THE BORDERS OF VIETNAM’S EARLY WARTIME TRADE WITH SOUTHERN CHINA

A Contemporary Perspective

Christopher E. Goscha

For decades, readers have grown accustomed to seeing the wars for Vietnam packaged in their French colonial past—La guerre d’Indochine—in terms of America’s never-ending quest to understand “why Vietnam?” and more recently via communist Vietnam’s obsessive “histories of national resistance against . . .” (lich su khang chien chong . . .). One of the results of these nationalist approaches, however, is that if one knows much about the French, the Americans, and (increasingly) the Vietnamese, surprisingly little is still known about how Vietnam’s numerous Asian neighbors fit into the picture. In many ways, the Vietnam War continues to exist in a regional vacuum.

China, of course, was always “there.” However, studying this country’s role in the wars for Vietnam has been anything but easy. Despite a recent thaw in Beijing and Hanoi’s contesting visions of their revolutionary pasts, their brief but violent border war of 20 years ago still haunts Vietnam’s official memory-makers. Indeed, following the spread of armed conflict from the Gulf of Thailand to southern China in early 1979, official Vietnamese historians did their best to forget China (and Thailand) in order to stress Vietnam’s “special” (dac biet) Indochinese relations with Laos (and post-Pol Pot

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Cambodia). China became an “eternal” threat to all that was Vietnamese, whereas a Vietnamese-led Indochina became an “unshakeable” historical “reality.” Conveniently forgotten was that in the 1920s and 1930s, if not until the 1960s, Vietnamese communists were historically much more closely linked to their Chinese counterparts to the north than to any ethnic Lao or Khmer radical living in western Indochina.¹

Fortunately, things have begun to change. Chinese scholars Chen Jian and Qiang Zhai in particular have provided new sources on and excellent analyses of the complexity of Sino-Vietnamese diplomatic relations between 1950 and 1975.² In this article, I seek to add to their work by examining the early years of the Democratic Republic of Vietnam’s (DRV) trading relations with southern China.³ To do this, though, I want to orient my reflection in three slightly different directions. In terms of time, I will focus on the period between 1945 and 1950 before the DRV was recognized by the communist giants. This may come as a surprise to some, given that most studies take as their starting point the People Republic of China’s (PRC) recognition of the DRV in 1950 and the Chinese communist contribution to the military defeat of the French at Dien Bien Phu four years later. While the aid provided by the Chinese was most certainly crucial to the Vietnamese military victory in 1954, the problem is that by assuming that everything began in the early 1950s, one misses the fact that the DRV had already been obligated to renew ancient commercial exchanges with southern China before Chinese communists arrived there in force. After all, Vietnamese communists could not skip the first four years of the war. Nor could their economic exchanges.

Second, in the following pages I shift the analysis “down below” to consider how this border trade was organized materially, structurally, and geographically on the ground. Ideological affiliation and diplomatic relations will thus be less important here than knowing the people, the routes, and means of transportation crossing the Sino-Vietnamese borders.⁴

¹. For the 1920s and 1930s, see Christopher E. Goscha, “Entremêllements sino-vietnamiens: Réflexions sur le Sud de la Chine et la révolution vietnamienne entre les-deux-guerres” [Sino-Vietnamese overlaps: Reflections on southern China and the Vietnamese revolution between the two World Wars], Approches-Asie, no. 16 (1999), pp. 81–108.


⁴. On diplomatic relations between 1945 and 1950, I refer readers to the works of King C. Chen, Vietnam and China (Princeton: Princeton University Press, 1969); and Lin Hua, Chiang
Third, I approach the theme of Sino-Vietnamese border relations from a wider geographical perspective than that to which most readers are normally accustomed. Rather than limiting my analysis exclusively to the well-known overland frontier dividing China from Vietnam, I want to evoke other places where the border with China could manifest itself in a time of war. I am thinking in particular of overseas Chinese (Huaqiao in Chinese, Hoa kieu in Vietnamese) traders, mostly from southern Chinese maritime provinces, and their profoundly trans-national commercial networks running throughout all of Southeast Asia. They represented an important Sino-Vietnamese commercial border within Vietnam. Thanks to Huaqiao regional connections in the ports of Haiphong and Saigon-Cholon, the Viet Minh did not always have to cross the official northern border to “get to” China. With these ideas in mind, I would therefore like to place the DRV’s early border trade with China between 1945 and 1950 in three major zones. None of them was mutually exclusive; indeed, they will overlap throughout my text much as (I think) they did at the time. They are as follows: (1) overland border trade between northern Vietnam and the southern Chinese provinces of Yunnan and Guangxi; (2) maritime border trade between central Vietnam and the southern Chinese trading ports of Beihai, Macau, Hong Kong, and the island of Hainan; and (3) Huaqiao internal border trade via Chinese business networks in Vietnam and mainland Southeast Asia.

Let me be clear that I am not arguing in this article that the Chinese explain all of Vietnam’s wartime commerce. They most certainly do not. This article represents an effort to study one part of what was a complex regional mosaic. This article is based largely on research in the French archives—French intelligence studies, captured Vietnamese documents, intercepted Vietnamese radio communications, interrogations, as well as recently published Vietnamese sources.

The DRV’s Internal Economy:
A Brief Overview

When the Viet Minh, the well-known Vietnamese nationalist coalition led by the Indochinese Communist Party (ICP), took power in August 1945, the economy was a wreck and much of the northern peasant population was starving to death. The Japanese occupation and Allied bombing raids during the Pacific War had destroyed coal and wolfram mines, severed roads, and crumbled bridges. Northern Vietnamese harbors remained mined well into...
1946. The presence of around 100,000 Chinese Nationalist (GMD) troops in Vietnam north of the 16th parallel from November 1945 until June 1946 only aggravated an already critical economic situation. In the south, the rapid return of the French in late September below that same line left southern leaders with little time to think about economic questions. On September 23, the French retook Saigon as well as provincial towns, routes, and bridges, pushing the Viet Minh into the densely forested marshes and canals of southwestern Vietnam. Hardly a year later, in December 1946, Franco-Vietnamese negotiations degenerated into full-scale war north of the 16th parallel. In February 1947, pushed out of Hanoi, the central government chose to operate from the highlands of Thai Nguyen and Tuyen Quang Provinces.

Under the direction of the ICP’s central committee, the DRV nationalist government operated from there until the end of the war. The country was divided into administrative and military inter-zones (Lien khu, LK for short), falling within the three major geographical divisions of Vietnam: the north (Tonkin/Bac bo), the center (Annam/Trung bo), and the south (Cochinchina/Nam bo). In Nam bo, the Viet Minh operated mainly in the coastal and marshy areas running from Ca Mau to Ha Tien (LK IX) and at different times near Saigon-Cholon, Thu Dau Mot, and Bien Hoa Provinces (LK VII). The situation was better in Trung bo, where French land forces never reoccupied vast regions of Thanh Hoa, Nghe An, and Ha Tinh Provinces in upper central Trung bo (LK IV) and Quang Nam, Quang Ngai, and Binh Dinh Provinces in lower central Vietnam (LK V). However, the French navy and air force held on to the major ports of Nha Trang, Faifoo (Hoi An), and Hue, but not to Tuy Hoa, Tam Quan, Thanh Hoa, Vinh (Cua Hoi), or other, smaller openings to the South China Sea. Overland routes connected upper central Vietnam to provincial markets in northeast Thailand and on to Bangkok by caravan, car, or the railway.

Between 1947 and 1950 (if not later), the Viet Minh’s wartime economy was extremely decentralized and badly organized. Despite the revolutionary state’s efforts to pursue an interventionist economic policy at the outset, war and its profound disruption of national communications and transportation quickly forced authorities to abandon this policy in favor of more regionally independent ones. Policies stressing autarky dominated. Economic decisions in the Viet Minh-controlled provinces tended to be spontaneous, with only vague instructions arriving in time from on high. Before 1950, private trade was promoted for the “cause” and rarely, if ever, was it suppressed. Given

6. The Chinese accepted the Japanese surrender in northern Indochina and the British in the south.
that the French controlled the modern industrial sectors of the Vietnamese colonial economy, a good part of its richest rice-growing areas, and its major ports, the DRV had to rely on the traditional economy and its local artisans. Until the early 1950s in the north (and no doubt longer in the south), the Viet Minh relied largely on the local village economy to feed and house its soldiers and civil servants. The state would not really make itself felt seriously until the early 1950s. Sabotage remained the main economic policy (kinh te pha hoai) for fighting the French in the major cities, at least until this started to hurt the DRV’s capacity to import vital items from those same “foreign” markets. Although the government maintained theoretically strict control over products relating to national defense (at least in the north until 1947), it is unlikely that DRV customs and police forces were in a position to stop widespread border smuggling. Instead the Viet Minh often tried to turn this “underground” trade its way in the early period (see below).

As for communications, because of Vietnam’s thin, “S”-like shape on the eastern edge of the Indochinese Peninsula and French domination of the major French Indochinese roads until the early 1950s, the Vietnamese and Chinese coastal junk trade became one of the most important ways by which the DRV conducted its commercial exchanges both inside and outside the country. Constant French air superiority meant that much of the Viet Minh’s trade movements had to go under the cover of the night. Junks and sampans supplied rice-deficit regions in lower Trung bo with paddy exported from Viet Minh-controlled parts of the Trans-Bassac in Nam bo. Central Vietnam exported locally made arms up and down the coast. During the northeast monsoon season between November and April, traffic sailed from the north to the south, while the southern monsoon lasting from May to October moved vessels toward the north. In the Gulf of Tonkin and the Gulf of Siam, exchanges seem to have gone in both directions thanks to the increasing numbers of small motorized junks. The profoundly aquatic nature of the southern and northern deltas made sampans a vital part of the Viet Minh’s internal exchanges, while oxen-drawn carts, bicycles and horses served the overland routes running into the highlands. The Viet Minh in Trung bo breathed through their maritime openings in Quat Lam, Vinh, Tam Quan, and Binh

8. “L’économie V.M.” [The Viet Minh economy], Indochine Sud-est Asiatique [Indochina-Southeast Asia], no. 19 (June–July 1953), pp. 28–32.
10. It is true that large parts of the Trans-Indochina Railway were used by the Vietnamese in zones IV and V, always subject to severe and extremely costly French air raids.
Dinh, whereas southerners relied on the Gulf of Thailand for openings to Southeast Asia via Rach Gia, Ha Tien, Kampot, and May Rut. In the Gulf of Tonkin, the Viet Minh worked clandestinely through Vietnamese and Chinese smugglers in Haiphong, Cat Ba, and Mong Cai to reach Beihai, Canton, Macau, and Hong Kong. Inside Bac bo, the central government had a particularly good overland opening to southern China via Cao Bang, That Khe, and Ha Giang until late 1947 (see below).

None of this, however, was as easy as I have summarized here. Besides having to deal with the three French armed forces, the DRV lacked access to international credit and aid. There was no assistance from the World Bank or International Monetary Fund; the DRV was not officially recognized by any government in the world. If the DRV printed its own money, it was often at the mercy of the French or subject to rampant internal inflation. To generate funds for purchasing imports, the Viet Minh applied a variety of resistance taxes on agricultural products, on imports and exports in its zones, held gold weeks, tried to monopolize the opium and pepper trades, and apparently did quite well speculating on the artificially over-valued Bank of Indochina piastre. Foreign trade was another way of procuring badly needed imports and generating much needed hard currency. And as in the Indonesian revolution, the Chinese were an important part of this.

**Bac bo’s Overland Border Trade with Southern China**

If exerting state control over the internal war economy was a challenge, taking hold of foreign trade was no easier. Nowhere is this better seen than in Vietnam’s early trading relations with China. Before the outbreak of full-scale war in late 1946, the Ministry of the Economy and the National Defense Economics Board directed the DRV’s early trade with China. In early May 1946, for example, the latter committee requested Vietnamese customs agents to allow the importation from China of 300 tons of gun parts, 500 tons of rifle bullets, and the same amount of grenades and gunpowder. On June 4, 1946, this same board signed a contract with a private trader to procure large...
amounts of arms, chemicals, medicines, and cotton materials in southern China. In exchange, the DRV agreed to provide this merchant with the equivalent in coal and cement. Two days later, Vietnamese customs agents approved the export to Fort Bayard (Zhanjiang, Guangdong Province) of 50 tons of cement.\textsuperscript{14} This contract marked one of the first official economic exchanges with China for the new Vietnamese government. A representative of the Economics Board argued to the Ministry of the Economy regarding the importance of foreign trade as follows:

The prosperity of the Vietnamese economy relies in part on external trade; one need only consult the statistics for the imports and exports [before WWII] to be convinced. . . . Presently, foreign commerce is hobbled; our country seems to be subjugated to a blockade. Besides [the difficulty of controlling] the importation of goods, something which is dangerous, the duty of the Ministry of the Economy is to break the blockade by organising regulated and managed foreign trade.\textsuperscript{15}

However, establishing such state control over foreign trade following the outbreak of full-scale war in December 1946 would be harder than it already was. In February 1947, the government formed the Bureau of External Trade (Ngoai Thuong Cuc) to direct its foreign commerce more effectively.\textsuperscript{16} Although this state-run trading office was designed to be a national organism, in reality its actions were limited to northern Bac bo (and possibly upper Trung

\textsuperscript{14} French translation of captured document: “Contrat entre la RDVN, Directeur des Services Economiques et de la Défense Nationale et M. Hoang Vinh Dien” [Contract between the DRV, director of economic services and the National Defense Economics Board and Hoang Vinh Dien], article I, signed by Hoang Vinh Dien and Trinh Van Yen, dated June 4, 1946; and “Demande de permis d’export-import par Trinh Van Yen” [Import-export request from Trinh Van Yen], no. 168/KTQP, dated June 6, 1946. Both documents are in CSTFEO, EM/2B, 921/2/Y, Saigon, March 4, 1947, source: document, value: A/1, d. 13, c. 10H532, SHAT.

\textsuperscript{15} Ministry of Economics, Direction des Services Economiques et de la Défense Nationale (Director of the economics service and national defense), “Le Directeur à M. le Ministre de l’Economie” [The director to the minister of the economy], dated June 4, 1946, signed Trinh Van Yen, in CSTFEO, EM/2B, 921/2/Y, Saigon, March 4, 1947, source: document, value: A/1, d. 13, c. 10H532, SHAT.

Located principally in Cao Bang, near the Chinese province of Guangxi, the Bureau of External Trade (hereafter, BET) had 20 million Bank of Indochinese piastres as government start-up funds. A certain Le Van Dat was in charge at the outset, but Nguyen Duc Thuy seems to have played the major role via the Cao Bang branch. Perfectly fluent in Chinese, the latter had crucial prewar contacts among influential members of the GMD in Guangxi Province and marshaled a vast array of Chinese traders moving back and forth across the northern border. Thuy also oversaw internal distribution and order taking from the provincial administrations. Thanks to his partisans, several BET agencies were soon in operation in border towns such as Lao Cai, Chapa, Ha Giang, and That Khe. It seems that the BET sealed many of its deals with Chinese traders in the border markets of Phuc Hoa, Tra Linh, Thuy Han, and Trung Khanh Phu.

The BET’s main purchases included military garments, petroleum products, medicines, explosives, arms, and powders. In exchange, it exported opium, gold, tin, wolfram, and possibly a little rice. Trade with the border towns of Guangxi Province was particularly favorable between September 1945 and October 1947, after which the French retook key points of the Sino-Vietnamese border (see below). During this period, Viet Minh agents regularly smuggled piastres and gold out of Vietnam to purchase vital imports. In mid-1947, for example, the French learned that one of the BET’s best agents brought millions of piastres to Phuc Hoa in order to seal arranged deals with trusted Chinese traders. Indeed, the Bureau relied heavily on Chinese trad-
ers traveling regularly across the border. In a personal letter to one of his subordinates, Nguyen Duc Thuy strongly recommended two Chinese "comrades," "who would be able to buy special goods for the Bureau of External Trade."\textsuperscript{21} Two other reliable Chinese traders included the vice-president of the Chinese congregation of Cao Bang and a former Chinese officer of the 62nd Army of the GMD.\textsuperscript{22}

Thanks to such local connections and his ties to ranking GMD officials, Nguyen Duc Thuy was able to push the BET's offices inwards to Nanning, Longzhou, Canton, and Yunnan Province. One of the main reasons for this is that after WWII large stocks of un-confiscated Allied and Japanese arms made their way into secret stockpiles run by GMD members and an amalgam of southern Chinese smugglers (the two often coincided).\textsuperscript{23} These arms were usually shipped to the more accessible port-cities in Hong Kong, Canton, and Macau for sale abroad.\textsuperscript{24} High on the list of buyers after WWII were the Vietnamese. After all, the DRV's need for arms was critical in the early days of the war against the much better armed divisions of General Leclerc. The estimated 15 battalions that were being combined into the "Independence" (\textit{Doc Lap}) fighting corps in northern Vietnam would need to be well outfitted. Local Viet Minh arms factories still lacked materials and technical know-how in early 1947. The southern Chinese market was all the more attractive since several of the Chinese dealing in these arms had developed contacts with DRV agents during the Nationalist army's occupation of northern Indochina in 1945–46. Moreover, there were several ranking Vietnamese in the DRV government whose contacts in the pre-WWII GMD and even in its arms workshops in the 1930s would have continued to open doors for

\textsuperscript{21} French translation of "La succursale du Commerce extérieur de Cao Bang à l'Office du Commerce Extérieur de That Khe" [The branch of the Bureau of External Trade at Cao Bang to the Bureau of External Trade at That Khe], Long Chau, signed by Nguyen Duc Thuy, dated July 2, 1947, in Commandement des Troupes françaises d'Indochine du Nord (Commander of French Troops in Northern Indochina) EM/2B, no. 5797/2, Hanoi, December 11, 1947, valeur: A/1, d. Economie Viet Minh, c. 6, supplément, CP, CAOM.

\textsuperscript{22} "Tableau des Chinois ayant fait ou faisant du trafic des Viet Minh pour l'année 1947 dans la région de Cao Bang-Lang Son" [List of Chinese having or doing trade with the Viet Minh in 1947 in the region of Cao Bang and Lang Son], in Commissariat de la République pour le Tonkin et le Nord Annam (Commissaire of the Republic for Tonkin and Northern Annam), Hanoi, November 14, 1947, d. Collusion Sino-Viet Minh, CP, c. 128, CAOM.

\textsuperscript{23} The U.S. had air-lifted large amounts of arms into Yunnan Province to support the GMD and CCP in the Pacific War against the Japanese in southeastern China.

\textsuperscript{24} After WWII, the Americans helped rearm the GMD army with more modern weapons, thereby decreasing internal Chinese demand for these WWII weapons. The GMD also tried to sell their older weapons on the black market. I have not yet been able to establish how much WWII material went un-confiscated.
them in southern Chinese military and contraband circles after the Pacific War.

Indeed, contacts with the GMD continued well into the late 1940s. In February 1947, as the BET came to life, Nguyen Duc Thuy traveled to Canton to meet the well-known wartime chief of the GMD’s 4th Military Region, Zhang Fagui. On behalf of the DRV government, Thuy asked the General to aid the Vietnamese materially against the French by allowing formation of a commercial trading organism to oversee the export of primary materials and rice from northern Vietnam to southern China in exchange for arms and weapons. According to the French, thanks to Zhang Fagui’s aid, Thuy was flown to Nanjing where he met with the secretary-general and other important members of the Nationalist government, before returning to Nanning and Canton in mid-March to step up commercial exchanges with southern China. On his way back to the border in April, he received trading offers and specimens from Chinese and U.S. businesspersons interested in the emerging Vietnamese market.25

One of the main aims of Nguyen Duc Thuy’s early 1947 trip to China was to procure arms for the Vietnamese army. On leaving Vietnam, he had carried over 750,000 piastres with him for this purpose. In April 1947, a source coming from as “high as the General Quarters of the Viet Minh,” revealed that Chinese generals possessing large amounts of arms were dealing with Viet Minh representatives in southern China. French intelligence indicated that General Lian Dingjing was in charge of this deal originating in Yunnan, and was preparing to sell the DRV a stock of around one million cartridges (7.9 mm), 3,000 corresponding rifles, 100 machine guns, and 50 mortars.26 This sale had apparently been sealed and the majority of the arms moved to Mengzi in Yunnan near the border on the Viet Minh’s behalf.27 In another instance in early 1947, the Viet Minh bought large quantities of surplus arms

25. BAT, 337/R, “Objet: Activité de Nguyen Duc Thuy” [Subject: Activities of Nguyen Duc Thuy], April 17, 1947, d. Activités Service de Renseignement (SR) (Intelligence Operations), c. 148, CP, CAOM. Travelling with Nguyen Duc Thuy was one of Zhang Fagui’s former officers, Duong Thanh Dam. Fluent in Vietnamese and possibly of Vietnamese birth, Dam had entered Vietnam with the GMD in September 1945. He stayed on to work as a counselor to the DRV’s Ministry of Defense. “Note [sur les] activités de l’office du commerce extérieur de Cao Bang” and no. BAT, 338/R, April 17, 1947, in d. Activités SR, c. 148, CP, CAOM. U.S. diplomats in Nanking reported that while Thuy’s conversations with the GMD did not gain Chinese support of the DRV, the Nanking government “would close its eyes to arms traffic from Kwangsi into Tonkin.” “Nanking’s A-162 June 14 to American Embassy, Paris,” July 12, 1948, 851G.01/6-1448, Confidential U.S. State Department Central Files, Internal Affairs. Indochina, 1945–49.


27. SEHAN, “BR no. 80” [Intelligence report no. 80], Hanoi, January 11, 1947, source: Chinois, value: B/2, d. 34-35, CD, CAOM.
in Longzhou, including machine guns, mortars, radios, and rifles.\textsuperscript{28} It is hard to believe that the formation of the Bureau of External Trade and the dispatch of Nguyen Duc Thuy at this same time were unrelated to such important arms sales in April.

Another overland opening to the Viet Minh was in Nanning. There, Thuy and his agents found an important source of medicines; pharmaceutical products; and hard-to-find acids, gunpowder, and chemicals needed for local weapons production. In Nanning, Nguyen Duc Thuy worked closely with the Chinese trading house Tai Seng Hong and its vice-director Yip So Tsoi. The latter often traveled to Cao Bang to take the Viet Minhs orders.\textsuperscript{29}

In short, the formation of the BET in February 1947 and the voyage of its director, Nguyen Duc Thuy, to southern China from March to April of that year marked the beginnings of the DRV’s northern wartime trade with China. Captured statistics for the month of May 1947 show that these efforts were not without results. In this month, the BET imported from China 50 to 60 tons of gunpowder and explosives, 10 tons of acids, 10 million Chinese dollars (C$) worth of pharmaceutical products, C$ 5 million in petrol, and C$ 10 million worth of other materials.\textsuperscript{30} Holed up in northern Vietnam, the DRV clearly counted on using the BET in the border province of Cao Bang to maintain a vital northern opening to southern China and the commerce of Guangxi Province in particular. Moreover, as in the past, revolutionary Vietnam had little choice but to work through existing Chinese trading houses and networks to run their northern border trade. Ideology counted for little in this southern Chinese trading world of 1945–47. If anything, the DRV’s official trade via the BET had clearly begun with the GMD—not the Chinese Communist Party (CCP). Speaking of the importance of tapping into overland Chinese trade between Yunnan and Ha Giang, Le Van Hien wrote as follows after a trip to the northern border area in July 1947:

We opened the map to consider our routes running to China. After our trip, we realized clearly the importance of our terrain in relation to the southwestern provinces of China, such as Yunnan. . . . We thus realized that the Chinese [along the Sino-Vietnamese border] would serve as our communications line (duong giao thong), taking [our] goods to the outside and bringing goods [to us] on the in-

\textsuperscript{28} Délégation pour le Tonkin et le Nord Annam du HCFIC (Office of the French High Commissioner for Indochina in Tonkin and Northern Annam), no. 768/BFDH, “Renseignement” [Intelligence matter], Hanoi, August 4, 1947, source: Chinoise, dated July 10, 1947, d. Economie Viet Minh, c. 6, supplément, CP, CAOM.

\textsuperscript{29} “Activités indochinoises et chinoises au Kouang Si.”

\textsuperscript{30} Délégation pour le Tonkin et le Nord Annam du HCFIC, no. 768/BFDH, “Renseignement.”
After Vietnam gains its full independence, we must pay special attention to the problems of consolidating and organizing the border areas.31 Similar patterns of regional trade existed to the southwest. Vietnamese communists running supply operations in Thailand in 1947, for example, had no trouble making deals with such non-communist traders as Khuang Aphaiwong, his wife Khun Lek, and the Sino-Thai trading companies of Field Marshal Pibul Songkram, General Pao Sriyanond, and General Phin Chunhawan. The Viet Minh also traded with American dealers based in Bangkok. If Bac bo leaders looked to Cao Bang to maintain a vital external northern opening to southern China, their Nam bo counterparts counted on western routes running to Thailand for access to Southeast Asian markets. It is worth keeping in mind this parallel between northern Vietnam and southern China/East Asia on the one hand and southern Vietnam and Thailand/Southeast Asia on the other.32 These connections ensured that Vietnam was as much a part of “East” as of “Southeast Asia” in a time of war.

French military strategists clearly understood the dangers of letting the Viet Minh hold on to this northern land route (and the routes to Thailand). After all, Opération Lea was not simply designed to capture Ho Chi Minh and his government in early October 1947. Its wider geo-strategic objective was to cut the DRV’s routes to southern China by retaking the Sino-Vietnamese border.33 If French parachutists missed Ho Chi Minh in their famous raid on Bac Kan, the army struck the BET and its trading routes very hard in Cao Bang, capturing many of its top members, a large part of its funds, and valuable stocks of opium. By late 1947, the French controlled the major ports of entry along the northern border with China.34 It was only three years later that the Viet Minh would regain easier trading access to southern China thanks to the CCP’s victory. For those three difficult years,

Vo Nguyen Giap uses the word “encircled” (*vong vay*) to describe the DRV’s difficult (northern) position.\(^{35}\)

However, French reoccupation of the border did not stop clandestine trade entirely. Small-scale exchanges continued, especially in medicines, chemicals, and opium. In mid-1948, Ho Duc Thanh, a Vietnamese educated in Chinese circles in the 1930s and married to a Chinese woman, procured “important quantities” of weapons, bicycles, and petroleum products. He paid in opium and tin exported to Guangxi via Chinese merchants.\(^{36}\) Nevertheless, based on the available evidence, this northern overland trade with southern China was at its peak between 1945 and late 1947. Thereafter, overland trade with Yunnan and Guangxi was limited, as internal weapons production in Viet Bac increased to pick up the decline in imports from southern China. Moreover, between 1948 and 1950, it seems likely that the Viet Minh in the north reoriented their foreign trade inward toward the French-controlled zones in Hanoi and especially in Haiphong and Cat Ba via overseas Chinese networks. However, the possibility of continued high-value opium exports to southern China should not be ruled out prematurely (see below).

### Trung bo’s Maritime Trade with Southern China

If the central government in Viet Bac relied on the Bureau of External Trade to run its overland exchanges with southern China, the Viet Minh located along the coast of Trung bo (LK IV and V) looked overseas to Chinese traders and markets in Beihai, Macau, Hong Kong, Canton, and the island of Hainan. Already in mid-1946, the DRV had approved formation of a semi-official import-export company called the Viet Thang (the Vietnamese Victory Company). This company administered LK IV’s and especially LK V’s external trade with Hong Kong, Macau, and, to a lesser degree, the island of Hainan and Beihai. LK IV worked also through similar, though smaller, trading companies in Vinh, Thanh Hoa, Diem Dien, and Quat Lam to trade with Haiphong and especially Beihai via Cat Ba. Other than precarious overland routes running to Thai markets via Laos, central Vietnamese traders had little choice but to rely on maritime Guangdong as their major overseas trading market, although central Vietnamese “foreign trade” with the French-controlled zones was important.

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36. HCFIC, Service de la Documentation extérieure et de la Contre-Espionnage (SDECE), Base d’Indochine (BI), no. 6261/SR, “BR daté [de] septembre 1948” [Intelligence report from September 1948], October 4, 1948, value: C/3, d. Relations entre Viet Minh et Chinois, 1948, c. 10H287, SHAT.
In reality, the Viet Thang had first been created by the short-lived Tran Trong Kim government installed by the Japanese in mid-1945. Following the defeat of the latter, in 1946 the DRV provided one of the ICP’s veteran Asia hands, Nguyen Thanh Son, with five million Bank of Indochinese piastres to restart this company on the state’s behalf. It was also a crucial internal relay in moving goods, arms, and soldiers from the north to the south and vice-versa. At the outset, this trading house was fittingly placed in the ancient Vietnamese trading town of Faifoo, known better today as Hoi An. Until the outbreak of war in northern Vietnam in late 1946, it had subsidiaries in Hanoi, Hue, Da Nang, and Vinh. With the return of the French in force to these ports in early 1947, the center of the Viet Thang was transferred to Tam Quan in Binh Dinh Province (significantly, junks arriving in Tam Quan were shuttled upstream to the beach of Sa Huynh, only 100 meters from the section of the Trans-Indochinese railroad used by the Viet Minh), with four main branches operating in Quang Nam, Quang Ngai, Binh Dinh, and Tuy Hoa, each with smaller agencies scattered in the countryside for distribution and buying purposes. Because the French Expeditionary Forces focused on the two deltas of Vietnam, these central zones could operate more freely from direct French ground force interference, other than short-lived, if very destructive, “aero-naval” commando attacks. In any case, it appears that the Viet Thang was never shut down. As of 1950, it still maintained a total capital of 10 million Bank of Indochina piastres.

Some French intelligence analysts felt that the Viet Thang was a state-run enterprise. While the DRV government did its best to direct this company’s actions, it is not clear how successful the state actually was in reining in
private interests in a time of war. In November 1946, for example, Viet Thang private traders had stocked large quantities of rice in their localities, as well as tea, sugar, and cinnamon, in an attempt to push their Chinese and French competitors out of the market. It appears that the government did its best to align the state’s economic interests with those of the Viet Thang by ensuring that trade remained attractive for the latter. If authorities bought two-thirds of the Viet Thang’s merchandise at the official price, they allowed local, private traders to sell the remaining third of their imports at the higher, unfixed market price. However, Viet Thang traders were no doubt happy to have local state authorities allocate them the lion’s share of all trade in the Viet Minh zones, given long-established and competitive Chinese operations in Vietnam. In any case, in 1949 a French naval intelligence officer claimed that the Viet Thang had “established a monopoly” on the Viet Minh’s foreign trade in Trung bo.

Based in Tam Quan, the Viet Thang’s two main foreign destinations were Hong Kong and Macau. Through their local agents and connections reaching into the interior, the Viet Thang located, purchased, and transported sought-after exportable products to the coast. With little hard currency for purchasing foreign imports, the Viet Thang did its best to amass valuable exports such as opium (imported overland from Laos via LK IV), cinnamon, sugar, shark fins, silk, tin, areca, paper, and various delicacies appreciated by the Chinese. Cinnamon, opium, paper, and tin dominated its exports. In September 1949, the Viet Minh at Quang Ngai used a 70-ton junk to export 40 tons of tin (which was seized by the GMD coastal police). In August 1950, the French navy intercepted a junk carrying four tons of cinnamon and another loaded with 20 tons of this spice as well as three tons of tin. Arms, medicines, pharmaceutical goods, and some petroleum products were the Viet Thang’s major imports from southern China.

40. Commandement supérieur des Troupes françaises en Extrême-Orient (High command for French troops in the Far East), BCR no. 1081/1000, March 13, 1947, “BR: Sociétés commerciales financées par le gouvernement viet minh” [Intelligence report on commercial companies financed by the Viet Minh government], Annex 1, d. Vie économique, 6, c. 6, supplément, CP, CAOM.


42. FMEO, EM/2B, no. 69/EM2, “BR no. 24: Bilan économique et financier Viet Minh au 1 juillet 1950” [Intelligence report no. 24: Economic and financial assessment of the Viet Minh to July 1, 1950], Saigon, July 9, 1950, p. 14, d. [red, unmarked], c. UUE-29, SHM.


eign market” for the Viet Thang was the French-controlled ones in Hue, Nha Trang, and Hoi An. For its exports to these French-controlled markets, the Viet Minh only accepted payment in Bank of Indochina notes, thereby allowing them to pay for Chinese imports via the Viet Thang.

Whether it was trading with southern China or even in the French-controlled zones, the Vietnamese had to tap into age-old Chinese trading networks in order to run their external commerce. Even locally, the Viet Thang was often obligated to procure its paper products from Chinese-owned paper mills. According to a Vietnamese involved in these exchanges, the paper industry in the area of Qui Nhon was “entirely in the hands of the Chinese.”45 Hainanese junk traders had long been involved in the cinnamon trade with central Vietnam.46 In Bong Son, Chinese traders in April 1946 had acquired 20 tons of tin for export but were held up by the DRV government seeking to take over this trade.47 The problem was that Chinese owners in the area sometimes “jealously guarded their stocks without declaring them to customs.” Given the interests at stake, Viet Thang agents finally received authorization to seize the undeclared stocks from the Chinese, confirming that the Viet Thang did, indeed, have government backing and that Sino-Vietnamese commercial relations were probably based more on profit than on shared anti-colonialism.48

Yet, it is perhaps not a good idea to let the events of the late 1970s and 1980s lead one to conclude too hastily that this was proof of a historic Sino-

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46. My thanks to Professor Claudine Salmon for sharing this information, based on her research in Hainan.

47. Viet Nam Dan Chu Cong Hoa, Tin Tuc, “Dien tin so 251: Nguoi gui (Thanh, Tourane) nguoi nhan (Tong Sang, Hanoi)” [Telegram no. 251 from Thanh in Tourane (Da Nang) to Tong Sang in Hanoi], dated April 30, 1946; “Dien Tin so. 686 nguoi gui Huynh Trinh Trac (Bong Son) [cho] Nguoi nhan Tong Duc” [Telegram no. 686 from Huynh Trinh Trac in Bong Son to Tong Duc], dated April 21, 1946; and “Dien Tien so. 111” [Telegram no. 111], dated April 9, 1946, all in c. 12, Gouvernement de fait (De facto government), CAOM and decrypted in c. 10H528, SHAT. Other sources show that Chinese merchants in LK V owned a very large shipload of tin extracted from the mines of Bangka in Indonesia, apparently stranded in or sunk off the coasts of LK V during WWII.

Vietnamese animosity. One might argue that it is a rather revealing example of the difficulties newly emerging nationalist states were going to encounter in trying to control ancient Asian commercial movements of a profoundly regional nature. It might also be recalled that the Indonesians fighting the Dutch were running up against a similar situation in their reliance on Chinese business operations running between Java and Singapore. In both cases, though, the Indonesians and Vietnamese clearly needed these Chinese business networks precisely because of their regional nature. To ensure their economic cooperation, the Viet Thang accorded the Chinese “many privileges,” according to one of this company’s former employees. Neither the Vietnamese nor the Indonesians could easily assert state control over this Chinese regional trade in a time of war.

Southern Chinese ports offered central Vietnamese potential access to arms, equipment, and goods coming from the interior of China, Asia, and the West. These ports were important relays in international smuggling operations that targeted the emerging markets offered by escalating war in China and anti-colonial versions of wars in Indochina. As noted above, large amounts of Japanese and Allied surplus arms, ammunition, and military equipment escaped destruction or confiscation in the wake of WWII. They fed an impressive Asia-wide arms market increasingly located in these ports. Besides its inland Chinese sources, Macau and Hong Kong were also important transit points in the smuggling of large amounts of Allied arms from the Philippines toward mainland Southeast Asia. Moreover, the free port status of Macau and Hong Kong in the late 1940s made them particularly attractive destinations for acquiring all sorts of Western medicines, acids, petroleum products, radio equipment, and replacement parts. The Viet Minh opened secret bank accounts in these commercial cites and conducted an important part of its piastre trafficking thanks to Chinese “banking” connections there. Finally, these ports were often the home of many of the overseas Chinese traders dealing with the Viet Minh in Vietnam (though it is extremely hard to establish for this early period).

Chinese business operations based in Beihai were particularly engaged in trade with upper Trung bo. In control of several local munitions and arms

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50. “Société commerciale Viet Thang,” no. 1601/C-1, dated March 4, 1950; “[x] et Société commerciale Viet Thang”; and “BR no. 20: Mois de janvier et février 1950, Traffic maritime rebelle,” p. 9. As for control of Chinese regional trade, the situation would change, of course, once independence was achieved and the nation-state had to be defined economically and legally. Questions of citizenship would quickly surface in the state’s efforts to take control of these regional trading networks.
factories in the Beihai area, “twenty or so important Chinese traders, with perfect knowledge of [the] Tonkin and northern Annam [regions],” dominated “almost all of the traffic” with LK IV. Chinese merchants in Beihai traded mainly with the Viet Minh ports of Thanh Hoa, Vinh, Diem Dien, Thai Binh, and Phat Diem, all port-towns linked profoundly to the Vietnamese interior by waterways. Viet Minh customs agents and the Beihai Chinese merchants monitored meticulously their shipments across the Gulf of Tonkin by radio. Departure and arrival lists were carefully compared, undeclared goods were seized, and receipts were mandatory. The DRV paid in Indochinese piastres, gold, cinnamon, tin and/or opium. Ho Chi Minh banknotes were worthless in these southern Chinese business operations.51

The DRV clearly had considerable control over this trade, though smuggling must have been high, too. In September 1948, one six-ton and two 12-ton junks delivered arms and Western medicines to central Vietnam.52 In April 1949, LK IV’s Minh Duc trading house relied on a Chinese ship owner from Beihai to deliver 17 tons of war materiel.53 In Thanh Hoa, the Lien Hung company combined Chinese traders and the Viet Minh police to move goods to and from Beihai.54 In 1948, Viet Minh documents revealed that Quat Lam had been receiving monthly quantities of 2,000 bales of cotton, one ton of mercury, 100 kg of potassium chloride, and small quantities of mortars and bazookas from Beihai. Even in the worst of times, a Viet Minh customs agent in Quat Lam still declared that “a dozen junks continued to arrive every month.”55

52. “BR no. 13: Trafic de contrebande rebelle.” For coastal trade, a 10- to 20-ton junk, rigged with a powerful outboard motor, was a better bet than running larger and slower junks against the French Navy. Moreover, vessels under 20 tons could navigate LK IV and V’s internal waterways and canals, key to evading the French and feeding the inside. Cua Hoi is a good example.
54. FMEO, EM/2B, no. 1/EM2, Saigon, January 2, 1950, “BR no. 18: Traffic maritime rebelle dans le Golfe du Tonkin et la Mer de Chine, décembre 1949” [Intelligence report no. 18: Rebel maritime traffic in the Gulf of tonkin and the China Sea, December 1949], d. [red, unmarked], c. UUE-29, SHM; and “Compte-rendu de renseignements no. 15 et 16, mois d’octobre et novembre 1949.”
55. MN, DNEO, EM, no. 48/EM/2, “Avis de renseignement no. 27” [Intelligence notice no. 27], undated but clearly early 1948, d. DNEO, EM2, c. UUD-8, SHM; and FMEO, EM/2B, no. 107/EM2, “BR no. 11: Surveillance maritime, mois de mai et juin 1948” [Intelligence report no.
The Chinese served as the dominant intermediaries in these exchanges across the Gulf of Tonkin. DRV documents reveal that Chinese traffickers such as Yeung Tin Wan and especially Woong Tac Mao were deeply involved in running arms and explosives to the Viet Minh in upper Trung bo from Beihai.\(^{56}\) And like his counterpart helping out the BET from Cao Bang (see above), the former president of the Chinese congregation of Cat Ba used several of his 20- to 40-ton junks to smuggle goods from Beihai to upper central Vietnam. While the Vietnamese were most certainly players in the DRV’s internal junk movements running up and down the eastern side of the Indochinese peninsula, the evidence suggests that bigger Chinese junk traders played the dominant role in arranging and transporting LK IV’s and V’s goods to and from southern China.\(^{57}\) In 1950, the French claimed that despite their efforts to stop this clandestine trade, the Viet Thang in particular continued, “thanks to their extreme prudence,” to maintain “fairly regular” trading relations with the exterior.\(^{58}\)

Like the BET working the overland border, Trung bo’s maritime traffic with Guangdong went through Sino-Vietnamese Import-Export companies in China. In Hong Kong, the Viet Minh joined hands with local Chinese merchants to form the Nam Wa Company around 1948. Hoang Van Xuan ran this office for the DRV. In reality though, the Nam Wa Company was a Hong Kong branch of a larger Canton-based Chinese group named Lee Minh Company. It was directed by Tchoan Tchien among others and operated six steamboats ranging in size from 100 to 300 tons and a host of junks. This company had access to stocks of the Allied weapons left behind in southern China and apparently sold large amounts of pharmaceutical products to the Viet Minh. From 1949, the Nam Wa Company had subsidiaries as far inland as Nanning. In 1949, its Nanning branch purchased numerous motorized launches in order to ship increased amounts of aid to the Viet Minh by water routes.\(^{59}\) Far from destroying these existing business operations, Chinese and

\(^{11}\) Maritime monitoring for the months of May and June 1948], September 24, 1948, p. 3, d. FMEO/EM/2/1948, c. UUE18, SHM.

\(^{56}\) Marine nationale, DNEO, EM/2, “Avis de renseignements” [Intelligence notice], March 2, 1948, d. DNEO, EM2, c. UUD-8, SHM.

\(^{57}\) SEHAN, Bretagne, Haiphong, 3 September 1948, source: [x, deleted by the author], value: B/2, in HCFIC, SDECE, no. 2235/BRT, November 21, 1947, d. 1948, c. 10H2952, SHAT.

\(^{58}\) “BR no. 24: Bilan economique et financier Viet Minh au 1 juillet 1950,” p. 12.

Vietnamese communists continued using them after the CCP came to power in 1949. In early 1950, for example, the Nam Wa Company continued buying and transferring precious primary metals, gunpowder, badly needed spare parts, and pharmaceutical goods to Nanning, the overland hub of the CCP’s supply operations to northern Vietnam.60 In brief, it seems that until the Chinese communist victory of 1949, and possibly into the early 1950s, Vietnamese traders arranged their own deals and contacts with private Chinese commercial representatives in Hong Kong.

In Macau, the Viet Minh could enter into contact with a variety of traffickers, especially those specialized in selling left-over Allied WWII arms. A French naval study of this traffic concluded that the availability of WWII war materiel from China on the Macau black market was at its height from late 1946 to the end of 1947.61 Arms from the Philippines filled the gap thereafter. In January 1948, for example, French naval intelligence reported that Viet Minh special agents had been sent to Macau to take possession of a large quantity of mercury and arms coming from “the Pacific Islands” worth a total of five million Hong Kong dollars. A Chinese crew was to deliver it to the region of Vinh. The French navy claimed that motorized junks left Macau two times a month to deliver U.S. arms and equipment and Chinese and Western medicines to Quang Ngai and Quang Nam Provinces, suggesting the LK V was more closely linked to Hong Kong and Macau than to Beihai. In return, they took stocks of opium, cinnamon, sugar, textiles, silk, and Bangka tin to southern China. A Chinese from Hainan, Cao Vinh Sanh (alias Dat An) was said to run these missions; he was a well-known cinnamon trader at Tam Ky.62

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60. “Trois mois de collaboration sino-viet minh,” p. 11. This reverse supplying to Nanning from early 1950 is explained by the CCP’s shift to overland routes for aiding the Viet Minh inside Viet Bac. This was due to the increased naval surveillance of the Gulf of Tonkin by the French and the U.S. and the fact that the CCP did not occupy Hainan until April 1950.


62. Marine Nationale, DNEO, EM/2, Bord, Duguay Trouin, “Avis de renseignements no. 10” [Intelligence notice no. 10], dated January 8, 1948, d. DNEO, EM2, c. UUD-8, SHM; and “BR no. 20: Mois de janvier et février 1950, Trafic maritime rebelle,” p. 17.
As for Hainan, repeated interceptions, captured documents, and radio decrypting proved that a “regular” trade existed with the Viet Minh in Trung bo. In March 1948, for example, a large junk transporting materials and Chinese medicines to the Viet Minh from Hainan was captured. Trade improved when Chinese communists retook the island in April 1950. In August of that year, a Chinese merchant captured by the French explained that he had participated in this traffic between Hainan and central Vietnam because of the “important profits” to be made. He had transported 6.5 tons of raw sugar and 3.5 tons of cinnamon among other things for the Viet Minh of Quang Ngai.63  
Again, far from eradicating these pre-existing commercial networks, from 1950 the CCP and the ICP did their best to win over these smugglers, their operations, and their connections. Hoang Van Xuan, director of the Nam Wa Company in Hong Kong, allegedly became head of supply affairs for the DRV from Canton.64  
Yet, running such large loads against the French navy was obviously extremely risky, especially when the CCP victory in 1949 led the French to tighten their naval surveillance of the Gulf of Tonkin. On November 3, 1950, intercepted southern Viet Minh radio communications explained that the time was not yet ripe for sending large numbers of junks to Hainan.65 And while the French certainly suppressed piracy along Indochina’s coasts, the Viet Minh’s agents were robbed more than once entering Beihai and Macau, as law and order broke down in the wake of the GMD’s defeat in southern China in 1949. The other problem, of course, was that the outbreak of the Korean War in mid-1950 suddenly denied the Viet Minh easier access to Chinese weapons coming from the mainland.66 However, arms smuggled from the Philippines to Hainan and Macau may have compensated, all the more so since the end of the war between the Dutch and the Indonesians in  

64. HCFIC, CCEO, EMIFT, 2B, no. 1443/EMFT/2S, “Note sur la collaboration sino-viet minh période du 1 septembre 1950 au 1 février 1951” [Note on Sino-Viet Minh collaboration during the period between September 1, 1950 to February 1, 1951], signed Boussarie, Saigon, March 7, 1951, p. 8, d. Menace chinoise: Aide chinoise au Viet Minh, 1951-1952, c. 10H288, SHAT.  
1949 led dealers in the Philippines to look for new markets. In one case in 1950, a Chinese company in Hainan imported 15 tons of arms from the Philippines to be sent to southern Vietnam (though it would certainly not have been trans-shipped so easily to southern Vietnam).67

Sino-Vietnamese Internal “Border Trade” via Overseas Chinese Networks

Overseas Chinese traders living in Vietnam offered the Viet Minh an internal wartime border. That the DRV tried to trade via these Huaqiao business connections is hardly surprising. The overseas Chinese had historically always played an important, and possibly vital, role in southern Vietnam’s foreign exchanges in particular. During the colonial period, Chinese coastal jonquiers continued transporting local goods from the ports of Vietnam to southern China and Bangkok. Like the Indonesians, the Viet Minh did their best to turn this ancient “internal border” with China their way. I have shown how the Viet Thang and the Bureau of External Trade relied on Chinese commercial intermediaries traversing Bac bo’s northern border and along Trung bo’s coast. The other area where the Chinese appeared in the Viet Minh’s clandestine trade was via Vietnamese ports where the overseas Chinese had historically congregated, above all in Haiphong and Saigon-Cholon. In 1950, the French Sûreté estimated that there were around 600,000 Chinese living in southern Vietnam, between 150,000 and 200,000 in Cambodia, 70,000 in northern Vietnam, and a few thousand in Laos and the highlands. Of the 600,000 Chinese in southern Vietnam, 450,000 lived in the Saigon-Cholon area. The majority of the Chinese in northern Vietnam lived in Haiphong and to a lesser degree in Hanoi and along the border.68 And since the 17th century, Chinese émigrés had populated rural areas of southwestern Nam bo and southeastern Cambodia.

The overseas Chinese were theoretically under the direction of the Bureau of Chinese Affairs (headed by Nguyen Duc Thuy at the outset) of the DRV’s Ministry of the Interior. On the regional level, by the late 1940s, the provincial Committees of Administration and Resistance had begun to organize the Huaqiao in the south via the Bureau of Overseas Chinese Affairs (Phong Hoa

67. “BR no. 20, mois de janvier et février 1950, traffic maritime rebelle.” However, the outbreak of the Huk rebellion in the Philippines and the Malayan uprising, both in 1948, must have created lucrative markets, too. “Fiche: Transit en Thailande d’armes provenant des Philippines destinées au Viet Minh” [File card on the transit of arms to Thailand coming from the Philippines and going to the Viet Minh], dated April 1950, value: “very good,” d. 30, CD, CAOM.

Kieu Vu Nam bo).⁶⁹ With the CCP’s victory in China in 1949, more vigorous efforts were made from 1950 to win the Huaqiao over and organize them more firmly under the DRV’s control. On orders from the north, southern Vietnamese communists issued directives calling for closer collaboration with the local Chinese in the war against the French. “Mobilizing committees” were formed to rally the Chinese to the Viet Minh’s nationalist cause. In 1950, the head of the PRC’s overseas Chinese affairs called on the Huaqiao in Southeast Asia “to unite closely with all the revolutionary peoples” and aid the local national liberation movements of the countries in which they resided.⁷⁰

On the ground, though, the results were mixed at best. The Viet Minh had trouble finding cadres capable of speaking the various Chinese dialects. These local Chinese populations, more often than not living in exclusive “congregations” (bang), were not always keen on cooperating with the Viet Minh in the war against the French. In many cases, the GMD consulates in Hanoi and Saigon had a much stronger presence among Chinese congregations than the DRV state itself (or the French colonial one). In July 1950, a special administrative organization for the Chinese was formed, called the General Association of the Liberation of the Overseas Chinese of Nam bo (Tong Hoi Giai Lien Nam bo Hoa Kieu).⁷¹

When it came to trading, the Viet Minh preferred to work with private overseas Chinese merchants in Saigon-Cholon and Haiphong, rather than via any revolutionary “Overseas Chinese Liberation Committee.” What counted most was commercial reliability and connections, not ideological affiliation. In May 1947, the head of the Economic Service of the (underground) Saigon-Cholon region explained that his team had indeed contacted “a certain number of Chinese” in order to exchange foreign currencies, to buy arms and gold, and to organize the Viet Minh’s exports to Saigon-Cholon from the provinces by way of Chinese Import-Export houses. He had apparently already “obtained good results” in working with certain local Chinese toward

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⁷¹. “Phong-Van Tong-Hoi Giai-Lien Nam-Bo” [An interview with the general association of Nam bo], Ciu Quoc, no. 56, (July 23, 1951), p. 1. It was only from the early 1950s that the DRV truly began to try to make in-roads among the Chinese populations in Viet Minh-controlled zones.
these goals. According to southern DRV sources, these Chinese inter-
mediaries were key “to communicating” with the rice markets of Saigon-
Cholon. This is hardly surprising, since the Chinese had long dominated
the transport of paddy from the provinces. They took care of its milling,
processing, and organized its sale and export abroad. The Sino-Viet Minh
rice trade was particularly profitable from 1946 to 1948. In 1948 alone, the
Viet Minh in Nam bo earned 500 million piastres from their rice exports from
the Transbassac region, sold mainly through Saigon-Cholon markets and
thanks to Chinese go-betweens.

The Chinese in Saigon-Cholon were also important because their local en-
terprises specialized in products of particular interest to the Viet Minh, such
as Asian and Western medicines, agricultural equipment, machines, petro-
leum products, and so forth. Moreover, these Chinese traders had longtime
commercial experience in Vietnam and proven regional connections to Bang-
kok, Hong Kong, Macau, and beyond. They often spoke Vietnamese fluently
and were often married to Vietnamese women. For cultural reasons, the Viet
Minh may well have preferred working through these Asian intermediaries
rather than via less well-established and connected Western smugglers also
active in Asia. In his general economic plan for Saigon-Cholon in 1947, Kha
Van Can, the head of the southern economy at the time, explained that Viet
Minh agents were heretofore authorized “to sell [Viet Minh] products directly
to Chinese traders.” These traders, he explained, would then transport Viet
Minh goods to “agents abroad.” A recent history of the DRV’s arms industry
during this period confirms that Chinese traders in southern Vietnam helped
the Viet Minh import much needed goods from the French zones and even as
far away as Hong Kong (though it does not mention which products or how
much).}

72. ‘Kinh te khang chien Nam bo, Khu dac biet dia phuong Saigon-Cholon’ [The resistance
economy of Nam bo: The special regional zone of Saigon-Cholon], undated, but clearly 1947, d.
1947, c. 10H3991, SHAT.

73. Translation of captured document: “Comité administratif de la région de Saigon-Cholon,
Service Economique, no. 55/KTS, objet: Situation économique du mois de mai 1947” [Adminis-
trative committee of the Saigon-Cholon region, Economic section, no. 55/KTS: The economic
situation for the month of May 1947], signed by Nguyen Khac Thu, le commissaire du Service
économique de la région de Saigon-Cholon, dated June 5, 1947, d. 1947, c. 10H3991, SHAT;
translation of “Programme de ravitaillement” [Supply program], signed Kha Van Can, dated
June 14, 1947, in TFIS, EM, 2B, no. 1168/2/I.D.I, November 3, 1947, d. 1947, c. 10H3991,
SHAT; and “BR no. 1782: Etude de terrain” [Intelligence report no. 1782: A field study], dated
April 15, 1951, d. 521/1951, c. 10H3998, SHAT.

74. “Kinh te khang chien Nam bo, Khu dac biet dia phuong Saigon-Cholon” [The resistance
economy of Nam bo: Special regional zone of Saigon-Cholon], undated, but clearly 1947, d.
1947, c. 10H3991, SHAT; and Bo Quoc Phong, Lich su Quan Gioi Viet Nam thoi ki Khang
Chien chong Thuc Dan Phap (1945–1954) [History of the Vietnamese armaments industry dur-
The *Huaqiao* were effective intermediaries in getting the Viet Minh's rice through the French blockade of the Viet Minh's southern economy. Worried by the southern resistance’s success in financing its war via this clandestine rice trade, the French instituted a severe embargo of Nam bo’s exports from early 1949. To get “through,” the Vietnamese increased their reliance on Chinese rice merchants in Sadec and Can Tho to export their surplus paddy and other products. In 1949, for example, Chinese traders were preparing to import 300,000 gia (one gia = 35-40 liters) of paddy to Saigon-Cholon for the Viet Minh, a part of which was to be exported abroad for the latter. The idea was that Viet Minh agents from LK VII would send Ho Chi Minh notes to LK IX. The latter’s delegates would use this money to buy paddy from rice growers under its control in Bac Lieu, Rach Gia, Soc Trang, and Can Tho Provinces. From there, Chinese intermediaries would transport the paddy to Saigon where it was sold for Bank of Indochinese piasters. The Chinese then would deposit the money from the sale to LK VII in piasters. Because the buying price (in Ho Chi Minh notes) was much lower than its sale in Saigon in Bank of Indochinese piasters, the Viet Minh and these Chinese traders realized important revenues from this traffic.\(^7\) The Vietnamese also speculated on the piastre via Cholon’s overseas Chinese black market, with wider connections to Hong Kong, Bangkok, and the West.

It is not easy to identify the traders involved in these exchanges. According to Vietnamese documents, in mid-1947 the Chinese traders Tran O, Thai Phuoc My, and a handful of others received formal authorization and trading incentives to handle an important part of the southern resistance’s exchanges with Saigon-Cholon, Thailand, and Hong Kong. Similar permission was given to the Chinese merchants—Truong Cam, Luu Loi, and Luu Van Uang—to move Viet Minh products between My Tho and Bac Lieu/Ca Mau. In the late 1940s, a powerful Chinese figure in Saigon-Cholon named Hong Luong (Hong Qingliang) supplied the Viet Minh regularly with pharmaceutical products and chemicals. Hong was, in fact, the president of the Chinese Chamber of Commerce from 1947 to 1951 and a member of the Executive Committee of the Presidency of the GMD branch in Saigon-Cholon. Following the victory of the CCP, Hong increased his commercial ties to the Viet Minh.\(^7\) Deals were cut between the southern resistance and the more surrep-
titious Chinese characters running the gambling and “dancing” clubs of Saigon-Cholon, such as the famous Grand Monde. As in the DRV’s foreign trade in Guangxi and Guangdong, ideological fidelity counted for little in moving goods across these underground Sino-Vietnamese borders. It was business and the Viet Minh were not always on the winning end.

Another area where the Sino-Vietnamese internal commercial border made itself felt was in Chinese medicine markets. If most writers stress the importance of the Viet Minh’s arms trafficking, one of the most important imports for the Viet Minh from the north to south and during 30 years of war was also in pharmaceuticals and surgical equipment. These medical items were not only for the wounded but also for cadres and soldiers suffering from all sorts of diseases in the roughest, most inhospitable parts of Vietnam. Given that the sale of medicines remained un-controlled by the French in Haiphong throughout 1947, this port naturally became a center for Sino-Vietnamese trade in pharmaceutics. In May 1947, a Vietnamese deserter explained to the French that large quantities of medicines were being purchased by Huaqiao dealers in Haiphong and sold for important profits to the Viet Minh. Such connections were no doubt facilitated by the fact that Chinese pharmacology had been active in Vietnam since ancient times and Chinese practitioners had improved their distribution networks extensively during the colonial period. Chinese skippers were even involved in shipping these medicines to the Viet Minh. As a British observer put it at the time: “If the French could impose a severe rationing of quinine in their area, and if they could control every ounce bought or sold, they would have a terrible weapon in their hands against the enemy. It would be one of the worst blows they could strike.”

Haiphong, like the ports of Saigon-Cholon, Bangkok, Macau, and Hong Kong, was also an important source of modern equipment and spare parts for the Viet Minh. In 1950, a deserter explained that her husband trafficked in Haiphong in such sought-after products for the Viet Minh thanks to a Chinese woman intermediary. With her help, he obtained large numbers of typewriters and a large amount of textiles, European medicines, radios, and chemical products. In April 1950, this Chinese trader handled a Viet Minh deal worth 30 kg of opium to buy metal sheets for arms workshops in Viet Bac. Again,

South Vietnam (April 1952), p. 7, c. 10H659, SHAT. My thanks to Li Tana for bringing the Zhang Van He reference to my attention and providing an English summary.

77. CSTFEO, EM/2B, no. 1105/2, Saigon, d. 14, c. 10H532, SHAT. Fluent in Cantonese, General Nguyen Binh was probably involved in these agreements, at least until his violent break with Bay Vien.

78. Place de Haiphong (Haiphong location), Antenne 1205, no. 713/SA/1205, Haiphong, mai 1947, valeur: B/2, interrogaire, d 1947, c. 10H2952, SHAT.

Chinese in Haiphong were involved in exporting them to the Viet Minh-controlled zones.\textsuperscript{80}

Besides Haiphong and Saigon-Cholon, another Sino-Vietnamese frontier, this one outside Vietnam’s own national border, manifested itself in southern Cambodia, in the areas since precolonial times that Chinese immigrants had turned into prosperous pepper farms. Located mainly in Kampot Province, not far from the Viet Minh strongholds of Rach Gia and Ha Tien, these Chinese pepper farms became a major source of taxable revenue for the Nam bo resistance from 1950. Like opium to the north, Cambodian pepper was a high-profit export, relatively easy to pack and ship furtively to the nearby Sino-Thai buyers in Bangkok. One of the Viet Minh’s leading clients in Thailand was a Cantonese pepper trader based in Chantaboun, named Kim Hong.

Nguyen Thanh Son, the individual who restarted the Viet Thang in 1946 and a longtime colleague of Nguyen Duc Thuy, organized the Viet Minh economic control of Kampot pepper through his Bureau of External Affairs (Ban Ngoai Vu). Formed in 1948, this powerful office was in charge of all revolutionary, military, and economic questions for the ICP and the DRV in Cambodia. According to a former, high-ranking officer of the “Bureau of External Affairs,” Nguyen Thanh Son and his partisans had done their best to collect or tax the pepper harvest extending from Ha Tien to southwestern Cambodia. According to this source, by 1950 taxes on Chinese pepper farms in this area had “fallen almost entirely into the hands of the Bureau of External Affairs.”\textsuperscript{81} Son had good relations with a variety of Chinese in southeastern and western Cambodia. Unlike other areas in Nam bo, many of these Chinese were involved in the Viet Minh’s administrative organizations and even in ICP cells there. In addition, unlike the Huaqiao in Saigon and Haiphong, these Chinese pepper traders were located in rural parts of southwestern Nam bo and southern Cambodia, thus in closer contact with the Viet Minh concentrated in remote areas of LK IX. Lastly, the fact that the Viet Minh controlled large parts of Kampot by 1950 would have obligated Chinese pepper farmers and traders to deal with the DRV—even though they were operating on Cambodian territory. By 1950, vast parts of south-western

\textsuperscript{80} FTVN/ZOT, Commandement zone côtière, no. 12013/ZC/2, “Fiche de renseignements: Déclaration de [X]” [Intelligence card: Statement of (x, name deleted by author)], Haiphong, November 8, 1950, value: X/3, d. 1950, c. 10H2952, SHAT.

\textsuperscript{81} HCFIC, CCEO, FT, Commandement des forces terrestres du Cambodge, EM, 3B, no. 2371/3, ‘synthèse d’exploitation du [x]” [Summary of the information gathered from (x, name deleted by author)], Phnom Penh, October 12, 1951, p. 21, c. 10H5585, SHAT; and “BR no. 840” [Intelligence report no. 840], Saigon, February 26, 1951, “Rallié, 1950: Economie du Viet Minh” [The Viet Minh economy, 1950, based on a crossover to the French side, whose name is deleted by the author, CEG], d. 532/1951, c. 10H3998, SHAT.
and eastern Cambodia had been linked to the southern ICP and Viet Minh in corresponding inter-zones in western Nam bo. As early as December 1949, Cambodia's Prince Sihanouk had already sent a letter to the French warning them of the dangers of letting the Viet Minh call the economic shots in Kampot. The French admitted that they had failed to control the coast of Kampot and Ha Tien, thereby facilitating this Sino-Vietnamese pepper trade with Bangkok. In 1952, despite French military attempts to interrupt this trade, the Viet Minh in Cambodia generated a minimum of 12 million piastres on pepper in Kampot Province. Working from original documents, the French estimated that the Viet Minh earned at least 52 million piastres from their economic operations in Cambodia in 1952. A recent Vietnamese source reveals that between 1950 and 1953 the Viet Minh generated 33 million piastres from its pepper trade with the Chinese in southern Indochina. And despite the DRV taxes and even local Chinese opposition to their sometimes draconian controls, Chinese pepper farmers still made profitable sales.

The ability of the Bureau of External Affairs to generate this revenue via these Chinese pepper farms helped finance the ICP's revolutionary administration and the Viet Minh military activities in Cambodia following the Chinese communist victory to the north and Thailand's Phibun's closing of the Thai market to the west. It is probably not an accident that Nguyen Thanh Son anchored his revolutionary party for Cambodia in the pepper-growing regions of southern Cambodia and along the Viet Minh's east-west trading route with Thailand. From an economic point of view, it is also hard to believe that the DRV's decision to transfer the Lao revolutionary "state" to Phongsaly and Sam Neau in 1953 was unrelated to the important revenues stemming from opium production in these two provinces in particular (see below). Only further research into more economic aspects of revolution and war will answer these questions adequately. What is clear, though, is that the Huaqiao were important to the operation of the DRV's wartime external commerce not only across the Gulf of Tonkin but also across the Gulf of Thailand running into the heart of Southeast Asia. The question remains, however, just how important?

84. Almost all of the Viet Minh's arms workshops in Cambodia were located in Kampot Province. See Lich su Quan Gioi Viet Nam, p. 214.
Conclusion: Problems, Questions, and Methodology

In this article, I have tried to outline some of the borders of the DRV’s early wartime trade with the Chinese between 1945 and 1950. Methodologically, I have tried to attack this complex question in two main ways. First, I have tried to shift the focus of analysis “down below” in order to consider how this early trade worked itself out on the ground. To this end, I underscored the importance of factoring in the material structures of this early wartime trade: the routes, the people, the means of transport, the products and the buyers and sellers. Second, I have suggested that the borders of this early trade with China could be considered in terms of three overlapping geographical zones: (1) an overland border trade zone between northern Vietnam and Yunnan and Guangxi; (2) a maritime border trade zone located somewhere between Trung bo and the southern Chinese port-cities of Guangdong; and (3) a Huaqiao internal border trade zone reaching into Southeast Asia.

Admittedly, this is a preliminary attempt to study the DRV’s wartime external trade, based largely on French intelligence sources, captured Viet Minh documents, and Vietnamese memoirs. Comparison with Vietnamese trading records is indispensable. Moreover, Chinese sources would surely throw much needed light on this complicated subject. Nevertheless, I think there is enough evidence available to suggest that the DRV did not wait until the Chinese arrived at the northern Indochinese border to renew ancient trading relations with southern China. Nor was Sino-Vietnamese border trade limited exclusively to the northern frontier; it was rather part of a larger Chinese regional trading world as well as a smuggling one. It would be methodologically interesting to compare the internal and external trading networks of the Vietnamese, Indonesian, Chinese, and Algerian resistance wars.

What has been impossible to provide in this paper is the precise volumes of Sino-Vietnamese trade for each of the regions discussed above. Part of the problem, of course, is that whether one calls it smuggling, contraband, or trade, there are no published trading records for the period under study here, at least not to my knowledge. Yet, statistics must exist in Vietnam, given the official nature of the BET and the semi-official status of the Viet Thang. Moreover, as noted, DRV customs agents in Trung bo met Chinese traders arriving from Beihai. Photo identification and proper signatures from both sides were expected. Cargo lists were cross-checked. Receipts were mandatory. And undeclared products were immediately seized. Given the poverty of the revolutionary state, DRV economic agents could not afford to be swindled or lax in accounting. The fact that death sentences were meted out to junk traders who duped the government made it clear that the DRV wanted receipts on both ends. This was business.
Nevertheless, because of the unreliability of French statistics for Vietnam for this period, I have refrained from trying to calculate the DRV’s contraband trade by simply assuming that total known production of, say, rice in Nam bo, less total known domestic consumption, less recorded net exports equals smuggling. This is dangerous methodology for the Franco-Vietnamese war. For obvious reasons, French authorities had an extremely hard time knowing how much rice, cinnamon, pepper, or opium was produced in Viet Minh-held zones. And all sorts of wartime variables could have thrown their economic estimations off. Until more reliable sources come to light, especially from Vietnamese and/or Chinese sources, the conclusions that can be reached on the volume of DRV’s wartime trade with the Chinese during this early period must remain tentative. Vo Nguyen Giap has only recently admitted that his army received 1,020 tons of weapons and ammunition in 1950 from the Chinese, key to outfitting his first divisions.85 The aid provided to the DRV by the CCP was obviously vital to Vietnamese victories over the French in 1950 and 1954. Nonetheless, this early wartime trade might shed some new light on how the Viet Minh was able to hold on against superior French forces in order to still be “there” when Chinese communist aid finally crossed the northern land border in May 1950.

On a similar note, one might ask which products really counted in the DRV’s early foreign trade with the Chinese? If most studies stress the importance of arms imports, I wonder whether DRV commercial records for this period would reveal that medicines and surgical equipment were actually at the top of the list, key to the guerrilla’s ability to survive the attacks of the French (and Americans) and the insalubrious conditions of Viet Minh war zones. Chemicals and gas/oil for internal arms workshops must have also dominated the DRV’s early imports. And if the actual volume of this early trade with southern China turns out to be relatively small, then one might want to consider whether the Viet Minh was trading heavily with “the enemy” through clandestine penetration of foreign, French-controlled Vietnamese urban markets.

As for exports, much more serious research into the DRV’s opium exports to southern China and Thailand is necessary in order to determine just how important this very high-value, lightweight, and easily transportable product was in the DRV’s bundle of exports and precisely how much revenue it generated for the resistance economy.86 In August 1949, Le Van Hien, the minister of finance, had 600 kg of opium in Cao Bang Province for buying imports from abroad. The son of Ho Chi Minh’s personal secretary claims

that one of the highest ranking members of the ICP, Nguyen Luong Bang, dealt in opium for the DRV via a trading house called Cong ty Bac Thang. In mid-1947, according to this source, the French air force destroyed a warehouse containing over four tons of opium—that is, more than 28 million piastres at the 7,000 piastre/kg price.87

Laos was obviously key to the DRV’s opium trade. In peacetime, upland zones of northern Laos had annually provided 14 tons of opium to the French colonial state. In 1947, the French collected only a fraction of that.88 While much of the remainder went to Sino-Thai traders based out of Bangkok and Chinese based traders in Yunnan Province, some of it went to the DRV via Huaqiao traders. In mid-1946, for example, the Vietnamese government authorized Chinese traders based in Vietnam to arm themselves in order to buy raw opium in Sam Neua on behalf of the DRV customs service.89 As in the case of Cambodian pepper, this internal Sino-Vietnamese trading border extended into Laos via these trans-national Chinese traders. After adjusting for hyperbole, the British still estimated that the Viet Minh had successfully exported 15 tons of opium from Sam Neua-Phongsaly in the spring of 1953, that is 150 million piastres at the 10,000 piastre/kg price of that year.90 Even if these numbers are exaggerated, the opium trade was probably much more important to the Viet Minh’s central and northern resistance economies than might have been suspected and that the Chinese intermediaries were key to channeling the DRV’s opium to markets in Thailand and southern China. It is worth recalling that to the north and south, Chinese and Indonesian revolutionaries were financing their war economies in remarkably similar ways.91

Or to put it another way, the French Deuxième Bureau and the U.S. CIA were not the only ones involved in the narcotics trade. And rather than reducing this complex economic question to a black-and-white moral call between “right” and “wrong,” it might be more rewarding to explore the economic,

87. Le Van Hien, Nhat Ky, vol. 2, p. 88; and Vu Thu Hien, Dem giua ban Ngay [Night in the middle of the day] (California: Van Nghe, 1997), p. 342. One kilogram of opium was worth 7,000 piastres in Haiphong in the late 1940s and even more in Macau, Bangkok, and Singapore.
89. See Nha thue quan va thue gian thu, so. 130, “Kiem na thuoc phien” [Opium collection], Hanoi, May 11, 1946; and “Uy Ban Hanh Chinh Bac bo gui ong Giam doc so thue quan” [The Administrative Committee of the North to the Director of Customs], so. 682/VPK, Hanoi, June 29, 1946. Both are in c. 16, GF, CAOM and other documents in d. Thuoc Phien, c. 34, GF, CAOM.
90. British Legation, no. 78, Saigon, 10 June 1953, signed G.L. Joy, pp. 1-2, FO/371/106801, PRO.
geographical, and strategic mechanics of narcotics in a time of war. One might start by plotting the social geography and economy of this ancient trade, one which existed long before the French and Americans got "there," but not before the Chinese.

Let me conclude, however, by saying that I am not arguing in this article that the DRV somehow owes its entire foreign trade to the Chinese during this period, no more than I would maintain that the American Revolution was miraculously saved by French smugglers during the War of Independence against the British. That would be absurd. This is one part of what I think was a complex and necessarily secretive regional economy, itself part of a larger mosaic of socioeconomic connections about which it would be useful to know more. What I suggest implicitly in this essay is the need to get beyond the limitations of nationalist and ideologically oriented approaches and their black-and-white limitations of the past. A regional and geographical perspective seems to be one way to "liberate" studies of war in Vietnam from their fiercely nationalist strait-jacket, from their archaic French Indochinese past, and away from America's one-way obsession with "Why Vietnam." This, in turn, might just allow one to see how Vietnam in a time of war was connected materially to a larger Chinese trading world at several border zones, and not just one, and perhaps not quite where we had expected.