

RGC Ref. No.: UGC/FDS14/H09/17 <hr/> (please insert ref. above)

**RESEARCH GRANTS COUNCIL
COMPETITIVE RESEARCH FUNDING SCHEMES FOR
THE LOCAL SELF-FINANCING DEGREE SECTOR**

FACULTY DEVELOPMENT SCHEME (FDS)

Completion Report

(for completed projects only)

<p><u>Submission Deadlines:</u></p> <ol style="list-style-type: none"> 1. Auditor's report with unspent balance, if any: within six months of the approved project completion date. 2. Completion report: within 12 months of the approved project completion date.
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Part A: The Project and Investigator(s)

1. Project Title

The Politics of Gateway: Checkpoint, Brokerage, and Negotiated Crossing

2. Investigator(s) and Academic Department(s) / Unit(s) Involved

Research Team	Name / Post	Unit / Department / Institution
Principal Investigator	Dr HUNG, Eva Po Wah Associate Professor	Department of Social Science, The Hang Seng University of Hong Kong
Co-Investigator(s)	Prof NGO, Tak Wing Professor	Department of Government and Public Administration, University of Macau
Co-Investigator(s)	Dr ADAMS, Olga Y. Associate Professor (Appointment was approved by RGC on 8 July 2019)	Institute of Asian and African Studies, Moscow State University

3. Project Duration

	Original	Revised	Date of RGC / Institution Approval <i>(must be quoted)</i>
Project Start Date	1 January 2018		
Project Completion Date	31 December 2020	31 December 2021	Approved by RGC on 28 June 2021
Duration (<i>in month</i>)	36	48	
Deadline for Submission of Completion Report	31 December 2021	31 December 2022	

Part B: The Final Report

5. Project Objectives

5.1 Objectives as per original application

1. To compare the commonalities and peculiarities of the institutional setup and regulatory mechanism of checkpoints in four major border regions in China, and to identify the causes of their differences
2. To analyze the strategic interactions between the state and non-state actors during their negotiation on selective permeability in the checkpoints.
3. To explore the key role played by checkpoints in shaping the brokering practices and the coordination of trans-border informal exchanges.

5.2 Revised objectives

Date of approval from the RGC: Not applicable

Reasons for the change: _____

- 1.
- 2.
3.

5.3 Realisation of the objectives

(Maximum 1 page; please state how and to what extent the project objectives have been achieved; give reasons for under-achievements and outline attempts to overcome problems, if any)

Ethnographic field research for this project was conducted in the border regions of China-Kazakhstan (August 2018), China-Russia (August 2019) and China-Vietnam (December 2019) respectively. Despite the fact that subsequent follow-up field research was not possible due to border closure under COVID-19, the three project objectives have still been largely achieved.

On the first objective, commonalities and peculiarities of the checkpoint setup across the four border regions – China-Kazakhstan, China-Russia, China-Vietnam, and China-Hong Kong-Macao – were clearly identified. In different conference presentations we charted

the specific institutional setup and regulatory mechanism of checkpoints and noted the relatively modernized border infrastructure of China as compared to Kazakhstan and Russia. While the border cities of China are more developed and relatively populous, their neighboring towns/cities across the border such as Zharkent (Kazakhstan), Pogradichny and Blagoveshchensk (Russia), and Mong Cai (Vietnam) are much less so. The differences, we surmise, have to do with the differing perceptions of the functionality of the border. In China, the border connects, and hence the Belt and Road Initiative focusing on the connectivity of borders to build a global trading network. By contrast, in both Kazakhstan and Russia, the border is meant to divide coupled with a heightened sense of national security, and hence the establishment of the Eurasian Economic Union to create an exclusionary trade bloc comprising mostly the former Soviet states with clear boundaries.

On the second objective, the strategic interactions between the state and non-state actors during their negotiation on selective permeability in the checkpoints have been analyzed. Border crossing is a highly organized activity dictated by informal and yet specific and meticulous rules that are enforced by various state and non-state actors. In addition to the shuttle traders, a number of other non-state actors also played a part in the negotiated crossing, namely, the tourist agencies, the bus operators, as well as the private management of the border trade zones, etc. Together they constituted a kind of grey governance that entwined thoroughly with the formal regime. It is a kind of technology of rule that capacitates the state to selectively enforce formal and informal rules so as to accommodate the conflicting goals in border control.

Regarding the third objective, we observed how the brokerage of shuttle trade was organized in accordance with different checkpoint settings, for example, Chinese checkpoints versus others, and land versus river checkpoints. A variety of brokering practices was resulted, ranging from organized informality to semi-institutionalized and the more institutionalized form of informality. Border landscape and proximity also impacted the coordination and organization of transborder informal exchanges. The closer the checkpoint to a developed city, the more the people engaged in shuttle trade as an individual undertaking. The farther away the checkpoint in a piece of barren land, the more group tours were organized. The checkpoint therefore plays a key role in shaping the brokering practices.

5.4 Summary of objectives addressed to date

Objectives <i>(as per 5.1/5.2 above)</i>	Addressed <i>(please tick)</i>	Percentage Achieved <i>(please estimate)</i>
1. Comparing the commonalities and peculiarities of the checkpoint setup of the four major border regions	✓	100%
2. Analyzing the strategic interactions between state and non-state actors in the checkpoints	✓	100%
3. Exploring the role played by checkpoints in brokering transborder informal exchanges	✓	100%
4.		

6. Research Outcome

6.1 Major findings and research outcome

(Maximum 1 page; please make reference to Part C where necessary)

We began our inquiry of transborder informal exchanges by focusing on the checkpoint serving as the gateway of resource flow. In the paper entitled “*The Political Economy of Border Checkpoints in Shadow Exchanges*” (Ngo and Hung 2019), we argued that checkpoints are the point of power negotiation among state and non-state actors in the maintenance and modification of borders as an institution of inclusion/exclusion. At the local level, it is the immigration and customs officials who constantly negotiate the application of law and exercise the discretion to decide on which kinds of goods/people to let go, in what quantities, by whom, at which checkpoints, and in what moments. In this sense, the negotiation of passage is thus a key activity revolves around the checkpoint. Our project shows the various ways checkpoint politics contribute to dynamic border governance, and shadow exchanges adapt to particularistic governance mechanisms and proliferate under collaborative schemes. The paper entitled “*Informality and Its Modus Operandi: Varieties of Shadow Exchanges at the Chinese Kazakh Border*” (Hung and Ngo, in preparation) discusses the different checkpoint configuration of the Chinese side versus the Kazakh side, contributing to a variety of brokering practices ranging from organized informality of the Kazakh *nesuns*, to semi-institutionalized informality of the Chinese “human camels”, and institutionalized informality of the formal Kazakh traders.

One major paradox of shadow trading is that it is almost omnipresent along state borders; it is shadowy in nature yet undertaken in the presence of strong state power with heavily guarded, militarized checkpoints. The proliferation of unregulated activities in a highly regulated space is therefore puzzling. We dealt with this in the paper entitled “*Grey Governance at Border Checkpoints: Regulating Shadow Trade at the Sino-Kazakh Border*” (Ngo and Hung, under review). We found that shadow traders negotiate their passage every day through informal yet specific and meticulous rules that are enforced by various state and non-state actors. Together they constitute a kind of grey governance that entwined thoroughly with the formal regime. Most importantly, grey governance could not be readily reducible to corruption. Grey governance exhibits regularity, with impersonal and uniform rules of exchange. Such rules are usually open secrets and applicable to old and new players. The terms of exchange are also fairly stable.

We further probed into the interaction between state and non-state actors in checkpoint politics in the paper entitled “*The Contested Checkpoint: Brokerage and Negotiated Crossing at the Chinese-Russian Borders*” (Hung, Adams and Ngo, in preparation) and noted a kind of “pluralization of regulatory authority” in border governance. At the Russian borders, a number of non-state actors were enlisted in support of the formal regulatory regime. Paradoxically, these non-state actors brought in informal practices so as to smoothen the passage across the borders, to the extent that the informal setting took precedence over the formal setting in border-crossing.

Our fieldwork observation in the China-Vietnam border also revealed a peculiar way of organizing the shuttle trade. The flow of people and goods could be described as a kind of synchronized shadow circuit. This has been reported in the conference presentation entitled “*Border Governance, Shadow Exchanges, and Biosecurity During COVID-19*” (May 2022). In addition, we noted the resilience of shuttle trade even with strict border management under COVID-19. This finding was reported in the presentation entitled “*Manoeuvring the Sanitized Border: Macao’s petty traders under COVID-19*” (December 2022).

6.2 Potential for further development of the research and the proposed course of action
(*Maximum half a page*)

This project on checkpoint politics and transborder shadow exchanges could be potentially further developed into a study of the shadow – illicit but not necessarily criminal – side of globalization. We began our inquiry of transborder shadow exchanges by noting that the study of contemporary global political economy focuses mostly on the formal and visible and therefore easily measurable side of global production, trade, and finance. The more clandestine dimensions of globalization have tended to be glossed over. And where its illicitness is highlighted, criminalization is taken for granted – the focal point is invariably placed on transnational organized crime in drug dealing, human smuggling, arms trafficking, money laundering, global terrorism, and the like. By building on our study of the shadow economy and informal border trade but taking a more macroscopic approach, we plan to examine the shadow flows of goods along the global value chain – from where the goods were produced to where they end up for consumption. We term it the “shadow global value chain”. Specifically, we plan to focus on the various stages through which the goods may undergo legal metamorphoses according to external evaluations in the long chain of distribution – licit goods may at times labelled as illicit when distribution is based on the shadow networks. As this line of inquiry is by and large fieldwork driven, a project proposal will be contemplated in due course when the Chinese economy resumes normalcy and border restrictions relax.

7. Layman’s Summary

(*Describe in layman’s language the nature, significance and value of the research project, in no more than 200 words*)

This project compares four border regions of China neighboring Kazakhstan, Russia, Vietnam, and Hong Kong and Macao. These regions differ in the nature of their borders, the institutional arrangement of checkpoints, as well as the relationships between neighboring territories. They present the idiosyncrasy of each border crossing even within a single country. Together they offer rich comparative cases on the commonalities and peculiarities characterizing checkpoint politics and transborder shadow exchanges. Empirically, a focus on the physical checkpoints allows us to look more closely at the selective permeability of borders and the actual process of negotiation and regulation played out by border-crossers in relation to the state. The proliferation of transborder shadow exchanges also necessitates a reflection on effective border governance. Theoretically, this study fills the gap in existing literature on how checkpoints configure informality in transborder exchanges. Along this line, the physical checkpoint can also be understood as a site where subversive politics takes place. Negotiation of border-crossing and sometimes even resistance to border officials speak of how central state power is being subverted at the margin. As such, examination of checkpoint politics poses a subversive challenge to the exercise of state authority at the borderlands.

Part C: Research Output

8. Peer-Reviewed Journal Publication(s) Arising Directly From This Research Project

(Please attach a copy of the publication and/or the letter of acceptance if not yet submitted in the previous progress report(s). All listed publications must acknowledge RGC's funding support by quoting the specific grant reference.)

The Latest Status of Publications				Author(s) (denote the corresponding author with an asterisk*)	Title and Journal / Book (with the volume, pages and other necessary publishing details specified)	Submitted to RGC (indicate the year ending of the relevant progress report)	Attached to this Report (Yes or No)	Acknowledged the Support of RGC (Yes or No)	Accessible from the Institutional Repository (Yes or No)
Year of Publication	Year of Acceptance (For paper accepted but not yet published)	Under Review	Under Preparation (optional)						
2019				Tak-Wing NGO*; Eva P. W. HUNG	The Political Economy of Border Checkpoints in Shadow Exchanges, <i>Journal of Contemporary Asia</i> , 2019, 49(2): 178-192	Yes / 2019	No	Yes	https://research.hdb.hsu.edu.hk/view/publication/201900010
2019				Eva P. W. HUNG*	Shuttle Trade at China's Borders, <i>IIAS Newsletter</i> , July Issue	Yes / 2019	No	No [#]	https://research.hdb.hsu.edu.hk/view/publication/201900358
2019				Tak-Wing NGO*	Informal Connectivity in Transnational Shadow Exchanges, <i>IIAS Newsletter</i> , July Issue	Yes / 2019	No	No [#]	https://www.iias.asia/the-newsletter/article/informal-connectivity-transnational-shadow-exchanges
		✓		Tak-Wing NGO; Eva P. W. HUNG*	Grey Governance at Border Checkpoints: Regulating Shadow Trade at the Sino-Kazakh Border – to be resubmitted to <i>International Journal of Urban and Regional Research</i>		Yes (Annex I)	Yes	No
		✓		Tak-Wing Ngo*	<i>Global Shadow Exchanges</i> – under review by Cambridge University Press		Yes (Annex II)	Yes	No
			✓	Eva P. W. HUNG*; Tak-Wing NGO	Informality and Its Modus Operandi: Varieties of Shadow Exchanges at the Chinese Kazakh Border – to be submitted to <i>Central Asian Survey</i>		No	Yes	No
			✓	Eva P. W. HUNG*; Olga Y. ADAMS; Tak-Wing NGO	The Contested Checkpoint: Brokerage and Negotiated Crossing at the Chinese-Russian Borders – to be submitted to <i>Eurasian Geography and Economics</i>		No	Yes	No

[#]A short piece of article for a featured Focus in the *IIAS Newsletter* only, mainly for the purpose of publicizing our research initiative.

9. Recognized International Conference(s) In Which Paper(s) Related To This Research Project Was / Were Delivered

(Please attach a copy of each conference abstract)

Month / Year / Place	Title	Conference Name	Submitted to RGC (indicate the year ending of the relevant progress report)	Attached to this Report (Yes or No)	Acknowledged the Support of RGC (Yes or No)	Accessible from the Institutional Repository (Yes or No)
Aug. 2018 / Bishkek, Kyrgyzstan	Virtual Connectivity and Its Challenge to Border Checkpoints: The Rise of Shadow Procurement Services in Hong Kong and Macao	6 th Conference of the Asian Borderlands Research Network – Borderland Spaces: Ruins, Revival(s) and Resources, American University of Central Asia	Yes / 2019	No	Yes	Yes https://research.hdb.hsu.edu.hk/view/publication/201800335
Nov. 2018 / Singapore	Border at the City Centre: Co-location Arrangement and Checkpoint Politics in Hong Kong	International Symposium – Sustainability, Security, and Governance, Nanyang Technological University	Yes / 2019	No	Yes	Yes https://research.hdb.hsu.edu.hk/view/publication/201800336
July 2019 / Leiden, The Netherlands	One Gateway, Two Checkpoints, Three Brokering Practices: Organizing Shuttle Trade at the Chinese-Kazakh Border	The 11 th International Convention of Asian Scholars – Workshop: In the Shadow of the New Silk Road		Yes (Annex III, page 2)	Yes	Yes https://research.hdb.hsu.edu.hk/view/publication/201900398
April 2021 / New York, USA	Gray Governance and Shadow Exchanges across Asian Borders	Keynote Address at the Conference on Empire Competition: Southeast Asia as the Site of Imperial Contestation, Pace University		Yes (Annex III, page 4)	Yes	No
Oct. 2021 / Suzhou, China	Informal Governance in Chinese Borders	Xi'an Jiaotong-Liverpool University Workshop – China's Local Governance		Yes (Annex III, page 5)	Yes	No
May 2022 / Hong Kong	Border Governance, Shadow Exchanges, and Biosecurity During COVID-19	COVID-19, Borders, and the Law, Conference organized by the Centre for Comparative and Public Law, HKU		Yes (Annex III, page 7)	Yes	No
June 2022 / Seoul, Korea	The Contested Checkpoint: Brokerage and Negotiated Crossing at the Chinese-Russian Borders	7 th Conference of the Asian Borderlands Research Network – Borderland Futures: Technologies, Zones, and Co-existences		Yes (Annex III, page 10)	Yes	Yes https://research.hdb.hsu.edu.hk/view/publication/202200171
Dec. 2022 / Taipei, Taiwan	Manoeuvring the Sanitized Border: Macao's petty traders under COVID-19	The 10 th East Asian Regional Conference in Alternative Geography – New Geo-Politics in East Asia		Yes (Annex III, page 13)	Yes	Yes https://research.hdb.hsu.edu.hk/view/publication/202200250

10. Whether Research Experience And New Knowledge Has Been Transferred / Has Contributed To Teaching And Learning

(Please elaborate)

The PI and the first Co-I have delivered a number of seminars targeting the student

communities at both Hong Kong and Macao:

1. "The Challenge of Investigating Shadow Economies in China-Kazakhstan-Russia Border Areas: Sharing Ethnographic Fieldwork Experience", SSC Research Seminar at HSUHK, 3 October 2019;
2. "One Gateway, Two Checkpoints, Three Brokering Practices; Organizing Shuttle Trade at the Chinese-Kazakh Border", Sociology Seminar Series 2019-2020, Department of Sociology and Social Policy, Lingnan University, 28 October 2020;
3. "Grey Governance in Transnational Shadow Exchanges", luncheon seminar presentation at the Department of Sociology, University of Macau, 25 November 2020;
4. "Why can Smugglers Escape Border Controls?" SPC Seminar presentation for the 40th Anniversary of the University of Macau, 17 March 2021.

In addition, the PI has made use of the research materials of this project and prepare a special topic module for students in the Asian Studies Programme at HSUHK, entitled "ASI4102 Special Topics in Asian Studies II: Doing Ethnographic Research in Asian Borderlands". The course was offered in fall 2021 with a student enrolment of 27.

11. Student(s) Trained

(Please attach a copy of the title page of the thesis)

Name	Degree Registered for	Date of Registration	Date of Thesis Submission / Graduation
Not applicable			

12. Other Impact

(e.g. award of patents or prizes, collaboration with other research institutions, technology transfer, teaching enhancement, etc.)

Not applicable

13. Statistics on Research Outputs

	Peer-reviewed Journal Publications	Conference Papers	Scholarly Books, Monographs and Chapters	Patents Awarded	Other Research Outputs (please specify)	
No. of outputs arising directly from this research project	1 published; 1 under review; 2 in preparation	8	1 under review	Nil	Type	No.
					News-letter articles	2

14. Public Access Of Completion Report

(Please specify the information, if any, that cannot be provided for public access and give the reasons.)

Information that Cannot Be Provided for Public Access	Reasons
The paper entitled “Grey Governance at Border Checkpoints: Regulating Shadow Trade at the Sino-Kazakh Border”	The paper is currently under blind review by the <i>International Journal of Urban and Regional Research</i> . Its disclosure for public access would violate the blind review system.