

First Submitted: 30 June 2018 Accepted: 30 September 2018

DOI: <https://doi.org/10.33182/ml.v16i2.742>

The Other Entrepreneurs - Migrant Economies as Spaces for Social Innovation?

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Abstract

This article analyses the relationship between migrant entrepreneurship, marginalisation and social innovation. It does so, by looking how their 'otherness' is used on the one hand to reproduce their marginalised situation in society and on the other to develop new living and working arrangements promoting social innovation in society. The paper is based on a qualitative study, which was carried out from March 2014- 2016. In this period, twenty semi-structured interviews were conducted with migrant entrepreneurs and experts. As the results show, migrant entrepreneurs are characterised by a false dichotomy of "native weakness" in economic self-organisation against the "classical strength" of majority entrepreneurs. It is shown that new possibilities of acting in the context of migrant entrepreneurship are mostly organised in close relation to the lifeworlds and specific needs deriving from this sphere. Social innovation processes initiated by migrant entrepreneurs through their economic activities thus develop on a micro level and are hence less apparent. Supportive networks are missing on a structural level, so it becomes difficult for single innovative initiatives to be long-lasting.

Keywords: migrant entrepreneurship; social innovation; otherness; marginalisation.

Introduction: Tackling marginalisation via social innovation

In her article, "How socially innovative is migrant entrepreneurship? A case study in Berlin", Hillman (2008) introduces migrant entrepreneurs as possible actors for initiating social innovation processes. From her perspective, the action strategies of migrant entrepreneurs are, in themselves, strategies of social innovation. Thus, against the background of marginalisation, migrants develop new responses to structural societal challenges, such as unemployment and discrimination. In this perspective, it can be argued, that effective entrepreneurs do not only develop from positive personality and environmental qualities as is widely documented, but also from specific personal and societal challenging circumstances. Entrepreneurship is understood then as economic activity resulting from circumstances, which create conditions and experiences that motivate action (Miller and Le Breton Miller, 2016). Drawing on Miller and Le Breton- Miller (2016), such challenging circumstances can be seen as powerful driving forces.

Inspired by Moulaert and Nussbaumer (2005), Hillman (2008: 102) emphasizes that "social innovation takes place when initiatives of development from below, from the actors on the ground, meet (and occasionally merge) with institutional initiatives intended to foster development from above and when the new forms of social organization that are created in this way are persistent over time". A similar line of argument is also followed by Moulaert et al. (2007), who point out that

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social innovation consists not only of the satisfaction of human needs and of the participation in societal transformation processes (changes in social relations), but also of the opportunity structures, thus performance possibilities, that allow equal access to resources and work performance, as formulated by Nussbaum (2010), within the capability approach.

Correspondingly, Honneth (1995) argues that the possibility for acting as an autonomous and individuate person, hence having the possibility of developing one's own identity, is strictly related to the development of self-esteem, self-respect and self-confidence. To individuals, receiving social recognition is vital for developing these modes of being. Recognition is hence not only linked to single everyday interactions but to society as a whole. In other words, not only do individuals' agency and their social interactions with others count for long-lasting entrepreneurial and innovative performance but also the opportunities society as a social system offers to them.

Locales of migrant entrepreneurs can be understood as such opportunity structures being developed from the ground. Understood in this way, they represent negotiation places, where identities and belongings are constructed and redefined in an informal context. In this perspective, migrant entrepreneurial activities take place at the tangent between private and public life and question the demarcation line between the WE (the majority group) and the THEY (the minority group). Considering the intermediate position migrant entrepreneurs occupy within society, the hybridity of migrant economies and their ability to unveil transitions and new spaces and possibilities, must be recognized. In other words, quoting Granovetter (1995), migrant entrepreneurs "do not behave or decide as atoms outside a social context, nor do they adhere slavishly to a script written for them by the particular intersection of social categories that they happen to occupy. Their attempts at purposive action are instead embedded in concrete, on-going systems of social relations" (Granovetter, 1985: 487). The phenomenon of migrant entrepreneurship can thus not only be read within a cultural or structural/ economic framework but the embeddedness of migrant entrepreneurs within specific societal contexts must also be considered. This would include the personal level of the lifeworld and the structural level of spaces to hinder or enhance the entrepreneurial experience. In this sense, migrant entrepreneurs operate at the intersection of micro, meso and macro level and experience the act of 'othering' along these levels.

Methodology

The article investigates migrant entrepreneurs as the other entrepreneurs and discusses their otherness at the tangent of social innovation and marginalization. The paper is based on a qualitative study, which was conducted from March 2014- 2016 in South Tyrol, Italy. In this period, fifteen semi- structured interviews were carried out with migrant entrepreneurs from Iraq, Morocco, Iran and Pakistan. Additionally, five semi- structured interviews were conducted with experts on politics, the economy and civil society. Data collection and data analysis occurred simultaneously throughout the duration of the study and the analysis of the data was based on the coding processes described by Strauss and Corbin (1994). The findings of this paper focus on the following core categories: societal context (policies/ social embeddedness/ conditions); migrant entrepreneurs as the other entrepreneurs (self-perception/from the outside), locales of migrant entrepreneurs (discrimination/potential for social innovation). In order to present the findings, direct quotations from the interviews are used, allowing the interviewees' subjective perspectives on their experiences to be reported more clearly. In order to classify the data, the quotations are integrated into the interpretations of the authors as well as into specific theoretical concepts and theories.



Findings

Migrants are often used as scapegoats of globalization and are thus the primary cause of the crisis presently experienced in Italy (and the European Union in general). In fact- the so-called refugee crisis questions the integrity of a national identity and a sense of belonging due to a perceived loss of control of borders. The lead-up to Italy's March 2018 election reflected the increased prominence of issues surrounding immigration: public debate was polarized with statistics and a flurry of accusations, acts of solidarity were criminalized, and complex phenomena oversimplified. In addition, an increasing dissatisfaction with the status quo can recently be observed, a deep distrust of elites and an overwhelming view that Italy is losing out.

Following the national legal framework, the right to be in the country, especially since 2002, is strictly linked to migrants' working status and related to the restrictive measures introduced by the third and current national immigration law (Legge Bossi-Fini, 2002). Furthermore, the Bossi-Fini law identified the "danger of a real invasion of Europe" as the object of stricter immigration enforcement controls. Both security packages from 2008 and 2009 have further augmented this approach turning illegal immigration into an aggravating circumstance for crime. Such restrictive policy measures and hence the promotion of an understanding of migrants under the umbrella of security and criminalisation has shaped the legitimation of migrants in society.

Even though the stigmatisation processes, as well as the securitisation and criminalisation of immigrants, precede the economic crisis, restrictive migration policies have been substantially exacerbated since the global economic slowdown of 2008 (Kuptsch, 2012). In particular, the increasing risk of unemployment since 2008 (Fondazione Leone Moressa, 2012: 16) has forced many migrants to accept any form of working conditions.

Against the background of increasing unemployment and de-qualification processes, a growing number of migrants have become self-employed. In doing this, they react individually to structural imbalances, as the next quote shows: "For me, it is a possibility to work. I mean, a work that I like, where nobody says what I should do. I have picked apples, and I have cleaned cars for a long time, now, not now, I am my own chef" (S.I., 2016).

Another migrant entrepreneur reflects the negative picture that society in general draws of migrants and the experienced de-qualification processes associated with it: "They [autochthones] think because I am a migrant I have to do low qualified jobs [...] Now I am self-employed, I don't know how people think about" (K.L., 2016).

From representatives of the majority of society, the economic self-organisation of migrants is represented critically in the interviews. In fact, they describe the actions of migrant entrepreneurs using the term "adventure", which is linked to short-term processes, precarious conditions and risk. As it is shown, their otherness in terms of cultural diversity is taken as a key feature to making a distinction, as the next quote shows: "Migrants, they don't know what it means being an entrepreneur here, they have a different culture. For them, it is a choice because they cannot find a job. I think they are less risk-averse because they have nothing to lose" (T.L., 2015).

As the analysis shows, othering migrant entrepreneurs activities as "naive" (T.O., 2014), "unprepared" (O.L., 2016) and "unsystematic" (R.I., 2015) reflects a social hierarchy which places native entrepreneurs in a higher social position, describing them as "classical" (H.L., 2015) hence entrepreneurship is a socially constituted, typical form of self-employment, characterized by the following features: "a systematic way of proceeding" (T.O., 2016), "investing" (Z.O., 2015), "knowledge of the market" (T.G., 2014), "territorial specificity" (R.T., 2016) and "capability of market analyses" (R.F., 2015).



Hence, migrant entrepreneurs categorised as the other entrepreneurs are perceived with a false dichotomy of “native weakness” in economic self-organisation against the “classical strength” of majority entrepreneurs. In contrast, as the statistical data points out, migrant entrepreneurs often display greater resilience, in particular at times of economic slowdown. Considering the statistical data from the province of Bolzano, an increase of +25.7% in migrant entrepreneurs since 2009 can be observed. Logically then, migrant entrepreneurs do play a significant role supporting the small business community in the province, given that a decline of -0.4% in autochthonous entrepreneurial registrations was recorded for the same period (Chamber of Commerce, 2016).

When considering the micro level and reflecting on the perspective of migrant entrepreneurs, it becomes clear that they do not interpret their self-employment initiatives as a temporary solution but as a real attempt to create long-lasting work. Moreover, as the results show, self-employment among migrants can help reconstruct a sense of belonging in terms of emplacement processes: “It is not that I have said. Ok, let’s try. I really see in this project a possibility for me and my family” (P. F., 2015).

As outlined in the theoretical background, othering contributes to marginalisation insofar as it generates social distance and exclusion. As the next quote shows, discriminatory behaviour towards migrants has increased, in particular since 2015: “As I am experiencing, the discriminatory behaviour has changed since all the refugees came here. People from here do not make a distinction between refugees and people like me. On the streets, people cross over because they fear that I just want their money” (R.T., 2016).

In fact, a basic feature of most immigrant groups is their subordinate position in the social structure and the fact that this leads to them being vulnerable, more easily exposed to acts of discrimination and stigmatising processes, as the next quote expresses: “People are afraid of black people. I don’t know but people often insult me, or they attempt to haggle I do not haggle even though I am from Africa” (T.T., 2015).

In its extreme form, discriminatory behaviour in the form of physical violence against migrant entrepreneurs or the created business is a chilling way of marking social distance: “When I opened the shop, the next day someone broke the window. I don’t know who it was, but I know they did it because I am not from here. They are not used to us. I persisted, and they stopped” (T.I., 2014).

Hence, the asymmetry in power relationships is central to the construction of otherness while imposing corresponding discriminatory measures. Linked to this, the organisation of their economic activities is based on informal networks of their lifeworlds. In fact, migrant entrepreneurs show a high, family-based organisational form and strong embeddedness in social networks, which is in most cases limited to a restricted number of single individuals: “My friend and my brother help me. I could not work without their help. The state, the province they do not care about you” (Z.U., 2016).

Some interview partners also refer to the importance of the religious community, which often offers support when they face problems, as this quote demonstrates: “There is the Imam. Yes, when I have a problem, for example with other entrepreneurs, then I talk to him. But he does not give me the money” (R.W., 2015).

Such informal, supportive networks are crucial in building a sense of belonging and social identity among communities. This close embeddedness in the context of lifeworlds is described in the interviews as being underlined by a necessity to survive and remain capable of acting in a harsh (capitalistic) economic world rather than one of possibility (choice).

Due to the lack of the embeddedness in local structural supportive networks and strong embeddedness in rather small, informal networks, the everyday working experience of migrant



entrepreneurs in the research context is characterized by precariousness, flexibility and self-exploitation. According to Schmiz (2003), self-exploitation as a condition in migrant self-employment involves working long days- with a weekly work-load of often more than 60 hours- doing unsocial shifts, lacking free time and breaks during work and using the unpaid support of family members. One entrepreneur compares his daily routine to being on a hamster wheel, which always rotates, yet the hamster never moves forward: “Me and my wife have worked a lot, without a break, which is what it means being self-employed. If you are employed, you do not have debts. Now I cannot just stop my activity; I have to carry on. Otherwise I am on the street. You lose everything; you cannot stop, you have to carry on” (I.I., 2015).

Self-exploitation, in this context,, can be interpreted as a direct consequence of precarious working conditions (low earnings, debt or financial insecurity) and increases the risk of personal exhaustion and poor health, in particular in times of crisis: “Now it’s a bit better, but also we struggled with the economic crisis. It is difficult to open your shop every day and wait for someone to enter and you know that at the end of the day you have to pay the rent and support your family” (R.E., 2016).

This working condition presupposes a certain degree of flexibility as well as the preparedness to change living conditions within short periods of time: “I never know what’s going to happen in two months’ time. If I were ill, what would happen then? There is no-one who could work instead of me” (R.E., 206).

In fact, as the statistical data show, the balance between openings and closures is extremely close in this area. In 2014, 99 openings and 88 closures were registered in the construction sector. Taking into consideration the commercial sector, the number of closures even exceeded that of openings (76 openings) (Chamber of Commerce, 2016).

However, by designing new spaces of economic activity, informal spaces of negotiation between the majority and the minority, between ‘we’ and ‘they’ exist: “Yes people when they see me inside, from Pakistan, don’t enter the first time. They look, then after looking two or three times, they enter. We begin to talk” (T.E., 2015).

Migrant entrepreneurship, then, can be seen as a locale defined by the rules and resources involved in social action and interaction within it: “I opened the shop for other migrants- now I realise that there are more autochthons coming because of the particular products I have” (T.Z., 2015).

Locales, according to Giddens, are both arenas of interaction and containers of social power. Hence, they represent spaces for negotiation where the individual (agency) connects with social structure. In this perspective, such new spaces in the urban context can be seen as third spaces. In this sense, a third space is understood as a mode of articulation and a way of describing a productive space that engenders a new possibility of living together. Third space in the tradition of Bhaba (1994) is understood as a space where new forms of cultural and societal meaning are produced, overcoming the limitations of existing boundaries. In overcoming these boundaries, third space has the possibility on an informal level to question established categorizations of culture and identity: “For me the importance of hybridity is not to be able to trace two original moments from which the third emerges, rather hybridity to me is the ‘Third Space’, which enables other positions to emerge” (Rutherford 1990: 211). As the next quote shows: “I have for example one customer, he comes regularly, and we talk, and he became my friend” (I.L., 2015). Furthermore, as the next interview partners outlines, most migrant entrepreneurs used their (cultural) diversity for their entrepreneurial



identities: “I sell all the things from my home country. I now have more autochthonous costumers, they are curious in getting to know about new things to eat, and they buy things like the olives- they are tastier they say” (U.O., 2015). Another interview partner explains: “Here there are no barbers or only a few, so I thought that this is what people need. In fact, my customers come from all over, around here. Now I have three employees. I am happy. I have learned it from my father-all men in my family are barbers. This is tradition, so I am happy that I can do this here” (T.O., 2016). Only a few, in fact, refused to deploy cultural diversity as a source of creativity and success for their entrepreneurial activities, as the next interview quote suggests: “I have a university degree, I have studied, and I want to find a job in this sector. I left my country, I am now here, and I want to start up new” (U.O., 2015).

Conclusion

As the results show, migrant entrepreneurs have to deal with misrecognition on different levels. They are often ‘othered’, on the one hand as migrants and hence as part of the minority group they are part of and on the other hand as entrepreneurs, for not being the “classical” type. The example of othering in the context of migrant entrepreneurs shows how multiple factors and identities combine to create social inequality and impose a social hierarchy. For Bourdieu, this misrecognition is an embodied (socialised) belief rather than an intellectual understanding. As a result, Bourdieu argues that change cannot come about solely as a result of an “awakening of consciousness”; rather there needs to be a “transformation of the objective structures” that have produced and sustained the dispositions and beliefs in the first place (1998: 121).

Contemporarily, by becoming self-employed, migrant entrepreneurs introduce new dynamics, new organisational devices and new living and working arrangements. They transcend the consolidated image of passive migrants and adapt themselves to conditions by actively reacting to their personal needs. They develop new strategies of economic integration, which are often close to their own biography, working experience and educational formation.

In doing this, they open up new negotiation spaces and create possibilities for change in social relations and working arrangements. Following this line of argument, Mulgan (2006: 149) emphasises that social innovation relates to “an idea of a need that isn’t being met, coupled with an idea of how it could be met”. From this perspective, social innovation processes do not always take place on a large scale; most of the time, they develop as micro processes from below. Consequently, they are often not apparent yet they are powerful and effective (Mulgan, 2006). Migrant entrepreneurs indeed are actors of social innovation and transformation, since they take given structural problems as a starting point for their search without asking for the recognition or help of public authorities and by this, they anticipate possible changes. With their local experiments, they develop and prove new routines and create spaces for collective learning and experience.

Nevertheless, as the results show, the institutional level is perceived as being disconnected from the personal lifeworld and consequently disconnected from the satisfaction of migrant entrepreneurs’ needs (Moulaert et al., 2007). Structural answers to concrete necessities and prerequisites are lacking, so migrant entrepreneurs organise their economic activities within personally strengthening social networks. From this perspective, it is shown that new possibilities of acting in the context of migrant entrepreneurship are mostly organised in close relation to the lifeworlds and specific needs deriving from this sphere (Habermas, 2011). Hence, processes from above (societal recognition, bureaucratic support, institutional initiatives) are missing, so socially innovative inputs from below will probably dissipate in time.



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April 2019
Volume: 16, No: 2
ISSN: 1741-8984
e-ISSN: 1741-8992
www.migrationletters.com

