

Migrant entrepreneurs in Flanders

Fostering Economic Development and
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**Inburgering en
Integratie**

- Flemish Government (2009) considers immigrant entrepreneurship as a strategy to lever their social integration in Flemish society
 - (lower risk of long periods of inactivity & community building >< ethnic segregation & high rates of bankruptcy)
 - Strong increase in migrant entrepreneurs from MEE
 - Research (UHasselt) on motives, profiles & success MEE entrepreneurs (32 interviews)
- City of Antwerp (2007) sees migrants as partners in co-development
 - (socio-cultural brokers & language vs. institutional & cultural barriers)
 - Difference between projects set up by members diaspora and entrepreneurs
 - Research (CeMIS) on motives, profiles & practices of participating diaspora (25 interviews)

Immigrant entrepreneurs in Flanders

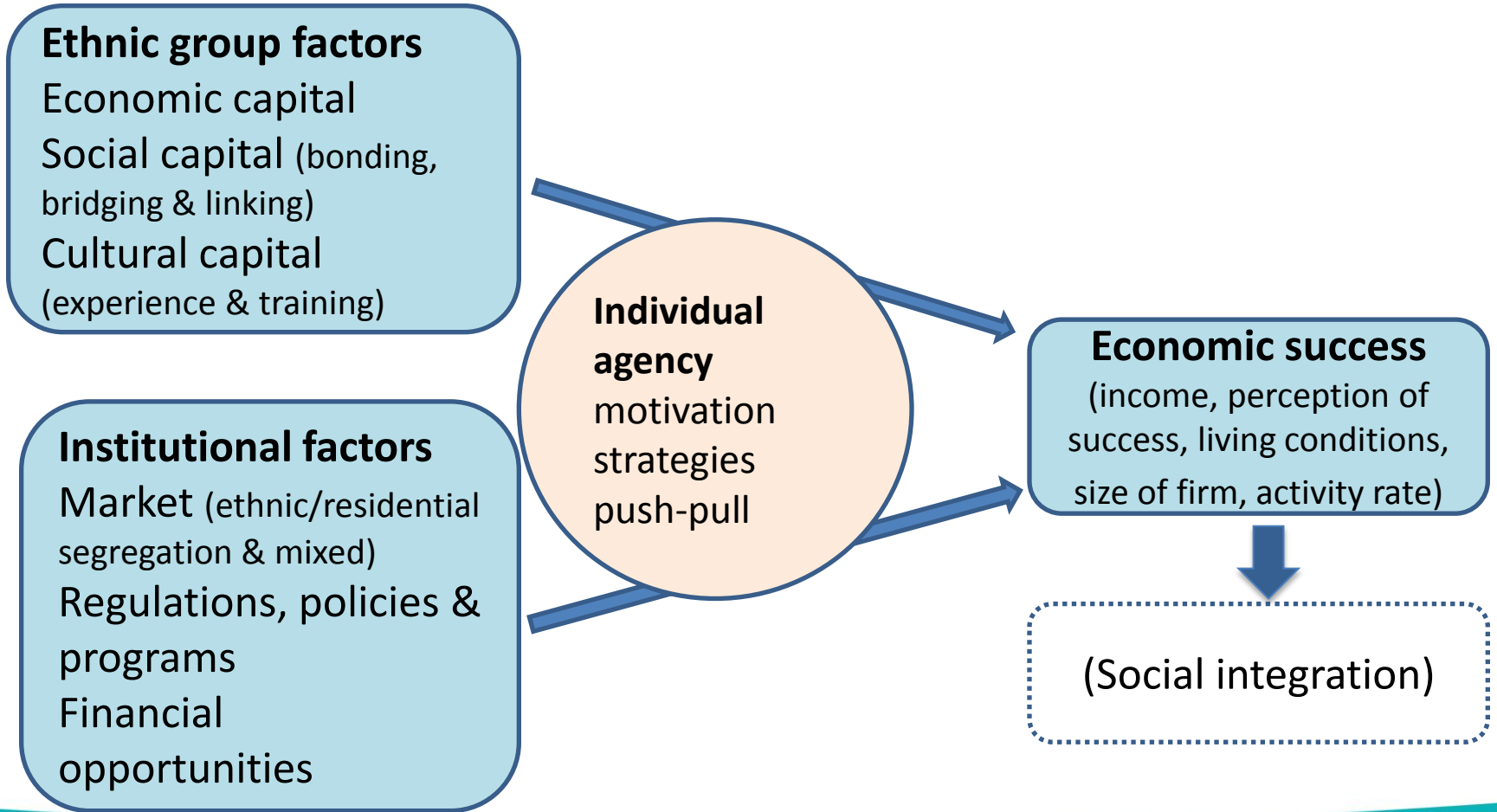
2010	Industry	Commerce	Professions	Services	Other
Belgian	176.686	304.272	225.543	71.608	85.827
EU2004	5.964	1.704	402	317	254
EU2007	8.260	3.164	623	1.049	504
EU15	9.777	23.253	12.293	3.442	1.914
Maghreb/ Turkey	961	2.673	259	305	118
Other	2.525	5.584	2.075	672	557
Non-Belgian	27.487	36.378	15.652	5.785	3.347

EU-15 countries: 41.302 in 2001 and to 51.020 in 2011

EU2004: growth by a factor of 9,6 to 8.899

EU2007: growth with a factor of 76,7 to 17.119 in 2011

Motives, profiles and success of immigrant entrepreneurs in Flanders



Motives, profiles and success of immigrant entrepreneurs in Flanders

- UNIZO (2011): 32% EU2004 & 43% EU2007 do not retrieve any income from their activities after 3 years
- UNIZO: ethnic markets, bogus self-employed, detachment
- Migration ← economic/political situation in origin country
- Entrepreneurship ← financial capital, experience, institutional
 - low levels of financial capital which directs entrepreneurs in certain sectors
 - earlier work experience in Flanders (not experience/training in origin country directs MEE to become entrepreneurs in a certain sector)
 - mixed market: ethnic segregated market because of opportunities
 - transnational ties with family do not facilitate entrepreneurship but some import goods (food, windows ...) for their business
 - institutional framework (start informal sector & entrepreneurs to get papers)

Motives, profiles and success of immigrant entrepreneurs in Flanders

- 3 types of immigrant entrepreneurs: successful (12: >1500 €, good living conditions, fulltime, staff), unsuccessful (13: <1200€, poor neighborhoods, no staff) & ambiguous (7: variable income, mixed neighborhoods, no staff)
 - Successful - opportunity entrepreneurs - positive motivation & mind set ><
 - Unsuccessful – necessity entrepreneurs - negative motivation (cf. self-employed?)
 - Similar obstacles & problems but different strategies to overcome
- Different strategies (policy/private) needed to support immigrants setting up successful SMEs
- From immigrant entrepreneurs to transnational entrepreneurs

Obstacles & strategies to overcome

OBSTACLES	STRATEGIES		
	successful	unsuccessfull	ambigu
<u>Capitals</u> Finances Language proficiency Knowledge on rights & duties self-employed	Other languages Bridging & strategic bonding soc. cap.: information sharing, language & administration	Negative bridging & bonding soc. cap.: bogus self-employed & exploitation	Learning dominant language (long term)
<u>Institutional</u> Complexity rules Competition Taxes Little support government	Shaping market (diversification & illegality) Niches on mixed market Transnational ties	Passive: too little time & resources to use existing support services	Active use of existing support services (long term)
	Multiple strategies	No strategies	One strategy

Conclusion

- Different strategies (policy/private) needed to support immigrants entrepreneurs depending on target group
 - General: change focus formation to share general information & language → legal information (could reduce # unsuccessful; positive demotivation)
 - Opportunity entrepreneurs find their way anyway
 - Networking and mentoring activities to increase bridging social capital
 - Entrepreneur-scan at beginning to test potential entrepreneurs motives and competencies; possibility to link this with financial incentives
- From immigrant to transnational entrepreneurs
 - Who: opportunity and necessity immigrant entrepreneurs?
 - Successful entrepreneurs use transnational ties (contribution to economic development in origin region)
- Capitalizing on skills and entrepreneurial mind set of immigrant entrepreneurs through co-development programs
 - Differences in projects among migrant groups in South program of city of Antwerp