an important node in the agricultural commodity

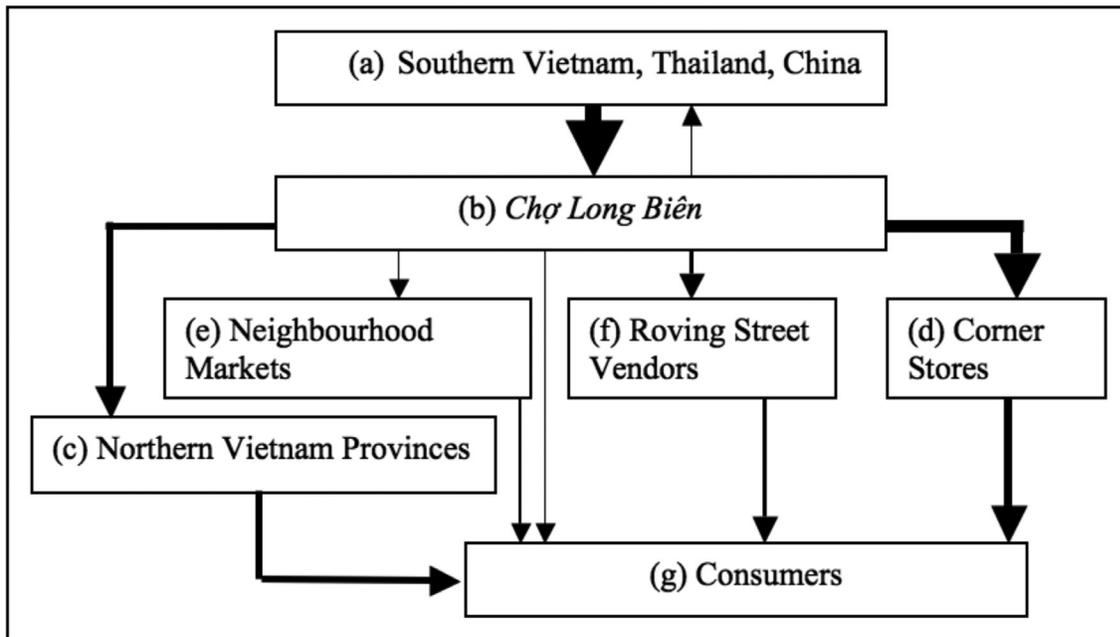
chains flowing through Long Biên market (Firmino 2007; Moustier, Anh, and Figue 2003; Vien et al. 2005). Likewise, female porters at Long Biên and agricultural street vendors frequently reside in peri-urban villages, and this situation presents considerable tensions for these individuals to maintain their circular migration livelihoods (Agergaard and Thao 2011). Indeed, studies at individual commodity chain nodes such as neighborhood marketplaces (Hiesinger 2007; Higgs 2003; Hoang et al. 2003) and street vendor sites (Jensen and Peppard 2003; Turner and Schoenberger 2012) have pointed to the enduring fortitude and everyday politics of these actors—individuals whom authorities would rather see disappear from Hanoi's modernizing streets. At the final node of these chains, urban consumers are increasingly signaling their alarm over food safety, especially with regard to imported fruit (Dang, Vien, and Quang 2005; Anh et al. 2004; Tuổi Trẻ news.vn 2012). Our investigation thus takes up a much-needed in-depth analysis of the micro-strategies and social capital relationships that fruit and vegetable commodity chain actors draw upon and nurture on-the-ground to move their produce through Hanoi's Long Biên nightly wholesale market. Simultaneously, it considers the extent to which these actors' actions are molded and shaped by current market forces and modernization initiatives as they negotiate to maintain viable livelihoods in a rapidly changing context, evidenced in the following case study.

Chợ Long Biên: Hanoi's Wholesale Market Node and its Networks

By the mid-1980s, faced with declining aid due to the collapsing Soviet Block, decreasing agricultural output from the doomed collective system and a growing informal economy, the Vietnamese government instituted *Đổi Mới* (economic renovation) (Waibel 2004). Gone are the coupons of the socialist past and a reliance on the underground informal economy, replaced by a thriving legal retail trade. As one long-term resident, Lan, noted, "During the *bao cấp* (subsidy) period, it was nearly impossible to obtain fresh fruit through official channels; we relied on friends or family to smuggle some from the countryside, but it's so easy now." Pre-socialist trading systems have been reestablished, including the centrality of street vending trade and neighborhood marketplaces, albeit constantly modified and contested by the state within a variable climate of legality. Currently, a diverse range of outlets, including neighborhood formal and informal markets, street vendors, and corner stores, constitute the main avenues through which local residents access daily food needs, testifying to the perseverance of local provisioning networks.

Formal and informal markets, street vendors, neighborhood stores, and restaurants overwhelmingly rely on a system of four wholesale markets to access agricultural goods. Chợ Long Biên, the main fruit and seafood wholesale market for Hanoi, is the busiest of these four and also provides a quarter of the city's vegetables. In operation in its current

Figure 2. Fruit Commodity Chains Flowing through Chợ Long Biên, Hanoi. (Heavy lines denote majority of produce flow.)



organizational structure since 1992, trade takes place nightly due to consumers’ desire for fresh produce. On an average evening, the 0.16 km² site is the stage for some 10,000 individuals moving over 550 tons of produce (market manager, personal communication, 2009).

Long Biên market is administered by the Ba Đình District People’s Committee, with the market manager, market officials, and guards all state employees. Market officials allocate market-stalls, collect market fees,³ and enforce the market’s general security and rules. Despite being state organized, the market management allows trade to take place fairly freely and, as described by the majority of actors at Chợ Long Biên, primarily focuses on efficient administration. The market management does not undertake trade negotiations and only intervenes in vendor conflicts if called upon by vendors themselves—for a fee as Tam, one wholesaler explains, “We have to manage ourselves; we can ask the market management to help us, but that’s very expensive.”

Fruit Commodity Chains and Actors

The majority of actors crammed into Long Biên market are involved in trading fruit such as apples, dragon fruit, grapes, honey melon, longan, mangoes, oranges, peaches, rambutan, and watermelon. These fruit commodity chains have multiple nodes, illustrated in Figure 2. The chains typically originate in China, Thailand, and southern Vietnam, especially in the highlands around Đà Lạt (point a). The majority of fruit traded in Chợ Long Biên (b) is destined for

consumption within Hanoi, purchased by consumers from corner stores (d), fixed/itinerant street vendors (f), or less frequently, from neighborhood markets (e). From observations and interviews, we estimate that one-third of fruit is bought by wholesalers based in other provinces in northern Vietnam (c), while a small proportion of fruit is transnationally shipped through Chợ Long Biên to China and Thailand.

Originally from Ho Chi Minh City, Chợ Long Biên wholesaler Phuong explained that “importing fruit into Hanoi is good business and is more profitable than selling vegetables. On weekends and holidays, sales increase significantly.” Yet it takes considerable financial and human capital to organize the transportation of produce 2,000 km by road from southern Vietnam where the majority of fruit traded in Hanoi is sourced. Large-scale wholesale operations typically revolve around an individual or family purchasing fruit from local wholesalers in the south. Giáp, whom we met earlier, explained that trade from southern Vietnam is currently monopolized by about 15 large-scale traders, all of whom originate from Ho Chi Minh City and environs, but have based themselves at Chợ Long Biên to supervise the distribution side of their business. These traders maintain their collective monopoly through social networks, collaboratively working together to squeeze out potential newcomers—a classic example of the downsides or exclusionary nature of social capital for outsiders. Giáp continued, “If someone new tries to trade the same fruit here, all the wholesalers will purposely sell their produce much cheaper to run them out of business.”

Each large-scale wholesaler at the market—smaller wholesalers from Hanoi tend to import fruit from China—commissions at least one truckload of fruit per night to arrive at Chợ Long Biên. Wholesalers rely on the size of these trucks to prove to buyers that produce is fresh, a demand repeatedly made by the city’s growing urban middle-class who are fast developing more informed tastes. Fruit commodity wholesaler Trần explained: “The big trucks are better for business because when people come to buy and see a big truck with much fruit, they trust that it’s the ‘original’ purchaser and that the fruit has not passed through too many hands.” One of the first connections a prospective large-scale wholesaler needs to establish, therefore, is with a reliable trucking business.

Truck businesses usually start with a medium-sized truck (three to five tons), driven by the owner. Family members are typically hired as drivers as the strong familial bonds inherent in Vietnamese society dictate that family are deemed more trustworthy than outsiders (cf. Dalton et al. 2002; Nørlund 2005; Turner and Nguyen 2005). Trucks from southern Vietnam, such as Giáp’s, take two days to reach Hanoi, while trucks from the fruit producing region of Chon Buri, southeast of Bangkok, Thailand, take 24 hours to cross Thailand and Laos before arriving in Hanoi. Trucks from southern China travel 12 to 24 hours depending on their origin. Another truck driver, An, explained that to minimize travel time, “On the road, two to three drivers operate in tandem, so our stops are minimal. At the market, we rest while unloading is done by another set of workers hired by the Hanoi market wholesaler.”

As a successful fruit wholesaler’s operation grows in scale, it takes on added layers of complexity with workers hired for specialized tasks. One large-scale wholesaler, Nam, explained: “As my business has increased, I now remain more in the background, hiring a team of professional sellers to oversee my nightly trade.” This hands-on management team, complete with “head-seller,” coordinates the unloading of trucks, manages sales and bookkeeping, and hires porters to ferry produce around the market. Large-scale wholesalers pay these professional sellers by the number of boxes of fruit sold. Both parties explain they develop mutual trust relationships due to the large monetary transactions involved and to generally ensure business success. In this light, Cu, another large-scale wholesaler from southern Vietnam who now lives in Hanoi explained, “The operation is too big for me to handle myself. Besides, my managers are Hanoians who know how to deal with the locals. If they sell more, they earn more which is good for both of us!” This bridging social capital is especially well developed for professional sellers who have been employed by specific wholesalers for a number of years.

The main customers of large-scale wholesalers and their selling teams are owners of fruit shops and stalls in Hanoi, as well as wholesalers from nearby provinces. While a wholesale selling team will shift a single box or crate of 10-20 kg at a time if asked, they prefer to sell several at once and thus in bulk. Not surprisingly, the price per unit is reflected in the quantity procured. As one wholesaler Hiên explained, “I don’t like to sell less than 10 boxes [at a time]. I’ll do it, but it’ll

be more expensive.” Despite operating separate businesses, wholesalers, especially small-scale ones, assist each other for a wide variety of tasks such as cleaning and sorting produce, sharing tools and equipment, and drawing upon long-term relations and social capital ties to share market information.

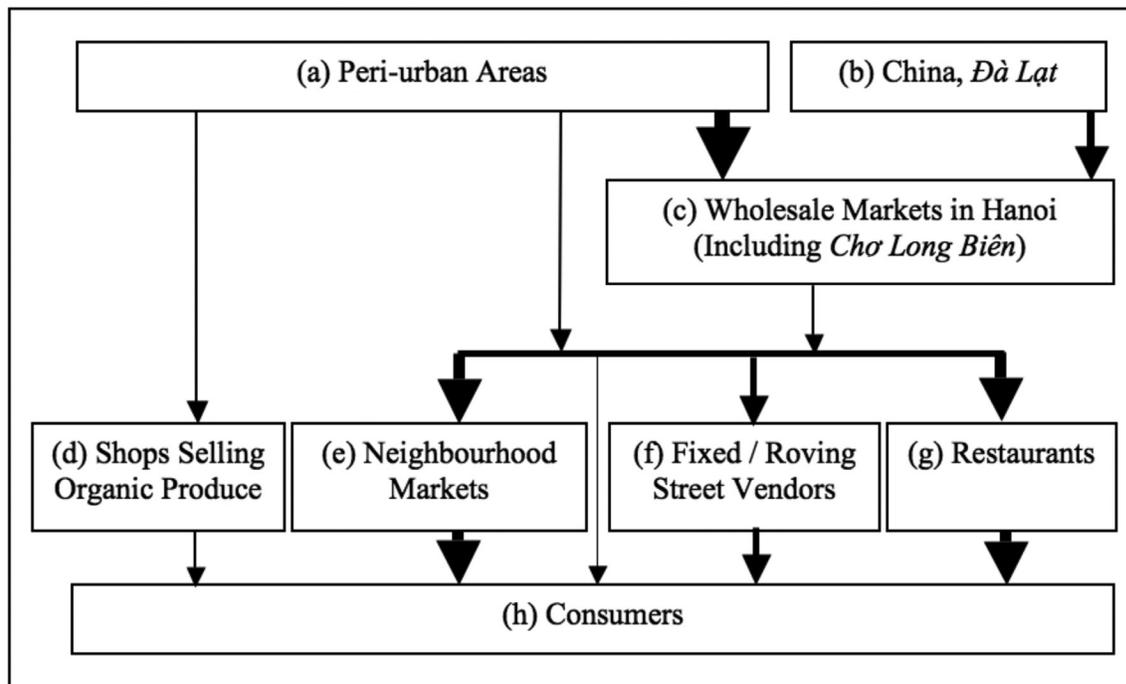
All this fruit would go nowhere, however, if not for the 2000 licensed and unlicensed market porters. Working in teams of three to five, approximately 500 porters have formal licenses issued by the market manager. They transport goods using a registered cart, complete with license plate (market manager, personal communication, 2009). Paid by weight, these teams refuse to carry a load lighter than 100 kg, often carrying 800 to 1,000 kg a trip. One porter, Hang, explained, “Cooperation within our porter teams is essential for us, and thus each team comprises porters hailing from the same village.” Formal porter teams have an understanding to remain in their own, unofficially designated areas, and porters benefit from the close ties inherent in bonding social capital, each member trusting that the others are literally pulling their weight. Occasionally, wholesalers hire these teams for long-term work, but usually jobs are per trip, reflecting wholesalers’ efforts to limit social obligations and business commitments in case of fluctuating sales; this, in turn, limits the bridging social capital on which porters can draw.

Alternatively, informal or unlicensed porters can theoretically be evicted by the market manager at any time, although we never heard of this occurring. These porters work alone or in pairs using bamboo shoulder poles to carry smaller amounts of produce. As Agergaard and Thao (2011) have also outlined, these porters tend to work at the market on a seasonal basis to supplement their families’ income in nearby rural areas. They rely on village connections with those already working in the market to learn the “tricks of the trade.”

Departing from Long Biên marketplace, these fruit commodity chains splinter. Unlike for vegetables, analyzed next, the majority of fruit reaches customers not through neighborhood markets, but through small corner stores and fixed and itinerant street vendors. Neighborhood fruit sellers either rent a shop space or run businesses from the ground floor of their homes, visiting Chợ Long Biên every two to three nights to buy stock. While fruit does not perish as rapidly as vegetables, it does not sell as quickly either. Consequently, sellers markup the price of fruit more than vegetables, resulting in slightly higher profit margins. Yet, these sellers also deal with greater risk as one young seller, Vu explained, “Our consumers will forgo buying fruit if necessary, but they consider vegetables a staple.”

Whether they operate a fixed-stall or sell itinerantly, street vendors visit Chợ Long Biên and buy as much fruit as they can transport back to their stalls by motorbike or bicycle or can carry on their shoulder poles—about 40 to 60 kg. Given the 2008 vending ban on 62 streets and 48 public spaces (Turner and Schoenberger 2012), both fixed and roving street vendors rely on social networks to facilitate trade. Fixed-stall sellers tend to be Hanoi residents, almost exclusively women, like Hoang, who maintains a stall as a household “side business” in her retirement. Roving street vendors tend to originate from

Figure 3. Vegetable Commodity Chains Passing through Hanoi. (Heavy lines denote majority of produce flow.)



outside Hanoi, often migrating seasonally. Their vending profits supplement those from farming and are commonly earmarked for children’s school fees as Hoai, one roving vendor outlined: “My family has a farm outside Hanoi, but I still need to come into the city to earn enough money so my children can go to school.” Constantly on the move to find new customers and avoid police, itinerant street traders try to establish networks of familiar customers by following regular routes; yet they are hampered by the constant need to move or face police harassment (cf. Jensen and Peppard 2007). As Van, another itinerant street vendor explained, “If I am lucky, a customer will want to buy from me everyday. But it is difficult for me to always take the same route because I constantly have to watch for the police.” Such itinerant vendors seldom have enough social capital with potential patrons to gain protection from police raids or to enable them to become fixed street vendors (Turner and Schoenberger 2012).

Finally, from outside Hanoi, wholesalers from Vietnam’s other northern provinces buy in bulk from Chợ Long Biên’s large-scale wholesalers, usually one to two tons at a time. Most visit the market on a weekly basis, transporting fruit back to their home province in their own small trucks. They work to build bridging trust relationships with their suppliers, often obtaining goods on credit.

Vegetable Commodity Chains and Actors

While the roles of fruit commodity chain actors are reasonably well defined, those of vegetable traders are more

fluid. Many peri-urban farmers, for example, simultaneously act as wholesalers, transporters, and agents for restaurants, selling a wide variety of vegetables that include beans, cabbage, carrots, chili, cucumbers, herbs, mushrooms, onions, potatoes, tomatoes, and so on. Due to the fluidity of their trade, vegetable commodity chain actors also rely on social capital for livelihood success.

Figure 3 illustrates vegetable commodity chains passing through Hanoi. As noted, based on the sales reported by peri-urban farmers and vegetable wholesalers, over two-thirds of the vegetables consumed in the city originate from the peri-urban region (a), with the remainder arriving from Đà Lạt in southern Vietnam’s highlands or imported from China (b). The majority of this produce passes through one of the city’s four main wholesale markets (c), and continues to restaurants (g) or neighborhood markets (e), the rest sold by street vendors (f). Customers may also choose to procure their vegetables from shops specializing in organic produce (d) supplied directly from cooperatives in peri-urban areas, but currently these are few in number remaining outside the core chains. Indeed, we found no evidence of organic vegetable commodity chains passing through the city’s wholesale markets (cf. Moustier et al. 2005).

Ten of the 22 Chợ Long Biên vegetable traders we interviewed were peri-urban farmers. These farmers bring their own produce to market nightly, sometimes augmenting their sales by also selling a neighboring farmer’s crops. They transport produce to Chợ Long Biên on motorbikes,

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carrying up to 300 kg at a time. While peri-urban farmers visit the market nightly, their produce varies depending on their harvest that day. These farmers explained that they depend on two crucial elements to maintain a livelihood: (1) developing a wholesale business beyond the sale of their own produce and (2) having connections to several restaurant owners to whom they can market large volumes. As peri-urban farmer Dũng clarified, "If I simply sell my own products, I'll have little profit. Sometimes this profit is not even enough to cover the cost of production, so I take on this extra role [of wholesaling] to supplement my income. There are some farmers who don't have a relationship with various restaurants; they sell their produce to me, and I can sell it more easily to restaurants."

Unlike these peri-urban farmers selling produce directly to consumers or restaurant owners, vegetable wholesalers procure their goods either from other farmers or buy vegetables such as lettuce and certain herbs, from trucks arriving from other climatic regions, such as Đà Lạt (southern Vietnam) or China. Despite not growing their own produce, these wholesalers remain competitive with peri-urban farmers, as only a few farmers have direct access to a market stall.

Integral to vegetable commodity chains are of course the buyers, such as agents for restaurants, neighborhood market stall operators, street vendors, and occasionally nearby residents. Ten of the 12 buyers we interviewed purchasing vegetables at the market reported regularly purchasing goods from the same suppliers. Connections between buyer and seller are significantly stronger here than for fruit, and such linkages bring certain advantages. With strong trust relations, a buyer may purchase on credit, paying in installments over several weeks after making an initial deposit. Furthermore, while most buyers travel to Chợ Long Biên nightly, those buyers with a strong social capital relationship with a supplier can ask for produce to be delivered directly to their restaurant or stall.

Neighborhood markets, common throughout Hanoi, supply the majority of the city's consumers with daily fresh vegetables (Jensen and Peppard 2003). These markets usually consist of 50 to 100 stalls, each often run by a female vendor. These women "own" or rent their stalls, with a certificate issued by the market manager. Similar to vendors in the vegetable section of Chợ Long Biên, neighborhood market vendors depend on a network of familiar customers. To serve their customers' needs, each vendor maintains a small stock of a variety of goods, most of which are sold by the day's end. Since these vendors only retail about 5 to 15 kg of any specific vegetable at a time, and because customers demand freshness, small-scale stall owners often visit Chợ Long Biên nightly, as do fixed-stall or itinerant street vendors. Neighborhood vegetable marketers explained that to run a profitable business, they rely on bridging social capital with regular customers as well as on bonding social capital ties among themselves to limit price competition and regulate social order, either in their market trading space or along their trading routes.

Trust relations lie at the heart of each node along these fruit and vegetable commodity chains. While Vietnam might have embraced the market economy, a sound legal, regulatory framework for food provisioning has yet to fully develop. The lack of formal regulatory oversight for these commodity chains and formal contracts or enforcement thereof, mean commodity chain actors must be able to trust their business partners unequivocally. Since personal relationships are a vital component of nearly any business operation in Vietnam, it is not surprising that actors looking to expand their operations consistently devote time and effort to establishing strong business relationships via social capital ties and trust (Nguyen 2005; Turner 2009; Turner and Nguyen 2005; see also Milgram 2011, 2013).

While suppliers actively court new buyers and customers and are attempting to build close, strong ties, we found that buyers and customers take their time before deciding to trust a specific vendor. Customers often aim to keep their procurement connections loose and flexible, so they can choose to buy from a range of vendors as price, quality, and variety dictate the best deal. This reveals an interesting gap in the forms of social capital desired by different commodity chain actors. Interviewees explained that it is easier to replace a single supplier than to rebuild a network of customers, thus customer relations are prioritized. As Tam, a neighborhood market stall vendor detailed, "At Chợ Long Biên, I usually buy from familiar sellers, but quality is very important to me; if my familiar sellers don't have good, quality goods, I will buy from someone else."

Lacking a well-regulated formal business registry, social networks confer legitimacy, and an actor's social capital protects them from unscrupulous suppliers or buyers. A Chợ Long Biên wholesaler, Tinh, explained, "It's easy for bad people to buy [on credit] and not pay. But it would be the last time these people could buy at Chợ Long Biên because everyone would remember them." Individuals thus rely on an informal enforcement of social norms to avoid, and if necessary, to solve conflicts as the skeletal formal system of conflict resolution means one must often "pay"—that is bribe—market officials to ensure a favorable outcome. To be effective, the informal enforcement of social norms depends on all actors participating and discouraging those who would go against such rules. Within the market and vendor community, sellers generally confirmed that, "everyone knows and looks out for each other." Nevertheless, such tight networks can also make it difficult, or near impossible, for a newcomer to gain roots in the wholesale market without prior contacts, reflecting a downside of such close bonds as we noted earlier (cf. Moustier and Loc 2008).

Food Safety

Interestingly, growing concerns among local consumers over food safety, as noted, are benefitting these commodity chain actors' businesses (VietnamNet 2010). Much of the peri-urban produce available at Hanoi's neighborhood markets contains, as recent studies have shown, high levels of chemical concentrations (Dang, Vien, and Quang 2005; Moustier, Anh, and Figuié 2003), giving consumers in Hanoi ample reason to be concerned while rumors over the safety of consumables from China are rife (Tuổi Trẻ news.vn 2012). When interviewed, the market managers of both a neighborhood market and Chợ Long Biên conceded that the government lacks the capacity to ensure produce safety. One manager noted, "The safety of the food is a problem because we don't have the equipment or capacity to check the food at this market. Sometimes the health department comes to check, but by then it's too late. By the time the results come, all the produce is sold. The government is trying to ensure that the origin of the product is always known."

Although these market managers are optimistic that the government will soon have food safety under control, customers are not. Yet, the fear of food safety has not precipitated a move away from "traditional" retail sectors towards supermarkets, as one might expect (cf. Reardon and Swinnen 2004). Only a minority of respondents in Hanoi trusted supermarkets to be the best source of "safe" produce. All 32 Hanoi residents we interviewed believed that produce procured from *any* source contains chemicals and is therefore potentially unsafe. With no conclusive way to know the origin of produce, consumers stated that their only recourse is to buy from individual vendors who they trust are procuring the best possible produce. As one customer, Van, commented, "If I buy from a [neighborhood small] shop and the quality is consistently good, then I will come to trust this shop." Indeed, along the fruit and vegetable commodity chains flowing through Hanoi, trust is the closest thing to a guarantee that consumers have regarding the safety and origin of their goods. Another interviewee, Mai Lan, explained, "As a customer, I have no way of knowing if the vegetables have chemicals in them, so I need to be able to trust the vendors. The vendors need to 'deserve' the trust of customers." Once this trust has been earned, a relationship established, and a vendor's social capital enhanced, customers tend to purchase the majority, if not all, of their produce from the same vendor. This was explained by another customer, Hoa, shopping at a neighborhood market, "All the vendors and customers have long, stable relationships; they trust each other. This can prevent food poisoning because buying from a trusted source means you don't end up with bad produce."

While consumers benefit from supposedly "safe" produce from trusted sellers, vendors, in turn, acquire a network of customers they rely on to sustain their livelihoods. Customers are unlikely to buy from unfamiliar sources, and it is rare for customers to switch suppliers. Consumer Linh noted, "Recently, I heard some people went to hospital because they were poisoned

by fruit they ate. I'm very concerned about the quality of fruit and vegetables. That's why I only buy from vendors I trust; other people might sell me poisoned vegetables." The flip side of this logic is that losing the trust of a regular customer—a decline in one's social capital—can represent a challenging financial loss for a small-scale vendor.

Although the supermarket sector is expanding throughout Southeast Asia, its growth is slower than that in other developing regions such as Latin America (Manalili 2005). Throughout Southeast Asia, "sales of fresh food—fruits, vegetables, meat, and fish—are still a stronghold of the traditional retail markets and itinerant retailers" (Cadilhon et al. 2006:31). Although supermarkets are increasing their percentage of overall food market shares in Hong Kong, Malaysia, Singapore, and Thailand (Manalili 2005), they have tended to develop a complementary relationship instead of competing with "traditional" retailing sectors (Goldman, Krider, and Ramaswami 1999). This pattern seems to be repeated in Vietnam. Here, to date the "traditional" retailing sector is by and large standing up to the expansion of supermarkets and hypermarkets—in locales where the government permits their continued existence (Maruyama and Trung 2007). Consumers continue to display a strong desire for produce that is fresh, more likely to be "safe," and that is bought on a daily basis from trusted sources. Since supermarkets cannot satisfy this need as optimally, they tend to specialize in imported and dried goods instead.

Conclusions: Flexible and Robust "Traditional" Commodity Chains

In the face of rapid, state-supported modernization, the economic livelihoods of actors along the agricultural commodity chains that pass through Chợ Long Biên are intricately tied to the fortunes of other players in the urban economy and beyond such as consumers and their changing preferences and state regulators who administer health codes, market-place functioning, and cross-border regulations. Individual traders use carefully crafted daily negotiations and networks to create durable livelihoods in this volatile economic space. In so doing, their actions reveal that their services are, in fact, continually in demand by Hanoi urbanites, while their businesses viably contribute to the urban economy. Our findings thus highlight the importance of careful studies that analyze the multiplicity of interactions in trading-scapes in developing countries and the unexpected findings that can arise when focusing on social capital relationships and on-the-ground livelihood decision making within the informal economy. Closely analyzing the interactions at play—the numerous social capital linkages commodity chain actors operationalize to "get by" or "get ahead"—reveals how the networks for fruit and vegetables passing through Long Biên wholesale market are being shaped and driven in a number of intriguing ways not obvious from a cursory glance—ways that increasingly embed market trade and relations in the city's politico-economic operations.

The rapid economic growth of the late 1990s and early new millennium has resulted in a growing number

of supermarkets in Hanoi and an expanded urban middle class to theoretically support them. Nevertheless, this pool of affluent consumers patronizes both traditional wholesale and modern shopping venues. By delving into the flurry of fruit, vegetables, and traders that are part of the agricultural commodity chains passing through Long Biên market, at the heart of Hanoi's agricultural food provisioning, it becomes clear that these commodity chain actors, be they truck drivers arriving from Thailand or local peri-urban farmers, remain resolute in their pursuit of so-called "traditional" livelihoods. Contrary to the effects of supermarket expansion elsewhere (cf. Reardon et al. 2003), Long Biên's actors maintain and rework long-held commodity flows, taking advantage of newly opened cross-border networks, while flexing to the specific, informed demands of their changing consumer base to maintain sustainable livelihoods.

Notes

¹All names are pseudonyms.

²Rice is not part of our analysis, as this is more controlled by the Vietnamese state.

³Trader fees and taxes depend on produce sold (e.g., potatoes are larger than limes and taxed higher), stall size, size of supplier truck entering market compound, and market section within which one is trading. We estimate average monthly fees/taxes for a vegetable market-stall vendor at Chợ Long Biên to be VND 460,000 (\$24). This compares to the reported net monthly profit (fees/taxes deducted) of peri-urban farmer sellers of between VND 3-3.5 million (\$150 to \$180).

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