

BEYOND SOCIAL NETWORKS: A MIXED EMBEDDEDNESS PERSPECTIVE ON THE LIVELIHOOD STRATEGIES OF PAKISTANI MIGRANT RETAILERS IN SABAH, MALAYSIA

Nurhaidah Azlan
Ramlah Daud*
Jalihah Md Shah
Bryan Blasius
Aiman Nadzwa Jilis

Universiti Malaysia Sabah

ABSTRACT

Research on migrant entrepreneurship has consistently highlighted the importance of social networks in supporting migrants' business activities and economic integration. However, growing evidence suggests that social networks alone cannot fully explain differences in entrepreneurial outcomes, as these are also shaped by the economic, institutional, and regulatory environments of host societies. Drawing on the Mixed Embeddedness perspective, this paper reviews the literature on Pakistani migrant retailers in Sabah, Malaysia, to examine how social resources interact with local opportunity structures in shaping migrants' livelihood strategies. Although migration research in Malaysia has largely focused on Indonesian and Filipino migrants, Pakistani migrants remain relatively underrepresented, particularly in studies of entrepreneurship in East Malaysia. Existing research has primarily examined their socio-economic adaptation and the role of kinship and ethnic networks in business development, while paying limited attention to the institutional and market conditions that influence entrepreneurial opportunities and business sustainability. This paper synthesises literature on international migration, migrant entrepreneurship, social networks, livelihood strategies, and Mixed Embeddedness to identify key theoretical developments and research gaps. It argues that Pakistani migrant retailers' livelihood strategies are best understood through the interaction between social capital and the opportunity structures embedded within the host society, rather than through social networks alone. By applying the Mixed Embeddedness framework to the underexplored context of Pakistani retailers in Kota Kinabalu, Sabah, this review offers a more comprehensive conceptual foundation for analysing migrant entrepreneurship in East Malaysia. In doing so, it contributes to the broader migrant entrepreneurship literature while providing a framework to guide future empirical research on Pakistani migrants' business experiences and livelihood strategies.

Keywords: *Migrant Entrepreneurship, Mixed Embeddedness, Social Networks, Livelihood Strategies, Pakistani Migrants.*

1.0 Introduction

Migrant entrepreneurship has become an increasingly important area of migration research as many migrants establish businesses to improve their livelihoods after settling in destination countries. Early studies largely attributed entrepreneurial success to the strength of migrants' social networks. More recent scholarship, however, argues that these networks alone cannot fully explain why some migrant entrepreneurs thrive while others face persistent challenges. Instead, entrepreneurial outcomes are shaped by the interaction between migrants' social resources and the wider institutional, economic, and regulatory environments in which they operate. This shift reflects a broader development in migration studies, where migration is no longer viewed simply as the movement of people from one place to another, but as a dynamic process involving the circulation of resources, knowledge, and social relationships that influence labour markets, urban economies, and social mobility across both origin and destination societies (Benz, 2014; Othman, 2024).

Within this body of scholarship, social networks are widely recognised as an important form of social capital. They enable migrants to access employment, housing, financial resources, business opportunities, and emotional support while reducing the costs and uncertainties associated with migration (Nayeem, 2012; Othman, 2024). Such networks often play a critical role during the early stages of settlement by helping migrants navigate unfamiliar social and institutional environments. Nevertheless, similar networks do not always produce similar entrepreneurial outcomes. Differences in labour market conditions, immigration policies, regulatory systems, and local institutions mean that networks that prove effective in one setting may generate far fewer opportunities in another (Räuchle & Schmiz, 2018). This variation suggests that social capital alone provides only a partial explanation of migrant entrepreneurship.

The Mixed Embeddedness perspective offers a more comprehensive way of understanding this complexity. Rather than viewing entrepreneurship solely as a product of migrants' social capital, the framework argues that entrepreneurial activities emerge through the interaction between migrants' individual and collective resources and the opportunity structures available within the host society. These opportunity structures include economic conditions, institutional arrangements, regulatory systems, and political environments that shape business formation, market access, and long-term enterprise sustainability (Räuchle & Schmiz, 2018). By bringing together both agency and structure, Mixed Embeddedness provides a broader analytical framework for understanding migrant livelihoods.

Within Malaysia, migration research has predominantly focused on Indonesian and Filipino migrants, with particular attention given to labour migration, border governance, citizenship, irregular migration, and access to public services (Mat Enh et al., 2024; Othman, 2024). Sabah has received considerable scholarly interest because of its geographical location and its long history of cross-border migration. In contrast, Pakistani migrants have received relatively

limited academic attention despite their visible participation in retail trade and small-scale business activities. Existing studies have largely concentrated on socio-cultural adaptation and entrepreneurship, emphasising the importance of kinship ties and ethnic networks in supporting business development. However, relatively little is known about how these social networks interact with the economic and institutional conditions of Sabah to shape migrants' livelihood strategies and entrepreneurial experiences.

This review addresses that gap by synthesising research on international migration, migrant entrepreneurship, social networks, livelihood strategies, translocality, and the Mixed Embeddedness perspective. The objective is to identify the key theoretical developments and unresolved research gaps relevant to Pakistani migrant retailers in Sabah. It argues that understanding migrant livelihoods requires moving beyond explanations centred solely on social networks towards an analytical framework that considers both migrants' social resources and the opportunity structures of the host society. Focusing on Pakistani migrant retailers in Kota Kinabalu, this review establishes the conceptual foundation for future empirical research while extending the application of the Mixed Embeddedness framework to an underexplored migration context in East Malaysia.

2.0 Conceptual Foundations of Migrant Livelihoods

Livelihoods encompass far more than the ability to earn an income. In migration studies, they are increasingly understood as dynamic processes through which migrants mobilise various forms of capital to secure economic stability, social well-being, and long-term resilience within changing structural environments. Rather than viewing migrants as passive recipients of opportunities or constraints, contemporary scholarship recognises them as active agents who continually negotiate social, economic, and institutional conditions while adapting to new geographical contexts (Scoones, 1998; de Haan & Zoomers, 2005). From this perspective, livelihood strategies emerge through the interaction of material resources, social relationships, institutional arrangements, and individual capabilities.

One of the most influential approaches to understanding livelihoods is the Sustainable Livelihoods Framework (SLF), originally developed by Chambers and Conway (1992) and later refined by the Department for International Development (DFID, 1999). The framework conceptualises livelihoods as being supported by five forms of capital: human, social, financial, physical, and natural. Individuals draw upon these assets to develop livelihood strategies while responding to institutional processes, public policies, and external shocks. Although initially designed for rural development, the framework has since been widely applied in migration research, demonstrating how migrants combine different forms of capital to secure employment, establish businesses, and support households across national borders (de Haan & Zoomers, 2005).

Among these livelihood assets, social capital has received particular attention within migration scholarship. Broadly defined, social capital refers to the resources embedded in social

relationships that facilitate cooperation, trust, and reciprocal exchange (Bourdieu, 1986; Coleman, 1988; Putnam, 2000). For migrants, these relationships often provide access to employment opportunities, accommodation, financial assistance, business information, and emotional support, particularly during the initial stages of settlement. By reducing uncertainty and lowering the costs associated with migration, social networks enable migrants to navigate unfamiliar institutional and economic environments more effectively (Portes, 1998).

Granovetter's (1973) theory of the strength of weak ties further enriches this understanding by demonstrating that acquaintances and more distant social contacts often provide access to new information and opportunities unavailable through close family networks. While strong ties generate trust, solidarity, and immediate forms of support, weak ties connect migrants to broader labour markets, business opportunities, and diverse sources of information. Successful livelihood strategies therefore depend not only on close-knit ethnic networks but also on migrants' ability to establish wider social connections beyond their immediate communities.

Despite the importance of social capital, recent migration research suggests that it cannot fully explain variations in migrant entrepreneurial outcomes. Migrants with similar social networks frequently experience different levels of economic success because opportunities are shaped by the institutional and economic environments of the host society (Kloosterman & Rath, 2001; Kloosterman, 2010). Immigration policies, labour market regulations, licensing requirements, market competition, and local governance all influence the opportunities available to migrant entrepreneurs. These structural conditions determine not only whether migrants are able to establish businesses but also the sectors they enter and the long-term sustainability of their enterprises.

This growing recognition has shifted migration scholarship towards a more integrated understanding of migrant livelihoods, one that acknowledges the interaction between individual agency and structural conditions. Rather than viewing migrants' social resources in isolation, researchers increasingly argue that livelihood strategies emerge through the dynamic relationship between social capital and the opportunity structures embedded within destination societies (Rath & Kloosterman, 2000; Kloosterman, 2010). Understanding migrant entrepreneurship therefore requires an analytical framework capable of incorporating both dimensions.

This perspective is particularly relevant for Pakistani migrant entrepreneurs. Many rely on kinship ties, ethnic solidarity, and transnational networks to establish retail businesses, obtain informal financing, and access business opportunities. However, the effectiveness of these networks depends largely on the institutional context in which they operate. Immigration regulations, licensing procedures, market accessibility, and local business environments can significantly influence entrepreneurial outcomes, even among migrants with comparable social resources. Examining Pakistani migrant livelihoods solely through the lens of social capital therefore risks overlooking the broader structural factors that shape entrepreneurial opportunities.

These conceptual developments provide the foundation for the Mixed Embeddedness perspective, which explains migrant entrepreneurship as the outcome of interactions between migrants' social resources and the economic, institutional, and regulatory opportunity structures of the host society. As discussed in the following section, this framework offers a more comprehensive approach for understanding the livelihood strategies of Pakistani migrant retailers in Kota Kinabalu, Sabah.

3.0 Social Networks and Social Capital in Migrant Entrepreneurship

Entrepreneurship is rarely an individual endeavour. For most migrants, establishing and sustaining a business depends heavily on the relationships they build before and after migration. Social networks provide access to information, financial resources, labour, suppliers, customers, and emotional support, making them one of the most important resources available to migrant entrepreneurs (Portes, 1995, 1998). By reducing uncertainty and lowering the costs associated with migration, these networks enable migrants to navigate unfamiliar economic and institutional environments. Consequently, migration scholars have long regarded social networks as a form of social capital that facilitates economic participation and entrepreneurial activity.

The concept of social capital has been developed from several complementary theoretical traditions. Bourdieu (1986) viewed social capital as the actual and potential resources embedded within durable social relationships that individuals can mobilise to improve their social and economic positions. Coleman (1988) emphasised the role of trust, obligations, and reciprocal expectations in facilitating collective action, while Putnam (2000) approached social capital from a community perspective, highlighting its contribution to cooperation and civic engagement. Although these perspectives differ in emphasis, they share the common assumption that social relationships constitute valuable resources that can generate economic opportunities.

Migration research has drawn extensively on these ideas to explain how migrants utilise family ties, ethnic communities, and interpersonal relationships during settlement and business formation. Newly arrived migrants often rely on co-ethnic networks for accommodation, employment information, start-up capital, suppliers, and access to established customer bases (Light & Gold, 2000; Portes & Sensenbrenner, 1993). These informal support systems frequently compensate for migrants' limited access to formal financial institutions, business services, and local knowledge. As a result, social networks play a particularly important role during the early stages of migration, when entrepreneurs are still adapting to unfamiliar economic and institutional settings.

Granovetter's (1973) distinction between strong and weak ties provides further insight into how these networks function. Strong ties, typically involving family members and close friends, foster trust, solidarity, and mutual support. They often provide financial assistance, labour, accommodation, and other forms of immediate support that reduce the risks associated with

establishing a business. Weak ties, by contrast, extend beyond close-knit communities and connect migrants to wider labour markets, new customers, business partners, and previously inaccessible sources of information. Rather than replacing one another, strong and weak ties perform complementary roles. Successful migrant entrepreneurs often benefit from maintaining both trusted family networks and broader social connections that expand their access to economic opportunities.

This understanding has been further refined through the distinction between bonding, bridging, and linking social capital. Bonding social capital refers to close relationships within families and ethnic communities that provide mutual support and reinforce trust. Bridging social capital connects migrants with individuals from different ethnic or social backgrounds, creating opportunities to access broader markets, new information, and diverse business networks. Linking social capital extends these relationships to institutions, government agencies, financial organisations, and regulatory authorities, enabling migrants to navigate formal systems that influence business development (Woolcock, 2001). Together, these interconnected forms of social capital illustrate how migrants rely on both informal community networks and formal institutional relationships to pursue entrepreneurial opportunities.

A substantial body of empirical research demonstrates the importance of social networks in migrant entrepreneurship across different geographical contexts. Co-ethnic networks provide access to financial capital, labour, market information, and business knowledge, helping migrants overcome barriers associated with limited resources and unfamiliar environments (Light & Gold, 2000; Ram et al., 2017). At the same time, transnational networks strengthen entrepreneurial activities by linking migrants with suppliers, investors, and family members across national borders, facilitating the movement of goods, capital, and information (Faist, 2000; Vertovec, 2009). These cross-border relationships allow migrant entrepreneurs to diversify their economic activities while maintaining strong ties with their countries of origin.

Although social network theory has contributed significantly to the understanding of migrant entrepreneurship, it does not fully explain why entrepreneurial outcomes differ across host societies. Migrants with similar levels of social capital often achieve markedly different levels of business success depending on the contexts in which they operate (Kloosterman & Rath, 2001; Rath & Kloosterman, 2000). This suggests that entrepreneurial outcomes are influenced not only by migrants' social resources but also by the broader economic and institutional environments within which those resources are mobilised.

A growing body of research therefore highlights the importance of structural factors, including immigration policies, labour market conditions, licensing requirements, consumer demand, local governance, and market competition (Kloosterman, 2010; Rath, 2002). These institutional conditions shape migrants' opportunities to establish, expand, and sustain businesses. Restrictive regulations may constrain entrepreneurial activities despite strong ethnic networks, whereas supportive institutional environments can create favourable opportunities even for migrants with relatively limited social capital. Entrepreneurial success is therefore best

understood as the outcome of interactions between social resources and the opportunity structures of the host society.

This limitation is particularly evident in the Malaysian context. Existing research on Pakistani migrants has emphasised the importance of kinship ties, ethnic solidarity, and community networks in facilitating socio-economic adaptation and business development. However, relatively little attention has been paid to the ways these networks interact with Malaysia's institutional, regulatory, and economic environments, particularly in Sabah. Factors such as immigration regulations, licensing procedures, competition within the retail sector, consumer preferences, and relationships with local authorities are likely to shape entrepreneurial opportunities, yet they remain underexplored in the current literature.

Taken together, these observations suggest that social network theory offers valuable but incomplete insights into migrant entrepreneurship. While it explains how migrants gain access to resources through interpersonal relationships, it pays less attention to the structural conditions that enable or constrain the effective use of those resources. A more comprehensive understanding therefore requires an analytical framework that integrates both migrants' social capital and the opportunity structures of the host society. This provides the theoretical basis for adopting the Mixed Embeddedness perspective, which is discussed in the following section.

4.0 Mixed Embeddedness Theory: A Framework for Understanding Migrant Entrepreneurship

While social capital provides an important foundation for migrant entrepreneurship, it cannot fully explain why migrants with similar resources often experience very different business outcomes. To address this limitation, Kloosterman, Van der Leun, and Rath (1999) developed the Mixed Embeddedness perspective, later refined by Kloosterman and Rath (2001) and Kloosterman (2010). The framework argues that migrant entrepreneurship is shaped not only by migrants' social resources but also by the economic, institutional, and regulatory environments in which those resources are mobilised. By integrating both agency and structure, it offers a more comprehensive explanation of entrepreneurial behaviour than approaches that focus primarily on ethnic solidarity or social networks.

The framework emerged in response to the limitations of earlier theories of ethnic entrepreneurship, which largely attributed business formation to co-ethnic solidarity, family labour, and shared cultural traditions (Light & Bonacich, 1988; Waldinger et al., 1990). Although these perspectives demonstrated the value of ethnic resources, they paid relatively little attention to the institutional and economic contexts within which migrant entrepreneurs operated. Consequently, they struggled to explain why migrants with comparable ethnic backgrounds often achieved different entrepreneurial outcomes across countries and regions.

At the centre of the Mixed Embeddedness perspective is the idea that entrepreneurship is simultaneously embedded in social relationships and opportunity structures. Social

embeddedness refers to the networks of family members, relatives, ethnic communities, and transnational connections that provide access to trust, information, labour, finance, suppliers, and customers (Portes, 1998; Light & Gold, 2000). These resources undoubtedly facilitate business formation, but they do not operate independently of the surrounding environment. Their effectiveness depends on the opportunities available within the host society.

Opportunity structures encompass the wider economic, institutional, and regulatory conditions that influence entrepreneurial activities (Kloosterman & Rath, 2001). Economic opportunities include market demand, consumer preferences, competition, labour market conditions, and sectoral characteristics that determine whether viable business opportunities exist. Institutional opportunity structures involve immigration policies, business licensing procedures, taxation systems, legal regulations, and financial institutions that either facilitate or constrain entrepreneurial activities. Together, these structural factors shape migrants' ability to establish, expand, and sustain their businesses.

One of the framework's most significant contributions is its recognition that entrepreneurial opportunities are socially and institutionally constructed rather than naturally available. Migrants may possess extensive entrepreneurial experience, strong ethnic networks, and sufficient financial resources, yet restrictive immigration regulations, limited access to credit, burdensome licensing procedures, or saturated markets can still constrain business development. Conversely, supportive institutional environments may create opportunities even for migrants with relatively limited social capital. Entrepreneurial success therefore depends on how migrants' capabilities interact with the structural conditions of the host society (Kloosterman, 2010).

Since its introduction, the framework has been applied well beyond its original focus on immigrant entrepreneurship in Europe. Researchers have used it to examine refugee entrepreneurship, immigrant-owned small businesses, transnational enterprises, and informal economic activities across a wide range of geographical contexts (Rath, 2002; Rath & Swagerman, 2016). These studies consistently demonstrate that entrepreneurial activities are influenced by multiple levels of embeddedness, including neighbourhood characteristics, local governance, national immigration policies, and broader global economic processes. As a result, Mixed Embeddedness has evolved into a multi-scalar framework capable of explaining how local, national, and transnational contexts interact to shape entrepreneurial opportunities.

More recent scholarship also emphasises that opportunity structures are dynamic rather than fixed. Economic restructuring, digital technologies, changes in immigration policy, and increasing global market integration continually reshape the opportunities available to migrant entrepreneurs (Räuchle & Schmiz, 2018). Digital commerce, online payment systems, and social media marketing, for example, have created new avenues for business development while simultaneously intensifying competition. Likewise, policy reforms can either expand or restrict migrants' access to entrepreneurial opportunities. Entrepreneurial embeddedness should therefore be understood as an ongoing process of adaptation rather than a static condition.

Despite its considerable influence, the framework has also attracted constructive criticism. Early applications were often criticised for placing greater emphasis on structural opportunity than on migrants' agency, innovation, and strategic decision-making (Jones et al., 2014). Others argue that the framework gives insufficient attention to how gender, ethnicity, religion, and legal status shape entrepreneurial experiences differently across migrant groups (Villares-Varela et al., 2018). In addition, much of the empirical literature remains concentrated in Europe, raising questions about the framework's applicability in regions characterised by different migration regimes, institutional arrangements, and informal economies.

These critiques have encouraged scholars to broaden the framework by incorporating perspectives from transnationalism, intersectionality, and livelihood studies. Rather than viewing migrants solely as entrepreneurs responding to market opportunities, recent research examines how they combine multiple livelihood strategies, maintain cross-border social relationships, and negotiate different institutional environments simultaneously (Räuchle & Schmiz, 2018). This broader interpretation reflects the increasingly complex realities of contemporary migration, where economic activities frequently extend across national boundaries and involve both formal and informal sectors.

Malaysia provides an important setting in which to further examine these theoretical developments. Existing studies acknowledge the importance of social networks among migrant entrepreneurs but devote comparatively little attention to the ways immigration regulations, local governance, market conditions, and ethnic relations shape entrepreneurial opportunities. This gap is particularly evident in Sabah, where migration patterns differ substantially from those in Peninsular Malaysia because of the state's geographical location, long history of cross-border mobility, and distinctive labour market characteristics.

For Pakistani migrant retailers in Kota Kinabalu, this perspective offers an especially suitable analytical framework. Their businesses are influenced not only by kinship ties, ethnic solidarity, and transnational business connections but also by immigration policies, licensing requirements, consumer demand, retail competition, relationships with local communities, and access to formal institutions. Examining these interacting dimensions provides a more comprehensive understanding of migrant livelihood strategies than approaches centred solely on social networks. Accordingly, the Mixed Embeddedness perspective offers a strong theoretical foundation for investigating how Pakistani migrant retailers establish, sustain, and adapt their businesses within Sabah's unique economic and institutional environment.

5.0 Pakistani Migrant Entrepreneurship: Global Perspectives and the Malaysian Context

Pakistani migrant entrepreneurship is a well-established global phenomenon. Pakistani communities have developed vibrant business sectors across the United Kingdom, North

America, the Middle East, Europe, Southeast Asia, and Africa, with enterprises commonly concentrated in retail trade, grocery stores, restaurants, textiles, transport, and import-export businesses. Across these diverse settings, entrepreneurship has become an important livelihood strategy, enabling migrants to improve their economic well-being, reduce dependence on wage employment, and maintain transnational ties with families and communities in Pakistan (Werbner, 1990; Ballard, 2003).

A consistent finding across this literature is the central role of social networks in supporting entrepreneurial activities. Family members, relatives, friends, and co-ethnic communities frequently provide financial assistance, labour, accommodation, business advice, and market information, particularly during the early stages of business establishment (Portes & Sensenbrenner, 1993; Light & Gold, 2000). These informal support systems reduce the financial risks associated with entrepreneurship while facilitating access to trusted suppliers, customers, and informal credit. In many cases, entrepreneurial knowledge and business practices are transferred across generations, contributing to the continuity of family-owned enterprises and reinforcing community-based economic activities.

Beyond local community networks, transnational connections also play a significant role in Pakistani migrant entrepreneurship. Relationships maintained across national borders facilitate the movement of goods, investment capital, information, and remittances, allowing entrepreneurs to operate within multiple economic spaces simultaneously (Faist, 2000; Vertovec, 2009). These cross-border networks strengthen business resilience by connecting entrepreneurs with overseas suppliers, investors, and family members while creating opportunities to diversify income sources. Entrepreneurship among Pakistani migrants therefore extends beyond local markets and is often embedded within wider transnational economic and social networks.

Although these social resources provide a strong foundation for entrepreneurial activities, they do not produce identical outcomes across different host societies. Comparative research demonstrates that entrepreneurial success is shaped not only by migrants' social capital but also by the institutional and economic conditions of the destination country. Immigration policies, labour market structures, regulatory frameworks, consumer demand, and access to institutional support all influence migrants' opportunities to establish and expand businesses (Kloosterman & Rath, 2001; Rath & Swagerman, 2016). These findings reinforce the argument that entrepreneurship cannot be understood solely through ethnic solidarity or social networks but must also be examined within the broader opportunity structures of the host society.

Within Malaysia, research on Pakistani migrants remains relatively limited compared with studies of Indonesian, Filipino, Bangladeshi, and Nepali migrant communities. Existing scholarship has focused primarily on migration, socio-economic adaptation, religious identity, and small-scale entrepreneurship. While these studies acknowledge the importance of kinship ties and co-ethnic networks in supporting business activities, they devote comparatively little attention to the institutional and market environments that shape entrepreneurial opportunities.

As a result, the interaction between migrants' social resources and Malaysia's opportunity structures remains insufficiently explored.

The Malaysian retail sector presents both opportunities and constraints for migrant entrepreneurs. Expanding urban markets, increasing consumer demand, and regional economic integration have created favourable conditions for small business development. At the same time, entrepreneurs must navigate immigration regulations, licensing procedures, market competition, and changing consumer preferences. Access to formal financial institutions may also be limited, increasing reliance on informal financing within ethnic communities. These structural conditions play an important role in shaping entrepreneurial outcomes, yet they receive relatively little attention in existing studies of Pakistani migrant businesses.

The literature is even more limited in Sabah, where migration dynamics differ significantly from those of Peninsular Malaysia. Owing to its strategic geographical location, proximity to international borders, and long history of cross-border mobility, Sabah has developed a distinctive migration landscape characterised by diverse migrant communities and complex governance arrangements (Kassim, 2009; Sadiq, 2005). Most research in the state has focused on Indonesian and Filipino migrants, particularly in relation to irregular migration, labour markets, border governance, citizenship, education, and healthcare. Comparatively little attention has been given to migrant entrepreneurship, especially among Pakistani retailers.

Despite their visible presence in Kota Kinabalu's retail sector, Pakistani migrant entrepreneurs remain largely absent from the academic literature. Existing studies provide only limited insight into how these entrepreneurs establish businesses, mobilise social networks, negotiate institutional constraints, and adapt to changing market conditions. More importantly, little is known about how regulatory frameworks, licensing requirements, relationships with local authorities, consumer demand, and competition interact with migrants' social resources to influence their livelihood strategies.

These gaps point to the need for a more integrated analytical perspective. Previous studies have demonstrated the importance of social networks and ethnic solidarity, but they have paid far less attention to how these resources interact with the economic and institutional opportunity structures of the host society. Applying the Mixed Embeddedness perspective offers a more comprehensive understanding of Pakistani migrant entrepreneurship by examining the interplay between social capital, institutional environments, and market conditions. Such an approach not only addresses an important gap in Malaysian migration scholarship but also extends the application of Mixed Embeddedness to an underexplored migration context in East Malaysia.

6.0 Research Gaps and Future Research Directions

The literature reviewed thus far has made important contributions to understanding migrant entrepreneurship, social networks, and livelihood formation. It demonstrates that migrants draw

extensively on social relationships to access employment, financial resources, and business opportunities while adapting to new socio-economic environments. Despite these advances, several important gaps remain. Existing research continues to privilege social capital as the principal explanation for migrant entrepreneurship, often overlooking the institutional and economic environments within which these networks operate. Consequently, important theoretical, empirical, geographical, and methodological questions remain unresolved, particularly in relation to Pakistani migrant entrepreneurs in Malaysia.

6.1 Theoretical Gaps

A key limitation of the existing literature is its continued reliance on social network and social capital perspectives to explain migrant entrepreneurship. While these approaches have greatly improved understanding of how migrants utilise family ties, ethnic communities, and transnational networks to secure employment, finance, and business opportunities (Portes, 1998; Light & Gold, 2000), they provide only a partial explanation of entrepreneurial success. Migrants with comparable social resources frequently achieve different outcomes because they operate within different institutional and economic environments (Kloosterman & Rath, 2001; Kloosterman, 2010).

The Mixed Embeddedness perspective was developed to address this limitation by integrating migrants' social resources with the opportunity structures of the host society. However, most empirical applications of the framework remain concentrated in Europe. Comparatively little research has examined its relevance within Southeast Asia, where migration governance, labour markets, informal economies, and regulatory environments differ substantially from those found in European contexts. As a result, its explanatory value in Malaysia, and particularly in Sabah, remains insufficiently understood.

6.2 Empirical Gaps

Research on Pakistani migrant entrepreneurship remains relatively limited when compared with studies of other migrant communities. Existing work has primarily explored migration histories, socio-economic adaptation, ethnic identity, and small-scale business ownership. Although these studies acknowledge the importance of kinship ties and community networks, they provide relatively little evidence on how institutional regulations, market conditions, and government policies interact with migrants' social resources to shape entrepreneurial outcomes.

Another limitation is that entrepreneurship is commonly treated as a business activity rather than as a broader livelihood strategy. Consequently, limited attention has been given to how migrant entrepreneurs balance business ownership with household responsibilities, transnational obligations, remittance practices, and long-term economic security. Examining entrepreneurship from a livelihood perspective offers a more holistic understanding of migrants' economic decision-making and the strategies they employ to sustain their families across multiple social and geographical contexts.

6.3 Geographical Gaps

The geographical distribution of migration research in Malaysia also reveals a significant imbalance. Most studies have concentrated on Peninsular Malaysia or on larger migrant populations, particularly Indonesian, Bangladeshi, Nepali, and Filipino workers. Although Sabah has attracted considerable scholarly attention because of its long history of cross-border migration, the emphasis has largely been on irregular migration, border governance, labour markets, citizenship, education, and healthcare.

Far less attention has been given to migrant entrepreneurship in Sabah, particularly among Pakistani retailers operating in urban commercial centres such as Kota Kinabalu. Despite their visible participation in the local retail economy, relatively little is known about how these entrepreneurs establish businesses, adapt to changing market conditions, or respond to institutional and regulatory constraints. This represents an important geographical gap within Malaysian migration scholarship.

6.4 Methodological Gaps

Methodologically, much of the existing literature relies on descriptive case studies that provide valuable contextual insights but offer limited theoretical integration. While these studies document migrants' business experiences in considerable detail, relatively few explicitly employ the Mixed Embeddedness perspective to analyse the interaction between migrants' agency and the structural conditions shaping entrepreneurial opportunities.

In addition, many studies examine either social networks or institutional environments independently, rather than analysing how these dimensions interact in practice. Future research would benefit from adopting integrated conceptual frameworks capable of capturing the dynamic relationship between migrants' social capital, entrepreneurial agency, and the opportunity structures of destination societies.

6.5 Implications for the Present Study

The gaps identified above highlight the need for research that moves beyond explanations centred solely on social networks. Pakistani migrant retailers in Kota Kinabalu operate within a distinctive socio-economic environment characterised by diverse migrant communities, complex migration governance, and an evolving retail sector. Understanding their livelihood strategies therefore requires attention to both the social resources they mobilise and the structural conditions that facilitate or constrain entrepreneurial activities.

The Mixed Embeddedness perspective provides an appropriate analytical framework because it integrates these multiple dimensions within a single conceptual approach. Applying this framework to Pakistani migrant retailers in Sabah extends its geographical application beyond the predominantly European contexts in which it has been developed and tested. At the same time, it contributes to Malaysian migration scholarship by addressing an understudied migrant community and by conceptualising entrepreneurship as a livelihood strategy rather than simply as business ownership.

Taken together, the theoretical, empirical, geographical, and methodological gaps identified in this review point to a clear research agenda. Investigating how Pakistani migrant retailers combine social capital with the opportunity structures of Sabah will not only strengthen understanding of migrant entrepreneurship in East Malaysia but also contribute to the continuing development of the Mixed Embeddedness perspective in non-European migration contexts.

7.0 Conceptual Framework

The literature reviewed in this paper demonstrates that migrant entrepreneurship cannot be adequately explained through social networks alone. Although social capital provides migrants with access to information, financial resources, labor, and business opportunities, entrepreneurial outcomes are also influenced by the broader economic, institutional, and regulatory environments in which migrants operate. Consequently, understanding the livelihood strategies of Pakistani migrant retailers requires an analytical framework that integrates both individual agency and structural conditions.

The Mixed Embeddedness framework provides this integrative perspective by conceptualizing migrant entrepreneurship as the outcome of interactions between migrants' social resources and the opportunity structures of the host society (Kloosterman et al., 1999; Kloosterman & Rath, 2001). Within this framework, social networks constitute an important source of entrepreneurial resources, but their effectiveness depends on the institutional context within which they are mobilized. Business success is therefore influenced not only by family support, ethnic solidarity, and transnational connections but also by immigration policies, market accessibility, regulatory frameworks, local governance, and economic conditions.

Drawing upon the reviewed literature, this study conceptualizes social networks as comprising three interrelated dimensions: bonding social capital, bridging social capital, and linking social capital (Putnam, 2000; Woolcock, 2001). Bonding social capital refers to relationships with family members, relatives, and co-ethnic communities that provide trust, emotional support, labor, and financial assistance. Bridging social capital connects migrants with individuals and groups outside their ethnic community, thereby facilitating access to wider markets, business information, and new economic opportunities. Linking social capital reflects relationships with government agencies, financial institutions, local authorities, and regulatory organizations that influence migrants' ability to establish and sustain businesses.

The second component of the framework consists of opportunity structures, which include the economic, institutional, and regulatory conditions that shape entrepreneurial activities. Economic opportunity structures refer to market demand, consumer behaviour, competition, and access to commercial opportunities. Institutional opportunity structures include immigration regulations, business licensing requirements, taxation systems, and financial institutions, while regulatory structures encompass the policies and governance arrangements that facilitate or constrain entrepreneurial activities. These structural conditions determine the extent to which migrants can transform their social resources into sustainable livelihood outcomes.

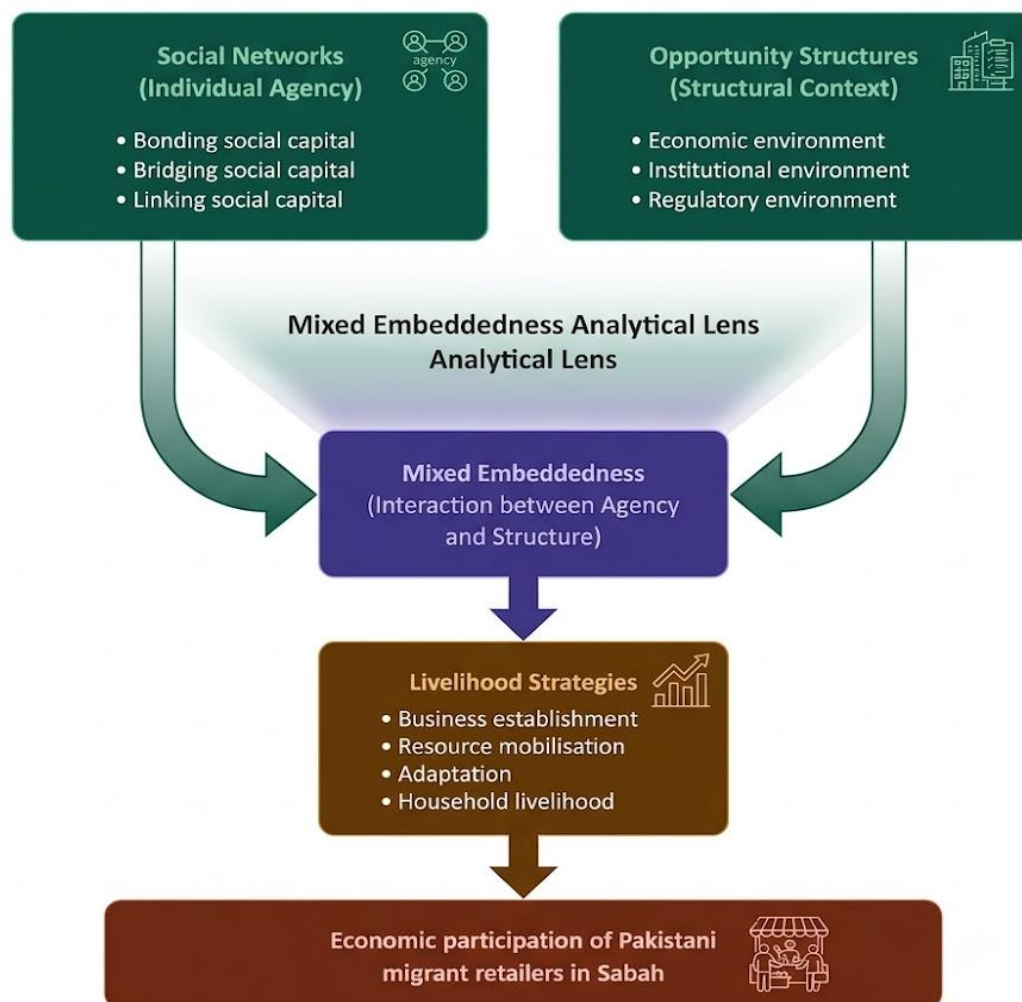
The interaction between social networks and opportunity structures shapes migrants' livelihood strategies, which represent the various economic and social practices through which migrants secure income, manage risks, support their households, and pursue long-term economic security. Rather than

treating entrepreneurship solely as business ownership, this study conceptualizes entrepreneurial activities as part of broader livelihood strategies that involve continuous adaptation to changing market conditions, institutional constraints, and transnational obligations.

Applying the Mixed Embeddedness framework to Pakistani migrant retailers in Kota Kinabalu enables analysis of how migrants mobilize social capital while responding to the opportunities and constraints presented by Sabah's distinctive migration context. The framework recognizes that entrepreneurial decisions are influenced simultaneously by personal resources, community relationships, institutional arrangements, and local market conditions. Consequently, it provides a more comprehensive explanation of migrant livelihood strategies than approaches that focus exclusively on either individual agency or structural constraints.

Based on this conceptualization, the study proposes that the livelihood strategies of Pakistani migrant retailers are influenced by the interaction between:

Figure1: Conceptual framework of the study based on the Mixed Embeddedness perspective



Source: Developed by the authors based on Kloosterman et al. (1999), Kloosterman and Rath (2001), Kloosterman (2010), Bourdieu (1986), Putnam (2000), Woolcock (2001), and Scoones (1998).

8.0 Discussion

The literature reviewed in this paper reflects a clear shift in migration scholarship from explanations centred primarily on social networks towards approaches that recognise the importance of structural opportunity. Earlier studies convincingly demonstrated that family relationships, ethnic solidarity, and transnational connections constitute valuable forms of social capital, providing migrants with access to employment, finance, business information, and emotional support (Bourdieu, 1986; Portes, 1998; Light & Gold, 2000). While these contributions remain fundamental, they provide only a partial explanation of migrant entrepreneurship because they cannot fully account for the diversity of entrepreneurial outcomes observed across different institutional and economic contexts.

A central insight emerging from this review is that migrant entrepreneurship is shaped through the interaction between agency and structure rather than by either dimension alone. Social networks undoubtedly facilitate access to resources, yet their effectiveness depends on the opportunity structures available within the host society. Migrants with comparable levels of social capital may experience very different entrepreneurial trajectories because they operate within different regulatory environments, labour markets, and institutional settings. This reinforces Kloosterman and Rath's (2001) argument that entrepreneurial opportunities are socially and institutionally constructed rather than determined solely by migrants' personal or ethnic resources.

Viewed from this perspective, the Mixed Embeddedness framework offers a more comprehensive explanation of migrant entrepreneurship than approaches based exclusively on social capital. By integrating migrants' social resources with the economic, institutional, and regulatory conditions of the host society, the framework captures the complex processes through which entrepreneurial opportunities are created, negotiated, and sustained. Entrepreneurial decision-making is therefore best understood as the outcome of continuous interaction between migrants' capabilities and the structural environments within which they operate.

These theoretical insights are particularly relevant in the Malaysian context. Migration research has largely concentrated on labour migration, border governance, irregular migration, and access to public services, with Indonesian and Filipino migrants receiving the greatest scholarly attention. Although Pakistani migrants have established a visible presence within Malaysia's retail sector, especially in Sabah, they remain comparatively underrepresented in migration research. Existing studies have generally highlighted the importance of kinship ties and ethnic solidarity but have paid considerably less attention to the institutional and market conditions that influence entrepreneurial opportunities. This review therefore identifies an important gap in understanding how Pakistani migrant retailers navigate the interaction between social resources and opportunity structures.

Sabah provides a particularly valuable setting for extending the Mixed Embeddedness perspective. Its geographical location, long history of cross-border mobility, and ethnically

diverse population have produced migration dynamics that differ in important ways from those of Peninsular Malaysia. These distinctive characteristics create opportunity structures that may influence migrant entrepreneurship differently from the European contexts in which Mixed Embeddedness was originally developed and most frequently applied. Examining Pakistani migrant retailers in Sabah therefore provides an opportunity to assess the framework's applicability within a Southeast Asian migration context while contributing to comparative migration scholarship.

Another contribution of this review lies in its conceptualisation of entrepreneurship as a livelihood strategy rather than simply a form of business ownership. Much of the existing literature evaluates entrepreneurship through indicators such as business establishment, enterprise growth, or profitability. While these measures remain important, they do not fully capture the broader realities of migrants' economic lives. For many migrants, entrepreneurship represents one of several strategies for generating income, managing uncertainty, supporting family members, fulfilling transnational obligations, and pursuing long-term economic security. Viewing entrepreneurship through a livelihood lens therefore provides a more holistic understanding of migrants' economic decision-making and everyday experiences.

The review also highlights several methodological implications for future research. Although many existing studies provide valuable descriptive accounts of migrant entrepreneurship, relatively few examine the interaction between social capital and opportunity structures using an integrated theoretical framework. Future empirical research would benefit from qualitative approaches capable of capturing migrants' lived experiences while exploring how institutional environments shape entrepreneurial decision-making. Comparative studies across migrant communities and regional contexts would also enhance understanding of how the Mixed Embeddedness perspective operates under different migration regimes and economic conditions.

The findings have implications beyond academic debate. They suggest that migrant entrepreneurship should not be viewed solely as a product of individual initiative or ethnic solidarity. Institutional arrangements – including immigration policies, licensing procedures, financial inclusion, and local governance – play an equally important role in shaping entrepreneurial opportunities. Policies that reduce unnecessary administrative barriers, improve access to business support services, and promote inclusive economic participation may therefore contribute not only to more sustainable migrant livelihoods but also to broader local economic development.

Overall, this review demonstrates that understanding the livelihood strategies of Pakistani migrant retailers requires moving beyond explanations centred exclusively on social networks. Social capital remains an essential resource, but its value can only be fully understood within the wider opportunity structures of the host society. By applying the Mixed Embeddedness perspective to Pakistani retailers in Kota Kinabalu, this study provides a more nuanced conceptual foundation for analysing migrant entrepreneurship while contributing to the continuing development of migration theory in Southeast Asia.

9.0 Conclusion

This review set out to examine how the livelihood strategies of Pakistani migrant retailers in Kota Kinabalu can be better understood through the Mixed Embeddedness perspective. By synthesising the literature on migrant livelihoods, social capital, migrant entrepreneurship, and opportunity structures, it argues that explanations centred solely on social networks are insufficient to explain the diversity of entrepreneurial experiences. While social networks remain an essential source of information, financial support, labour, and business opportunities, their effectiveness is shaped by the wider economic, institutional, and regulatory environments of the host society.

The review also highlights an important gap in Malaysian migration scholarship. Although considerable attention has been devoted to Indonesian and Filipino migrants, Pakistani migrant retailers remain comparatively underrepresented despite their visible contribution to Sabah's retail economy. Existing studies have largely focused on socio-economic adaptation and the importance of kinship and ethnic networks, with limited attention given to how these social resources interact with institutional arrangements and market conditions to influence entrepreneurial outcomes. This gap is particularly evident in Sabah, where migration dynamics, governance arrangements, and economic opportunities differ in important ways from those of Peninsular Malaysia.

By adopting the Mixed Embeddedness perspective, this review provides a more comprehensive conceptual framework for understanding migrant entrepreneurship. Rather than viewing entrepreneurship simply as business ownership, it conceptualises entrepreneurial activity as part of a broader livelihood strategy through which migrants generate income, manage uncertainty, fulfil transnational obligations, and pursue long-term socio-economic security. This perspective integrates migrants' agency with the structural opportunities and constraints that shape their economic participation, offering a more holistic explanation of entrepreneurial behaviour.

The review makes three principal contributions. First, it extends the application of the Mixed Embeddedness perspective to the underexplored context of Pakistani migrant retailers in Sabah, thereby broadening its geographical relevance beyond the European settings in which it has been most widely applied. Second, it identifies clear theoretical, empirical, geographical, and methodological gaps that justify further research on this understudied migrant community. Third, it develops a conceptual framework that integrates social capital, opportunity structures, and livelihood strategies, providing a coherent foundation for future empirical investigation.

These contributions also have broader implications for migration research and policy. Understanding migrant entrepreneurship requires greater attention to the interaction between individual resources and institutional environments rather than privileging either dimension in isolation. Policies that promote inclusive regulatory frameworks, improve access to business



support, and reduce unnecessary institutional barriers have the potential to strengthen migrant livelihoods while contributing to local economic development.

Ultimately, this review demonstrates that the livelihood strategies of Pakistani migrant retailers are best understood through the dynamic interaction between social capital and the opportunity structures of the host society. Applying the Mixed Embeddedness perspective to the Sabah context not only advances understanding of an understudied migrant community but also contributes to the continuing development of migrant entrepreneurship theory in Southeast Asia. The conceptual framework developed in this review provides a strong foundation for future empirical research examining how Pakistani migrant retailers establish, sustain, and adapt their businesses within Sabah's distinctive economic and institutional environment.

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