Culture, Structure, and Co-Ethnic Relations of Indonesians Migrant Entrepreneurship in Taiwan

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Migrant entrepreneurship prompts a series of fascinating research questions on the nature, culture, and interconnectedness of migrant situations within host settlements. The rise of migrant entrepreneurship is the outcome of the integration of these cultural-structural elements in order to mobilize resources to fulfill the demands of entrepreneurship and to obtain competitive advantages in business. This paper describes how the symbiotic relations between migrants and their socio-cultural conditions shape the patterns of Indonesian entrepreneurship in Taiwan. In practice, Indonesian migrant entrepreneurship in Taiwan involves entrepreneurs applying local values or customs in the host society and then (re)produce them in their business activities, expecting profit from customers without losing the social cohesion of their business operations. Two interactive model apply in this practice: first accommodate the basic social and economic needs of migrant workers and develop social cohesion among them; second, entrepreneurs engage in mutual relationships in their developing social networks in Taiwan. Indonesian migrant entrepreneurship are not independent economic business operations; rather, they are strongly linked to the social and cultural conditions of migrants. Entrepreneurs often play the role of “friends” in need, acting as a third-party resource to migrants so they can find help and self-actualization, as well as acting as patrons and brokers to migrants in trouble. The data on which this paper is based was collected in Taiwan from June to December 2014 using participation observation and in-depth interviews as the basic research methods.

Keywords: culture-structure, migrant, entrepreneurship, co-ethnic relations, patron-broker, Indonesians

Ethnic (migrant) entrepreneurship practices have established a potential pool for encouraging entrepreneurial talent. Such entrepreneurship, as Kloosterman and Rath (2003, p.2) said, contributes to the supply of local products and satisfies the socio-economic needs of the migrants as well. The literature on migrant entrepreneurship highlights the co-ethnic aspect of such businesses. For instance, in the small-scale enterprises that comprise the ethnic sector, common destiny, common language, and cultural similarities are particularly important...
The entrepreneurs rely primarily on local resources and ethnic networks (Salaff, Wong & Ping, 2003; Salaff & Greve, 2005), depending on their social capital (Zhou, 2014). In sum, migrant entrepreneurial activities are deeply embedded in community networks, being characterized simultaneously by an inward orientation and by distinctive social and economic intercommunity links. Waldinger, Aldrich, and Ward (1990) found that migrant entrepreneurship is a result from a match of supply-side characteristics with structural opportunities enabled by the demand side. Most of migrant entrepreneurship study addresses the economic and social aspects of ethnic (migrant) entrepreneurship, focusing on sociological development, entrepreneurial motivation, or geographical function. Indeed, the perspective also includes the cultural approach, wherein ethnic and immigrant groups are equipped with such culturally determined features as dedication to hard work, membership in a strong ethnic community, compliance with social value patterns, loyalties, and orientation towards self-employment. These features provide an ethnic resource that can facilitate and encourage entrepreneurial behavior and support the ethnic self-employed.

However, it shows that based on field observation in this topic, especially in Asia countries of migration (Japan, Hong Kong, Korea, Taiwan, Malaysia, and Singapore), migrant entrepreneurship have a large role to play as social middleperson between local migrant societies. As demonstrated by their business orientation, rather than merely providing local products, entrepreneurs also provide social services for co-ethnic migrants, such as spaces for religious practices, educational, entertainment, and administrative help; dedicated space for counseling; and other facilitations, including helping migrants in trouble (for details, see Yuniarto, 2014). In the case of established migrant entrepreneurship in Taiwan, the context of entrepreneurship is no longer considered a sideline, transitional, or traditional economic activity; it has come to be seen as a key long-term economic activity, a source of income, and a response to labor market conditions. Besides contributing to the interactive development of the modern urban landscape, immigrant entrepreneurship in Taiwan is a significant element in combating unemployment and welfare drain through proactive job creation (for detailed studies on migrant entrepreneurship in Taiwan, see Huang, 2009; Huang & Tsay, 2012; Huang & Douglas, 2008; Chen, 2014; Hung-Ing, 2008; Lan, 2011; Tzeng, 2012; Chi & Jackson, 2012; Nga, 2010).

In the case of established migrant entrepreneurship and their co-ethnic relations, Indonesian migrant entrepreneurship not only stand in the basic economic relations, such as trader and buyer. These entrepreneurial acts also appear to be based on migrant condition realities. These practices are referred to as the social activism, patronage, and broker patterns of Indonesian migrant entrepreneurs in Taiwan. Their businesses go far beyond economic development in using and practicing migrant custom knowledge, adjusting to labor conditions, and establishing social relationships among migrants. Therefore, the question on which this paper will elaborate, besides questioning how the culture-structure element, is as follows: “How does the interaction between Indonesian migrants and entrepreneurs shape the roles that Indonesian entrepreneurs in Taiwan play as social activists, patrons, and brokers?”

CONCEPT DEFINITIONS

Culture-Structure

Two accepted theoretical models, cultural and structural, predominate in the explanations of why immigrants turn to entrepreneurship. Therefore
I used as practical analyses in this paper. Portes and his colleagues (Wilson & Portes, 1980; Portes & Bach, 1985; Portes & Manning, 1986; Portes & Zhou, 1992) theorized that most the enclave had a structural and a cultural component. The structural approach suggests/refers that external factors in the host environment push migrant into or adapted with self-employment. In any case, to open a business, the entrepreneur has to mobilize all the resources available to him, from the startup of certain ethnic strategies and design of the economic project within the opportunity structure and group characteristics. The entrepreneur combined individual resources with external opportunity in entrepreneurial practices. This stimulate entrepreneurs to maximized opportunity where they have. Portes and his colleagues characterized the cultural component of migrant enclaves in the following ways: economic activities within the enclave are governed by bounded solidarity and enforceable trust. These are mechanisms of support and control necessary for economic life within the community. A modes of incorporation typology is used to explain and unify the causes and consequences of entrepreneurship development and transformation (see detail in Zhou, 2004; Schiller & Caglar, 2013; Aldrich & Zimmer, 1986; Portes, 1995). The crucial ability to enter broader social networks also remains vital to an understanding of immigrants’ economic mobility. To apply this concept, Brettell (2003) suggested that approaches to migration and entrepreneurship should emphasize both structure and culture dichotomies.

Social Activist Entrepreneur

A social activist entrepreneur is defined as an individual with an attitude driven by the desire to create positive social change using an entrepreneurial framework. Theoretically, social activist entrepreneurs are people who allocate their monetary contributions and efforts to mobilize resources for use in communities (Couto, 1997); who have a value commitment to benefiting a community (Dhesi, 2010); and who, by making a contribution to the social good, express their identity as caring, moral persons (Wuthnow, 1991). In the context of Indonesians in Taiwan, migrants hold the status of newcomers, and they carry the image of being poor and minority sojourners, so entrepreneurs serve to generate participation in social activities. Dhesi (2010, p.708) mentioned that the “bounded solidarity” of the lower castes might impel members to help each other rather than reach out to the wider community. In addition, social entrepreneurial activities are quite demanding in terms of having a general awareness of social issues (Abu-Saifan, 2012, p.25). In the practices of migrant entrepreneurs, social activities are also usually linked with a cultural element (such as migrant weekend activities, migrant needs, and migrant problems), and they consist of pursuing innovative solutions to social problems and serve to build solidarity within communities (Brandellero, 2009, p.32). Therefore, entrepreneurs become social agents who organize cultural, financial, social, and human capital to generate revenue from migrant activities (Portes & Sensenbrenner, 1993).

To understand social relationships between migrants and entrepreneurs, the concept of migrant social capital is helpful. Social capital is often inherent in the social relations among co-ethnic members; it could be embedded in the formal organizations and institutions within a definable ethnic community and it structures and guides these social relations (Zhou, 2014, p.8; Salaff, Wong & Ping, 2003; Salaf & Greve, 2005). It was found that patronage and broker/agent are practical concepts used to analyze the migrants and entrepreneurs who operate within these patterns. Patron and broker entrepreneurship among Indonesians in Taiwan are based on relations between entrepreneurs as owners or patrons and with migrants as helpers or clients.
who work with them as dependents, creating a dyadic relation in the business operation. The patron–broker relationship is generally characterized by an unequal relationship between a superior (a patron or broker) and a number of inferiors (clients, retainers, or followers) (Pelras, 2000, p.16; Wong, 1988, p.10). The patron/broker becomes a leading figure for all clients through the assistance he or she provides when necessary, including monetary loans and protection (Pelras, 2000, p.16).

**CONCEPTUAL FRAMEWORK**

Schiller and Caglar (2013) suggested an analysis that extends beyond the individual entrepreneur, as well as beyond the enclave of ethnic economy, paying attention to the symbolic and behavioral dimensions of entrepreneurial activities as an important aspect. Entrepreneurship may be associated with migrant economic mobility, but the conditions of the migrants themselves—the migrant situation, labor, and the larger society—also influence entrepreneurial activities (Schiller, Caglar, & Gulbrandsen, 2006; Waldinger et al., 1990). Conceptually, migrant workers, conditions, and entrepreneurs’ interconnectedness can bridge both the macro (economic structure) and the micro (individual relations) multidimensional aspects (Vertovec, 2007; Brettell, 2003). In this regard, according to Zhou (2013), rather than seeing migrant entrepreneurs merely as participating in economic activities or difficulties, it is important to see entrepreneurs as people operating a business and to reveal the social background that will enable the recognition of their entrepreneurship pattern or model. Figure 1 elaborates these relationships. This paper begins with the context of the problems of Indonesian migrants in Taiwan, which can be divided into two dominant issues: socio-cultural

![Figure 1](image-url). The Indonesian migrant worker and entrepreneurs relation in Taiwan.
and migrant conditions. Entrepreneurs respond to the migrants’ everyday needs by applying a non-administrative entrepreneurship style (left box). Other stakeholders, conversely, are in charge of dispute resolution regarding labor or working problems (right box). Regarding migrant activities and problems, both sets of actors carry out cooperation as a form of institutional coordination. However, this paper aims to discover the social function of the Indonesian entrepreneur in accommodating the social needs/problems of migrants in Taiwan, as shown in the entrepreneurs’ box.

METHODS

In this paper, Indonesian migrant entrepreneurs are the subjects of analyses. According to head of the Indonesian Entrepreneurs Association in Taiwan, the estimated number of active Indonesian entrepreneurs in Taiwan reached more than 300 by 2014, consisting of owners of neighborhood stores and restaurants, outlets, shipping, and remittance services. Indonesian entrepreneurs in Taiwan employ approximately 1,500–2,000 local helpers (Yuniarto, 2014, p. 98). Compared to other Southeast Asian migrant communities in Taiwan, Indonesian migrant entrepreneurship enjoys an advantage over a number of potential competitors, benefitting from co-ethnicity to carve out economic niches; thus, this particular group is representative and it was chosen as the study example. Based on the qualitative approach taken, the primary data were gathered mostly through in-depth interviews concerning the entrepreneurial stories of entrepreneurs and participant observations of daily activities. Fieldwork was conducted from June through December of 2014.

Distinguished entrepreneurs were chosen as examples of the most active and pioneering individuals in Indonesian entrepreneurship and due to their participation in various social activities. The fieldwork started with a multilayered consultation with Indonesian government officials in Taiwan, as well as with the head of the Indonesian Business Association and with entrepreneurs residing in Taipei. This starting point was chosen in an attempt to assess the Indonesian enclave economy and to locate prospective entrepreneur informants. The particular research locations were Taipei City and Taoyuan County, but some observations were made in other cities. As a result, stories were collected using the resources in this paper from entrepreneurs, academicians, and legal/illegal workers. Participants were contacted by either email or phone before the interview to arrange venues and times, to state the research aim, and, in some cases, to send the interview questions in advance. All the interview sessions lasted between one and one and a half hours, and they were recorded for later analysis with the consent of the research participants. Most questions were open-ended, and impromptu and follow-up questions were asked to encourage research participants to clarify and further explain their opinions. Further, the gathered data were analyzed descriptively, as the study was expected to yield comprehensive results of the entrepreneurs’ daily activities.

RESULTS

Snapshots of Migrant Entrepreneurship in Taiwan

On weekend days, it is easy to observe migrant activities in the cluster of Indonesian, Thai, and Vietnamese shops surrounding the Taipei, Taoyuan, or Taichung railway stations, which are the locations of the main industries where Southeast Asian migrants work. Especially on the weekends, these places are migrant villages where Southeast Asian migrants cluster and socialize. On any given weekend, people heading
toward those cities are likely to see Indonesian, Vietnamese, or Thai people gather outside lively shops. The Thais or Vietnamese are cheerful and joke with each other while watching local news or sport programs on a large television, while some of the Indonesians eat and talk and others sing in a small karaoke room. These shops typically serve co-ethnic migrant customers and provide ethnic products such as instant food, national beer, snacks, and dried foods, but a few Taiwanese do buy imported goods from the shops. A major part of the store is usually devoted to cultural goods: CDs and cassettes of local pop music, videos, newspapers, magazines, and novels. The stores also sell clothes, underwear, jewelry, cosmetics, luggage, bedsheets, smartphones, tablets, and even used computers. When migrant workers gather in the shop, they usually group themselves on the floor, where they chat, nap, share snacks, take photographs, or make free Internet calls from their smartphones. When hungry, they feed their homesick stomachs at the hometown delicatessens. If feeling bored, they go shopping at the mall, or hang out in small dancing clubs and karaoke bars run by ethnic entrepreneurs on nearby streets. Ethno-consumptive space in Taiwan has created a cultural landscape for migrant workers, forming an ethnoscape of Southeast Asian workers in general, and migrant workers from specific countries in particular (for detail, see Nga, 2010; Lan, 2003).

Yeoh and Huang (1988) proposed the term *weekend enclave migrant* to describe the situation. The presence of migrant self-employment enlivens city and regional landscapes (Sahin, Nijkamp, & Baycan-Levent, 2007). The migrant community publicly demonstrates its identity, and there is also intermingling between locals and migrants. Of course, not all the migrants are similarly situated; they represent different ethnic, cultural, and socioeconomic backgrounds, not a monolithic entity within the city or society. Because their economic function can bring them into contact with a broad range of local society, self-employed migrants play a key role in introducing ideas and knowledge about cultural diversity into that society (Sahin, 2012). The ethnic neighborhood shop has become the first choice for gathering and social exchange for migrant workers in Taiwan. Hence the migrant economy of “the multiethnic urban areas create particular opportunities for small migrant businesses to compete: first by forming fragmented patterns of demand that reduce economies of scale in serving the local population; and second, by offering large niches that serve central city minority slums that attract neither mainstream firms nor the native middle-class population” (Razin, 1993, p. 97).

**Culture and Structure**

Culture, in the form of practice of religion, local food consumption, tradition, association, or ethnicity, and also structure in the form of economic opportunities, enclave condition, economic challenge, actually has an impact on business entry motives and on the development of the nature of business chosen and adaptation. Thus, entrepreneurs responds to novel situations which take the form of reference to old situations, or workers customs which establish in their own business model and anticipate business challenge ahead. Below I explain both structure and culture; describe about contextual issues and culture-structure element support entrepreneurial activities.

**Cultural component.** First, local products. Developing “from below,” the pattern of Indonesian entrepreneurship often evolves from the traditional food sector to varied products in music, electronics, religious materials, and other commodities and services. Offering electronic services such as Internet banking, online shops, and money remittances has also helped Indonesian migrant business become more highly developed and aggressive. Indonesian migrant
entrepreneurship enjoys an advantage over potential competitors outside the group because of the relation and closeness that exist within the co-ethnic community. Indonesian migrant entrepreneurship not only offers ethnic/local products, but also develops migrant capacity-building and empowerment activities through the offer of information sources, informal training programs, and sponsorship of religious activities. Migrant entrepreneurs may face, in principle, the choice between targeting economic benefits directly through commercial and financial activities, or indirectly through educationally and socially-oriented activities that are not ostensibly related to “business” (i.e., that may not involve a “sale”). The model in practice is almost always mixed, representing both value chains in parallel, direct sales of ethnic products and needed services on the one hand, and the fostering of indirect “empowerment” markets on the other. It is understood by all that Indonesian migrants still face a difficult situation while working in Taiwan, and that the co-ethnic solidarity represented by empowerment activities broadly benefits the migrant community.

Second, home memories and behavior. Home custom activities conducted by Indonesians basically derive from a famous philosophical idiom in the context of social connections, known as merawat hubungan, or the maintaining of relationships, which preserves and extends the soul of fraternity. Sometimes Indonesians refer to an old Javanese idiom, mangan ora mangan kumpul, which can be interpreted as: “With or without food, people gather with each other, to show the spirit of mutual cooperation and social solidarity.” In this sense, the entrepreneurs import local custom values into the host society, thus (re)producing knowledge about migrant home village habitual while continuing to foster social relations. They do expect to make a profit from their customers without losing a fraternal sense of social interaction. In other words, business is always personal using custom value.

Besides related with home custom activities, there are other religion celebrations such as Eid al-Fitr, national celebration like the Indonesian Independence Day, or the Chinese New Year. Thanks to the entrepreneurs who facilitate communal activities, most migrants can relax and enjoy their vacation. These events usually attract hundreds of migrant workers and can get very crowded.

Third, socialization. Besides celebrating local events, some companies invite their customers to take a tour and travel around Taiwan. The social networks between migrant entrepreneurs and customers keep them in continuous contact. The same business location may serve as a one-stop neighborhood store, a mini-market, a restaurant, and a travel agency, and customers thus have many reasons to make multiple visits. The creative combinations of different products and services offered are quite striking. It is common to find karaoke rooms, Internet facilities and computers for private learning, Mandarin lessons, group association meetings, and other social activities in their business place.

Based on explanation above, the entrepreneurial practices could be described as “migrant cultural entrepreneurship” that functions as part of a broader process of socialization in the host country, and is internalized within many business activities. Understanding migrant experiences is a crucial advantage for migrant entrepreneurs, and gives them a better chance of succeeding in their business ventures. Business actually is a part of the struggle for life and without capital accumulation. Entrepreneurs engage in cross-national activities as part of their business interests. Inevitably, Indonesian migrant entrepreneurs are positioned within the wider “social field” of the Indonesian migrant population in Taiwan. They face all the familiar issues of such a migrant (workers) community: looking socio-economic articulation, religious solidarity and group articulation, struggling against marginality, working pressures, family
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orientation, the “stylization” of particular transnational products (e.g. trend product and promotion, etc.), making new identities as a result of their own current transnational experiences, and migrant bonds of solidarity. In sum, (Indonesian) migrant cultural entrepreneurship is necessarily multidimensional, and an entrepreneur can be multifunctional in various ways that are inherent in their overall structure of opportunities: religion or migrant association, investing in the local market with various entry modes, mobilizing resources across borders of nation-states, or developing economic resources through their fellow migrants.

Structural component. First, administrative policy. Many Indonesian entrepreneurs marry Taiwanese nationals, or obtain Taiwanese citizenship in order to facilitate their being issued business licenses (and their navigation of the bureaucracy in general). According to my informants, Indonesian entrepreneurs have needed to change their visa status in order to continue staying in Taiwan. Marrying a Taiwanese national is one open option for them to regularize their status and realize their business aspirations in Taiwan. Many of the Taiwanese nationals that Indonesian entrepreneurs marry come from a lower-level socio-economic background themselves, and because of social prejudices, educational shortfalls, and so forth, have been blocked from entry into well-paid professions, or even the mainstream labor market altogether. For Indonesians, blocked mobility can force them to fall back on their community and seek self-employment as the most effective way to gain income in their host society; for their Taiwanese spouses, marrying into the migrant community can paradoxically represent a way to realize some of their own thwarted economic aspirations. Indonesian migrant entrepreneurs must follow standard procedures required of foreign businesses. An Indonesian national starting a business in Taiwan faces a complicated administrative process. He must first apply for a business visa and register the name of his company with the Economic and Trade Office (TETO) in Taipei and Jakarta.

Second, budget adaptation. The entrepreneurs are most concerned usually regarding this issue. If start from zero, the costs involved in opening a business such as a neighborhood shop normally reach N.T. $1 million, which can be divided into N.T. $750,000 (U.S. $24,000) for buying and renting restaurant equipment, and N.T. $250,000 (U.S. $8,000) for buying food supplies, and other expenses. Typically, an entrepreneur needs one to two years to recover initial costs. I use one example on monthly budgeting/operational cost from my informant in Zhongli city. For instance, the monthly operational costs of a restaurant/shop consist of the following: 1) Rental building cost, N.T. $35,000 (U.S. $1,116); 2) Electrical cost, approximately N.T. $10,000 (U.S. $319) per two months; 3) Water cost, N.T. $4,000 (U.S. $127) per two months; 4) Buying materials, N.T. $7,000 per three days (U.S. $223); and 5) Gas costs, an average of N.T. $800 (U.S. $25) per week. Weekday income from a restaurant/shop averages N.T. $2,000 – 3,000 (U.S. $63 – 95) per day, while weekend income averages N.T. $8,000 – 10,000 (U.S. $255 – 319) per day. Average gross monthly income for such a restaurant/shop would typically fall in the N.T. $100,000 range (U.S. $3,200). Based on these figures, we can imagine how entrepreneurs have to manage the business well, and how much it would appear that a reasonable profit can be realized from such a business.

Third, structural opportunities. Becoming an entrepreneur, or creating any kind of self-employment, often becomes a motivation after a long time spent working for others. The opportunity to be one’s own boss and not depend on a company salary exerts a considerable attraction for would-be entrepreneurs. Demand from migrant customers operates as a “pull factor” and opportunity for entrepreneurship. An
entrepreneur’s instinct is to catch an economic opportunity and open a restaurant or other business, even though many other Indonesian restaurants and shops may already exist. There are a number of potential economic and social advantages to opening a restaurant: the migrant worker market is still expanding and the opportunities it presents are still open; migrants always like and need their traditional foods; they actively look for opportunities; one business opportunity can and often does lead to another. My interviews on migrant spending behavior suggest that Indonesians in Taiwan spend one third of their salaries for food, while the rest is split between general living costs, gadgets, sightseeing, leisure expenses, savings, and money remittances to Indonesia. When an entrepreneur’s economic instincts meet the migrant community’s economic behavior in an equilibrium of supply and demand, a structural opportunity for profit-taking exists. Migrant entrepreneurs tend to seize opportunities with whatever capital they have (or can raise), and with whatever other advantages they possess. Structural opportunities, ethnic (migrant) strategies, and group characteristics combine to form an interactive model of ethnic business development.

Fourth, post-entrepreneurial opportunities. Typically, established migrant entrepreneurs diversify into other business activities, such as becoming a “broker” who connects migrants with employers or employment agencies. A broker might receive N.T. $3,000 – 4,000 (U.S. $95 – 127) as a commission for each placed worker. While running their restaurant business, entrepreneurs can also receive a good commission from selling local snack products in their shops. They can act as informal money changers, and can offer cargo services both to and from Indonesia. The range of possible ventures that migrant entrepreneurs can expand into is quite broad.

Fifth, networking. Indonesian migrant entrepreneurs maintain various networking relationships for the benefit of their businesses. They develop their own approaches for obtaining information, capital, or employees. Research indicates two basic compositions to these networks: first, a relatively personal one of family, clan, relatives, colleagues, and classmates; and second, a somewhat broader array of hometown people, co-ethnics, and miscellaneous connections such as vendors, customers, investors, group association members, and government officials. In practice, these networks often overlap. For example, social networking based on vertical kinship relationships can also involve horizontal neighborhood connections. All these types of networking—family, friend, and community—combine in the characteristic Indonesian migrant entrepreneur’s strategy network. The entrepreneur as an actor maintains many specific kinds of relations and utilizes all of them with purpose.

Practicing Social Activities

In general, entrepreneurs’ activities can be categorized into four types: social, religious, group, and national activities. Social activities are related to the everyday migrant condition, such as events in the workplace, including work accidents, abuse of power, or poor health conditions. Religious activities are related to support for ritual activities, which customarily includes Muslim organizations or associations for cooperation that hold religious events for the Indonesian Muslim community in Taiwan. Group activities are usually related to relationships between firms or within the community, and these relationships are usually long term and close. Group activity support is given in the form of money donations, room facilities, food or good supplies, and connections. Finally, national activities, which are usually celebrated in conjunction with migrant workers’ events or to observe an Indonesian national holiday, are supported by both the Taiwanese and Indonesian
governments in cooperation with some of the more skilled entrepreneurs, who function as event organizers to assemble information and mass support.

Mr. Joy Simpson, the CEO of Indosuara Company Ltd., was interviewed and discussed stories of entering social activities:

I was often asked to serve as a translator by a migrant agency, employee, or immigration court or to help Indonesian domestic workers. Indonesian workers are so smooth and naive. One time, I got a call from an mba-mba TKI asking how to install a GPRS phone signal or another time, someone told me a story about her situation with a bad employer, or asked, “Why didn’t I get my full salary?” or they inquire about how to ask their employers to be allowed to go out or to have a holiday, etc….I felt sorry for their condition.

Through this touching experience with migrants, he realized the need for some type of communication to serve as encouragement for these immigrants. In 2006, he established the Indosuara tabloid (Indonesia Suara [IS] = Indonesian Voice) to help migrant workers connect with each other and share information. The magazine is a monthly publication, and each edition informs migrants of anything related to the trends in migrant issues, such as migrant activities, news, conflicts, and stories. Since 2006, he has set up many branches of businesses related to migrants, such as IS Style, which promotes stylish clothes and cosmetics for migrant women. In 2008, he also founded IS Multimedia, an online shopping product for migrants so they can shop without leaving the house. He established IS Publishing in 2009 to promote book/magazine/novel publishing for migrants in Taiwan. His latest product was the IS Lounge, established in 2010, where all IS club members can participate in such social activities, such as entrepreneurship seminars, investment seminars, women’s reproductive health workshops, language training, travel and tourism in Taiwan, holiday or group parties, and collecting donations for migrant workers in difficulty, all catering to the migrant worker.

Practically speaking, social entrepreneurs’ activities are effective when entrepreneurs cooperate with other individuals or organizations. Migrant groups, with their limited knowledge of anything outside their workplace or their own networks, share their human and financial resources with the entrepreneur. For instance, Mr. Tony Thamsir, a business person and special radio anchor for Indonesians in Taiwan, has involved himself in the migrant condition for almost 10 years. He spoke of his experience in assembling groups of Indonesian workers to visit tourist attractions and thus relax with friends:

My companies invite the customers to take tours of Taiwan, for example, to visit the Taiwan National Museum, visit heritage sites, hike and enjoy natural scenery, take a bike tour, or participate in a music festival or short story writing competition. For me, this entire network with migrants and associations becomes a further effort to support migrants’ creativity and self-actualization. These events also help businesses to stay in continuous contact with their existing customers.

Mr. Tony started a migrant magazine to encourage Indonesian workers to perform and actualize themselves confidently. For example, he used an Indonesian migrant worker as a model for the cover of his magazine. He also became the producer of an Indonesian migrant band in Taiwan, recording and distributing their albums in both Taiwan and Indonesia. As another opportunity, he joined with an Indonesian student to publish two books that tell the stories of Indonesians working in Taiwan and basic computer technology for migrant workers. He dedicated his work, titled From Zero to Hero, to the Indonesian community in
Taiwan to encourage them to see their lives as being worthwhile.

Social activities are combined with business operations—such as the business location being combined with indoor social activities, such as arisan, wedding parties, pengajian, silahturahmi group meeting associations, and arrangements of outdoor activities, including music events, tourism and travel, and so forth. Other activities include such migrant group celebrations as Eid al-Fitr, the Indonesian Independence Day, and the Chinese New Year. In Kaoshiung City, I met a famous Indonesian couple, Komala and Zainal Abidin, the owners of an Indonesian Muslim restaurant in Kaoshiung, who devote themselves to supporting these types of migrant activities. The Indonesians in Kaoshiung who know them call them the “father and mother” of TKI (Indonesian migrant workers). They provide a place for religious events, as the majority of Indonesian workers are Muslims who practice such religious duties as sholat (praying five times a day), fasting during Ramadan, eating halal food and beverages, and reciting the Quran. They also hold Iftar (the breaking of the fast together) and taraweeh (extra prayers that Muslims read at night in the month of Ramadan) at their place of business. Usually, a group of Muslim migrants collects money to give to the owner to cook halal food and provide special Iftar food, such as takjil (sweet food eaten upon breaking of the fast). Similar activities may occur at other times, not only during Ramadan—for instance, doing tahililan (repeated recitations of the confession of the faith) if a member of a migrant family has died.

Another social activist entrepreneur is Mr. Akui from Taichung City, who also supports similar activities. Established in 2000, his business operation, of late, includes many services: international trade, the sale of products, the packing of goods, the selling of goods for other businesses, helping with medical examinations for foreign workers coming to Taiwan, buying plane tickets, arranging residence permits and insurance, sending money through the post office, shipping by sea and air, and job searching (i.e., being a job broker). He usually supports events on a national scale for migrants. Since its establishment in 2010, routinely sponsored events have included religious activities, migrant entertainment days, singing contests, career support and contests for a variety of migrant worker bands in Taiwan, and special seminars for workers in Taiwan. Social activity entrepreneur, Mr. Deyantono, was also interviewed, who is the owner of a local magazine and money remittance agency, the producer of the film Diaspora and Love in Taipei, and the head of the Indonesian Entrepreneurs Association in Taiwan. Through the organization, he and the college community have forged a solidarity in donating to migrant workers who have had a work accident or serious health problems and in promoting migrant rights, such as advocating for holidays for domestic workers and introducing migrant shelters as a place to find information related to migrant problems. This activity has support from the Indonesian government office in Taipei, as well as from migrant non-governmental organizations (NGOs), as he further explained:

...Because we are one of the nation’s homelands, we all need to help each other. If there are migrants affected or if they need health aid, if they have burned hands, fingers cut off, if they are injured by a torturing employer, we are a fellowship of entrepreneurs who felt inspired to help them or simply give some donations. We collect donation money from other entrepreneurs and continue to distribute it to the victims. This routine activity is now well established, as it was begun in 2010. More than a hundred donations, from NT$3,000 (US$100) to NT$5,000 (US$150) each, have been made to affected migrants, with more than NT$200,000 (US$6,300) in total donations from Indonesian entrepreneurs all over Taiwan.
Patron/Broker Entrepreneurs

Every Indonesian shop/company has its own laoban (boss, owner), someone who plays a major role in creating extensive patron–broker networks. In this sense, entrepreneurs employ the idiom of ethnicity to maintain a degree of ethnic isolation and to enhance identification with the migrant nation. Indonesian entrepreneurs can distinguish themselves as non-formal migration agencies that can usually resolve immigrant problems and thereby be assured of attracting Indonesian migrant clients; as a side benefit, the laoban can also ensure his or her own success by obtaining migrants’ business.

Case one: Illegal/undocumented patrons. The first example is the AB Toko (Toko means shop, a combination mini-market/retail shop, restaurant, and karaoke), a neighborhood shop well known as a place for Indonesian group worker gatherings, which is owned by Mrs. NN and Mr. MM. They also have a rental room outside the AB Toko, where illegal/undocumented migrants can stay for a low price. As observed, there are a number of illegal/undocumented migrants in this area, and they need a place to stay that is safe from immigration police monitoring. The shop owners offer the room secretly to those who need it. In this way, the AB Toko’s laobans have become patrons and brokers for illegal/undocumented migrants. In the year and a half that they have operated this rental room (taken from the date of fieldwork in 2014), they have had no problems running their business. Most illegal/undocumented migrants randomly stay together. They share job information, such as cleaning Taiwanese houses (as part timers/dagong), with each other. AB Toko’s laobans also share information about jobs. Sometimes, Taiwanese employers come to the store seeking a domestic helper to clean their houses or someone to take care of a sick grandfather/mother. They risk being caught by immigration police and returned to Indonesia. Indeed, the shop owners at AB Toko also take a risk when they provide illegal job information, but they are trying to help fellow migrants in the name of humanity. AB Toko’s laobans are also available to migrants to talk about problems or when facing difficulties in their workplaces. For instance, they give advice regarding migrants’ problems with their employers or mediate communications with migrant agencies and the Indonesian government in relation to work problems. They can also help migrants who are involved in accidents and need to contact an agency, employer, or the Indonesian government to obtain assistance. AB Toko also covers medical costs for migrants before health insurance money is paid, and the migrants can repay it later.

Case two: Broker entrepreneurs. Two other broker activities commonly performed in conjunction with being an entrepreneur as a way to get extra money are (1) becoming an interpreter for migrants and (2) managing a shelter house. Mrs. Lili and Mrs. Emmy are two broker agents who work with Indonesian labor or the local immigration court. Their side jobs as interpreters (litigation mediators) consist of providing translation assistance to the Taiwanese government and to Indonesian (illegal) migrants in resolving disputes. Both women began their careers as brokers by using their houses as migrant shelters, especially for troubled or illegal/undocumented migrants (TKI kaburan). Most of the “patients”—the word normally used to describe the troubled migrants they handle—come to the shelter with various problems: fake contracts, torture and rape allegations, and termination of work issues. The shelter normally handles 10–15 people at a time; in 2005, however, Mrs. Lili had to accommodate almost 100 people in her shelter for as long as two months because a factory where the migrants worked went bankrupt. The two women, in their experiences as both interpreters and managers of migrant
shelter houses, are sympathetic to the frequently troubled migrant condition. Troubled migrants heavily depend on the skills of interpreters to solve their problems in immigration court and to forge the best deal with their employers. For instance, Mrs. Lili mediated for one migrant, KM (initial name), a woman who became pregnant by her employer, who took no responsibility. In short, both KM and the employer resorted to the law to find a resolution. In this case, KM claimed compensation from her ex-employer for the child who would be born, with the ex-employer claiming, on his part, that the intercourse was consensual, as evidenced by the absence of violence. At the time of my research, the dispute resolution for this case was still in the judiciary process. In such cases, the entrepreneurs play the role of “friend in need” because they can understand what the victims are feeling and serve as a broker between the migrant workers and the government and employers.

Businesses related to migrants are promising, as they create interest in other entrepreneurs. Churches or Muslim groups also play a broker role in mediating migrant problems. The role of the church is represented by the priest, or by a group of individuals in a Muslim organization and they provide a shelter. Both churches and Muslim organizations derive advantages from brokering migrants, as they add new members to their congregations in addition to pursuing their main mission. The Indonesian Bethel Church (Gereja Bethel Indonesia [GBI]) in the Taiwan branch and the China Muslim Association-Special Branch Nahdatul Ulama in Taiwan (CMA-PCI NU) are two examples. The GBI mostly motivates, coaches, and trains the Indonesian community, which is dominated by Chinese-born Indonesians, while the CMA-PCI NU is dominated by volunteered student and migrant workers. Both groups actually have the same mission: to bridge communication with the government and society at large and to offer social services. In some case, Indonesian spouses or migrant workers often suffer from discrimination and violence in the form of sexual abuse, deprivation of religious freedom or of eating halal food, false working contracts, and violations of rights as workers and as spouses of Taiwanese. These organizations provide advocacy and mediate between the migrants and their employers or spouses either legally or through consultation. On the entrepreneurial practice, they promote social activities, such as religious retreats, visits to tourist sites, religious lecturer events, and so forth, and at the same time, they raise funds by selling religious merchandise/accessories, food, and clothing and by collecting donations from their members. The religious institutions enjoy a prosperous income from this job as well.

Case three: Patron-broker entrepreneur. For this case, an example was taken from Toko “Warto Hasan,” owned by Mrs. Hasanah, an Indonesian, and Mr. Chin Lai Huang, a Taiwanese. This couple invested money into building a mosque beside their house called the At-Taqwa Mosque. This mosque not only facilitates all Muslim prayer in Taoyuan County for Friday prayers, but it also serves as a Muslim organization. The mosque organization offers many sub-activities, such as a radio show with a special program called “Hasanah on the Air.” Besides the radio program, this mosque oversees some Muslim organizations, such as Majelis Taklim Yasin Taoyuan (MTYT); the Indonesian Worker Muslim Family in Taoyuan; the Indonesian Workers Association, Taoyuan branch; and the Indonesian Worker Community in Taoyuan. Mrs. Hasanah is no longer a patron of these organizations, but her name has become well known in the Indonesian and Taiwanese societies and particularly among the Taiwan government in Taoyuan.

Her role as a patron is now illustrated in her mutual symbiosis with the At Taqwa Mosque organization, with ex-employees and friends,
and with Taiwan Immigration. For the At Taqwa Mosque, Mrs. Hasanah became an investor and a financial resource for mosque organizational activities. Besides serving as a patron for the mosque organization, Mrs. Hasanah has become an advocate for ex-employees who want to develop their own businesses, and she works with the Taiwan Immigration Office by providing employment for illegal migrants under their supervision as part-time workers. The Taiwan Immigration Office recognizes her store as “bonafide” and has a good relation with this firm, so they can send illegal migrants safely to work there while their cases are still in progress at the immigration court. Because of her good reputation in Muslim society, Mrs. Hasanah is sometimes appointed by the Muslim organization at the At Taqwa Mosque for social meetings with the government or to represent the Indonesian Muslim Community in Taiwan. She becomes “the messenger” for other migrant organizations deals with problems relating to the provision of halal food at the factory, providing a room for prayer at the factory, send complaints to the Taiwan or Indonesian government when migrants have difficulties.

DISCUSSION

The Social Function of the Middleperson

Entrepreneurial activities and migrant workers in Taiwan have three fundamental interconnected characteristics, according to Portes and Zhou (1992): (1) bounded solidarity, (2) enforceable trust, and (3) brokerage as a social mechanism. They interact to allow the community to survive economically and socially. According to the matrix analysis and the cases explored, entrepreneurs foster activities that facilitate migrant workers’ integration by providing an awareness of education and entertainment possibilities while working in Taiwan, giving them a place to exist, and organizing their social activities. They also take care of illegal/undocumented migrants, processing return home documents, driving them to the immigration office, and sometimes providing food and basic lodging along the way. They also educate migrants in a positive way: they spread labor information in tabloids, magazines, and websites; provide informal language courses; make their businesses into migrant group activity secretariats; and pour their financial resources into religious activity, donations, and even shelters where illegal migrants can stay. Their entrepreneurship activities, to some extent, attempt to create migrant capacity building and to empower quality Indonesian migrants as the government or NGOs do. Previous case studies have shown that entrepreneurship is regarded as a positive profession for an individual or community. Socially speaking, the entrepreneurs have a social function in serving migrant communities and connecting with other social environments. From their standpoint, they mediate the relationships between the Indonesian migrant workers and the Taiwanese government (i.e., the immigration office or police), as well as between employees and the Indonesian society. The role of Indonesian migrant entrepreneurship in Taiwan in its middleperson position may be summarized as “the bridge.”

According to Belshaw (1965, as cited in Kim, 1995), the role of the bridge cannot exist without the social acceptance of entrepreneurial innovations, assistance, or support, which should also be understood as investments in the future, in a friendship network, and in trust. Barth (1972, as cited in Kim, 1995) also found the role of entrepreneurs as significant because it is closely related to a leadership role, and it has social and economic implications for the social structure. Heberer (2004, p.19), based on his study on Chinese Yi ethnic attributes, believed that entrepreneurs are analogous to “headmen,” owing to their leadership function and commercial
activities in society. All the informants in this study admitted that they were accepted as such leaders by migrant groups; the migrants listen to their opinions, invite them to participate in decision-making, ask for their advice, and depend on them to solve many problems. Only a few people have these qualities of leadership/headmen. The traditional abilities required (intelligence, courage, wisdom, and trust) are widely accepted (Heberer, 2004, p.19), and one who has a reputation for innovation, experience, and the wise use of resources automatically grows into this role and becomes a leading figure (Kim, 1995, p.145) in the partnerships in which they participate. Indonesian entrepreneurs also become spokespersons (referred to as headmen) to transmit information about migrant needs and problems to the government or to other stakeholders. For example, through magazines/tabloids, they may publish news or write opinions regarding migrant issues; they likewise help in handling cases of migrant workers in various situations.

A Moral Obligation

As indicated earlier, social entrepreneur activities, patronages, and broker jobs have been formed and manipulated to launch socio-economic activities in response to the migrant condition. In particular, social activities, patronage, and broker relations have become important instruments for establishing firms, obtaining financing and employment, and maintaining stability and relationships with customers. By means of a social perspective, this study offers a socio-cultural explanation for how migrant entrepreneurs and entrepreneurship can emerge, maintain, and transform the migrant enclave’s problems and activities in time and space migration. In this study, I followed Portes and his colleagues (Wilson & Portes, 1980; Portes &Bach, 1985; Portes & Zhou, 1992) in identifying two important concepts in the enclave economy, that is, structural and cultural component. One of the structural components is co-ethnicity, which provides a framework for the relationships between owners and workers and, to a lesser extent, between patrons and clients. In terms of the cultural component, the economic activities are governed by the mechanisms of support and control, which are necessary for economic life in the community and for the reinforcement of norms and values. In my opinion, both elements define how migrant entrepreneurs construct their socio-economic behaviors in a new country. This premise concerning entrepreneurial practices, as shown in this study of entrepreneurs and the plight of migrant workers, shows it to be both a kind of dialectic relation and a moral obligation to fellow sojourners. In this aspect, this work resembles Scott’s (1976) hypothesis in his work The Moral Economy of the Peasant, wherein he showed that people’s expectations of sharing their wealth with other members of the clan or community were essentially a moral obligation. For instance, the principle of mutual help come into exist as well as the practice of mangan ora mangan kumpul as mentioned above.

As observed, the migrant condition—in the forms of the practice of religion; migrant traditions, such as making associations and maintaining strong ethnic ties; and petty conditions in the workplace—actually affect business strategies, entry motives, and the development of the nature of the chosen business. The companies of entrepreneurs can become self-help institutions for migrants having trouble; such companies can distinguish themselves from formal migration agencies and can arrange solutions to immigrant problems, thereby being assured that they will attract Indonesian migrant clients. The entrepreneurs observed through this study assist the migrant and Indonesian societies in the following ways: they provide illness, working accident, and death donations; support costs for ritual festivities; hold workshops for migrant entrepreneurship or business training.
in their own companies; collect donations for village development in migrants’ places of origin, and so forth. Based on these social practices, the entrepreneurs’ dual role is clarified: on the one hand, such entrepreneurs are members of a community network and on the other hand, they remain entrepreneurs who must consider the interests of their companies (Heberer, 2004, p.15). In this regard, Joy Simpson said:

…In principle, my company is doing business not for profit only, but our profit will be used for our needy Indonesian friends in Taiwan; we earn money from them and give back to them. However, I don’t give it in the form of money; rather, I share my business knowledge or give facilitation support to their positive activities.

The entrepreneurs’ stories shared herein seem to reflect what Geertz (1963, p.90) pointed out in his study of Bali peddlers and princes: entrepreneurial success “will lead to a higher level of welfare for the organic community as a whole,” showing their contributions to the community. Therefore, in my case, the art of Indonesian migrant entrepreneurs’ social practices in Taiwan is seen also as part of a societal moral obligation rather than solely economic. To this point, typically, migrant entrepreneurship activities and moral obligations are both part of a cognitive process and act to encourage individuals to feel strongly committed and determined to create a social venture to address a social need.

CONCLUSION

This paper has demonstrated the salience of the interrelationship between cultural and structural elements, structural opportunities, and socio-cultural practices among Indonesian migrants and entrepreneurs in Taiwan. This paper also explored the pattern of Indonesian migrant entrepreneurial activities with co-ethnic relation in Taiwan. The entrepreneurs’ mobility is limited to the local community and rooted in the moral economy—they share wealth with other members of the community to support or assist them—and the relationship between entrepreneurs and migrant workers goes beyond the normal economic relationship between buyers and sellers. This is because the pattern of entrepreneurship seems to support broad capacity building in the Indonesian migrant society in Taiwan. The migrant worker condition forces entrepreneurs to enter into the migrant social life dimension or social/administrative migrant problem, in addition to looking for financial benefits. In other words, the market creates a new and separate moral and value system of entrepreneurship.

It can be concluded that entrepreneurs stand between two poles: one is planted among economic factors (i.e., gaining profit), whereas the other stands upon its moral obligations to the community (i.e., the migrant fellow), and there is a mutual exchange between these two positions. This stance is a result of the embeddedness of the economy in the wider social context because, as Marcel Mauss (1954, as cited in Heberer, 2004, p. 24) has said, “Exchange is not simply an economic transaction, but a total social phenomenon.” Both socio-cultural activities and patron–broker relations are the result of the intersection of these two poles.

This paper has attempted to offer a comprehensive explanation on the role of migrant entrepreneurs and their social functions, and this includes the social context of entrepreneurship behaviors, especially the development of social relationships through which people obtain information, resources, and social support (Aldrich & Zimmer, 1986; Salaff, Wong & Ping, 2003; Salaff & Greve, 2005). In other words, though entrepreneurs function as brokers or middlepersons between migrants and other societies against a backdrop of profit making,
their entrepreneurship is strongly manifested in socio-cultural and solidarity motives within the community (Bonacich, 1973; Waldinger et al., 1990). Thus, entrepreneurs, to some extent, become leaders and agents of change within their societies.

ENDNOTES

1 The culture-structure part of this paper was presented at The Third International Conference on Asian Studies, “Challenges and Issues in the 21st Century: Asian Perspectives”, organized by the International University of Japan (20–21 June 2015). The main issues on co-ethnic relation was published in Ritsumeikan Journal of Asia Pacific Studies, Vol. 34, 2015 entitle Social Activist, Patron, and Broker: Indonesian Migrant Entrepreneurs in Taiwan, rewrite with some revision.

2 The formal word is embak. In Javanese, mbak means older sister; in general, mbak means “miss.” Indonesian people also use it in various fields—for example, at a traditional market, restaurant, or bank—to speak to unknown women, such as a waitress or a female housekeeper.

3 A regular social gathering where members contribute to and take turns winning an aggregate sum of money.

4 Pengajian comes from the word kaji, and it means review. It can refer to prayer, individually or with a group of people, and it refers to gatherings for reviewing the surah in the Qur’an or hearing religious lectures or a public sermon.

5 This means going to say hello to someone either inside or outside your family and having a conversation. This term is used for associations based on similarities in region, religion, or place of work.

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