

##5081024824: MAJOR INTERNATIONAL DEVELOPMENT STUDIES
KEYWORDS: INFORMAL BORDER TRADE/ NETWORK/ LIVELIHOOD/
POVERTY REDUCTION

VIENGXAY THAMMAVONG: THE SOCIO-ECONOMIC IMPACTS OF
LAO-THAI INFORMAL BORDER TRADE ON PEOPLE'S LIVELIHOOD
AND POVERTY REDUCTION
ADVISOR: ASST. PROF. PUANGTHONG PAWAKAPAN, Ph.D. 113 pp.

This study focuses on studying the characteristics of informal border trade networks and its relation to formal channel, and the impacts of informal trade on people's livelihood involving in the informal trade.

The finding determined that almost of the informal border traders are women, aged between 25 to 45 years old, with low level of education. Most of the informal border trade was on a small scale and the products traded are mostly consumption and household goods. The research also indicated that the income earning from informal border trade of the traders is much higher than those from their previous jobs. Therefore, the informal border trade is a real source of income for people who involve in the business and it can be considered as their main job. As the result, their living condition has been improved better.

The finding of the research showed that the border traders are able to overcome the barriers in their business operations by calling on a number of social network and business skills. They work in a social community which included other border traders, porters and other parties. The combination of these social linkages gives border traders advantages in minimizing hassles, building trust and increasing the scope of their capabilities. At the same time, they use these social networks to guard against another party taking advantage of them.

The research also found that the businesses of these cross border traders are themselves combine a formal and informal characteristic. On the shop itself, a shop owner has to apply for a licence from authority concerned and pay taxes to customs while goods suppliers in a shop buy from both formal and informal channel in order to reduce their capital and gain maximize profit. Therefore, formal and informal trades are overlapping in this border trade area.

Field of study: International

Student's Signature:

Development Studies

Advisor's Signature:

Academic year 2008