

Transnational Economic Connectivity of the Vietnamese Diaspora Community in Udon Thani Province, Thailand: Mirroring the ASEAN Economic Community¹

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Abstract

This article is based on research concerning transnational economic connectivity established by the Vietnamese diaspora community in Udon Thani province in northeastern Thailand, a topic that has not yet received sufficient academic attention. The article aims to illustrate a globalization trend but with “a more perspicuous face” by providing evidence and analysis of the Vietnamese diaspora’s trans-border economic connections embedded in flows of goods and various kinds of capital between Thailand and Vietnam. Participant observation, in-depth interviews, and document research were used to conduct this study. The findings reveal that the people of the Vietnamese diaspora are active agents who engage in diverse economic linkages across borders. Their connections are facilitated by the increase in the social and financial capital that they have attained. In addition, the ASEAN Economic Community (AEC) as a regional integration framework is an important factor that benefits the trans-border economic linkage of the Vietnamese diaspora. However, this framework does not erase the differences in economic policies among ASEAN state members, and these differences constrain economic connectivity across the borders of the community. In this way, the Vietnamese diaspora’s implementation of transnational economic activities is a partial reflection of the regional integration process.

Keywords: Vietnamese diaspora, transnational economic connectivity, capital, ASEAN, regional economic integration

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Introduction

The transnational perspective in migration studies has gained popularity over the past two decades. Transnationalism is perceived as “multiple ties and interactions linking people or institutions across the borders of nation-states” (Vertovec, 1999: 447). Portes et al. (1999) categorized three major forms of transnationalism: economic, political, and socio-cultural. Transnationalism is prevalent among diaspora groups whose consciousness is embedded in trans-state networks. The target group of this research is the Vietnamese diaspora community settled in Udon Thani province, in the northeastern region (also known as Isan) of Thailand. My work draws upon the idea that the construction of trans-border networks is a major activity conducted by “an ethno-national diaspora” who “regard themselves as of the same ethno-national origin and permanently reside as minorities in one or several host countries” (Sheffer, 2003: 9, 10).

The use of the term “Vietnamese diaspora” in this study refers to those who hold Thai citizenship, have permanently settled in Udon Thani province, and embrace diverse transnational connections. The Vietnamese diaspora in Udon Thani called themselves *Viet Kieu*, which can be translated literally as “overseas Vietnamese.” In this research, I use the terms, “Vietnamese diaspora” and “*Viet Kieu*” (overseas Vietnamese), interchangeably.

Regarding the migration history of the Vietnamese diaspora in Udon Thani, the population consists of second-generation Vietnamese whose parents migrated to Thailand from Laotian border towns in 1946 to escape the first Indochina war, and they belong to the fourth wave of Vietnamese nationals coming to Thailand (Trinh and Sripana, 2006). From 1946 to the 1990s, they were categorized as refugees and they had to confront extreme challenges to settle in Udon Thani because the Thai government opposed communism while the community supported the communist regime led by President Ho Chi Minh in North Vietnam. From the mid-1990s to the present, diplomatic relations between Thailand and Vietnam have improved and as one of the important results

of this improvement, Vietnamese nationals were granted Thai citizenship and allowed to live permanently in Udon Thani and other provinces.

Literature addressing the *Viet Kieu*'s transnational networks focuses mainly on those who live in western countries. Their transnationalism is analyzed in terms of many aspects and economic trans-border connectivity is one of the major issues attracting the attention of scholars. In many of these studies, the overseas Vietnamese are portrayed as actors who implement cross-border economic activities not only with Vietnam but also with other *Viet Kieu* communities in various western countries where they reside (Bagwell, 2015; Carruthers, 2013; Valverde, 2002). There are very few studies that consider the transnational connectivity conducted by the *Viet Kieu* community in northeast Thailand (Phan, 2016; Phosrikun, 2015). While Phan (2016) provided a general picture of transnational activities of the *Viet Kieu* in Udon Thani, Phosrikun (2015) analyzed the role of those living in Ubon Ratchathani as creators of educational linkages between Vietnam and Thailand under the Greater Mekong Sub-region co-operation program.

The economic transnationality of the overseas Vietnamese in northeastern Thailand, however, has not yet been given sufficient attention. An important factor in this regard is the emergence of the regional context in which economic integration among the Association of Southeast Asian Nations (ASEAN) states is promoted. The establishment of the ASEAN Economic Community (AEC) has allowed trans-border economic activities to become more convenient. Lack of academic recognition of the transnational economic connection of the Vietnamese diaspora community in Isan and particularly in Udon Thani has motivated me to conduct this study.

This research focuses on trans-border economic activities in which the Vietnamese diaspora is involved. It aims to illustrate the flows of goods and various kinds of capital between two Southeast Asian countries – Thailand and Vietnam, which is an expression of globalization but with “a more perspicuous face.” In this way, this study would contribute to the knowledge of transnational economic linkages conducted by a Vietnamese community residing in a Southeast Asian

country with a geography and circumstances different from those of Vietnamese diaspora communities in western countries. Furthermore, positioning the research under the current context of AEC reflects some important aspects of the integration progress.

This article aims to answer the following three questions. What forms of transnational economic connectivity do the *Viet Kieu* in Udon Thani province participate in? What factors facilitate the *Viet Kieu*'s economic transnationality? And, to what extent do their transnational economic linkages reflect/mirror regional economic integration? The transnational economic connectivity of the overseas Vietnamese community is central in the conceptual framework. It will be analyzed in relation to the context in which the community's status in the host society has changed since its members have been provided Thai citizenship, and on a larger scale, since the promotion of economic integration among ASEAN states. The AEC is seen not only as a crucial factor for the Vietnamese diaspora's transnational economic practices, but also as a facet reflected by their economic transnationality. Under the indicated circumstances, *Viet Kieu* participate in economic connections across borders according to the kinds of capital that they own.

In relation to the research questions and the analytical framework, this article addresses a variety of transnational economic exchanges with Vietnam embraced by *Viet Kieu* in Udon Thani. I argue that the economic improvement of the overseas Vietnamese in the host locality, which contributed to their financial capital accumulation, along with crucial social capital achievement (networks and bilingualism) has partially facilitated their economic transnationality. However, the differences in capital accumulation of individual *Viet Kieu* community members have led to their dissimilar involvement in trans-border economic linkages. Furthermore, the study also points out that the birth of the AEC offered opportunities for the *Viet Kieu* to conduct border-crossing economic connections. Nonetheless, the AEC establishment did not eradicate differences among its state members' economic policies which partially constrain the *Viet Kieu*'s economic

transnationality. In this sense, arguably, the overseas Vietnamese are seen as agents transcending boundaries while simultaneously remaining dependent upon ascendant transnational power structures.

A Review of Literature and Theoretical Concepts

Regarding works on *Viet Kieu* residing in northeastern Thailand, there are many that address their migration history (Trinh and Sripana, 2006), their place-making process (Auraiamphai et al., 2017; Thongkaew et al., 2016; Watrasoke et al., 2015), and their historical nationalism and identity constructions (Khamwan and Puaksom, 2019; Laimanee, 2014; Donsom, 2012). Few studies, however, pay attention to their economic transnationality. While Phan (2016) touched on the issue of the *Viet Kieu*'s economy in Udon Thani, she portrayed a general picture of their economic status which limited their capacity to make economic connections with Vietnam. The author did not illustrate how these economic linkages were put into practice. Phosrikun (2015) mentioned the economic position of the overseas Vietnamese in Ubon Ratchathani as an outline to focus on their role in creating transnational education linkages with Vietnam.

As a form of transnationalism, economic transnationalism can be perceived as multiple economic relations connecting people and institutions across borders. Guarnizo (2003) points out that (monetary and non-monetary) remittance sending and transnational entrepreneurship are among a diaspora's usual transnational economic ties. Phongsiri et al. (2016), in their study of the ethnic Thai diaspora in Myanmar who later became stateless Thais in Thailand, found that some of this diaspora group depended on natural capital from Myanmar, such as wood, gemstones, wild orchids, and fresh foods in doing their trading at Thai-Myanmar border markets. In the present article, the term "economic transnationalism" is used to refer to transnational/trans-border economic connectivity (linkages), economic transnationality, and economic activities across the borders. All of these terms imply trans-border economic ties created by the members of the Vietnamese diaspora in Udon Thani province.

Literature on transnationalism is known for the positive but misleading picture it presents of the active participation of all types of migrants (temporary migrants and permanent migrants/ diaspora) in cross-border activities and all of the migrant groups involved in transnationalism in the same way. However, Van Schendel (2005) argues that people with specific cultural, economic, or political characteristics may experience the border in different ways from others. Individuals, even when they come from the same country, possess distinct personal and different human and social capital (Smith and Guarnizo, 1998). Consequently, not all members of a migrant/diaspora group can participate in the transnational process in the same way and at the same level. Thus, it is necessary to take account of the differences among a diaspora's members originating from the differences in capital accumulation as they engage in trans-border economic connections.

Tendencies to engage in transnational economic activities of diasporas exist in relation to their social mobility in the host country (Snel et al., 2006). In line with this idea, Lacroix (2013) emphasizes that a diaspora's involvement in transnational economic connections depends on its material and social capital, which result from the members' social integration in the country of residence. Bourdieu (1977) defines "capital" as the sum of economic, cultural, and social resources that an individual possibly draws on. In a diaspora context, economic capital refers to money to invest and/or travel; while cultural capital implies bilingualism, knowledge of overseas markets, and international management experience; and social capital refers to social networks that cross borders (Rusinovic, 2008).

Research Methodology

Udon Thani province was chosen as my field research site for two major reasons. First, the number of *Viet Kieu* residing in this locality nowadays is around 10,000 and it is one of the places with the largest population of overseas Vietnamese among northeastern provinces, according to the 2020-updated statistics provided by the Vietnamese Consul General in

Khon Kaen, Thailand. Second, the economy of *Viet Kieu* in Udon Thani has been strong and varied in recent years. More than 90 percent of *Viet Kieu* are owners of small, medium, and large-size businesses in the province (Phan, 2016).

Compared with their counterparts residing in other northeastern provinces, the overseas Vietnamese in Udon Thani are considerably more diversified in their business. In Nakhon Phanom province, *Viet Kieu* dominate in the trading of food, motorbike sales, petro stations, and farming. In Ubon Ratchathani province, they are known mainly for their involvement in food trading. By contrast, the *Viet Kieu* in Udon Thani province have been successful in various different business, including food, clothing, jewelry, petro stations, steel products, steel roll forming machines (double roll forming machines); motorbike and car sales; and as owners of hotels, condominiums, and golf courses. As a consequence, Udon Thani has currently become a center of seminars on trade and economic ventures between Thailand and Vietnam. Examples of such seminars include the Introduction Program for Tourism in Nghe An-Ha Tinh-Quang Binh (Vietnam) in 2018, the Vietnam-Thailand Trade Promotion Conference in 2019, and the Vietnamese Product Exhibition Center's Opening Ceremony in 2020.

The data presented in this article were collected from participant observation and in-depth interviews with 15 overseas Vietnamese in Udon Thani province. Certainly, the small number of *Viet Kieu* informants that I interviewed here cannot entirely represent the almost 10,000 people in the Vietnamese diaspora in the province. I aim to use this group of carefully selected key informants to examine their transnational economic connections in contemporary times, and to demonstrate that economic transnationality is by no means the exact same experience for all members of the *Viet Kieu* community. It is both facilitated and constrained by the regional economic integration context.

The analysis in this article is based on data collected from interviews with the second-generation members. There are now four generations of overseas Vietnamese who have settled in Udon Thani. Many members of the first generation (they would be 90 years old and

older) have passed away, while those of the fourth generation are children (3-15 years old). Those involved in the economic transnational practice are the second-generation members (55-75 years old) as they have earned their livelihood in business for a long time. However, not many third-generation members (18-40 years old), are involved in the family business. Unlike their parents, they work mainly in transnational social and cultural activities.

Findings and Discussions

Capital Accumulation of Overseas Vietnamese in Udon Thani Province – A Blueprint for Transnational Economic Connectivity

Attaining citizen status in the host country was an important milestone for *Viet Kieu* as it enabled them to stabilize their livelihoods and substantially improve their economic status in the host society. In the past they were mainly small food and clothing sellers, gardeners, and bicycle-repair men. Nowadays, the second-generation *Viet Kieu*'s financial situation is flourishing. They established their ethnic "niche" market by being owners of Vietnamese food shops, big motorbike sales and repair shops, tailor shops, wood-working shops, as well as heads of companies producing steel products and selling double roll forming machines. Moreover, many are owners of private schools, condominiums, hotels, and resorts. The head of the Advisory Board of Business Association of Thailand-Vietnam (BAOTV) and president of Toyo Supply Company explained:

With the capacity to operate many business branches and generate considerable income, *Viet Kieu*'s big business firms include merchandizing steel products, jewelry, food, hotels, motorbikes, cars, and golf courses. It can be estimated that there are around 50 to 60 large *Viet Kieu* entrepreneurship in Udon Thani province (Le Kien [Pseudonym], 2020).

Along with economic capital, the overseas Vietnamese developed social network-based capital for their businesses by locally

establishing a business association in Udon Thani and making contributions to the inauguration of the Business Association of Thailand and Vietnam (BAOTV) with an office located in the province. According to the head of the BAOTV advisory board, the business associations prioritize providing informational and financial support for their members. An example could be increasing the number of businesses involving steel roll forming machines and other steel products among the *Viet Kieu* in Udon Thani. This business sector had long been dominated by Chinese-Thai, but in recent years it has become popular among *Viet Kieu*. They have succeeded in this sector and members of the associations will help other members and their relatives start new entrepreneurship. In this way, the associations provide internal social networks for their members and encourage them to develop their business in the locality.

Moreover, the associations offer their members the benefits of transnationally connecting with the homeland of Vietnam. Members have numerous opportunities to go to Vietnam to attend meetings with the state's leaders, Vietnamese entrepreneurs, and *Viet Kieu* businessmen from all around the world. Participating in these events provides the *Viet Kieu* in Udon Thani opportunities to build and extend social connections that facilitate their border-crossing economic activities. Hoang Thai (pseudonym), president of BAOTV and VT Namneung Restaurant owner, is an example of how having opportunities to meet *Viet Kieu* businessmen from different countries at meetings in Vietnam helps BAOTV to connect with overseas Vietnamese in Laos to gain information about transporting goods from Udon Thani to Vietnam. BAOTV then provides this information to its members who need to use the service.

Le Kien (pseudonym), the head of BAOTV's advisory board, added that *Viet Kieu* who have settled in other Asian countries such as Malaysia and South Korea and in European countries such as Germany, made contacts with BAOTV by attending meetings in Vietnam. They subsequently invited those from Thailand to participate in Vietnamese product exhibitions taking place in their countries of settlement as well

as to consult with BAOTV when they hoped to sell their products in Thailand (Le Kien [Pseudonym], 2020). In this way, *Viet Kieu*'s business associations provide transnational economic networks for the community's members by intermediating relationships with individuals and organizations in the homeland and in other countries where there are ethno-Vietnamese diaspora communities.

Besides having network-based capital, *Viet Kieu* in Udon Thani are bilingual in Vietnamese and Thai and have adopted cultural understandings of both host and home countries, which benefit them in conducting trans-border economic activities. The accumulations of social capital together with economic capital on both the individual and community levels are crucial conditions for the Vietnamese diaspora in Udon Thani to engage in various economic connections across the borders.

The Rise of Trade with the Homeland among *Viet Kieu*

The cross-border trade of *Viet Kieu* with Vietnam has become common in just the past five years even though they gained legal status in Thailand more than 20 years ago. As was mentioned, they experienced a long, difficult time earning their livelihood because of their refugee status and the Thai state's discriminatory policies towards them from 1946 to the 1980s. Thus, it has taken time for them to develop their livelihoods and accumulate capital in Udon Thani after achieving Thai citizenship in the 1990s. Moreover, the establishment of AEC in 2015 offered numerous opportunities for *Viet Kieu* to implement transnational trade with their homeland. The president of BAOTV elaborated:

Products exported to Vietnam by *Viet Kieu* are fresh and dry fruits, fabrics, and consumer goods, such as detergent, toothpaste, dish-washing liquid, and shampoo. Automobile tires and parts are also exported from Thailand to Vietnam, while the goods imported from Vietnam are limited to coffee, tea, dry fruits, handicrafts, and steel rolling machine. (Hoang Thai [Pseudonym], 2020).

The engagement of overseas Vietnamese in transnational trade can be both direct and indirect. Some form joint ventures in trade while others buy products imported from Vietnam through *Viet Kieu* living in other provinces, such as Nong Khai and Mukdahan, and sell them in their shops in Udon Thani. *Viet Kieu* trade has also benefited from the development of transportation infrastructure in the region. ASEAN with its Greater Mekong sub-regional cooperation program has speeded up the construction of economic corridors linking the sub-regional countries. The North-South Economic Corridor (NSEC) and the East-West Economic Corridor (EWEC) connect the Isan region in Thailand with Laos and the northern and central parts of Vietnam through roads and bridges built close to the border immigration offices. Udon Thani lies on the NSEC linking Bangkok and Hanoi. Furthermore, travel from Udon Thani to Mukdahan, a province lying on the EWEC which connects Thailand's Mae Sot province and Da Nang city in Vietnam, has also become convenient.

In addition to the social networks offered by the community's business associations, *Viet Kieu* traders have established their own personal networks across the borders. These include business partners for purchasing and selling a large number of products in both Thailand and Vietnam and transportation services for expediting their imported and exported products through national checkpoints, facilitating transnational trading. However, according to the leaders of the business associations, these personal networks are not publicly shared among the *Viet Kieu*, even among those who are members of the associations.

The emergence of trading with Vietnam among the overseas Vietnamese in Udon Thani can be explained by three factors. First, *Viet Kieu* incorporate the kinds of capital that make their transnational trading with Vietnam convenient. "Capital" here refers to the advancement of their economic status in the province and their social capital of bilingualism and trading networks embedded in individual and communal levels with Vietnam. Le Kien, president of Toyo Supply Company, is an example. As he is able to communicate in Vietnamese, it is easier for him to travel to Vietnam to find and directly negotiate with Vietnamese business partners.

Second, the overseas Vietnamese are eager to make different connections with their homeland, including economic connections. Transnational trade with Vietnam enables *Viet Kieu* to increase their livelihood in the host locality and carry on linkages with the homeland which have existed since their parents' migration to Udon Thani several decades ago. These linkages have been passed down from the time they were born with refugee status until being provided citizenship which allowed them to settle down permanently in the province. In the past, the second-generation *Viet Kieu* and their parents engaged in distanced nationalism to assist Vietnam in its liberal revolutions and this is a historical factor grounding and motivating the second generation to become involved in transnational relationships with Vietnam. One of the characteristics of a diaspora community to avoid being uprooted is to maintain linkages with their homeland (Schiller et al., 1992).

The final example concerns Le Kien, the owner of Toyo Supply Company, who is involved in trading steel roll forming machines with Vietnam under the advantageous conditions of low tariffs offered by the regional economic integration framework. Because more than 90 percent of steel roll forming machines in the Thai market are imported from Vietnam and because of the AEC's commitment to low trading tariffs among regional economies, the import tariff for this product is zero percent.

The Beginning of *Viet Kieu*'s Transnational Entrepreneurship

In addition to conducting transnational trade, *Viet Kieu* initiate multiple-direction transnational investments. Hoang Thai, mentioned earlier, explained that as *Viet Kieu* are mostly owners of small or medium-sized companies, not many of them have sufficient capital to invest in the home country or other countries. Phung Quang (pseudonym) began his joint transnational investment in the fishing industry in southern Vietnam in the 1990s with a relative from Nakhon Phanom province and a friend in Vietnam. However, his business was not successful because of the ineffective management of fishers' voyages in Vietnam. Phung Quang started his business in Vietnam based on his

networks both in the host and home countries. Nonetheless, because his finances were not sufficient for long-term transnational business sustainability and he had no entrepreneurship experience in Thailand before making investments in Vietnam, Phung Quang failed in managing his transnational investment.

By contrast, there are many other *Viet Kieu* entrepreneurs who have been successful in conducting transnational investments. Nguyen Bang (pseudonym), former president of *Viet Kieu*'s business association in Udon Thani and CEO of BK Steel Group, is an example. He explained:

My corporation has many branches in Thailand and my relatives have joined the business with me and they are managers of the branches. I extended my business to Laos, Malaysia, and currently Vietnam. However, I sold the branch in Laos due to difficulty in management. In Vietnam, I have recently invested in building a factory producing steel products in an industrial zone in the south (Nguyen Bang [Pseudonym], 2020).

Similar to Nguyen Bang, VT Namneung owner Hoang Thai also conducts transnational investment by successfully operating a branch restaurant in Vientiane, Laos. Before spanning the borders, he was a recognizable entrepreneur among *Viet Kieu* in Udon Thani province as he is the owner of a famous chain of Vietnamese restaurants with more than 20 branches in Thailand. Obviously, a number of *Viet Kieu*, such as Nguyen Bang and Hoang Thai can manage intensive transnational business because of their strong financial and social capital.

They extended their businesses abroad after first constructing a firm ground for their companies in Thailand. In this way, they could accumulate sufficient financial capital to make investments outside their country of settlement. Moreover, with the social capital of experience in business, their groups' reputations, and their leading positions in the community's business associations, they can establish a wide business network with both foreign and Vietnamese entrepreneurs. In both cases,

language and cultural familiarity played a role in their success in operating businesses transnationally. As in trans-border trading, transnational investment among *Viet Kieu* in Udon Thani has emerged because of their economic status advancement and social capital improvement. It should be noted that that unlike *Viet Kieu*'s trans-border trading, which creates flows of goods between Thailand and Vietnam, their transnational investment is embedded in multiple localities based on their owning of sufficient necessary capital.

***Viet Kieu*'s Economic Transnationalism: Mirroring the ASEAN Economic Community (AEC) with "High Connectivity, But Low Integration"**

It can be seen that the transnational trading conducted by the Vietnamese-Thai residing in Udon Thani has created connections between three countries of Thailand, Laos, and Vietnam. As was pointed out above, they use transportation services provided by a company owned by a *Viet Kieu* in Laos to convey goods exported and imported between Udon Thani and Vietnam. This takes place because although Thai and Vietnamese trucks are not permitted to enter each other's territories, Laotian trucks are allowed to run both in Thailand and Vietnam.

Although *Viet Kieu*'s transnational economic activities create flows of goods and capital among ASEAN countries, their border-crossing economic linkages expose challenges in the economic integration process currently promoted in the region. According to *Viet Kieu* business association leaders in Udon Thani, it is true that goods can cross the borders much more easily than previously, which is attributed to the establishment of the AEC. However, not all regional countries can enjoy this integration equally. This reality partially derives from a characteristic of "the domestic political economy" in ASEAN which promotes liberalization in investment and trade for international competition, while simultaneously allowing continued protection of crucial enterprises and industries within a particular country's institutional framework (Lee, 2016: 649). Although Thailand and

Vietnam apply zero percent cross-border trading tax for the import and export of many commodities to satisfy their compliance under the AEC framework, the two countries retain some tariff barriers on specific goods to protect their domestic industries. Nguyen Bang, CEO of BK Group, explains that his group has reduced the import of some steel products from Vietnam because of the anti-dumping tax imposed on products by the Thai government. Some other *Viet Kieu* informants point out a tariff remains on specific imported beverage products from Vietnam, such as coffee and tea.

ASEAN's political economy also results in differences in issuing economic policies among ASEAN countries, which serves the economic interests of ASEAN nations in particular (Lee, 2016). The Vietnamese government focuses on attracting foreign investments but not on introducing domestic products to the world. This is one of the reasons why Vietnamese entrepreneurs show little interest in expanding their business transnationally. The CEO of BK Group in many meetings with large Vietnamese entrepreneurship in Vietnam recognized that while big corporations in Vietnam have created many branches domestically across provinces, they do not intend to expand transnationally.

By contrast, the Thai government has introduced many policies to encourage Thai entrepreneurship to branch out abroad and advertise their products in foreign markets (Hoang Duong, 2018). An assessment by the head of BAOTV's Advisory Board maintains that this state encouragement together with the creation of the AEC offers numerous opportunities for Thai entrepreneurship to enter the Vietnamese market in current years. Many Thai corporations moved their manufacture to Vietnam and bought supermarket chains (goods distribution channels) in Vietnam, thereby clearing the way for Thai products to reach the Vietnamese market. Thus, it is questionable whether Vietnam could compete equally with Thailand in the regional integration mainstream.

ASEAN countries are currently in substantial connectivity as a result of technology development and transportation facilities in the region. The transnational economic activities conducted by the

Vietnamese diaspora in Udon Thani are evidence of a reality that the economic integration process in ASEAN has been taking place and has contributed to increasing the flow of goods and capital among regional countries. Nevertheless, the transnational participation experiences shared by *Viet Kieu* in Udon Thani reveal a reality that the target of reaching AEC is challenged by issues relating to trans-border trading tariffs, differences in economic policies among regional states, and the inequality for competitive capability among ASEAN economies. Therefore, it is arguable that ASEAN nowadays is a region with "high connectivity, but low integration" in the field of economics, and that the region will take some time to achieve its economic integration scheme.

Conclusion

This article identified trade with Vietnam and multiple transnational investments as major border-crossing economic connections conducted by the overseas Vietnamese residing in Udon Thani province. These connections benefit from the improvement of *Viet Kieu*'s economic status in the host locality's grounding of their economic capital accumulation and their social network-based capital achievement on both individual and community levels after being provided Thai citizenship. In addition, the context in which regional economic integration is promoted by ASEAN countries with the establishment of AEC is a facilitative factor in *Viet Kieu*'s economic transnationality. However, the AEC framework has not eliminated or reduced the differences in the economic policies of Thailand and Vietnam which constrain the overseas Vietnamese's transnational economic activities. It is necessary to emphasize that the participation in border-crossing economic activities among the members of the overseas Vietnamese community is not identical as it depends on the financial and social capital that they own.

On the one hand, *Viet Kieu*'s trans-border economic activities are clear evidence of how the flow of products, services, and investments, as part of the AEC goal, are taking place among the regional countries.

On the other hand, their economic transnationality mirrors the actual challenge faced by citizens of ASEAN countries with AEC as a “high connection but low integration” region. The target of increasing economic integration among ASEAN countries quickly has not yet materialized due to the dissimilarity in economic policies issued by regional countries’ governments and the inequality in capacity among regional economies. The *Viet Kieu*’s transnational economic connectivity is influenced by transnational structural powers, as transnationality nowadays is a game played by various actors on multiple sides; thus, the overseas Vietnamese can be considered one of the players in the game. It is hoped that the difficulties they experience in transnational economic activities at the present time will lead to policy changes and negotiations between the two countries. This could lead to more favorable conditions for product and investment flows and increased integration between the two economies which would contribute to enhancing regional economic integration.

This study recommends a shift in conceptualizing transnational economic connectivity of diaspora groups. The case study of the *Viet Kieu* in Udon Thani demonstrates that the essence of a diaspora community’s trans-border economic linkage is embedded not only in its attempts to connect to the homeland, but also in its efforts to extend the connection to different countries, dependent on the economic and social capital accumulated both in their host locality and across the borders. Consequently, a diaspora should be characterized as cosmopolitan in nature because of its transnational economic linkage. In this way, future research could consider the extension of transnational economic networks of *Viet Kieu* residing in Udon Thani or other Isan provinces with business partners from different ethno-Vietnamese diaspora communities in various countries around the world.

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