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## **Digital entrepreneurship in Taiwan and Thailand: embracing precarity as a personal response to political and economic change**

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### **Abstract**

This article examines the significance of digital entrepreneurship in East Asia as informal work, based on empirical research in Taiwan and Thailand. Digital entrepreneurs in East Asia can be thought of as a new class of “creative workers” who aspire to the neoliberal ideals of the West that advocate free markets and individualism. While digital entrepreneurship offers low-cost opportunities, it also represents highly precarious careers. The transition to the digital economy also means the expansion of the informal economy, which has existed in both Taiwan and Thailand. The encouragement of startup ecosystems by respective political and economic elites serves to sweet-talk the creative class to participate in precarious work, or it may be an open bid to gain market share by incorporating informal businesses. In response to the theme of the special issue, this article discusses two contrasting cases and considers the significance of digital entrepreneurship as informalisation of work.

**Keywords:** digital entrepreneurship, startups, precarious workers, informal economy, informalisation, digital economy, neoliberalism

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This article examines the significance of digital entrepreneurship in East Asia, based on empirical research in Taiwan and Thailand. The notion of technology has been closely linked to American “can-do” optimism and “the late twentieth century [...] American values of education, innovation, and entrepreneurialism [...] adopted by elites the world over” (Ong, 2006: 173). In the case of Taiwan, which industrialised rapidly in the 1970s to become an “Asian tiger”, engineers and computer scientists trained at the prestigious national universities in the 1970s and 1980s would go into corporations for lifetime jobs. The country’s electronics manufacturing industry has been under threat in recent years. Internet and mobile startup entrepreneurs in Taiwan have rejected standard working practices that have become untenable in the past decade. For startup founders, therefore, “working for oneself” instead of toiling for large companies is about embracing liberal values and voluntarily engaging in informal work. The startup ecosystem in Thailand is relatively new and is concentrated in Bangkok. Here, it is the Thai power regime and the elites who have the freedom to create Thailand’s first logistics system and the e-commerce backbone for the digital marketplace, with trends imposed by the global digital agenda (such as fintech and biotech), discursively creating an irresistible model for Thai startupper to follow.

Digital entrepreneurship in these instances has been influenced by the late capitalist American (and Western) values while the two nations’ economic and political histories are unique. Digital entrepreneurship can be seen as a “lifestyle” choice connected to conspicuous consumption and shared global discourse around entrepreneurship rather than economic necessity. The transition to the digital economy can also mean the expansion of the informal economy, which has existed in both Taiwan and Thailand. The encouragement of startup ecosystems by respective political and economic elites serves to sweet-talk the creative class to participate in precarious work, or it may be an open bid to gain market share by incorporating informal business. In response to the theme of the special issue, this article discusses two contrasting cases in East Asia and considers the significance of digital entrepreneurship as informalisation of work.

Digital entrepreneurs in East Asia can be thought of as a new class of “creative workers” who aspire to the neoliberal ideals of the West that advocate free markets and individualism.

While twenty-first century digital entrepreneurship offers low-cost opportunities, it also represents highly precarious careers. To understand the new information and creative workers of the digital age, we may refer to a large body of research that seeks to examine their “work” experiences in a variety of ways, as they are perceived to be knowledge workers (Drucker, 1999), venture labourers (Neff, 2012) or new model workers (Ross, 2009), performing immaterial, cultural work (Gill and Pratt, 2008) and following their passions (Arvidsson et al., 2010). In particular, these writers view the new creative workers in the context of risk-taking, in which the workers are involved in the monetarisation of knowledge while rejecting a traditional work structure. Within the discourse of new venture labour, workers are attracted to the digital creative sector because it is thought to be “cool, creative and egalitarian” (Gill, 2002). Angela McRobbie (2015: 38) has recently argued that “creativity is designated by current modes of biopolitical power, as the site for implementing job creation and, more significantly, labour reform; it is a matter of managing a key sector of the youthful population”. McRobbie’s argument relates to the UK and European condition, but it may be relevant to understanding the socially mobile, young generations in East Asia as ex-centric examples for whom digital entrepreneurship demonstrates new discourses of work and labour against a backdrop of new economic realities.

This comparative study responds to both the discussion of the ex-centric creative work raised by this special issue, and a rising academic interest of creative workers in the specific East Asian contexts (Lin, 2018; Chow, 2017). In this article, we employ the concept of digital entrepreneurship to understand sole traders, freelancers, and startup founders. We analyse “different social-political contexts, [in which] cultural work becomes historically and geographically situated processes” (Lin, 2018: 15). As examples of ex-centric creative work, we have two interrelated research questions: (1) how are precarity, informality and networks experienced by the new generations of entrepreneurs in Bangkok and Taipei? and (2) how are these examples of ex-centric creative work a result of the specific political, economic and social contexts?

## Research Methods

In 2014, Leung interviewed 60 nascent entrepreneurs and 17 venture capitalists, business angels and mentors, and managers of business incubators, accelerators and co-working spaces in Taiwan. She conducted social network analysis (SNA) on the startup ecosystem using

NodeXL, noting the central role of Taipei-based and international business accelerators and venture capitalists among a loose network of nascent tech company founders. In 2016 and 2017, she conducted further fieldwork within the startup ecosystem, interviewing entrepreneurs and managers of business support groups and attending industry events. She also observed co-working and hackerspaces in Taiwan. Her fieldwork totalled 13 months. Cossu based most of his investigation of the startup scene in Thailand on Hubba, a leading co-working space and central to the digital ecosystem in Bangkok. He conducted a three-month-long piece of ethnographic fieldwork and 15 interviews in 2016 and 2018. He adopted a mixed-methods approach that combines qualitative and digital research methods (Rogers, 2013). This type of research methods mix allowed the researcher to combine granular analysis, tracing “the grain of everyday life [...] given by the naturally occurring forms of social order and cultural forms” (Atkinson, 2017: 11), generating qualitative insights with a synthetic view of the complex social worlds in which a subject or a group is embedded (Caliandro and Gandini, 2017). In particular, the digital data was gathered using the software Netvizz (Rieder, 2013), collecting data from Facebook. Given the platform’s intense and widespread adoption in Thailand, this provided consistent and sufficient data to support hypotheses formulated through the use of ethnography. While we both employed SNA to understand the wider context of the respective ecosystems, we turned to qualitative methods (ethnography, observation and interviews) for the fine-grained data. The evidence was interpreted with a firm understanding of the social, political, cultural and economic contexts of Taiwan and Thailand.

## Changing Asia: the two cases

### *Taiwan*

After the Second World War, the Taiwanese population faced difficult economic and political transitions that laid the foundations for the country’s history of entrepreneurial activities. The indigenous Taiwanese (*benshengren*) were denied access to the professional and political leadership; many *benshengren* became entrepreneurs to earn a living, resulting in an “unusual high percentage of self-employed labor force” (Yu and Su, 2004: 388). Most of the businesses started during this period were small, on a micro scale or family-run, including street vending and other retail shops and services (Myers, 1984: 521). They created an informal economy mostly sustained by the working class, while the middle class and the

elites entered corporate and political life. According to a government White Paper published in 2018, there were 1.43 million small and medium enterprises in Taiwan, making up 97.7% of total enterprises and employing 78.44% of the island's workforce.<sup>1</sup>

The country industrialised rapidly in the 1970s to become an “Asian tiger” economy. From the early 1980s, the Taiwanese government encouraged foreign high-tech firms and supported domestic companies, especially those manufacturing computer hardware, such as motherboards, where 95% of the products were exported (Kraemer and Dedrick, 1996: 237). The country began to experience a transitional era from the 1990s, when the major electronics corporations increasingly faced fierce competition. This led to political change and dissatisfaction with policy strategies, such as the signing of the Cross-Strait Service Trade Agreement, which had important political ramifications as Taiwan came under threat of domination by mainland Chinese identity politics (Harrison, 2014). The fear prompted the Sunflower Movement of 2014 (18 March–10 April), during which students in Taiwan occupied the government (Legislative and Executive Yuan) building. They protested against the passing of the Cross-Strait Service Trade Agreement by the ruling KMT (Nationalist) party without a detailed review process.

Taiwan's high-tech industry is particularly dependent on the global trade, and the financial downturn in North America and Europe of 2008–9 adversely affected its economy. For instance, in the fourth quarter of 2009, the Taiwanese consumer electronics company HTC had 4.5% of the global share of the smartphone market, dropping to 4% in the third quarter of 2012. HTC has since failed to maintain its position among the global leading smartphone manufacturers.<sup>2</sup> Shares of HTC have lost more than 90 percent of their value since 2011.<sup>3</sup> This, coupled with the weakened domestic economy, which continued to suppress salary levels, meant that at the time of Leung's fieldwork in 2014 and 2016, a Taiwanese college graduate might receive an average monthly salary of NT \$22,000 (US \$715, at September

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[https://book.moeasmea.gov.tw/book/doc\\_detail.jsp?pub\\_SerialNo=2018A01334&click=2018A01334#](https://book.moeasmea.gov.tw/book/doc_detail.jsp?pub_SerialNo=2018A01334&click=2018A01334#). Accessed 14 January 2019.

<sup>2</sup> <https://www.statista.com/statistics/271496/global-market-share-held-by-smartphone-vendors-since-4th-quarter-2009/>. Accessed 14 January 2019.

<sup>3</sup> <http://www.forbes.com/profile/cher-wang-wenchi-chen/>. Accessed 10 February 2016.

2018 exchange rate) (the so-called 22K generation). This has had profound effects on the career choices of the new generation. The salaries of the more established workers also remain low compared to those in other developed markets in East Asia. Alongside industrial restructuring was the perceived lack of opportunities within the traditional technical professions, which in the past were favoured by the computer science and electronic engineering graduates. These difficulties prompted many graduates to seek alternative careers, including in the informal economy. The startup ecosystem, based mostly in the capital, Taipei, consists of new enterprises that utilise Internet and mobile technology; venture capital funds and investors, some of whom coming from abroad (especially the USA and Japan); and business incubators, accelerators and hubs, many supported by the government and co-working spaces. The startup model follows the Silicon Valley ethos closely—what we will call American Ideological Apparatus—which has been imported through those who have been educated or worked in the West and through interacting with global capital and business networks.

### *Thailand*

According to scholars (Bello et al., 1998), the economic policies of Thailand since the 1950s have created the structural problems that paved the way for the 1997 economic crisis. If the first three decades of this strategy were based on import substitution industrialisation, from the mid-1980s the country changed its policy to more export-oriented growth. According to Studwell (2013), prolonged investment in domestic-oriented manufacturing differentiates between the “sound” Asian Tigers, including Taiwan, and the weaker ones (Malaysia, Indonesia and Thailand). The key variable is what he defines as “export discipline” (Studwell, 2013: xvi), standing for targeted subsidies to firms capable of exporting and competing at a global level. This gap is also reflected in how the two different groups of “Asian Tigers” recovered after the financial crash triggered by Thailand in 1997. The first group reacted promptly, while the second is still lagging behind in their recovery. These factors contribute to the contrasting wealth between the groups: the GDP *per capita* reported in 2018 by Taiwan was US \$26,520, compared to Thailand’s US \$7,570.<sup>4</sup> However, over the

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<sup>4</sup> International Monetary Fund.

<https://www.imf.org/external/datamapper/NGDPDPC@WEO/ADVEC/WEOWORLD/TWN/CHN>. Accessed 14 January 2019.

last four decades Thailand moved from being a low-income country to an upper-income country<sup>5</sup>, and its economy has recently begun to rapidly grow again, as shown by the 4.8% growth reached in the second quarter of 2018. In this context, Thai's digital ecosystem has generated investments for US \$500 million<sup>6</sup> over the last five years, and represents a lively although relatively small ecosystem if compared to some of its neighbours, such as Singapore or Indonesia.

The 1997 crisis was preceded by a decade of intense migration within Thailand, especially from the rural northeast of the country. Migrants flocked to Bangkok in search of jobs in both the informal sector and in the booming tertiary sector. In the aftermath of the crisis, the newly-constituted service class was more affected, with hundreds of thousands of lay-offs. Workers were left with little choice but to return to their rural areas, and eventually came back to the capital to become "self-entrepreneurs" or to take part in the flourishing informal economy. They will become key subjects of the digital economy as low-paid service providers for the emerging platforms. In terms of education, university graduates constituted only 3% of the workforce in the early 1990s (World Bank, 1990). Currently, the trend seems radically inverted; recent data (OECD, 2013) show how Thailand has increased access to education at all levels, and has managed to display one of the highest rates of graduates among Association of Southeast Asian Nations (ASEAN) countries.

In terms of capital investment, since the 1980s Thailand has received substantial investment from Japan and the United States. This trend is still ongoing if we consider the most active funds providing economic and social resources to the flourishing Thai digital scene (such as 500 Startups from the United States and Cyberventure from Japan).<sup>7</sup> Notwithstanding the rapid industrialisation and the infusion of foreign capital before and after the 1997 crash, the wages of Thai workers remained low and the country had one of the highest rates of income inequality in the ASEAN region (Bird et al., 2011). The highly controversial Thaksin government's (2001–2006) economic mix of expanded welfare provisions combined with a post-Fordist policy of the informalisation of labour had a marked impact, "turning workers into free entrepreneurs became the new organising principle of contemporary Thailand"

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<sup>5</sup> <http://www.worldbank.org/en/country/thailand/> Accessed 10 October 2018.

<sup>6</sup> <https://www.slideshare.net/techsauce/thailand-tech-startup-ecosystem-report-q2-2018-by-techsauce-107152562> Accessed 10 October 2018.

<sup>7</sup> Techsauce report 2017: <https://www.slideshare.net/techsauce/thai-tech-startup-ecosystem-report-2016>. Accessed 10 October 2018.

(Sopranzetti, 2017: 71). Such a principle appealed to both the working and the upper classes. The former saw the possibility of emancipation and freedom from corporate jobs, while the latter saw themselves as being able to form, in Thaksin's words, "a new class of entrepreneurs who could marry local skills with international technology and hence move up the value chain" (Pasuk and Baker, 2002: 3).

In Taiwan, the younger generation of graduates (who are yet to establish themselves within large companies and have little to lose) are likely to embrace informality and the risks associated with digital entrepreneurship. They choose autonomy over corporate life, which often means long hours and low salaries. The informal digital economy, however, contrasts with the established working class-run small businesses. While informality has long been a feature among migrants to Thai cities, the expansion of higher education and the increasing popularity of international schooling has brought aspirant startup entrepreneurs, who are in turn supported by the political regimes as a way to manage the economy. Workers become absorbed as new entrepreneurs. In both cases, digital entrepreneurship can be analysed as a response to the changing economic and political regimes. In the following section, we examine our two cases under the central concepts of this special issue: informality and precarity, and ex-centric creative work.

### Informality and the Taiwanese and Thai Digital Entrepreneurs

In both Taiwan and Thailand, the informal economy has been a long tradition mostly associated with the working class, while the middle class and political elites have access to the national and global corporations and the public sphere. Digital entrepreneurship on the other hand represents a new informal economy that co-exists with the formal economy: national and global corporations. Digital entrepreneurship is an informal economic strategy; the entrepreneurs are aspirant capitalists, practising what is in effect precarious labour and often performing long hours with no formal employment structure, working voluntarily for little or no reward. They also tend to rely on informal support, such as the four Fs of startups: founders, friends, family and fools. The goals of these companies are frequently not only monetary, but may reflect a biopolitical function as an attempt to universalise other human values as much as labour value (Arvidsson, 2016). In our respective fieldwork, we seek to understand who are the startupper, why they engage in digital startups and how they experience informality as entrepreneurs.

Startups in Thailand did not exist before 2012. Rather, like the long history of small-to-medium-sized businesses in Taiwan, they existed but were not being labelled in this way. Statistics on startups in Thailand show an intense rise, from under three founded in 2012 to 75 in 2016.<sup>8</sup> To provide some basic information on the Thai context in which startups operate, it is worth noting how half of the population (a total of 67 million) owns a smartphone connected with a 3G connection or higher. Facebook is accessed daily by 35 million Thais, who upload half a billion photos per year on social media—more than in any other country in the world. Digital entrepreneurs in the Thai case are mostly under 40, but, thanks to an active programme of informal education and socialisation in the startup culture, it is not uncommon to meet some of them in their 20s who are still in education and who are already working on their own projects. Among the Bangkok digital “scene”, it is common for many entrepreneurs to have spent at least six months abroad or to have obtained higher education degrees in English-speaking countries. This is also a clear signal that the digital bubble is connected to the social elite. According to Cossu’s interviews with insiders in the local digital scene, only one in six startups is owned by non-Thai people, but there is a strong presence of foreigners in leading roles in the most important firms and startups.

Cossu started his fieldwork in Thailand in March 2016, staying in Hubba, the pioneer of co-working spaces in Bangkok and one of the main hubs for the startup culture. Most of the co-workers were freelancers and digital nomads, and a minority are startupper. Digital entrepreneurship, despite its aim to produce virtual products and services, requires a space in which small startup teams can work together to create a viable prototype to pitch in a matter of weeks or months to potential funders. Furthermore, working in these spaces has more to do with a response to isolation (Brown, 2017) than with a spike in productivity or the recruitment of key figures for one’s new business (Parrino, 2015). This is underlined by the fact that the closed Facebook group that connected all the paying members of Hubba was not able to provide three professionals for a new startup created by one of its former members. In other words, Hubba is a space for engendering new social and cultural networks, which may not have an instrumental function.

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<sup>8</sup> Techsauce report 2017: <https://www.slideshare.net/techsauce/thai-tech-startup-ecosystem-report-2016>. Accessed 10 October 2018.

Almost all the digital entrepreneurs in the Taiwan study are relatively young (20–40), are unlikely to have significant family responsibilities and can therefore take on a risky venture. Class has always played a part in how the population in Taiwan participates in business. At the beginning of the country's economic modernisation, the working class and rural families relied on their children to work in the developing manufacturing economies. However, the digital entrepreneurs are mostly from the expanding middle class, and this signals how the new generations no longer need to support their siblings and parents, unlike their lower-class counterparts in the past. These digital entrepreneurs also tend to be highly educated university graduates, often with postgraduate degrees; many have work experience with tech corporations or other Internet companies (Leung, 2016). Digital entrepreneurship relates to changes in the social, cultural and political landscape in Taiwan in numerous ways. The startups focus on software development, rather than hardware, which has traditionally been a strength of the Taiwanese economy. Instead of the collective drive to enter large corporations and companies that are export-oriented, these startupper shift their preference towards working together in small teams. They strive for the engagement of technology in everyday life and active participation, as opposed to passive consumption. Internet and mobile startups prioritise creativity and quality rather than the mass manufacturing processes of the past. Digital entrepreneurs also challenge the schooling system, which encourages conformity. The startup culture promotes collaborative production, creativity, team work and leadership skills.

The startupper embrace the risks of entrepreneurship. Leung (2016), in an article based on her 2014 fieldwork, argues that family support is important for nascent businesses, although it is sometimes not financial backing or human resources but the influence of the entrepreneurs' economic and social status and emotional support that offers compensation for the precarity of venture labour. Social networks are also important for the startup sector, in which both weak (relationships within the wider startup ecosystem) and strong (among the founding teams and co-workers) ties are vital and utilised. Startup entrepreneurs tend to have close relationships with their team members, but they also develop access to different networks to increase their own economic and social capital and to counteract the risks. They rely on their co-founders and seek business support from the business incubators, mentors, venture capital firms and so forth. In this sense, the Taiwanese digital entrepreneurs tend to form networks for their instrumental function in a precarious sector.

Among the 66 interviewees in Leung's Taiwan study, 9% were aged 40–49, 44% were aged 30–39 and 45% were aged 20–29. It is possible, therefore, to consider that there are three generations of digital entrepreneurs, each adopting strategies to alleviate the precarious conditions of running nascent businesses. Those who were born in the 1970s have mostly come from the traditional electronics and manufacturing corporations. Even with the downturn in the sector, these entrepreneurs were not pushed, however; they chose to leave their stable jobs to start companies. They were the first generation of people in Taiwan to be trained and to benefit from the success of the electronics industry, and they have brought these experiences to their new digital businesses. In their 40s, many have family commitments, but the family units often allow them to take up the risks of entrepreneurship. For instance, this company founder (producing a smart electronic product) suggested:

In our generation, most families have two incomes. My wife has a stable job, so there is not much pressure on me. Even if I don't make much money [from this business] for a while, we can still sustain ourselves.

This founder worked in the electronics industry for fifteen years after graduating from Electrical Engineering at National Taiwan University. He decided to leave his well-paid job after researching the entrepreneurial possibilities, took a few months off for 'a rest', and started the company. His co-founders came from the startup accelerator programme that he attended because, despite his work experiences, his social network was relatively limited. His savings provided the initial capital for the venture, and as he indicated above, his immediate family was stable and financially resourceful enough to enable him to start his company. Many of the digital entrepreneurs in their 30s are also graduates in electronic engineering and computer science and through a social network based on mostly college and university connections, these startupper try to ameliorate the risks with assistance and support from trusted associates (Leung, 2016). This generation recognises their parents' wish for them to gain stable formal employment, but many also see themselves as part of the 22K generation and feel it is up to them to bring about changes and innovate despite the risks.

The post-1990s generation is the third group of digital entrepreneurs. Still in their 20s, most only graduated a few years ago, and many of the male entrepreneurs have only just completed their compulsory military service in Taiwan. Although lacking in social networks or lengthy work experience, they share educational, cultural and social capital, especially

with colleagues they met while at university. These entrepreneurs understand risks, but are yet to establish a career or take on other personal responsibilities; they therefore feel there is little or nothing to lose. As one female entrepreneur (music database) said:

If I spend all the money and don't succeed, I'm still doing things that I like to do. I'll have learned a lot during this time, and will have experienced things and met people I won't otherwise meet if I have a job with a company.

Having come from a comfortable background (both parents are teachers), she is able to embrace precarity and justify the entrepreneurial experience as learning experience even if it may turn out to be financially unviable. Entrepreneurs like this female founder embrace informal economic activities but are unlike the working-class small business owners of the past, or those who undertake unpaid housework or undeclared work, which can be conceptualised as the opposite to formal work arrangements (Williams and Nadin, 2012: 1–10). The Taiwanese digital entrepreneurs are able to participate in the startup scenes if they have the social and cultural capital and can access networks of like-minded entrepreneurs from similar ages and experiences. The younger startupper have little to lose, and their families present a buffer for the precarious nature of starting business ventures.

Networks are similarly important in Bangkok's startup scene, as is made evident by Cossu's plotting of Hubba's position within it (Figure 1). The community with the strongest ties to Hubba comprises both the local startup scene (StartupWeekend, BangkokStartup.com and Ardent Capital, a Thai-based venture capital fund) and the arts and crafts industry, along with design and fashion, a key sector responsible for driving a previous wave of innovation in the economy (Arvidsson and Niessen, 2015). South of these two groups, we find a cluster that can be defined as the "American Ideological Apparatus", which comprises festivals and events (SXSW), funders (500 startups), startups (Uber) and media outlets (TED, TechCrunch, Harvard Business Review).

At the centre of Figure 1 we can see a group formed by national telecommunications companies that act as brokers for important developers in the real estate, a key sector for the Thai economy. While the Taiwanese startup scene can be seen as a response to the transformations in the electronics manufacturing industry, the Thai digital startup scene is deeply embedded in the state and in the most traditional businesses of the country: developers

of real estates and condos. Connecting the network mapping with the qualitative insights, we can see how the link between startup ecosystem and the Thai elite is secured by two key processes. First, regulations provide that every new business must have a Thai associate; second, the state provides the police background checks necessary for the workforce to be employable in the platform sector. This furthers the incorporation of whole sectors of Thai economy, which—as urban transportation (mototaxis in particular) and the informal market—have until now managed to retain a relative autonomy. It is relevant in this sense that one of the most influential Thai real-estate developers is partnering with Hubba to incorporate a co-working space within one of their new buildings in East Bangkok. This is especially important if we consider how we witness, not only the increasing blurring between life and work in the digital and creative workforce, but also the possibility that branding oneself as a creative worker becomes subordinated to the purchase of a commodified lifestyle.

[Figure 1 Social Network Analysis of Hubba Co-working Space]

The precarious nature of startup entrepreneurship is compensated by other social and economic factors, such as the Thai networks that allow the entrepreneurs to embed themselves in the digital culture. In Taipei and Bangkok, most of these startupperes also have no family pressure for financial or emotional support, having come from relatively well-off backgrounds. Entrepreneurship represents an individualistic lifestyle for the younger generations. Leung's interviewees repeatedly stated that entrepreneurship is about controlling their lives. The rejection of stable, corporate life for entrepreneurship demonstrates a new kind of informal economy mostly practised by the young, educated and relatively well-off, especially those with international experiences, as is made evident by the Thai startupperes, while the small informal businesses of the past—street stalls, small family shops—were about survival and mostly established by the working class.

In the case of Thailand, although sharing most aspects highlighted in the Taiwan case, the abundance of small funding (e.g. 500 tuk tuks) for startups, together with the adherence to a competitiveness ideal, apparently dwarfs the significance of strong ties. However, this stands in contrast with the relevance of stronger ties within wider but still limited circles. This is the case with the development of the e-commerce infrastructure by both local enterprises and

Internet giants (Rocket Internet) that has colonised the Thai market platforms thanks to their links with the Thai political elite. Policy advisors in the ministries are key figures in the Thai startup scene. The state is also at the forefront if we look at the importance of its role in making gig platforms commercially viable; their business model relies on the capacity to supply an army of service providers who, to work for the new middle classes of Bangkok, must undergo extensive and detailed police clearing. Startups are therefore attempting (and succeeding) in co-opting entire sectors of the economy, which has managed to retain a certain degree of autonomy notwithstanding the mix of state control and intensive capital investments. This strategy targets previously autonomous workers, small business owners (co-opted in the app ecosystem that will soon require them to transact on the platforms) and the informal economy of street markets. During the interview with a leading figure of a Malaysian media company (the equivalent of Netflix), he clearly stated how his company's business strategy was to push the pirate DVD sellers out of the market by aggressively attacking them on price. Their capital allowed them to suffer initial losses caused by undercutting their monthly subscriptions to match the cost of a single DVD sold on the market.

In both the Taiwanese and Thai startup scenes, therefore, informality is accentuated by the middle class social networks, which are encouraged and co-opted by the state (or political elites) as an economic move. In the Taiwanese case, this has translated into the middle class entrepreneurs' experiment with an informal career in the face of a lack of opportunities in the formal tech sector. However, by doing so, these entrepreneurs absent themselves from mainstream political and economic life. One startup founder (games) said: "The young generation want to try new things. If we are going to get angry with the government, we may as well do something ourselves." What the founder represented was entrepreneurship as a response by the young and disaffected generation: an alternative to political action. Thus, not only is digital entrepreneurship an alternative to the traditional hardware industry and corporate life, but it is also a subversion of collective struggle in times of political, economic and social difficulties. Risks are proffered as an individual life choice and a form of personal empowerment, which also signals autonomy and freedom for those who aspire to a neoliberal Western lifestyle. The startupper see themselves as embracing entrepreneurial ideals (identifying opportunities, creating ideas and innovating). The rise of digital entrepreneurship in Taiwan and Thailand demonstrates the spread of the neoliberal ideal (Ong, 2006) that individualises the response to political, economic and social issues. Even with the ethos of

changing the world, the digital entrepreneurs' objective is divorced from political change (activism) in the public sphere.

However, digital entrepreneurship in our cases complicates the assumption of precarity in creative work; the precise conditions through which precarity arises, and the ways in which the workers (in these cases the entrepreneurs) respond to the precarious conditions, are rarely addressed. In our studies, the specific class hierarchy, intersecting with age, and the respective state's political imperatives serve to explain the attraction of these new modes of informal economic activities. Precarity, in our cases, paradoxically overlaps with a sought-after lifestyle that allows the startupper to escape the discipline and the imperatives of normativity. Precarity represents the indirect consequence of an attempt to escape the rigidity and/or the decline of the corporate world. In the Thailand case, precarity in its digital economy ecosystem is mitigated by its relatively-conscious adoption by segments of society that can endure its negative externalities: the Thai elite and the wider group of digital nomads and co-workers that populate the digital economy scene. At the same time, the peculiar linkage between the state elites and the startup ecosystem appears as a driving force capable to subsume entire sectors in their valorisation processes, rendering labour conditions more precarious. Precarity in the Taipei startup culture is a luxury that can be afforded by the middle class as an alternative to political participation, which is encouraged by the states' support for the new media sector. The networks built around the startups allow the entrepreneurs to mitigate the risks through support by close colleagues and co-founders or by the wider ecosystem, including international startup support, especially the American Ideological Apparatuses, venture funds and political intervention. This point will be taken further in the next section in order to consider the significance of the globalisation of the entrepreneurial narratives in these two East Asian examples.

### The Ex-centric Digital Entrepreneurs

In Taipei and Bangkok, we find rising middle classes lured by the cool and creative discourse of "good work" (Hesmondhalgh and Baker, 2011: 280) to participate in digital entrepreneurship as a bid to being global, which reflects the optimism and neoliberal ideal originating from Silicon Valley (Ong, 2006; Ong and Roy, 2011). Since the 1990s, the creative industries have been encouraged in the West for developmental goals, engendering a universal ethos for the celebration of "creative work". In our examination, creative work

represents specific national and local responses to the social, economic and political conditions. Despite the different developmental stages of the Thai and Taiwanese economies, they are ex-centric to the examples from North America, Europe and the “sound” Asian metropolis of Tokyo. The startup culture in our case studies reflects the desire to participate in the world economy, encouraged by the increasingly valued ethos of individualism.

Many of the entrepreneurs in Taiwan are the first generation in the country who have grown up alongside the advent of the Internet, and many are inspired by the possibilities of Internet and mobile technology as they are experienced in North America, especially Silicon Valley. Several of Leung’s interviewees mention the careers of American tech entrepreneurs, such as Mark Zuckerberg and Steve Jobs, who provide the inspiration for their own digital entrepreneurship. This reflects the fact that they share the optimism associated with technology originating from the West, especially Silicon Valley, as well as the neoliberal narratives of creative work and entrepreneurship. These entrepreneurs exemplify how startup culture in developing and developed economies in Asia has become an ideological apparatus imported from the West. The Taiwanese startupper see entrepreneurship as the beginning of change, a way to independence, as this founder suggested: “I hope this company will empower its members. You can freely do things you want to do.” Many of Leung’s interviewees expressed a similar desire to contribute to society, which is analogous to the “change the world” optimism seen in the Silicon Valley tech sector (Packer, 2013).

The strong presence of “digital nomads” in Bangkok, especially from America, Europe (mostly France) and Japan, is key to understanding the importance of how the digital lifestyle model is also fuelled and reinforced in informal, everyday practices. In fact, the institutional events and meetings in the startup scene often host Western experts who offer coaching in how to attain success in the digital economy, or Thai entrepreneurs who advise the local crowd on the functioning of Silicon Valley based on their first-hand experience. From the interviews Cossu had with insiders, he developed an understanding of the “double velocity” in the Thai digital economy. On the one hand, we have a temporality on the scale of years, or the time required to build the backbone for e-commerce. If these changes can be seen as part of digital modernisation (in terms of infrastructure and culture), on the other hand the yearly trends imposed by the digital global agenda discursively create an irresistible model for Thai startupper to follow. In 2016, the global trend was fintech, although each region had a specificity that reflects the economic imperatives of a country or its role in the world

economic landscape. In fact, as Hong Kong pursues the trend from a hedge fund perspective and Taiwan attempts to revitalise its export-oriented manufacturing industry through hardware-software integration, Thailand is following the more consumer-oriented trend.

Therefore, while digital entrepreneurship in Taiwan and Thailand suggests a new worldview and a “creative lifestyle” adopted by a generation with educational, cultural and social capital, the startup culture is also heavily influenced by the global discourse of innovation and creative work. At the same time, the Internet and mobile startup entrepreneurs in both countries react to the economic and political climates in their countries by rejecting standard working practices that have become untenable in recent decades. Digital entrepreneurship is a lifestyle choice connected to conspicuous consumption and a shared global neoliberal discourse rather than economic necessity. For the founders, “working for oneself” instead of toiling for the large companies is about embracing the model of liberal values. One of the Taiwanese interviewees advocated an approach to social change as individual responsibility:

If more and more people want to change, then the environment will change. It’s not about being angry with your parents, or angry with your government; but, can we start from ourselves?

The idea that digital entrepreneurship is a means to effect change may be explained by how these startupper feel alienated from the long-established tech corporations while embracing the informal economy via the startup culture. This ethos towards work and career has become an individual choice rather than a collective quest, despite the grand rhetoric of changing the world. Given the middle class and elite background of the proactive part of digital economy and its support by the state and the key players of the economy, the emergence of the digital economy revises the original understanding of the informal economy (made up of small businesses and traditional services established by the working class).

The informal economy, in the Thailand case, represents a formerly liberated sector from corporate power (Sopranzetti, 2017), which currently endures a colonisation by control mechanisms (Deleuze, 1992) over the digital media and platform labour. Informality, in this context, loses its capacity to constitute a realm of alterity vis-à-vis the mainstream labour market, and, informality only persists in a highly instrumental and codified form that we have witnessed in the Thai digital economy scene, a finding that appears in line with the European

experiences. Precarity, coupled with a fundamental loss of autonomy, is precisely produced by those start-ups that are contributing to ‘policing’ the working class while they work in the new digital platforms, or the mainstream economy is openly attempting to gain market share by targeting entire economic and social sectors on a highly asymmetrical ground. In the Taiwanese case, the young and highly educated founders follow the Western ideal in their bid to find an alternative lifestyle to a corporate life that has become increasingly unattainable. By doing so, these young, middle class entrepreneurs absent themselves from the political realm in their own national contexts, instead turning to precarious creative work as an alternative to economic difficulties and voluntarily subsuming themselves into the new informal economy, and therefore enlisting in the new economic and social realities as Agamben’s “bare-lives” (1998). The relevance of this concept is key, as Agamben’s *Homo Sacer* describes the contemporary political order as giving priority to the biological fact of life (zoē) over the way in which a life is lived (bios). It is a key concept for capturing how workers (and entrepreneurs) barely survive through their labour, but are excluded from the political life of the country. In both cases, we witness the respective states’ attempt to co-opt local digital businesses in the transition to the platform economy.

## Conclusion

The rise of the digital startup sector in Taiwan is a response to the country’s decline as a competitor in computer and mobile phone manufacturing. The interviewees in Taipei are knowledge workers who have embraced the risks of the informalised work. Even though these nascent entrepreneurs are aspirant capitalists, they share the same struggles as precarious creative workers; their ability to withstand risks has been ensured by the support of their families, and their desire to change their own work and personal life is partly fuelled by the entrepreneurialist sweet-talk. The intersections between class and age explain the experiences of the digital entrepreneurs who attempt to effect change as individuals under difficult economic climate.

These instances of digital entrepreneurship share an enthusiasm for the late capitalist American (and Western) values adopted by those who have educational, social and cultural capital. In the Thai case, this means the political elite and the emerging middle class. In contrast to the Taiwanese startup scene, we argue that the emergence of the digital economy in Thailand represents a direct attack on the informal economy, the subsuming of their “bare-

lives” or an attempt to co-opt local businesses in the transition to the platform economy. The encouragement of the startup ecosystems by the political and economic elites is about encouraging the creative class to participate in the new digital platform, or an open bid to gain market shares by targeting informal business on an asymmetrical ground.

The promises of digital entrepreneurship—flexibility, autonomy and creativity—have encouraged the younger generations in East Asian countries such as Taiwan and Thailand to take risks. While the informal economy has long existed in these East Asian countries, tech startups belong to a new informal economy populated by young middle class graduates, many of whom have international study and work experience. Our study examines digital entrepreneurs in Taipei as creative workers who have rejected the security of corporate life, and embrace precarity, enabled by their cultural and economic capital, and supported by the startup networks. They are also following the Euro-American neoliberal ideals imported via the startup culture as American Ideological Apparatus, embracing entrepreneurialism as an individual quest to de-shackle themselves from a traditional working life. As the Taiwanese and Thai economies have moved beyond subsistence, the well-off, prompted by the digital revolution, are able to pursue capitalist, neoliberal aspirations. At the same time, the informal work culture in these two countries occupies a relatively marginal economic position. The digital entrepreneurs have engaged in the pursuit of an “industrious” revolution (Arvidsson, 2017), unable to create monetary value in most of the nascent companies, rendering themselves vulnerable to the national political and economic strategies and to the power of the global tech corporations. This is particularly pronounced in the case of the new informal workers in Thailand. Using Agamben’s concept of bare-lives, we question the significance of the urban creative class of the Euro-American experience as it is transposed to the East Asian context. In response to the theme of the special issue, the universalising discourses around precarity and informality are challenged when we scrutinise the work practices against the backdrops of specific economic and social histories, as we have done in the case of Taiwan and Thailand.

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