Global Work, Surplus Labor, and the Precarious Economies of the Border

Dennis Arnold and John Pickles

Department of Geography, University of North Carolina, Chapel Hill, NC, USA;
arnold.dennis@gmail.com, jpickles@unc.edu

Abstract: This paper focuses on the recent emergence of regional production networks and border industrial zones, the labor migrations they are generating, and their consequences for "surplus populations" in the Greater Mekong Subregion (mainland Southeast Asia). In this region the textile and garment industry is employing increasing numbers of workers in border areas on flexible and highly precarious work "contracts". To understand these emergent labor formations we focus on three scales of analysis through a case study from the Thailand–Burma border. We focus on initiatives led by the Asia Development Bank, accompanying subregional political groupings which aim to facilitate capital flows and trade by reducing transaction time and cost, and a case study of labor recruitment and employment practices in one border town. In examining these three scales, we question the value of characterizing such trans-national, state-led, authoritarian, and racialized labor formations as neoliberal.

Keywords: precarious labor, migration, Greater Mekong Subregion, Mae Sot, border industrial zones, racialization, textile and garment industry

Introduction

In the past three decades, a major transformation has occurred in the global economy as supply chains originating in "core economies" have further expanded their sourcing networks into new frontier regions of production across East and Southeast Asia. This expansion has been achieved, in part, by the opening of closed and partially closed economies and the expanded labor pools they represent. One central element and consequence of this "opening" has been the expansion of geographical circuits of labor recruitment and migration, the attendant migration of millions of workers across large distances to work in export processing zones and urban areas, including coastal China, Ho Chi Minh City and Hanoi, Yangon and Phnom Penh.[1] A second phase in the reorganization of these geographies of production is now occurring on a national scale with China's new regional economic policies, the establishment of special economic zones (SEZs) in rural Cambodia, and expanding industrial areas along Thailand's borders with Burma, Lao PDR, and Cambodia. This second phase of restructuring entails the

Antipode Vol. 43 No. 5 2011 ISSN 0066-4812, pp 1598–1624
doi: 10.1111/j.1467-8330.2011.00899.x

creation of new forms of regional production network organized around decentralized and border economies aimed largely at export markets, with new mechanisms of governance and regulation to deal with the mobile, often transnational, workforces on which they depend.

This paper focuses on the importance of these emerging forms of cross-border regionalism in shaping new institutions and practices of governance and biopolitical production by creating a precarious migrant labor force in the Greater Mekong Sub-region (GMS) (see Hess and Yeung 2006; Perkmann and Sum 2002; Ong 2000, 2008; Sidaway 2007; Smith et al 2008; Sparke et al 2004; Storper and Walker 1989, for parallel arguments). More specifically, the paper describes the recent expansion of these regional production networks and border industries and their broader consequences for workers in the apparel industry. The paper demonstrates the linking of economic, political and social networks operating at multiple scales, showing how these linkages have produced a complex set of exploitative labor relations for Burmese migrant workers in Mae Sot, an industrial area on the Thailand–Burma border.

We describe the border as a complex network of social relations that extend well beyond actual state boundaries and operate at multiple scales (Perkmann and Sum 2002; Pickles 2004, 2006). The convergence of regionalization and globalization is articulated in localized spaces conducive to mobile capital and investment that, on the one hand, straddle and blur national boundaries, and on the other, redefine and reify borders, particularly in terms of flows of migrant labor. In examining these multiple scales of development we question how or if particular formations are neoliberal, authoritarian or a complex hybrid. We contend that historically created patterns of racialization produce unique precarious labor arrangements and competitiveness strategies in the globalized production centers of the GMS.

Second, while these forms of regional cross-border integration have important implications for how we think about labor migration, flexibilization, and the precariousness of factory life among the "surplus populations" of the region, they also pose important questions about the ways in which the "surplus" is being produced, ordered, segmented and racialized in nearly every Asian labor-receiving country (the Burmese and Cambodians in Thailand, Vietnamese in Cambodia and rural–urban migrants in China). These processes of racialization have important implications for the ways in which we theorize social and surplus labor. The expansion of both "factory labor" and precarious labor in and around these global factories also has important implications for transparency in global value chains, the effectiveness of corporate social responsibility (CSR) and factory-based monitoring campaigns, the organizing landscape for unions, and the ability of other groups to press for workplace standards.

We conclude with an assessment of the role of the state in these socially complex and usually deregulated border landscapes, and with their implications for the "surpluses" they generate. These border zones are actively being constructed as sites where multi-scalar state power articulates new structures of governmentality and social regulation and redefines the mobile populations on which they depend.

The Global Factory

Since the end of the Cold War, efforts to build cross-border regionalism in the GMS coincided with major turning points in the global economy. The opening and growth of China as a major producer for world markets and the rapid expansion of the SEZs located in southern China have been particularly important. Between 1979 and the early 1990s, large capital investments flowed into the coastal regions of China from Hong Kong and Taiwan, resulting in an unprecedented expansion of productive capacity across the Pearl and Yangtze River Deltas. The consequence was the development of continental scale production networks increasingly dependent on the ability to mobilize and marshal massive migrant labor flows of young, primarily female, workers from the countryside and provinces.

In newly industrializing economies in Asia and Latin America, transnational corporations accelerated outsourcing of lower-cost production globally (Dicken 2003; Gereffi 2005). One result was an expansion of infrastructural projects that were also dependent on large-scale labor migration, but that generated enormous tensions in local economies over the consequences of economic integration and the social transformations in the resulting labor markets (Harvey 2003). These tensions emerged particularly clearly in China's new industrial export economy. The "China price"—the lowest price possible—has been possible only because of low-cost labor migrations into the Yangtze and Pearl River Deltas, but their effects have recently rebounded in ways that now threaten to destabilize social and economic conditions across these regional production centers. As a result, China has now embarked on a triple policy to weaken its dependence on the "China price" and reduce the dependence of regional economies on migrant labor flows. First, low-wage assembly industries are being encouraged through subsidies, contracts, and infrastructural development to relocate or expand in western and northern provinces from which migrant workers have traditionally been drawn ("go-west"). Second, low-wage assembly work is also being outsourced to low-cost producing centers in southeastern Asia, particularly under the auspices of emerging large-scale Chinese manufacturers and network organizers ("go-out"). And third, Chinese manufacturers are being encouraged to upgrade production and working conditions with the goal of branding Chinese goods for national and even international markets ("go-up").

Each of these strategies responds to what David Harvey (2003:109) describes as:

> . . . a condition of surpluses of labor . . . and surpluses of capital . . . Such surpluses can be potentially absorbed by (a) temporal displacement through investment in the long-term capital projects or social expenditures (such as education and research) that defer the re-entry of capital values into circulation into the future, (b) spatial displacements through opening up new markets, new production capacities, and new resource, social, and labor possibilities elsewhere, or (c) some combination of (a) and (b).

In Southeast and East Asia such capital logics have produced regionally articulated economic landscapes. Comparatively low-cost large-scale export production has boomed in large urban and peri-urban factory zones. These export platforms, once the main sites of workplace abuses, are increasingly regulated through central state institutions and international contractors, and increasingly meet minimum standards of health, safety, wages, and benefits. Particularly in the larger urban producing centers in China, Thailand, and Vietnam competitive pressures, new technologies and forms of work organization, and worker demands have seen upward pressure on wages and benefits, along with changes in the organization of work and working conditions.[2] In rural and border areas, cost-minimizing, deregulated, and flexibly organized industrialization has expanded through the agencies of state- and private-sector-supported SEZs and export processing zones. Geared to deepening competitiveness by extending export production to low-wage border areas, border industrialization programs across Southeast and East Asia are built with the explicit nominal intent of distributing the economic benefits of export production across the regions. To do this, they depend on the management of "surplus" and low-cost rural workers and their employment in lower-value assembly work. This places competitive pressure on gains in work conditions and wages in urban and peri-urban areas. The key general thrust of such a capital logic is that new territories "should be continuously opened up" (Harvey 2003:139) leading to "accelerated and expanded . . . accumulation [and] ending communal control of the means of subsistence, seizing land for debt, creating new mobile and migrant reservoir of labor power, destroying non-market social systems and imposing ecological predations . . . " (Dyer-Witheford 2002:6 citing Midnight Notes). In the next section, we turn to the significance of cross-border regionalism within the context of these global factories.

Subregional Integration and Border Industrialization Strategies

Industrial development and more recent foreign direct investment (FDI) in the GMS have been concentrated in a few favored large urban centers such as Bangkok, Phnom Penh and Ho Chi Minh City. At the national and subregional level, investors have also heavily favored urban nodes in Thailand and Vietnam over those in Laos, Burma and Cambodia, in turn deepening inter-regional inequalities. With competition intensifying in both low-cost labor-intensive export-oriented and high-tech capital-intensive sectors, GMS countries have initiated cooperative regional and transnational policies aimed at more fully integrating these rural spaces into the regional and global economy. The primary driver is seen to be FDI, especially from East Asia. These cross-border regional policies and initiatives have moved beyond a focus on industrial decentralization and sustainable urbanization prevalent in Thailand since the 1960s (Charoenloet 2002; Glassman 2003; Glassman and Sneddon 2003) in efforts to boost competitiveness with other countries including China, while concurrently offering incentives for investment from China and other competitors.[3]

In this process, state policies play an enormous role in shaping the geographical patterns of investment and social regulation. In many cross-border areas, sub-regional and international intergovernmental organizations have played key roles in implementing projects that promote cross-border economic activity. These involve public and/or public supranational, national and/or sub-national agencies naming and mapping new types of space as sites of economic change and political ambition (Pongsawat 2007). These are not regions in the conventional juridico-political sense, as is the case with the EU, and they are not governed in a conventional, territorial sense. They are neither formal administrative units subordinate to a national state bureaucracy nor do they have mechanisms that allow for building popular support. Instead, they are governed through partial and irregular networks operating at a variety of scales (Perkmann and Sum 2002). Some of these networks emerged in response to the failures of central state authorities, with local and regional actors exploiting the new opportunity structures created by regionalization and globalization. Many emerged largely as a result of financial development incentives, for instance those coordinated by the Asian Development Bank in the GMS (see below). In other locations cross-border regions are effectively constituted by a complex array of economic and social interactions. These are generated by local, national and/or regional networks, including state actors, but are largely unaccompanied by large-scale collective coordination and intervention by the central state. In fact, typically, governmental cooperation is fragmented and limited in scope. For instance, the GMS is emerging as a cross-border region despite several instances of tension over border demarcation, most recently leading to military skirmishes at the Preah Vihear Temple on the Thailand–Cambodia border. These and other factors limit the scope of centrally coordinated sub-regional integration.

Instead of a withering or withdrawal of direct involvement of the state in the "borderless world" (Ohmae 2005), the border is increasingly becoming the site in which these new articulations of investment and spatial administration are emerging. Where regional integration initiatives are related to inter-governmental projects, national governments are still dominant in defining the basic parameters of the border regimes. But, even in these contexts of strong central state action where national governments may create the initial conditions for the development of cross-border regions, regional and local governments and diverse state agencies often reinterpret policies for their own economic benefit. In both cases, complex structures of state administration are emerging at the border to regulate mobile populations and create new spatial and social imaginaries to do so (Pongsawat 2007). Throughout the Mekong subregion, specific border zones once seen as territorial boundaries for state power and sites of inter-state conflict are now rapidly being re-articulated as functional regions requiring their own structures and practices of governance. In the following section we briefly examine the emergence of the GMS as one such emerging new spatial and social imaginary.

Scaling Development in Southeast Asia

In 1992, the Asian Development Bank (ADB) initiated the GMS Economic Cooperation Program. This has become one of the most sustained and high-profile impetuses for stimulating free trade and investment in the region.[4] Members comprise countries along the Mekong River, including Burma (Myanmar), Thailand, Lao PDR, Cambodia, Vietnam and Yunnan China (with Guangxi Zhuang Autonomous Region added later) (Figure1). A central purpose of the GMS Program is to implement institutional conditions which facilitate the economic growth of the area, particularly in post-socialist states, and to foster geopolitical stability. The basic objectives of the Program are to lift barriers at borders, promote trade and investment, facilitate production networks, and sustain growth in ways that will decrease poverty. Currently it focuses on transport, telecoms, trade facilitation, investment, energy, environment, human resource development, tourism and agriculture (ADB 2002, 2009). Seen within a broader global political economy framework, the ADB GMS Program is on the leading edge of "plugging" the sub-region "into" circuits of the global factory, particularly in facilitating cross-border transport, trade and investment (Figure1). Nonetheless, ADB programs do require the active

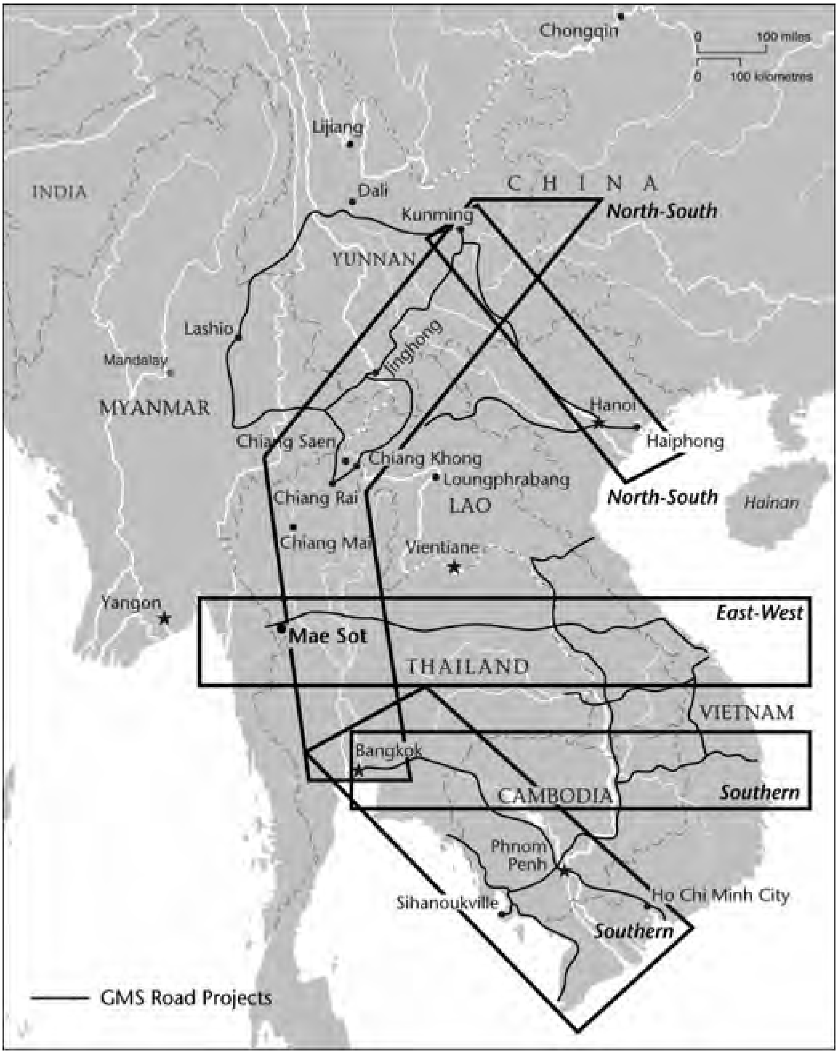

Figure 1: Greater Mekong Sub-region road projects and economic corridors (source: modified from Glassman 2010)

participation of member countries in implementing projects and, as a result, the ways in which specific projects are implemented are importantly shaped by the structures of state power and the specific conditions in each place.[5]

The GMS provides a particularly clear illustration of the complex intertwining of supply chain dynamics and state practices. Programs associated with the ADB GMS Program are established by international organizations and national authorities, but they are implemented by the local, national and trans-national regional organizations that manage the flow of labor and investment. The expansion of export production has thus occurred in conjunction with a deep re-territorialization of the nation state in order to accommodate and attract capital, enhance the competitiveness of producers, and manage social policy by spatial means. The result is that institutions of national cross-border governance and development infrastructure have emerged in ways that combine authoritarian and liberal economic features to manage the ways in which different production systems are able to compete in the global economy. In this sense, GMS programs are similar to the Indonesia–Malaysia–Singapore Growth Triangle albeit on a much larger scale, with very different (post-socialist) histories at work, and in conditions in which Burma's repressive environment under the Junta's command have important consequences for the management of life on the border.[6]

Several studies have critically engaged the role of states in the cross-border strategy emerging in the Indonesia–Malaysia–Singapore Growth Triangle, and these have tended to focus on the broader implications for how neoliberalism is conceptualized (see Ong 2000; Sidaway 2007; Sparke et al 2004). These studies have suggested that the "Growth Triangle" is not so much a question of market versus state, or a transition "from state to market", but that the creation of markets is occurring in settings where the state is sometimes very strong while in other areas it is nearly absent, creating a spatial variability in state powers and "reach" that is useful in maintaining flexibility for capital (Ong 2000; see also Ong 2008). In the GMS border SEZs we find a slightly different arrangement, where the state plays a very prominent role in the zones as well.[7] In fact, we find the state to be the most powerful actor influencing the global competitiveness of the firms that rely on precarious migrant workers.

As a result, the following section does not provide a picture of powerful transnational corporations and international lending agencies making demands readily met by an eviscerated state, or a state that chooses to withdraw from a particular space. Instead, we present a case of a state restructuring and adapting to regional and global forces in which administrative agencies, new governmental actors, and emergent discourses along the border are articulated with broader regional and trans-national development strategies. By focusing on the subnational scale we highlight a state that is not monolithic and a global factory that—while undoubtedly footloose for the most part—is also differentially deeply imbricated in the concrete specificities of an emerging border space. One consequence of this analysis of economic and social restructuring along the Thailand–Burma border is that Mae Sot defies any easy designation as neoliberal space, as the product of a strong or weak state, or as an export-processing island driven by the production needs of global value chains. Instead, Mae Sot demonstrates that the politics of scale plays out in important ways, particularly regarding the formation and reproduction of a surplus population of migrant workers from Burma.

Thailand: Border Development and SEZs

While export-oriented industrialization has marked the economic life of post-socialist GMS countries only since the late 1980s to mid-1990s, Thailand was a recipient of FDI and export contracting throughout the Cold War period. This is largely due to vastly different political-economies of development in Thailand and other GMS countries. Thailand is the only state in the GMS (and Southeast Asia) never to have been colonized,[8] is the only state in the GMS to have remained non-communist throughout the Cold War, and was regarded as one of several "miracle economies" in Southeast Asia until the financial crisis of 1997–1998.[9]

SEZs and industrial areas on or near Thailand's borders are currently promoted to attract and maintain investment flows and/or "manage" migrant labor. In the least developed GMS states (including Cambodia) the primary goal is the diversification of labor-intensive industries, while in Thailand the goal is upgrading to more capital, knowledge and skill intensive industries in urban and peri-urban areas. In this regard Thailand, Vietnam and Yunan-China are converging, while Burma, Cambodia and Laos are struggling to initiate or maintain competitiveness in low-value-added sectors and industries.

Thailand is planning at least four new SEZs targeting its borders in the west (Burma), the north (Burma and Lao PDR), the east (Laos), and the south (Malaysia). Efforts to establish these SEZs have been ongoing since the mid-1990s, yet the legal status of SEZs in Thailand is currently vague, with the SEZ bill of January 2005 still awaiting passage into law by the Council of State. The most advanced example of a border industrial zone (still awaiting SEZ status) in Thailand and the GMS in general is the Mae Sot–Myawaddy zone in western Thailand on the border with Burma (see Figures 1 and 2). In contrast to the process of central state-led SEZs in Cambodia,[10] Mae Sot and other Thai border zones have emerged from locally led initiatives generated by local business and governments lobbying the central government for SEZ status (Arnold 2007, 2010; Pongsawat 2007).[11]

The decision to set up production facilities in Mae Sot is also a reaction to the changing competitiveness of Thai producers in global apparel markets. From the early to mid-1990s, profit rates for textile and garment and other labor-intensive industries declined, manufacturer efforts to upgrade into original design or original brand manufacturing failed, and the hoped-for emergence of regional trading companies managing supply chains for global brands and retailers (as occurred in Taiwan, Hong Kong and Korea) did not materialize.[12] Instead, to

Figure 2: Mae Sot and its surrounding areas (source: Pongsawat 2007)

maintain competitiveness Thai manufacturers have adopted a series of downgrading strategies (Mounier and Charoenloet 2007). They have:

- downsized operations by laying off workers regularly without compensation,
- informalized labor relations by employing workers on contracts through labor agencies, or by outsourcing production to

home-based workers and smaller-scale workshops (further entrenching a Thai precarious workforce in garments),
- speeded up production processes utilizing various incentives, and
- relocated to border regions or begun to produce in neighboring countries and export back into Thailand.

The broader context for this push to the border is the increasing pressure on Thailand's labor-intensive sectors. In Thailand, labor-intensive industries declined from 20% of exports in 1995 to 10% in 2005, while the same period saw a rapid increase in electronics and automobile manufacturing as Thailand's economy increasingly diversified (Mounier and Charoenloet 2007). Mae Sot and other border zones have, as a result, become important elements in the development of Thailand's economic strategy of fostering a "dual space economy". The government's goal is to become a "First World" economy with auto manufacturing, finance, real estate and other high-value sectors dominating its city and central regions, sustaining a vibrant middle-class consumer society, while its "Third World" labor-intensive industries, including those employing large numbers of migrant workers in textile and garment, seafood processing and other labor-intensive industries, continue to expand, absorb investment capital, and provide opportunities to maintain access to highly competitive export markets.[13] Thailand's economic growth thus depends increasingly on the large-scale influx of migrant workers.

There are currently some 3 million migrant workers in labor-intensive industries such as seafood processing and fisheries, construction, manufacturing sectors including textile and garment, agriculture and domestic work. They comprise nearly one-tenth of the Thai labor force.[14] Roughly 2.5 million come from Burma and 500,000 from Lao PDR and Cambodia [interview, Mae Sot Department of Labor Protection and Welfare (LPD), 20 June 2008].[15] Migrant workers tend to occupy lower-paid jobs and are seen to be an integral part of Thailand's current competitiveness in global sourcing.[16]

In addition to maintaining competitiveness in labor-intensive industries, the Thai strategy with cross-border regionalism has two core goals: to curtail irregular migrant workers, particularly to the Bangkok and central regions, and to boost regional geopolitical stability by decreasing income disparity in the GMS by facilitating engagement with the market economy. In turn, this creates investment opportunities and markets for goods produced in Thailand or by Thai firms in neighboring countries, including consumer electronics, automobiles, and processed food. Thailand's borders or its "frontiers" have also become increasingly important as destinations for "sunset industries" including the textile and garment, food processing and other light manufacturing industries. The liberalization of border flows of capital and trade combine in this setting with a re-territorialization that aims to limit or contain the flow of migrant workers to core economic zones and cities. Mae Sot provides a particularly good illustration of the effects of these processes of re-territorialization on the structure of border development and the lives of migrant workers.

The Mae Sot–Myawaddy Border Economy

Mae Sot is a border district in Tak Province, roughly 500 km northwest of Bangkok. It sits across the Moei River from Myawaddy, Burma (see Figure2). The two are connected by the "Thai–Burma Friendship Bridge", completed in 1997, funded by the Thai government. Mae Sot-Myawaddy lies on the "East–West Economic Corridor" (Figure1), a flagship initiative of the ADB-GMS project that attempts to provide a " . . . holistic approach to the spatial development of the poorer areas of the GMS by focusing on investments in priority sectors . . . to maximize the development impact and minimize cost" (ADB 2009:2). In the process, private and public sector actors and institutions in Mae Sot have mobilized projects related to the ADB's GMS, particularly physical infrastructure, to boost the competitiveness of the cross-border economy (see Arnold 2010). Ultimately, the East–West Economic Corridor aims to integrate physical infrastructure and link them to economic initiatives based on streamlined policies and procedures that facilitate linkages along the geographic corridor (ADB 2009).[17]

There are nine districts in Tak Province. The five border districts (amphur) of Mae Sot, Mae Ramat, Phrop Phra, Um Phang and Tha Song Yang are host to some 150,000 migrant workers from Burma, according to the Mae Sot LPD (interview, 20 June 2008).[18] The distribution of these workers is roughly 40:40:20 in industry, agriculture and domestic work/services. Of the five border districts Mae Sot is the economic center. This is true for Tak Province as a whole, although Meuang Tak (City of Tak) is the provincial capital.[19] Mae Sot is both a municipality and a district, with a population of 46,341 in the (urban) municipality and 70,966 in rural areas (see Figure2). To this number must be added migrant workers (both registered and unregistered), illegal immigrants, and displaced persons in the two major refugee camps in the border regions of Tak Province. Combined, these populations from Burma constitute the majority of the actual population of Mae Sot and may also constitute a majority of the total population of the five border districts.

In brochures, TV, and billboards Mae Sot-Mywaddy is promoted as a "border economic zone", and also as an "economic dam" which will prevent the flow of Burmese migrants into central Thailand. Local developers and national security agencies have, as a result, forged an unusual alliance to control, regulate, and manage the increasing flows of national and international investment and the growing numbers of migrant workers from Burma. It is this management of populations and the structures and practices of governance on which it depends to which we now turn.

Building a Globalized Garment Center on the Border

Export-oriented textile and garment production in Mae Sot was initiated in the early and mid- 1990s, and expanded rapidly after the financial crisis of 1997–1998. The growth in the industry in Mae Sot was influenced by several factors, including the decreasing competitiveness of the industry in Bangkok and Central Thailand, abundant reserves of Burmese migrant labor paid at a third to half of the prevailing minimum wage, tax incentives,[20] quality infrastructure between Mae Sot and Bangkok/ports, and loose to no enforcement of other labor, occupational health and safety and environmental regulations.[21]

Garment production is concentrated in low-value added products where global competition for low cost is tight and profit margins are small. These segments of the industry are often associated with nomadic buyers and producers who search for lowest cost contracts and labor "harmony" in countries that also offer attractive investment incentives (tax holidays etc), quality infrastructure and other trade facilitation features that lower total landed costs of products. Mae Sot is a quintessential example of a garment-producing center that attracts employers keen on squeezing or sweating labor rather than targeting higher quality apparel markets through investment in machinery, improved production processes, and investing in human resources and workplace upgrading. A rare exception to this trend in Mae Sot is Top Form Co Ltd, which produces women's undergarments for brands including Sara Lee and Vanity Fair. These require both higher skilled workers and higher capital investment in inputs, machinery, quality control and other aspects of the production process (see Arnold 2010).

In 2009 the town had 300 members of the employers association, the Federation of Thai Industries (FTI), Tak Chapter (Arnold 2010). Ninety percent of these are garment and knitting factories (all registered firms are required by law to be FTI members). Mae Sot is also home to numerous unregistered, small-scale sewing enterprises, bringing the total number of factories to an estimated 400 [interview, Min Lwin of Federation of Trade Unions-Burma (FTUB) 19 June 2008]. A majority of knitting and garments factories are subsidiaries of companies producing in Bangkok or central Thailand, and ownership is roughly 50–50 Thai and foreign invested (interview, LPD, 20 June 2008). Foreign owners come primarily from China (Guangdong and Hainan Provinces), Taiwan and Hong Kong, in addition to Japanese- and Korean-owned firms (interview, LPD, 20 June 2008). Thai factory

Table 1: Thailand's apparel exports, 2005–2008

	Value (million US$)				Growth%			
Major market	**2005**	**2006**	**2007**	**2008**	**2005**	**2006**	**2007**	**2008**
USA	2111.1	2083.5	2026.8	2026.8	1.48	−1.31	−2.72	−4.68
EU	1210.4	1316.8	1327.1	1327.1	1.35	8.80	0.78	3.11
ASEAN	770.1	803.2	924.8	924.8	17.23	4.29	15.14	10.73
Japan	412.1	395.4	381.3	381.3	−4.09	−4.04	−3.57	23.37
China	282.5	249.7	264.4	264.4	6.16	−11.61	5.88	−4.14
Others	1907.3	1986.0	2107.1	2107.1	7.82	4.13	6.10	2.10
World	6693.5	6834.6	7031.5	7031.5	4.66	2.11	2.88	2.39

Source: Textile Information Center, Thailand Textile Institute

owners registered with the FTI are predominantly from the Bangkok vicinity. Information on the ownership of unregistered "sweatshops" is not available, although fieldwork interviews suggest that many are Thai owned and operated. Production is primarily for export, although there is significant production for domestic consumption (interview, LPD, 20 June 2008) (see Table1 for national apparel export figures). The largest factories in Mae Sot employ about 3000 workers. It is currently impossible to know the average factory size because nearly every factory reports only a fraction of its total workforce through the registration process.

There are 80,000–100,000 workers employed in Mae Sot municipality/district [interview, FTUB and Burma Labour Solidarity Organization (BLSO), 19 June 2008]; between 60,000 and 80,000 of these are employed in knitting and garment firms. Of the total migrant population in Mae Sot, roughly 25,000 are "legal" registered migrant workers, a factor that has significance for the kinds of management regime to which workers are subjected.

Wage levels in Mae Sot are low and allow producers in Thailand to remain competitive with lower wage countries in the Asia region (see Table2). A worker who started work in Mae Sot in 2000 would have been paid 40 baht[22] per day and would not have had fees deducted from that amount (interview, garment factory worker, 10 June 2008). In 2008, the daily provincial minimum wage was 147 baht per day but only one of some 400 factories in Mae Sot paid workers the Provincial minimum wage (interview, BLSO and FTUB, 17 June 2008). In fact, average wages were roughly 70 baht/day including overtime (interview, garment workers, 8 and 10 June 2008), but by 2008 managers were also deducting money for accommodation and food, in addition to a 300 baht per month deduction for "security". "Security" fees have become common, especially for Mae Sot workers who do not have a work permit (see below). They are used to pay bribes to local officials for

Table 2: Comparative wages in Asia, 2008

Country/region	Daily minimum wage: Local currency	Daily minimum wage: US$	Monthly minimum wage: Local currency	Monthly minimum wage: US$
Thailand				
Bangkok	203.00	6.42	6090.00	192.63
Chiang Mai	168.00	5.31	5040.00	159.42
Khon Kaen	150.00	4.74	4500.00	142.34
Tak	147.00	4.65	4410.00	139.49
Mae Sot (real wage)	70.00	2.19	2100.00	65.62
Cambodia	7475.88	1.87	224,276.36	56.00
China				
Guandong Province				
Guagzhou City	28.67	4.03	860.00	120.76
Provincial High (outside Guangzhou)	25.67	3.60	770.00	108.12
Provincial Low	17.67	2.48	530.00	74.42
Shanghai	32.00	4.49	960.00	134.80
Qingdao	25.33	3.56	760.00	106.72
Indonesia				
Jakarta	32,400.00	3.58	972,000.00	107.44
Jawa Barat (Purwakarta)	25,433.33	2.81	763,000.00	84.34
Banten	27,900.00	3.08	837,000.00	92.52
Philippines				
Metro Manila	343.50	8.44	10,305.00	253.20
Cavite/Southern Tagalog	262.00	6.44	7860.00	193.12
Vietnam				
Metropolitan core	33,333.33	2.05	1,000,000.00	61.61
Provincial urban or metropolitan suburban	30,000.00	1.85	900,000.00	55.45
Rural	26,666.67	1.64	800,000.00	49.29

Source: Respective government web-pages, unless otherwise noted.
Exchange rate: Oanda.com, average of 3 and 10 March 2008. Daily wage calculated using 30 days. Cambodia: minimum wage is $50 with a $6 “allowance raise” implemented in April 2008. Philippines: Manila and Cavite based on average daily non-agricultural minimum wages. Thailand: Bangkok and Chiang Mai wage increase as of 2 May 2008; Khon Kaen and Tak as of January 2008. Indonesia and Cambodia: minimum wage figures are for textile and garment industry.

maintaining unregistered workforces or they are pocketed by employers. As a consequence, the real wage is now significantly lower than it was in 2000.[23] The Federation of Thai Industries Tak Chapter’s policy is that all members must pay workers the minimum wage. However, in practice members deduct monthly fees from workers’ salary for work permits, accommodation, food, electricity and other fees. These fees are illegal, with the exception of those for work permits. [24]

Low wages are certainly a key consideration in investors’ decisions to produce in Mae Sot and for buyers to source there. But, it is only one of many factors. Thailand’s trade and investment policy and infrastructure (such as time through port, quality of roads, tax incentives etc) are of higher standards than the lowest-cost producers in the region (Cambodia, Bangladesh and Vietnam). As a result, Thai border producers have additional competitive advantages. These non-wage competitive factors are analyzed in the World Bank's annual *Ease of Doing Business 2010* report, which ranks Thailand number 12 globally in terms of select indicators including the ease of dealing with licenses, employing workers, registering property, getting credit, protecting investors, paying taxes, trading across borders, enforcing contracts, and closing a business.

Race and Regulation on the Border

Mae Sot's modern economy is closely linked with geopolitical tensions along the Thai–Burma border, to illicit trade in gems, timber and other natural resources, and to direct labor recruitment to take advantage of the abundance of potential workers generated by the political and economic hardships in Burma. Profitability in Mae Sot depends to a large extent on these reserves of migrant workers.

Work conditions for Burmese in Mae Sot factories are extremely poor. Pay is well below the minimum wage, work hours are between 12 and 16 hours and more in peak periods, a majority of workers living in factory dorms are not allowed to leave the compound, sexual abuse is common and there are a myriad of other problems. Even under these conditions, migration from Burma to Thailand has expanded considerably since 1988. Prior to 1988, Burma's economy declined under the "Burmese Road to Socialism", with uprisings in 1988 and again in 2007. After refusing to recognize election results in 1990, the Burma Socialist Program Party reformulated into the State Law and Order Reconciliation Council, which led to a thawing of tensions with Thailand and an opening of its economy and borders to foreign investment. Burma ceased to be considered a military and communist threat. Instead, it was deemed a strategic source of natural resources including hydroelectric power, teak, gems, natural gas and oil, particularly for China, and a source of cheap workers throughout Thailand.

However, attitudes towards migrant workers from Burma have changed only slowly, particularly where they are based on much longer-standing national traditions of antagonism. Though migrant workers face xenophobia and nationalism in many countries, the Burmese in Thailand are subject to particularly deeply embedded historical perceptions of them as an evil and aggressive neighbor. For example, the Thai state began to view neighboring countries as areas of economic opportunity for Thai capitalism (Winichakul 2005), with Thailand as the center of the GMS. However, the "Burma as the traditional enemy trope" remains abundant in current discourse (Winichakul 2005). If racialization describes a social process of categorization which makes group relations appear as if they were natural and unchangeable, the political project of racialization in Thai history has represented Burmese people through a singular national identity as having negative social and personal traits. Through historical texts such as “Thai Rop Phama” (Our Wars with the Burmese) by Prince Damrong Rajanubhab (first published in 1917) these national characteristics have been reprocessed and studied by Thai students at nearly every level of education. Chutintaranond and Than Tun (1995) contend that:

> Through school textbooks nationalist governments, especially military regimes, successfully instilled in the minds of the young the image of the Burmese as an enemy of the Thai nation . . . the political purpose underlying this nationalist propaganda relates to an attempt of the government to stir up a sense of nationalism and at the same time legitimize their ruling authority by claiming that they, like their brave ancestors who fought against the Burmese, take as their primary concern the task of protecting the nation, religion and monarchy from external invasion . . . [This is an] outcome of political maneuvers by the Thai government to stabilize their power and authority and secure their own interests.

One consequence has been the easy justification of intolerable conditions for migrants, and especially for those working in low-skilled, low-wage labor-intensive industries. Thus, in the recent 2006 provincial decrees in Phuket, Samut Sakhon, Surat Thani, Ranong, Pang-Nga and Rayong “the migrant” found herself subject to further regulation and racialization through group-specific curfews and prohibitions on the use of cell phones, on migrant workers owning or riding motorcycles, and on five or more migrants from gathering for activities that are not for the express purpose of religion, tradition or custom.[25] On 26 October 2007, Mr Veerayuth Yeamampar, Governor of Samut Sakhorn Province, stepped up the restrictions by circulating a letter stating that all employers in his province must forbid migrants from holding cultural events, stating that:[26]

> . . . They [migrant workers] are also now trying to organise cultural performances at all occasions and fairs, which is not suitable. These activities should not be supported because it will make the community feel that these people are the owners of the community, and could create security problems. Also, it is contradictory to the government’s objective for them to be just temporary workers . . . Hence we would like to ask every place of employment and factory to control and monitor those foreign workers who are under your responsibility to see that they behave and work according to the law strictly. If they violate the law, they will be seriously punished. We should not allow them to organise cultural ceremonies at any event at all.

A particular challenge for Thai government officials has been how to balance these longstanding traditions that denigrate the Burmese while at the same time acceding to the demands of employers. In 1992–1994, the Thai state began formally registering migrant workers from neighboring countries. From 1992 to 2000 migrants were allowed to register in select industries and provinces and from 2001 all industries and provinces were included. Officially, migrants are registered with a single employer and are thus bound to a particular workplace, with Province/District work permits being renewed on a 3, 6 or 12-month basis. Those with work permits are considered temporarily "legal". After the permit ends, workers must register again or they will be considered illegal and subject to deportation. In practice, registered migrants have comprised a minority of the total migrant labor force since the inception of registration systems. Few if any factories register all of their workers, if they register any.[27]

The consequences of such registration programs for Burmese migrant workers are fairly well documented and range from studies on technologies of control in maintaining low-cost, disciplined workers in a regime of "partial border citizenship" (Pongsawat 2007) to studies focusing on migrant workers' struggles and attempts at empowerment in global supply chains (Arnold 2007; Arnold and Hewison 2006; Yimprasert and Hveem 2006), to numerous studies which document forced and child labor, trafficking and other extreme forms of exploitation (Federation of Trade Unions-Burma 2007; Pearson 2005). A common thread in all these and other studies is that neither the state nor employers are responsible for the reproduction of labor power, and both avoid engagement in tripartite functions associated with "formal" industrial relations. For workers in this border region work means precarious employment without clear-cut employment contracts or social protections.

These precarious working and legal conditions for Burmese migrants in Mae Sot have led to the emergence of distinct groups of local actors and associated power dynamics (see Arnold 2010). One such group is organized labor and the trade unions that represent them. Migrant workers lack legal rights to form trade unions and illegal and unregistered workers have few social or civil protections. Under the Labor Protection Act only Thai nationals may form unions, but migrant workers may only join unions formed and led by Thais. However, less than 4% of Thai workers are members of trade unions and a small number of migrants are members of only one dock-workers trade union. The situation for illegal and unregistered workers is exacerbated by the official position of Thai trade unions. As recently as the early 2000s most fractions of Thai labor were united by anti-migrant sentiment, seeing in the migrant worker a threat to job security and national security (ie influx of drugs, disease, violence, etc). However, in recent years addressing nationalist and racialized sentiments has become a priority for many in the Thai labor movement who are interested in promoting the rights of migrants (interview, 17 June 2008, Thai Labour Campaign, Centre for Aids Rights and Map Foundation). Addressing the socially constructed histories of the Burmese is seen to be one potential area of political intervention of "progressive" groupings of the Thai labor movement (see below).

Migrant workers must also deal with the local police, border police and other state authorities such as the National Security Council who are vigilant in enforcing the fact that workers often lack registration rights or have the proper identification. In fact, the local police, border police and military are the most powerful actors in the region (Arnold 2010). With a preponderance of illegal and unregistered workers, and with few actionable rights protecting them, workers fall ready victims to the police who are able to extort money from them and from the factory owners who employ "illegal" or unregistered workers. Annual registration fees are 3980 Thai baht (roughly $117). Workers cannot afford this, so the fee is paid by employers and deducted throughout the term of employment, usually one year in garments with 3–6-month permits for seasonal employment such as agriculture. This has several implications. Employers do not want to lose the workers before they have repaid the fee, so most keep the permit and give a photocopy to workers. When these workers are outside the factory in the community they are, as a result, particularly vulnerable to local police. Workers found without their permit (whether a photocopy or those not registered) must pay a bribe, between 100 and 200 baht (interview, garment workers, 8 and 10 June 2008). Those not able to pay the bribe may be taken to jail. From there the worker is either released to employers or to someone who can produce the registration card. If no registration can be produced, they are deported to Myawaddy, Burma. In this regime of policing, managers are able to exercise despotic management controls over workers, they are easily able to constrain their daily movement, and illegal or unregistered workers can—as a result—be readily locked in factory compounds and allowed to move about the community only at certain times such as days off or the monthly pay-day. Their difficult situation is furthermore compounded by the Federation of Thai Industries-Tak Chapter which has prevented the local Department of Labor Protection and Welfare from exercising its legal responsibilities of oversight and workplace compliance (Arnold 2007; Arnold and Hewison 2006).

Taken together, factories and workers constitute a form of trans-border production system that constantly fluctuates between what is legal and what is illegal. Few if any factories report and register their full workforce to the Ministry of Labor, making them vulnerable to investigation or raids by the police. A significant proportion of factories in Mae Sot are sub-subcontractors for factories in Central

Thailand. Many Mae Sot factories are on the fringes or bottom of global value chains, well beyond the scope of CSR and monitoring initiatives prevalent in certain supply chains of the global garment industry. Several cases in Mae Sot of unauthorized production for major brands, including Tommy Hilfiger, have received public attention in recent years (Arnold and Hewison 2006; Yimprasert and Hveem 2005), and one of the consequences has been that authorized producers of branded apparel that outsource production to Mae Sot must keep this unauthorized production "hidden". Reputation-conscious brands do not want their names associated with exploited migrants from Burma. This means that certain levels of production in Mae Sot are "illegal" and are not part of brand and retailer compliance programs.

These conditions mean that migrant workers in Mae Sot, with a work permit or not, enjoy few if any political or social rights. But they also suffer in terms of their inability to access even basic services, including basic health care. Access to state medical facilities is included with a work permit. Since a majority of workers do not have a permit or only have the photocopy issued by their managers, access to health care in hospitals is difficult. Roughly 80% of workers in Mae Sot garment factories are women. One major concern of these women is unwanted pregnancy. According to Dr Cynthia Maung, "Most women factory workers live on the premises the entire time, forbidden from venturing out. They have no family or social life and enjoy little access to medical services or education programs" (Aye Chan Myate 2008). Workers who do become pregnant are generally not given maternity leave (interview, garment workers, 8 and 10 June 2008). As their pregnancy advances they are replaced by another worker.[28]

The Mae Sot social economy thus combines an extreme form of authoritarian control of labor at the factory level and at the border with everyday uncertainty for workers in the town itself. The result is a unique ensemble of border regulation, incentive strategies, and citizenship regimes and the emergence of what Pongsawat (2007:189) terms "partial border citizenship":

> [border partial citizenship is] . . . the most flexible form of labor formation in contemporary Thailand. It is the actualization or the concretization of the abstract labor into the registered illegal migrant worker,[29] rather than proletariat or the modern industrial worker. It is a process in which the lived political, economic, and social relations take place in the form of the registered illegal migrant worker rather than the modern form of citizen or immigrant that still has relatively better protection from the state and the economy in terms of welfare and the length of stay. It is the process that makes possible labor as a real productive factor which is close to, if not identical to, the abstract labor in the production theory; ie, the labor is actually kept in the gated factory to work because they do not have any legal

immigration category and they have to be registered with the employer only.[30]

Interviews in summer 2008 and fall 2009 indicated that this situation may be changing and that workers are increasingly able to make small gains when negotiating with employers, including small pay raises and reinstatement of unjustly dismissed workers (Arnold 2010). This is a significant improvement on conditions from only three to four years ago (see Arnold and Hewison 2006; Arnold 2007; Pongsawat 2007). At that time nearly any form of negotiation was met with dismissal and regularly deportation. In the past, physical violence and murders of activists were not uncommon (Arnold 2007). According to Professor Voravidh Charoenloet (interview, 5 June 2008) the perception among organized labor groups that migrants are a threat to jobs may also be changing, as many organizations, particularly trade unions, NGOs and others, now argue that migrants should have the same rights as Thais (in terms of pay, freedom of association, collective bargaining, etc) and that the trade unions need to move beyond their traditional organizing strategies to speak to migrant problems and desires.

That said, there are serious limits to the opportunities for migrant workers to make demands on either their employers or state authorities. Employers seem willing to allow collective action so long as it does not jeopardize profit margins, excessive working hours or claim additional freedom to move in the community and between jobs. Consequently, negotiations are usually over very small increases in pay, compensation claims, and other issues that do not seriously challenge the regional powers that employers enjoy. More importantly, negotiations among workers and employers do not address local and national state policies and mechanisms that maintain conditions of a precarious workforce in the region. Workers can now negotiate with and even confront employers with the assistance of Burmese workers associations, Thai and Burmese NGOs, and increasingly Thai trade unions. After several years of pressure, dialogue, and confrontation, the Mae Sot Labor Protection Department is now more open to negotiations and less committed to acting in the interests of the employers (interview, BLSO and LPD, 17 and 20 June 2008). State authorities, including police and the border army, who are the real power brokers in the Mae Sot–industrial area, continue to pose serious risks for Burmese workers and activists (Arnold 2010).

Conclusion

From a macro-perspective, the global factory necessitates a re-territorialization of the nation state in order to accommodate and attract the flow of capital, trade in goods, and labor. The implementation of programs associated with the ADB GMS Program is an example of networks where some aspects of regional power and authority are taken up by international organizations, yet the final implementation of these frameworks lies with states and private sector associations especially if they are to successfully sustain the flows of labor and capital investment on which the border region depends. In the GMS [Burma (Myanmar), Cambodia, Lao PDR, Thailand, Vietnam and Yunnan Province PRC], with its embeddedness in the cross-border regionalism of post-socialist Cambodia, Vietnam, and China, and its relationship to authoritarian Burma, patterns of labor recruitment and migration are underwritten by state policies in very specific ways. The zones of growth are underpinned by national and transnational governmental policies and infrastructural investments aimed at economic efficiency and regional integration. But they are also underpinned by nationalist social policies that seek to reconfigure the place of these growing numbers of immigrant workers in the body politic.

In Thailand, border zones are mobilized as economic barriers and filters to the perceived contamination of migrant workers and the growing social instabilities, both real and misconceived, they create. In Mae Sot, local power is primarily held by state officials, particularly local and border police. These authorities make use of national scale migrant registration schemes to govern the labor force of border factories producing for global apparel markets. Due to official or unofficial fees, employers tightly regulate the movement of their workforces, creating a low-wage, and highly precarious working population at the Thai–Burma border.

In their work on the "Growth Triangle" Ong, Sparke et al and others interpret SEZs as zones of exception in which the strong state withdraws to allow forms of economic autonomy that enhance profitability. This notion of neoliberal exception is an important contribution to understanding the geographies of Asian production. But in the case of both China and the GMS, the role of the state in regulating labor practices, codes of corporate behavior, social norms, and strategies for accumulation has remained paramount, particularly since 1979 in China and since the 1990s in the GMS. The Mae Sot "SEZ" is certainly a zone of exception but not because the state's role is compromised or because the state has withdrawn from that space. Instead, it is precisely the way in which the state, particularly the police, national security agencies, and border guards work together to regulate every aspect of migrant workers' lives to create and sustain the conditions for a regime of precarious labor that enables the garment industry to survive in the region. At the same time, as the border police extort money from employers, the employers pressure the Ministry of Labor to secure improved conditions for profitability on the border. Squeezed on the one hand by competitiveness and declining prices on global markets and on the other by the costs of managing a largely unregistered workforce, managers entrain the central and local state agencies to deepen the reach of state powers to sustain the conditions for profitability on the border. Indeed, precisely because the dependence of the regional economy on precarious work is so large, the mechanisms of control and the deployment of state apparatuses are “necessarily” extensive. Both are secured by a broader state project in which migrant workers are racialized and their civic rights are peripheralized through the construction of a distinct bio-political regime of “partial border citizenship”.

If Mae Sot is an indication of the direction of other border economic zones or SEZs in the GMS, we may find that the conditions for profitability depend on reserves of precarious migrant labor whose costs of reproduction are “outsourced” to regions across the border. In these conditions, state and business resist the formation of tripartite negotiations typically associated with “formal” industrial relations. Such border zones are currently beyond the scope of corporate attempts to monitor work conditions, though NGOs have monitored conditions for several years. Consequently, workers in this and other border SEZs are regularly working without clear-cut employment contracts or social protections. Economic growth is certainly occurring as a result of state intervention or investment in SEZs in cross-border regions. Less clear is who will benefit from such cross-border growth. Precisely why factory owners go to these lengths to sustain production in a remote part of Thailand, eight hours from port over a mountain range, when they might more easily invest in producing in other export zones in countries such as Vietnam and Bangladesh, remains an important question. To understand why factory owners make this decision requires that we understand much more about the national composition of factory ownership and the demand for flexible contracting in global and regional supply chains. It also means that we need to understand much more about the conditions of life in regions from which the workers are drawn and the ways in which regional economies are being re-territorialized and re-articulated around such borders.

Acknowledgements

Research for this paper is based on fieldwork in China, Vietnam, Thailand and Cambodia. Portions are adopted from an unpublished paper by Arnold: “Special border economic zones in the Greater Mekong Subregion: Economic cooperation, industrial transitions and migrant labor” presented at the International Conference on Inter-Asian Connections, Social Science Research Council, Dubai, UAE, February 2008. Several interviews in Thailand were part of a research consultancy for Norwegian Church Aid and Diakonia. Part of the field research was supported by the National Science Foundation under Grant No. 0551085 and by a Grier Woods China Studies Fellowship. Other parts were funding by the UNC-Chapel Hill Geography Department’s Travel Fund. The authors acknowledge generous comments from anonymous reviewers. Burma Labour Solidarity Organization, Thai Labour Campaign, Kevin Hewison, Jim Glassman and many others in

Thailand/Mae Sot offered critical comments and support in various stages of research.

Endnotes

[1] Authors in Gainsborough (2009) offer compelling questions and analysis on the extent to which cross-border flows have risen from behind formerly "closed" borders in the GMS. They varyingly contend that the discourse of "opening up" distorts notions of how it was in pre- and post-colonial eras, and before and after the end of the Cold War.
[2] On changing labor relations in China and Vietnam, see Lee (2007), Clarke (2006) and Ngoc Tran (2007).
[3] For example, China is deemed to be the primary threat to Cambodia's textile and garment industry, but in 2006 China was by far Cambodia's largest investor with $763 million in fixed assets approved (Russia was the second at $278 million, Thailand the third at $102 million; IMF 2007).
[4] The term "Greater Mekong Subregion" did not exist prior to this, yet the notion of the territories along the Mekong forming a subregion has existed since 1957 with the formation of the Mekong Committee (Mya Than 1997; Oehlers 2006).
[5] In 2003 Burma, Cambodia, Lao PDR, and Thailand agreed to establish an economic cooperation initiative called the Ayeyawady-Chao Phraya-Mekong Economic Cooperation Strategy (2007). It is a subregional economic cooperation program complimentary to the ADB's GMS Program.
[6] The "Growth Triangle" encompasses (primarily) Batam and Bintan in Indonesia and Johor State and Riau Islands of Malasia and the city-state of Singapore
[7] See also Gainsborough (2007, 2009) for analysis on the provincial state in globalizing Vietnam. Oehlers 2006 provides critiques of ADB policies towards the GMS.
[8] See Glassman (2009) for a brief analysis of Thailand during the colonial era, particularly the "quasi-colonial" implications of the Bowring Treaty of 1855 that liberalized trade and guaranteed extraterritorial powers to British subjects in Siam.
[9] From the mid-1980s to the mid-1990s Thailand was the fastest growing economy in the world.
[10] At the time of writing 21 SEZs have been approved in Cambodia.
[11] Arnold (2010) provides a more thorough analysis of border economic zones in the GMS, comparing initiatives in Thailand and Cambodia.
[12] The textile and garment industry employs roughly 1 million Thais. Many are employed in capital intensive textile firms, yet significant proportions are in cutting and sewing factories, that regularly outsource work to home-based enterprises where workers lack job security, sufficient income, social security and the like.
[13] Phil Robertson refers to this as "light and dark in modernizing Thailand" in an unpublished article. See also Brown and Hewison (2005).
[14] Thailand's labor force is approximately 34.43 million (US Department of International Affairs, Bureau of East Asian and Pacific Affairs 2008).
[15] This contrasts sharply with official government statistics of 1.2 million migrants in Thailand (Huguet and Punpuing 2005).
[16] Thailand is distinct from many labor-receiving countries in Asia since a high proportion of Thais are employed in sectors drawing migrant workers including construction, textile and garment manufacturing and agriculture. The exceptions are domestic work and fisheries—occupations almost totally lacking local workers. This destabilizes notions that migrants only take jobs shunned by Thais.
[17] However, the associated "economic initiatives" in Mae Sot–Myawaddy are proving difficult to negotiate with the Burmese Junta (Tsuneishi 2008), especially those regulating the cross-border movement of people, goods, and vehicles.

[18] There are garment firms in Mae Ramad and Phrob Phra, yet throughout this paper we refer to Mae Sot since it is the center of production.
[19] For several years civic and business leaders in Mae Sot and the five border districts have been lobbying the central government for provincial status. This is unlikely to proceed (Arnold 2007; Pongsawat 2007). They have recently introduced an initiative for special administrative status, like Bangkok and Pattaya (Arnold 2010).
[20] These include tax free exports and 10% reduction of corporate tax—at 20%.
[21] In part, lack of enforcement is due to insufficient personnel in relevant ministries (see Charoenloet 2002).
[22] US$1 = 34 Thai Baht (September 2008)
[23] Paying a monthly security fee of 300 baht is, over a year, roughly the same amount as a work permit.
[24] In this regard the FTI is becoming much more organized among its members compared with years past. Despite the illegality of these deductions, they have achieved a degree of legitimacy for these policies.
[25] http://www.mapfoundationcm.org/Eng/PDF%20File/provincialdecree.pdf (accessed 29 November 2007).
[26] A significant proportion of migrant workers in Samut Sakhorn are ethnic Mon. There are also large populations of Mon in Eastern Thailand who are Thai citizens and perform many of the same cultural ceremonies as the migrant Mon.
[27] Over the past decade registration numbers have varied between roughly 90,000 in 1998 and the 2008 level of 700,000, peaking at about 850,000 in 2004.
[28] This is a violation of the law that stipulates 3 months' maternity leave, lighter work for pregnant women in later phases and other benefits.
[29] Pongsawat terms it "registered illegal migrant worker" since all migrants who enter Thailand outside of a memorandum of understanding (MOU) with sending governments are technically "illegal". A work permit makes the "illegal" migrant temporarily legal. To date, Thailand has not implemented an MOU of this kind with Burma.
[30] A shortcoming of Pongsawat's analysis is the failure to analyze the unregistered migrant workers in Thailand, who comprise an overwhelming majority.

References

ADB (2002) Building on Success: *A Strategic Framework for the Next Ten Years of the Greater Mekong Sub-region Economic Cooperation Program*. Manila: Asian Development Bank

Asian Development Bank (2009) East–West Economic Corridor (EWEC) Strategy and Action Plan. Draft for consideration by the 15th GMS Ministerial Meeting, May. http://www.adb.org/GMS/Economic-Corridors/EWEC-SAP.pdf (last accessed 10 September 2009).

Arnold D (2007) Capital Expansion and Migrant Workers: *Flexible Labor in the Thai–Burma Border Economy*. Bangkok: Mahidol University

Arnold D (2010) "Administration, border zones and spatial practices in the Mekong Subregion." Unpublished PhD Thesis, Department of Geography, University of North Carolina at Chapel Hill.

Arnold D and Hewison K (2006) Exploitation in global supply chains: Burmese migrant workers in Mae Sot, Thailand. In K Hewison and K Young (eds) *Transnational Migration and Work in Asia* (pp 314–339). London: RoutledgeCurzon

Aye Chan Myate (2008) Problem pregnancies. The Irrawaddy July

Ayeyawady-Chao Phraya-Mekong Economic Cooperation Strategy (2007) ACMECS Foreign Ministers' Meeting: Joint Statement, Mandalay, Myanmar, 4 May. Unpublished manuscript

Brown A and Hewison K (2005) "Economics is the deciding factor": *Labour politics in Thaksin's Thailand. Pacific Affairs* 78(3):353–375

Charoenloet V (2002) Thailand and industrial restructuring: Government policies and the labor situation since 1997. *The Journal of Comparative Asian Development* 1(2)

Chutintaranond S and Tun T (1995) On Both Sides of the Tenasserim Range. Bangkok: *Asian Studies Monographs*, No. 050

Clarke S (2006) The changing character of strikes in Vietnam. *Post-Communist Economies* 18(3):345–361

Dicken P (2003) *Global Shift: Reshaping the Global Economic Map in the 21st Century*. 4th edn. New York: The Guilford Press

Dyer-Witheford N (2002) Global body, global brain/global factory, global war: Revolt of the value-subjects. *The Commoner* 3

Federation of Trade Unions-Burma (2007) *Working Day and Night: The Plight of Migrant Child Workers in Mae Sot, Thailand*. Bangkok: International Programme on the Elimination of Child Labour, International Labour Organization

Gainsborough M (2007) Globalisation and the state revisited: A view from provincial Vietnam. *Journal of Contemporary Asia* 37(1):1–18

Gainsborough M (ed) (2009) *On the Borders of State Power: Frontiers in the Greater Mekong Sub-Region*. London: Routledge

Gereffi G (2005) The global economy: Organization, governance and development. In N Smelser and R Swedberg (eds) *The Handbook of Economic Sociology* (pp 160–182). Princeton: Princeton University Press

Glassman J (2003) *Thailand at the Margins: Internationalization of the State and the Transformation of Labor*. Oxford: Oxford University Press

Glassman J (2009) Thailand in the era of the Cold War and Rama IX. *Human Geography* 2(1):29–44

Glassman J (2010) *Bounding the Mekong: the Asian Development Bank, China and Thailand*. Honolulu: University of Hawai'i Press

Glassman J and Sneddon C (2003) Chiang Mai and Khon Kaen as growth poles: Regional industrial development in Thailand and its implications for urban sustainability. *The Annals of the American Academy of Political and Social Science* 590(1):93–115

Harvey D (2003) *The New Imperialism*. New York: Oxford University Press

Hess M and Yeung H (2006) Whither global production networks in economic geography. *Environment and Planning A* 38(7):1193–1204

Huguet J and Punpuing S (2005) *International Migration in Thailand*. Bangkok: International Organization for Migration

IMF (2007) Cambodia: Selected issues and statistical appendix. International Monetary Fund Country Report No. 07/291. http://www.imf.org/external/pubs/ft/scr/2007/cr07291.pdf (last accessed 27 April 2011)

Lee C K (2007) *Against the Law: Labor Protests in China's Rustbelt and Sunbelt*. Berkeley: University of California Press

Mounier A and Charoenloet V (2007) "Thailand: Labor and growth after the 1997 crisis: New challenges ahead". *Paper presented at the 10th Annual Thai Studies Conference*, Bangkok, Thailand, Thammasat University, 9–11 January

Mya Than (1997) Economic co-operation in the Greater Mekong Subregion. *Asian-Pacific Economic Literature* 11(2):40–57

Ngoc Tran A (2007) Alternatives to the "race to the bottom" in Vietnam: Minimum wage strikes and their aftermath. *Labor Studies Journal* 32(4):430–451

Oehlers A (2006) A critique of ADB policies towards the Greater Mekong Sub-region. *Journal of Contemporary Asia* 36(4):464–478

Ohmae K (2005) *The Next Global Stage: Challenges and Opportunities in our Borderless World*. Upper Saddle River: Wharton School Publishing.

Ong A (2000) Graduated sovereignty in South-East Asia. *Theory, Culture and Society* 17(4):55–75

Ong A (2008) Scales of exception: Experiments with knowledge and sheer life in tropical Southeast Asia. *Singapore Journal of Tropical Geography* 29:117–129

Pearson E (2005) *The Mekong Challenge—Human Trafficking: Redefining Demand*. Bangkok: Mekong Sub-regional Project to Combat Trafficking in Children and Women, International Labour Organization

Perkmann M and Sum N-L (2002) Globalization, regionalization and cross-border regions. In M Perkmann and N-L Sum (eds) *Globalization, Regionalization and Cross-Border Regions* (pp 3–24). New York: Palgrave Macmillan

Pickles J (2004) *A History of Spaces: Cartographic Reason, Mapping, and the Geo-Coded World*. London: Routledge.

Pickles J (2006) On the social lives of maps and the politics of diagrams: A story of power, alchemy, seduction, and disappearance. *Area* 37 (4):355–364

Pongsawat P (2007) "Border partial citizenship, border towns, and Thai–Myanmar cross-border development: Case studies at the Thai border towns." Unpublished PhD Thesis, Department of City and Regional Planning, University of California, Berkeley

Sidaway J D (2007) Spaces of postdevelopment. *Progress in Human Geography* 31(3):345–361

Smith A, Pickles J, Bucek M, Begg R and Roukova, P (2008) Reconfiguring "post-socialist" regions: *Cross-border networks and regional competition in the Slovak and Ukrainian clothing industry. Global Networks* 8(3):281—301

Sparke M, Sidaway J D, Bunnell T and Grundy-Warr C (2004) Triangulating the borderless world: Geographies of power in the Indonesia-Malaysia-Singapore Growth Triangle. *Transactions of the Institute of British Geographers* 29:485–498

Storper M and Walker R (1989) *The Capitalist Imperative: Territory, Technology and Industrial Growth*. Oxford and New York: Blackwell

Tian X (1998) *Dynamics of Development in an Opening Economy: China since 1978*. Hauppauge: Nova Science Publishers

Tsuneishi T (2008) *Development of border economic zones in Thailand: Discussion Paper No. 153*. Chiba: Institute of Developing Economies-JETRO

US Department of International Affairs, Bureau of East Asian and Pacific Affairs (2008) Background Note: Thailand. http://www.state.gov/r/pa/ei/bgn/2814.htm (last accessed 27 October 2008)

Winichakul T (2005) Trying to locate Southeast Asia from its navel: Where is Southeast Asian studies in Thailand? In P Kratoska, R Raban and H S Nordholt (eds) *Locating Southeast Asia: Geographies of Knowledge and Politics of Space* (pp 113–132). Singapore: Singapore University Press

Yimprasert J and Hveem P (2005) *The Race to The Bottom*. Oslo: Norwegian Church Aid Occasional Paper Series