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SCIENTIFIC REPORT

Abstract

Many advanced economies, especially their larger cities, acquired a more cosmopolitan outlook in the closing decades of the twentieth century. This is reflected in an ever-broadening product range, which now not only includes such obvious items as Coca Cola, hamburgers and Levi's but also Thai food, North African musical instruments and Indian saris. It is also reflected in the increasing number of immigrant entrepreneurs who start businesses in their countries of settlement. The *Working on the Fringes* network was aimed at exploring these immigrant entrepreneurs in advanced economies.

This endeavor required not only looking at the immigrant entrepreneurs themselves, but also taking the wider socio-economic and institutional context into account. This so-called mixed embeddedness approach has guided the contributions of the members of the network. The members have examined trends in immigrant entrepreneurship and addressed the migration history (i.e. supply side), the opportunity structure (the demand side), and the impact of government policies and regulation on the demand and supply of the entrepreneurial market.

All the countries examined has growing numbers of immigrants from an increasing number of more and more distant countries. Immigration has significantly changed the demographic make-up and the profile entrepreneurs in many larger cities. The dominant pattern that emerges shows immigrant entrepreneurs are concentrated in lower-end retailing, wholesaling and restaurants and catering. These openings are closely linked to the vacancy chains where the most recent immigrant entrepreneurs replace earlier ones at the lower end of market, the rise of ethnic markets or markets of immigrants sharing the same kind of background, and offer immigrant entrepreneurs captive markets.

National differences occur partly because of variations in the opportunity structure. The rate of replacement in vacancy chain businesses is, for instance related to the general process of upward social mobility. It may also result from the creation or decline of ethnic markets in a process contingent on the rate and composition of immigration and the spatial distribution of groups of immigrants. More generally, the institutional framework also impacts upon the opportunity structure by regulating the access of immigrants to self-employment.

Most policies that are explicitly directed at enhancing the chances of immigrants for starting a business have so far focused on the supply side. Policies can also be aimed at the demand side by increasing the opportunities for, on the one hand, starting a business and, on the other, for moving to growth markets. Our *mixed embeddedness* approach has underlined the importance of these policies.

However, neo-liberal policies may also favor already existing firms that are able to benefit from economies of scale. These policies should therefore be informed by the complex institutional interdependencies of concrete cases.

Executive summary

Many advanced economies, especially their larger cities, acquired a more cosmopolitan outlook in the closing decades of the twentieth century. This is reflected in an ever-broadening product range, which now not only includes such obvious items as Coca Cola, hamburgers and Levi's but also Thai food, North African musical instruments and Indian saris. It is not just the appearance of these 'exotic' products in shops in Berlin, Liverpool, Paris, Sydney or Los Angeles that reveals the deepening links between less-developed and advanced economies. The demographic make-up of many advanced economies has also significantly changed as flows of long-distance migration from ever more locations increased in the second half of the twentieth century. Immigrants from less-developed countries moved to advanced economies, embodying the complex process of globalization in a very palpable sense. These two highly visible aspects of globalization are often directly related as immigrants themselves introduce their products to far-off places. They start businesses in their countries of settlement and become 'self-employed' or 'immigrant entrepreneurs'.

Notwithstanding increasing numbers of immigrant entrepreneurs from less-developed countries who set up shop, they have long remained in Europe, according to, notably, the *American* journal *Business Week*, 'unsung heroes'. In socio-economic terms, for a long time these immigrants were largely viewed *workers*. Immigrants were predominantly depicted as suppliers of cheap low-skilled labor in advanced economies. More recently, attention has shifted towards immigrants from less-developed countries who start their own businesses.

By becoming self-employed, immigrants acquire quite different roles than immigrants who become workers and also different than mainstream entrepreneurs. By starting their own business, immigrant entrepreneurs create their own jobs. This enables them to circumvent some of the barriers they may encounter in looking for a job. Immigrants from less-developed countries are especially likely to come up against these barriers. They may lack or be felt to lack educational qualifications, they may not have sufficient access to relevant social networks for transmitting information on vacancies, or local employers may simply discriminate against them. Becoming self-employed does not mean all these barriers have become irrelevant—banks may still discriminate against immigrants when they ask for business loans—but entrepreneurs are less vulnerable.

If they are successful, immigrant businesses can create jobs for others as well. This can benefit relatives, friends and acquaintances and, more generally, co-ethnics as social networks are often interfaces for information on the recruitment of new workers by small firms. Creating jobs then helps alleviate unemployment among immigrants.

Immigrant entrepreneurs can also contribute different forms of social capital than immigrant workers to the immigrant communities. Because of their links to suppliers and customers, immigrant entrepreneurs can be useful in constructing bridges to other networks outside the inner circle, thus improving chances of upward mobility. Moreover, immigrant entrepreneurs often act as self-appointed leaders for their communities.

Most important they show that immigrants from less-developed countries are not necessarily restricted to filling vacancies on the job market, they can be active agents and shape their own destinies by setting up their own businesses. Even if they are confined to lines of businesses with little promise, they are still actors in a very literal sense.

Immigrant entrepreneurs not only differ from immigrant *workers*, but also from *indigenous* entrepreneurs. They may provide goods and services indigenous entrepreneurs are not very likely to offer. Immigrant entrepreneurs may have expert knowledge on specific demands or specific sources of supply relating to foreign products as in the case of foodstuffs (e.g. spices from Indonesia), music (e.g. rai music from North Africa) or videos (e.g. Bollywood movies from India). In many cases this hard-to-copy expertise can be based on first-hand knowledge from back home or it can be generated through transnational networks that bridge the country of origin and the sometimes extensive diaspora of a specific group of immigrants. By introducing new products and new ways of marketing, even immigrant entrepreneurs at the bottom end of a market can be innovators—Joseph Schumpeter’s ‘new men’, albeit in a more modest form. One example is the introduction of Döner Kebab by Turkish entrepreneurs in Germany is. Or indigenous entrepreneurs might lack the credibility for specific kinds of businesses, as in the case of Chinese restaurants where the owner and staff need at least a Chinese appearance. Or preferences may keep indigenous entrepreneurs out of certain lines of business that require long hours of hard work at low pay that only immigrants are prepared to put up with. Migrant entrepreneurs may thus broaden the range of goods and services in a country and hence expand the consumers’ choice. In an indirect sense, this may even allow indigenous entrepreneurs to focus more on activities where they can exploit their own specific comparative advantages.

From a geographical perspective, migrant entrepreneurs can add vitality to particular streets or even neighborhoods in cities. If streets are deserted by indigenous businesses and replaced—in an invasion-and-succession sequence—by foreign entrepreneurs, deterioration can be reversed. As owners of local businesses, they have a clear stake in the prosperity, accessibility, and safety of the street or neighborhood. In many cases, these businesses are also where members of local social networks gather. They are thus an important component of the social fabric sustaining civic society at the grassroots level.

Analogous to the last point, immigrant entrepreneurs can be instrumental in giving certain sectors a new lease on life. In some industries, because of their specific skills, knowledge or social capital immigrant businesses can be at a comparative advantage. The garment industry is a case in point. In this sector, immigrants bring skills no longer reproduced on a sufficient scale in most advanced economies. In addition, they are willing to work long hours and use their social capital and networks to reduce production and transaction costs.

The research questions that have been addressed by the members of the *Working on the Fringes* network were:

- How has immigrant entrepreneurship evolved in the last two decades both in terms of distribution over the various sectors of the economy and of competitive strength, and what are the structural determinants of the observed trends in the selected countries?
- What kind of profiles of informal economic activities by immigrant entrepreneurs can be discerned, how are they related to activities in the mainstream economy on the one hand, and, on the other, to the regulatory framework (in particular the welfare state) and the enforcement regime?
- Which significance has to be attributed to these (semi-) informal economic activities in terms of combating social exclusion and socio-economic incorporation of immigrants into mainstream society in the long run?
- How is the crucial dilemma between upholding the law and facilitating trajectories for upward social mobility of immigrant entrepreneurs approached in the selected countries, what are the underlying determinants and which best practices can be identified for their dealing with these issues?

Addressing the conceptual and statistical issues regarding cross-border comparisons in immigrant entrepreneurship made clear that truly international comparative (quantitative) research in this field is still significantly hampered by a lack of uniform statistical data. Information on immigrant entrepreneurship is hard to come by in many countries and even harder to compare. How 'immigrants' or 'ethnic' minorities are defined is contingent on the specific national incorporation regime and differs from country to country. Immigrants in France are largely statistically invisible since they have acquired French citizenship and are not registered as immigrants. Immigrants from Turkey in Germany are, however, in many cases still considered foreigners and registered as such, whereas immigrants from Eastern Europe who are of German ancestry (*Aussiedler*) could get

citizenship right away. Immigrants who have the same backgrounds but settle in different countries can end up as very different statistical categories.

Moreover, somewhat analogous to the first point, the definition of entrepreneurship or self-employment also differs from country to country depending on the regulatory regime. In some countries, very small firms are not counted as official businesses and thus remain part of the underground or informal economy. After a change in the official definition of businesses to include very small ones, as Regina Haberfellner has shown in her contributions to *Working on the Fringes* network, the number of self-employed in Austria mushroomed. The statistical category 'immigrant entrepreneurship' is at the crossroads of these two conceptual interpretations, resulting in large disparities between countries. In some countries, the whole official statistical concept as such is non-existent (e.g. France), whereas in others like the United States, the official Census data allow for a combination of country of birth and/or nationality with socio-economic status. Even if official quantitative data are available, time series of immigrant entrepreneurship are often difficult to construct. Figures on employment and unemployment are published quarterly or even monthly, and in many cases they can be broken down according to sex, age group, ethnic category and region. Data on self-employment are not subjected to this rigid (OECD) format and can have very different time intervals. Census data tend to be collected once a decade. The burgeoning international comparative research on patterns of unemployment thus has a much sounder statistical base than research on immigrant entrepreneurship. The members of our network have, sometimes painstakingly, constructed quantitative immigrant entrepreneurship trends in their countries by using such sources as national statistical time series, the Census, and Chambers of Commerce databases. Still, the diversity of the data does not as yet allow for a refined statistical comparative analysis of national trends.

The second issue that needed clarification was what kind of analytical framework should be used in examining immigrant entrepreneurship in different countries. Most research on immigrant entrepreneurs has been done in the United States. While not denying the evident qualities of much of this work, its applicability in the contexts of European Union member states with rather different divisions of labor between states and markets is sometimes limited. Its negligence of the much thicker (public) institutional environments makes sometimes to understand the trajectories of immigrant entrepreneurs in Europe. This omission has prompted us to rethink the relationship between the broader context and immigrant entrepreneurs and assess the existing literature particularly with respect to differences in the institutional environment as a potential explaining factor.

To combine agency and structure perspectives, we have introduced the concept of *mixed embeddedness*. Mixed embeddedness clearly means putting the opportunity structure back in again, but this time strongly influenced by Esping-Andersen. He demonstrated how different national

institutional frameworks, even if they are confronted with a similar structural change in the shape of the post-industrial transition, help to create divergent *post-industrial employment trajectories* by way of path-dependent processes. To paraphrase Esping-Andersen, one could also argue that various institutional frameworks also bring about divergent post-industrial *self-employment trajectories* and hence different opportunity structures for entrepreneurs, local and immigrant alike. If the legal minimum wage is relatively low, as in the United States, personal services such as house cleaning and gardening are profitable and hence accessible for immigrant entrepreneurs without much human capital. In many European countries, a higher minimum wage may undermine the profitability of these activities provided by the public sector, in which case there are no opportunities for businesses at all. Mixed embeddedness implies taking into account the characteristics of the supply of immigrant entrepreneurs, the shape of the opportunity structure, and the institutions mediating between aspiring entrepreneurs and concrete openings to start a business in order to analyze immigrant entrepreneurship in different national contexts.

The concept of mixed embeddedness still requires further elaboration and operationalization, preferably in an international comparative setting. At this stage, it has only guided the contributions of the members of the *Working on the Fringes* network in a very broad manner. The members have examined trends in immigrant entrepreneurship and address (national) dimensions of (potential) variation in their countries, migration history (i.e. supply side), the opportunity structure (the demand side), and the impact of government policies and regulation on the demand and supply of the entrepreneurial market. The emphasis, given that the focus is on *national* developments, is on the structural side of the equation, although actor perspectives are also addressed. Involvement in informal activities is also examined as an important potential refuge for immigrant entrepreneurs. In addition, contemporary immigrant entrepreneurship is perceived by social scientists in the different countries, reflecting the state of research on this topic. Below, we briefly summarize the key findings.

A first general finding is anything but startling. All the countries had growing numbers of immigrants from an increasing number of more and more distant countries. Immigrants from Asia, Central Africa and Latin America show up all across the globe. Even Italy, long a country of *emigration*, as Mauro Magatti and Fabio Quassoli show in their contribution, has become an immigration country. This new phase in immigration has significantly changed the demographic make-up of the world's larger cities. In other words, the supply of potential immigrant entrepreneurs has expanded.

International trends in immigrant entrepreneurship are the subject of this book's second general finding. Although the paucity and diversity of the data do not permit the construction of a cross-border quantitative overview, on the whole immigrant entrepreneurship is clearly increasing in all

eleven countries in this volume. From the United States to South Africa and Austria to Canada, immigrants are increasingly self-employed. In the Netherlands (Jan Rath and Robert Kloosterman) and the United States (Pyong Gap Min and Mehdi Bozorgmehr) immigrant self-employment has mushroomed.

Although it was not an explicit research topic of this network, we also note the emergence of post-industrial economies in the selected countries. South Africa is somewhat the odd one out, as Sally Peberdy and Christian Rogerson note in their contribution. The other countries clearly show a declining manufacturing base, a growing service sector and an increasing number of small businesses and self-employed people. Germany, with its traditionally strong manufacturing base, has not escaped this trend. After a drop in self-employment between 1950 and 1980, German growth in self-employment, particularly in the service sector, picked up (see contribution by Wilpert).

The intersection of rising immigration and the post-industrial transition in the advanced economies in the last quarter of the twentieth century did indeed apparently result in growing immigrant entrepreneurship. Social reality in each of the selected countries is, however, much more complex.

The post-industrial transition implies a rise of small businesses as a result of the shift to flexible specialization modes of production in manufacturing and multifarious forms of outsourcing and subcontracting in manufacturing and services. We would thus expect to find immigrant entrepreneurs in what Allan Scott calls the leading edges of capitalist development: high-tech manufacturing, consumer-oriented industries (resolutely focused on niche markets), and personal and business services. The dominant pattern of immigrant entrepreneurship that emerges is however somewhat different. Most researchers have noted that immigrant entrepreneurs are concentrated in lower-end retailing, wholesaling and restaurants and catering. These openings are closely linked to the vacancy chains where the most recent immigrant entrepreneurs replace earlier ones at the lower end of market, the rise of ethnic markets or markets of immigrants sharing the same kind of background, and offer immigrant entrepreneurs captive markets. In France, as was noted by Ma Mung and Lacroix, shopkeepers from North Africa have partly replaced local French businessmen. The same can be said of Turkish bakeries and grocery stores in the Netherlands (Rath and Kloosterman) and Asian confectioners, tobacco shops and newsagents in the United Kingdom (see the contribution by Giles Barrett, Trevor Jones and David McEvoy). The rise of consumer markets of Eastern European immigrants until 1993 in Austria is an example of an ethnic market process creating openings for small businesses (see the contribution by Haberfellner). The spatial concentration of immigrants favors the emergence of these ethnic markets. In Germany (see Wilpert), Turkish shops have clearly benefited from being concentrated in certain neighborhoods.

National differences in the opportunity structure may result from the rate of replacement in vacancy chain businesses, which is related to general upward social mobility. It may also result from the creation or decline of ethnic markets in a process contingent on the rate and composition of immigration and the spatial distribution of groups of immigrants. More generally, the institutional framework also impacts the opportunity structure by regulating the access of immigrants to self-employment in some sectors or even in a wide range of activities. In Austria and Germany, aspiring immigrant entrepreneurs run into difficulties because the corporatist rules and regulations explicitly limit access to self-employment for non-EU immigrants. Although backed by the state, in some cases non-state bodies such as the Chambers of Commerce are involved as gatekeepers. The viability and profitability in these market segments is also dependent on the supply of aspiring entrepreneurs or, in other words, on the strength of the push factor. In part the push factor is a function of structural unemployment. In European welfare states, unskilled immigrants have hard time in finding a job because the expansion of the (private) service sector is hampered by high minimum wages.

The openings resulting from vacancy chains and ethnic markets are relatively accessible; they generally do not require only low start-up costs and little or no specific educational qualifications and tend to rely on hard (and cheap) labor. Profit margins are squeezed because of the easy entry and many markets at the lower end are near saturation as is the case in the United Kingdom. Social capital and ethnic resources are needed to survive in these cutthroat markets. The combination of hard work and low pay means these openings are not very attractive. Many immigrant entrepreneurs are not so much pulled as pushed towards these openings. Unemployment is an important driving force behind the push towards entrepreneurship. Especially in Europe, where unemployment, particularly among immigrants from less-developed economies, has been high since 1980, immigrants have been partly pushed towards self-employment in these less-promising market segments. However, if the countries of settlement do not fully recognize immigrants' educational qualifications or if discrimination blocks their upward mobility on the regular labor market, they may be pushed towards self-employment. In Australia, as Jock Collins shows in his contribution, there is an *accent ceiling* that limits the social mobility of non-English-speaking immigrants and operates as a push towards self-employment.

The prevalence of this traditional pattern of immigrant entrepreneurs working hard in sweat shops should not however be interpreted to mean if there is no relation at all between the post-industrial transition and the rise of immigrant entrepreneurship. Firstly, there is the mobility of immigrant entrepreneurs; those who start in vacancy chain or ethnic market openings are embedded in societies where post-industrial transformations are taking place. This means that in principle, they can start by exploiting a vacancy chain or ethnic market opening and then move to another, expanding segment. This 'breaking-out' (cf. Engelen 2001) is difficult, though there are examples of

immigrant entrepreneurs successfully pursuing this strategy. In many countries, immigrant entrepreneurs in the restaurant sector who started by primarily catering to a clientele of immigrants with the same background, profit from an expanding taste repertoire in the host societies linked to the cultural shrinkage of the world. Ching Lin Pang, in her contribution on Belgium, notes how Chinese, Greek and Turkish food has been ‘creolized’ or adapted to the culinary tastes of a broader clientele. This kind of strategy requires cultural capital or knowledge that straddles the products of the country of origin as well as of the consumer tastes in the country of settlement.

Secondly there is the continuing presence of immigrant entrepreneurs in the garment industry and in some countries (such as Italy) in construction. Although almost proverbial activities, they have been fundamentally affected by processes of outsourcing and subcontracting. In the United States, as Min and Bozorgmehr note, large firms have been outsourcing to sweatshops run by immigrants to circumvent rules and regulations on minimum wages and working hours. In this case, *regulations* and the drive to get around them, drive the creation of opportunities for small businesses. The Italian case is intriguing in this respect. Italy, once an industrial laggard because of its plethora of small firms, became the prime example of flexible specialization in the 1980s. Given that, according to Magatti and Quassoli, indigenous Italians already filled almost all the openings for small businesses, the scope for immigrant businesses was limited.

Thirdly a new kind of immigrant entrepreneur from less-developed countries seems to be emerging that connects directly to the post-industrial society. These immigrant entrepreneurs are highly educated (undergraduates and graduates), thereby reflecting the higher education at level in many less-developed countries and the increasing access of these immigrants to educational facilities in advanced economies (itself a form of globalization). Min and Bozorgmehr note the role of highly skilled Iranian, Iraqi, Taiwanese, Indian, and Chinese entrepreneurs in professional businesses (e.g. financial services) in the United States. Their businesses in rapidly growing post-industrial markets differ from the more traditional immigrant businesses in that they are often gazelles (with strong growth potential) and that they rely more on class resources.

Although these highly educated immigrants can also be found in Europe, especially among second-generation immigrants they are predominantly attracted to the United States. Their average return on human capital is considerably higher there than in most European countries. Immigrant entrepreneurs who are rich in individual resources also favor Canada and Australia, and even constitute a transnational category of *astronauts* who link Asia, Australia and Canada (see the contributions by Collins and Daniel Hiebert). African immigrant entrepreneurs in South Africa are also relatively well educated and capitalized. To a certain extent, the larger opportunity structure in a

country pre-selects the composition of the incoming immigrant population with respect to skills and education.

Highly accessible markets where relatively low-skilled or unskilled labor is the main input and price competition is fierce also imply that a reduction of labor costs could contribute to higher margins. Given the marginal character of many of these firms, lower labor costs could even make the difference between bankruptcy and survival. In many European countries, relatively high legal minimum wages set clear limits to the lowering of labor costs. Cutting corners and deployment of informal strategies could achieve lower labor costs, albeit in an illegal way. These strategies could range from making use of the labor of one's own family (partner, children) without (sufficient) payment or below the legal minimum age of employment to employing workers without legal resident status or to dodging all kinds of taxes and insurance contributions. Given the competitive pressure on many of these immigrant entrepreneurs on the one hand, and the composition of their social networks on the other, informal economic activities are rather widespread and quite hard to check. Informal economic activities are not, of course, the prerogative of immigrant entrepreneurs alone. Indigenous entrepreneurs are also frequently involved in informal economic activities. The position of immigrant entrepreneurs as a group differs, however. They are much more likely to be found in at the lower end of markets and, in addition, tend to have better access to specific forms of informal labor. They can, for instance, employ members of extended families do not have much other job prospects or they have access to networks which include persons without legal resident status who are willing to work long hours against low wages.

Furthermore, as became clear from the contributions of our colleagues of the network, the 'playing field' for informal economic activities differs from country to country. These differences occur not only because of the national variation in rules and regulations but also because of differences in enforcement regimes. In many cases, governments turn a blind eye to relatively small infringements of the law. The frequency of these kinds of infringements (from immigrant and indigenous entrepreneurs), the difficulties in tracing them, and the possibilities for the offenders to hide these informal activities makes the transaction costs for the authorities rather high, and, arguably even prohibitive. A more promising solution seems to be to enhance the opportunities for entrepreneurs to move to other segments of the market where competitive pressures are smaller and hence margins are higher.

From our analytical perspective of *mixed embeddedness*, these findings can be grouped in three categories. First, the supply side (the resources of the immigrant entrepreneurs), secondly, the demand side or opportunity structure (the number and nature of openings for small businesses and the

trajectories open to small firms to expand) and, thirdly, the matching process between supply and demand.

Most policies explicitly directed at enhancing the chances of immigrants for starting a business have focused on the supply side. These policies have particularly sought to increase two specific types of resources. They have intended to increase the human capital at the disposal of the immigrant entrepreneur by offering advice, training, courses etc. to increase the expertise of the (aspiring) immigrant entrepreneur. Secondly, policies have aimed at increasing access to financial resources for immigrant entrepreneurs to start a business or to expand an existing one. In many countries, these programmes have been institutionalized at a local level by establishing business centers, which provide these services. These policies are from our perspective, in principle, steps in the right direction with respect at starting a business as well as regarding expanding an existing one. Encouraging the ability to speak the language of the country of settlement is undoubtedly essential to be successful outside of 'ethnic' markets. There are, obviously, all kinds of difficulties in implementing these policies but these fall outside the scope of our analysis.

One kind of resource that is only seldom addressed but which emerges from our (and other) analyses as very important prop of entrepreneurship in general is social capital. Social capital—the ability to make use of resources (financial, information, labor) from other members of the same social network—turns out to be rather important in determining the success of a business. Social capital and trust may significantly reduce transaction costs and, hence, the rate of survival and the chances for expansion of a firm. This holds true in general, but one could be more specific by looking at the composition of the social network. If an immigrant entrepreneur has access to social networks with indigenous members, the chances for breaking-out to new, larger markets increase. Consequently, policies should also aim at opening up social networks of mainly indigenous actors to immigrant entrepreneurs. Grass-roots business organizations (formal and informal) could be pivotal in enlarging the prospects of immigrant-run firms. By helping these firms to other markets, pressure to engage in informal economic activities will decrease.

The second category of policies aims at the demand side or opportunity structure. These policies should aim at increasing the opportunities for, on the one hand, starting a business and for moving to growth markets, on the other. Our *mixed embeddedness* approach has underlined the importance of these policies by looking at the differences in opportunity structures in the selected countries. The creation of new markets by a withdrawal of the public sector (*privatization*) has enhanced the opportunities for new firms. The same could be said, in principle, for the reduction of rules and regulations regarding the starting of a business (*deregulation*). This implies that the neo-liberal policies that were initiated in many EU member states after 1980 have enhanced the scope for

businesses in general and, therefore, also for immigrant businesses. More specifically, by lowering the qualifications needed to start a business and adjusting the regulatory framework to the needs of small businesses, immigrant entrepreneurs have benefited.

However, neo-liberal policies may also favor already existing firms that are able to benefit from economies of scale. Deregulation of opening hours in the United Kingdom is a case in point as our network members Barrett, Jones and McEvoy have noted. By further deregulation of opening hours large retailers were able to invade niches that were hitherto occupied by immigrant businesses. The same could be said with respect to the abolishment of minimum prices which will allow large firms to undercut smaller ones. Neo-liberal policies should, hence, take into account the conditions of specific markets instead of offering across-the-board solutions that end up strengthening the position of those firms that are already established. Moreover, policies aimed at the opportunity structure should be informed by the complex institutional interdependencies of market economies. In Italy, for instance, small firms largely dominate the economic landscape. This feature is interconnected with other institutional features—e.g. business culture, organization of funding, educational system, and the nature of business accommodations, spatial patterns—which cannot be copied overnight if at all. Policies aimed at reducing the formal bureaucratic barriers for immigrants to start a business in Germany or Austria—a sensible road to take—may neglect other informal barriers for these entrepreneurs. Opening up the opportunity structure for immigrant firms therefore requires sensitivity with respect to other institutional features as well. Other policy areas, such as urban planning and zoning, may also be involved in creating opportunities for immigrant businesses to start and, eventually, to become successful.

The third category concerns the matching of demand and supply. Openings may exist and aspiring entrepreneurs may be willing but still they have to meet. Labor exchanges have been set up to ease the match between supply and demand on the labor market. This is not possible for the entrepreneurial market, as there are usually no actors to announce opportunities. One could, however, adopt policies that lower the threshold to start a business and also policies to ease bankruptcies. This would increase matching by making use of a *trial-and-error* mechanism. Successful businesses will incite others to follow their example, in the same area or elsewhere. In conjunction with the relatively generous welfare benefits, this trial-and-error element may promote the dynamics of urban and even national economies.

The establishment of the international network has proven to be of strategic importance for Europe's research community. The network has demonstrably fostered the exchange of empirical data and theoretical ideas on immigrant and ethnic entrepreneurship and, consequently, encouraged the design and implementation of new research programs in various countries in Europe. Continuing

this international network is obviously of strategic importance. Encouraging the activities of this network on the one hand and the study of immigrant and ethnic entrepreneurship in key sectors of the economy in an international comparative setting on the other could among others, help accomplish this strategic aim.

Background and objectives of the project

The first and most concrete objective of this project has been the establishing of an international network of researchers to examine the role of these immigrant entrepreneurs in advanced urban economies and especially their (possible) involvement in informal economic activities from a comparative perspective. The second aim was generating, on the basis of the findings from different national contexts, a much more thorough understanding of the socio-economic trajectories these immigrant entrepreneurs in Europe take. This deeper understanding enables a better-founded assessment of the impact of rules, regulations and policies with respect to these trajectories in European member states and other advanced economies. It helps us, more specifically, to identify sets of best practices with respect to immigrant businesses and their involvement in informal economic activities to advance the upward mobility of immigrant entrepreneurs and to enhance their contribution to the local economies.

The findings of this project are, accordingly, not just relevant to social researchers working in the field of immigrants and urban economies more in general, but also to policy makers and other practitioners who deal with newcomers and small businesses in urban contexts. The dissemination of our findings is, therefore, explicitly targeted to this latter category of policy makers.

The project has addressed the following leading questions with respect to immigrant businesses:

- How has immigrant entrepreneurship evolved in the last two decades both in terms of distribution over the various sectors of the economy and of competitive strength, and what are the structural determinants of the observed trends in the selected countries?
- What kind of profiles of informal economic activities by immigrant entrepreneurs can be discerned, how are they related to activities in the mainstream economy on the one hand, and, on the other, to the regulatory framework (in particular the welfare state) and the enforcement regime?
- Which significance has to be attributed to these (semi-) informal economic activities in terms of combating social exclusion and socio-economic incorporation of immigrants into mainstream society in the long run?
- How is the crucial dilemma between upholding the law and facilitating trajectories for upward social mobility of immigrant entrepreneurs approached in the selected countries, what are the

underlying determinants and which best practices can be identified for their dealing with these issues?

These objectives concur with the TSER strategic aim of obtaining insight in processes of social exclusion and integration. This holds especially true for the social phenomena described under problem area III.2, namely: a) economic activities that are culturally segregated from the main economy, b) the pattern of informal economies, and c) the possible positive role of the informal economy. As such, the project *Working on the Fringes* does not only cover all three strategic aims of the TSER programme, but, due to its design with respect to both content and dissemination, also has considerable policy relevance.

In order to meet the project objectives, the following activities were planned for this period. The participants have:

- established a new European network for exchanging knowledge and experiences on the issue of immigrant entrepreneurship on the economic fringe in advanced urban economies;
- produced critical reviews of the international literature (books, reports, articles and other documents) on this issue;
- organized a series of four meetings in order to enable the exchange of information, insights and policy experiences; and
- prepared the dissemination of the results a) by building a website on the Internet, b) by launching a Listserver on Immigrant and Ethnic Entrepreneurship, and c) by making available a CD-ROM in the English language (in collaboration with EMPORIUM).

Scientific description of the project methodology

Immigrant entrepreneurs have become (much) more prominent in many advanced urban economies. This rise was first observed in the United States and somewhat later in the United Kingdom; the sequence of the scientific research on contemporary immigrant entrepreneurship reflects this pattern. The first significant publications appeared in North America in the early 1970s, closely followed by the United Kingdom. Soon after, researchers in Australia and Europe followed suit. Together, these researchers have created an impressive body of literature consisting of more than 1,600 books, reports, monographs, chapters, journal articles and special issues on aspects of immigrant entrepreneurship.

Notwithstanding these undertakings, cross-border comparisons have been rather thin on the ground (see Rath 2002a). The *Working on the Fringes* network has been instrumental in preparing the ground for more thorough international comparisons between the member states of the European Union but also between these member states and other OECD economies. By bringing researchers from different countries in the field of immigrant entrepreneurs together, not only a much clearer view of the conceptual and statistical difficulties when engaging in international comparative research was obtained but also a drive towards institutionalization of this kind of research within the European Union was initiated. Subsequent research can be built upon the foundations laid by the *Working on the Fringes* network. The goal of this pioneering project was first and foremost a mapping of the field and providing an analysis of what concepts and what kind of data are in use in the different countries. The next steps were directed at the more substantive research questions relating to sectoral distribution of immigrant entrepreneurs, their dynamics, their involvement in informal economic activities and, finally, how this is connected to the larger (national) institutional framework in the different countries. The concept of *mixed embeddedness* has been pivotal with respect to the underlying methodology of the project. The essence of the *mixed embeddedness* concept is the notion that the trajectories of (immigrant) entrepreneurs can only be understood if one does not only take into account the (potential) resources at their disposal, but also the broader socio-economic and institutional context in which they operate. This will be explained more in detail below.

On April 16 and 17, 1999, the first international meeting out of our series of four meetings took place in Amsterdam. The agenda of this launching meeting was basically setting the agenda for the next meetings and subsequent activities. We therefore discussed: a) the proposal of the project including the

notes on the methodology (prepared by the coordinator in collaboration with Robert Kloosterman, participant 2), and b) the research notes prepared by the participants who cover the various national cases.

On October 7, 8 and 9, 1999, the second international meeting took place in Amsterdam. The agenda of this meeting, which was also organized by Jan Rath and Robert Kloosterman, was, first, generating comparable state-of-the-art analyses with regard to more general development of immigrant businesses in the various countries. Secondly, procuring overviews of the state of research regarding to these issues. Thirdly, critically evaluating the validity of the definitions and concepts used in the various countries. Each participant prepared a paper along those instructions. Next to the partners of this network, a number of experts from the USA, Canada, South Africa and Australia attended the meeting. During this meeting, country-specific processes and outcomes of the development of immigrant businesses as well as academic research could be identified. At the same time—by problematizing the current use of concepts such as ‘the informal economy’, ‘the entrepreneur’, ‘small businesses’, ‘immigrant/ethnic business’ and so forth—a first step was taken to develop a common vocabulary. This will enhance the validity of the international comparison. This second conference was considered a starting point for further collaborative and theoretical work and for identifying structural determinants of immigrant entrepreneurship.

On June 17-20, 2000, the third meeting was held in Jerusalem, Israel. This meeting was organized by the coordinator of the project in collaboration with Prof. Robert Kloosterman (Partner 2, University of Amsterdam) and our local partner Prof. Eran Razin (Partner 6, Hebrew University, Jerusalem). The meeting was primarily dedicated at the economic aspects of immigrant entrepreneurship or, to be more precise, at the position of various groups of immigrant entrepreneurs *vis-à-vis* the economic opportunity structure. How do immigrants find chances to set up businesses? How is this opportunity structure influenced by the overall socio-economic structure? In total seventeen papers were presented on these topics by members from the network as well as by invited experts. The findings from these papers constituted the base for the policy analyses that were presented at the last meeting.

This final meeting, March 22-25, 2001, took place in Liverpool, England. This meeting, under the heading ‘Public Policy and the Institutional Context of Immigrant Businesses’, was organized in collaboration with Prof. Robert Kloosterman (Partner 2, University of Amsterdam) and our local partners Dr. Giles Barrett and Prof. David McEvoy (Partner 8, Liverpool John Moores University, Liverpool). Next to the core members of the network a number of international researchers as well as

practitioners and policy makers gave presentations, including an MP from Northern Ireland (see appendix). During this exchange, a number of best practices for interventions by the government or private organizations were identified. The meeting was dedicated at the political and legal aspects of immigrant entrepreneurship or, to be more precise, at the position of various group of immigrant entrepreneurs with respect to the politico-legal opportunity structure. In total eighteen papers were presented on these topics by members from the network as well as by invited experts.

Scientific description of the project results

The results of the *Working on the Fringes* network fall under three headings. The first category concerns a thorough overview of the conceptual and statistical issues involved when comparing immigrant entrepreneurship in different countries. The second heading refers to the analytical framework that should be used in examining the trends in immigrant entrepreneurship in the selected countries. Under the third heading, we present an overview of the outcomes of the research activities of our network.

The statistical problems

Addressing the conceptual and statistical issues regarding cross-border comparisons in immigrant entrepreneurship made clear that truly international comparative (quantitative) research in this field is still significantly hampered by a lack of uniform statistical data. Information on immigrant entrepreneurship is hard to come by in many countries and even harder to compare. How 'immigrants' or 'ethnic' minorities are defined is contingent on the specific national incorporation regime and differs from country to country (cf. Hollifield 1992; Soysal 1994). Immigrants in France are largely statistically invisible since they have acquired French citizenship and are not registered as immigrants. Immigrants from Turkey in Germany are, however, in many cases still considered foreigners and registered as such, whereas immigrants from Eastern Europe who are of German ancestry (*Aussiedler*) could get citizenship right away. Immigrants who have the same backgrounds but settle in different countries can end up as very different statistical categories.

Moreover, somewhat analogous to the first point, the definition of entrepreneurship or self-employment also differs from country to country depending on the regulatory regime. In some countries, very small firms are not counted as official businesses and thus remain part of the underground or informal economy. After a change in the official definition of businesses to include very small ones, as Regina Haberfellner has shown in her contributions to *Working on the Fringes* network, the number of self-employed in Austria mushroomed. The statistical category 'immigrant entrepreneurship' is at the crossroads of these two conceptual interpretations, resulting in large disparities between countries. In some countries, the whole official statistical concept as such is non-existent (e.g. France), whereas in others like the United States, the official Census data allow for a combination of country of birth and/or nationality with socio-economic status. Even if official quantitative data are available, time series of immigrant entrepreneurship are often difficult to

construct. Figures on employment and unemployment are published quarterly or even monthly, and in many cases they can be broken down according to sex, age group, ethnic category and region. Data on self-employment are not subjected to this rigid (OECD) format and can have very different time intervals. Census data tend to be collected once a decade. The burgeoning international comparative research on patterns of unemployment thus has a much sounder statistical base than research on immigrant entrepreneurship. The members of our network have, sometimes painstakingly, constructed quantitative immigrant entrepreneurship trends in their countries by using such sources as national statistical time series, the Census, and Chambers of Commerce databases. Still, the diversity of the data does not as yet allow for a refined statistical comparative analysis of national trends.

The analytical framework

The second issue that needed clarification was what kind of analytical framework should be used in examining immigrant entrepreneurship in different countries. Most research on immigrant entrepreneurs has been done in the United States. While not denying the evident qualities of much of this work, its applicability in the contexts of European Union member states with rather different divisions of labor between states and markets is sometimes limited. Its negligence of the much thicker (public) institutional environments makes sometimes to understand the trajectories of immigrant entrepreneurs in Europe. This omission has prompted us to rethink the relationship between the broader context and immigrant entrepreneurs and assess the existing literature particularly with respect to differences in the institutional environment as a potential explaining factor.

Up till now, research on immigrant entrepreneurship has mainly taken its own theoretical path in the past three decades and has usually been national or local in focus. There has been a strong emphasis on the supply side and consequently the focus on the entrepreneurs themselves and not the broader context. To economists such as Borjas (1990) and Bates (1997), human capital has been the crucial explanatory variable of entrepreneurial success. According to sociologists, however, this neo-classical view with atomistic individuals pursuing the narrowly defined goal of profit maximization fails to explain variations among different categories of immigrant entrepreneurs and immigrant entrepreneurship more generally (cf. Light and Gold 2000; see also Power 2001). They tend to stress the role of social capital, the resources that characterize a whole group and not just its isolated members. Although these perspectives can make it easier to explore immigrant entrepreneurship in a number of cases, they do not suffice if one wants to compare immigrant entrepreneurship in different settings; they leave out the demand side or opportunity structure which may differ considerably

between national and even local contexts. Immigrant entrepreneurs do not operate in a vacuum; they have to operate in virtual socio-economic spaces where there are specific opportunities for businesses especially small ones. The shape of these spaces is contingent on multifarious factors such as sectoral and income distribution, financial system, available technology, welfare system, and rules and regulations. To understand national trends in immigrant entrepreneurship, these opportunity structures have to be taken into account in order to put the actors into a proper perspective (cf. Aldrich, Jones and McEvoy 1984).

Roger Waldinger, Howard Aldrich, Robin Ward and Associates in their path breaking book *Ethnic Entrepreneurs: Immigrant Business in Industrial Societies* (1990) undertook a first attempt to move beyond actors' perspectives and address cross-border differences. The authors believed that in order to understand and explain ethnic entrepreneurial strategies, ethnic and socio-cultural factors should be combined with politico-economic factors. In their opinion, the set of politico-economic factors includes access to ethnic and non-ethnic consumer markets and to ownership in the form of business vacancies, competition for vacancies, and government policies. Many researchers still consider this *interactive model* an important step towards a more comprehensive theoretical approach, even though it is more like a classification than an explanatory model. After its publication, various researchers observed shortcomings in the interactive model. Light and Rosenstein (1995) stressed a number of methodological flaws. Morokvasic (1993) and Collins, Gibson and Alcorso felt insufficient attention was devoted to gender issues, whereas Tait and Castles (see Collins, Gibson, Alcorso, Tait and Castles 1995a) deplored the absence of processes of racialization. Rath and Kloosterman (2000b) criticized the *a priori* categorization of immigrants as ethnic groups and the concomitant assumption that as ethnic entrepreneurs, immigrants act differently by default than mainstream entrepreneurs. Bonacich (1993) and Rath (2000b, 2002a), disapprove of the model's narrow and static approach of economic and regulatory factors. The authors view market conditions in terms of the ethnicization or de-ethnicization of consumer markets, and confine regulatory factors to a short list of laws and regulations that specifically apply to immigrants.

In a next phase, the debate went into another direction. Again the focus moved to the supply side or the entrepreneurs themselves. Light and Gold (2000), and Yoon (1997) gave ethnic and class resources a central role in their analyses. In their view, immigrant entrepreneurship is the product of the mobilisation of a combination of resources. Broader contextual characteristics still matter, particularly with respect to the fit between a specific set of resources and contextual characteristics, but they do not theoretically elaborate upon the latter. Other researchers have followed mainstream economic sociologists such as Granovetter (1995), and focus on the entrepreneurs' social networks and their impact on entrepreneurship (e.g. Lee 1999; Light 2000; Waldinger 1996; Yoo 1998; Zhou

1992). To put it bluntly, many researchers confine themselves to exploring and refining agency matters, in particular regarding the significance of social networks, instead of elaborating upon the interplay of agency and structure.

There have also been efforts to address immigrant entrepreneurship from structural perspectives. Various authors posit that immigrants gravitate towards self-employment because there are so few alternatives. Blocked mobility—an inability to find a job that fits their skills, interests and ambitions due to racist practices (Saxenian 1999)—pushes immigrants towards self-employment. This perspective has always been popular in the United Kingdom and some of the leading scholars have embraced it since the early 1980s. Trevor Jones and David McEvoy in particular have gone to great lengths to shift theoretical attention from internal processes to the external environment where businesses operate. Their work is grounded in a political economy perspective and emphasizes the negative influence of contemporary structural changes in advanced economies on immigrant business development.

Sassen also stresses the role of structural forces, albeit in a more positive way. In her view, immigrants are pulled rather than pushed into self-employment. Her book *The Global City* (2001) describes the decline of manufacturing industries and the growth of the service economy. These processes are particularly salient in ‘global cities’, where capitalism is at a peak. The high end of the service sector in these global cities creates a demand for low-end activities by outsourcing directly (producer services) and indirectly (consumer services). Immigrants engage in these activities, intimately associated with processes of flexibilization and informalization, and their expansion serves as a magnet for new immigrants. Thus opportunities are created for people who have no access to the primary segments of the labor market. Sassen’s perspective also underscores that economic restructuring can be a driving force behind immigrant entrepreneurialism, even though many of these micro-entrepreneurs never transcend the level of the *Lumpen-bourgeoisie*.

Taking Sassen’s view as a point of departure, one could even argue that immigrant entrepreneurship is the logical outcome of two structural processes of change in advanced economies. The first process of change has affected the supply side. The general increase in immigration from less-developed countries to advanced economies expanded the *supply* of potential immigrant entrepreneurs after 1950 and increasingly so after 1975.

The second process of change involves the post-industrial transition after 1970 which has tilted the *demand side* more towards small firms by eroding the dominance of large-scale, Fordist modes of production. This phase of drastic economic restructuring not only entailed the end of many manufacturing activities and a rapid expansion of the service sector (high and low-end), but it also shed new light on the role of small businesses and, hence, of the self-employed. Economies of scale,

very dominant in the first decades after the Second World War, lost their hitherto seemingly incontestable economic logic in at least some activities, and small-scale production appeared to be the wave of the future. Saturation of industrial markets and the long-term diversification of taste fragmented markets on the one hand, and created new markets for which the demand was too unstable to use the traditional equipment profitably on the other. Small-scale production or flexible specialization seemed to be the answer (Piore and Sabel 1984: 206-7). The opportunities for small businesses also expanded as a result of the increase in sub-contracting by firms and private households and hierarchies were replaced by networks of small firms. Deregulation, part of the neo-liberal political programme many countries adapted after 1980, also increased the possibilities for small firms in low-value added activities (OECD 1992, 2000).

Especially in larger cities with a significant immigrant population, crossing the second industrial divide, to use a phrase coined by Piore and Sabel, would hence inevitably result in a marked rise of immigrant entrepreneurship. The relation between agency and structure, however, is much less clear-cut and more open. It is not just that the post-industrial transition (although it does involve more opportunities for small firms) is far more complex than many observers first noted. Various contributions from the members of the *Working on the Fringes* network, however, showed that the match between potential entrepreneurs and opportunities for small firms is seldom straightforward. Mechanistic structural perspectives not only underestimate the role of agency by assuming that immigration is a homogenous phenomenon, they also run the risk of taking too much of the broader context for granted. They tend to overlook such issues as government regulation, which may be very different in other countries.

To combine agency and structure perspectives, we have introduced the concept of *mixed embeddedness* (Kloosterman and Rath 2001b; Kloosterman, van der Leun and Rath 1999). Mixed embeddedness clearly means putting the opportunity structure back in again, but this time strongly influenced by Esping-Andersen (1990, 1998). He demonstrated how different national institutional frameworks, even if they are confronted with a similar structural change in the shape of the post-industrial transition, help to create divergent *post-industrial employment trajectories* by way of path-dependent processes. To paraphrase Esping-Andersen, one could also argue that various institutional frameworks also bring about divergent post-industrial *self-employment trajectories* and hence different opportunity structures for entrepreneurs, local and immigrant alike. If the legal minimum wage is relatively low, as in the United States, personal services such as house cleaning and gardening are profitable and hence accessible for immigrant entrepreneurs without much human capital. In many European countries, a higher minimum wage may undermine the profitability of these activities provided by the public sector, in which case there are no opportunities for businesses

at all. Mixed embeddedness implies taking into account the characteristics of the supply of immigrant entrepreneurs, the shape of the opportunity structure, and the institutions mediating between aspiring entrepreneurs and concrete openings to start a business in order to analyze immigrant entrepreneurship in different national contexts.

The concept of mixed embeddedness still requires further elaboration and operationalization. At this stage, it has only guided the contributions of the members of the *Working on the Fringes* network in a very broad manner. The members have examined trends in immigrant entrepreneurship and address (national) dimensions of (potential) variation in their countries, migration history (i.e. supply side), the opportunity structure (the demand side), and the impact of government policies and regulation on the demand and supply of the entrepreneurial market. The emphasis, given that the focus is on *national* developments, is on the structural side of the equation, although actor perspectives are also addressed. Involvement in informal activities is also examined as an important potential refuge for immigrant entrepreneurs (Held *et al.* 1999: 325; Waldinger 1996). In addition, contemporary immigrant entrepreneurship is perceived by social scientists in the different countries, reflecting the state of research on this topic. Below, we briefly summarize the key findings.

A brief overview of the results

A first general finding is anything but startling. All the countries had growing numbers of immigrants from an increasing number of more and more distant countries. Immigrants from Asia, Central Africa and Latin America show up all across the globe. Even Italy, long a country of *emigration*, as Mauro Magatti and Fabio Quassoli show in their contribution, has become an immigration country. This new phase in immigration has significantly changed the demographic make-up of the world's larger cities. In other words, the supply of potential immigrant entrepreneurs has expanded.

International trends in immigrant entrepreneurship are the subject of this book's second general finding. Although the paucity and diversity of the data do not permit the construction of a cross-border quantitative overview, on the whole immigrant entrepreneurship is clearly increasing in all eleven countries in this volume. From the United States to South Africa and Austria to Canada, immigrants are increasingly self-employed. In the Netherlands (Jan Rath and Robert Kloosterman) and the United States (Pyong Gap Min and Mehdi Bozorgmehr) immigrant self-employment has mushroomed.

Although it was not an explicit research topic of this network, we also note the emergence of post-industrial economies in the selected countries. South Africa is somewhat the odd one out, as

Sally Peberdy and Christian Rogerson note in their contribution. The other countries clearly show a declining manufacturing base, a growing service sector and an increasing number of small businesses and self-employed people. Germany, with its traditionally strong manufacturing base, has not escaped this trend. After a drop in self-employment between 1950 and 1980, German growth in self-employment, particularly in the service sector, picked up (see contribution by Wilpert).

The intersection of rising immigration and the post-industrial transition in the advanced economies in the last quarter of the twentieth century did indeed apparently result in growing immigrant entrepreneurship. Social reality in each of the selected countries is, however, much more complex.

The post-industrial transition implies a rise of small businesses as a result of the shift to flexible specialization modes of production in manufacturing and multifarious forms of outsourcing and subcontracting in manufacturing and services. We would thus expect to find immigrant entrepreneurs in what Allan Scott (1998: 21) calls the leading edges of capitalist development: high-tech manufacturing, consumer-oriented industries (resolutely focused on niche markets), and personal and business services. The dominant pattern of immigrant entrepreneurship that emerges is however somewhat different. Most researchers have noted that immigrant entrepreneurs are concentrated in lower-end retailing, wholesaling and restaurants and catering. These openings are closely linked to the vacancy chains where the most recent immigrant entrepreneurs replace earlier ones at the lower end of market, the rise of ethnic markets or markets of immigrants sharing the same kind of background, and offer immigrant entrepreneurs captive markets (Kloosterman 2002; Kloosterman and Rath 2001b). In France, as was noted by Ma Mung and Lacroix, shopkeepers from North Africa have partly replaced local French businessmen. The same can be said of Turkish bakeries and grocery stores in the Netherlands (Rath and Kloosterman) and Asian confectioners, tobacco shops and newsagents in the United Kingdom (see the contribution by Giles Barrett, Trevor Jones and David McEvoy). The rise of consumer markets of Eastern European immigrants until 1993 in Austria is an example of an ethnic market process creating openings for small businesses (see the contribution by Haberfellner). The spatial concentration of immigrants favors the emergence of these ethnic markets. In Germany (see Wilpert), Turkish shops have clearly benefited from being concentrated in certain neighborhoods.

National differences in the opportunity structure may result from the rate of replacement in vacancy chain businesses, which is related to general upward social mobility. It may also result from the creation or decline of ethnic markets in a process contingent on the rate and composition of immigration and the spatial distribution of groups of immigrants. More generally, the institutional framework also impacts the opportunity structure by regulating the access of immigrants to self-

employment in some sectors or even in a wide range of activities. In Austria and Germany, aspiring immigrant entrepreneurs run into difficulties because the corporatist rules and regulations explicitly limit access to self-employment for non-EU immigrants. Although backed by the state, in some cases non-state bodies such as the Chambers of Commerce are involved as gatekeepers. The viability and profitability in these market segments is also dependent on the supply of aspiring entrepreneurs or, in other words, on the strength of the push factor. In part the push factor is a function of structural unemployment. In European welfare states, unskilled immigrants have hard time in finding a job because the expansion of the (private) service sector is hampered by high minimum wages (Kloosterman 2000).

The openings resulting from vacancy chains and ethnic markets are relatively accessible; they generally do not require only low start-up costs and little or no specific educational qualifications and tend to rely on hard (and cheap) labor. Profit margins are squeezed because of the easy entry and many markets at the lower end are near saturation as is the case in the United Kingdom. Social capital and ethnic resources are needed to survive in these cutthroat markets. The combination of hard work and low pay means these openings are not very attractive. Many immigrant entrepreneurs are not so much pulled as pushed towards these openings. Unemployment is an important driving force behind the push towards entrepreneurship. Especially in Europe, where unemployment, particularly among immigrants from less-developed economies, has been high since 1980, immigrants have been partly pushed towards self-employment in these less-promising market segments. However, if the countries of settlement do not fully recognize immigrants' educational qualifications or if discrimination blocks their upward mobility on the regular labor market, they may be pushed towards self-employment. In Australia, as Jock Collins shows in his contribution, there is an *accent ceiling* that limits the social mobility of non-English-speaking immigrants and operates as a push towards self-employment.

The prevalence of this traditional pattern of immigrant entrepreneurs working hard in sweat shops should not however be interpreted to mean if there is no relation at all between the post-industrial transition and the rise of immigrant entrepreneurship. Firstly, there is the mobility of immigrant entrepreneurs; those who start in vacancy chain or ethnic market openings are embedded in societies where post-industrial transformations are taking place. This means that in principle, they can start by exploiting a vacancy chain or ethnic market opening and then move to another, expanding segment. This 'breaking-out' (cf. Engelen 2001) is difficult, though there are examples of immigrant entrepreneurs successfully pursuing this strategy. In many countries, immigrant entrepreneurs in the restaurant sector who started by primarily catering to a clientele of immigrants with the same background, profit from an expanding taste repertoire in the host societies linked to the cultural shrinkage of the world. Ching Lin Pang, in her contribution on Belgium, notes how Chinese,

Greek and Turkish food has been ‘creolized’ or adapted to the culinary tastes of a broader clientele. This kind of strategy requires cultural capital or knowledge that straddles the products of the country of origin as well as of the consumer tastes in the country of settlement.

Secondly there is the continuing presence of immigrant entrepreneurs in the garment industry (Dicken 1998; Rath 2002a) and in some countries (such as Italy) in construction. Although almost proverbial activities, they have been fundamentally affected by processes of outsourcing and subcontracting. In the United States, as Min and Bozorgmehr note, large firms have been outsourcing to sweatshops run by immigrants to circumvent rules and regulations on minimum wages and working hours (cf. Klein 2000). In this case, *regulations* and the drive to get around them, drive the creation of opportunities for small businesses. The Italian case is intriguing in this respect. Italy, once an industrial laggard because of its plethora of small firms, became the prime example of flexible specialization in the 1980s (Weiss 1988). Given that, according to Magatti and Quassoli, indigenous Italians already filled almost all the openings for small businesses, the scope for immigrant businesses was limited.

Thirdly a new kind of immigrant entrepreneur from less-developed countries seems to be emerging that connects directly to the post-industrial society. These immigrant entrepreneurs are highly educated (undergraduates and graduates), thereby reflecting the higher education at level in many less-developed countries and the increasing access of these immigrants to educational facilities in advanced economies (itself a form of globalization). Min and Bozorgmehr note the role of highly skilled Iranian, Iraqi, Taiwanese, Indian, and Chinese entrepreneurs in professional businesses (e.g. financial services) in the United States. Their businesses in rapidly growing post-industrial markets differ from the more traditional immigrant businesses in that they are often gazelles (with strong growth potential) and that they rely more on class resources.

Although these highly educated immigrants can also be found in Europe, especially among second-generation immigrants (cf. van der Leun and Rusinovic 2001) they are predominantly attracted to the United States. Their average return on human capital is considerably higher there than in most European countries (cf. Borjas 1994; Brücker 2002). Immigrant entrepreneurs who are rich in individual resources also favor Canada and Australia, and even constitute a transnational category of *astronauts* who link Asia, Australia and Canada (see the contributions by Collins and Daniel Hiebert). African immigrant entrepreneurs in South Africa are also relatively well educated and capitalized. To a certain extent, the larger opportunity structure in a country pre-selects the composition of the incoming immigrant population with respect to skills and education.

Highly accessible markets where relatively low-skilled or unskilled labor is the main input and price competition is fierce also imply that a reduction of labor costs could contribute to higher

margins. Given the marginal character of many of these firms, lower labor costs could even make the difference between bankruptcy and survival. In many European countries, relatively high legal minimum wages set clear limits to the lowering of labor costs. Cutting corners and deployment of informal strategies could achieve lower labor costs, albeit in an illegal way. These strategies could range from making use of the labor of one's own family (partner, children) without (sufficient) payment or below the legal minimum age of employment to employing workers without legal resident status or to dodging all kinds of taxes and insurance contributions. Given the competitive pressure on many of these immigrant entrepreneurs on the one hand, and the composition of their social networks on the other, informal economic activities are rather widespread and quite hard to check. Informal economic activities are not, of course, the prerogative of immigrant entrepreneurs alone. Indigenous entrepreneurs are also frequently involved in informal economic activities. The position of immigrant entrepreneurs as a group differs, however. They are much more likely to be found in at the lower end of markets and, in addition, tend to have better access to specific forms of informal labor. They can, for instance, employ members of extended families do not have much other job prospects or they have access to networks which include persons without legal resident status who are willing to work long hours against low wages.

Furthermore, as became clear from the contributions of our colleagues of the network, the 'playing field' for informal economic activities differs from country to country. These differences occur not only because of the national variation in rules and regulations but also because of differences in enforcement regimes. In many cases, governments turn a blind eye to relatively small infringements of the law. The frequency of these kinds of infringements (from immigrant and indigenous entrepreneurs), the difficulties in tracing them, and the possibilities for the offenders to hide these informal activities makes the transaction costs for the authorities rather high, and, arguably even prohibitive. A more promising solution seems to be to enhance the opportunities for entrepreneurs to move to other segments of the market where competitive pressures are smaller and hence margins are higher.

Conclusions and policy implications

For quite some time, American researchers have dominated immigrant entrepreneurship research. In light of the rapid growth of immigrant entrepreneurship there, this leading role is hardly surprising. But many American approaches, although fruitful and inspiring, tend to take the American economy and its regulatory setting too much for granted. The *Working on the Fringes* network is volume presents a much wider array of contributions on the subject of immigrant entrepreneurship. Not only is immigrant entrepreneurship contingent on the national context, so are the perception, definition and conceptualization of it and the ways of conducting research. Researchers communicate in different languages and are informed by local ideologies and debates. Furthermore, national research agendas obviously do not take the same routes and modes of research funding differ. Consequently, researchers in different countries, albeit connected via conferences, international networks and journals, produce different kinds of knowledge, pursue different avenues of research, and apply different concepts and methods. The reflections on the state of research in the selected countries provide ample evidence of these different traditions. These differences still stand in the way of more thorough comparative research on immigrant entrepreneurship. The dearth of comparable data and the complexity are still obstacles to the construction of a more comprehensive model.

Above, we have presented a brief overview of the results of the *Working on the Fringes* network. Immigrant entrepreneurs are becoming part and parcel of advanced urban economies in the European Union, just like in the United States, Canada, and Australia. They are still strongly concentrated towards the lower segments of (highly accessible) markets where added value is, on the whole, relatively low. More and more, however, these immigrant entrepreneurs benefit from the structural changes in advanced urban economies where outsourcing by other firms and by private households are creating new, accessible but also expanding markets.

Here we will dwell upon the policy implications with respect to immigrant entrepreneurs in advanced urban economies. From our analytical perspective of *mixed embeddedness*, these findings can be grouped in three categories. First, the supply side (the resources of the immigrant entrepreneurs), secondly, the demand side or opportunity structure (the number and nature of openings for small businesses and the trajectories open to small firms to expand) and, thirdly, the matching process between supply and demand.

Most policies explicitly directed at enhancing the chances of immigrants for starting a business have focused on the supply side. These policies have particularly sought to increase two specific types of resources. They have intended to increase the human capital at the disposal of the immigrant

entrepreneur by offering advice, training, courses etc. to increase the expertise of the (aspiring) immigrant entrepreneur. Secondly, policies have aimed at increasing access to financial resources for immigrant entrepreneurs to start a business or to expand an existing one. In many countries, these programmes have been institutionalized at a local level by establishing business centers, which provide these services. These policies are from our perspective, in principle, steps in the right direction with respect at starting a business as well as regarding expanding an existing one. Encouraging the ability to speak the language of the country of settlement is undoubtedly essential to be successful outside of “ethnic” markets. There are, obviously, all kinds of difficulties in implementing these policies but these fall outside the scope of our analysis.

One kind of resource that is only seldom addressed but which emerges from our (and other) analyses as very important prop of entrepreneurship in general is social capital. Social capital—the ability to make use of resources (financial, information, labor) from other members of the same social network—turns out to be rather important in determining the success of a business. Social capital and trust may significantly reduce transaction costs and, hence, the rate of survival and the chances for expansion of a firm. This holds true in general, but one could be more specific by looking at the composition of the social network. If an immigrant entrepreneur has access to social networks with indigenous members, the chances for breaking-out to new, larger markets increase (Engelen, 2001). Consequently, policies should also aim at opening up social networks of mainly indigenous actors to immigrant entrepreneurs. Grass-roots business organizations (formal and informal) could be pivotal in enlarging the prospects of immigrant-run firms. By helping these firms to other markets, pressure to engage in informal economic activities will decrease.

The second category of policies aims at the demand side or opportunity structure. These policies should aim at increasing the opportunities for, on the one hand, starting a business and for moving to growth markets, on the other. Our *mixed embeddedness* approach has underlined the importance of these policies by looking at the differences in opportunity structures in the selected countries (cf. Kloosterman, 2003). The creation of new markets by a withdrawal of the public sector (*privatization*) has enhanced the opportunities for new firms. The same could be said, in principle, for the reduction of rules and regulations regarding the starting of a business (*deregulation*). This implies that the neo-liberal policies that were initiated in many EU member states after 1980 have enhanced the scope for businesses in general and, therefore, also for immigrant businesses. More specifically, by lowering the qualifications needed to start a business and adjusting the regulatory framework to the needs of small businesses, immigrant entrepreneurs have benefited.

However, neo-liberal policies may also favor already existing firms that are able to benefit from economies of scale. Deregulation of opening hours in the United Kingdom is a case in point as our

network members Barrett, Jones and McEvoy have noted. By further deregulation of opening hours large retailers were able to invade niches that were hitherto occupied by immigrant businesses. The same could be said with respect to the abolishment of minimum prices which will allow large firms to undercut smaller ones. Neo-liberal policies should, hence, take into account the conditions of specific markets instead of offering across-the-board solutions that end up strengthening the position of those forms that are already established. Moreover, policies aimed at the opportunity structure should be informed by the complex institutional interdependencies (Whitley, 2000) of market economies. In Italy, for instance, small firms largely dominate the economic landscape. This feature is interconnected with other institutional features—e.g. business culture, organization of funding, educational system, and the nature of business accommodations, spatial patterns—which cannot be copied overnight if at all. Policies aimed at reducing the formal bureaucratic barriers for immigrants to start a business in Germany or Austria—a sensible road to take—may neglect other informal barriers for these entrepreneurs. Opening up the opportunity structure for immigrant firms therefore requires sensitivity with respect to other institutional features as well. Other policy areas, such as urban planning and zoning, may also be involved in creating opportunities for immigrant businesses to start and, eventually, to become successful.

The third category concerns the matching of demand and supply. Openings may exist and aspiring entrepreneurs may be willing but still they have to meet. Labor exchanges have been set up to ease the match between supply and demand on the labor market. This is not possible for the entrepreneurial market, as there are usually no actors to announce opportunities. One could, however, adopt policies that lower the threshold to start a business and also policies to ease bankruptcies. This would increase matching by making use of a *trial-and-error* mechanism. Successful businesses will incite others to follow their example, in the same area or elsewhere. In conjunction with the relatively generous welfare benefits, this trial-and-error element may promote the dynamics of urban and even national economies.

One of the principal aims of the *Working on the Fringes* network was to open up a new phase of more intensive international comparison by presenting surveys of trends in immigrant entrepreneurship in the countries of our network. Like the immigrant entrepreneurs, we basically think nothing ventured, nothing gained and are surely aware of the shortcomings of this endeavor, at least some of them. We hope that within the next decade, new comparative research on immigrant entrepreneurship will see the light of day. It will hopefully not only have a broader geographical base, perhaps including the Scandinavian and Eastern European countries, if possible it will provide a more comparable quantitative framework. This, however, also hinges upon the availability of more uniform data on immigrant entrepreneurship in the EU member states.

Even more importantly it might well assess how traditional and new, highly educated immigrant entrepreneurs have fared in advanced societies. The wider context of immigrant entrepreneurship in these societies will probably change in fundamental ways in the next decade. At the same time, there will be a pursuit of new regulation frameworks that accommodate small businesses in much more sophisticated way (cf. Hudson 1997: 310), and a struggle to determine new positions towards immigration, especially after September 11. More specifically, the European Union should investigate if and how equivalents of the Chinese and Indian immigrant entrepreneurs in Silicon Valley are also possible in Europe.

The establishment of the international network has proven to be of strategic importance for Europe's research community. The network has demonstrably fostered the exchange of empirical data and theoretical ideas on immigrant and ethnic entrepreneurship and, consequently, encouraged the design and implementation of new research programs in various countries in Europe. Continuing this international network is obviously of strategic importance. Encouraging the activities of this network on the one hand and the study of immigrant and ethnic entrepreneurship in key sectors of the economy in an international comparative setting on the other could among others, help accomplish this strategic aim.

Details can be found in Annex III, *Immigrant Entrepreneurs: Venturing Abroad in the Age of Globalisation*.

Dissemination and/or exploitation of results

Web site

The project has established a presence on the Internet at <http://users.fmg.uva.nl/jrath/tser.htm>. The website has been altered in the course of the project, depending on the availability of information to be disseminated. Through this website, a large readership has got access to the paper and country reports prepared by the network partners.

Electronic Newsletter

Furthermore, there is the electronic ImmEnt Listserver for exchanging (scholarly) knowledge and experiences on the issue of Immigrant and Ethnic Entrepreneurship. The ImmEnt Listserver is an semi-open mail server; every subscriber is entitled to send messages about: upcoming conferences, workshops, expert meetings, seminars; lectures, talks; new reading: articles, reports, chapters, books; new research projects, research programmes, tenders; policy documents, memorandums; other announcements; queries; discussion. Already more than 250 experts have subscribed to the ImmEnt Listserver. Information on the Listserver can be found on the Internet at <http://users.fmg.uva.nl/jrath/immment/listserv.htm>. This web page also gives access to the archive of the Listserver. The electronic newsletter has helped foster the networking capabilities of this project.

Virtual library

The coordinator abandoned the plan to make available a CD-ROM in the English language (in collaboration with EMPORIUM, the Amsterdam-based Transnational Knowledge and Communications Centre of Ethnic Entrepreneurship). Instead, EMPORIUM launched its own website in order to reach a wider public. The website which is located at <http://www.emporium.nl> was launched on February 22, 2000. The network is contributing to this website, amongst other by making available their virtual library of academic books, reports, chapters and articles on immigrant and ethnic entrepreneurship. There are already more than 1600 entries. Visitors to the EMPORIUM website can carry out their own searches through the library. As of Fall 2002, the virtual library will

also be available on the website of International Metropolis, i.e. an international project that aims at connecting researchers, policy makers and NGOs. Their website is located at http://www.international.metropolis.net/frameset_e.html.

Lastly, the findings are also disseminated by more traditional, but no less effective means, namely in the form of printed matters.

Special Issue of the *Journal of Ethnic and Migration Studies*

Robert Kloosterman and Jan Rath edited a special issue on 'immigrant entrepreneurship' of the international *Journal of Ethnic and Migration Studies* (formerly known as *New Community*). This issue was published in April 2001 (Volume 27, Number 2) and was based on the work by participants in the network meetings. The issue included these articles:

1. *Immigrant entrepreneurs and the wider context. Mixed embeddedness further explored* by Robert Kloosterman and Jan Rath
2. *Breaking in and breaking out. A Weberian approach to entrepreneurial opportunities* by Ewald Engelen
3. *East Asian and European entrepreneur immigrants in British Columbia (Canada). Postmigration conduct and premigration context* by Karl Froschauer
4. *Socio-economic and policy dimensions of the mixed embeddedness of ethnic minority business in Britain* by Giles Barrett, Trevor P. Jones and David McEvoy
5. *Immigrant entrepreneurs from the former USSR in Israel. Not the traditional enclave economy* by Eran Razin and Dan Scheinberg
6. *Get IT going: New ethnic Chinese business. A case of Taiwanese-owned computer firms in Hamburg* by Maggi W.H. Leung
7. *Immigrant business and niche formation in a historical perspective. The Netherlands in the nineteenth century* by Marlou Schrover
8. *Queer ladders and other paths. Informal economies, immigrant entrepreneurship, and drug crime in Japan* by Rich H. Friman
9. *Day labourers as entrepreneurs?* by Abel Valenzuela Jr.

Special issue of the International Journal of Entrepreneurial Behavior and Research

Jan Rath, Robert Kloosterman and Eran Razin edited a special issue on ‘The economic context, embeddedness and immigrant entrepreneurs’ of the *International Journal of Entrepreneurial Behavior and Research*. This issue was published in Spring 2002 (Volume 8, Numbers 1-2) and was based on the work by participants in the network meetings. The issue included these articles:

1. *Editorial: The economic context, embeddedness and immigrant entrepreneurs* by Jan Rath and Robert Kloosterman
2. *The economic embeddedness of immigrant enterprise in Britain* by Giles Barrett, Trevor Jones, David McEvoy and Chris McGoldrick
3. *Mixed embeddedness. Does it really explain immigrant enterprise in Western Australia (WA)?* by Nonja Peters
4. *Unbalanced embeddedness of ethnic entrepreneurship: the Israeli Arab case* by Izhak Schnell and Michael Sofer
5. *How innovative are Dutch immigrant entrepreneurs? Constructing a framework of assessment* by Ewald Engelen
6. *Economic associations of immigrant self-employment in Canada* by Dan Hiebert
7. *Chinese entrepreneurs. The Chinese diaspora in Australia* by Jock Collins
8. *From four-course Peking duck to take-away Singapore rice. An inquiry into the dynamics of the ethnic Chinese catering business in Germany* by Maggi W.H. Leung
9. *Business opportunity or food pornography? Chinese restaurant ventures in Antwerp* by Ching Lin Pang
10. *Conclusion. The economic context, embeddedness and immigrant entrepreneurs* by Eran Razin

Special issue of the International Journal of Urban and Regional Research

Robert Kloosterman, Jan Rath, and Eran Razin are in the process of completing a special issue on ‘Immigrant Entrepreneurship’ of the *International Journal of Entrepreneurial Behavior and Research*. This issue is forthcoming and is based on the work by participants in the network meetings. The issue included these articles:

1. *Intro: The mixed embeddedness of immigrant entrepreneurs* by Jan Rath and Robert Kloosterman
2. *Socio-economic characteristics of immigrant businesses in Italy* by Mauro Magatti & Fabio Quassoli

3. *Entrepreneurship among former USSR immigrants in Israel: the role of the national and local economies* by Eran Razin
4. *Are ethnic economies the revolving doors of urban labour markets?* by Felicitas Hillmann
5. *Postindustrial Embeddedness: Entrepreneur-class* by Karl Froschauer
6. *Conclusions* by Roger Waldinger

Immigrant Entrepreneurs: Venturing Abroad in the Age of Globalisation

This is the most comprehensive overview of the development of immigrant entrepreneurship and immigrant entrepreneurship research. The introduction is followed by several country studies. These will consist of an introductory part consisting of a setting of the scene, which will include recent migration trends, more general labor market (including self-employment) trends and a brief sketch of the position of immigrants. The second part of each country study will focus on the debates and policies on immigrants and especially immigrant entrepreneurship in both the national policy and scientific domain. The third part will be devoted to empirical developments with regard to immigrant entrepreneurship (numbers, sectoral and spatial distribution, the existence of so-called niches and the likelihood of immigrants breaking-out of captive markets). The fourth part of each country study will be a meta-analysis of scientific research of immigrant entrepreneurship and deals with issues such as the conceptualization of ‘immigrant’ ‘entrepreneurship’ through the years, the theoretical tendencies that have dominated the study of immigrant entrepreneurship in the country concerned, as well as the interrelationship of academic research and policy-making. In the final part of each chapter, these issues will be wrapped up. Are we witnessing a general process, common for each country of immigration, or does the specific emergence—if any—of immigrant entrepreneurship exemplifies a national model of economic incorporation? How have both the academic community and society at large appreciated immigrant entrepreneurship, and to what extent has this informed the study of immigrant entrepreneurship?

The following countries are presented:

1. *Introduction* by Robert C. Kloosterman and Jan Rath
2. *United States: The Entrepreneurial Cutting Edge* by Pyong Gap Min and Mehdi Bozorgmehr
3. *Canada: A False Consensus* by Daniel Hiebert
4. *Australia: Cosmopolitan Capitalists Down Under* by Jock Collins
5. *South Africa: Creating New Spaces?* by Sally Peberdy and Christian M. Rogerson

6. *United Kingdom: Severely Constrained Entrepreneurialism* by Giles A. Barrett, Trevor P. Jones and David McEvoy
7. *The Netherlands: A Dutch Treat* by Jan Rath and Robert C. Kloosterman
8. *Italy: Between Legal Barriers and Informal Arrangements* by Mauro Magatti and Fabio Quassoli
9. *France: The Narrow Path by Emmanuel* by Ma Mung and Thomas Lacroix
10. *Belgium: From Proletarians to Proteans* by Ching Lin Pang
11. *Austria: Still a Highly Regulated Economy* by Regina Haberfellner
12. *Germany: From Workers to Entrepreneurs* by Czarina Wilpert

The book is titled *Immigrant Entrepreneurs: Venturing Abroad in the Age of Globalisation* and has been edited by Robert Kloosterman & Jan Rath. Oxford: Berg Publishers, and New York: New York University Press, (in print).

Regulating Immigrant Entrepreneurship

Jan Rath, Robert Kloosterman and Daniel Hiebert are preparing a book on the regulation of immigrant entrepreneurship. This book will be based on the papers of the final conference. The preliminary contents are:

1. *Introduction* by Daniel Hiebert, Robert Kloosterman and Jan Rath
2. *Regulation: How to Combine Openness and Protection? Arguing for Differentiated Citizenship Rights* by Ewald Engelen
3. *Immigrant Entrepreneurs and the Israeli Welfare State: Institutional Support and Institutional Constraints* by Eran Razin
4. *Immigrant entrepreneurship in Italy. Between welfare regimes and immigration policies* by Mauro Magatti, Enzo Mingione and Fabio Quassoli
5. *The changing institutional and policy context for immigrant business in Australia* by Jock Collins
6. *Ethnic minorities and (de)regulation. Retailing and consumer services in the United Kingdom* by Giles Barrett, Trevor Jones & David McEvoy
7. *Fostering immigrant entrepreneurship in Canada: The role of selection and settlement policies* by Daniel Hiebert
8. *Asian clothing firms after the National Minimum Wage* by Monder Ram
9. *The regulation of Chinatowns in Amsterdam and Antwerpen* by Ching Lin Pang and Jan Rath

10. *Mapping Global Production in New York City: The Role Sunset Park, Brooklyn's Immigrant Economy* by Tarry Hum

Acknowledgements and References

During the final meeting, the participants emphasized their interest in continuing this international network. The coordinator sees it as his tasks to facilitate this. The Annual Conference of the American Association of Geographers in Los Angeles (March 2002) was the first opportunity to gather after the expiration of the Working on the Fringes Project. The International Sociological Association's World Congress in Brisbane (July 2002) was another opportunity. The coordinator is exploring the possibility of continuing on a more regular base.

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- the Levi Eshkol Institute for Economic, Social And Political Research, The Hebrew University of Jerusalem
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- the Liverpool John Moores University
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Annex I

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Annex II

Papers presented at Working on the Fringes Conferences

First Conference - October 1999, Amsterdam

Immigrant businesses in the (in)formal economy: The state of the art regarding immigrant businesses and research of immigrant businesses

Robert Kloosterman (Delft University of Technology) & Jan Rath (University of Amsterdam)
The Case of the Netherlands

Giles Barrett, David McEvoy & Trevor Jones (Liverpool John Moores University)
The case of Britain

Eran Razin & Dan Scheinberg (Hebrew University of Jerusalem)
Immigrant Entrepreneurs from the Former USSR in Israel: Not the Traditional Enclave Economy

Mauro Magatti (Catholic University of Milan), Enzo Mingione (Fondazione Bignaschi) & Fabio Quassoli (Università degli Studi di Milano-Bicocca)
The case of Italy

Czarina Wilpert (Technical University Berlin)
The case of Germany

Thomas Lacroix & Emmanuel Ma Mung (Université de Poitiers)
The ethnic entrepreneurship in France. General background

Regina Haberfellner (Centre for Social Innovation)
The case of Austria

Ching Lin Pang (Catholic University of Leuven)

The case of Belgium

Jock Collins (University of Technology Sydney)

Ethnicity, gender and Australian small business entrepreneurs: towards a theory of ethnic entrepreneurship

Ivan Light (University of California - Los Angeles)

What are the class resources of entrepreneurship?

Tom Elfring (Erasmus University Rotterdam)

A process approach in entrepreneurship. Synthesizing personal traits and network perspectives

Marlou Schrover (Utrecht University)

Immigrant businesses in a historical perspective

Rich Friman (Marquette University)

Illegal drug markets and criminal immigrant enterprises

Bernard Wong (San Francisco State University)

The informal economy within the formal economy. Business practices in the enclave enterprise of Chinese immigrants

Sally Peberdy & Christian Rogerson (University of the Witwatersrand)

Enclave entrepreneurs. Non-South Africans in South Africa's informal sector and small and medium enterprises

Abel Valenzuela (University of California - Los Angeles)

Day laborers as entrepreneurs. Evidence from Los Angeles and San'yū, Japan

Dan Hiebert & Margaret Walton-Roberts (University of British Columbia)

Transnational entrepreneurship

Nonja Peters (University of Western Australia)

Wheeling and Dealing 'Down Under': Immigrant Entrepreneurship in Australia

Karl Froschauer (Simon Fraser University)

East Asian and European Entrepreneur Immigrants in British Columbia (Canada): Premigration Context and Postmigration Conduct

Second Conference - June 17-20, 2000, Jerusalem, Israel

The economic embeddedness of immigrant businesses

Robert Kloosterman (Delft University of Technology) and Jan Rath (University of Amsterdam)

Mixed Embeddedness: Markets and Immigrant Entrepreneurs. Towards a Framework for Comparative Research

Giles Barrett, Trevor Jones & David McEvoy (Liverpool John Moores University)

The economic embeddedness of immigrant enterprise in Britain

Mauro Magatti (Catholic University of Milan) & Fabio Quassoli (University of Milano-Bicocca)

The case of Italy: Socio-economic characteristics of immigrant business in Italy
socio-economic characteristics of immigrant business in Italy

Ching Lin Pang (Catholic University, Leuven)

The economic embeddedness of immigrant business from the perspective of the 'active' welfare state: the case of Belgium

Czarina Wilpert (Technical University Berlin)

Economic embeddedness of immigrant business vis-a-vis the demands of an economy in transformation: the German case

Regina Haberfellner (Centre for Social innovation, Austria)

The case of Austria

Emmanuel Ma Mung (University of Poitiers)

Context and 'Economic Arrangements' of Immigrant Enterprises

Eran Razin (Hebrew University, Jerusalem)

Entrepreneurship among former USSR immigrants in Israel: the role of the national and local economies

Felicitas Hillmann (Berlin)

Are ethnic economies the revolving doors of urban labor markets?

H. Richard Friman (Marquette University, Milwaukee, USA)

The Great Escape? Globalization, Immigrant Entrepreneurship, and the Criminal Economy

P.I. Panayiotopoulos (aka Mike Pany) (University of Wales, Swansea)

'Embeddedness' and social differentiation in immigrant-owned garment enterprises

Ivan Light (University of California, Los Angeles)

Immigrants in real estate and real property development in Los Angeles, 1970-1999

Karl Froschauer (Simon Fraser University, Burnaby, British Columbia)

Economic embeddedness of immigrant enterprises in Canadian cities

Dan Hiebert (University of British Columbia, Vancouver)

Economic Associations of Immigrant Self-Employment in Canada

Jock Collins (University of Technology, Sydney)

The economic embeddedness of immigrant enterprises in Australia

Sally Peberdy and Christian Rogerson (Univ. of the Witwatersrand, Johannesburg)

Integration or isolation? African entrepreneurs in Johannesburg's urban economy

Miri Lerner and Gila Menahem (Tel Aviv University)

The role of human capital, gender and public support in determining the patterns of entrepreneurial versus salaried careers of former Soviet Union immigrants to Israel: a longitudinal study

Izhak Schnell & Michael Sofer (Tel Aviv University)

Over - and Under-Embeddedness: Failures in Developing Balanced Mixed Embeddedness Among Israeli Arab Entrepreneurs

Ewald Engelen (University of Amsterdam)

Ranking opportunities: A conceptual framework

Third Conference - Liverpool, March 22-25, 2001

Immigrant Businesses, Economic Integration and Informal Practices

Giles Barrett & David McEvoy (Liverpool John Moores University): Introductory remarks

Ministerial address: George Howarth MP

Andy Brenan, British Bankers Association

David Smallbone (Middlesex University)

Accessing finance and business support by ethnic minority businesses in the UK

Monder Ram (De Montfort University)

Once more into the sunset? Asian clothing firms after the National Minimum Wage

Nathasha Pavlova (New York City's Mayor's Office of Immigrant Affairs and Language Services)

Immigrants and The Economic Revitalization of New York City

Dan Hiebert (UBC)

Fostering immigrant entrepreneurship in Canada: The role of selection and settlement policies

Eran Razin (Hebrew University)

Immigrant Entrepreneurs and the Israeli Welfare State: Institutional Support and Institutional Constraints

Robert Kloosterman (University of Amsterdam) & Jan Rath (University of Amsterdam)

Policy matters. The policy and political implications of the mixed embeddedness of immigrant entrepreneurs

Ching Lin Pang (Catholic University, Leuven)

The response of the Belgium welfare state state to legal immigrant entrepreneurs and to the transnational business of human trafficking

Regina Haberfellner (Centre for Social innovation, Austria)

The Case of Austria. Immigrant's Self-employment in a Highly Regulated Economy

Czarina Wilpert (Technical University Berlin)

Policies and practices toward small business: The special case of resident foreigners and ethnic minorities in Germany

Jock Collins (University of Technology, Sydney)

The changing institutional and policy context for immigrant business in Australia

Nonja Peters (Curtin University of Technology)

Determining the role ethnic business organisations play in establishing and operating immigrant enterprises in Perth, Western Australia

Karl Froschauer (Simon Fraser University, Canada)

Unsettled Regulation. The Regulatory Experience of Immigrant Entrepreneurs in Manufacturing and Multi-ethnic Employment in Canada

Emmanuel Ma Mung (University of Poitiers)

Public Policy and institutional context of immigrant businesses in France

Mauro Magatti (Catholic University of Milan), Enzo Mingione & Fabio Quassoli (University of Milano-Bicocca)

Immigrant entrepreneurship in Italy. Between welfare regimes and immigration policies

Giles Barrett, Trevor Jones & David McEvoy (Liverpool John Moores University)

Ethnic minorities and (de)regulation. Retailing and consumer services in the United Kingdom

Tarry Hum (Queens College)

Mapping Global Production in New York City: The Role Sunset Park, Brooklyn's Immigrant Economy

H. Richard Friman (Marquette University, USA)

Forging the Vacancy Chain: Crime Control Policies and Immigrant Businesses

Abel Valenzuela (UCLA)

Formalising the Informal: Government, Community, and Worker Responses to Day Labour

Annex III

Manuscript *Immigrant Entrepreneurs: Venturing Abroad in the Age of Globalisation*, see enclosure.