

RGC Ref. No.: UGC/IIDS14/H01/16 _____ (please insert ref. above)

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

INTER-INSTITUTIONAL DEVELOPMENT SCHEME (IIDS)

Completion Report
(for completed projects only)

<p><u>Submission Deadlines:</u> 1. <i>The unspent balance, if applicable, and auditor's report: within <u>six</u> months of the approved project completion date.</i></p> <p>2. <i>Completion report: within <u>12</u> months of the approved project completion date.</i></p>

Part A: The Project and Investigator(s)

1. Project Title

Shadow Silk Road: Non-state Flow of Commodity, Capital, and People across Eurasia

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

Research Team	Name / Post	Unit / Department / Institution
Principal Investigator	HUNG Po Wah Eva / Associate Professor	Dept. of Social Science, The Hang Seng University of Hong Kong
Co-Principal Investigator(s)		
Co-Investigator(s)	NGO Tak-Wing / Professor	Dept. of Government and Public Administration, University of Macau
Others		

3. Project Duration

	Original	Revised	Date of RGC / Institution Approval <i>(must be quoted)</i>
Project Start Date	1 Jan. 2017		
Project Completion Date	31 Dec. 2017		
Duration <i>(in month)</i>	12 months		
Deadline for Submission of Completion Report	31 Dec. 2018		

Part B: The Final Report**5. Collaboration With Other Self-Financing Degree-Awarding Institutions**

Collaborating Self-Financing Institution	% of Participation	Distinctive Element(s) that the Institution is Responsible for the Project
Not applicable		

6. Project Objectives

6.1 Objectives as per original application

1. To highlight the importance of the shadow economy in Eurasia, with particular emphases on the intricacies of the connectivity between official and unofficial networks and its implications on the “regulation” of border.
2. To reflect on the issue of sovereignty and “the reach of the state” to the borderlands along the Belt and Road zone of Eurasia and its impact on the cross-border flow.
3. To bring to the Hong Kong academic community new perspectives on the illicit cross-border exchanges in the Pearl River Delta region as a global phenomenon.

6.2 Revised objectives

Date of approval from the RGC: Not applicable

Reasons for the change:

- 1.
- 2.
3.

6.3 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)

The project objectives have largely been achieved.

Regarding the first two objectives, the Workshop stated at the outset that vast networks of cross-border exchanges have already existed across Asia and Eurasia long before the Chinese government promulgated the Belt and Road Initiative. The dynamics of such trade and resource flow have historically been outside state control and are pushed to the realm of the shadow/informal economy. The Belt and Road Initiative, however, is a state-driven attempt to enhance the orderly flow of resources across countries in Asia and Eurasia, hence extending the reach of the states to the shadow economies. The 15 papers presented at the Workshop offer a bottom-up view of the trans-border informal exchanges in the region, and analyze its clash and mesh with the state-orchestrated Belt-Road cooperation. In fact, the contention between state-orchestrated and non-state-sanctioned connectivity has been a central theme in most of the papers. By providing different country cases along the New Silk Road for comparative purposes, the papers underline the intended and unintended consequences of such competing routes of connectivity on the socio-economic conditions of local communities.

Regarding the third objective, although there is only one paper on the Pearl River Delta region, the illicit cross-border exchanges in the region are clearly similar and comparable to the shadow trade of other countries in Asia and Eurasia. With a total of 60 attendees over the two-day workshop, it also successfully brought together relevant and interested researchers in the Hong Kong academic community for an intense exchange of ideas on the shadow trade at both local and global levels. Indeed, the panel chairs and a number of attendees expressed surprise that such a thematic workshop would be organized in Hong Kong with very diverse country cases covering not only China but also Nepal, India, Pakistan, Kazakhstan, and Russia.

On deliverables, an edited volume of selected Workshop papers is now under preparation. A book contract has been signed with Amsterdam University Press and is tentatively scheduled to be published in 2019.

6.4 Summary of objectives addressed to date

Objectives	Addressed <i>(please tick)</i>	Percentage Achieved <i>(please estimate)</i>
1. Highlighting the importance of shadow economy in Eurasia	✓	100%
2. Reflecting on the Belt and Road Initiative	✓	100%
3. Locating the Pearl River Delta region in a global context	✓	100%
4.		

6.5 Project progress

Original Implementation Schedule	Revised Implementation Schedule (Date of RGC's Approval)	Updated Progress
Oct – Dec. 2016 Circulation of Call for Papers		Two rounds of CFP were circulated by Dec. 2016
Jan. 2017: Letter of Acceptance sent		Participants confirmed joining the workshop by Jan. 2017
Mid-May 2017: Full papers to be received from all participants		All full papers received by mid-May 2017
25 – 26 May 2017: Two-day workshop conducted		Workshop held on 25 – 26 May 2017
Jun. – Sept. 2017: Revision of papers for consideration of publication		Submission of revised papers by November 2017
Sept. – Dec. 2017: Copy-editing of selected workshop papers		Initial copy-editing done by December 2017

6.6 Speaker(s)

Title / Name (Surname in Capital Letters)	Post / Institution	Title / Topic of Presentation / Course	Previous Research Links with Hong Kong Institutions (Nature and Date (Month / Year))
*Please refer to the next page.			

Title / Name (Surname in Capital Letters)	Post / Institution	Title / Topic of Presentation / Course	Previous Research Links with Hong Kong Institutions (Nature and Date (Month / Year))
Dr. Olga ADAMS	Assistant Professor, Moscow State University, Russia	State Approaches to Non-State Interactions and Transborder Flows in Xinjiang and Kazakhstan	Nil
Dr. Samuel BERTHET	Associate Professor, Shiv Nadar University, India	Shadow Corridors? Circulations in the Northern Bay of Bengal	Nil
Mr. Arjun CHAPAGAIN	Technical Advisor, Federation of Community Forest User's Groups, Nepal	Hidden Economy from Medicinal and Aromatic Plants Sector in Nepal	Nil
Dr. Jelena GLEDIĆ	Assistant Professor, University of Belgrade, Serbia	The Underbelly of Hope: Formal vs. Informal Chinese Presence in the Western Balkans	Nil
Ms. Susann HANDKE	Research Associate, IIAS Centre for Regulation and Governance, the Netherlands	Post-Cold War Borderlands in Eastern and Southeastern Europe: A Governance Perspective	Nil
Dr. Eva HUNG	Associate Professor, Hang Seng Management College	Shadow Capital Flow and Its Locational Embeddedness in Greater China	Principal Investigator
Dr. Hasan H. KARRAR	Associate Professor, Lahore University of Management Sciences, Pakistan	From Frontier Capitalism to Neoliberal Borderlands: A Long View of Sino-Pakistan Trade across the Karakoram-Himalaya	Nil
Prof. Vaijayanti KHARE	Independent Researcher and Consultant, Nepal and India	Caravans Connect: Shadows of China-Ladakh-Pakistan Trade Routes, Then and Now	Nil
Prof. Gordon MATHEWS	Professor, The Chinese University of Hong Kong	Lessons from Low-end Globalization: Smuggling Copies from China to Africa	Professor, CUHK
Mr. Anton NIKOLOTOV	PhD candidate, Graduate School of Muslim Cultures and Societies, Germany	Sellers of Good Luck: Vagrant Economies of Moralities and De-bordering Tactics across the Margins of Post-Soviet	Nil
Prof. Tak-Wing NGO	Professor, University of Macau	Checkpoint Politics in Cross-border Shadow Exchanges	Co-Investigator
Prof. Willem VAN SCHENDEL	Professor, University of Amsterdam, The Netherlands	'Win-Win' Designs, Fragmented Sovereignty and Unregulated Flows in the Bangladesh-China-India-Myanmar Corridor	Nil
Dr. Pak Hang WONG	Lecturer, Hang Seng Management College	Understanding Shadow Economy: Lessons from DIY Science / Hackerspace	Lecture, HSMC
Mr. Dmitry ZHELOBOV	Lecturer, Ural Federal University, Russia	The New Border as a Transparent Border: Trans-border Illegal Activities between XUAR and Post-Soviet Central Asia	Nil

Mr. Ivan ZUENKO	Research Fellow, Russian Academy of Sciences, Russia	Integration in Post-Soviet Central Asia and Effect for Cross-Eurasian Flow of Commodities, Capital and People: Challenge or Chance for Shadow Economics?	Nil
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Panel Chairs and Discussants:

Prof. Jean-Pierre CABESTAN, Professor, Department of Government and International Studies, Hong Kong Baptist University

Prof. Lang KAO, Professor, Department of Social Science, Hang Seng Management College

Prof. Linda Chelan LI, Professor, Department of Public and Social Administration, City University of Hong Kong

Prof. Alvin Y. SO, Chair Professor, Division of Social Science, Hong Kong University of Science and Technology

- 6.7 Please provide details of the activities organized, including the theme / objectives of the activities, targeted participants, attendance, analysis of participants, e.g. country of origin, research background, etc., evaluation forms of the activities and a summary of the participants' evaluation. (Photos of the activities are preferred.)

A two-day workshop entitled *Shadow Silk Road: Non-state Flow of Commodity, People, and Capital across Asia and Eurasia* was successfully held on 25 – 26 May 2017 at the Hang Seng Management College, with a total of 15 papers, 19 core participants (panel chairs and presenters) and some 60 attendees.

The workshop meant to bring together scholars in the field for an intensive discussion of the shadow economy as a conceptual framework to examine the cross-border flow of goods, capital, and labor against the backdrop of the formal market and state, with a particular geographical focus of Asia and Eurasia, now repackaged by the Chinese government as the Belt and Road zone. The 15 presenters were mostly international researchers in the field of shadow border trade with diverse expertise in history, anthropology, political science, and sociology, and they came from Germany, Hong Kong, India, Macao, Nepal, the Netherlands, Pakistan, Russia, and Serbia. Four distinguished professors from local institutions were invited to chair the panels and lead the discussion. In addition, some 60 attendees affiliated with both UGC and self-financed institutions – including the University of Hong Kong, Hong Kong Polytechnic University, City University of Hong Kong, Open University of Hong Kong, and Shue Yan University - joined the workshop.

Core participants were delighted about the opportunity to meet with other researchers in the field and to engage in a collaborative book project on the shadow silk road. With the diverse background of the core participants as well as the attendees, the workshop served the good purpose to allow faculty members of the College, particularly those of the Department of Social Science, to exchange ideas with both the local and international academic community.

Selected photos of the Workshop:







7. Research-Related Outcome

7.1 Potential for development into research proposal and the proposed course of action (Maximum half a page)

Subsequent to this project initiative, a grant proposal entitled *The Politics of Gateway: Checkpoint, Brokerage, and Negotiated Crossing* had been submitted to RGC-FDS and was successfully awarded the funding (Project reference: UGC/FDS/H09/17).

The Workshop aimed to bring together international scholars researching on cross-border exchanges for an intensive discussion of the shadow economy as a conceptual framework to examine cross-border flow of goods, capital, and labour against the backdrop of the formal market and state. It highlighted the importance of understanding the shadow economy not as pathological but rather closely connected to the formal economy. In particular, it also put the various shadow economies along the Silk Road, now covered by the Belt and Road Initiative, in comparative perspectives and to explore the interaction between the official and unofficial, and the state and non-state actors and trading networks. The RGC-FDS proposal, on the other hand, focuses less on the shadow economic behavior but rather highlights the importance of checkpoint politics in shaping the regulation and coordination of informal trans-border exchanges. It sets out to examine the power politics of the checkpoint in negotiating the selective permeability of the border and how it impacts on the brokerage system in the informal trans-border exchanges.

7.2 Research collaboration achieved (Please give details on the achievement and its relevant impact)

A book proposal of an edited volume of selected workshop papers has been accepted by Amsterdam University Press. Eleven papers would be included in the edited volume, entitled *Shadow Economies across the New Silk Road*, and is tentatively scheduled to be published in 2019. The book is purportedly the first ever published work on the huge networks of shadow exchanges across Asia and Eurasia, focusing particularly on the non-state-sanctioned flow of goods, capital, and people along the so-called New Silk Road.

Because of the shared interest on the research of shadow trade, a network among the participants was fostered. Several workshop presenters met again in the 6th Conference of the Asian Borderlands Research Network (ABRN) held at American University of Central Asia at Bishkek, Kyrgyzstan in August 2018. The occasion provided a very good opportunity to update our respective field research and to follow up on matters arising from the edited volume. In addition, one of the participants, Olga Adams, a native of Russia, will join the PI and Co-I in their field research for the RGC-FDS project on China-Russia next year.

7.3 Any new development and/or challenging research topic(s) has / have been identified and any new initiative(s) for future research has / have been inspired.

A follow-up project on checkpoint politics has been developed and was successfully awarded funding from RGC-FDS (Project reference: UGC/FDS/H09/17). The new project sets out to examine the role of checkpoints in shaping the regulation and coordination of informal trans-border exchanges. By exploring the centrality of

checkpoint politics in border governance, it would allow the researchers to better evaluate the reach of the central state to the peripheral border economy. By comparing the institutional setup and regulatory mechanism governing different border regions of China, it would also allow us to better assess how national policies are adapted and implemented at the local level and how it would impact on cross-border informal trade and hence the wider shadow economy.

8. The Layman's Summary

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

This project was a two-day workshop featuring four discussion panels. It brought together international scholars researching on cross-border exchanges for an intensive discussion on the shadow economy in comparative perspectives. In recent years, parallel trading in the border towns of Hong Kong has ignited the discontent of local residents and a series of protests has erupted since 2012. This kind of cross-border shuttle trade between Hong Kong and mainland China is, however, no difference from any other small-scale cross-border trade in other borderlands. In particular, the call by the Chinese government's Belt and Road initiative for an orderly flow of economic resources along the historical Silk Road brings to fore the prevalence of unofficial and shadow trade in the borderlands of Eurasia. The project therefore worked to enrich our understanding of the similarity of the Hong Kong situation against those of Eurasia.

Part C: Research Output**9. Recognized Conference(s) Paper(s) Related To This Project Was / Were Delivered (As Applicable)***(Please attach a copy of each conference abstract)*

Month / Year / Place	Title	Conference Name	Submitted to RGC <i>(indicate the year ending of the relevant progress report)</i>	Attached to this Report <i>(Yes or No)</i>	Acknowledged the Support of RGC <i>(Yes or No)</i>
*The project was itself a workshop/conference. Please see attached workshop brochure for a complete list of abstract of the 15 papers. Selected papers of the workshop will be published as an edited volume by Amsterdam University Press.					

10. Research Personnel Trained (As Applicable)

Name	Capacity
Not applicable	

11. Other Impact (As Applicable)*(e.g. prizes, collaboration with other research institutions, technology transfer, etc.)*

Not applicable

12. 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
Nil	

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INTER-INSTITUTIONAL DEVELOPMENT SCHEME (IIDS)

Completion Report - Attachment

(for completed projects only)

RGC Ref. No.: UGC/IIDS14/H01/16

Principal Investigator: HUNG, Po Wah Eva

Project Title: Shadow Silk Road: Non-state Flow of Commodity, Capital, and People across Eurasia

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 [or conference]			1*		

* A book contract of an edited volume containing 11 papers of the workshop has been secured from Amsterdam University Press, which is tentatively scheduled to be published in 2019.