

# The Sa Pa marketplace, Lao Cai Province, Vietnam<sup>1</sup>

*Jean Michaud and Sarah Turner*

**Abstract:** *Sa Pa market, in its current shape, is a typical mainland Southeast Asia highland market. Here, highland produce cultivated or gathered by montagnards dispersed in isolated hamlets is sold to, or exchanged with, other montagnards and lowlanders for various commodities and consumer goods. Over the last few years, a fast growing tourist influx has contributed to modifying the architecture and size of the marketplace, while the range of goods on display has increased to fit both direct and indirect tourist demand.*

*Using historical data covering one century, this research shows that despite recent transformations, for most of the montagnards, the market in Sa Pa is still used for the same social purposes as in the past. Unequivocally, it is chiefly for the outside traders and local Kinh authorities and residents that the locally booming economy has opened new opportunities. The numbers of Kinh traders in Sa Pa town have soared to the point that they are now taking over the marketplace, both in a physical and a legal sense, leaving little space for the montagnards. Yet the question as to whether the montagnards actually ever want to carve a position for themselves in the marketplace is still open to debate.*

**Keywords:** *Sa Pa, Vietnam highlands, history, marketplace, tourism*

Examining economic production and exchange in ‘primitive’<sup>2</sup> and peasant societies is as ancient as the discipline of modern anthropology itself. It has been a thriving field, especially since the 1960s and the unfolding of the controversy between the ‘formalists’ and ‘substantivists’, which we do not see the necessity to engage with here. As Stuart Plattner summarised in 1989 (14), ‘some years after, the issues seem clearer. We take the substantivist truth for

**Authors:** Jean Michaud, Department of Politics and Asian Studies, University of Hull, Hull, HU6 7RX, England. E-mail: [j.michaud@pol-as.hull.ac.uk](mailto:j.michaud@pol-as.hull.ac.uk). Sarah Turner, Department of Geography, University of Otago, PO Box 56, Dunedin, New Zealand. E-mail: [s.turner@hyperperth.otago.ac.nz](mailto:s.turner@hyperperth.otago.ac.nz)

granted that all economies are “embedded”, which means that the economy is an *aspect* of social life rather than a segment of society’.

For most of the authors engaged in this debate, marketplaces were central in their ethnographic studies of how the economic and social spheres permeated each other in non-industrial societies.<sup>3</sup> There is a general view shared by the majority of economic anthropologists regarding what a traditional marketplace is and what constitutes its purpose in a non-industrial society. As stated by Belshaw (1965: 8) ‘market places are sites, with social, economic, cultural, political, and other referents, where buyers and sellers (or perhaps exchangers of other types) meet for the purpose of exchange’. The notion of exchange lies at the core of the study of marketplaces. For our purpose here, we use a fairly empirical view of exchange, seen as an economic transaction between buyers and sellers, bearing in mind the fundamental fact that ‘as a specific institution, exchange penetrates through the social fabric and may be thought of as a network holding society together’ (*ibid.*: 6).

Highland marketplaces in mainland Southeast Asia are essential sites for individuals from scattered communities to meet, communicate, and trade. The Sa Pa marketplace, in Lao Cai Province, northern Vietnam, is one such marketplace (located in Figure 1). Here, highland produce cultivated or gathered by montagnards<sup>4</sup> dispersed in isolated hamlets is sold to, or exchanged with, other montagnards, and also with lowlanders for various commodities and consumer goods. Over the last few years, the story has become increasingly complex for Sa Pa however, as a fast growing tourist demand has contributed to boosting trade and modifying the architecture and size of the marketplace, while the range of goods on display has expanded to fit both direct and indirect tourist demand.

Historical information on montagnards dwelling in the highest reaches of the north of Vietnam is, quite simply, scarce. However, the Sa Pa region is exceptional. Thanks to a continuous French presence for fifty years, an unusual sum of ethnological and historical information has been gathered and written down in the form of reports, administrative and private correspondence, and newspaper articles.<sup>5</sup> In this paper, we paint first an historical and cultural background, showing that the ancient marketplace(s) around Sa Pa served several purposes, of which economic exchange was only one. Then, the arrival of the French triggered an important increase in market activity while centralising the location and venue of the main marketplace. During the communist period, the centrally planned economy influenced many forms of economic exchange, while the social use of the marketplace by montagnards was deemed ‘backward’ and not encouraged, as it did not fit the dogma of Marxist evolutionary theory. Yet, with tourism opening up in 1993, the marketplace suddenly boomed with the display of highland material culture back in favour, resulting in changes in every aspect of the marketplace’s appearance and composition, and in the dislodgement of ancient trades and traders to make room for new ones.

Whilst remaining modest in its theoretical scope, this paper aims to use the case study to illustrate the fact that by extending back in time as far as feasible

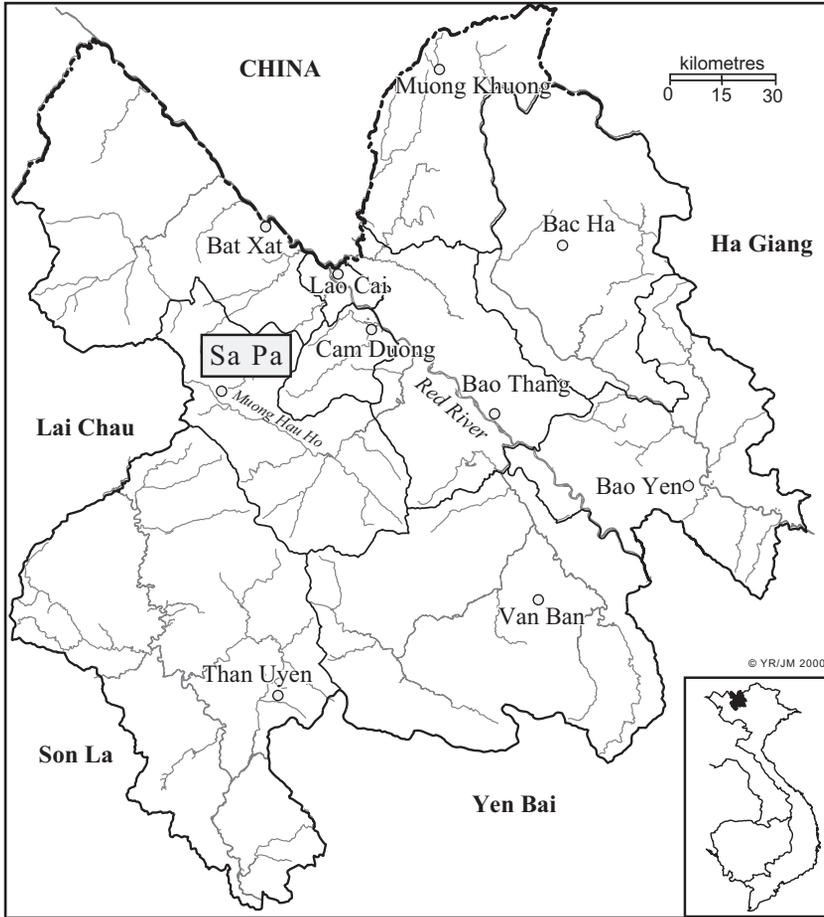


Figure 1. Sa Pa district within Lao Cai Province

(in this case about one century), during the observation of this marketplace attended by groups belonging nominally to different cultural and economic systems (in this case, montagnard horticulturalists and Kinh peasants), trends appear that help us gain an understanding of each group individually, as well as the relationships between them.

### TRADING IN SA PA DISTRICT: HISTORICAL BACKGROUND

The Hmong and the Yao,<sup>6</sup> who form respectively one half and one quarter of the population of the district today, arrived in the Sa Pa area nine generations ago.<sup>7</sup> The likely date for the first minority settlements in the area is therefore around 1820, at which time representatives from both ethnic groups claim there was no one dwelling in the area. It is possible though, that some Tai<sup>8</sup> groups would have passed through the Muong Hau Ho valley before this, their

migration being more ancient than that of many groups of the Sino-Tibetan and Miao-Yao language families who came over the last three centuries.

The Hmong and the Yao at that time were migrating from China, without today's informants being able to provide further specification on their exact origin or on their motives to leave China. History shows that social turmoil in Southern China was a major push factor.<sup>9</sup> These groups practised wet rice cultivation on terraces from the time of their arrival in the Sa Pa region, whilst it remains unclear whether this type of agriculture was also undertaken prior to their move into Vietnam.

For centuries, the higher reaches of upper northern Vietnam, including the region in which Sa Pa lies today, were left alone without much interference from lowland powers (Nguyen The Anh, 1989). Preliminary investigations seem to indicate that no records of the Sa Pa area exist from ancient times.<sup>10</sup> It is known however that in the 19th century at the latest, and quite probably earlier, Cantonese and Yunnanese traders occupied in turn the very convenient location of today's city of Lao Cai ('old market') on the Red River. These traders were eager for coffin wood (*peu mou*, a variety of cypresses), and *sa moc* (a *thuja*, tropical conifer), both indigenous to the mountains around Sa Pa, and various forest and animal items useful for medicinal and religious purposes. However, raw opium became the most sought after locally grown produce from the second half of the 19th century onwards. Traders based in Lao Cai certainly bartered with Sa Pa region inhabitants who were able to provide these items. Caravans from Yunnan also reached Sa Pa through the mountains, carefully avoiding Lao Cai and therefore, taxation.

Over the years, there has been more than one marketplace in Sa Pa district. Montagnard elders remember several small markets close to the most important hamlets or at the intersection of popular tracks linking them. The fact is that for the montagnards, a marketplace is used as much for social purposes, as for economic ones.<sup>11</sup> Clan exogamy commands that young boys and girls find partners outside their own patrilinear descent group. However, hamlets are most often mono-clanic. Marketplaces thus constitute a useful mechanism by which youth can find partners, be it for short-term pleasure or long term engagement, the latter confirmed through marriage. For adults, the marketplace is used to exchange information, meet relatives living a distance away, and relax for a day or two, away from the daily hardships of cultivating a difficult terrain in a harsh climate.

### *Arrival of the French in Sa Pa*

Prior to the 1860s, only a few French adventurers and explorers had ventured along the upper Red River, and no foreigner had come close to 'discovering' the upper reaches of the Muong Hau Ho valley where the Sa Pa local group was terracing the slopes into paddy fields. Then, the occasional Catholic missionary sent to explore the upper region in the early 1860s may have contacted some of the local population, although solid evidence is still lacking to substantiate this hypothesis.

In the late 1890s, thanks largely to the ongoing construction of a rail link between Haiphong and Lao Cai, montagnards in the Sa Pa region saw the arrival of French colonists and the installation of a Catholic mission, soon followed by the establishment of a small town.<sup>12</sup> To establish this town in the most suitable location in the vicinity, one Hmong settlement named Sa Pa (*sa*: sand, *pa*: village, in Yunnanese Mandarin) was dislodged. In its place, a new settlement was built within a few kilometres from a military post, installed in the 1890s. The growing settlement included additional military barracks and, soon after, a military sanatorium. By 1910, a few French colonists and civilians, with some Vietnamese personnel, had joined the new settlement to provide various services to the military and the ailing officers.

By 1915, word had spread and Sa Pa, or *Chapa* as the French used to call it, had developed a reputation as a promising summer holiday destination among French colonists in Hanoi. Dozens of villas in the French style were built over the following three decades while a number of *Annamites*,<sup>13</sup> as the French called the Kinh, arrived to provide basic services and the skilled labour required in such a settlement. Montagnards dwelling close to the site were hired for unskilled labour, a vast proportion being Hmong from the half-dozen hamlets closest to Sa Pa. Even though cash cropping already existed in the region thanks to the constant and high demand for raw opium, clearly it was with the development of the French hill-station of Sa Pa that the montagnards became continuously exposed to the market economy, on a scale they had never seen before.

### *Sa Pa marketplace during the French and the Vietnamese periods*

For the French, whose aims included collecting the largest possible amount of opium produced by montagnards locally,<sup>14</sup> a single market location was more suitable and easier to control and tax than an array of smaller locations scattered all across the district. At a moment that is not precisely known, but must have been soon after the installation of the French military post and the arrival of the first civilian state officers, a specific area was designated to become the main marketplace for the region.<sup>15</sup> Its location was approximately where the indoor and outdoor covered markets stand today in Sa Pa town, and it consisted of a stone paved area with two wall-less halls supported by stone pillars and covered with baked tiles. The *Annamite* and *Chinois* quarters gradually emerged around it.

It was in this centralised marketplace that the main trading activities between the montagnards, the French colonists and military, the *Annamite* workers brought in by the French, and the Yunnanese Chinese traders took place. Most montagnards would attend the marketplace once a week to barter raw opium, forest and animal products and coffin wood for pots, salt, metals and medicine.<sup>16</sup> The *Annamites* and the Chinese traders and caravaneers played the role of middle-people between the lowland societies they belonged to and the montagnards. The French living in Sa Pa, both military and civilians, were essentially buying the agricultural produce they needed for their subsistence

from either montagnards or local *Annamites* producers. The French administration taxed all goods crossing the region, and more importantly, bought raw opium from producers, while the *Régie Générale de l'Opium de l'Indochine* took care of its transformation and sale (Descours-Gatin, 1992).

During the entirety of the French period in Sa Pa – from the late 19th century until 1950 – the main Sa Pa marketplace remained in use for essentially these same purposes. Yet from the 1920s onwards it also offered an additional sector of trading, the selling of handicrafts to those Europeans spending summer on location in one of the four hotels and dozens of villas that were built from the late 1910s onwards. Along with the selling of agricultural produce, the handicraft trade used two channels, the direct one where the craftspeople and agriculturists would sell their produce to Europeans face to face, and the indirect one where *Annamite* intermediaries, attracted by the trading opportunities, would increasingly take-over trading as middle-people. During this time however, there is no evidence suggesting that the montagnards might have felt inclined to abandon their traditional economic activities and it was only when surplus labour could be spared from traditional functions in the household economy that tourist trade would exist, thus impacting very little on their traditional economic system.

Sa Pa's period as a colonial hillstation was terminated altogether when the war with the Viet Minh broke out in December 1946. After most of the French civilians had left, early in 1947, the local communist partisans destroyed a large proportion of the French buildings, while the French later shelled what remained of the town to deprive the Communists of a war base. The site of Sa Pa town then fell into disuse for several years. Apparently not overtly concerned with the changing fate of the town, most of the local montagnards fell back on their traditional subsistence economy. During the years following the local Viet Minh take-over in 1951, the various and ancient traditional marketplaces were spontaneously resuscitated and readily replaced the diminished Sa Pa town marketplace for both social and economic purposes. Overall, however, trade was understandably conducted on a smaller scale than when the French were present. This period of a return to relative highland isolation, concerning which no documents seem to have been produced or survived (or perhaps are simply not accessible) lasted until the early 1960s when a small number of Vietnamese settlers arrived, sent by the State to colonise the area under the New Economic Zones scheme. In that scheme, the priority was to occupy and populate sensitive areas with new lowland migrants (see Hardy, 1998). The new settlers in Sa Pa, nearly all Kinh, developed a tolerant relationship with the local montagnards who, it must be said, outnumbered them by nine to one. The settlers managed to occupy vacant agricultural land for their own subsistence, while the montagnards understood that it was in their interest not to oppose the State on this issue. At this time, there was still land to exploit, and forest to clear.

Between 1960 and the early 1990s, the economy of the montagnards was tentatively re-organised along the national agricultural collectivisation scheme with the introduction of the co-operative system. It is now widely admitted by

Vietnamese officials that collectivisation in the upper-region was never a success. Nevertheless, some effects were felt, in particular the connection of the montagnard economy with the national centrally planned economic system. Monetisation in the national currency became more widespread and production had to be moulded on market needs. However, at that time, and though reliable information lacks to assess its exact scale, it is believed that opium was still a major produce in the region. It is also believed that the montagnards were the main producers and that the State was the main buyer. This may explain why other crops in high demand today locally, like vegetables, or in the lowlands like the famous Bac Ha plum,<sup>17</sup> did not gain much importance in the montagnard economy around Sa Pa then. As an obvious consequence, *Doi Moi*, the 'Renovation' implemented nationally since the late 1980s, did not have as big an impact here as it had in the lowlands.

Two of the most important events to follow in the economic history of the region included the prohibition to clear the forest for agriculture implemented in 1992, and the ban on opium poppy cultivation, declared in 1993. These meant a severe reduction in revenue for the montagnards and, in fact, the near collapse of the cash side of their economy, based until then on opium, and to a lesser extent timber. Combined with a population increase that was greater than ever before thanks to better hygiene conditions, these limitations further constricted a population that had become too large for the available land, whilst the lack of capital hindered the purchasing of fields other peasants might have wanted to sell. Since crop substitution schemes initiated by the State did not make up for the loss, a sudden boom in the tourist industry provided an unexpected opportunity for extra income.

In 1992, the region was opened to foreign tourists for the first time since the colonial period. A replay of the French commercial, infrastructure and service development occurred, but on a larger and faster scale. Within four years, due to an annual tourist crowd of around 12,200 in 1996 (4100 foreign, 8100 nationals<sup>18</sup>), labour was needed and the local Kinh did not suffice anymore, so the opportunity was seized by a number of montagnards. The demand for agricultural produce rose and was rapidly met by incoming Kinh traders and middle-people using their connections with trade networks in the lowlands, leaving only limited possibilities for local producers to boost their production according to the revived demand. Demand for traditional handicrafts – authentic or faked – increased dramatically and trade opportunities appeared. Some montagnard agriculturists in the region came to understand this and engaged in such activities.

From our earlier discussions, it should be clear that tourist interactions in Sa Pa, as they have occurred since 1992, have not been new to the montagnards in the region. Older Hmong and Yao interviewed around Sa Pa recently, still recalled the French and the commercial profitability their presence triggered. They could relate to tourism as it occurs today with this ancient information in mind and quick adjustments could be made to comparable aspects of tourist demand. However, most tourist-based economic activities that involve the montagnards today are initiated, organised or controlled by Kinh entrepreneurs

in Sa Pa town. This is hardly surprising considering comparable situations elsewhere in mainland Southeast Asia (see Michaud, 1995, 1997 for examples).

In charge of Sa Pa's destiny today is the Sa Pa People's Committee. Anyone familiar with contemporary Vietnam knows how powerful local People's Committees can be, and Sa Pa's is no exception. Despite the Kinh representing only 15 per cent of the total population of the Sa Pa district, their representatives control all the key positions of the State apparatus. The montagnards, the majority of whom are not literate, and a large proportion of whom cannot speak Vietnamese, have little to contribute to district politics and their voice is seldom heard. This disparity becomes increasingly apparent when one assesses how the Sa Pa marketplace is developing today.

### **TRADE AND ENTREPRENEURS IN SA PA MARKETPLACE TODAY<sup>19</sup>**

The peak trade activities in Sa Pa occur during the weekend when hundreds of foreign and Kinh tourists, the latter chiefly urbanites from Hanoi and Lao Cai, flock into town to see the colourful 'ethnic' market attended by hundreds of montagnards. This is when most of the tourist-oriented trade takes place. For the rest of the week, the remaining trading operations are concentrated in a smaller area inside the indoor market and in the outdoor covered markets where food and commodities appeal predominantly to the town population, nearly all of whom are Kinh.

This separation into two market periods could be summarised by stating that it coincides with the difference between trade activities in horticulturalist society,<sup>20</sup> and in peasant society.<sup>21</sup> The weekend market is typical of a traditional montagnard market. Indeed, for as long as Sa Pa existed as a marketplace, minorities have attended it once a week to trade and barter customary items and, nowadays, pesticide and fertilisers to support permanent cropping. On a more social note, wanting to attract each other's attention, male and female youth always worked hard to ostensibly display personal as well as family wealth in the form of new clothes and heavy silver jewellery, thus making market days colourful events. By contrast, the Kinh-oriented market, which operates continuously but which the absence of montagnards makes more apparent on weekdays, occurs without this distinctive display. It is a typical Kinh peasant market, as can be found in the lowlands and the Deltas, although the variety of goods and agricultural produce on display here does not match the larger markets that denser trade networks and better land can yield at lower altitudes.

Be it to allow the fulfilment of social purposes or for plainly economic ones, the marketplace in Sa Pa has always been specialised in its spatial organisation, with its overall layout varying over time. In other words, "although the smaller market-place as a whole carries with it all the characteristics of a peripheral economic institution, it is structurally not homogeneous" (Mai and Buchholt, 1987: 146). This becomes clear in the

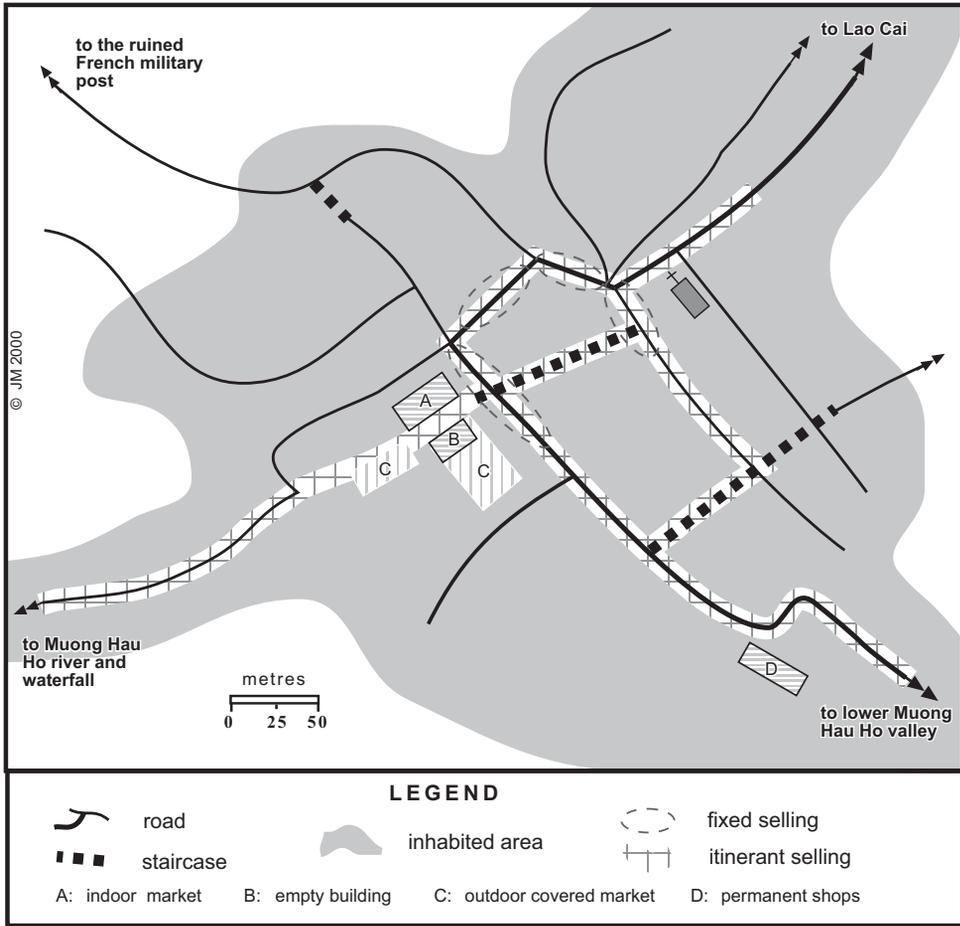


Figure 2. The marketplace in Sa Pa, June 1999

following description of the current Sa Pa marketplace layout, also illustrated in Figure 2.

### Spatial dimensions

What has become the official Sa Pa marketplace today, with its massive decorative gateway, concrete buildings on stilts, open air covered areas and stone staircase, is centrally located in the older part of town. It extends north-east to southwest from the main street where the ancient 'village annamite' was located. The formal marketplace consists of three spatially and operationally different sections: the indoor market, the outdoor covered market, and temporary path stalls.

The two-storeyed concrete building that now acts as the focus point of the indoor market activities was built in 1997 under the impetus of the People's Committee. The refurbished market site is now centred around this massive

building with dozens of indoor market stalls, to which was added one year later a second concrete building on stilts next to the covered outdoor area, replacing the two ancient and much smaller wall-less halls built under the French. One year after its construction this second building was still unused in June 1999.

The indoor market has stalls on the ground floor selling commodities including plastic, metal, clay and fabric goods for household usage and work in the fields. There are also non-durable items such as tobacco and herbs, and semi-processed food provisions. The vast majority of the durable items come from China, whilst the non-durable items come from either China, the lowlands, or local producers, in this order of importance. The first floor contains more such general commodities as well as a number of clothes stalls and tailors operating on site. Kinh traders, mostly women, occupy these market stalls.

In principle, when it was planned in 1995, the indoor market was intended to be a location where montagnard traders too could display their goods aimed at the tourist crowd (confidential pers. comm., Vietnamese Official, 20/6/99). However, chiefly because of the annual costs of such a stall and the necessity to take care of it daily, there are no montagnard traders who have fixed stalls in this space, and the only montagnards to be seen in the indoor market simply move through this space as purchasers of utility goods.

Compared with the indoor market stalls, the outdoor covered market traders, a mixture of Kinh men and women, have a much narrower selection of goods for sale, essentially food, including prepared food sold at a large eating area. This outdoor market is typical of a peasant society marketplace. It clearly caters to locals from Sa Pa town needing fresh food daily. On occasions montagnards can be seen buying meat or vegetables, while Kinh locals form the vast majority of customers on any day. The prepared food area on the other hand seems to attract essentially montagnards and tourists visiting town; it is therefore quiet during the week.

Outside the immediate premises of the indoor and outdoor covered markets, trading consists of fixed stall (Kinh, both men and women) and itinerant (montagnard women) sellers. The empty spaces and the paths and roads around the principal marketplace are the sites of this trade for the Kinh and the montagnards, as they undertake different styles of informal marketing and exchange. Therefore, within these areas two market distribution systems are operating, being “mechanism[s] to facilitate the exchange of goods and services” (McGee and Yeung, 1977: 22; see also Turner, 1998 for a discussion of different market distribution systems).

Fixed stall selling consists of traders proposing small and easily transportable items for sale, such as industrially produced commodities and food items. The stalls are located on pavements, street sides, staircases and at the front of houses where, generally, there is no formal fee or tax to pay to the authorities. These stalls do not have any permanent fixtures and goods are displayed on the ground. Whereas the traders in the indoor and covered outdoor markets have a daily attendance at the market, those on the nearby paths less frequently attend the market, specifically targeting the busier weekend period.

A small proportion of these fixed stall sellers are montagnards coming from distant locations outside the district and not enjoying strong kinship connections locally. What they offer to sell is a mixture of semi-industrial cloth and embroideries that may interest other montagnards, various practical items for daily use in rural societies, and a few tourist oriented artefacts. Apart from these few cases, the majority of fixed sellers are Kinh traders from outside the district selling principally to other Kinh.

Itinerant selling here consists of any kind of solicitation involving a person walking around looking for customers and transporting the goods offered for sale.<sup>22</sup> A vast majority of these itinerant sellers are montagnards proposing worn-out, traditional clothes or new ones made with this purpose in mind. Tourists are clearly the primary targets of these sellers, and as has become the trademark of Sa Pa as a tourist destination, Hmong and Yao women sell clothing articles and metal jewellery directly to tourists, an experience every foreigner in Sa Pa will go through more than once on any visit.<sup>23</sup> Along with these mature women, yet sometimes independently from them, young Hmong and Yao girls are selling tourists the same items plus various additional ones they assemble and decorate, mainly bamboo Jew's harps and small cotton woven bracelets.

Over the last few years, the Hmong and Yao women have also started to sell new styles of clothing that are gradually replacing the traditional worn out pieces brought from home. These new items of clothing consist of sections of old Hmong and Yao embroidery that have been grafted and re-sown in various ways into new pseudo-traditional clothes produced by and purchased off Kinh shopkeepers and tailors permanently installed in town. Montagnards have not as yet contemplated taking part in this re-processing of their old fabrics, possibly because they cannot readily conceive of shredding their worn out clothing and reshaping them in a way that would please outsiders. On the other hand, they do not mind selling the fabrics to whoever wants them. In this case, entrepreneurs from Sa Pa and beyond have developed an industry specialising in collecting and reshaping these traditional pieces to produce jackets, trousers, hats and bags that fit foreigners' and the urban Vietnamese youths' tastes. Shops selling the finished product can be found in Hanoi, Saigon, and as far away as Hong Kong, Berlin, London and Los Angeles.

While some of these transformed goods find their way outside the region, others are retailed locally by Kinh traders in the indoor market stalls, or by itinerant montagnard women and girls who borrow a number of clothing items from shopkeepers and sell as many as they can on the street, paying the shopkeepers with the money from their sales. Currently, this is the only known regular interaction between montagnards and Kinh in terms of an exchange of goods amongst traders not for their own consumption.

## DISCUSSION

As a tradition, the montagnards in Sa Pa are not especially concerned with profits beyond the needs required to ensure their basic physiological, social and

religious reproduction. Those who are relatives or neighbours barter among themselves as a rule, while nowadays a fraction of their trade is undertaken with money in the Sa Pa township. Ritual exchange, reciprocity, gifts-giving and status enhancement within their own society are as important to them as any benefits from trade. It is not surprising, therefore, that the formal market structure in the town should be left for the Kinh traders to dominate, for whom profitability, innovation, hoarding and investment are much more meaningful concepts and practices.<sup>24</sup>

Judging by their respective behaviour, and based on their different historical backgrounds, an initial observation we can make is that the local montagnard groups on the one hand, and the Kinh on the other, have different expectations concerning this marketplace. Social and cultural aspects are dominant in montagnard tradition, while for the Kinh, having only shallow roots there and with only a fraction of their extended family on location, the social aspect of the marketplace is secondary while the trade and economic dimensions are dominant. For many among them, their involvement takes the form of an economic exile, which is precisely how they, or their kin, came to Sa Pa in the first instance within the New Economic Zones scheme.<sup>25</sup> Their dream is definitely to return to 'the village' where their families and ancestors are. Needless to say, for those additional Kinh traders coming from outside the district during the bursting weekend market, this lack of long term commitment is even more apparent and profits are the only goal.

The difference between these two visions of the marketplace can be further explained. It has been suggested that in the past, marketplaces were 'for circulating goods outside the traditional system of reciprocity and redistribution' (Mai and Buchholt, 1987: 1). In Greek antiquity, trading that was being undertaken outside the village or town was with strangers with whom there were no social obligations. This was in contrast with gift exchange with members of one's own group that confirmed social bonds with kin, neighbours and other categories of villagers, thus contributing to maintaining social cohesion. This is one plausible way of looking at the disparities between montagnard and Kinh attitudes towards trade in the Sa Pa marketplace. While the montagnards would undertake most of their transactions within their family circle and perform them in their own villages, with only the bare essentials left to trade at the Sa Pa marketplace, the Kinh traders would on the contrary concentrate most of their trading on the public scene and use money as an exchange value.

Notwithstanding their different approaches to trade and the marketplace, montagnards and Kinh, in such a small market with very limited economic possibilities, inevitably end up being economic competitors. To the outsider's eyes, in strictly economic terms, the montagnard are currently losing ground to the Kinh regarding the domination of the profitable trading sectors and locations in Sa Pa. Due to physical and legal differences in today's marketplace and the changed nature of trade compared with the time before the Kinh migrants arrived in Sa Pa four decades ago, also with opium trade now being banned and business triggered by tourism booming, it is very unlikely that the

montagnards will ever be able to come back successfully against the better organised and ever more numerous Kinh traders now firmly entrenched in Sa Pa town. Local authorities, the majority of whom are of Kinh ethnicity, have a very solid association with the Kinh traders. Moreover, the more market activities concentrate on industrialised consumer goods, the less montagnards will fit into this system for which capital and a strong network of suppliers from outside the region are crucial.

Yet the question could also be turned around: Do the montagnards ever want to carve a place for themselves in the local marketplace? Do they see the current economic boom as an attractive opportunity to enter trade more actively? Literature suggests that it is probably only a matter of time before the current importance of trading opportunities triggers a response, and trade permeates more deeply into the montagnard economy. As Belshaw (1965, 10) notes:

One aspect of the transformation of simple economies into complex, dynamic ones is the increase in the extent of the market, that is, an increase in the range and quantity of transactions [...] linked with an increase in exchange liquidity which can be described as the monetisation of the economy.

More specifically, Belshaw has asserted that ‘most formerly primitive societies have been transformed into peasant societies through the introduction of money and markets’ (*ibid.*: 54). One would then expect the montagnard horticulturalists in the Sa Pa region to be gradually turning – we carefully avoid using the word ‘evolving’ here – into peasants, a perspective that is further supported by their extensive use of terraced paddy fields, the associated sedentariness, and last but not least, the large portion of the economy that was founded for a century on opium production and trade.

However, a hundred years of history suggest that it can be argued that the montagnards of Sa Pa are consciously refusing to engage further in trade in Sa Pa town, thus closing the door on some of the most powerful channels of economic modernisation. The fact that a few dozen women and young girls do trade on a small scale is not a convincing enough factor to suggest a serious trend towards increased monetisation of the Hmong economy there. This small scale trade also existed during the French times, had vanished and was only reactivated with the new flux of tourists. At that time, too, opium production and trade, although certainly a factor pulling the montagnards towards the accrued monetisation of the traditional economy, involved essentially payment in metal silver and did not seem to have initiated the drift that could have led to transforming these montagnard horticulturalists into complete peasants. Facing these facts, the hypothesis that a large proportion of the montagnards in Sa Pa district are actually and actively refusing modernisation cannot be ruled out. As explained by Rigg (1997, 197; also see Scott, 1976) concerning rural Southeast Asia, ‘giving up agriculture altogether is often perceived to be a risky strategy, and one to be avoided wherever, and whenever, possible’. Roseberry’s statement that ‘on occasion and under conditions not of their choosing, we see

local people adopting a variety of forms of resistance to the demands of local and foreign capital' (Roseberry, 1989: 111) clearly deserves careful attention here.

Meanwhile, the Sa Pa marketplace is rapidly turning into something ever closer to a standard rural Kinh market, minus the extended kinship networks on location such a market would imply in the lowlands, but with the additional flavour brought by the colourful montagnard crowd attending it over the weekend. It is definitely the latter who bring international tourist fame to Sa Pa, while it is the former who capitalise on the momentum local trade has gained from this economic bonanza. Economic and social relationships between the two sets of actors remain rather limited, with most of the economic benefits being channelled in one direction. Indeed, this is not the healthiest of economic balances in a remote and ethnically diverse rural community that has no other economic alternative, should tourism come to an end.

## NOTES

- 1 An extended, earlier version of this article was presented as a conference paper at the joint conference of the *North-West Regional Consortium for Southeast Asian Studies* and the *Canadian Council for Southeast Asian Studies*. Vancouver (Canada), 22–24 October 1999.
- 2 Understood here in the broad sense of pre-peasant society, in economic terms. Indeed, the term 'primitive' is not a value judgment but in anthropological jargon was meant to denote a preliterate and nonindustrial social system.
- 3 We include here in 'non-industrial societies', forms of human and economic organisation that are generally described as primitive, hunting, fishing and gathering tribes, horticulturalists, nomads, pastoralists, and peasants. For more detailed definitions fitting the spirit of this article, see Wolf (1966) and, in the same series, Sahlins (1968).
- 4 To explain why the French language term 'montagnard' is used here to address the highland populations in northern Vietnam, see the arguments sent by J. Michaud on 8/11/1999 to the 'montagnard Debate' on the Vietnam Study Group's website <http://www.lib.washington.edu/southeastasia/vsg/default.html>. See also McKinnon and Michaud (2000: 6–7).
- 5 Colonial archives on Sa Pa are primarily held at the National Archives, Building 1, in Hanoi, and at the *Centre des Archives d'Outre-mer* (CAOM) in Aix-en-Provence, France. Missionary archives belong for the most part to the *Société des Missions Etrangères de Paris* in that city.
- 6 Ethnonyms used in this text follow the most widely accepted international usage, based on ethnolinguistic divisions. In Vietnam however, these two groups are officially named 'H'mong' and 'Dao' (Zao) respectively. (Vietnamese diacritics omitted).
- 7 Information collected from montagnard elders interviewed in 1997–99 in various hamlets in Sa Pa district.
- 8 Here again, the same argument applies as for endnote 6. The Tai speaking groups found in Sa Pa district are, by their official Vietnamese names, the 'Giay', the 'Tay' and the 'Nung' (Vietnamese diacritics omitted).
- 9 Push and pull factors, related respectively to civil wars and rebellion, and to the availability of land suitable for opium cultivation, explain most of these movements. See Culas & Michaud (1997) for an explanation of the Hmong migrations into Indochina, which also largely applies to Yao migrants.
- 10 Before the French, Sa Pa was called 'Lo Sui Tong' in Yunnanese Mandarin, the language for most toponyms in the region. Research in Vietnamese and Chinese archives under this toponym still await being conducted.

- 11 This fact is well documented from similar case studies all around the world. See Polanyi, Arensberg and Pearson (1957) and Belshaw (1965) for further discussion.
- 12 On the history of Sa Pa (Chapa) during the French period, see Michaud (1999).
- 13 Needless to say, the use of the term '*Annamite*' in this text is not meant to be derogatory, but simply reflects its frequent occurrence in French colonial literature of the time. We use it here as a matter of historic concordance.
- 14 See Niollet (1998) on the duties of French custom officers in remote locations such as Lao Cai regarding opium collection in Tonkin.
- 15 'A major feature of colonial policy affecting economic modernization [in "primitive" societies] has been direct action to create markets where they did not exist before, or to regulate existing markets' (Belshaw 1965: 74).
- 16 Here again, this type of trade is well studied in anthropology. See Belshaw (1965) for similar examples in Africa, Melanesia and Asia. Brookfield (1969, 1), likewise described past Pacific Island market places, as locations where '“trade goods” such as knives, axes, salt and tobacco were used to buy local produce'.
- 17 In Bac Ha district, in the eastern part of Lao Cai Province, montagnards have been involved in the fruit production for several decades and have therefore experienced a much faster and stronger division of labour along market needs, and a monetisation of their economy.
- 18 Figures collected from the police department in Sa Pa in 1997, based on declarations by hotel and guest house owners required to report on every guest in their dwellings.
- 19 The following observations describe the situation as it stood in June 1999.
- 20 Horticulturalists can be defined by a series of criteria among which the following ones can be found at least partially in montagnard societies around Sa Pa: '1) Distribution throughout the humid tropics; 2) Dependence on [...] shifting cultivation of root crops for the vast bulk of food energy in the diet; 3) Production for subsistence; 4) Provision of labor and technology by the nuclear or extended family of the producer; 5) Control of land by multifamily corporate kin groups; 6) settlement in villages or in well defined clan territories, with population of several hundred members; [...]' (Johnson, 1989: 50). See also Sahlins (1968).
- 21 'Peasant societies [live] ways of life which are traditionally oriented, linked with but separate from urban centers, combining market activity with subsistence production. [...] Peasant societies retain a high degree of subsistence production which does not find its way into the market' (Belshaw 1965: 54). See also Wolf (1966) and Johnson (1989).
- 22 Compare with McGee's (1970, 10) definition of an itinerant hawker as someone who 'either sells goods (usually daily) at points along a particular route or sells from a particular pitch or location at some time during the day or night from which he [sic] removes himself once his sales are complete'.
- 23 See unpublished reports by DiGregorio et al. (1997), and Pham and Lam (1998). See also J. Cukier et al. (1999).
- 24 See Mai and Buchholt (1987) especially page 145 for similar discussions regarding local different attitudes.
- 25 It has been noted by numerous authors that for the majority of lowlanders in Vietnam, the highlands and their populations are considered with suspicion. The mountains are believed to be home to fierce or treacherous spirits and any lowlander in his or her right mind will avoid having to go there at all, unless forced to.

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