Abstract

Purpose
The present paper reports and analyses empirical data from 391 ethnic minority entrepreneurs and 132 of their family members, from 8 different ethnic communities of Albanians, Armenians, Bulgarians, Chinese, Georgians, Indians, Nigerians and Russians in Greece.

Design/methodology/approach
This paper presents empirical data from a face-to-face interview type research conducted between January 2006 and August 2008 in the regions of Attica and Central Macedonia, Greece. The selection criteria used for the inclusion of enterprises in the ethnic minority business (EMB) database were: ethnicity of the business owner; sectors, including traditional sectors and emerging sectors of EMB; and finally location, i.e. in Attica and Central Macedonia Regions.

Findings
The findings of this research point to the fact that the three theories of ‘block mobility’, ‘opportunity structures’ and ‘ethnic resources’ complement each other in explaining the process of starting up an ethnic minority business and becoming self-employed, while the ‘cultural thesis’ seems to stand on its own.

Originality/value
This paper presents the results of the first-ever large-scale authoritative analytical research on EMBs and immigrant entrepreneurship in Greece; provides empirical evidence to why and to what extent ethnic groups are attracted to self-employment; in which economic sectors they develop occupational niches; and how strong is family participation and support in the EMBs, and attempts to go beyond most of the existing literature, which is focused mainly on ‘Black’ or ‘Asian’ ethnic groups, the research makes a contribution by presenting empirical evidence of five ‘Whites’, one ‘Asian’, one ‘Indian’ and one ‘Black’ ethnic group.
1. Introduction

Ethnic entrepreneurship appears nowadays in a variety of nations and cultural settings. Entrepreneurs from specific ethnic communities are a part of the business landscape in most countries of the world, attracting a good deal of scientific attention (Engelen, 2001; Ram and Smallbone, 2003; Morawska, 2004; Wauters and Lambrecht, 2008). Enclaves of ethnic minority businesses (EMBs) can be found in the U.S. and other countries of the West (Portes and Shafer, 2007). East Indians in Edison, New Jersey; Cubans in Miami; Koreans in Chicago and Los Angeles, and Chinese in San Francisco and Vancouver, are among a new wave of immigrants who have turned to self-employment and entrepreneurship as a way of overcoming block mobility in the labour market, or as a key tool that allowed them to carve a socially respectable and economically viable position in the host societies or as an affirmation of an ethnically specific inclination for entrepreneurship (Light, 1972; Hieber, 2002; Ram and Smallbone, 2003; Corsino and Soto, 2005; Portes and Shafer, 2007). Kloosterman and Rath (2001) argue that the immigrant entrepreneur may not come up with the introduction of a new product or service and make profit out of it but instead in much more modest ways they open up a business to serve for instance Indian foods to white population.

“I am a professional businessman, you fool, not a professional Pakistani. I make money, not gestures”, commented a particularly ruthless “ethnic entrepreneur” in Hanif Kureishi’s “My Beautiful Launderette”. (Ram, 1997, p.149)

Ethnic entrepreneurship is widely considered to be a critical element in the structures of Western Economies and the revival of the small business population, while EMBs have demonstrated remarkable increase in their numbers during the last two decades (Light and Karageorgis, 1994; Teixeira, 2001; Engelen, 2001; Ram, 2007). According to Heilman and Chen (2003), in 1998, 898,000 new firms were established - the highest number ever, representing a 1.5% increase from 1997 (U.S. Small Business Administration, 1999). As the authors argue from 1982 to 1998, the number of business tax returns filed in the USA increased by 73%, totaling 24.8 million in 1998. During the same time-period (1982-1997), the number of businesses owned by ethnic groups more than doubled, reaching an estimated total of 3 million businesses, providing jobs to nearly 4.5 million workers and generating $591 billion in revenues. Furthermore approximately 14% of the labor force of 216 metropolitan areas investigated was employed in ethnic niches (Wilson, 2003).

Basu and Altinay (2002) argue in their research that immigrant entrepreneurs own over 50% of new business start-ups and 7% of all small businesses in London. According to Basu (2004) it is estimated that over two-thirds of all worldwide
businesses are owned or managed by families, while in the United States and Europe the percentage of family owned/managed businesses rises to 80%. A recent survey by the Small Business Service (SBS, 2004) in UK showed that in 2004 more than 250,000 small businesses were owned and operated by immigrant entrepreneurs representing over 11% of all new business start-ups.

My study explores the concept of ethnic entrepreneurship in Greece, and using empirical research data, it aims at making three important contributions to the existing literature and theories of ethnic entrepreneurship: (1) present the results of the first-ever large-scale authoritative analytical research on EMBs and immigrant entrepreneurship in Greece; (2) provide empirical evidence to why and to what extent ethnic groups are attracted to self-employment; in which economic sectors they develop occupational niches; and how strong is family participation and support in the EMBs, and (3) attempt to go beyond most of the existing literature, which according to my extensive literature review and the words of Raghuram and Strange (2001) is focused mainly on ‘Black’ or ‘Asian’ ethnic groups, the research makes a contribution by presenting empirical evidence of five ‘Whites’, one ‘Asian’, one ‘Indian’ and one ‘Black’ ethnic group.

The paper is organised as follows: section 2 identifies and reviews the different theories that explain the appearance and development of EMBs. The methodology of the empirical research in the regions of Attica and Central Macedonia in Greece is then presented in section 3, followed by the results of the study in Section 4. The paper concludes with a discussion of the possible contribution of this research to the existing body of knowledge on ethnic entrepreneurship.

2. Theoretical Framework

It is an undisputable general assumption that the vast majority of immigrants leave their home countries in search of a better life for them, their families and their children (Singh and DeNoble, 2004). A careful review of current ethnic entrepreneurship literature however suggests several different reasons for its appearance and development within an overall modern business and professional ethos. Indeed there is much debate in the literature about the self-employment entry motives and their business aspirations (Phizacklea and Ram, 1995; Kloosterman, 2003; Basu, 2004). Entrepreneurship among immigrants may arise from lack of suitable labor market opportunities (especially due to language barriers and ethnic/race discrimination), desire to amass wealth and return to one’s homeland, from business opportunities created by a growing community of co-ethnics, the potential for earnings advantage, upward social mobility in their host society, investment in family futures, or as a result of an entrepreneurial cultural predilection, heritage and attitude (Light, 1972; Aldrich and Waldinger, 1990; Zhou, 1992; Phizacklea and Ram, 1995; Sanders and Nee, 1996; Basu, 2004; Singh and DeNoble, 2004). Ethnic entrepreneurs are generally described in the literature as ‘sojourners’ who work harder, save money, spend less by living frugally, have preferential access to limited, low cost funding from family and community resources and use ‘social networks’ to find market opportunities as well as cheap labor (Barrett, Jones and McEvoy, 1996). Scanning the pertinent literature in ethnicity and entrepreneurship we identify and cluster four main approaches that contribute to the understanding of the
process of starting up an ethnic minority business and becoming self-employed: (a) the cultural thesis, (b) the block mobility thesis (c) the opportunity structures thesis, and (d) the ethnic resources thesis.

2.1 The cultural thesis
Ethnic entrepreneurs exhibit a strong ‘trader’s’ instinct and often migrate with the explicit goal of starting up a business in the host society, using extensively formal and informal networks and mechanisms (Morrison, 2000; Marger, 2001; Chaudhry and Crick, 2004; Wauters and Lambrecht, 2008). In the ‘cultural thesis’ special skills, cultural predilection, personal motivations, values, attitudes, aspirations for achievement, and heritage that the migrant entrepreneur brings to the host society are often translated into entrepreneurial activities and behavior around particular business environments (Boyd, 1998; Morisson, 2000; Ram and Carter, 2003; Singh and DeNoble, 2004; Corsino and Soto, 2005; Sriram, Mersha and Herron, 2007).

Extensive empirical evidence emphasizes that specific ethnic communities like Chinese, Koreans, Jews, South-Asians and Cubans establish and operate successful EMBs because of their particular cultural approach to entrepreneurship (Light 1972, 1985; Light and Bonacich, 1988; Ram, 1997; Raijman and Tienda, 2003). According to the cultural thesis traditional values and socio-cultural backgrounds of immigrant/ethnic entrepreneurs explain not only differences in the self-employment rates among immigrant entrepreneurs and the native population but also differences among minority groups themselves (Light, 1972; Waldinger, 1986; Light and Bonacich, 1988; Teixeira, 2001). In addition ethnic minorities who had been self-employed or at least had some previous experience and training in small businesses in their countries of origin are usually more inclined towards self-employment (Hammarstedt, 2001; Basu and Altinay, 2002).

2.2 The block mobility thesis
In the ‘block mobility thesis’ ethnic groups that are disadvantaged in the labor market due to racial discrimination, negative events, low education and qualifications, redundancy, underpaid salaried work, or language difficulty, concentrate their entrepreneurial activities into marginal niches in the economy that help their members not only to overcome such barriers but also provide them an avenue of upward social mobility (Light, 1972; Basu and Goswami, 1999; Hammarstedt, 2001; Basu and Altinay, 2002; Kloosterman, 2003; Kontos, 2003; Chaundry and Crick, 2004; Wauters and Lambrecht, 2008).

Immigrant individuals may encounter negative experiences within traditional organizational settings, cultural barriers that block their advancement in mainstream economic markets that may ‘push’ them out of organizations, and channel them into entrepreneurship as an alternate route to personal success and economic prosperity (Barrett, Jones, and McEvoy, 1996; Teixeira, 2001; Heilman and Chen, 2003; Ram and Carter, 2003; Hussain and Matlay, 2007; Ram, 2007). Despite the efforts of corporations around the world to provide access to immigrants through recruitment programs and policies, ethnic workers often are not placed (if they are accepted at all by employers) in visible and demanding jobs that provide them with an opportunity to advance up the corporate hierarchy, nor are they given on-the-job training to build new-skills (Heilman and Chen, 2003; Sriram, Mersha and Herron, 2007). These disadvantaged groups are forced to accept whatever residual jobs are available once groups higher up in the queue have made their selection (Wilson, 2003; Chaudhry and Crick, 2004).
Phizackle and Ram (1995) argue that racial discrimination factors ‘push’ immigrants towards self-employment, since the most often stated reasons for setting up EMBs in France and Britain were: difficulties in securing employment and limited opportunities to find any work. Heilman and Chen (2003) quote in their work that in comparison to Whites, Blacks receive lower ratings on both relationship and task components of performance and less encouraging appraisals for promoting purposes from supervisors. Hence entrepreneurship according to the ‘block mobility thesis’ is seen principally as an escape route from unemployment, low wages or unstrained labor market opportunities (Hammarstedt, 2001; Teixeira, 2001; Kloosterman, 2003; Singh and DeNoble, 2004; Sriram, Mersha and Herron, 2007). Entrepreneurship and self-employment holds the promise that individuals’ career achievement will depend on their own qualities and efforts, and not on the prejudice of others in the corporate work setting, while it will also be a route of assimilation and a way of ‘making’ it in the host country (Razin, 2002; Heilman and Chen, 2003; Constant and Shachmurove, 2006; Wauters and Lambrecht, 2008).

2.3 The opportunity structures thesis
In the ‘opportunity structures thesis’ immigrant entrepreneurs who have the knowledge of the specific needs and heritage of their co-ethnic consumers are allured to entrepreneurship and self-employment by moving into niche, saturated spatial markets that require low financial or human capital and are largely ignored by mass retailing enterprises due to security problems or low-purchasing power of the unattractive and poorer minority areas (Ram, 1997; Iyer and Shapiro, 1999; Barrett, Jones and McEvoy, 2001; Raijman and Tienda, 2003; Sriram, Mersha and Herron, 2007).

Cultural based tastes for particular goods and services (e.g. ethnic food products) generate special consumer demands and entrepreneurial opportunities that mostly merchants from the particular ethnic group can satisfy, due to the inside knowledge that the group has (Boyd, 1998; Hammarstedt, 2001; Basu and Altinay, 2002; Singh and DeNoble, 2004; Jamal, 2005; Wauters and Lambrecht, 2008).

The ‘opportunity structures thesis’ argues that immigrants usually create enclaves by concentrating in specific geographic areas which provide opportunities for EMBs to act as a training system for the young ethnic entrepreneurs, generate network linkages and informal communications of market opportunities and an evolving cadre of ethnic business institutions (Light, 1972; Basu and Goswami, 1999; Hammarstedt, 2001; Chaudhry and Crick, 2004). According to relevant research these EMBs which show a preference for ethnic enclaves focus on low-order retailing, services, garment industry, catering, grocery stores, confectioners, newsagents and tobacconists and other low-rewarding sectors of the economy (Rath, 2002; Ram et al., 2003). Immigrant entrepreneurs usually avoid the mainstream market and focus on ethnic closed markets that exhibit minimum interethnic competition, are characterized by import/export and retail of ethnic goods, or where governmental policies favor small business development (Singh and DeNoble, 2004; Corsino and Soto, 2005).

2.4 The ethnic resources thesis
In the ‘ethnic resources thesis’ social capital provides vital and reliable source of labor (low cost and highly committed workforce) for EMBs, access to training, credit and capital, valuable market and business information about opportunities and threats that would otherwise be inaccessible (due to time and resource limitations) to immigrant entrepreneurs (Light, 1984; Sanders and Nee, 1996; Park, 1997; Marger,
2001; Raijman and Tienda, 2003; Fong, Luk and Ooka, 2005; Deakins et al., 2007). In fact several scholars suggest that ethnic entrepreneurs (Asians, Koreans, Chinese, Japanese, Cubans among others) make use of extensive networks of identity, family and community resources (in other words ethnic social capital) to acquire business information and inside knowledge of market opportunities that facilitate business start-ups (Light, 1972; Light and Bonacich, 1988; Aldrich and Waldinger, 1990; Portes and Sensenbrenner, 1993; Sanders and Nee, 1996; Raghuram and Hardill, 1998; Chaudhry and Crick, 2004; Fong, Luk, and Ooka, 2005; Sriram, Mersha and Herron, 2007).

Ethnic resources (i.e. social ties/networks, kinship, family, ethnic communities) are vital at the business start-up phase, when immigrant entrepreneurs need to gain access to scarce financial and human resources especially in the absence or insufficiency of external sources (Light and Bonacich, 1988; Jan Nederveen, 2003; Raijman and Tienda, 2003; Ram and Carter, 2003; Ram et al., 2003; Galbraith, 2004; Singh and DeNoble, 2004; Deakins et al., 2007). In several researches scholars suggest that in their majority EMBs have never used or had never had access to any forms of business and financial support from banks and other financial institutions and hence had to rely on personal savings and ethnic social resources (Barrett et al., 2002; Ram and Carter, 2003; Ram and Smallbone, 2003a; Ram et al., 2003; Smallbone et al., 2003; Hussain and Matlay, 2007).

Economic and social niches in the host society provide immigrant’s self-employment opportunities (through social networking and family ties) and more unprejudiced compensation than immigrants who work in local enterprises and industries (Waldinger, 1996; Marger, 2001;). Immigrant workers employed in EMBs can gradually acquire the necessary skills, experience and capital to secure their living in the local community (Walldinger, 1999).

A further review of the pertinent literature suggests that ethnic businesses are in their majority owned and managed by members of a single family (Basu and Goswami, 1999; Iyer and Shapiro, 1999). Family background plays a two-fold role in entrepreneurship. First the ‘new-entrepreneur’ has previous experience of the effect of entrepreneurship from his/her own family and second, family support (capital and human) can be critical to the creation, sustenance and development of EMBs (Deakins, 1996; Basu, 2004;).

To what extent, then, is each of the four theses: (a) the cultural thesis, (b) the block mobility thesis (c) the opportunity structures thesis, and (d) the ethnic resources thesis, relevant for the appearance and development of EMBs in Greece. In order to answer this question I conducted the largest-to-date scale research on ethnic minority enterprises and ethnic entrepreneurship in Greece.

3. Research Methodology

In view of the absence of a comprehensive database on ethnic minority owned businesses in Greece as well as the scarcity (to the best of my knowledge from an extensive literature review I conducted and up to this point of time) of published scientific research by academicians in the subject of immigrant entrepreneurship in my homeland, I decided to spend considerable time, effort and own resources in gathering a large sample of data, conduct the first-ever large scale scientific research on EMBs in Greece and present results that could be used as a springboard of further scientific researches or policy making. Given the difficulties of identifying ethnic minority-owned businesses, the sample of 391 ethnic enterprises was constructed by
the author and his team using various published sources (i.e. the Hellenic Migration Policy Institute database, the National Statistical Service of Greece, and the Greek Ministries of Labour and Interior) and unpublished lists of businesses obtained from ethnic group business affiliations/ institutions, foreign embassies and consulates relevant to the nationality of the ethnic communities under research and a snowballing method. The study involved conducting interviews with 391 founders of EMBs and 132 of their family members, between January 2006 and August 2008, from eight different ethnic communities whose members migrated to Attica and Central Macedonia regions in Greece.

The selection criteria used for the inclusion of enterprises in the EMB database were: ethnicity of the business owner (as shown in table 1); sector, (specific sectors were chosen), including traditional sectors (e.g. bars/restaurants/grocery shops, wholesale/import, retail/clothing, constructions/technicians) and emerging sectors of EMB activity (e.g. professional/scientific services and arts); and finally location, i.e. in Attica and Central Macedonia Regions.

We used the general interview guide approach, which enabled us, to plan and have a list of open-ended questions, subjects and issues to discuss with immigrant entrepreneurs, while also trigger a spontaneous conversation with their family members to get information and knowledge that could be missed out during the guided interview. The issues explored during face-to-face interviews lasting about 30min to 45min included: (a) the characteristics of their background (educational background and the reasons for migration); (b) their ambitions and objectives from their business operations; (c) the factors that facilitated their decision to become self-employed and their experiences of entrepreneurship; (d) the particular role and contribution of the entrepreneur’s family members in the set-up and support of the business, and (e) the access to resources at the ‘start-up’ of the business.

We gained access to EMBs through personal contacts and referrals/introductions from friends and foreign students and workers residing in these two regions. Some of the immigrants felt more comfortable once a ‘mutual’ friend had introduced us and explained who we were and what was the purpose of the research so that we could be ‘trusted’, since, as estimated, about 30-35% of them were illegally working and living in Greece. In addition, some felt more willing to give an interview in their mother tongue, especially since my team of 12 students and friends covered all eight ethnic origins under investigation. These 12 individuals were trained by the author on how to conduct a research on ethnic minorities in Greece, since the author has previously carried out and published a smaller-scale research on ethnic entrepreneurship, while he also has conducted numerous qualitative interviews and case studies researches. We assured them of anonymity and confidentiality since the aim of the research was purely scientific and not related to any official Governmental agencies. For many participants the interviews were the first time they had been given an opportunity to talk to third parties about their professional and personal ambitions.

3.1 Facts and Figures
In Greece, a country of just over 11 million inhabitants, according to the Hellenic Migration Policy Institute (IMEPO, 2008) there were about 696,000 legal and, by approximation, some 300,000 illegal immigrants in 2006. The two regions under investigation, Attica and Central Macedonia, account for 52.8% and 13.3%
respectively of the total population of immigrants in Greece (IMEPO, 2008, p.83). Nearly 80% of the immigrant population in Greece belongs to the working ages (15-64) in contrast to 68% of the native population (IMEPO, 2004, p.5). The eight ethnic communities of Albanians, Armenians, Bulgarians, Chinese, Georgians, Indians, Nigerians and Russians under research correspond, according to data from the Hellenic Migration Policy Institute (IMEPO, 2004) and figure 1 below, to approximately 70% of the immigrant population in Greece. Greece appears to be a unique case in the European Union having a dominant ethnic minority group, namely the Albanians, which represents more than 55% of the country’s total immigrant population. The EMB survey sought to ensure quotas in the geographic spread of the eight selected ethnic groups (i.e. approximately 75% from Attica and 25% from Central Macedonia Regions) and appropriate representation of interviewees in terms of their ethnicity. In terms of ‘gender’, male entrepreneurs own the vast majority of approximately 81% of all surveyed EMBs, women own 4% and 15% are co-owned. Furthermore, ‘White’ ethnic groups own 77% of all surveyed EMBs, ‘Asian’ own 13.8%, ‘Indians’ own 3.8% and ‘Blacks’ own 5.4%. Hence I regard the sample of 391 self-employed/entrepreneurial immigrants representative of the total population of ethnic minority enterprises in Greece.

{Figure 1}

4. Empirical results and analysis

The presentation and analysis of the research starts with some important characteristics of the background of the entrepreneurs’. The vast majority, 90.3% (353 of the 391) of the ethnic entrepreneurs interviewed are first generation migrants. They migrated to Greece in the early 1990s, while, age-wise, they were between 29 and 48 years old. The decade of 1990 has been characterised as the peak period of migration of members of the Albanian, Georgian, Armenian, Bulgarian, Chinese, Nigerian and Russian communities to Greece. The remaining 9.7% of the immigrant entrepreneurs includes 21 Armenian business owners, 11 Chinese, 3 Bulgarians and 3 Indians who have migrated to Greece prior to the 1990’s. The majority 73.1% (286 of the 391) of the ethnic entrepreneurs started their own businesses in the beginning of the 21st century around eight to eleven years after their arrival in Greece.

{Table 2}

Table 2, shows the varieties of different business activities the eight ethnic groups of entrepreneurs’ are engaged in. At this point it should be pointed out that in the process of designing the respective table, for the sake of brevity, I was obliged to categorize certain types of business activities under the same heading. Hence, the Scientific/Artistic/Professions include: educational services, telecommunication and information technology shops, accountant services and translation-interpretation services. The Clothing/retail sector includes: repairing clothes, retailing clothing shops, import and export of ethnic clothes, tailor/custom made clothing. The Wholesale/import/transport sector includes: wholesale and import of ethnic foods and beverage products, and ethnic artifacts and art products. The constructions/technicians sector includes: plumbers, constructionists, builders, house painters and electricians.
Our research brings forth a high concentration (40.9%) of entrepreneurs/business-owners in the bars/restaurants/coffee and grocery shops category. This is consistent and partly explained by the socio-psychological profile in leisure time activities of Greek people, where tens of thousands of bars and restaurants cater the native population. The second most attractive category for 28.9% of immigrant entrepreneurs is the constructions/technicians sector while 13.8% of EMBs operate in the clothing/retail sector and 12.5% in the wholesale/import/transport sector. Construction has offered entrepreneurial and labor market opportunities to immigrant workers especially since the period 1996-2004 in Greece was characterized by immense public funding of large-scale constructions for the Olympic Games in Athens and other long-delayed infrastructure work (national roads, airports, ports) as well as a boom in the private house building. As also stated in the literature review earlier in this paper ethnic minorities are pulled towards entrepreneurship according to the ethnic resources thesis. Ethnic food and beverage products, artifacts and clothes generate special consumer demands that ethnic entrepreneurs, who have the knowledge of the specific needs of ethnic consumers group, attempt to satisfy. The remaining 3.8% of the entrepreneurs established EMBs in the Scientific/artistic/professions sector. Despite that the literature on ethnic immigrant entrepreneurs suggests an increase in their presence in more professional sectors (Kloosterman, 2003; Ram and Carter, 2003), immigrants in Greece seem to avoid establishing an EMB in these sectors.

Examining the ethnic origin of the eight groups of entrepreneurs (and their family members), we find that each group has mixed reasons for migrating to Greece.

As Table 3 shows, the most common reasons for migration (45.3%) are the economic motives ‘search for work and a better life’, followed by family reunion motives (20.3%). As was stated by numerous respondents once a family member (usually a man in his late 20s) migrated to Greece and started working and collecting some money, he would then send back to his country of origin enough money for other family members to prepare the necessary papers (sometimes bought through illegal channels) to migrate to Greece. Nearly 11% of ethnic group respondents quoted the desire to acquire higher-level education as their main motive for migration, while 14.1% arrived in Greece as political refugees. The remaining 9.4% of ethnic immigrants reported business motives as their main reason for migration to Greece. This category of immigrant entrepreneurs, perceived Greece as an opportunity land to set-up a business, capitalising on their specific knowledge of ethnic consumers needs, and on the ‘trend’ of Greeks to consume fashionable ethnic products (food, beverages and clothing) and spend most of their free time in bars, restaurants and other leisure time facilities.

Examining the educational and training background by ethnicity, we find a significant degree of association between country of origin and education, as shown in table 4. Hence, 35.4% of Armenians, 14% of Chinese and 13% of the Russian respondents either possessed higher educational qualifications prior to their arrival in Greece or attained a higher education qualification in the host society. In the sample examined some 7% of the Albanian immigrants, 2 immigrants from the Georgian and Nigerian and 1 from the Bulgarian ethnic communities have a higher educational background. Around 29% of immigrants have obtained qualifications in Greece, such as high-school/technical school diplomas, or even Greek University degrees.
Nearly 24% of the immigrants from all eight ethnic groups are high-school graduates. More than half (52.4%) of the ethnic entrepreneurs and their family members have gained work experience and/or have undergone formal business training usually as part of their prior work experience. Since most started their own business, on average about 8 to 11 years after their arrival in Greece, the vast majority of 91% of all 391 immigrant entrepreneurs in Greece worked in restaurants, bars, grocery shops, hotels, travel agencies, in the clothing/wholesale/import/transport services or in construction sites before venturing on their own. And, finally, about 6% of the entrepreneurs had prior work experience in family businesses in their countries of origin.

4.1 Entrepreneurs’ ambitions and objectives
During the interviews the entrepreneurs were asked to rank on a 5-point Likert-type scale ranging from very important (=5) to unimportant (=1) what they considered to be the main ambitions/objectives\(^1\) from their business.

As figure 2 indicates, the most important objectives of the entrepreneurs, with a percentage level of more than 79% turns out to be accumulation of family wealth and for 72.6% business survival and growth. The second most important objectives for 68.2% of the entrepreneurs is the insurance of the financial independence of the firm and for 67.7% the enhancement of their social status in the community. About 62% of the entrepreneurs reported that providing employment for family members/relatives and nearly 57% enhancing the reputation of the business were also significant ambitions that they pursued through business-ownership.

On the other hand (as shown in figure 2) about 67% of the entrepreneurs reported as insignificant the increase of profitability at the time of the interview, while almost 61% of the entrepreneurs did not consider a comfortable lifestyle as a significant objective for starting their own business.

According to the analysis of the above data the majority of the entrepreneurs/owners have a strong family aspiration, giving priority to the needs of the family over the business/financial oriented goals. They strive to achieve a satisfactory level of income that would enable the entrepreneur and his family to achieve a higher social status and live respectably, rather than maximise profits for their business.

4.2 Entrepreneurs’ motives for self-employment
According to the analysis of the data collected during the empirical research the 391 immigrant entrepreneurs were asked to rank on a 5-point Likert-type scale ranging

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\(^1\) The degrees ‘of average importance’, ‘important’ and ‘very important’ are treated as significant objectives of entrepreneurship while the degrees ‘unimportant’ and ‘somewhat important’ as insignificant objectives.
from very important (=5) to unimportant (=1) what they considered to be the main motives that facilitated their decision to become self-employed, as shown in figure 3.

(Figure 3)

As figure 3 indicates, the most significant motives for the entrepreneurs to start their business, with a percentage share of 71.8% and 66.2% respectively, were the limited opportunities to find work and the restricted opportunities for career advancement for immigrants in the host country. The second most important motivator for self-employment for 52.4% of the ethnic business-owners was their ability to spot a market opportunity based on their knowledge of specific ethnic consumers needs and knowledge of the marketplace. For more than 56% of the entrepreneurs’ labour/market discrimination was also a significant factor that ‘pushed’ them to self-employment.

The desire to be independent acted as a facilitator for entrepreneurship to about 40% of the respondents. Prior experience (work experience in the relevant economic sectors) and family tradition to business seemed an important entrepreneurial motive for 34% of the respondents. As shown in figure 3 a minority of (11.31%) the entrepreneurs cited Greek and European Union support frameworks/funding for business start up as a motive towards self-employment. The motive of becoming rich was observed in just 18.6% of the ethnic business owners.

According to the literature review we presented and examined earlier in this paper and based on the empirical results illustrated in figure 3 we could argue that the majority (ranging from 56 to 72%) of the entrepreneurs in our research reported that their business entry decision was influenced by negative, ‘push’, factors like lack of suitable labour market opportunities (especially due to language barriers and ethnic/race discrimination), low education, and restricted opportunities for career advancement. This same group of entrepreneurs argued that once they had been ‘pushed to entrepreneurship’ the inside knowledge for particular goods and services and prior work experience provided good opportunities to move into niche markets that required low economies of scale, and were largely ignored by mass retailing enterprises.

4.3 Family participation in business

For most of the respondents, entrepreneurship was a learning process. They had to go through a trial and error approach, since the majority of the entrepreneurs and their family members had low-educational skills on how to manage a business and could not afford the services of professional management consultants/ or graduate employees.

Family labour participation was common at business start-up and remained in evidence even after business development. During our interviews, 76% (297 of the 391) ethnic business-owners had family members working in their business, while about 61.6% (241 of the 391) relied exclusively on family help, which also included the extended family structure of the business owner (i.e. cousins, brothers, sisters, close relatives, etc.). The most common family supporters/employees were the entrepreneur’s wives, 46% (179 of the 391 cases) and the extended family structure,

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2 The degrees ‘of average importance’, ‘important’ and ‘very important’ are treated as significant motives towards entrepreneurship while the degrees ‘unimportant’ and ‘somewhat important’ as insignificant motives.
76% (297 cases). During the interviews with the family members of the EMB owners I found that about 38% of were involved as formal employees, while the remaining 62% were helping out and providing support on an informal basis. The majority of businesses (94%) were in the micro (0-9 employees) category of small and medium enterprises, at the time of our research. All the entrepreneurs in our sample expressed a high commitment to their business and their families.

4.4 Funding of entrepreneurial businesses
The majority, 42.7%, of the entrepreneurs relied on the use of personal savings at start-up (as shown in table 5). One third (33.5%) of the immigrant entrepreneurs from all eight ethnic communities relied on at least some initial funding from the family and 14.9% had at least one family member participating in terms of co-owning and/or managing the business at start-up. Only a minority of 11.3% (as indicated in figure 3 above) of the entrepreneurs made use of Greek and EU funding programs, not primarily because they did not have access to either family money or personal savings, but because they wanted to have a larger initial capital to start a business. The remaining 8.9% of the business owners reported that they managed to get a bank loan to start their entrepreneurial activities. During the interviews with the ethnic group business owners the vast majority reported that they faced many obstacles from the Greek banks and financial institutions when they applied for a loan; in most cases they could not provide all necessary permits and papers in order to set up a business, or (in some cases) their illegal status prevented them from getting funds from official institutions.

{Table 5}

5. Conclusions
The object of this paper was to present empirical data from my research conducted between January 2006 and August 2008 in the regions of Attica and Central Macedonia, Greece, focusing on the areas of ethnic minority businesses (EMBs) and immigrant entrepreneurs. Much of the theoretical knowledge and the associated findings of empirical researches on the subject of ethnic groups have been conducted in the USA, Canada and in the more advanced economies of Europe, focusing mainly on ‘Black’ or ‘Asian’ ethnic groups.

In light of the above realities my study attempted to present the first-ever large-scale authoritative analytical research on EMBs and immigrant entrepreneurship in Greece (391 EMBs and 132 family members), which historically has been the crossroad of East and West civilizations; make a contribution to the literature of ethnic group businesses by presenting empirical evidence of five ‘White’ (Albanians, Armenians, Bulgarians, Georgians, Russians), one ‘Black’ (Nigerian), one ‘Asian’ (Chinese) and one ‘Indian’ ethnic groups located in the Balkan peninsula; and most importantly make a contribution to the ethnic entrepreneurship literature by examining to what extent each of the four main approaches (a) the cultural thesis, (b) the block mobility thesis (c) the opportunity structures thesis, and (d) the ethnic resources thesis is relevant for the appearance and development of EMBs in Greece.

According to the empirical results presented in this paper we can argue that the three theories of ‘block mobility’, ‘opportunity structures’ and ‘ethnic resources’
complement each other in explaining the process of starting up an ethnic minority business and becoming self-employed, while the ‘cultural thesis’ seems to stand on its own.

Based on the empirical results, 56-72% of the immigrant entrepreneurs in my research reported that their business entry decision was influenced by the ‘block mobility thesis’ arguments. Negative, ‘push’ factors, such as, unemployment, lack of suitable labour market opportunities, language barriers and ethnic/race discrimination were reported as strong motives that forced immigrants towards self-employment. Nearly 68% of the immigrant entrepreneurs became self-employed to enhance their social status in their communities, and 57% to enhance the reputation of their business.

On the other hand, 52.4% of the eight groups of entrepreneurs researched argued that they ‘used’ the inside knowledge for particular ethnic goods, services and needs of their fellow immigrants to set-up businesses into niche markets that required low economies of scale, such as clothing/retail, newsagents/tobacconists/grocery stores. In other words one out of two immigrant entrepreneurs in Greece is pulled to entrepreneurship based on the ‘opportunity structures thesis’.

The empirical research results seem to validate the ‘ethnic resources thesis’ as well, since the majority (more than two thirds) of the ethnic group business owners have a strong family aspiration, aiming to achieve a satisfactory level of income that would enable the entrepreneur and his family to achieve a higher social status and live respectfully, and 52% used ethnic resources to acquire business information and inside knowledge of market opportunities. Furthermore, family labour participation was common at business start-up, with all entrepreneurs relying on at least some family help, in terms of funding, initial employment and participation in business start-up (76% had family members working officially or unofficially in their business). Family participation and support was clearly evident for 61% of the EMBs, even after business development.

Finally, according to research results the ‘cultural thesis’ appears to be the least relevant for the development of EMBs in Greece since only 9.4% of the ethnic entrepreneurs argued that they have migrated to Greece with the sole objective of starting up a business, and only 6% claimed that prior working experience in family businesses back in their homeland pulled them to entrepreneurship.

In Greece, as my research brings forth an immigrant entrepreneur is pushed to self-employment due to race discrimination, or restricted opportunities to work but once he/she reaches the decision to establish an EMB, he/she will then rely on ethnic resources (human and/or capital), employ family members, and use the inside knowledge to spot an opportunity in the business landscape. On the other hand an ethnic entrepreneur is pulled to entrepreneurship by an opportunity he/she sees to serve a specific consumer demand (ethnic foods or retail/wholesale of ethnic products) but this entrepreneur will also use ethnic resources and family support even after he/she has established an EMB while at the same time this entrepreneur also reported that he/she was unsatisfied by the low-paid, limited career advancement jobs. Hence in a way he/she was both pulled and pushed towards self-employment.

The findings of my research also revealed a small percentage (less than one out of ten) of immigrants that have cultural predilections towards entrepreneurship will most likely seek finance from EU or Greek funding organizations, rely less on family support and participation and probably start-up a scientific/artistic/professional EMB (IT shops, accountant services, educational services, etc.). These entrepreneurs
have different motives and aspirations towards becoming self-employed and usually have higher education training than their co-ethnic or other immigrant entrepreneurs.

At the conclusion of this paper I can identify some weaknesses that need to be brought forth. As with every research method carrying through an interview-guided research contains its own drawbacks. The data from open-ended interviews consist of direct quotations from people about their experiences, knowledge, feelings, opinions and perceptions of certain situations. The most commonly suggested difficulties with conducting this type of research are, thus, access, cost and time, the need for multiple methods and tools for triangulations, lack of controls, complication of context and temporal dynamics and lack of statistical validity. Furthermore I have encountered numerous difficulties in identifying ethnic minority-owned businesses, since as I have previously mentioned more than 30% of immigrants in Greece are illegal immigrants, and there is an absence of a comprehensive database on EMBs in Greece.

Relatively few attempts have been made to study immigration and self-employment in Greece, mostly consisting of as small-scale university undergraduate or postgraduate research. Since more than 800,000 immigrants are within the working age (15-64), as mentioned earlier in section 3, representing about 15-20% of the workforce in Greece it is hoped that this large-scale nation-wide study will be used as a springboard for both further scientific investigation and policy implementation by relevant agencies and institutions in Greece. Future scholarly research in Greece into entrepreneurship among ethnic minorities should also focus on their economic experiences, aspirations, motives as well as their impact upon the nation’s economy.

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**Acknowledgements**

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References


**Table 1**

<table>
<thead>
<tr>
<th>Ethnic Communities</th>
<th>Ethnic Business Owners</th>
<th>No. of Family Members</th>
</tr>
</thead>
<tbody>
<tr>
<td>Albanians</td>
<td>182</td>
<td>31</td>
</tr>
<tr>
<td>Armenians</td>
<td>31</td>
<td>17</td>
</tr>
<tr>
<td>Bulgarians</td>
<td>26</td>
<td>15</td>
</tr>
<tr>
<td>Chinese</td>
<td>54</td>
<td>25</td>
</tr>
<tr>
<td>Georgians</td>
<td>19</td>
<td>11</td>
</tr>
<tr>
<td>Indians</td>
<td>15</td>
<td>9</td>
</tr>
<tr>
<td>Nigerians</td>
<td>21</td>
<td>5</td>
</tr>
<tr>
<td>Russians</td>
<td>43</td>
<td>19</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>391</strong></td>
<td><strong>132</strong></td>
</tr>
</tbody>
</table>

**Table 2**

<table>
<thead>
<tr>
<th>Ethnic Communities</th>
<th>N</th>
<th>Bars/Restaurants/coffee-shops/grocery stores</th>
<th>Wholesale/import/transport</th>
<th>Clothing/retail</th>
<th>Construction/technicians</th>
<th>Scientific, artistic, Professions</th>
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</thead>
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<tr>
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<td>76</td>
<td>11</td>
<td>13</td>
<td>80</td>
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</tr>
<tr>
<td>Armenians</td>
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<td>8</td>
<td>4</td>
<td>6</td>
<td>4</td>
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</tr>
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<td><strong>54</strong></td>
<td><strong>113</strong></td>
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### Table 3

The Primary Motive for Migration, by Ethnic origin

<table>
<thead>
<tr>
<th>Ethnic Communities</th>
<th>N</th>
<th>Political</th>
<th>Economic</th>
<th>Business</th>
<th>Education</th>
<th>Family</th>
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<tr>
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<td>43</td>
<td>104</td>
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<td>19</td>
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</tr>
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<td>27</td>
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<td><strong>Total</strong></td>
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<td>237</td>
<td>49</td>
<td>57</td>
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</tbody>
</table>

Note: Respondents can give multiple answers

### Table 4

Education and training qualifications, by Ethnic origin

<table>
<thead>
<tr>
<th>Ethnic Communities</th>
<th>N</th>
<th>High-School graduates</th>
<th>Higher Education graduates</th>
<th>Primary Education</th>
<th>Qualifications obtained in Greece</th>
<th>Work Experience obtained in Greece</th>
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<tbody>
<tr>
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<td>51</td>
<td>15</td>
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</tr>
<tr>
<td>Armenians</td>
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<td>12</td>
<td>24</td>
<td>15</td>
</tr>
<tr>
<td>Bulgarians</td>
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<td>3</td>
<td>12</td>
<td>24</td>
</tr>
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<td>11</td>
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<tr>
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<td>11</td>
</tr>
<tr>
<td>Russians</td>
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<td>11</td>
<td>8</td>
<td>15</td>
<td>27</td>
<td>31</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>523</td>
<td>124</td>
<td>56</td>
<td>118</td>
<td>152</td>
<td>274</td>
</tr>
</tbody>
</table>

Note: Respondents can give multiple answers
Table 5

The Primary Type of Resource at Business Start-up, by Ethnic origin

<table>
<thead>
<tr>
<th>Ethnic Communities</th>
<th>N</th>
<th>Use of family finance (number of respondents)</th>
<th>Use of bank finance (number of respondents)</th>
<th>Use of personal savings (number of respondents)</th>
<th>At least one family member participating in business start-up (number of respondents)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Albanians</td>
<td>182</td>
<td>69</td>
<td>13</td>
<td>76</td>
<td>24</td>
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<tr>
<td>Armenians</td>
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<td>8</td>
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<td>11</td>
<td>5</td>
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<td>Georgians</td>
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<td>Nigerians</td>
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<td>13</td>
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</tr>
<tr>
<td>Russians</td>
<td>43</td>
<td>8</td>
<td>9</td>
<td>21</td>
<td>5</td>
</tr>
<tr>
<td><strong>Total</strong></td>
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<td><strong>131</strong></td>
<td><strong>35</strong></td>
<td><strong>167</strong></td>
<td><strong>58</strong></td>
</tr>
</tbody>
</table>
Figure 1

Principal Nationalities of Migrants in Greece, Census 2001

Figure 1, Source: Hellenic Migration Policy Institute (2004, page 14)
entrepreneurial independence of the firm
entrepreneur business survival and growth
increase profitability
accumulate family wealth
provide employment for family members
maintain a comfortable lifestyle
enhance the reputation of the business
enhance their social status in the community

Entrepreneurs' ambitions and objectives

<table>
<thead>
<tr>
<th>Objective</th>
<th>Insignificant Objectives</th>
<th>Significant Objectives</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ensure financial independence of the firm</td>
<td>31.77%</td>
<td>68.23%</td>
</tr>
<tr>
<td>Ensure business survival and growth</td>
<td>27.35%</td>
<td>72.65%</td>
</tr>
<tr>
<td>Increase profitability</td>
<td>32.74%</td>
<td>67.26%</td>
</tr>
<tr>
<td>Accumulate family wealth</td>
<td>20.67%</td>
<td>79.33%</td>
</tr>
<tr>
<td>Provide employment for family members</td>
<td>37.86%</td>
<td>62.14%</td>
</tr>
<tr>
<td>Maintain a comfortable lifestyle</td>
<td>38.91%</td>
<td>61.09%</td>
</tr>
<tr>
<td>Enhance the reputation of the business</td>
<td>43.21%</td>
<td>56.79%</td>
</tr>
<tr>
<td>Enhance their social status in the community</td>
<td>32.27%</td>
<td>67.73%</td>
</tr>
</tbody>
</table>
Figure 3

Motives for Self-employment/ Entrepreneurship

- Prior experience/ family tradition in business: 65.91%
- Knowledge of ethnic needs/ market knowledge: 52.38%
- Independence/ "be my own boss": 60.23%
- Make money: 81.38%
- Greek & EU funding to start up a business: 88.69%
- Limited opportunities to find work/ unemployment: 66.27%
- Restricted opportunities for career advancement: 56.92%
- Labour/market discrimination: 43.08%

**Significant motive**

**Insignificant motive**