

Thai – Laos Trading in Cultural Dominance Context

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ACADEMIC BACKGROUND

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Abstract

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From Year 1975, Lao People Democratic Republic (Lao PDR) started the first step to boost the economy by escaping itself from the backwardness and underdevelopment, the Lao economic goal is being the free market economy by using the 5 – year development state plan and using *JIN – TA – NA KAN MAI policy* that adapted from *Perestroika policy* of Soviet Russia. When cold war ended, Thai – Laos trading is the more favorable for being new export market.

Thailand co - operates the relation with Lao PDR actively in the Thaksin (1) Government Era for the purpose of building – up Indochina area to be the new export market for Thais. Thai Government to Laos Government cooperation is the projects and programmed passing through Lao state strategic areas for networking in S/E region, development plans for many Laos' provinces along Mekong River that have a lot of intensity, and the area that are deepen in Thai – Laos's historical background.

Major private cooperation between Thai – Laos is Thai Chamber of Commerce that are now outstanding for building – up trading and investment, especially the small and medium trading level, between Thai retailing and wholesaling to Lao retailing.

But Lao state receives the negative effect both of Balance of Trade deficit and traditional culture is being collapsed.

Obviously from 2 - 3 years ago, the rapid growth in 2 Thai export products depends on the developmental sub – regional Mekong projects in the propose of (1) up - level in the quality of basic infrastructure, for the example, the highway from the North to the South and the highways from the

East to the West corridor that connect Myanmar, Thailand, Laos, and Vietnam altogether, (2) the developing project to upgrade skills of Laos' labor, (3) the political closed relationship for 2 states economic strengthening. With the de - regulation in the conditioning of immigration, traveling, and business purpose, Laos brings the convenience to trading and investment. And the accidental factor is the access of Laotian people on Thai TV and radio unintended.

The objective of this study

The core part of the objectives is the discovering the causes of deficit in balance of trade in Lao PDR from (1) the access of Thai mass media unintended, (2) the networking of roads and highways within the sub – regional Mekong River and Lao PDR.

The assumption are (1) the mass media culture (popular culture) changes Laotian wear suit styles and Laotian satisfaction in fashionable products and (2) the railroads and roads are the positive factor for importing big lots of Thai consumer products to Laos, including with the factor of Thai consumer products' advertisement from Thai TV and radio.

By using the suitable instruments to find out the answer from social and economic dimensions, we want to discover that Thai TV and radio that flow into Laos is the main cause of changing in Norms, Values and everyday life patterns or not. We want to describe that Thai consumer and cultural products are very popular in Laos from many reasons. We want to explain that why 2 Thai products are favorable in Lao PDR.

Analysis and Description of Finding

By using the 3 instruments in the field research; (1) the questionnaire (2) the interviewing and (3) the observation in 5 sites of area; (3.1) Mukdahan Province (THAI) (3.2) Sawannaket (LAOS) (3.3) Vientiane Metropolis (LAOS) (3.4) Nongkhai Province (THAI) and (3.5) Laung Prabang (LAOS) by using 2 – tailed significant level equal to 95 % (Alfa (α) equal to 0.05), we find that Thai fashionable products is the first priority and Thai consumer products is the favorable goods for Laotian people in the decision – making process. Laotian people will choose Thai Products by 2 conditions; (1) the modernization and the utility of goods beyond the personal budget (2) the access of Thai mass media

such as Thai TV program and radio that flow from North – East regional area of Thailand to the communities and villages along the left side of Mekong River.

From 2 Thai export commodities; Consumer Products and Cultural Products (fashionable products such as suits, slacks, skirts, blouses, tape cassettes, fashion magazines, leathers, accessories and else), they are increasing in volume of sales and production. From the researcher's observation at the 3 wholesale markets in Bangkok; *Sam - pang, Boo – Bae and Pratunam*, we can find that Laos' merchants have to travel a long journey to buy big lots of fashionable goods from there by their own selves. We can describe that Laotian merchants will always use timing 2 – 3 day / trip and 2 – 3 trip / month continuously by 2 – way trip with a driver and a rental car to Bangkok, they will start a long journey to Bangkok at Nkongkhai or Mukdahan and finish at the same point in 2 – 3 days later. From the interviewing, we find out that the most Laotian merchants' reasons to buy fashionable products are (1) Thai fashion is always a newest trend, (2) Thai finished clothing are modern as the Thai actor and actress wear suit that they imitate from watching Thai TV, and (3) Thai clothes are cheaper when we compared with the utility and quality of products.

The voices and pictures from Thai TV and radio that flow to Lao PDR building up the realistic modern lifestyle for Laotian. The picture as a real that are in a motion can change Laotian's way of lives; such as the consumption behavior, the appreciation in Thai fashionable products, the gestures and characteristic of the teenagers, together with the decision – making of Laos' merchants. The results from the field research show the answer in the central research question that Laotian's trading depend on 2 types of Thai products. Particularly, they think that they will be the western people because of using products from Thai. From geo - politics and geo – culture approaches, **The Cultural Dominance** is the real when comparing with the superior (Thai) and inferior (Laos).

When we analyzed Thai – Laos from the social and economic dimension, the first one is Thai economics that helpful Laos' economic by state relationship. The second is Thai private sector, especially Thai provincial Chamber of Commerce, is building networks for Thai – Laos trading. And the third one is Laos' merchants need Thai consumer and cultural products to distribute in Lao PDR or to buy in the retail shop.

In contrast, Lao need more aids, donation, and the mega – project from Thailand and world organization such as United Nation, World Bank and Asian Development Bank in the part of financial, economic, social and infrastructure upgraded. The demand in consumer and cultural products of Lao PDR mostly depend on Thai by many reasons. Laotian want more Thai products if they have enough money to pay. Thai fashionable products are most favorable for Laotian. From Laotian's viewpoint, Thai consumer products are plentiful with usefulness and utilities. Most of Thai products can be sold are in TV and radio advertising.

Cultural Dominance occurred from mass media by comparing the superior and the inferior and used the cultural hegemony in world systematic relation analyzes the attacks of modern culture.

Cultural Dominance is the major cause of rising in B/T deficit on Thailand from volume of trading in consumer and cultural products.

Definitions:

Consumerism signifies acquiring goods and services considered desirable.

Cultural Dominance is one potential consequence of consumerism. It can reflect growing acceptance of cultural ideologies from other cultures.

Cultural products are defined as fashionable goods, musical instruments, videotapes, cassette tapes, newspapers, journals, books, televisions, and religious documents. (These items are protected import value by Laos' Government)

The research article

Thai – Laos Trading in Cultural Dominance Context¹

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Introduction

Lao People Democratic Republic (Lao PDR) is almost exactly with 5.3 million people. It is wedged between five countries, the most significant of which, economically, are Thailand Vietnam and China. Laotian people have been occupied or strongly influenced by their neighbors for most of their history, especially on Thai.

The outstanding features of Laos are beauty and poverty but its developmental structure is weak. Laos seems to be the underdevelopment or the backwardness country. Laotian people have a low literacy rate, particularly among women; there is high infant mortality and morbidity. There is very poor access to services, particularly education and health. But they can access to Thai TV broadcasting and cable TV if their community or village located along Mekong River. Only if Laotian people in Luang Prabang province that very far from Thai broadcasting, they still watch Thai TV from UBC, some of them can't because of limited budget is the obstacles to watch. Therefore, Laotian can take the most advantages from watching variety kinds of program from the foreign countries. But Thai TV is the most favorable for Laotian everywhere.

¹ This dissertation composed of 4 disciplines; cultural sociology, communication arts, economics, and history. The researcher uses timing 3 phrases to collect data in 5 sites; (1) Nong Khai province (2) Vientiane metropolis (3) Mukdahan province (4) Sawannaket, and (5) Laung Prabang. During Year 2002 – 2003 was used for field survey, and Year 2004 was used for field research. The researcher got the grants for survey in Lao PDR from Asian Studies Institute, Chulalongkorn University in Year 2002.

Laos has a big amount of deficit in balance of trade with imports doubles exports. Its increasing in the deficit bring the higher inflation rate through over 15%, the exchange rate has devalued more than 25% in 18 months. The financial unstabilized status is highly continued.

Thai – Laos's relationship²

Year 1994, Thai government make up the definition of word “**border trade**”, that year was the year of opening Mitraphab bridge I³ between Nongkhai and Vientiane Metropolis. In the dimension of Economics, social, and culture, Lao need basic infrastructure as the base economic structure, so bilateral agreement on Trade both of G – G and P – P is the most significance for continual cooperation. Furthermore, Thai – Laos's relationship can be operated by Thai – Laos Association for Friendship (Thai) and Laos – Thai Association for Friendship (Laos)⁴. Two associations used for exchange cultural and social activities.

Lao State's further goals in the latest 5 - year plan is the better social lives of people, higher growth rate in GDP, and economic strengthening

² The evidence to show that Thais – Laos are brothers comes from the belief that Laos separate from Thai when immigrated from South China to build – up Yunnan, Nan – Chao and after that all of them separate in sub – groups as these followings (1) Laung Prabang – Vientiane – Champasak (2) Chiang Mai and Chiang Rai. Therefore, Tai history at the first time is called pre – modern, some of them are located at **Lan – Chang region** with the central part at Laung Prabang, and the later Lan – Chang separate into 3 regions. These are (1) Laung Prabang (2) Vientiane and (3) Champasak. Another of them builds – up Lanna with the central part at Chiang Mai Province. Finally, the other Tai groups are defended with Chan State of Myanmar and separated to the south and established Ayutthaya, Sukothai orderly.

³ Nowadays Mitraphab bridges are built at the border pass between (1) Nongkhai – Vientiane Metropolis and (2) Mukdahan – Sawannaket are being built from the agreement of Thaksin I Government and Laos' Prime Minister Boon Young Worajitr on the date of 21st March, 2004.

⁴ Laos' association is monitored by Laos' Revolution People Party. It does the creative activities such as teaching Lao language project at Khon Khen University, the annual seminar between 2 countries and the exchange by cultural shows in the date of national festival both of 2 countries.

Lao PDR developed the export market with Thai alertly for increasing in potential trading more than any others.

When cold war ended, Thai – Laos trading was the more favorable for being new export market. By creative thinking of Prime Minister Thaksin Chinnawatr in Thaksin I era, built up the closed relationship in the dimension of politics, economics, and culture to boost Thailand economic network and cooperation within Sub – regional Mekong River. From historical background, Thai – Laos was a longer relation in the small level by crossing Mekong River, and Thai – Laos's identities from historical background⁵ were the same?

From the problematic solution, Laos' elites want to solve economic problems, therefore they had written **5 - year plan**⁶ from the starting point in year 1975. Lao PDR started the first step to boost its economy; economic goal is being the free market economy by using plans and using *JIN – TA – NA KAN MAI policy* adapted from *Perestroika policy* of Soviet Russia. Lao want the development and the modern lifestyles from the influences of Thai TV broadcasting and Thai radio. Laos has acknowledged this and welcomes foreign trading and investment.

At the same time, Thai Government needs the expansion the new market to substitute importing demand on Thai products by Europe and America. Thai Chamber of Commerce in every province along Mekong River wants to open new export market [more than direct investment]. Especially, Thai merchants want the small and medium size of trading in the level of wholesaling and retailing.

Thai – Laos Trading

⁵ There is the issue to explain that Thai – Laos are being Tai by the same identity and the sameness of Thai – Laos's language (Tai – Ka – Di group) from analyzing historical background.

⁶ The ordering of economic plans is (1) 1st plan used during year 1981 - 1985 (2) 2nd plan used during year 1986 – 1990 (3) 3rd plan using JIN – TA – NA – KAN – MAI policy used during year 1991 – 1995 (4) 4th plan focusing on free trade used during year 1996 - 2000 (5) 5th plan focusing on the economic growth and poverty solution from the 1st party meeting used during year 2001 – 2005.

Lao state receives the negative effect from (1) balance of trade deficit and (2) traditional culture is being collapsed from modern products by the influences of Thai TV broadcasting.

Mostly, Laos has the deficit in Balance of Trade on Thai in 2 types of products that are consumer products and cultural products (The definition are fashionable clothes, leather, accessories, and etc.). When analyzing to this problem, we can find that the cultural products links the stage of Laos' economy. Laos' Elites desire to protect the negative effect from both of traditional culture and the deficit from trading with Thai.

Therefore, Laos' Government settled the strong regulation to limit quantities of imports (as if import restrictions or quotas) from Thai. These items are (1) the forbidden items such as the agriculture products (2) fashionable clothes, leathers, and accessories from Thai and (2) the controlled products from Thai by the measurements of Ministry of Trading and Tourism.

We can explain that Lao Government worried about deficit in B/T on Thai, although Laos can import these products from others countries, such as Vietnam or Yunnan of China, but Thai products are the most favorable for Laotian people.

Lao elites forecast in 5 – year economic plan that there still have imports from Thai with smaller quantities and smaller deficit in Balance of Trade.

The significance of the problem

In modern day Laos, consumerism and consumer habits are changing. Interactions fastened by globalizing processes are impacting Laotian identities. The quantities of Thai cultural and consumer products such as magazines, television program, and advertising that are available to Laotians depend on convenient transportation and access to Thai television. Laotians people accept Thai products as part of their changing way of life. Among many Thai products have become the preferred goods because of the perceived high quality of Thai products, Thai popularity, and the reasonable

prices. Television is the major factor in changing Laotian self – identities, although the elderly generally defense Thai TV because of the operation of cultural hegemony but teenagers still favor on Thai fashions and Thai consumer products.

Radio always be the supporting agent to impulse the appreciation on Thai products only if Laotian hear these advertisings all day from the bus stop when they catch the bus, the retail shop when they choose fashionable products (cultural product), and their home when they want to listen to Thai music.

Therefore, Thai products are the first priority to choose with the reasons of modern styles, reasonable prices, and the moderate quality. Obviously, China and Vietnam are closed to Lao PDR so many kinds of products can flow into Laos easily but Laotian don't choose them as the first priority as Thai's. We conclude that the favor in Thai products is the main problem of deficit in B/T on Thailand.

Research Questions:

By using the suitable instruments to find out the answer from social and economic dimensions, (1) we want to discover that Thai TV and radio that flow into Laos is the main cause of changing in Norms, Values and Lao lifestyle or not. (2) We want to describe that Thai consumer and cultural products are very popular in Laos from many reasons. (3) We want to explain that why 2 Thai products are favorable in Lao PDR. (4) We want to find out that between popular culture takes Laos to the state of modern culture and the traditional culture in Laos, what is the dominant culture in Lao PDR?

The Objectives:

The major issues of this study include political relationships and market economy among 2 Tais on both sides of the Mekong River from the past to the present. Qualitative and quantitative methods are used to analyze the developmental strategies in land transportation⁷ of both countries,

⁷ The real mode of transportation between Thailand and Lao PDR are beyond Asian Framework by loans and subsidies. The new corridor from west to east is Thailand's expanding trade and investment strategies. Land

the convenient of infrastructures by land – bridge and Mittaphap Bridge, and the broadcasting of Thai TV station in the northeastern of Thailand that build up the cultural hegemony in Thai products, Thai consumption patterns and Thai modern lifestyle. The reach of Thai mass media are the links between transportation and media show flows of Thai consumer products to Laos is a big amount of volume. Everything that is Thai - ness will be the popularity beyond the Laos' traditional cultural patterns. Although Laotian people have a very little of money to buy Thai products because of the limited household budget, but Thai products is always the first priority.



The discovering the causes of deficit in balance of trade in Lao PDR from (1) the access of Thai mass media unintended, (2) the networking of roads and highways within the sub – regional Mekong River and Lao PDR.

The assumption are (1) the mass media culture (popular culture) changes to Laotian wear suit and the satisfaction in fashionable products and (2) the railroads and roads are the positive factor for movements big lots of Thai consumer products to Laos, including with advertisement from Thai TV and radio.

The way to study:

This comparative study utilizes socio – cultural and economic approaches to identify major impacts on Lao identity associated with the consumption of Thai cultural and consumer products. This study compares well – established Thai – Lao trade / transportation areas with less well established routes to produce a holistic image of Laos' current balance of trade deficit. The result is cultural

transport among Myanmar, Thailand, Laos, and Vietnam will be linked by expanding No. 9 Road to the west and Nkong Khai and Vientiane will be linked by the construction new railway (9kms).

dominance that appears along transborder Thai – Laos by the influences of Thai TV broadcasting station.

Theories and Concepts:

1. **Popular Culture** is the new culture that sends from mass media; for the example television and radio. Its effects change everyday life pattern to become the western, the modern and the consumerism by globalizing process.

Basic concepts aim to explain the nature of Laotian people,⁸ to look culture as the instrument to control society because of Laotian people beliefs is located beyond culture. Laotian people are dominated by the other cultures; such as the consumption, the exchange, and the transaction from border trade. For example, mass media is the external factor that gives the strong effects for expanding a large amount of volume of trade. The popular culture is the theoretical concept to explain how the Laotian behavioral patterns can be changed. For Laotian consuming habits, we explain that they intended to buy varieties kinds of products immediately they saw a sight at the first time in Thai TV.

2. **Cultural Domination** means *the state of culture that is happened by the others from outside*. **Cultural Dominance** is one potential consequence of consumerism. It can reflect growing acceptance of cultural ideologies from other cultures. The analysis from cultural ideologies such as cultural hegemony will strongly explain the superior Thai and inferior Laos.

The speed of changes will be quickly or slowly depends on the process of substitution from *cultural exchange*⁹. Moreover, it can absorb easily from the others. If this step is not clear, analyzing and interpreting will not be accurate. The research wants to find out cultural dominance occurs or not. If it happened, we can explain that the power of changing by modern culture that flow from Thai much more the defense of traditional culture. If it is true, the following this result will be the facts as the

⁸ The difference both Laos and Thais can discriminate by rational thinking, ideological thinking, and political thinking. These are ways to differentiate Lao culture from Thai culture. It is the first step to study the assimilation process of Thai culture in Laos before explaining how acculturation process happened.

⁹ Both of Thai and Laos culture will exchange automatically from usage in everyday life.

explanation of world system theory. The conclusion of this research from analyzing by cultural ideologies and world system theory can describe the cultural dominance in Lao PDR.

3. **Dependency Theory** is the well - known economic theories that used for explanation the economic of developing countries such as Latin America

Dependence is the phenomena that some countries are dominantly and the others are depending on. The dominant countries have exploited the natural resources and the capital from the inferior countries. And the dominant countries need to be the economic leader by structural patterns.

We have to use the comparison of the different development level between Latin America and the third world countries such as Indochina to explain to superior – inferior status. Dependency Theory explains Laos' economic dependence and imported product dependence from Thai.

4. **World System Theory** can express why Laos trading depends on Thai by the dimension of round circle and timing. Globalizing process and transcended to the capitalism is a must in concentration and centralization. It can forecast why Laos has to connect to Thai more than any others and why Laotian people have imported Thai products repeatedly.

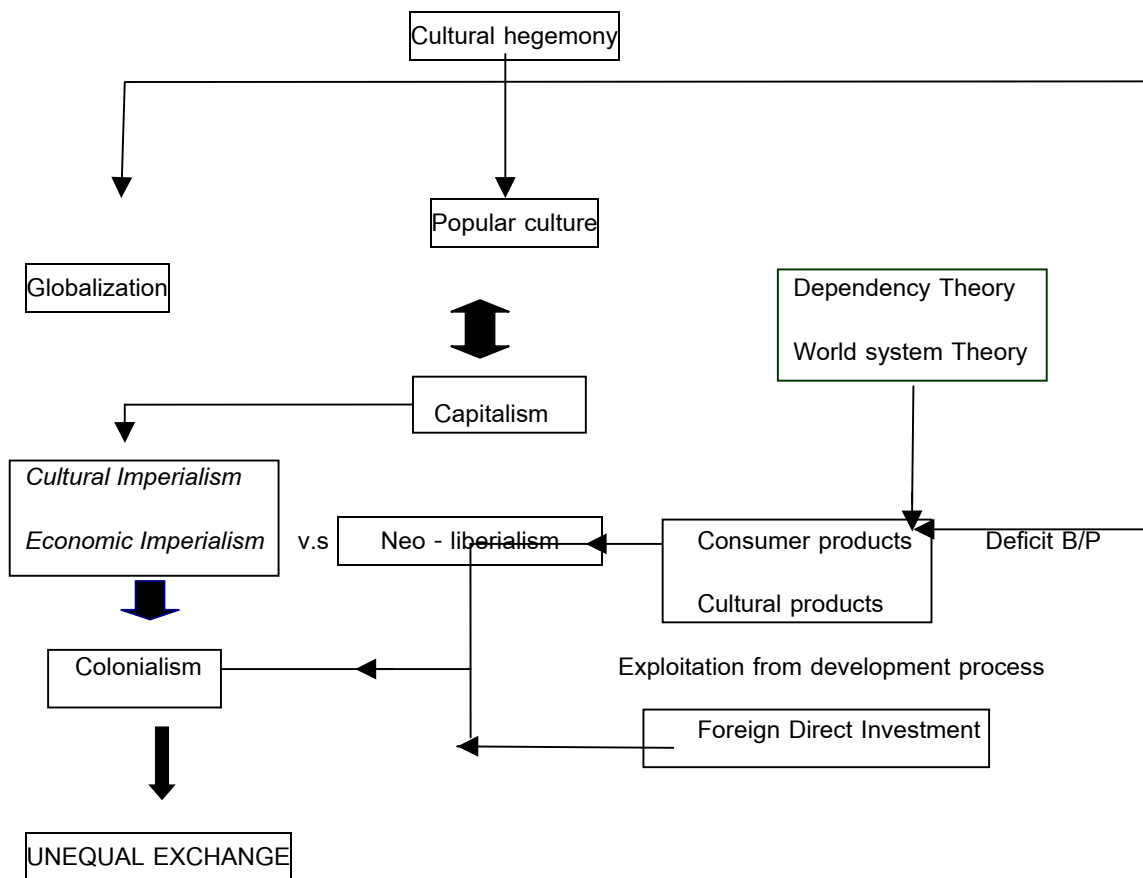
5. **Neo - liberal Theory** explains why the underdeveloped countries need to depend on the developed countries with the feeling of intention and satisfaction. We can observe that Lao open free market to boost economy. It has to import a big amount of products that can't be produced and need basic infrastructure. Therefore, Laos has a big external debt with the foreign countries and international organizations. From our viewpoint, economic strengthening goal may be described from neo – liberal thoughts.

However, the result from economic worldview can explain by only one theory from choosing (1) dependency theory or (2) neo - liberal theory.

6. **Historical Background** is the key solution to find out the continuities and changes in consumption patterns and the changes in culture to western styles, which are the global culture, before

consumerism, in which depends on the linkage of inland transport and mass media, occurs in modern day of Laos.

Theoretical Model



Why Laos' culture can be changed?

Why the cultural changes can link to the unequal exchange in Thai – Laos Trading?

We have known that the effect of Thai broadcasting expand all around in Laos if it works continually. Its effect sends to the individual's decision – making in buying 2 Thai products (consumer and cultural products). When this process' lasting for a long time, imitation to use or to consume Thai products will be appeared in Laos everywhere. Now, there are the consumerism phenomena in Laos. Although, the elderly or Laos' elites desires to against Thai modern products. At that time, there is the cultural hegemony everywhere, too. But the interference of popular culture (Thai modern culture from mass media) is stronger.

Popular culture built - up the consumerism (by the process of centralization in the capitalism beyond the globalization in world system) in Laos by 2 Thai products. It linked to trading by individual's watching Thai TV and radio for a long time with the supporting system that comes from Thai – Laos's development strategies.

In the initial stage of trading 2 Thai products, there is the cultural imperialism and economic imperialism by the explanation of world system theory. At that time, Laos's strategies are working ambitiously from the concept "*free trade*". After that, Laos will be the state of colonialism from cultural and economic imperialism. At last, the deficit in Balance of Trade from the unequal exchange appears with the superior Thai and inferior Laos.

The Instruments and the research results

● **Qualitative Approach**

We ask the questions to (1) Laos' elites, wholesaler and the factories' owner (2) Thai governors, beauty shop's owner, fashionable shops' owner, and department store's owner in Nkong Khai, Mukdahan, and Udon Thani province.

Some of basic questions from in – depths interviewing that used for key informants are:

- (1) Do you think that Thai – Laos Trading make Laotian's consumption culture and everyday life change?
- (2) Do you think that Lao accept to change its culture without attacks the modern Thai?
- (3) How do you think about the effects on Thai TV and radio broadcasting to Laotian lives?
- (4) And how about the effects on Thai TV and radio broadcasting to Thai – Laos Trading?
- (5) Does Lao depend on Thai?

At Laung Prabang



The researcher is interviewing the woman who becomes the millionaire (at her home) from selling Thai consumer products in the northern part of Laos.

The results from in – depths interview:

- (1) Most of Laos' elites answered these questions in the same way that Laos' culture is not changed but they have to import Thai products because of shortages in capital and technology.
- (2) But most of Laos' informants at the level of wholesaler and factories' owner answer that (2.1) Laotian people accepted to get modern culture without the attacks. (2.2) Moreover, Thai TV and radio always effect to Laotian everyday life, especially the use of consumer products. (2.3) They accept that Laotian people appreciate on every kind of Thai products both of on the advertisements or not. (2.4) Some on Thai advertisements are more popular, some are favorable, and some are the winner in the consumer market. (2.5) The others that are not on the advertisement, if good quality enough, they will be the favorable and popular, too.

Most of Thai informants in every occupation answer that Thai TV influences to Laotian people, for the example, (3.1) the uses on Thai consumer and fashionable products, the belief in Thai products quality and style and the satisfaction to watch Thai TV program especially daily news [elderly watched Thai news everyday]. (3.2) The popularities on Thai products can be changeable by following the advertisement. (3.3) Laotian people's taste to wear or use Thai fashionable products all are followed by Thai TV. (3.4) Thai governors told that Thai fashions that bring from Thailand are very cheap, it's only 50 – 200 Baht / unit, but with low quality. (3.5) Thai fashionable products are suitable of Laotian people who have only a few budgets to pay, so they can follow by Thai fashions. (3.6) Because of fashionable products' price are low, Laotian people can change their fashion by following Thais.

At Laung prabang



Mobile shop owner



Saa factory owner



Trading Head Department

The results from observations:

From staying in Laos the duration of survey, we understand the changes in way of Laotian lives to modern Thais come from globalizing process. The attacks of old and new are the cultural dualism. This phenomenon can explain by world system theory.

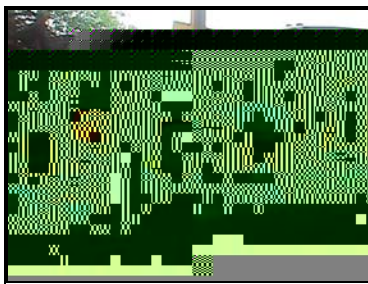
From the explanation of World System Theory, Thailand is nearer the core more than Laos, so Laos has the possibilities to receive the modern culture that looks like western from Thai. The cultural exchange between Thai and Laos are unequal. Laos - Thai are nearest to exchange culture but with the unequal exchange. Laos receives the modern culture from Thai much more. Generally, periphery country will get a lot of norms, value, and modern culture from the outside. The stage of Laos' development is weaker than Thai, therefore Laos can receive / get / bring the norms, value, and modern culture from the outside more than Thai. We can defined that Laos is the periphery countries, it will be exploited the natural resources to core and semi – periphery country. We find that Thailand is superior but Laos is inferior.

Mostly, the answers from Thai informants and Laos's merchants dominate to Laos' cultural change from Thai TV and radio broadcasting, these are:

- **Consumer Products**

(1) Laotian people might buy Thai products from advertising on Thai TV.

- (2) Laotian people used only the well - known Thai products that they have known for a long time from TV and from its reputation.
- (3) Laotian people didn't believe in Thai products at the first time they saw, it they didn't know it from TV or didn't know its quality before.
- (4) Thai products that Laotian people (merchants) bought from the retail and the wholesale shop in every province of Thailand will always be the same items. Its sales will be higher all the time regularly. And the popularities on Thai products are all in – group's satisfaction.
- (5) The new - comer product on Thai TV broadcasting will be the most popular for Laotian people in Thai's shop at the later.



These pictures show Thai – Laos Trading situation between Nkong Khai and Vientiane Metropolis at Mitraphap Bridge I. Everyday except Wednesday Laotian merchants and people in Vientiane will go across Mekong River to Nkong Khai and Udon Thani and go back within 5 P.M. with a big pack of Thai consumer products. Mostly, Laotian merchants will buy these things from the retailers' orders in their hometown.



(1)



(2)



(3)

(1) Researcher interviewed the 2nd consular officer at Royal Thai Consoler's office in Sawannaket. (2) Researcher's team at the point of building Mitraphab Bridge II in Sawannaket. (3) Researcher's team at famous Thad Laung, Vientaine Metropolis. We respect to Thad Laung for getting the success in 5 sites of this field research.



In the events of collecting data at Laung Prabang, the 5th sites of this field research, this is Dara market, the famous place for exchange in the northern part of Laos by using Thai – Lao – US dollar currency. Most of products came from Thailand by these routings:

- (1) Chieng Kong – Laung Prabang route by Chieng Kong River
- (2) Vientiane Metropolis – Laung Prabang route by inner roadway. Most of these products are consumer products such as shower cream, soap, toothpaste, plastic ware, alcoholic beverages, tomato sauce, fish sauce, monosodium glutamate, and etc.
- (3) Laung Prabang – Vientiane Metropolis – **5 Yak Udon** route. Laotian merchants from Laung Prabang will go along to Vientiane by using Vientiane – Laung Prabang route, after that they will use Mitraphab Bridge I to go across to Nkong – Khai, Thailand, at the later they will catch a rental car or Vientiane - Udon linerbus to go to **5 Yak Udon** (5 – section in Udon Thani) for only one objective; that's buying fashionable products to buy in Laung Prabang later. Therefore, Laung Prabang people can use Thai fashionable products as Vientiane people or Bangkokians in Thailand. The difference is fashion in trend at Laung Prabang is slower or less up – to - date than Vientiane or 5 yak Udon. Fashion in trend at Vientiane is much more being Thai.

- **Cultural Products [fashionable products including with the accessories and the leathers are the majority in these items]**
 - (1) Thai fashionable products are newest in consumers' worldview; it can be changeable every week with the reasonable price.
 - (2) The newest style from Thai actress' wear suit that they saw from Thai TV will always be requested to Laotian merchants everywhere, for the example, at Laung Prabang, Vientiane Metropolis, and Sawannaket.

- (3) In consumers' worldview, Thai fashionable products can be bought from everywhere with the modern trendy styles.
- (4) Laotian wholesalers and retailers (who have a big shops) satisfied to pay the transportation fees to go to Bangkok and get Thai fashionable products back within 2 - 3 days.
- (5) The profits from fashionable products' trading are better than the others.
- (6) For Laotian merchants, there is never loss in Thai fashions' trading.
- (7) For Thai wholesaler at 3 markets; *Sampang, Boo – Bae, and Pratunam*, Thai fashionable products can sell to Laotian merchants quite well. Laotian [who buy Thai products] behavioral patterns are:
 - (7.1) They won't negotiate prices. They will pay at that pricing if satisfy.
 - (7.2) They will choose the products by their own. Thai owners' shop can't introduce Thai newest products because some are not suitable for Laotian people.
 - (7.3) They will buy 2 – 3 pieces / pattern, if it has a good cutting and style.
 - (7.4) They won't buy the same style at the next time.

The photographs from 3 places;

Lotus Udon Thani, Chinese market, and morning market in Vientiane Metropolis



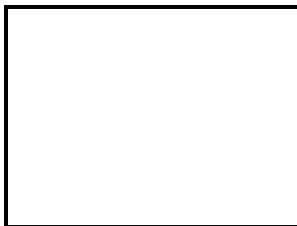
(1)



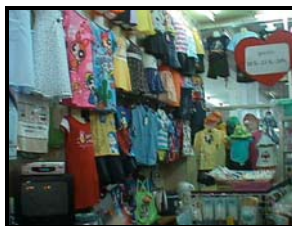
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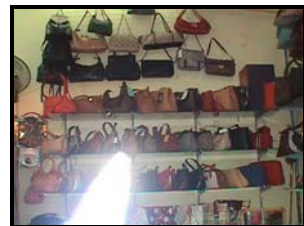
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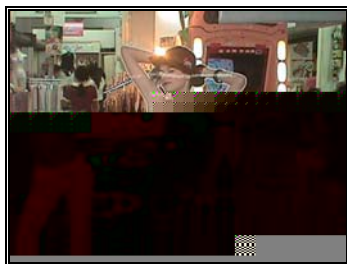
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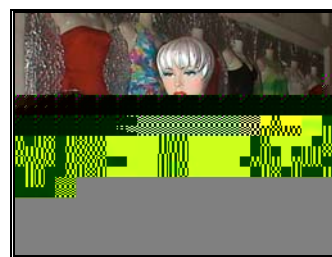
(6)



(7)



(8)



(9)

(1) Show a Lao woman who is choosing Thai fashionable products at Lotus Udon Thani

(2) Show Lao retailer that researcher had known from year 2003 on the train, Nkong Khai – Bangkok, she had told me that Lao women who's poor can upgrade themselves by marriage or education. Her academic background is bachelor degree, Lao National University. She got married with a man in Vientiane. This photo (in year 2004), she is selling Thai fashionable products at her shop, Chinese Market, Vientiane Metropolis. She told that now her economic status is much better from selling Thai fashionable products. Now, she can buy 4 – wheel car and build a new house in Vientiane metropolis.

(3) – (9) Show the cultural products' trading in morning market, Vientiane Metropolis

(3) He is a man from Bangkok who opened his shop in Vientiane for 12 years. He himself brings Thai products from 3 wholesale markets in Bangkok to Vientiane by airplane.

(7) Thai beauty, lingerie, and cosmetics boots are opened by Thai distributor at morning market.

● Quantitative Approach

The 5 kinds of questionnaires are the most suitable instruments for using in the 5 sites of the field research by occupational classifying and technical random samplings; Cluster, Snowball, and propulsive.

- (1) Laos' merchants in group of consumer products operate wholesaling and retailing, at the significant level equal to 95 % ($\alpha = 0.05$), score $Z = 2$, with normal distribution, and sampling size is 71 by selected from estimated population = 248. We conclude that Thai consumer products can be bought because of (1) good quality (2) medium price (3) household economic is one part of decision to buy. Overall, Laotian favors to use Thai products, although they don't have enough money to pay.

- (2) Laos' merchants in group of cultural products operate wholesaling and retailing, at the significant level equal to 95 % ($\alpha = 0.05$), score $Z = 2$, with normal distribution, and sampling size is 69 by selected from estimated population = 198. We conclude that modern styles of Thai products and the world standardization of them are the majority reasons for Laotian merchants to buy. Most of merchants told that Thai fashionable products can sell out quickly. Everything that is Thai can be sold easily.
- (3) Consumer wholesale and retail shop in Nkong Khai and Mukdahan operate wholesaling and retailing, at the significant level equal to 95 % ($\alpha = 0.05$), score $Z = 2$, with normal distribution, and sampling size is 95 by selected from estimated population = 779. We conclude that Thai best – seller products are 4 qualifications by following these; (1) medium price to cheap (2) fair quality (3) the advertising are on – air (4) the well – known brand
- (4) Thai fashionable products' wholesaler and retailer at 3 wholesale market in Bangkok, , 5 – YAK Udon, Nkong Khai, and Mukdahan including with provincial department stores' seller, at the significant level equal to 95 % ($\alpha = 0.05$), score $Z = 2$, with normal distribution, and sampling size is 66 by selected from estimated population = 779. We conclude that the favorable patterns are the (1) newest trend, (2) on – air advertising, (3) satisfied by taste, (4) and look likes jeans.
- (5) Lao Consumer from 3 sites of Laos, 5 – yak Udon, and Mitraphab Bridge I, at the significant level equal to 95 % ($\alpha = 0.05$), score $Z = 2$, with normal distribution, and sampling size is 400. We conclude that (1) Laotian people's taste depends on their revenue (household revenue). (2) On – air new trend will be the most popular (3) actor and actress's wear will be popular rapidly.

Conclusion:

From 2 approaches of study, we conclude that Thai products are the favorite because (1) their quality and utilities (Thai consumer products are dominate to Laos) (2) modernization and

Confidence in brands, packages, and patterns that show on advertising (cultural products are dominate to Laos by the influences of TV including with merchants tastes, attitudes, and feelings.

To answer the research question and the assumptions, the researcher proves and explain that there is the cultural dominance from Thai – Laos Trading by many factors following these: (1) Lao household's economic status in each province (2) the capability to access Thai TV and radio (3) In – land transportation's convenience (4) Thai mass communication influences to Laotian mind.

Therefore, Laos and Laotian people must to use Thai products from the superior Thai (TV AND RADIO) by psychological factor. Thai TV is the agent of modernization, westernization in the global world. World System Theory describes the depending of Laos on Thai from the positioning in world system. Moreover, upgrading Laos to the modern - developed state brings itself to be the dependent state more than liberal economy. Because lots of Laos' unskilled – labor are still not changed. The developing process can't be challenged by the population's quality. Finally, Laotian need more modern lives, convenience, and consumption the newest from the global communication working and sub – regional Mekong development, but with a very small attention to improve their standards. Laos' traditional culture will be changed to be Thai, the modern, and the western speedily as quick as Thai TV and radio broadcasting within global network beyond world system.

The researcher answers the research question that modern cultures from Thai dominate to Laos and Laotian people. Also, modern culture from Thai (TV and radio) changes in Laos' import volume, and patterns. Overall, modern culture from Thai challenges to Laos' trades. Cultural context influences to trading patterns. Undoubtedly, Cultural dominance (comparing between Thai – Laos) challenges to Thai – Laos trading.

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11. Lao Consumer / Fashionable products' Retailer at 5 – yak Udon, TescoLotus Udon (Udon Thani), Nkong Khai, 3 wholesale markets in Bangkok, Mukdahan, Sawannaket, Vientiane metropolis, and Laung Prabang
12. Thai Consumer / Fashionable products' Wholesaler at 5 – yak Udon, Nkong Khai, Mukdahan and 3 wholesale markets in Bangkok
13. Thai Consumer / Fashionable products' Retailer at 5 – yak Udon, Nkong Khai, Mukdahan and 3 wholesale markets in Bangkok