

# THE IMPACTS OF MARKET ECONOMY ON SOCIAL RELATIONS: A PERSPECTIVE FROM HOUSEHOLD POTTERY PRODUCTION IN LAI THIEU, BINH DUONG PROVINCE, SOUTH VIETNAM

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## ABSTRAK

Produksi dan kerajinan keramik yang berkembang pesat di Lai Thieu, Vietnam, tidak terlepas dari kedatangan para imigran dari Cina pada abad ke-19. Perusahaan keramik dapat dibedakan menjadi lima, yaitu perusahaan milik negara, patungan, swasta, perseroan terbatas, dan rumah tangga. Kebanyakan perusahaan keramik di Lai Thieu berkembang menjadi perusahaan modern karena perkembangan teknologi dan keharusan berkompetisi dengan produsen lain. Dari sisi manajemen, ada perubahan dari manajemen keluarga ke arah manajemen yang lebih maju dan terbuka. Perkawinan antara etnis Cina dan warga Vietnam memungkinkan perusahaan keramik yang semula bersifat tertutup menjadi semakin terbuka dan kompetitif.

Kata Kunci : keramik, imigran, manajemen, perkawinan campur, perkembangan kompetitif

## INTRODUCTION

Culture and Economy are broad concepts. Those disciplines, which study these two concepts, have a long tradition to have a clear-cut range of study, not put them in mutual relationship consideration. In recent trend, when the mutual relationship between these two concepts has been increasingly paid much attention, this paper shares the view with Hefner (1998) "culture and social relations are intrinsic to politics and the economy, not free-standing social spheres". In addition, I also share DiMaggio's view of the reciprocal influence of these two realms. In his opinion, economic relations influence ideas, worldviews, symbols and the reverse is also true. Due to the lesser understanding of the reverse influence, i.e. how aspects of culture shape economic institutions and affairs, through a study on pottery production activities of the Chinese kilns in Lai

Thieu under the market economy environment, this paper will shed more light on this mutual effect (culture ó economy). More specially, the question of my study is that how the market economy effects social relations and on contrary how local culture effects and shapes economy institutions of this traditional craft production.

Since the time Vietnam implemented the Doi Moi policy, which was officially applied in 1986, Vietnamese economy has experienced tremendous changes. The most important event is that the economy had been changed from a central planning to a market one with socialist guidance. This notable social economic transformation is an important factor to various important changes in many aspects of Vietnamese society.

As a traditional craft, which is often classified into small-scale industry, pottery

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production in Lai Thieu has long based on labor of family members and relatives. In other words, although participating on commercial production (to produce for sale), non-commodification<sup>1</sup> social relations are this craft prominent characteristic.

Within this circumstance, it is hypothesized that market economy, a new environment which bases on Western traditions and perceptions, will have certain impacts on lifestyles and social activities of these long-history-tradition kilns; on contrary economic behaviors of pottery production households are not only the results of market structure, the products of economic rules. Instead, they are the results of the interplays of market economy and local culture.

Working in the two large realms of culture and economy, which obviously have a variety of definition, to examine the pottery enterprises in Lai Thieu, this study restricts the ranges of the two concepts "culture" and "economy". Economy in this paper refers to institutions and market rules which effect directly economic activities of pottery enterprises. Culture refers to the local's ways of organizing their business especially the ways that the pottery kiln owners constitute their social relations in the process of production and distribution.

As an exploratory study, this study selects 36 pottery enterprises out of 107 kilns in Lai Thieu town. The samples were selected randomly. In questionnaires and in-depth interviews, I use Vietnamese to communicate with informants although the artisans were Chinese Vietnamese. This is possible due to the fact that these artisans have co-existed and been doing business with the Viet for a long time and they can communicate well in Vietnamese.

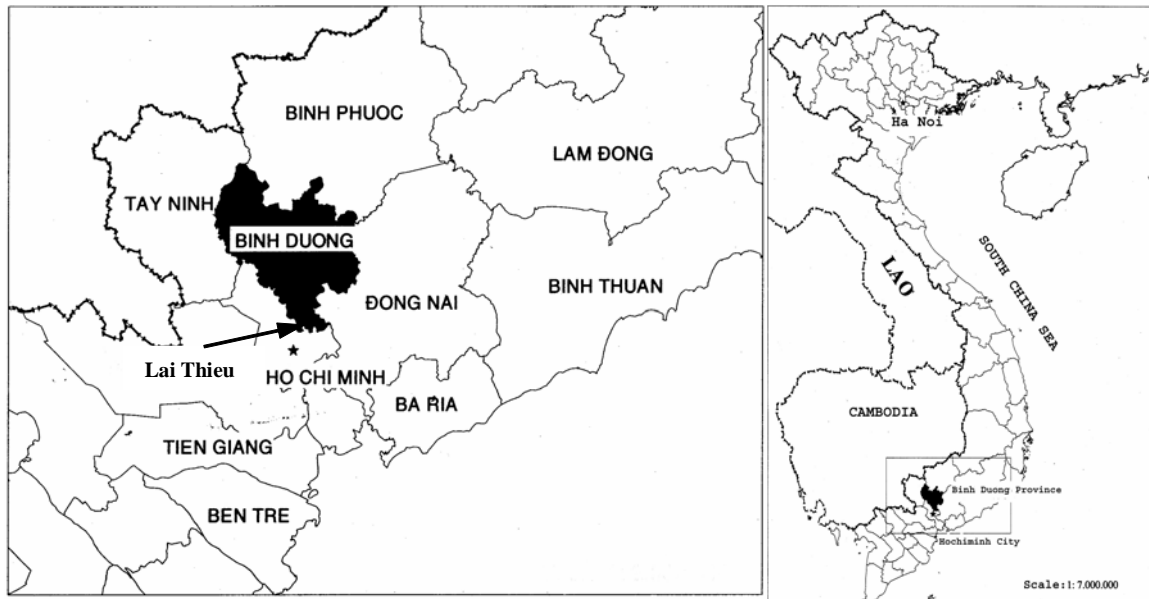
## **LAI THIEU POTTERY CENTER: AN OVERVIEW**

With an area of 7.04 km<sup>2</sup>, Lai Thieu is the town of Thuan An District, Binh Duong province. Located approximately fifteen kilometers from Ho Chi Minh City and ten

kilometers from Thu Dau Mot, the social and cultural center of Binh Duong province, Lai Thieu has long been renowned as one of the famous pottery production centers in the south of Vietnam. The pottery industry area of production takes up approximately 8% of the total area of the whole town. Those factors that make Lai Thieu a famous pottery centers are: firstly, geographically, Lai Thieu is a hill area which is very suitable and convenient for pottery kiln building; secondly, it has abundance of clay and kaolin natural resources; thirdly, it locates at a convenient place for transportation. In Lai Thieu, pottery kilns are concentrated in Binh Duc, Dong Tu, and Binh Hoa hamlets. Among the three areas, with its over one- hundred - year - old Phuoc Vu Nguyen kiln, Binh Duc is considered as the cradle of Lai Thieu pottery center.

In relation to the outside world, Lai Thieu has a very advantageous position in terms of both waterway and road transportation. Due to the proximity to Sai Gon River, an important waterway in southern Vietnam, goods from Lai Thieu can be transported down stream to Ho Chi Minh City and Mekong Delta, and up stream to Binh Phuoc province and to Cambodia. In addition to this important waterway, there are two important provincial and national roads running across Lai Thieu. The DT 745 provincial road links Lai Thieu to other parts of Binh Duong province. Thanks to this advantageous transportation system, pottery kilns are very convenient in buying production materials from other places and in distributing their products to all over the country, especially to Sai Gon port where these products can be exported abroad.

However, it is also this favorable geographical position that brings challenges to this craft. At present, because of being both an administrative center and an important residential area of Thuan An district, although having rich natural materials for making pottery, Lai Thieu has to rely on the outside-locality material suppliers because there is no vacant place for clay exploitation. Moreover, with the



**Map of Binh Duong and Its Neighborhood**

traditional technology of firing which mainly uses wood as fuel, the craft is faced with a pollution problem.

Like what had happened in other centers in the south, Chinese immigrants around the nineteenth century introduced pottery making into Lai Thieu<sup>1</sup>. During the initial period, with the predominance of Fukien kilns, the Lai Thieu center tended to specialize in producing various kinds of jars, pot, dishes and bowls for domestic market. In the 1950s-1960s, besides utilitarian products, the pottery artisans in Lai Thieu began producing decorative ceramic items for foreign market. During the French colonial periods, these products were mainly exported to America, Australia, Korea, Japan and so forth (Nguyen Son Dung, 1997:69). In the pre-1975 period, the Chinese in Sai Gon (presently Ho Chi Minh City), played an important role in distributing pottery items to local as well as global market. After the reunification in 1975, pottery production in Lai Thieu stagnated for a short time due to the loss of capitalist foreign markets and the mass wave of immigration of the Chinese kiln owners to other countries. Like other southern parts of

Vietnam, after almost ten years (1976-1990) operation under the command economy that tended to restrict the private sector activities, pottery production in Lai Thieu has undergone a fundamental economic and sociocultural transformation in connection to the whole reform process of the country. The most prominent change that the Vietnamese economic renovation has brought about is the process of privatization.

It seems that due to its long tradition of family- based production, when the private economic sector is officially accepted, household and private enterprises become the two most popular types of business organization in Lai Thieu<sup>2</sup>. These types, at the time of the study, occupy 98.2 % of the total enterprises. These two types are different in terms of organizing types. In fact, they are both managed by households in which laborers are also family members.

Aside from these two types, there are other three types of pottery enterprises. Each is distinguished from another in terms of ownership types. They are state enterprise, state-joint-venture enterprise, and limited

company. In the private sector, which is the main form of the pottery production in Lai Thieu, the three types differ from one another in terms of their business capital registered with the provincial department of planning and investment. Among the three, the business capital required for the household enterprise is the least and that for the limited company is the most. Accordingly, these forms are rendered different rights and duties. Consequently, they are expected to perform different assigned roles in the market structure in the course of their business operation. Because the private enterprise and the household enterprise are the most two popular forms of pottery business organization in Lai Thieu, in this paper, I will only focus my analysis on these two.

I use the term reproduction here with the meaning that pottery kiln owners produce goods not for their own consumption but for market distribution. Reproduction, as viewed by Friedman, refers to the renewal from one round of production to another of the social and technical elements of production and of the relations among them. Therefore, only through the process of reproduction of the enterprise, can the nature of the enterprise's social relations be informed.

When considering pottery kilns are production units, their social relations can be grouped into two: internal and external ones. The internal relations include family relations and the employer-employee relation. The external relations include the relation between the enterprise and material suppliers and the

**Table 1:**  
**The distribution of types of enterprises in Lai Thieu, Thuan An district and Binh Duong province**

Types of enterprises	State enterprise	Joint-venture enterprise	Limited company	Private enterprise	Household enterprises	Total
Lai Thieu	1	1	2	46	57	107
Thuan An district	1	1	5	80	161	248
Binh Duong province	3	1	8	87	311	410

(Source: Reports of Binh Duong province's Industrial Department and Thuan An district's Industrial Department, July 2000)

In the process of pottery production in Lai Thieu, social factors have proven to be very prominent in the kiln owner's business operation. Under the new situation of an increasingly competitive and demanding market, as above mentioned, it is hypothesized that these social factors are impacted to some extent. In the attempt to explore the influence of market economy on pottery producer's behaviors, their social relations in production is a good play to start. This is the case because in the process of production or reproduction, people come into contact with each other, both with relatives and non-relatives.

enterprise – trading or commercial companies, and inter-kilns relations.

### **INTERNAL RELATIONS AND ENTERPRISE'S REPRODUCTION**

In Lai Thieu, pottery is seen as the traditional craft due to its long history of existence as the family's means of subsistence. Pottery production is seen as a craft that passed ancestors to descendants. Prior to the availability of modern technology in making pottery, technical knowledge, especially that of the formula of mixing clay materials and glazes, was passed through generations within

the family and relatives. At present, in these kilns, family members largely do not engage in manual work. They mainly take part in managerial work such as general supervision, accounting (i.e. input and output turnover reports), making and receiving payment, and technical supervision. However, although family members of kiln owners do not directly engage in manual works, they are decisive figures to ensure the quality of products because they still retain technological knowledge.

With the characteristic patriarchy in the Chinese tradition, the male head of the family is almost always the head of the enterprise. The boundary of the family and enterprise cannot be clearly distinguished. This is a typical characteristic of household production. In this unit of production, family members have overlapped functions. One person can be in charge of various functions at the same time. For example, the head of the family may be the head of the enterprise. S/he manages both family and enterprise affairs. This characteristic makes family laborers different from workers in factories or companies. These workers only perform a certain kind of highly specialized work.

Distribution in family enterprise bases on the form of redistribution with which all family members directly or indirectly contribute to the family budget through their full or partial participation in the enterprise's business. In the family, all the members contribute their income to the common pool of resource. Then, the financial manager of the family, often female, will redistribute these resources on the basis of each member's need. In the enterprise, there is a division of labor among family members. This division of labor is the same as that of in the family. It is gender - based. Men always take part in the technical processes and the general supervision of the enterprise. Women take care of financial affairs and laborer management.

If considering labor as commodity like many Marxist scholars do, it is interesting to examine its exchange within the household boundary.

Due to the undistinguished boundary between the family and the enterprise, the question arises that concerning how do the family members get paid when they work in the enterprise as full-time members? Although there are some families who do pay wage for their family members such as their children and their immediate relatives, a large number of families do not. Generally, family members think that what they do for the enterprise is their duty to contribute to the family's budget. The amount of money that people receive from their parents or immediate relatives is their living supports, not their "wage". People's ideology about their works in the enterprise is caused by the thinking that the enterprise's works are the work of the family (*cong chuyen/ viec cua gia dinh*), they feel obliged to work carefree for the enterprise. In returning to this contribution, the parents or the heads of the enterprise are expected to have duty to give living support for their children or dependents. A daughter of a household enterprise enriches this situation with the facts from her own family:

Family members receive no salary. My mother is in charge of family's finance. When we need money, she will give us. For example, when my brother takes his wife and children to visit his parents-in-law, my mother gives fifty thousands or one hundred dong to them. When someone in the family is sick, my mother will cover all the expense. As for family's necessary living expenses, it is my mother who buys everything. We do not have our own capital (*von*). When selling any pottery items, we give money back to our mother.

It is obvious that the pottery enterprise in Lai Thieu still largely relies on the unpaid labor of family members as non-commodified relations to reproduce itself. However, social relations within the household cannot be seen as strictly non-commodified. Under the penetration of the market economy, which tends to individualize the household unit, the family faces the challenge of its family members' separation in terms of individual interest versus family interest. With a wide

range of career options in the society, pottery making is no longer the only way of subsistence. People tend to choose their careers on the basis of their interests and ability. Conversely, as claimed by substantivists in economic anthropology, in Lai Thieu, individual choice is constrained by the continuing strength of kinship, neighborhood, friendship and community ties. In the family, although at present children seem to be given more freedom in choosing their careers, when facing the extreme situations, they are expected to show their filial piety by pursuing the family career. A twenty-four-year-old girl relates her family experiences in relation to this situation:

I do not like pottery production. My brother has no choice. My father is old. So, he is the only one who can pursue the family craft. He must do it. The business is going on. [We] cannot stop it. As for me, it is easier than for my brother. As I have my brother pursuing the family career, I can go my own way. If, I am the only child, I will continue doing pottery. I like to work outside. Simply, just because I can learn more when working outside.

Seeing that pottery production as a form of petty commodity production, I do not work in Friedman's framework in which he holds that this type of production lack of the wage relation (see Lem, 1988:501). In Lai Thieu, due to the need for business expansion, the kiln owner has long hired non-family members to work in the enterprise. Wage relations do exist in the industry. However, although connected by wage relations, the relations between the kiln owner and laborers previously were not strictly commodified relations. At present, they become more commodified than in the past due to the operation of the market principles.

In the initial period of the pottery handicraft production in Lai Thieu, as in other centers in the South, skilled workers were often Chinese while unskilled worker were mainly local Viet people (cf. Luong & Diep, 1991). This ethnic based division of labor aimed to restrict the transmission of the technical knowledge within

the Chinese community. However, due to the integration of the Chinese into the Vietnamese community and the increasing skills of the Vietnamese workers, Vietnamese have gradually established their own kilns. In the enterprise, there was a popular practice of providing residence and meals for laborers. This practice aimed to keep the laborers in the enterprise in case of the enterprise needed their help during off-working hours. For example, raining was the most concern of pottery producers because they had to dry unfired products in the sun before firing. Therefore, with a large quantity of unfired products outdoor, when it rained, the kiln owner could not handle them without the help of laborers.

The loyalty of the laborers to the kilns was also a prominent characteristic in the industry. The laborer usually remained working for one enterprise for the rest of his life. When pursuing the laborer career, his/her children also continued to work for that enterprise like their parents. However, this picture is no longer the case. At present, a large number of migrant people from other places such as the north, the center and the Mekong delta come to Lai Thieu to earn their livings. Due to the need of business expansion and the scarcity of local laborers as the result of the availability of other career options in the locality, these migrant people become the main labor force in pottery production. The tradition of providing meals and residence in the kilns is no longer the popular practice of the kiln owners. The daughter of a kiln owner explains:

The laborers are from Thanh Hoa, the North, Tra Vinh [in the Mekong delta]. In the past, we allowed them to live in the kiln area (*o trong lo*) but later, it is very troublesome (*phien*). They do not keep common sanitation (*giu ve sinh*). Secondly, it is really complicated to register them [to the local authorities]. Thirdly, they live in the kiln, and then they sabotage it. We cannot manage them.

In the industry, the practices of providing residence and meals along with the characteristic of laborers' loyalty to the pottery

kiln owners are no longer the glue to the relationship between the kiln owner and their laborers. Due to the booming of pottery enterprises in Lai Thieu in particular and in Binh Duong province in general, there are abundant jobs in the pottery industry that merely require low educational background and simple skills.

In terms of wage relation, at present the tradition of weekly wage payments still exists in the same way as in the past. In the pottery industry, wage payments are based on either piecework (*khoan san pham*) or working hours (*cong nhat*). The first way of payment is mainly applied for *tho in* (the imprinting artisans)<sup>1</sup>. They are paid in accordance to the quantity of the products that they produce<sup>2</sup>. Due to the piecework system (*khoan*), they are not subjected to strict time schedule. Their working hours are flexible. The latter way of payment is applicable for day workers (*tho cong nhat*). They do such miscellaneous chores as helping to put unfired pots into the kilns, throwing wood into the kilns and splitting wood. The day workers work eight hours a day. However, as characteristic of household production, time schedule is not very strict. All the imprinting and day laborers receive wages weekly. It is interesting that even in the state-run enterprise, which is expected to operate accordingly to bureaucratism, while monthly payments are applied to administrative staff, the practice of weekly payment is for pottery workers

Although wage relation is a form of commodified social relation that the enterprise obviously has, this relation cannot be seen as strictly commodified as it is expected to be within contemporary market contexts. Kiln owners adopt practices that do not aim for the sake of making profit such as providing meals, residence and giving help to the sick or poor workers in an acute need.

#### **EXTERNAL SOCIAL RELATIONS AND THE ENTERPRISE'S REPRODUCTION**

As a unit of production, the enterprise also establishes close relations with other external units such as suppliers and trading companies.

As aforementioned, the enterprise does not necessarily have a distinct boundary between non-commodified and commodified social relations in which the former is of the family and the latter is of the outside world. In dealing with the external agents in the capitalist world, to the pottery enterprises in Lai Thieu, the assumption that their commodified relations should base on market principles is merely proved to be true to some extent. Non-commodification factors, with which no calculation for profit is necessary, are also presented in these external relations of the enterprise. They are those relations that base on the level of trust between the enterprise and their business partners. This assumption will be illustrated by the enterprise' behaviors in signing business contracts and their practices of buying and selling on credit.

Although *signing economic contracts (hop dong kinh te)* is a safe way to do business with other counterparts in the economy, to both the private and household enterprises, this practice is not popular and not strictly observed. The enterprises largely perform this practice with new companies, those to whom the pottery enterprise owners have not established a trust relation, or whenever they are asked to do so. The enterprise owners are reluctant to sign contracts with their counterparts because if they do so, they have to follow its consequent steps such as contract implementation and contract fulfillment (*thanh ly hop dong*), which they think are very intricate. The popular way to tie the enterprises to the trading companies is "verbal contract" (*hop dong mieng*). In order to ensure this kind of contract, the enterprises and the trading companies must have long business relations. When trading companies want to place orders with pottery enterprises, they simply inform the latter of quantity and the types of products through "verbal communication" (i.e. telephone or in-person contact).

*Selling and buying on credit* is also a popular way of doing business in the pottery industry in Lai Thieu. Contrary to the past, the

materials for making pottery at present are greatly available. There is also a strong competition among the suppliers. The enterprise has a wide selection of material suppliers. In order to create an intimate relationship with an enterprise, the supplier often tries to give credits to the enterprise. Usually, last delivery payment is made when the supplier delivers a new turn. Some wood (*cui*) suppliers even give credit to pottery enterprises for the whole year. Like their suppliers, the kiln owners also sell their products to the trading companies on credit. This practice is in contrast to what they often did in the past. During an export boom, there were not as many enterprises as there are now. At that time, trading companies relies on pottery enterprises to carry out orders of foreign customers. When placing an order to pottery enterprise, the trading company had to advance a certain amount of that order's value to the pottery producer. The practices of buying and selling on credit in the pottery industry rely mostly on trust which can only be established through doing business with each other for some time.

When referring to the Chinese community, its social networks are often mentioned. This is the prominent characteristic which is manifested in various social cultural and economic aspects of the community.

In terms of the effectiveness of social capital to the individual and group's benefit, many studies show that besides the important role of financial or physical capital, social capital plays crucial role in accounting for economic success. For example, the success of Chinese entrepreneurs in Southeast Asia and the economic growth of Asian countries such as Thai Lan, Malaysia and Singapore are largely explained in terms of the efficiency of the Chinese social network or the structure of their social relation, in which a high level of social capital is here (cf. Unger, 1998, Fukuyama, 1995, Omohundro, 1983). In my study, by investigating the role of social capital in the operation of an economic institution (i.e. the

pottery enterprise) of a Vietnamese Chinese community, I am questioning the general assumption that the effective social network or social structure (i.e. the associational life of the Chinese) which is associated with a high level of social capital and trust has an important effect on increasing the enterprise's benefits. To propose an alternative factor, human capital will be taken into account. The examination of social capital provides a good framework to investigate social factors that prove to be prominent in pottery production in Lai Thieu, south of Vietnam. This prominent characteristic can be explained with two specific features of this industry. The first is that, in this pottery center, the enterprise owners are dominantly Chinese, who are widely viewed to have a tradition of creating efficient social networks through their establishment of various associations (Unger, 1998:51, Vo Cong Nguyen, 1992:98). Second, pottery production, like other handicrafts in Vietnam, is popularly ascribed with the attribute of having a strictly close cooperation within definite boundary. This close cooperation is manifested through the tradition of keeping the technical secrecy within family, lineage, village or certain territorial settings against the intrusion of outsiders. (Bui Van Vuong, 1998: 28-32, Duong Ba Phuong, 2001:103).

Acknowledging Portes's analysis of Bourdieu's and Coleman's writings about the "intangible character of the social capital concept relative to other forms", I am viewing social capital inherent in structures of the relationships among enterprises. That habit of associational life of the Chinese and the attribute of keeping secrecy within certain boundary of the pottery artisans in Lai Thieu make it possible to *hypothesize that social capital will play an important role in the artisan's business*. With the existence of a specific social organization, (i.e. association) the Chinese do create a high level of social capital in terms of individual and group attributes. The Chinese associations in Lai Thieu are social groups that are not the result of what economics often persist as the voluntary contract between



individual who make the rational calculation that cooperation is in their long-term self-interest (c.f. Fukuyama, 1995:26). Rather, they are formed on the base of people's shared ethnicity.

Freedman finds, in his 1966 book about the Chinese lineage that the traditionally joint family is the ideal in China (Freedman, 1966:43). This statement about family in China is also true to the Chinese pottery community in Lai Thieu. While, in Freedman's study, land is a crucial factor; in Lai Thieu, it is the large need of labor forces in pottery production that maintains and needs this type of family. Up to my time of fieldwork in Lai Thieu, despite the prominence of nuclear family type, there still exist extended family which is seen as the traditionally model family of the Chinese in Lai Thieu. Contrary to the model of the family "where parents and all married sons maintain a common unit of living" (Freedman, 1966:43), the extended family in Lai Thieu also include married daughters and their children. Daughter chooses to live with their parents instead of with her husband's family after marriage either because of her attachment to her family's means of subsistence or her husband's difficult financial situation that cannot afford them to establish a new household. Within one household<sup>3</sup>, there may have three or four generations living together. Family line traces from father side. Endogamy is once a social norm for the Chinese community in Lai Thieu. However, due to the increasing level of the Chinese integration into the Viet community, gradually this norm has disappeared.

It is generally agreed that at the beginning, pottery production in the south of Vietnam was dominantly in the hands of the Chinese, who came to seek shelters in Vietnam during differently unrest periods in the south part of China (Nguyen Van Dung, 1997:25, Luong & Diep, 1991:23, Vo Cong Nguyen, 1992:97, Dang Khoa, 1992:143). The migration of this Chinese community to Vietnam confirms Freedman's assertion that "Migration has been a constant feature of southeastern Chinese society" (Freedman, 1966:11). According to the

records of Thuan An district, Chinese enterprises account for 95% of the total number of pottery enterprises within the district. Since the beginning of Lai Thieu center's establishment, there have existed three major Chinese ethnic groups: Fukien, Quangtung and Tiocheo. The other group, which is smaller than the first three, is Khach or Hakka. Each of the three major groups once specialized in different types of pottery products, which could distinguish from one another through their distinct glaze colors. The Fukien group with eel-skin yellow and black glazes tended to produce various types of jars, cooking or herb-simmering pots. The Quang with colorful glazes specialized in decorative statues, teapots and flower vases. The Tiocheo with white and blue glazes tended to make family-used items such as small and big bowls, dishes and flowerpots. This specialization is generally explained as the succession of previous handicraft traditions of each ethnic group in China (Nguyen Van Dung, 1997:28-29). Gradually, this distinction disappeared especially when the artisans started increasingly engaging in global market, beginning with the French colonial period. Consequently, there is no distinction among these three major guilds. Since the 1990s, when the local demand became saturated due to the invasion of other industries, which produced the same line of items, and the wave of Chinese illegal imported goods, the global market became key factor for the industry. The pottery kiln owners have overwhelmingly turned to produce export items for global market. However, along with this shifting, the kiln owners become strongly subject to trading companies, who are mediators between the pottery producers and the global market, in terms of types and the volume of products to be produced. In other words, the traditional pottery kilns at present have to produce what the market demands not what they want as previously.

Along with the distinction of different Chinese ethnic groups, there exist various

associations relative to each group. These associations are organized around the ideas of creating reciprocity among their members. Establishing association is a typical way of the Chinese to organize their society, especially of the Chinese overseas in different countries, where the need of reciprocity arises at most. Unger (1998) provides a vivid example of this habit. She observes that the Chinese in Thailand establish a "rich associational life, generally building on common kin or speech groups, featuring mutual aid societies, guilds, and secret societies that they use[d] to protect their occupations against outsiders" (Unger, 1998:50). Like the Chinese in Thailand, the Chinese in Lai Thieu once employed this dense fabric of association to further their business interests. A fifty four- year- old kiln owner recalls his father's business in relation to this tradition:

.... In the past, the Chinese were very solid. My father was a Hakka. My father place, An Thanh, was of Hakka group. When my father established his own business, there was a Fukien guy wanted to buy the kiln that my father intended to buy. This kiln was in the territory of Hakka group. So, Hakka association did not want to sell this kiln to an outsider. They helped my father to get it. For example, the kiln was bid for 1500 dong. My father only had 1200 dong. Although the Fukien guy had 1500 dong, he could not buy that kiln. My father bought it because the Hakka association lent my father 300 dong to buy it. This association was a free-willing based organization.

This case gives a good illustration for the close relation between social capital and social structures. By virtue of a group membership, the individual can assess to the group's social capital for his own benefit. The status of group membership prevents invasion of outsiders from accessing to group resource. The habit of associational life at large can be seen through the relation of each Chinese ethnic group in Lai Thieu to that of in Sai Gon, present Ho Chi Minh City. Like what Coughlin's observation on the Chinese associational life in Southeast Asia (cited in Unger, 1998:50), the Chinese in South

of Vietnam without the backing of formal state authority regulated their businesses, created clinics and community centers, cemeteries, schools, hospitals and temples.

Despite the present existence of the associational life, a famous traditional social organization within the Chinese community in Lai Thieu, its forms of practice and functions have been changed. More specifically, these changes occur in the realm of the reciprocal function among the group's members and, consequently, the function of preventing outsiders from accessing to the group. The shared-ethnic is still an element of the first importance. Nonetheless, the awareness of the sharp boundary between "us" and "them" is no longer the case. Rather, the Chinese community now becomes relatively opened. This situation, in my opinion, is the result of the relative high level of the Chinese integration with the Viet, which is manifested through the same locality, the intervention policy of the government and the popular acceptance of the Chinese-Viet intermarriage among Chinese community.

It is clear that the associational life of the Chinese in Lai Thieu still plays an important role in shaping the way of people organize their community through social organizations. However, in relation to pottery production, this kind of social organization seems to be not as effective as it is proved to be in other social aspects of the community. Although, the pottery industry of the Chinese in Lai Thieu has developed remarkably, there is no any association relating to this craft but ethnic-based ones. Cooperation interkilns are extremely restricted. The operation of these ethnic based associations in which each kiln associated with only limited in such social activities such as organizing religious festivals, giving helps to the poor and the sick, granting scholarships for poor pupils and students and so forth. In other words, the access to the social capital inherent in the Chinese associations in Lai Thieu is restricted merely to ethnic reproduction.

I think there are three factors that account for a low level of social capital situation of in pottery production in Lai Thieu.

The first factor is *the increasing level of competition* among pottery enterprises. Along with the Doi Moi (*renovation*) policy, the high demand of global market on pottery items has remarkably influenced Lai Thieu pottery production. Since the reunification in 1975, the prosperous time for pottery industry was from 1996 to 1999, the period when the implementation of Doi Moi policy had been going well. According to the records of Thuan An district's department of industries, the present number of pottery enterprises is twice as much as that of in 1985, the time before Doi Moi.

Given the saturated global market demand for pottery items at present partly due to the booming number of enterprises in Vietnam, the market share for each enterprise certainly has become smaller. Therefore, the competition among enterprises accordingly increases. The enterprises now are largely subject to trading companies. In this situation, if the social network of the Chinese works effectively, it can play certain role in coping with this situation. However, the situation is converse.

That some enterprises accept to sell their products lower than the common price and that some are willing to sell their products with lower price (*ban pha gia*) than their fellow partners illustrate the loose social relations of the Chinese pottery enterprises. In this competition, superficially pottery enterprises' behaviors seem to be much in the model of neoclassical economic theory in which human beings are rational utility-maximizing individuals" (Fukuyama, 1995:18). However, like Fukuyama's critique, I think, this model of human nature is too simple. Seeing that human beings as those essentially rational but selfish individuals who seek to maximize their material well-being is a poor account for human behavior. While some maximize their profits, many others' behavior is strictly constrained by the social norms of their community. For example, Barton finds that the Chinese in the south of Vietnam are afraid of "losing face" within their community (Barton, 1983). This characteristic is also true for the Chinese in

Lai Thieu. In social interaction, the Chinese try to build their reputation or prestige in the community through their contributions to associations, charity work and so forth. It is obvious that community-shared norms of how to be a prestigious or good Chinese to some extent influence the way the Chinese behaves in the community.

The second factor that leads to the inefficiency of social capital in the Chinese pottery producer community in Lai Thieu is *the increasing pace of the Chinese integration into the Vietnamese community*. This process is strongly influenced by the state policy. In Lai Thieu, since the reunification day, the Chinese school no longer exists along with the Vietnamese school. The national academic system is a requirement for all people in which official language is Vietnamese.

In addition to the schooling system, the land reallocation policy of Vietnam and the present administrative system play large roles in accelerating the integration pace of the Chinese who traditionally tend to maintain close relations merely within their ethnic groups. The emigrant wave of the Chinese to foreign countries before and after the historical event of April 1975 with the land reallocation policy of the Vietnamese government pave the way for the Vietnamese people come to live in the Chinese previous settings. At the lowest level of the administrative system, people including the Chinese are organized into different civil administrative groups (*to dan pho*), which is based on shared locality. In this setting, following the administrative system's instructions, the Chinese and the Vietnamese participate together in many activities within the same locality. The increasing pace of the Chinese integration into the Vietnamese community is clearly manifested in the phenomenon of the Chinese and Vietnamese intermarriages. At present, in Lai Thieu, endogamy is no longer the Chinese common practice.

Thirdly, it is *the side effect of keeping technological knowledge secrecy*. Contrary to

the present situation with the abundance of pottery-making materials and the availability of technical knowledge, pottery artisans previously tried to maintain this knowledge within their families. This secrecy was passed through generations. The popular proverb *Nhat lieu, nhi nung, tam hinh, tu tri* (the first important factor is material, the second is firing, the third is moulding and the fourth is decorating) is derived from the situation of material scarcity and restrict technical knowledge. For a long time, family's technological secrecy (especially those regarding to formula of glaze making) has been the key to the success of each kiln. During French colonialism, the glaze suppliers for the Lai Thieu kilns were the only two big kiln owners in Sai Gon, present Ho Chi Minh City.

The strong competitive market - which leads to a low level of trust within the Chinese community- the increasing pace of the Chinese integration into the Vietnamese community, and the side effect of the artisans' tradition of secrecy business can account for the inefficiency of social network in the Chinese pottery production in Lai Thieu. At present, when secrecy is no longer a very important factor in the industry due to the availability of technical knowledge, it is the competitive market and the process of the Chinese and Vietnamese integration that lead to the prominent role of symbolic capital, the kiln's prestige, in increasing the enterprise's benefits.

Due to the low degree of sociability among the Chinese pottery producers in terms of forming shared- business-based group, the social network (i.e. the associational life) of this community is proved ineffective in increasing the enterprise's success. Rather, people tend to get benefits from family members, relatives and close friends.

## CONCLUSION

In summary, it is obvious that the market economy do impact social relations of household pottery production in Lai Thieu and make these relations undergo certain changes.

Changes in internal relations manifest in the change of kiln owners - laborers relations while family relations remain relatively intact. Although external relations are carried out on the basis of legitimated rules such as signing contracts, they are not performed in good manner. In other words, these changes are caused by the interaction between the capitalist mode of production and the local environment. Hence, economic behaviors of pottery kiln owners are influenced by local culture. Therefore, in order to have a good understanding of the behaviors of household pottery production, we need to have a holistic view.

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- 1 Concerning non-commodified social relations, I acknowledge Lem's analysis of these relations to Karl Marx's work. In her analysis, a commodity is a product of labor in which a quantitative relation can be established with any other item through market exchange. Commodified social relations are those relations in which commodities mediate in the direct relations between persons and come to express those social relations. In addition, commodification is the process of deepening commodity relations in reproduction (Lem, 1980: 526-527). In the case of Lai Thieu pottery production, non-commodified social relations are those in which labor (commodity) mediates in the direct relations between persons but they do not take place in market exchange. The case of children of pottery kilns is an example. Although they take part in the production process, and they invest their labor in it, they do not expect to get wage from this kind of "exchange".
  - 2 According to Son Nam, a scholar who has rich knowledge about the South, pottery making in Lai Thieu emerged at the end of the eighteenth century. However, Nguyen Minh Giao based on the genealogy of one of the oldest kilns in Lai Thieu suggested the possibility that the pottery making in Lai Thieu was the expansion of Bien Hoa center and it emerged in the middle of the nineteenth century (Vo Cong Nguyen, 1992: 96). I share the view with Nguyen Minh Giao and other scholars who hold that pottery making in Lai Thieu occurred around the middle of the nineteenth century. This is because basing on my fieldwork, the oldest kiln in Lai Thieu is only around 160 years old.
  - 3 Luong (1993) provides a good study on the cultural identification of the state employees with family units in Vietnamese pottery production during the collectivism period (1975-1986).

- 4 Most of my sample kilns are producing export items. At the time of my fieldwork, they are mainly producing various types of flower pots. The stage that requires skillful workers is imprinting (*in*). *Tho in* (imprinting workers) are the ones who put the ready cut clay into the moulds in order to create the shaped pots.
- 5 At the time of my fieldwork, the price fixes for one pot vary from 2,500 dong (approximately 25 cents) to 3,000 dong. The bigger the pot is, the higher the price is.
- 6 In my use of household, I mean that those people living in the same house and share meals.

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