

## Migration and Informal Networks as Effective and Equitable Strategies of Poverty Reduction

The History of the Informal Settlement Community  
of Nongbouatong Tai, Laos

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A few decades ago the informal settlement of Nongbouatong Tai was small, composed of just a few migrant families residing near Laos' capital city, Vientiane. Over time, more and more people began migrating, especially from the Houaphan Province in the North, and settling in Nongbouatong Tai. Today, the community is composed of over 30 homes, many of which are composed of families and individuals from the Houaphan Province. There is a strong sense of community in Nongbouatong Tai with many of its residents working in community weaving cooperatives and relying on these types of informal kinship networks for social and economic security. Lian, one of Nongbouatong Tai's migrant residents initially came to the village to take advantage of her kinship ties and opportunities there. Using the traditional methods taught to her by her grandmother, Lian makes a living by working in the weaving cooperatives. While these informal networks appear to have enabled Lian to successfully migrate and use her traditional skills to find work, Lian still worries that she is not making enough money to stay and that one day she will be forced to move back home. Studies on informal settlement communities have mixed findings on the success of migration or informal support networks as sustainable economic alternatives or poverty reduction strategies. As part of a reflection exercise, this paper will study the migratory nature and informal network in the informal community of Nongbouatong Tai, looking at history, trends, and motivations of migration as well as the characteristics, potentials and limitations of informal networks to reduce poverty in one of the least developed countries in South-east Asia.

## INTRODUCTION

First, I would like to look at historic data, current trends, demographic data and a personal interview to explore the motivations to migrate for some of Nongbouatong Tai's initial and current residents. Secondly, I will explore the potentials and limitations of these informal networks as methods of providing social and economic security within the community. More specifically, the paper will rely on Participatory Rapid Appraisal data collected during the Special Interest Group in Urban Settlement (SIGUS) trip to Laos in January 2004 as well as on existing research on migration trends in Asia and Laos and informal social networks.

## BACKGROUND

### General Migration Trends

Looking at migration trends through time in Asia can provide a framework for comparing rural-urban migration in Laos. According to migration trends in South Asia before 1970s<sup>1</sup>, migration was portrayed either as from one rural area to another for agricultural employment, or as temporary migration to a town or urban area to secure wages during the slack season. While migration had been largely dominated by male

*Human migration has existed since the colonial and pre-colonial times. This has continued till today, and the process, it becomes a survival strategy for large sections of the population. With rising demographic pressures, the imperative to move for livelihood is increasing.*

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few individual women were assumed to migrate, and few families were found to seek permanent settlement in an urban community. Furthermore, there was more insecurity within the move with migrants leaving their homelands without previously knowing for certain what kind of job they will actually find in other provinces<sup>2</sup>.

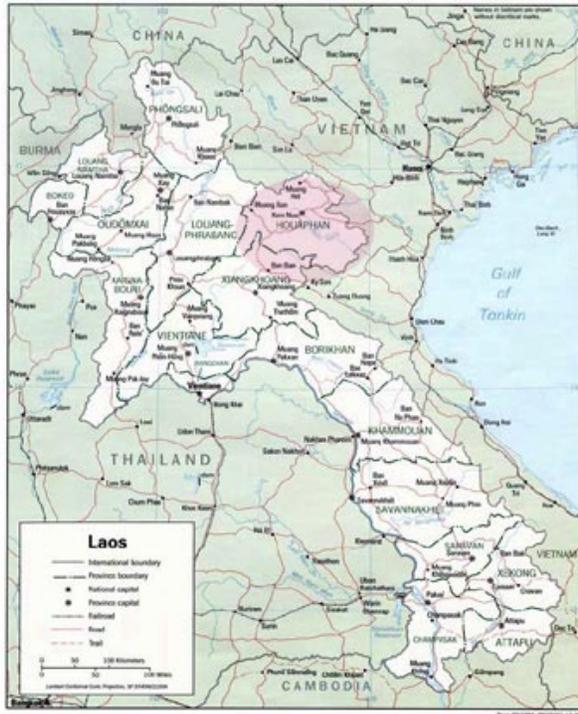
*In Laos, due to urbanization and industrialization, particularly in Vientiane Municipality, Savannakhet, Paksé, Thakhek and Louang Prabang, (internal) rural-urban migration of labour has been on the increase in the recent years.*

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In contrast with today's migrant, the principal motivation to migrate is the need to search for employment, while the secondary reason is to follow other family members who migrate. In comparison to previous migration trends, it seems that there is now a more investment in the migration process with entire families migrating for longer periods of time and more investing in social networks and institutions. Furthermore, today's migrants tend to be more demographically diverse and engage in a wider array of urban activities, social networks, and institutional forms of urban community than their earlier counterparts. This diversity could be due to the increased levels of urbanization and industrialization creating wider arrays of urban activities available in which migrants could be employed and thus<sup>3</sup>. This diversity could be simultaneously increasing the security of finding employment and remaining for longer periods of time.

### Houaphan Province's Migration History

While understanding changing migration trends in Asia and Laos can give us a framework to start understand the demographics of previous and current migrants, the cultural, political and social background specific to Laos and the Houaphan Province



Map of Laos, Houaphan Province

can shed even more light on the motivations for people over the years to migrate to Nongbouatong Tai. Traditionally, in Laos' rural agriculture culture, when farmland near a village became scarce or its quality declined, part or all of a village might decide to relocate where there was more potential. In general, Lao's overall low population density enabled villagers to use migration as a method to facilitate the search for new lands<sup>1</sup>. However, while traditional practices seemed to facilitate migration patterns, recent history dictates that migration in Laos and more specifically in the Houaphan Province may have been caused more from a history of political turmoil, colonial exploitation, devastating war, and economic isolation.

Particular in the Houaphan Province, villagers were heavily bombed and involved in many of the battles for independence that took place in the area. While this experience was devastating for many residents, it also gave Houaphan villagers a long history and tradition of shared sacrifice and struggle. This strong history of working together and helping each other is exhibited in a strong sense of community solidarity. For those that did migrate during this time, it was as part of an attempt to move to more secure populated provinces<sup>2</sup>. Susceptible to political insecurity, economic and physical isolation, both previous and current villagers faced and still face many obstacles associated with remaining in their homeland. In contrast to today, without the circumstances of war, research tells us that Laotian villagers seem to migrate more in search of better economic prospects promised by industrialization than political asylum.



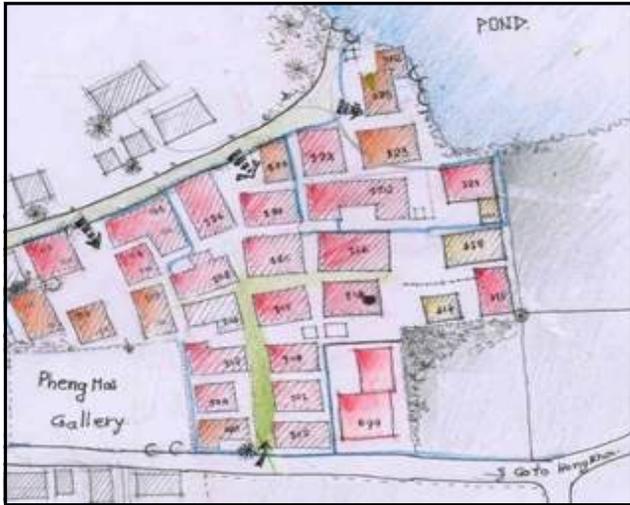
Rice paddies wrapped around a bomb crater



Woman cutting preparing her textile to sell

Getting to know the Current Migrant Population of Nongbouatong Tai

While understanding global trends and Lao's history can help us understand some of the dire and complex motivations that have influenced Houaphan Province residents to migrate, looking at data and interview data can help us understand the situation of its current residents, understanding why they migrate to the informal settlement community of Nongbouatong Tai today. In order to understand whether this rural-urban migration was motivated by recent industrializing trends within developing countries, I wanted to explore the nuances of one migrant's personal story. Although personal to nature, the following story reflects many typical trends common in many interviewed.



Nongbouatong Tai Village Layout



Weavers selling textiles



View of Nongbouatong Tai by Pond

Weavers at work



### One Migrant's Story: Lian lɔ̄h vi

Lian is a 49-year-old weaver who moved to Nongbouatong Tai nine years ago from Sam Neua (Xam Nua), the capital city of the Houaphan province located in the northeast of Laos. She came to Nongbouatong Tai with her husband in search of work and to start a life for her family. The decision to come to Nongbouatong Tai was easy since many of her husbands' extended family members had already migrated there and established themselves, facilitating their initial arrival and settlement in the community. While her husband finds various temporary jobs in town as a mechanic or taxi driver, Lian often works with one of the weaving cooperatives in the community along side her sister-in-law. Since her great-grandmother and grandmother had already taught her to weave elaborately patterned skirts and shawls, it was easy for her to begin working. When each piece is complete, she sells the skirts either directly to tourists or to the gallery located within the village.

Initially Lian was scared to move to such a big city, but she has now grown accustomed to it and feel comfortable with her new family and friends. She mentions that although her husband often gets work as taxi driver or day laborer, there often isn't enough work or money to go around. She complains that the price of silk fluctuates a lot and that there is never enough space in which to work or looms to work with. She wishes that there were more tourists to buy her weavings or better work for her husband. Some of her friends and family have move back to Sam Neua to return to work in agriculture when there isn't enough work in Vientiane. Although she misses her home she enjoys living in the city and worries that she will too have to move back to Sam Neua if her and her husband can't make more money.

While the political turmoil may have motivated many previous migrants to flee to Vientiane, many of Nongbouatong Tai's newer migrants, like Liana and her husband, express that they have migrated for economical reasons attracted not only by the promise of jobs and higher qualities of life in urban areas but by the security of preexisting kinship networks. Lian's story is similar to many migrants in other Asian countries like Cambodia where the principal decision to migrant was based on either economic or personal reasons. In considering the growth of Nongbouatong Tai over the last 20 years, this change could be largely due by the fact that people like Lian and her husband are now migrating for the benefits that come with greater economic diversifica-

tion in the new urban markets, bringing with them more permanent plans to start families and staying for longer periods of time.

While the story of many of Nongbouatong Tai's residents share similar characteristics to that of Lian, migrating to maximize their incomes and improve their standard of living, creating a sense of general heterogeneity in their composition, employment conditions and social security. The community on a whole is composed largely of individuals and families living communally together (30 homes, average size: 4-5 people)<sup>1</sup>. However, in contrast to the historically male-dominated migration trends, the community of Nongbouatong Tai has many more migrant women than men residing in the community (42 males, 118 women)lɔ̄h vi. Recent studies suggest that the increasing trend for women in Asia to migrate is not simply to follow their husband but to search for personal growth, autonomy, or simply for a more urbane social life<sup>2</sup>. This help illuminate the potential social benefits that might motivate women to choose a community like Nongbouatong Tai where these existing kinship networks and weaving cooperatives simultaneously provide social and economic livelihoods.

*Geographic mobility of labour helps to reduce poverty. To this extent there need to promote a rational migration policy. At the same time, it is equally important to put in place policies that would advance regionally balanced development, encourage labour intensive industries and activities, and help rapid human capital formation so as to provide opportunities for people locally as well.*

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## REFLECTIONS

### The Potentials and Limitations of Informal Social Networks

Before entering the community, I had expected an community like that of Nongbouatong Tai, within Asia's poorest country, in an area not formally serviced by the government and largely composed of migrants, to be fairly marginalized and disconnected from social and economic capital. However, through conducting interviews with migrant residents like Lian's, informal kinship networks have managed to create economic opportunities, create some sense of institutional security, and lessening the risk and costs that come with migrating. These social kinship networks have played an important role in perpetuating the flow of migration and ensuring migrant success in societies in which formal opportunities to secure credit or land ownership is limited<sup>i</sup>.

Although weavers from the Sam Neua province have the reputation for weaving some of Laos's finest traditional style shawls, they have limited access to urban markets and capital for production. The opportunity to migrate near an urban city and form cooperatives expands a woman's potential to market and produce her textiles. The informal social networks and weaving cooperatives seem to aid women into the weaving production process. Despite concerns mentioned in interviews regarding the fluctuating cost of silk and profits from producing textiles, weaving seems to be the most consistent form of employment within the community.

However, while the experiences of Lian and others interviewed in Nongbouatong Tai suggest that the informal support networks provide essential social and economical capital to facilitate initial migration and integration in the community, this support does not always facilitate permanent economic security and permanency within the community. The existence of both back and forth migration implies that these networks have their limitations, providing more of a cushion softening the initial costs of migrating rather than providing permanent security within the community. While the existence of a strong weaving network in the community and large female population, we can infer that the opportunities for men are not as great.

In addition to its economic limitations, over reliance on informal network make migrants more susceptibility to the structures social limitations. Researchers have raised critical concerns over the existence of social bias and favoritism where member-

ship is often determined as much by pre-existing social relationships, spatial relationships, and resource holdings as by a potential migrant's skills, honesty or efforts<sup>ii</sup>. In Laos and Indochina more specifically, a person's identity and position in society is often determined by his or her family's reputation and socio-economic status<sup>iii</sup>. Although it is hard to determine whether these social biases indeed exists within the community or have facilitated the return migration for some its residents, it is important to acknowledge the weakness and limitation of social biases and discriminatory attitudes to support or hinder the migration and integration migration process. Often it is populations with the least pre-existing social relationships that are the most economically and spatially marginalized.

*Human capital, social networks and identification of niches in labour markets play a critical role in ensuring a better bargaining position for the migrants.*

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## ENDNOTES

<sup>1</sup> *Workshop on Poverty Reduction and Social Progress: New Trends and Emerging Lessons*, A Regional Dialogue and Consultation on WDR2001 for South Asia, Rajendrapur, Bangladesh, 4-6 April 1999.

<sup>2</sup> Kuhn, Randall; *Identities in Motion: Social Exchange Networks and Rural-Urban Migration in Bangladesh*, Institute of Behavioral Science, University of Colorado at Boulder

<sup>3</sup> Cambodia Development Review, *Labor Migration in the Transitional Economies of South-East Asia, Evidences on its impact on poverty from Cambodia, Laos and Vietnam*, Volume 6, Issue 1, January- March 2002.

<sup>4</sup> Library of Congress, *Laos: The Refugee Population*, Country Studies, July 1994.

<sup>5</sup> *Age-old tradition: The weavers of Sam Neua*, The Shawnee News-Star, 1997 [http://www.news-star.com/stories/012498/art\\_weavers.html](http://www.news-star.com/stories/012498/art_weavers.html)

<sup>6</sup> Participatory Rapid Appraisal data collected during the Special Interest Group in Urban Settlement (SIGUS) trip to Laos in January 2004.

<sup>7</sup> Feldman, Shelley, *Rural - Urban Linkages in South Asia: Contemporary Themes and Policy Directions*, Department of Rural Sociology, Cornell University.