Central Place Theory and the Emergence of Floating Markets in the Mekong Delta of Vietnam

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Abstract

This research re-examines Walter Christaller (1933)’s central place theory paradigm to explain the emergence of a network of floating markets in the Mekong River Delta’s dense network of rivers and canals. Because road transportation is underdeveloped, floating markets play an important role for local people. They provide access to transportation and opportunities to trade, especially for the region’s diverse agricultural products. Furthermore, the floating markets support inland infrastructures. This research challenges Christaller’s (1933) assumptions about population thresholds and geographical range, and Mulligan et al.’s (2012) understanding of interaction among consumer choices, company aggregation and functional hierarchy. It finds that riverine traders employ flexible transaction strategies.

Keywords: floating market, central place theory, agricultural production, marketplace, riverine traders, The Mekong Delta

1. Introduction

1.1 The Research Issues

Waterways are the environmental foundation for Mekong Delta residents’ lifestyle and livelihood. Riverine trading has long been important in the Mekong Delta, which is characterized by a dense network of rivers and canals. There are more than 200 rivers with a total length of 28,000 kilometers, accounting for 70% of the country's total waterway length. This feature brings huge advantages to water transportation in the region. The waterways improve conditions for agricultural development and help the exchange of goods between residents. Riverine trading might be described as having two distinct modes—trade along the waterways and at floating markets—but these classifications seem arbitrary. Traders sell their goods in both modes, mixing the models together.

In the past, road transport was underdeveloped, and waterways played a vital role in residents’ travel and goods exchange. Canal construction was intensive from the Nguyễn Dynasty (1802-1945) to the French colonial period (Brocheux, 1995) and again in the prosperous period after the Vietnam War (after 1975). Despite the significant improvement and development of road transport throughout the region, waterways maintain many of their traditional functions. However, riverine trade has also changed in the era of road transportation. For example, floating markets are now declining its scale and some of them function as tourist destinations.

This article is divided into four parts. First, I discuss various approaches to studying floating markets, including Christaller’s central place theory. Second, I describe how the Mekong Delta region affords favorable conditions for floating markets. Third, I describe the floating market network and its activities in the Mekong Delta. Last, I analyze the emergence of the network of floating markets using the central place approach.

The research is to provide an overview on the socio-economic life and dynamism of the relatively large agricultural population in the Mekong region, which indirectly introduces the current status and livelihoods of agricultural communities in Southeast Asia. The research reflects how the natural environment shapes and stimulates the livelihoods of residents, and also puts forward the importance of natural interaction between the environment and the community. This research also contributes a specific case study to the overall situation of floating market life research in Asian agricultural regions.
1.2 Central Place Theory

Various researchers have used Central Place Theory (CPT) as a theoretical foundation for their research. Central Place Theory addresses the location and distribution of scattered populations of goods and services in specific market areas (Scheer, 2004). It consists of a series of assumptions and propositions that explain the hierarchical center found at certain preferred positions in the economic landscape. Retail trade and service activities tend to congregate, forming urban centers or shopping centers (Mulligan et al., 2012).

Christaller (1933) and Lösch (1940) founded CPT. According to Christaller, population threshold and geographic range is useful concepts to understand the emergence of a cascade system at a central location. In other words, there is a functional relationship between the central population and its complementary area. The key feature of Christaller’s system is the emergence of a regular hierarchy, where a central location on one level provides a complete set of goods and services specific to that level, as well as all bundles specific to all lower levels. As a result, a central place at any given level serves a market area that contains many lower-level places and rural areas. Although Lösch proposed a hexagonal market area network on a near-continuum of size, all of these are concentrated in the most central position of the system, the “metropolis.”

Mulligan, Partridge, and Carruthers (2012) asserted that there are three core concepts in CPT: consumer choice, enterprise agglomeration, and functional level. Companies that provide goods and services not only strive to occupy the center of their markets, but agglomerate to gain an advantage. As companies arrange themselves in space, dispersed consumers strive to minimize the total cost of purchasing goods. After various adjustments, companies choose price positioning solutions to minimize consumer travel costs. At the same time, enterprise clusters form a hierarchy that effectively provides possible commodities.

Christaller (1933) inspired researchers by explaining the conceptual practicality of the spatial network hierarchy. CPT has been used for various kinds of analysis, including urban centers (Berry & Garrison, 1958), city size distribution (Hsu, 2011) city hierarchy (Hsu et al., 2014), the spatial distribution of cities in the labor market (Abu-Hijleh 1989); corporate locations and groupsthe emergence of cities (Hsu, 2008); distribution of commodities related to travel distance (Scheer, 2004), and how location affects the economic outcomes of sporting events (Daniels, 2006), Beckmann (1958; 1968), Berry (1964), Rushton (1972), Eaton and Lipsky (1982), Duranton and Puga (2000), Miron (2002), and Gordon (2010) refined and extended Christaller’s theory. However, CPT’s applicability to practical central system analysis can be questioned.

From the early 1990s, CPT has rarely been used, and many aspects of the theory are regarded as old and inappropriate. The focus of criticism is the gap between formal theory and empirical research. People are working hard to close this gap, conducting critical methodological research on the CPT’s logic. Examples include Beavon (1977) and Berry et al.’s (1988) analyses of interurban or urban systems, Dacey’s one-dimensional CPT (1974), Sonis’s (1994) input-output analyses of hierarchical spatial structures, Cronon’s (1992) examination of inventions in the American urban system, South and Boots’ (1999) study of market areas of a given hierarchy, as well as Beckmann-McPherson’s (1975) CPT model. Mulligan et al. claimed that CPT was overwhelmed by the “new economic geography” (Parr, 2017, p. 152). White (1974; 1977) and Allen and Sanglier (1979) highlighted that CPT is static and unresponsive to change. Parr (2017) further noted that CPT may be defined as a commodity or service, for which demand is scattered widely and sensitive to distance. Therefore, the “location problem” becomes a “location-allocation problem” (p. 158-9).

The hierarchy of markets was discussed and modified more in detail in Vining (1955), Beckmann (1975), and Mori and Smith (2011). They identified hierarchies based on the assumption that centers should be viewed as parts of a continuum, with each market level having its own quality of goods. Both Mulligan (1984) and Hsu (2011) called this a “successively-inclusive hierarchy” and concluded that its foundations are both diverse and complex.

Researchers recently conducted CPT-oriented research in Asia found that communities of different races and regions may adopt various methods to maximize benefits, thus forming the organizational structure and social hierarchy of rural society. However, the exchange of goods and services still centers on the local market which, taking the center-periphery relationship as the axis, connects the distribution and transaction network with the same and higher-level markets.

In Regional Analysis, Crissman (1976) explored the interconnectedness of economic and social systems in territorial-environmental systems, specifically market towns in the Changhua region of Taiwan. According to Crissman, Changhua’s structural features can be explained by the traffic principle: individual decisions about
purposes, entrepreneurial ventures, administrative structures, and bureaucratic programs have established a central places system on the Changhua Plain.

1.3 Riverine Trade in East Asia

William G. Skinner vividly described rural life in the Chengdu Basin around 1950, especially the region’s rural marketing structures. His analysis of the region’s market system became the basis of his spatial model of rural social structure in China. Skinner emphasized that rural market communities are the basic units of Chinese rural society, connected to larger and more inclusive units through commercial and social transactions. Skinner found that China is composed of semi-self-sufficient geographic macro-regions, roughly corresponding to major river basins. Furthermore, it is internally integrated through the hierarchical structure of urban places (Harrell & Lavelly, 2017; Skinner, 2002; 2017). This hierarchical relationship between rural, semi-urban and urban quarters of the Chengdu basin was later discussed by Zeuthen and Griffiths (2011).

Research on other regions of Asia can be found in Liu Shao-hua’s (2007) study on the Nuosu (Yi) ethnic group in Liangshan, Sichuan, China. Vajirakachorn’s (2011) study of floating markets for tourists in Thailand, and Jamoliddinov and Jacinta Dsilva’s (2019) case study in Uzbekistan. Moreover, Thongpanya (2017) analyzed the Damnoen Saduak floating market community in Thailand. Thongpanya found many implications, including the local agronomist’s waterway roaming community, and the impact of tourism on the local way of life at the floating market. Positive effects included making floating markets known to outsiders and providing employment for community members. Negative effects included changes in people’s lifestyles, such as switching from the traditional bartering system to trade. Furthermore, when the Damnoen Saduak floating market turned to the tourist market, traders stopped being generous with one another and became intensely competitive.

1.4 Floating Markets and Riverine Trading in the Mekong Delta

Some studies of the Mekong Delta have focused on wet rice cultivation (Hendry 1964; Hickey, 1964; Nguyễn Công Binh et al., 1990; Trần Xuân Kiêm, 1990). Riverine trading is also a significant economic activity in the region, and allows residents of the Delta to access a variety of goods and services from many places. Using boats for trading has been essential to the livelihood of residents with little or no land. Researchers who attended to the use of boats in trade include Nguyễn Văn Hùng (1988), Phan Thị Yến Tuyết (2007), Ngô Văn Lệ, Ngô Thị Phương Lan & Huỳnh Ngọc Thu (2014). Scholars have also addressed residents’ use of boats for transportation, including Söm Nam (1985), Nguyễn Công Binh et al. (1990), Phan Thị Yến Tuyết (2007), Nguyễn Thanh Lợi (2005), etc. Trần Nam Tiến (2004), Nhâm Hưng (2009), Đặng Thị Hạnh (2011) analyzed floating markets as traditional cultural activities, while Nguyễn Trọng Nhân (2012) and Huỳnh Bích Trâm (2011) regarded them as tourist destinations. These authors saw floating markets as embodying cultural values that should be promoted and protected.

In short, as the bases of traditional livelihood of the Mekong Delta, floating markets and riverine trading have long been studied. However, it is interesting and necessary to explore why floating markets only appear at certain places.

2. Method

I investigated 12 floating markets in the Delta. They are still operating. The data in this article comes from Cái Bè in Tiền Giang Province, Trà On in Vĩnh Long Province, Cái Rằng and Phong Điền in Cần Thơ Province, Ngã Bảy—Ba Ngạn in Hậu Giang Province, Ngã Nâm in Sóc Trăng Province, Cái Nước in Cà Mau Province, and Long Xuyên in An Giang Province. These eight floating markets are typical one in terms of operating scale and long history.

In 2012 and 2013, the author conducted 198 in-depth interviews (Note 1) with floating merchants, inland traders, local officials, vegetable and fruit growers, and tourists. At each market, I observed the activities of commercial activities of all stakeholders from the beginning to the end of daily transactions. I talked with people during their free time to learn about the history of the floating market, trading activities, the trade network, and social and cultural practices. I followed small merchants on their pick-up routes and observe their trading activities, spending more time with floating merchants and farmers than inland people. I interviewed orchard owners, inland traders, about the history of floating markets, sales networks, and their relationships with floating merchants. I interviewed representatives of local government about the management and development direction of floating markets, and tourists about their expectations and feelings of floating markets.
3. The Mekong Delta: A Water Region and Agricultural Producer

3.1 Overview

The Mekong Delta was born as a flooded area, gradually accumulating alluvial deposits, so it has completely surfaced in the past few centuries. The canal and dam system was built to prevent floods in the 1970s and 1990s, turning these flooded areas into two large rice fields.

The Mekong Delta has many natural and manmade rivers and canals. In addition to the two main tributaries (the Tiền Giang and the Hậu Giang) and eight estuaries of the Mekong River, there are hundreds of large and small rivers connecting the it with the entire delta (Biggs & Cronon, 2010; Brocheux, 1995). Cities and towns form at the confluence of tributaries with the Mekong, where agricultural trade takes place throughout the year. Many large farms operate on the rice field-canal model or fruit garden-canal model.

![INLAND WATERWAYS OF MEKONG DELTA](image)

Figure 1. Main riverine transportation system in the Mekong Delta

Source: Author 2013

The entire delta area is large and fertile. In the past, the flood season brought a lot of fish and shrimp, so they became important agricultural commodities. The floods also left alluvial deposits, supporting abundant rice, fruit, and vegetable crops. The delta occupies 12% of Vietnam’s land but provides 60% of its rice production, and 80% of the country’s exported rice (Trần Ngọc Thêm, 2013). Therefore, agricultural products must be transported from the delta to larger markets such as Ho Chi Minh City (HCMC) (Note 2), Vietnam’s largest international trading port.

There were traditionally two main methods to transport agricultural goods from the Mekong River Delta to Saigon, in order of importance: waterways and roads. Although nowadays road traffic has superseded river transport, road transportation was more restricted in the past. Before 2 000, trucks and vans could drive from HCMC to the lower Mekong Delta, but had to be ferried across two tributaries of the Mekong River. It took time and cost much.

Some traders and distributors have adopted a hybrid method, using both riverway and land transportation. Vessels took produce from dealers and farmers in the delta, and transported them to the Cái Bè floating market on the north bank of the Mekong River. There, the produce was sorted, packed, and transported by trucks and vans to HCMC. Hence, the Cái Bè market flourished in the 19th and 20th centuries. Other markets in the lower delta were established in similar way but on a smaller scale, such as Cái Rằng, Ngã Bây, and Long Xuyên. Dealers bought goods there and transported them to the Cái Bè market by boat, and from Cái Bè to HCMC by truck. Some goods were transported by truck directly from the Cái Rằng and Ngã Bây markets via ferry.

In summary, the Mekong Delta has favorable conditions to form floating markets where riverine traders can exchange agricultural products. The Mekong Delta has a dense network of rivers and canals for transportation; thanks to the alluvial deposits, it is also a productive agricultural region. Different localities specialize in different agricultural products, so riverine trading is needed in the region.
3.2 Typical Floating Markets and Their Trading Network in the Mekong Delta

![Map of Trading by Boat in Mekong Delta](image)

Figure 2. Location of floating markets in the Mekong Delta

Source: Author 2013

Research was conducted at all of the floating markets in the delta, eight of which are introduced below. They are Cái Bè, Trà On, Phong Điền, Cái Rằng, Long Xuyên, Phùng Hiệp (Ngà Bây/ Ba Ngàn), Ngà Nam and Cái Nước. The market sequence presented here is based on the north-south geographic principle. The number of boats and trade activities described in this section is calculated based on the average ratio throughout the year, excluding the period before Tết. In the days before Tết, the number of boats and trading activities is usually doubled or tripled, depending on the location of each market and agricultural production in the area.

(1) Cái Bè Floating Market

Cái Bè, described in the 19th century as a bustling fruit trading center (Trần Ngọc Thêm, 2013) is considered the first of the floating markets. It is located on Đông Hậu Hiệp Island in the middle of the Front Tributary, where it is separated from the neighboring Vĩnh Long and Bến Tre provinces. The region is a center of both fruit production and trade between the lower Mekong and upper central Vietnam. According to traders at Cái Bè Floating Market, trading was discouraged during the period of the command economy (1976-1986) (Note 3). Therefore, traders at the floating market operated in secret.

![Location of Cái Bè Floating Market](image)

Figure 3. Location of Cái Bè Floating Market

Source: Credit to Google My Maps. Illustration: Nguyễn Mạnh Tiến, 2020

Before 2000, when the Mỹ Thuận Bridge was completed, there were hundreds of boats buying and selling agricultural products every day. In the days before the Tết holidays, there might have been thousands of boats.
Traders came from many different provinces, especially those located near the waterway network. In addition to the dealer’s boats, there were many farmers in nearby areas who used sampans to transport fruits and agricultural products for sale on the river.

Due to the development of road transportation, especially the Mỹ Thuận and Cần Thơ bridges, floating markets have suffered. Ms. N.T.T.H. (58 years old, formerly a small-scale dealer) reported, “Before 2000, the warehouse, transshipment and packaging services, and transportation system of Cái Bè Floating Market were very complete. Mỹ Thuận Bridge changed everything” (in-depth interview, November 2012). The accounts of the people living near Cái Bè Floating Market were very similar.

According to the author’s observations and interviews conducted in 2012, people at Cái Bè Floating Market often exchange fruits (provided daily by farmers in the Tần Phong and Ngũ Hiệp Islands in the region), and flowers and potted plants (provided by locals for Lunar New Year celebrations). Watermelons come from neighboring Long An province, root vegetables and pumpkins from the central highlands. Manioc, yams, and pineapples are provided by locals, or are imported from Sóc Trăng or Kiên Giang provinces.

Based on observations at Cái Bè Floating Market, we know that distributors usually sell products in bulk lots of one ton or more. After they sell their goods, they journey to buy from producers in other provinces or from other floating markets. They classify goods into four grades, with the first being the best quality. Usually, traders at the floating market sell their best goods to the inland market. This is so because inland traders will transport them to big cities by roads. Grades two through four are sold in the floating markets.

At the time of my observation, around 200 boats gather at the Cái Bè Floating Market. According to locals, this number tripled during the Lunar New Year. The busiest time in the market is 5:00-10:00 a.m. Boats come from all over the delta and surrounding areas such as HCMC, Đông Nai and Bình Dương provinces to buy and sell goods. After the hottest trading hours, those dealers who have not yet sold their goods anchor in the floating market to wait for customers. Therefore, there are fewer boats in the afternoon than in the morning.

Trading on the floating market by boat is not limited to the network of traders and customers in a particular province, but encompasses the entire region. The market is related to the infrastructure of inland trade, including the district market (Cái Bè market). There are parking lots and storage areas where merchants can obtain vegetables from the distant central highlands and redistribute them to smaller floating merchants.

(2) Trà Ôn Floating Market

The Trà Ôn Floating Market serves as an intermediate stop because it is situated between Cái Bè and Cái Rằng. It is located on the lower Hậu Giang river of Lục Sĩ Thành commune. From Trà Ôn, people can take the waterway to Trà Vinh, Đồng Tháp and Sóc Trăng. Lục Sĩ Thành, and surrounding areas such as Phú Thành, are famous for tropical fruits such as durian, rambutan, grapefruit, and mangosteen. It has a close connection with the inland Trà Ôn market, where traders and farmers in Trà Ôn Floating Market can ship their high quality fruit. From there, the fruit is transported to major cities like HCMC and Hanoi.

Figure 4. Location of Trà Ôn Floating Market

Source: Credit to Google My Maps. Illustration: Nguyễn Mạnh Tiến, 2020
Like Cái Bè Floating Market, Trà Ôn Floating Market has a long history. However, people do not remember the exact date of its establishment. Some people say it began in the 1960s (BVB, male trader, interviewed February 22, 2013) or 1970s (LVS, male trader, interviewed February 23, 2013). In the 1990s, after a period of command economy that discouraged trading (THD, male gardener, interviewed February 21, 2014), it resumed its bustling operations. Trà Ôn was a natural market. First, some boats came. Gradually, more boats come to exchange goods (BVB, male trader, interviewed on February 22, 2013). Its peak time was the 1990s and early 2000s. Since 2000, when National Road 54, Căn Thơ Bridge and Trà Ôn Bridge were completed and roads were upgraded, land transportation has superseded water transportation. Spontaneous market combining waterways and highways has reduced the existence of floating markets.

The Trà Ôn Floating Market is closely linked with the Trà Ôn Inland Market where riverine traders can upload their cargo bought from floating or inland markets. Currently, about 60% of the trading boats are from Vĩnh Long Province (HPM, male trader, interviewed February 21, 2013), but there are even traders from Cambodia. The trade in agricultural products begins at 2:00 a.m. and peaks from 4:00 to 5:00 a.m. People from remote areas and plantations follow the trend and ship their products to floating markets. People rely on the daily high tide to go to and return from the floating market.

At the time of my observation, about 20 to 30 boats are still operating at Trà Ôn Floating Market. To survive in a competitive environment, traders usually have two boats: one to go to the fields and plantations to buy, and the other docked at the floating market to maintain a relationship with regular customers.

(3) Cái Răng Floating Market

![Figure 5. Location of Cái Răng Floating Market](image)

Source: Credit to Google My Maps. Illustration: Nguyên Mạnh Tiến, 2020

Cái Răng Floating Market on the Cái Răng River emerged in the early 20th century, when goods were shipped from Saigon and southeast Vietnam and vice versa. Like the Cái Bè and Trà Ôn markets, Cái Răng Floating Market is closely related to the inland Cái Răng market, where merchants from the floating market can buy and sell commodities. The Cái Răng inland market is open all day, from 6:00 a.m. to 9:00 p.m., whereas trading begins at the Cái Răng Floating Market at 3:00 am and peaks from 5:00 a.m. to 9:00 a.m. This is the case because like other floating market, Cái Răng floating market mainly specialized in vegetable and fruit. Therefore, these agricultural products should be transported before sunlight comes otherwise, they will be damaged and withered.

The Cái Răng Floating Market hosts many boats from other provinces, such as Cà Mau, Sóc Trăng, Tiền Giang, Long An, and Kiên Giang. Every day there are about 300 boats, of which 250 are docked on the market, while the other 50 anchor in other places in 2013. The boats vary in capacity. It ranges from 4 tons to 20 tons.

Commodities exchanged include fruits such as oranges, grapes, mangoes, guavas, longan, watermelons, durian, rambutan, pineapple, and limes; green vegetables like cabbage, green onions, and chives; gourds like chayote and pumpkins; and root vegetables such as potatoes, carrots, yams, taro, and sweet potatoes. The market usually takes up an area of 1,000m. At the Lunar New Year, the floating market expands to a few kilometers and sells flowers and potted plants in addition to daily necessities.
The merchants of Cái Bè Floating Market mainly serve HCMC, Vietnam's largest economic center, while the merchants of Cái Răng Floating Market mainly serve the downstream areas of the Mekong Delta (Cà Mau and Kiên Giang province). Cái Răng Floating Market has become a tourist destination due to its proximity to Cần Thơ, the central city of the Mekong Delta. Therefore, there are boats specializing in food and beverages for the tourist market.

(4) Phong Điền Floating Market

Phong Điền Floating Market is located in the center of Phong Điền District at a “T” intersection: one goes to Cái Răng Floating Market, the second to Hậu Giang Province, and the third to Kiên Giang Province via Hau Giang province. It is also convenient to the Phong Điền inland market. This location makes Phong Điền an inter-district floating market and a tributary of Cái Răng Floating Market, which is about 10 kilometers away.

This floating market was formed after Vắm Xiş Canal was dug by the French. Like other floating markets, before 1986, operations at Phong Điền Floating Market were restricted due to wars and economic policies. Its golden age was the second half of the 1980s. Since the 2000s, its operation has been declining. A trader recalled:

In the past, we did not have enough time to eat because there were many people who came to buy things. Sometimes I wanted them to stop so I could have time for breakfast or lunch. I have a stomachache now. The floating market is shrinking. In the past, it was very good. People […] were buying, selling, transferring, paying, and very busy.

(T.T.H., born in 1950, a male floating trader, 5 March 2013)

In addition to decline due to the development of road transport like the case of above-mentioned floating market, the Phong Điền Floating Market has been affected by the irrigation design of the area. In the past, Phong Điền’s merchants could easily travel to Cà Mau and Kiên Giang Provinces by the Xà No Canal. However, in 2001-2002, the new KH8 canal in Ô Môn District drained the water from Xà No Canal, according to local authorities. In addition, a new bridge on the canal hinders boat travel during high tide. Therefore, Phong Điền is no longer as convenient as Cái Răng Floating Market for water transportation. There were only from 10 to 20 boats doing transactions at the floating market in 2013.

The decline of fruit supply in Phong Điền also contribute to the decrease of Phong Điền floating market. In the past, Phong Điền was a fruit-growing center. Traders from other provinces, such as Sóc Trăng, Bạc Liêu, and Cà Mau, went there to buy fruits. Phong Điền was famous for citrus fruits in the early 20th century. When the French dug canals in the area, the horticultural economy developed. Because such fruits are susceptible to diseases, they must be periodically replaced. Today, merchants from Phong Điền must go to Cái Bè to buy fruit to redistribute to the lower delta. Due to lower fruit yields, the Phong Điền floating market lost its central role in riverine transportation, as recalled by a farmer:

Since Phong Điền Floating Market provides agricultural products wholesale to various customers, there is a classification in terms of quality. The best quality commodities go to large floating markets like Cái Bè, Cái Răng, Cà Mau, and Ngã Năm. Cái Bè is an entrepôt with access to the largest market in HCMC. Inferior goods are transported along small canals or markets. The network of traders of Phong Điền Floating Market is as follows: “I
often moor my boat for sale here, mainly for merchants from Cambodia, Long Xuyên (close to the border with Cambodia), and Cai Bè. When I have sold out my goods, I will go to Mỹ Tho to buy another shipment of goods” (C.H.M., born in 1955, a trader at the floating market, interviewed 7 March 2013).

(5) Ngã Bay (Phượng Hiệp/ Ba Ngân) Floating Market

The Ngã Bay Floating Market is located in Hậu Giang province, famous for growing rice, vegetables, and fruit. The market was formerly located at the Phượng Hiệp intersection of seven canals (namely Cái Côn, Bến Täu, Mang Cá, Lái Hiếu, Xéo Mọn, Xéo Dong, and Sóc Trăng). Therefore, this floating market was called Ngã Bay (seven directions) or Phượng Hiệp. Traders exchanged and sold their goods and then went in different directions to supply goods to customers. The area is connected to the upper sub-region (Cần Thơ, Tiền Giang, and Vĩnh Long) and the lower sub-region (Trà Vinh, Bạc Liêu, Sóc Trăng, Cà Mau, and Kiên Giang).

My informants said that Ngã Bay Floating Market appeared 10 years after the French dug canals to form this intersection in seven directions. Due to its activities and scale, Ngã Bay Floating Market became the most attractive tourist destination in the Delta. Its peak time was from 1990 to 2002. According to many local informants, during that period, there were thousands of small and large boats operating at the market.

Ngã Bay Floating Market was located in a place with convenient waterway and road transportation. Unfortunately, its convenient location caused unsafe conditions for transportation. Due to the high density of merchant boats, traffic jams and accidents were obvious problems. Therefore, local authorities transferred the market to the Ba Ngân "T" intersection, three kilometers away in 2002. Since then, activity at the market has decreased. Traders claim that the new location is less spacious and there is no road transport. Therefore, at present (at the time of my observation in 2013), there are only 10-50 boats operating at Ngã Bay or Ba Ngân Floating Market. The market is open from 5:00 to 9:00 in the morning.

Ngã Bay Floating Market offers two categories of products. One consists of household products like cloth, large earthenware pots, and porcelain. The second category includes agricultural products such as vegetables, roots, fish, and fruit from the Mekong Delta.

Like other floating markets, the Ngã Bay Floating Market is related to an inland market (Ngã Bay Market), and its merchants also trade along the waterways. A female merchant illustrated this practice:

After buying sweet potatoes at this market, I transport them to the lower part further to the sea (about 300 kilometers). It takes about a week. Not because of the distance, but I stop in some places to sell them first, and the rest are usually sold at the final destination of the inland market (Cà Mau province). When the sweet potato transportation is completed, I buy charcoal from Cà Mau. The area is famous for mangroves that produce large amounts of charcoal. Then, I transport the charcoal back to this floating market and sell it to regular customers.

(C.B., a female trader, 52 years old, 20 March 2013

![Figure 7. Location of Ngã Bay Floating Market](image-url)

Source: Credit to Google My Maps. Illustration: Nguyễn Mạnh Tiền, 2020
(6) Ngã Nâm Floating Market

Ngã Nâm Floating Market is located in Sóc Trăng, a province in the lower Mekong River. Local people stated that this floating market appeared in the 1950s. During the war, they mainly did business at night. This market is located at the intersection of five directions. From here, people can reach Hậu Giang Province (50 kilometers), Bắc Liêu (100 kilometers), and the other two districts of Sóc Trăng Province. Like other floating markets, its existence is closely related to the Ngã Nâm inland market. The inland market sells vegetables, fish, fermented fish, groceries, other food items, and beverages, while the floating market only sells fish and vegetables, from about 40 to 50 boats at the time of my observation in 2013.

![Figure 8. Location of Ngã Nâm Floating Market](image)

Source: Credit to Google Map. Illustration: Nguyễn Mạnh Tiến, 2020

According to Ms. B. L. (67 years old), in 1954, the activities of Ngã Nâm Floating Market was already busy. Around 1990, there were so many boats that people could walk from one side of the canal to the other (P.V.M., male, local authority in Ngã Nâm district, Sóc Trăng Province, interviewed 22 March 2014). As with other floating markets in the region, the development of road transportation led to decreased trading volume. People prefer to go to the inland market rather than the floating market. Furthermore, suppliers can serve customers in areas which used to be accessible only by boat (P.V.M., male, local authority in Ngã Nâm district, interviewed 22 March 2014).

In addition, the Ngã Nâm Bus and Truck Station is also actively involved in the distribution of agricultural products and consumer goods from HCMC. Trucks are also used to ship temperate-zone vegetables and roots from neighboring provinces, such as Tiền Giang, Cân Thơ and Đà Lạt (600 kilometers northeast of Sóc Trăng). Truck transport from Tiền Giang to Ngã Nâm takes only three to four hours. The same trip takes up to 12 hours by waterway. Similarly, it takes only one hour to move from Ngã Nâm to Cà Mau province by truck, but seven hours by boat (C.V.G, male, 41, owner of the Ngã Nâm floating gas station, hamlet 6, Ngã Nâm town, interviewed March 23, 2014). Tiền Giang and Cà Mau are two common destinations for traders at the Ngã Nâm floating market. Road transport is cheaper than shipping by boat because it saves time and fuel. Since the upgrade of Quang Lô—Ngã Bây Road, the number of boats in Ngã Nâm Floating Market has been reduced by half.

Today, thanks to new roads, customers have various options to meet their needs. If they live along the river or canal, they can buy goods from the boats; if they live near the floating market, they can buy goods from the supplier. If they are far from the floating market, they can buy goods from motorcycle-based dealers or choose one of the three. Therefore, they do not necessarily need to go to the floating market.

Like other floating markets, Ngã Nâm is also a center for trading of local agricultural products. Because of extensive interactions with regions in the lower delta, agricultural products at this floating market are diverse. People from other provinces come to Ngã Nâm Floating Market to do business, so product from in and outside the province is available. Mangoes from Hà Tiên (Kiên Giang Province); sawos, grapes, jackfruit, durian, and guavas from Ngã Bây (Hậu Giang) and Kê Sách (Sóc Trăng); manioc from Trà Ông (Vĩnh Long); and bananas, papayas, rambutans, yams, taro, sweet potatoes, and tamarinds from Cái Rằng and Phong Điền (Cần Thơ) can all be found at Ngã Nâm. So can temperate zone produce like tomatoes, potatoes, onions, roses, carrots, and cabbages from Cái Bè (Tiền Giang).
These products are then carried to other places such as Hậu Giang, Bạc Liêu (Phước Long), Kiên Giang, and Cà Mau (Gành Hào, Giá Rai, Hấp Phong).

Vessels with a capacity of seven to 15 tons purchase goods from other floating markets or fields and plantations within or outside the province, and only gather here for wholesale. Other boats transport the wholesale goods to various places. They can be sold in large quantities to smaller markets (e.g. Vinh Biên Market just 5 km away from the market; Ngan Dừa Market in Bạc Liêu province) or in small quantities to smaller boats for sale in remote areas where roads are difficult to reach.

Thanks to inland infrastructure and waterways, some vessels specialize in rice trading, buying it for redistribution elsewhere. For example, N.T.H. (40 years old, female, Hamlet 3, Ngà Năm Town, interviewed 24 March, 2013) has been trading rice for 22 years. She owns a boat with a capacity of 1.5 tons. Usually, it takes one or two days to sell out. She stores about 40-50 tons of husk rice in a warehouse. Whenever she sells out, she removes the rice and sells it on the floating market. In addition, she has a small motorboat to deliver rice to her return partner, who supplies restaurants and noodle shops in town.

(7) Long Xuyên Floating Market

This floating market is located on the Hậu Giang River (one of the two main tributaries of the Mekong River) in Mỹ Phước ward, Long Xuyên city, An Giang province. The area houses hundreds of boats moored close to each other on the river, where people live and trade all year round. Unlike other floating markets in the Mekong Delta, Long Xuyên Floating Market occupies a large, separate area of the Mekong River. People can reach this market by boat or canoe. Long Xuyên Floating Market sells produce like melons, tomatoes, cabbage, pumpkins, potatoes. The products are different from the rich fruit-rich Cái Bè, Cái Răng and Phưỡng Hiệp floating markets. Like other floating markets, visitors to Long Xuyên Floating Market can also enjoy breakfast on a canoe, including vegetables, cakes, coffee, and sweet congee served by local women.

Figure 9. The location of Long Xuyên Floating Market

Source: Credit to Google Map. Illustration: Nguyễn Mạnh Tiến, 2020

Long Xuyên Floating Market functions as an important water transportation hub, connecting Cambodia, Long Xuyên, and the lower Mekong Delta. Thus, Long Xuyên Floating Market plays a cross-regional and cross-border role, attracting merchants from many provinces to live and trade. Together with Cái Răng, Long Xuyên Floating Market is currently the largest floating market in the Mekong Delta. An informant noted, “In the past, the biggest floating markets in the Mekong Delta were Cái Bè and Trà Ôn, but now Long Xuyên and Cái Răng have replaced them” (V.V.L., male, 54 year old fruit seller at Long Xuyên Floating Market, interviewed 2 April 2013.)

I conducted two surveys in May 2013, counting about 200 to 220 boats anchored in the area, while other boats were engaged in long distance trade. Like other markets, the busiest time of Long Xuyên Floating Market is from 5:00 a.m.
to 8:00 a.m., dwindling in the afternoon. Mr. V.V.L. added: “The market is crowded only in May and June. The rest of the time, half of the people go home somewhere or engage in long distance trade. At its peak time in the past there were around 700 to 800 boats. It is declining now”. The decline of Long Xuyên Floating Market is mainly attributable to the growth of road traffic. Mr. N.H.P. said:

Now, trading on the river is more disadvantageous than trading on the road. To buy goods here, people must take a boat, canoe, or sampan. In the inland market, goods can be delivered to homes, and traders do not have to waste energy and money to travel. In the past, there were so many boats, canoes, and sampans in this market, and now you see it, very few.

(N.H.P., 52 year old grapefruit seller, Long Xuyên Floating Market, 2 April 2013)

Long Xuyên Floating Market has a wide variety of commodities, such as sugar cane, dried coconut, fresh coconut, sweet potatoes, pumpkins, cassava root, watermelons, pineapple, bananas, grapefruit, plums, and lemons. The products are ranked according to quality, with the best being sold to Hanoi and HCMC, as well as Chinese and Cambodian markets. A trader explained, “This market delivers goods to Cambodia. We deliver them here. This is the center. Customers in Châu Đốc also come here to purchase our goods (to sell at the border)” (VVH, male, 47 year old merchant, Long Xuyên, 3 May 2013). Other commodities are sold mainly in the Mekong Delta area.

(8) Cái Nước Floating Market

Cái Nước is situated in the center of the five districts of Cà Mau Province, namely Trần Văn Thời and Phú Tân (northeast), Dàm Đôi (east), and Nam Cân and Ngọc Hiên (south). It is located on National Road 1A, 35 kilometers away from Cà Mau city center and 15 kilometers away from Nam Cân town. In the Cái Nước Floating Market area, in addition to National Road 1A, rivers and canals also allow 15 to 20 tons of cargo boats to reach all areas.

Cái Nước, Dàm Đôi, Phú Tân, Nam Cân, Ngọc Hiên, and other areas of Cà Mau Province have undergone a profound economic restructuring since 2000. The government has provided support and encouragement for farmers to convert rice fields into ponds for raising shrimp, crabs, and fish. With the changing economic structure, rural communities have tended toward cash crop specialization. As a result, farmers produce a higher volume of commodities for sale, meeting the needs of Cà Mau residents and supplying hundreds of seafood processing facilities inside and outside the province.

However, the shift to aquaculture has made it difficult to grow rice, fruit and vegetables in Cà Mau. As a result, most households are no longer self-sufficient as they were in the past, when they grew their own food. With economic growth, households in the region have created a new market for fresh produce. At the same time, new farming methods have made U Minh and Trần Văn Thời regions vegetable and fruit producers. As a result, over the past 10 years, Cái Nước has gradually become the largest floating market in Cà Mau.

Cái Nước Floating Market is the center of three commodity flows by water and road. By water, large cargo boats from the Mekong region and Ho Chi Minh City sail along the Cửa Lớn River and Ống Trang River to Cái Nước. Boats on the provincial canals can also carry cargo from Vĩnh Thuận, Phù Mỹ, Cái Răng (the upper part) to Cái Nước. On the road, large-tonnage vehicles transport goods from the Mekong River and other provinces to Cái Nước along National Road 1A. Produce from U Minh and Trần Văn Thời is also transported to Cái Nước via the canals.

In Cà Mau province, road conditions are not as convenient as rivers and canals, and village shops and groceries have limited offerings. Commodities brought by floating merchants, in contrast, are fresh every day. Locals like to eat fresh fruits and vegetables, so they buy goods from Cái Nước Floating Market delivered daily by boat or canoe. According to information from floating merchants, at the time of my observation there was about 1,000 boats and canoes distributing goods from Cái Nước to all corners of the southeastern part of Cà Mau Province. Demand is high, so the volume of transactions and the number of traders’ boats in the floating market is at maximum capacity. In addition to boats that supply or buy and fresh fruits and vegetables, there are about 12 to 15 grocery boats on the floating market, mainly operated by merchants from other provinces.

Cái Nước Floating Market is very busy from 1 a.m. to 4 a.m., and then distributors ship the goods to different areas for sale. From 11 a.m. to 3 p.m., the market is busy again, but not as crowded as the morning. Goods from U Minh and Trần Văn Thời arrive in two shifts, in the early morning and afternoon.
4. Discussion

4.1 Conditions to Form Marketplaces

The description of the current floating markets in Vietnam’s Mekong Delta indicates that floating markets form in places with appropriate geographic and economic conditions. These conditions include:

(1). Infrastructure for riverine trading. The Mekong Delta is dense with networks of long rivers and canals, interconnecting provinces, regions, and small villages. In the past, row boats were the main form of transportation in the region. Nowadays, road transportation plays a vital role. However, motorboats still help people to travel and trade, especially in remote areas.

(2). The moderate confluence of rivers and canals. Rivers and canals meet to form T-shaped, five-direction, or seven-direction intersections where riverine traders can gather to do business. People can easily travel to the upper or lower part of the Mekong Delta from these confluences. The waterways must have a moderate water flow and be neither too deep nor shallow. These conditions ensure a safe environment for transactions on the water; furthermore, they allow traders to anchor their boats when they need to go ashore. Therefore, floating markets form in tributaries, not in the Mekong River itself.

(3). Abundant agricultural production. Floating markets mainly offer fresh produce. The Mekong Delta is the cradle of agriculture in Vietnam. It produces agricultural products year round. Each region specializes in certain agricultural products, and farmers have excess produce to sell. Residents also want produce from other regions, creating demand. Floating markets offer a location to buy and sell agricultural goods.

(4). Inland infrastructure. This study shows that floating markets need the support of onshore services such as electricity, clean water, parking, and storage. Inland markets help to supply floating markets with agricultural goods that are more profitable when transported by truck.

4.2 The Floating Market as Central Place

As mentioned above, each floating market is central to its commodity distribution network. Each market also forms a hierarchy within the network. The seller buys goods from the supplier on the farms or at the floating market. In turn, these sellers redistribute these goods to smaller traders, and the smaller traders redistribute them to other inland retailers or directly to customers. The central position of the floating market is dependent on both its location and the specialized agricultural production of the area. For example, Cái Bè Floating Market is the central place for Tiền Giang Province because traders can reach it by the canals to buy agricultural products. Meanwhile, traders who buy from other floating markets (Cái Răng, Ngã Bây, and Ngã Năm) gather at Cái Bè to produce to redistribute in their hierarchical network.

The floating markets are also closely linked to each other. Merchants can buy commodities from one floating market and trade in another. For example, Cái Răng supplies merchants at other floating markets such as Ngã Bây and Ngã...
Năm. Cái Răng is, itself, supplied by merchants from Phong Điền and Cái Bè floating markets and farmers from the lower and upper regions of the delta. Each network of merchants and agricultural specializations enables trade at a certain market or along a route. Traders from Cà Mau, the farthest province in the delta, can go up to Long Xuyên (about 180 km), Cái Bè (over 200 km), Cái Răng (150 km), Phong Điền (140km), Ngã Năm (85 km), or Ngã Bảy (120 km) floating markets. This is so because traders either trade on floating markets or sell along their waterways. They can buy commodities from farms, fields, or floating markets, and then sell them to other floating markets at another location or along the waterway. When they sell their goods, so long as they can make a profit, they will load another cargo from another floating market.

Observations indicate that the more the floating market is connected, the more diverse its commodities are. For example, the Phong Điền and Cái Bè floating markets mainly focus on fruit due to their availability in the surrounding region. Cái Nước Floating Market specializes in fresh fruits and vegetables because people lack these types of products in the saltwater shrimp and crab farming areas. The floating markets of Ngã Năm, Ngã Bảy, Cái Răng, and Long Xuyên offer all kinds of commodities.

Christaller’s (1944) Central Place Theory is only partially applicable to the situation of floating markets. The key feature of the Christaller system is the emergence of a regular hierarchy, where a central location on one level provides a complete set of goods and services specific to that level, as well as all bundles specific to all lower levels. As a result, a central place at any given level serves a market area that contains many lower-level places and rural areas. In the Mekong Delta, each floating market was central to its locality provided the aforementioned favorable conditions. The modernization of rural areas in the Mekong Delta enabled linkages among the floating markets. Thanks to new roads, concrete bridges, motorboats and mobile phones, riverine traders can extend beyond their familiar trading network. Floating markets in the delta operate within a wide distribution system and assume a commercial role according to actual local and intermediate needs. A floating market serves as a central place for the local trading network and a place where riverine traders from elsewhere can bring their goods for sale.

The Phong Điền and Cái Răng floating markets exemplify this dual function. Although Phong Điền is very close to Cái Răng, they are still separate. Each one has its own network and the floating markets are the centers of their networks. Even riverine traders from Phong Điền transfer their goods to Cái Răng for easier sale. However, Phong Điền is connected to provinces up and down the river, making it a convenient entrepôt. These routes are shorter than going via Cái Răng Floating Market. Traders from Phong Điền market can buy agricultural products from Cái Răng or Cái Bè market to ship via its own network.

5. Conclusion

The floating market is the center of the cargo distribution network in the waterways of the Mekong Delta in Vietnam. In accordance with Christaller’s (1944) Central Place Theory, the floating market does offer a range of commodities specific to its location. Floating markets also serve subordinate floating markets and rural areas. From the perspective of Christaller, population threshold and geographic range provide a top-down explanation for the emergence of a cascade system at a central place. As far as the interaction between consumer choice, firm agglomeration and functional hierarchy is concerned, Mulligan, Partridge, and Carruthers (2012) proposed that centrality determined by price positioning and consumers’ travel costs. Simultaneously, the clustering of firms leads to the formation of a hierarchy that effectively provides all possible commodities. For the floating markets in Vietnam’s Mekong Delta, however, these factors are not important. Their location depends on moderate water conditions and accessibility, the requirements of trading by boat, agricultural surplus, and inland infrastructure. Unlike other approaches to CPT, my study of the floating market in asserts that this network does not clearly form a hierarchical network although they are the central place. A floating market can occupy a central position in its own network, but occupy a subordinate position in another floating market’s network. Each floating market has its own hierarchical network. And these networks interplay with each other and this formulate the network of floating markets in the Mekong Delta. This is the case because of the merchants’ flexible trading strategies.

References


Notes

Note 1. Including 140 floating merchants (in which 95 wholesale riverine traders and 45 retail ones), 17 local officials, 22 inland traders, 14 vegetable and fruit growers, and 5 tourists.

Note 2. Known as Saigon prior to 1975.

Note 3. After the Vietnam War (1975), the Vietnamese government centralized almost all economic activities; farmers had to join state-run cooperatives. Spontaneous markets, such as the floating markets in the Mekong Delta, were banned. The 1986 Reform Policy (applied in 1991), encouraged non-state economic sectors so long as activities are legal and do not harm national interests (Luong 1994, 79-113; 2007, 439-53).

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