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HINTERLAND BORDER GATE URBANISATION – AN ALTERNATIVE STRATEGY FOR AN EQUITABLE URBAN AND REGIONAL DEVELOPMENT IN MAINLAND SOUTHEAST ASIA

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ABSTRACT

Globalisation and economic development in mainland Southeast Asia over the past few decades have set in motion centripetal forces leading to not only the top-heavy urban regions but also the lead-lag disparities between the urban cores, the peri-urban regions and the rural hinterlands. Implicit or explicit counter-urbanisation or decentralisation policies have little significant impact on redressing or realigning the imbalance in the urban system resulting in serious negative externalities in the nodal urban regions. The entire convoluted state of urban problems and spatial disparities may be summarised as the consequence of "gateway city" urbanisation, that is, global forces and FDIs channelled into the country through principally the capital cities. However, based on several case studies in the border regions in Vietnam and Thailand, it appears promising to deliberately stimulate cross-border economic interactions and integration which will not only retain in-situ rural population but will also attract population from elsewhere who would otherwise move to the big cities. It is proposed that a concurrent shift to this hinterland border gate focus will be a much more effective urbanisation strategy to counterbalance the imperatives of the gateway city urbanisation that have occurred over the last 60-70 years. This paper highlights the essential characteristics and logistic transport corridor prerequisites in the different stages of reinventing hinterland border gate urbanisation as a new recipe for sustainable, stable and balanced development.

INTRODUCTION

The vast size of mega-urban regions in mainland Southeast Asia – Bangkok (10.4 million), Kuala Lumpur (4.5 million), Vientiane (0.7 million), Yangon (5.2 million), Hanoi (8.1 million), Phnom Penh (2 million) and Ho Chi Minh City (8.2 million) - and the concomitant over-indulgent informal sectors are major challenges to urban development planning and management in these cities. Mainland Southeast Asia is defined here to encompass Malaysia, Thailand, Myanmar, Lao PDR, Cambodia, and Vietnam. These macrocephalic tendencies of major urban centres in the respective countries are the consequences of globalisation and economic development, which have set in motion specific centripetal forces giving rise to not only top-heavy urban regions but a lead-lag disparity between regions.

This paper attempts to review the patterns and processes of urbanisation and regional development in mainland Southeast Asia and outlines some of the strategies and policies to address regional imbalances. Finally, a proposition is forwarded for a feasible strategy to counter the imbalance in the urban systems and the urban convolution that has proven to be incrementally elusive to manage. This proposition of hinterland border gate urbanisation is based on observations and research carried out over a five-year period (2013-2017) in north-eastern Thailand (Khon Kaen/Udon Thani/Nong Khai), north-eastern Vietnam (Quang Ninh Province), and northern Thailand (Chiang Rai Province).

OVERVIEW OF URBANISATION PATTERNS AND REGIONAL DEVELOPMENT TILL LATE 1990S

In Mainland Southeast Asia, the capital cities of Bangkok, Hanoi, Yangon, Phnom Penh, Vientiane, and Kuala Lumpur have shown population growth up till the late 1990s to be double or triple their population totals of the 1960s. Yet, it appears that these countries are quite acquiescent with their respective implicit or explicit counter-urbanisation policies as long as the so-called opulence paradigm brings in economic returns. That is mainly because capital cities contribute substantially to the national output. Bangkok, for instance, contributes 30 per cent per annum and its surproductivity has exceeded two to four times that of national GDP per capita.

The distinctive characteristics of these macrocephalic urban regions in mainland Southeast Asia have been well documented and need only to be briefly mentioned (McGee and Robinson 1995; Lee 1996, 2006b; Laquian 2005; Wong, Lee and Leung 2005; Friedmann and Sorensen 2019). First, the rapidity of such gargantuan development within the last five to six decades is unprecedented. Second, it had also happened at a time of intense globalisation encompassing the new tele-revolution dynamics rather than national forces. GDP growth in the past five to six decades was attributed to industrial growth propelled by foreign direct

investments (FDIs). In Malaysia, for instance, about half of the total capital investments in the manufacturing sector before the financial crisis of the late 1990s were from foreign sources especially from Japan, Taiwan, Singapore, the United Kingdom, the United States, Hong Kong, Indonesia, Iran, Netherlands, and South Korea. The result was a significant structural change from the hitherto predominantly agricultural occupations to manufacturing and services employment. In fact, the agricultural workforce had declined to less than a third relative to other sectors. In ASEAN countries as a whole, the proportion of people in agriculture had gone down to 12 per cent. Undeniably, the manufacturing sector has been the largest generator of employment opportunities. Third, it is also interesting to note that population accretion has not been compacted in the city proper or the central cities per se but over an extended metropolitan region that has been now popularised as the Extended Metropolitan Regions (EMRs) (McGee 1991). As land in the cities became scarce, escalating land prices coerced land uses towards the periphery and beyond. Urban over-spillage is but a logical sequence leading to the EMRs, which may extend over distances of 50 to 100 kilometres from the central cities. In all instances, the EMRs contain a substantial share of the country's urban population. The Bangkok Metropolitan Region, for instance, has 50 per cent of the country's population and 87 per cent of the urban population growth occurred in the outer rings.

Typically, the major cities of Bangkok, Kuala Lumpur, Phnom Penh, Hanoi and Yangon became the focal points in their respective countries in the global economy because of their key locations for finance and specialised services. In Malaysia, for instance, Kuala Lumpur alone accounted for 30 per cent of the total approved manufacturing projects in the whole country in the 1990s. Paradoxically, in either a conscious or unconscious effort to ensure that the major cities continue to be well placed in the global network of transactions, implicit or explicit policies are encouraged for private sector and/or public sector investments in infrastructure, transportation and housing around the major cities. This locational predilection for development inevitably sets up a cycle of further FDIs because of the improved facilities and amenities. The implication of this process is that cities find themselves more embroiled in struggling to solve their urban problems dictated by an externally-induced pace of urbanisation. However, it is argued that while the fastest growing zones are the outer rings, "superinduced" central cores are threatening the sustainability of the nodal cities. The concept of a superinduced development was first presented in the mid-1990s (Lee 1995; 2001; 2002).

Briefly, contemporary global functions demand the partial physical rebuilding of existing central cities in order to be in consonance with global needs. The consequence is that postmodern functions and structures are superimposed upon existing traditional colonial structures. This injection of new materials and energy (in the form of building constructions, industrial production, traffic generation, tourism activities, transnational labour, and capital) into the unregulated urban space results in a chaotic and congested mass of urban-industrial constructs. In Kuala Lumpur, for instance, between 1989 and 1990 alone, almost 32,000 units of

apartments and condominiums were approved for construction. Kuala Lumpur may be described as a chiaroscuro between, on the one hand, the traditional kampungs, squatter and slum areas and, on the other hand, the modern commercial/office complexes and high-rise condominiums. This urban scenario is repeated in Phnom Penh, Ho Chi Minh City, Bangkok, Hanoi and Yangon today. Consequently, the traditional components stand out like sore thumbs in the cities especially when squatters and slums are festering at a rapid pace. In Bangkok, the slum population had swollen from 1.2 million in the mid-1990s to 1.5 million in the late 1990s.

THE POST-2000S: SOUTHEAST ASIAN URBAN CONVOLUTION

The Asian financial crisis of the late 1990s had resulted in a dramatic decline of FDIs to the Southeast Asian region from 7.9% in 1998 to 2.8% in 2001 (Diaconu 2014). In the decade that followed, the trend continued. FDIs in Malaysia plunged by 81% in 2009 from the earlier year; the economy in Thailand contracted by 7.11% in the first quarter of 2009. This had two significant impacts on the Southeast Asian urban cityscapes. Firstly, the financial crunch meant that remedial actions to correct the urban problems up to this point (brought about by the superinduced urbanisation and the EMRs) had to be whittled down or put on hold. Subsequently, there was little significant progress made in improving the urban environment during the 2000s. Secondly, cities have now to vie for the dwindling flow of FDIs into the Southeast Asian region. Consciously or unconsciously, regional cities began to strengthen or protect their regional competitiveness to attract the limited investment opportunities. To ensure that they are able to continue to attract FDIs, more infrastructural investments are being poured into the major cities to make them regionally more competitive. How are they doing this?

In Malaysia, the new Economic Transformation Programme was mooted in 2010 as the roadmap to ensure that the city of Kuala Lumpur continue to be a world class city to be able to attract FDIs (Malaysia, 2010). In order to become the "iconic and world class city", the Programme involves a whopping 10-fold increase in physical investments from its RM40 billion in the 1990s to RM391 billion beginning from the 2010s. Among some of the projects are massive infusion of funds for a better transportation system, such as the integrated 150 km MRT system, improved utilities and amenities, and creating spatial urban clusters with first class amenities/connectivity to attract global firms. However, what is most significant and interesting in terms of urban growth patterns and processes is that, after the financial crisis of the late 1990s, most FDIs were not in the manufacturing sector but in the financial, services, and commercial functions. These are the functions that require central locations. So once again, the global investments were bouncing back to the central locations rather than to the extended peripheries. So springing up in central cities were more post-postmodern structures such as supermarkets, shopping malls, office complexes,

and condominiums. What was not surprising of the post-postmodern structures was the frenzy and relentless desire to build skyscrapers and high rises. In Kuala Lumpur, the Petronas Twin Towers, which was the tallest building in the world from 1998 to 2004 at a height of 452 metres with 88 floors, would be overshadowed in 2021 by the Merdeka 118 Building at 644 metres with 118 floors, and which will be among the five tallest in the world. In addition, another 109 buildings that are more than 30 storeys high were or will be added to the cityscape. Other capital cities are witnessing similar urban growth processes. Bangkok, in 2010, had the most office space among the ASEAN countries (Colliers International Thailand 2011). Yet Bangkok embarked on a new wave of office development because of the fear that "other cities are catching up". Another 132 buildings that are more than 60 storeys high are being added onto the cityscape. Interestingly, Bangkok's tallest building - the 77-storey King Power MahaNakhon, completed in 2016, is located at the heart of the CBD contributing further to the traffic congestion. Indelibly, the infamous Bangkok traffic jam would require massive investments in bridge networks, overpasses, expressways, and lane expansions to see some light in the resolution of their traffic gridlock! Even in Yangon, there is this passion about building high-rises. Until the late 1990s, the tallest building was a 6-storey building! But by the 2010s, there are at least 20 buildings that are at least 20 storeys high, such as the Sakura Tower (20 storeys), Centrepoint Towers (20 storeys), Traders Hotel (22 storeys), and the Diamond Inya Plaza (34 storeys) (Lee 2011c). In Hanoi, in the 2010s, there are 15 skyscrapers which are more than 35 storeys high with the highest being the Landmark at 72 storeys (completed in 2011) located in the CBD. These new high-rise apartments and office blocks in the heart of Hanoi are to be blamed for the traffic crunch in Hanoi (Vietnamplus 2018). To overcome the congestion would require another US$96 million. Thus, it is obvious that the new roadmap of the post-postmodern structures in the 2010s would bring about a new wave of negative externalities to compound the previously unresolved urban problems of the 1980s and 1990s. It is this intertwining and intractable complexity of issues that constitutes the new character of the urban convolution in the 2010s (Lee 2011a; 2011b).

"GATEWAY CITY" URBANISATION, REGIONAL DISPARITIES AND DECENTRALISATION STRATEGIES

Summarily, globalisation, mirrored in the opulence/economic growth paradigm in the mainland Southeast Asian region, has resulted in serious negative externalities in their nodal urban regions. More so, much of the nature and processes of urbanisation have resulted in heightened regional disparities and threatens the productivity of the rural hinterlands. Although the regional spatial translation of these processes is often seen as a dichotomous lead-lag disparity between the urban and the rural, it is more pertinent to view this ramification as a spatial trichotomy (Figure 1).

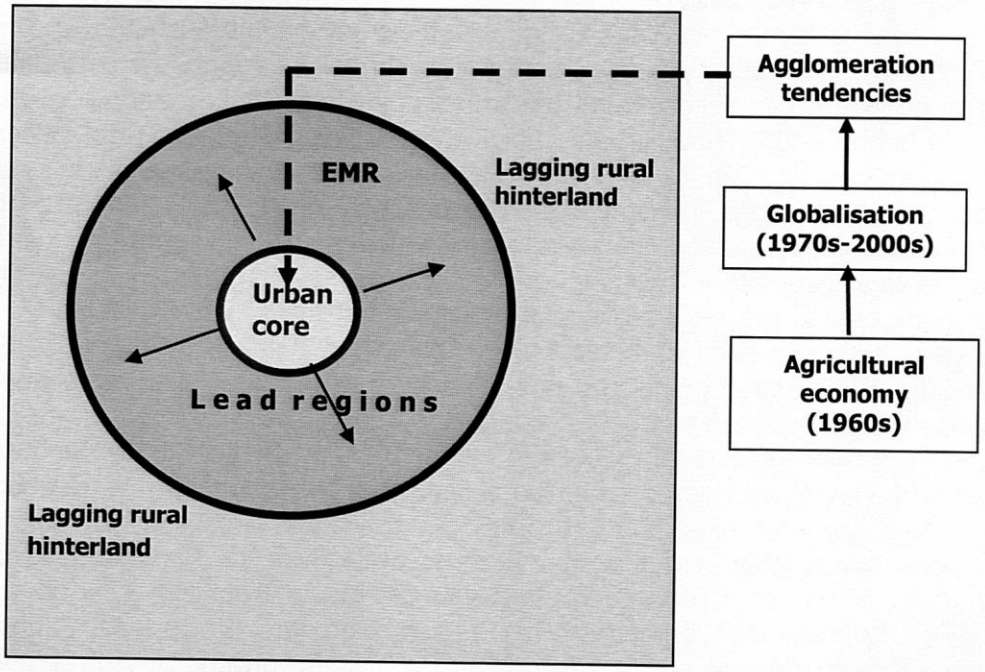

Figure 1: A simplified trichotomisation of spatial construct in the Southeast Asian urban system.

The trichotomy consists of firstly, the central urban cores of the mega regions, which are the lead places even though they may be under duress of superinduced development. Secondly, emanating in all directions from these urban cores are the peri-urban zones or the EMRs, which are the vanguards of spatial economic expansion interlinking the urban areas with the rural hinterlands. The EMRs, as the zones of rapid metamorphosis, are among the main factors that have compounded the problems of the urban core regions, largely through increased commuting needs and uncontrolled and haphazard urban development. Thirdly, in contrast to these two lead spaces is the lagging rural hinterland that has principally been neglected because of largely urban-bias policies. These rural hinterlands are generally more removed from the mainstream development due to their physical isolation and infrastructural inadequacies (Lee 2007).

The entire spectrum of disparities may be summarised as the consequence of "gateway city" urbanisation, that is, global forces and FDIs channelled into the country through the gateway cities, principally the capital cities as the logical locational predilection. Southeast Asian countries are certainly cognisant of these urbanisation processes and the ensuing negative externalities. Various forms of strategies and policies have been implemented to redress the situation. Malaysia,

for instance, have implemented the whole gamut of remedial strategies (except for transmigration policies) to depolarise and realign its urbanisation patterns and processes (Lee 2005; 2015). These strategies ranged from building new towns such as Petaling Jaya, Shah Alam, Bangi, (started from the late 50s and 60s) (Lee 1987; 2006a); land development schemes and agropolitan centres (from the late 50s) to provide urban services and off-farm employment (Bahrin and Lee 1988; Lee and Bahrin 2006); rural urbanisation (in the 1970s) whereby rural villages were regrouped to form small urban nuclei of about 2,500 population to be engaged in small-scale industries and commercial functions (Lee 1983); the development of secondary cities and growth poles to decentralise industrial investments to generate a "trickling down" effect (mid-1980s)(Lee 1990); creating regionopolises and the new administrative capital Putrajaya, which was partly to help ease the congestion in Kuala Lumpur (Lee and Bahrin 1997; Lee 2015); cyber-urbanisation strategy (in the mid-1990s) as seen in the Multimedia Super Corridor and Cyberjaya (Lee 2000); economic corridors (mid- 2000s); and mega-conurbationisation (in 2010s) as seen in Iskandar Malaysia (Lee 2015). Vietnam, though still very much engrossed in the economic growth paradigm, is relocating labour-intensive and exporting industries to the rural areas in addition to developing seven other spatial economic zones away from the Hanoi and Ho Chi Minh City regions (Nguyen 2015). In Myanmar, aside from the Yangon and Mandalay Bi-Polar Development, other regional growth centres and Special Function Growth Centres are being adopted for a "concentrated decentralisation and balanced development" (Myint 2015).

However, bridging the lead-lag hiatus to bring about a more balanced urban system is hindered by the locational preferences of FDIs for nodal regions and the entrenched urban bias policies. The paradox of gateway city urbanisation is that it demands a continuous infrastructural reinvestment to make them regionally more competitive. In short, while these depolarisation and decentralisation policies are commendable and necessary, they appear to have little significant impact on neither the spatial trichotomy nor the convoluted state of urban problems. Kuala Lumpur's current population showed an increase of 85 per cent from 2000; Bangkok, 63 per cent; Hanoi, 50 per cent; Vientiane, 53 per cent; Yangon, 44 per cent; and Phnom Penh, 67 per cent). Ho Chi Minh City receives 50,000 in-migrants into the city every year (Gottdiener and King 2019).

FROM GATEWAY CITY URBANISATION TO HINTERLAND BORDER GATE URBANISATION

Every mainland Southeast Asian country has a unique relationship and sharing of resources with her neighbouring countries that can be exploited through the development of economic zones or corridors associated with border gates. These border gates are often located in the far interior or mountainous hinterlands. Examples are border gates between Malaysia/Thailand, Thailand/Myanmar, Thailand/Laos/Cambodia, Vietnam/China, and Myanmar/China/India. The

economy of hinterland regions at or near to border gates can be deliberately stimulated by exploiting the benefits of cross-border economic interactions and integration, and, if successful, can narrow the income disparity at the very doorsteps of the people who need it. Thus, this strategy offers much potential not only to retain in situ rural population but also to attract population from elsewhere who would otherwise move to the big cities. It is proposed that a concurrent shift to this hinterland border gate reorientation will be a much more effective urbanisation strategy to counterbalance the imperatives of the gateway urbanisation that have occurred over the last 60-70 years. This is particularly true of mainland Southeast Asian countries that are direct or near-direct neighbours with China, the world's fastest growing economy, to enjoy the boomerang benefits of China's supply-chain externalities. A detailed discussion of several cases can be used to support this proposition.

THE SUCCESS STORY OF NORTH-EASTERN VIETNAM'S BORDER GATE URBANISATION

Vietnam has a policy of promoting trade across national borders by cooperating with neighbouring countries for the development of border areas. In addition, at each of the border gates that serve as gateways for crossing national borders, Vietnam is establishing free trade zones to boost trade in these mountainous areas. These cross-border economic zones, costing some US$2 million for planning and development and US$200 million for hard infrastructure construction from the Vietnamese side, are expected to turn the country's mountainous areas into economic, commercial, and service hubs in the trade integration process between Vietnam and its neighbours. The border region of Quang Ninh Province in north-eastern Vietnam provides an interesting and revelatory case study of a matured and successful border gate economic development, which is triggering the dramatic transformation of the entire north-eastern Vietnam with an annual GDP growth of 12% to 13%.

There are four border gates, which Vietnam is actively establishing with China–Mong Cai/Dongxing (Guangxi), Lang Son/Pingxiang (Guangxi), Lao Cai/Hekou (Yunnan) and Cao Bang/Longbang (Guangxi) (Figure 2). It is interesting to note that these trans-border trade accounts for 30 per cent of the total bilateral trade between Vietnam and China every year. By far, the most important of these border gates is the Mong Cai/Dongxing border gate, which accounts for about 45 per cent of the total trade value at border gates and seaports in the province. The locus of the border transactions is Mong Cai, a city on the border separated by the Ka Long River from Dongxing in China's Guangxi Autonomous Region. With a population of about 103,000, it is located about 360 km from Hanoi and 178 km from the UNESCO World Heritage site of Halong Bay. Besides cross-border trading, large industrial zones have been set up to attract domestic and foreign investors around Mong Cai for assembly plants, food processing and manufacturing industries, which are the key growth drivers in the

province's economic growth. Industrial plots have been snapped up by Chinese and foreign corporations. For instance, the Chinese textile group, Texhong, have invested some VND 4.5 trillion (US$225 billion) for its industrial plant and garment-textile business.

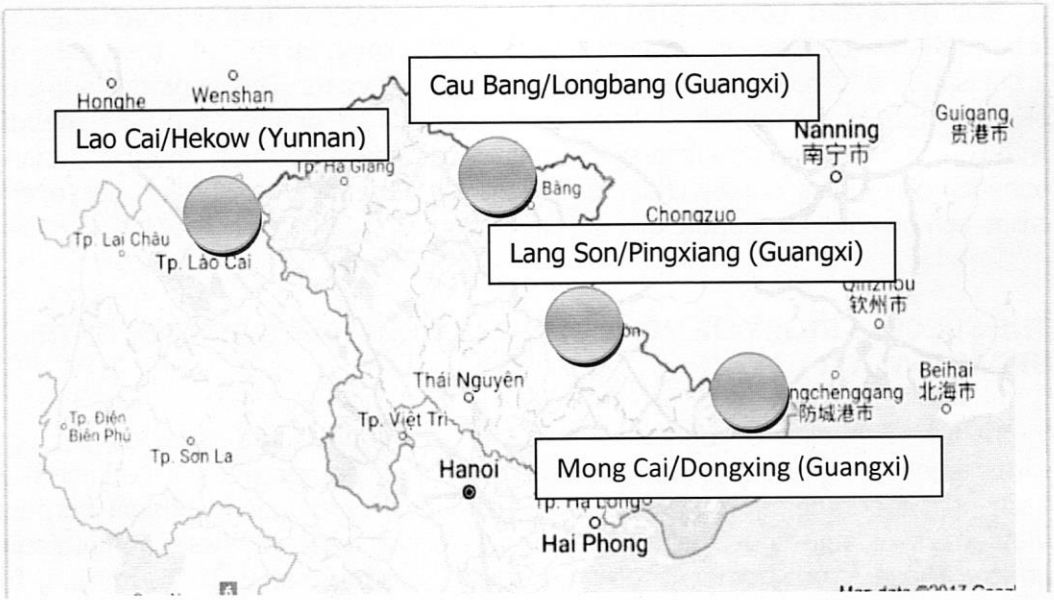

Figure 2: Border gates with China in north-eastern Vietnam.

Both Mong Cai and its counterpart city of Dongxing (China) have become important entrepôts for goods, investment capital and travellers between Vietnam and China. Dongxing is the only land and sea border gate between Vietnam and China. It is also the most favourable gateway for China's southern and south-western regions to trade not only with Vietnam but also with other ASEAN nations. The volume of trade between Vietnam and China through the Móng Cái border gate had reached US$2.4 billion and US$4.1 billion in 2007, 2008 respectively, the highest among the Vietnam-China border gates (Figure 3). This had increased to US$8 billion by 2016. The cash flow via the banks located in Móng Cái was VND180,469 billion (US$11 billion) in 2008. The volume of trade is increasing significantly every year. The tax revenue of Móng Cái in 2008 was more than VND1,700 billion (US$100 million) which is one and half times that of the year before. This makes Mong Cai as the only area in northeast Vietnam to have a tax revenue of more than VND1,000 billion, and to be ranked third in the whole of Vietnam. Of particular importance is the fact that the successful integration of border trading and industrial zones has resulted in a highly significant in-migration to the Quang Ninh province with Mong Cai spearheading the urbanisation process to this northeast hinterland. By 2008, Mong Cai had been

upgraded to the status of "3rd urban area" with the recognition as a "city". Mong Cai eventually became known as a "market city" because of 14 large wholesale and retail markets located in the city centre. Goods traded in the markets and exchanged across the border are varied.

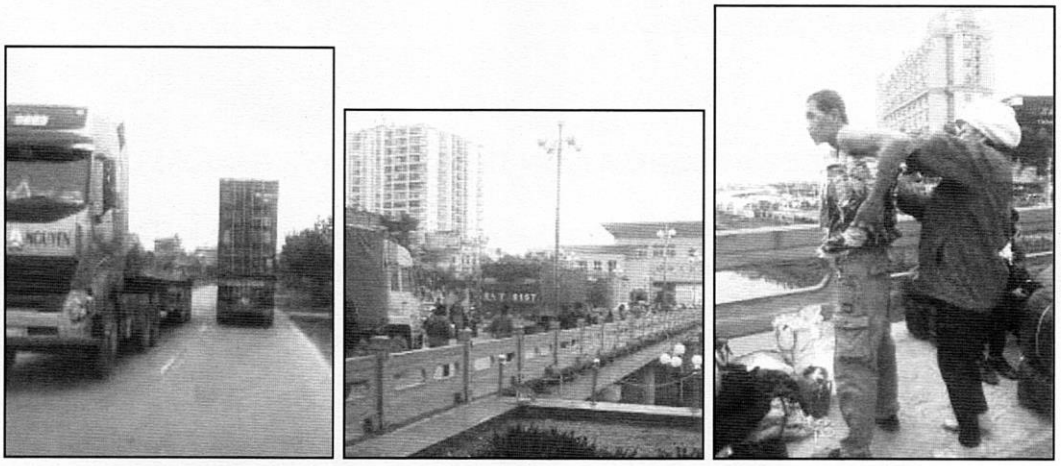

Figure 3: Incessant day and night movements of container trucks ply along the road between Mong Cai to Hanoi and Haiphong (left); Mong Cai border gate (centre); Smuggling China-made goods over the border to Vietnam by "mules" is an open secret! (right)

Chinese goods imported into Vietnam include specialty fabrics, ready-made dresses, mosquito nets, shoes, sandals, electronics, toys, candies and fruits. Every day more than 100 containers of marine products from Vietnam are exported to China through the Mong Cai border gate besides other agricultural foodstuffs such as tea, coffee and sesame (Figure 3). It is not only the centre for trans-border trade and economic activities but also a centre for cultural exchanges between Vietnam and China. The bridge that spans the Ka Long River acts as a conduit for tourists from both sides. The annual number of visitors to Mong Cai is 100 times more than that of its inhabitants resulting in the province being one of the wealthiest cities in Vietnam, with an average income exceeding US$20,000 per family in some areas. Chinese and domestic tourists are also attracted to the UNESCO World Heritage site of Halong Bay as well as the nearby Tra Co beach, which is about 7 km away. Tourism is, thus, a key economic sector facilitating economic growth in the province, receiving around 10.5 million foreign and domestic visitors a year.

Summarily, the burgeoning development of cross-border tourism-trade-industrial activities and economic zones at the Mong Cai/Dongxing border gate have accelerated economic growth, created social changes and provided jobs for

the local people in the hitherto lagged hinterland and closed the hiatus between the northeast region of Vietnam and the Hanoi-Haiphong region. The border trade has grown at around 10 per cent per year, reaching a total of US$72 billion during the 2008-2013 period. The tangible impact is, firstly, a retention of the local population within the province and secondly, a significant in-migration to the northeast, both of whom would have migrated to the extended metropolitan region of Hanoi-Haiphong otherwise.

INCIPIENT BORDER URBANISATION IN NORTHEAST THAILAND

Without any question Bangkok is the overwhelming primate city in Thailand and thus, the imperative urgency for regional decentralisation is very obvious especially to the northern and north-eastern corner of Thailand. Up to the 1970s, the north-eastern region bordering Laos was Thailand's poorest region with a 28% level of poverty. Khon Kaen, with a 150,000 population is the urban centre for that northeast district of poverty-stricken 1.7 million population extending to Udon Thani and Nong Khai at the Laos border, about 174 km away (Figure 4). Khon Kaen is Thailand's fourth largest city and in the 1970s, was selected to play the role of a secondary city and as a rural growth centre (RGC) to channel investment opportunities from Bangkok. Between 1977 and 1985, Khon Kaen witnessed the growth of regional government offices, education, transportation and healthcare infrastructure. In spite of this national strategy, there was no sustainable economic driver to move this border region until the 1980s. This was because the first four National Economic Development Plans (1962-1981) were largely infrastructural and physical planning in nature. It was only from the Fifth Plan (1982-1986) onwards that some conscious attention was given to economic growth and industrial development resulting in a noticeable in-migration into Khon Kaen city and its surroundings. Later, with the economic boom of the country in the 1980s, about 100 satellite towns sprung up around the city's periphery. By the late 1980s, many manufacturing plants had relocated from Bangkok to the north-eastern region. By then, Khon Kaen had not only become the economic centre for northeast Thailand but also the transport hub with links to different parts of the country.

Figure 4: The north-eastern region of Thailand with Khon Kaen as the regional growth hub.

Interestingly, from the late 1990s, the National Economic Plans (8th Plan onwards) began to focus on international cooperation with its neighbouring countries of Laos, Cambodia and Myanmar through the Greater Mekong Subregion (GMS) initiatives by the Asian Development Bank (Asian Development Bank 2010). This involves the 1,450 km East-West Economic Corridor (EWEC) across the swath of land mass stretching from Myanmar to Laos, Cambodia, Thailand and Vietnam, and interestingly, passing through the Khon Kaen region. Thus, Khon Kaen is deeply embedded into this externally-induced transnational cross-border cooperation. Although there are still impediments to the full operations of the Corridor, it is quite clear that Khon Kaen's role as a EWEC logistic hub will augment the growth pole strategy of the endogenous

development plans. In fact, the nascent local economy and good infrastructure implemented under the Central Transport Corridor project from Bangkok to Vientiane (via Khon Kaen and Nong Khai) have encouraged cross-border trade and investments to flow conducively through the conduit of the EWEC. In 2005, Khon Kaen was endorsed as the export centre for trade into the Indo-Chinese region. Its economy had increased by 40 per cent in the last 1 - 2 decades. With the transnational interconnectedness and link-up with China since the late 1990s, the Khon Kaen/Nong Khai border region has become the entry point for Chinese investments. These have provided the needed primary catalyst for further cross-border trade and investments in the incipient development of border urbanisation in north-eastern Thailand in the last two decades.

POTENTIAL FOR BORDER GATE URBANISATION IN NORTHERN THAILAND

It should not be presumed that all border gate regions have the capacity to be developed into vibrant economic regions capable of retaining population and attracting in-migration. One such case study is in the Chiang Rai Province, in northernmost Thailand bordering the countries of Myanmar and Laos. There are 2 border gates in this hinterland region – the Mae Sai/Tachilek border gate with Myanmar; and the Chiang Khong/Huay Xai border gate with Laos (Figure 5). It is clear that both these border gates exist merely as border trading opportunities with fairly well-developed retail markets for the local populace and tourists. Both border gates, at the moment, are not capable of spawning any substantial economic investments to draw in-migrants. For example, Mae Sai, as the northernmost point in Thailand is the border gate to Tachilek in Myanmar (Figure 6). Located in a district with a fairly sizeable population of about 86,000 (2010), Mae Sai is about 259 km from Chiang Mai (on Asian Highway 2) and 61 km from Chiang Rai. Interestingly, although the bazaars and market places here are teeming with China-made goods (either imported or smuggled through Myanmar), trade exchanges with China are limited. Trade with Myanmar consists largely of imports of jade, rubies, other gems and cheap jewelleries, lacquer ware, and goods from nearby Laos and China. There are a limited number of factories resulting from the economic interchange with Myanmar such as cement and brick factories catering for the needs of the construction industries in Myanmar. A jade factory imports its raw materials through Mandalay and Taunggyi from as far as Mogok (Myanmar), which is more than 900 km away. Even this factory has a doubtful future as Myanmar is opening up to more indigenous investments. Consequently, there has not been any discernable population accretion over the past 15 years.

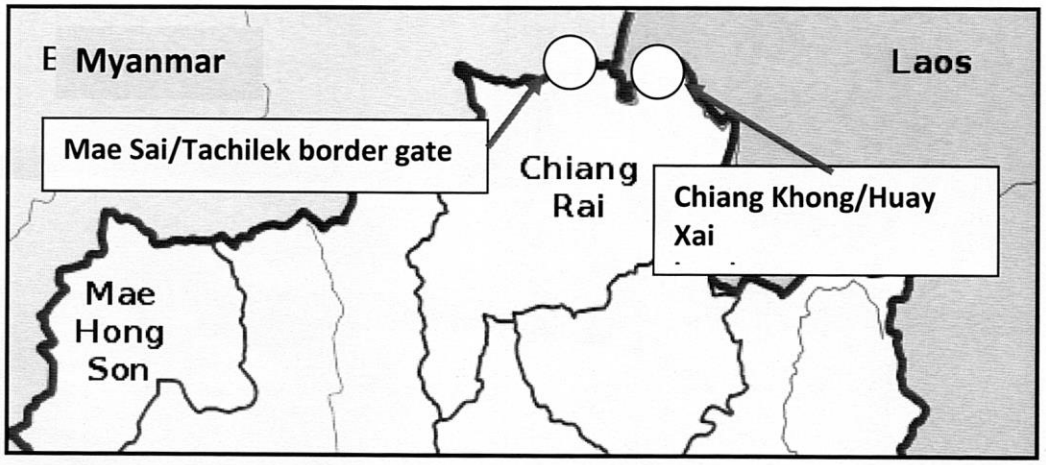

Figure 5: Border gates in northern Thailand with Myanmar and Laos.

Similarly, at the Thailand-Laos border gate at Chiang Khong/Huay Xai, where the 4th Friendship Bridge was completed across the Mekong River in 2013 to foster trade with Laos and China, developments are also constrained in spite of the implementation of infrastructural action plans in Chiang Khong and nearby Chiang Sien since 2001. Although both Thailand and Laos are optimistic and have prepared large tracts of land for international trading and industrial activities (e.g. the Ha Chiang Inland Port in Huay Xai and the Chiang Khong Intermodal Facilities to enhance freight transport from Laos and western China)(Charanwanitwong, 2014), it is largely a stop-off point en route towards Oudomxay, Luang Prabang, Vientiane, and Luang Namtha (towards the Chinese border at the Boten-Mohan checkpoint), There is also a fairly large Chinese market peddling only China-made goods in Huay Xai. Aside from these, there are, as yet, not much of economic activities. As northern Thailand has no direct border sharing with China, the potential for both of these border gateways (Mae Sai/Tachilek and Chiang Khong/Huay Xai) to stimulate economic activities and to have an impact on urbanisation will depend on improvements to existing transport networking and linkages to China through Laos and Myanmar (Figure 6).

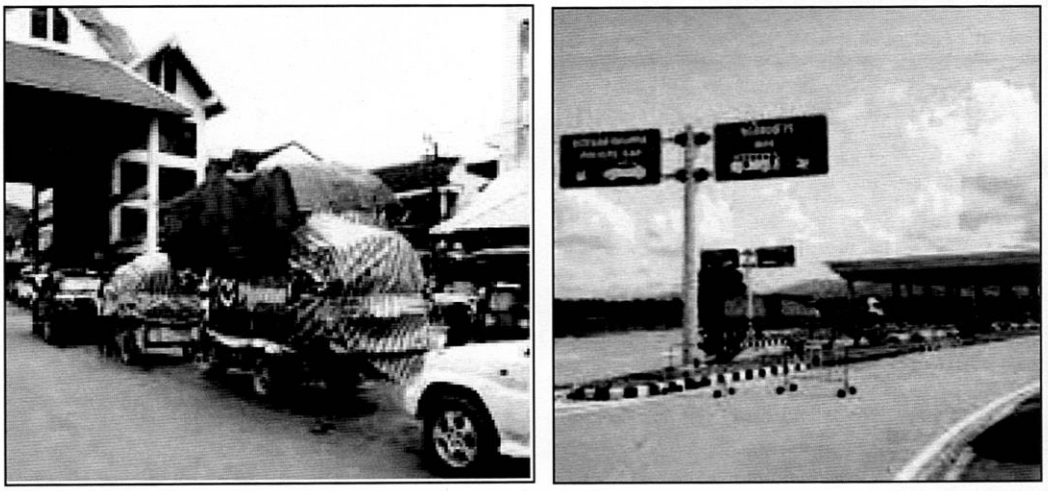

Figure 6: Goods vehicles queuing to cross over the border gate from Mae Sai (Thailand) to Tachilek (Myanmar) (left); the impressive but all-too-quiet Chiang Khong (Thailand)/Huay Xai (Laos) border gate (right).

Currently, this lack of good physical connectivity in Laos and Myanmar results in an undeveloped logistic support (unlike what is seen in northeast Vietnam and northeast Thailand) which seriously impedes realising their potential. However, the optimism shared by both Thailand and Laos is justified in light of China's keenness to push for the Chiang Rai region to be the cross-border special economic zone and logistics hub for Southwest China via the Mekong River under the Belt and Road Initiatives (BRI) (Green 2019). More expectantly is ADB's North-South Economic Corridor (NSEC) under the Greater Mekong Subregion project to link Bangkok to South China. The NSEC's northern dual routes will pass through the Mae Sai/Tachilek and Chiang Khong/Huay Xai border gates (Asian Development Bank 2010). This would mean not only infrastructural development but also the drawing up of regulations that will make easier to do business, access markets and conduct other activities that will support trade and development.

STAGES OF HINTERLAND BORDER GATE URBANISATION

From the case studies of border gate regions in northern Thailand, north-eastern Thailand and north-eastern Vietnam, it becomes clear that several important criteria are essential for a succesful hinterland gate border urbanisation. Three stages of hinterland border gate urbanisation can be postulated (Figure 7). Stage 1 is the case of northern Thailand where the potential for development exists, while waiting for a transport corridor to be formed. The low level of transport links

within and between each neighbouring country hampers the logistic development and, cosequently, the border gate remains essentially as local border trading opportunities.

Stage 2 is represented by the case study in north-eastern Thailand, where an incipient border gate urbanisation is clearrly emerging. The physical linkages within and between the neighbouring country has been put in place but the transport linkages have yet to reach a satisfactory stage of proficiency. Nonetheless, the logistic corridor is fast developing including non-physical infrastructure such as policies to facilitate movement of people and goods, warehousing, trucking, insurance and freight management. In this incipient stage, the economy is fast growing with a stable population accretion. Stage 3 is the matured development of hinterland border gate urbanisation as seen in north-eastern Vietnam. The border region has a good physical infrastructure, well developed logistic corridor that allow goods and services to flow efficiently. It is a full fledged economic corridor with an integration of trade, investment and economic activities while enjoying the boomerang effects of China's economy and supply chain externalities. Natural resource attractions for tourists add further boost to the local economy. Consequently, jobs are created to retain the rural population as well as to satisfy the substantial in-migrants from other areas, thus narrowing the lead-lag disparity between the hinterlands and the gateway cities.

CONCLUSION

Mainland Southeast Asian gateway cities are showing symptoms of dysfunctionality in light of the opulence approach to globalisation that have resulted in skewed population distributions in favour of the major urban nodes. Not only that, the lead-lag disparity between urban and rural areas has widened in spite of policies and strategies of decentralisation through new towns, agropolises, growth poles, regionopolises, cybercities, corridors, megaconurbations, etc. However, from case observations in hinterland border gate regions in Thailand and Vietnam, it appears that a reorientation or a concurrent shift in focus from the gateway city urbanisation to the strategy of hinterland border gate urbanisation may be the alternative and viable action plan to redress regional disparities and imbalanced urban systems. This incorporates economic networking and co-operation between neighbouring countries, The conclusion is that it is timely and perhaps essential for mainland Southeast Asian countries to reinvent its urbanisation strategies through this hinterland border gate strategy as a new recipe for sustainable, stable and balanced development, especially one that is abetted by an externally-induced transnational dynamics to realign urbanisation processes.

Stage 1	Stage 2	Stage 3
"POTENTIAL"	**"INCIPIENT"**	**"MATURED"**
Chiang Rai Province	**Khon Kaen Region**	**Quang Ninh Province**
▪ Only basic infrastructure ▪ Formative transport corridor ▪ No logistic support yet ▪ Local trading centres ▪ No population accretion	▪ Good physical linkages ▪ Transport corridor in place ▪ Good logistic support ▪ Fast growing economy ▪ Stable population growth	▪ Good infrastructure ▪ Excellent transport corridor ▪ Excellent logistic support ▪ Full-fledged economy ▪ In-migration and population accretion

Figure 7: The three stages of hinterland border gate urbanisation.

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