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Migrant Entrepreneurship and the Suburbs  

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Abstract:

The paper presents an overview of the current state of knowledge on migrant entrepreneurship in a suburban setting. The objective is to investigate emerging literature on migrant entrepreneurship in order to identify gaps in the literature that need to be considered in future research and further needs for conceptual and methodological development. The review is part of a forthcoming research on entrepreneurship in the suburbs to be conducted in the southern part of Stockholm, Sweden. The review focuses on migrant entrepreneurship which is an essential feature of the suburban setting in which our projected research will conducted.

The review of current literature indicates that research on migrant entrepreneurship is dominated by the experiences of the USA. A large part of this literature is devoted to specific ethnic groups such as Koreans and Chinese. Moreover, the review indicates several gaps in the research including, areas such as policy for migrant entrepreneurship and context. There is heavy reliance on quantitative (deductive) approach and empirical studies. There is a shortage of theory building (conceptual) and qualitative studies.

Key Words: Entrepreneur, Entrepreneurship, Ethnic Entrepreneurship/Business, Migrant (immigrant, ethnic, minority) Entrepreneurship, Regional Development, Suburbs.
Introduction
Entrepreneurship is prioritized in different growth and development plans on international, national, regional and local levels. Apart from general institutional frameworks, such as legal structures, regulations and taxes, interventions through business support centers, cluster initiatives, and financial schemes for research and development (R&D) are promoted in national and regional initiatives. Local initiatives to boost impact and/or to complement these national interventions have primarily attracted attention in rural settings or in urban areas with high rates of growth-oriented entrepreneurship.

Entrepreneurial decisions and processes are shaped by the local context in which individuals (nascent entrepreneurs) live and work (Audretsch and Belitski, 2016; Ace and Szerba, et al. 2013). Empirical work indicates that the local context influences the prevalence, the type of businesses, and performance of start-ups, i.e., whether the context is favorable to entrepreneurial initiatives, fosters necessity driven low-impact or opportunity-driven high-impact start-ups (Stam, 2014; Mason and Brown, 2012). In the USA, for example, the prevalence of ethnic entrepreneurship was found to be stronger in cities (deprived areas in the USA context), but enterprises in the suburbs were found to experience faster growth rates (Liu and Abdullahi, 2012).

Suburbs deliver locational advantages for entrepreneurship by combining their specificity resources (Audretsch and Belitski, 2016). Although migrant entrepreneurship has been closely linked to disadvantaged suburban locations, the association to high-tech, high-impact firms such Silicon Valley is more recent. Nonetheless, it has fueled much interest in suburbs as locations for high-tech industries and their potential in fostering a creative ecosystem (Audretsch and Belitski, 2016) for entrepreneurship. Entrepreneurs vitalize communities by exploiting opportunities provided by location-specific systemic factors and resources (Audretsch, et al. 2012) as well as creating new opportunities and transforming opportunity structures (Audretsch and Belitski, 2016). Suburbs are thus acknowledged as places for entrepreneurship with specific physical, social and cultural features, resources and endowments, as well as challenges. Diverse populations, e.g. people with a migrant background, accessing knowledge-intensive milieus tend to create innovative, growth enterprises unlike those located in deprived areas (Saxenian, 2001; Rath & Kloosterman, 2000; Singer, 2009). A migrant is understood as a person with a foreign background, i.e., s/he or at least one of the parents are born in other than the country of present residence. This definition fits in well with the official definition of in-migrant (immigrant) in Sweden.

Suburbs represent an essential subject for regional studies and have a rapidly increasing economic significance within wider metropolitan regions (Phelps 2010). It is necessary to create inclusive suburbs with a stronger identity. The current growth of populations in major cities requires an ability to reorganize existing cities and a massive restructuring of urban infrastructure (Modarres & Kirby 2010). The interpretation of the needs of suburbs have previously called for a transdisciplinary and collaborative strategy (Després et al. 2004). We look at entrepreneurship and different types of businesses as a source of vitalization of disadvantaged suburbs.

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populations in major cities requires an ability to reorganize existing cities and a massive restructuring of urban infrastructure (Modarres & Kirby 2010). The interpretation of the needs of suburbs have previously called for a transdisciplinary and collaborative strategy (Després et al. 2004). We look at entrepreneurship and different types of businesses as a source of vitalization of disadvantaged suburbs. Enterprises that are clustered in suburban neighborhoods reflect the different impacts of suburban and city spatial forms. Newly arrived citizens draw upon the critical mass of ethnic members to form a niche market for ethnic businesses (Fong et al. 2007). Minorities may have limited access to financial capital in the larger urban economy, but ethnic enclaves may provide a source of a unique competitive advantage (Cummings 1999). Entrepreneurship rooted in a suburban surrounding represent a specific opportunity to become embedded in an economic and spatial dimension. The migrant may be seen as representing a diversity capital which penetrate specific market conditions located in ethnically diverse neighborhoods situated in the suburbs of major cities. A migrant is understood as a person with a foreign background, i.e., s/he or at least one of the parents are born in other than the country of present residence. This definition fits in well with the official definition of in-migrant (immigrant) in Sweden.

In this paper we lay ground for a study of entrepreneurship in suburban areas in southern Stockholm that are economically disadvantaged compared to the Stockholm region in general. These areas have, during different phases, all been subject city planning and recent/current interventions. We investigate how entrepreneurs and local community actors interact and network to mobilize individual and collective resources to create mechanisms for transforming suburban neighbourhoods into environments that enables vibrant entrepreneurial activities. As suburbs in this region have a diverse population we pay particular attention to entrepreneurship among people with migrant backgrounds.

Suburbs as a Distinct Research Area

Suburbs as a distinct research field are not easily delineated and there is no consensus as to the specificity of suburban identity. In some recent work, for instance, suburbs have been pronounced “placeless no-where” primarily against the backdrop of developments in infrastructure, information technology, and the emergence of aspatial networks in the wake of globalization (Phelps, 2010; Bourne, 1996, Augé, 1995, Castells, 1989). In a comprehensive review of literature on the theoretical foundations of suburbs, Vaughan, et al., (2009) identify four main conceptual representations describing different properties of suburbs: suburbs as part of the city, as part of an urbanization process, as important locations of socio-cultural identity, and as loci for “others”, i.e., places where people unlike the mainstream live and work, as well as a periphery where city waste is dumped (Clapson 2003; Evans and Larkham, 2004 and Hanley, 2007 in Vaughan, et al. 2009). We view suburbs as part of cities and as places endowed with a unique mix of historical, physical, socio-cultural, and economic experiences.

Some suburbs have lost their traditional industries, which can be a significant threat to the survival of their communities, as was the case in two of the suburban areas in focus in our forthcoming research, Gustavsberg and Alby, while the two others, Flemingsberg and Rönninge are being transformed into knowledge hubs and/or shopping centers with uncertain outcomes for the residents and existing workplaces. In these transformations, city planning
intervention plays a key role and relates to at least three aspects in need of consideration. First, the diversity and complexity of metropolitan areas. Second, the physical aspects of neighbourhoods including housing stocks, commercial spaces and spaces for civil society. Third, the residential and business location trends of cities and suburbs (Lucy & Philips, 2006).

The urban infrastructure is changing rapidly and there is a need to address restructuring needs within suburbs (Modarres & Kirby, 2010). These transformations profoundly change the interaction between enterprises and actors in local/regional/global communities. Understanding how interventions through city urban planning impact on the opportunity structure for entrepreneurship is important in creatively transforming the suburbs. With increasing influx of migrants to Sweden the social fabric of the major metropolitan regions experiences significant changes. This development has put significant pressures on budgets, resources, housing and infrastructure in the suburban communities. Different kinds of efforts have been initiated by the State to mitigate the effects on suburban communities.

The Metropolitan Policy launched an initiative to “provide the foundations for sustainable growth in the metropolitan regions” at the end of the 1990s (Storstadsdelegationen, 2007). Among efforts made to transform the metropolitan areas in the Stockholm Region are also architectural interventions, the latest stipulated in the grand plan for eight core areas, four of which lie to the south of the lake Mälaren (RUFS, 2010). Nevertheless, the metropolitan initiative has been criticized for not having resulted in permanent structural improvement (Hajighasemi et. al., 2006). Permanent structural improvements cannot be achieved with top-down policies. Policy are therefore focusing increasingly focusing on development mechanism that promote wealth creation from specific resources localized in the regions (198, 1998; Kantis and Federico, 2011). At the core of these transformational mechanisms is entrepreneurship. To meet this shift in policy towards the creation of endogenous, bottom-up transformation, local communities need to provide locational advantages for entrepreneurship. In this paper, we review literature on entrepreneurship in the suburbs in the context of migrants.

The remaining part of the paper is organized into four subsections. First, we present a brief discussion of the theories tenets of entrepreneurship with a view to research approaches in migrant entrepreneurship. Following this, the research methodology is described. In first of the two last sections, a summary of extant literature on migrant entrepreneurship is presented. In the concluding section, a conceptual framework for the study of migrant entrepreneurship is proposed.

**Theoretical Framework**

Entrepreneurship theory provides insights to understanding the dynamic of entrepreneurship from perspectives of enterprise creation, distribution, and performance. Networks are designed around cultural, economic, political and social realities and emphasize influences from formal and informal institutions on entrepreneurship (Borg, 2001; Ahmadi, 2007). A network-based analysis is useful in understanding the complex interaction between urban planning and entrepreneurship. The field of entrepreneurship has been approached from different perspectives and research traditions. In this project, we adhere to the views of entrepreneurship as opportunity creation/recognition and exploitation which is instantiated by
the creation of new and/or the running of innovative enterprises (Schumpeter, 1934; Kirzner, 1997; Shane and Venkataraman, 2000; Aldrich, 1999; Carter and Jones Evans, 2000; Gawell, et al. 2009; Steyaert and Hjort, 2006).

The prevalence of entrepreneurship is linked to the opportunity structure manifest in the societal attitudes, institutions, and resources and, in general infrastructural for enterprising (Baumol, 1990). City planning, e.g. architectural intervention, influences the opportunity structure impacting on the supply of productive entrepreneurship. Entrepreneurs exploit opportunities by mobilizing their private capital and societal resources and infrastructure through networks. We employ the network-based approach (Huang and Antoncic, 2003; Håkansson and Snehota, 1989; Borg, 1991; Rugman and D’Cruz, 20000) to understand the dynamic of governance, content and structure of entrepreneurial networks.

Since the area we will study is characterized by a multi-ethnic (diverse) population mainly citizens with a migrant background, we will also relate to the specific sub-field focusing on migrant entrepreneurship.

**Migrant Entrepreneurship as a Distinct Area of Research**

Migrant entrepreneurship has been understood and approached from different points of (departure) (Slavnic, 2004); from the entrepreneurs country of origin, i.e., by virtue of being a migrant (Najib, 1999), from the specific ethnic group, i.e., group characteristic, for example, Assyrians (Pripp, 2001; Abbashian, 2000), from the specifically ethnic resources and how the various ethnic groups make use of these resources, i.e., variations in ethnic group behaviour (Rojas, 2001), the specific strategies that are employed (Waldinger, 1989; Aldrich and Waldinger, 1990). Some researchers contend that entrepreneurship can be a “golden opportunity” for less privileged people such as migrants (Ram & Barrett, 2000; Saxenian, 2001). These arguments are commonly related to the labour market and the possibility that entrepreneurship leads to self-sufficiency, upward social mobility and integration.

Beyond the individual level, migrant entrepreneurship has been found to be pivotal to the vitalization of local communities, in particular socially deprived suburban areas (Schuch & Wang, 2014; Zhou, 2010) as well as the development of international businesses opportunities (Hatzigeorgiou & Lodefalk, 2011).

Research on migrant entrepreneurship can be distinguished into three inter-related areas: immigrant entrepreneurship (in-migrant), ethnic entrepreneurship and minority entrepreneurship (Nestorowicz, 2012). The specificity of migrant entrepreneurship is widely recognized and some useful concepts to describe the phenomena have been developed (Nestorowicz, 2012). Nevertheless, there is little conceptual and empirical consensus as to definitional or conceptual issues. Scholars argue that ethnic and immigrant entrepreneurs are distinct from the mainstream population of entrepreneurs. Two distinct explanations, the disadvantage and cultural theories are forwarded. The disadvantage theory postulates that most migrants have significant disadvantages including lack of human capital, lack of social capital, and discrimination on the labour market, etc., that prevents them from accessing paid employment (Fregetto, 2004). Waldinger (1993, p.695) for example, points out that ethnic entrepreneurs are “… social outsiders who must compensate for the typical background deficits of their groups and the discrimination they encounter through the use of their
distinctive sociocultural resources”. Migrants are therefore forced to seek self-employment. In this view, migrant entrepreneurship is motivated by necessity rather than opportunity.

The cultural theory on the other hand suggests that migrants possess distinctive attributes which encourages and equips them with entrepreneurial qualities, such as risk tolerance, an entrepreneurial orientation, and a strong sense of community (Masurel, et al., 2004). Nevertheless, migrant entrepreneurs are not a homogeneous group and their entrepreneurial aspirations and experiences as well as performance and contributions vary across source countries and groups as well as the type of firms that they operate (Fairlie and Lofstrom, 2015). Extant research has approach the field of migrant entrepreneurship from different disciplinary frameworks and provided rich descriptions. But there is still lack of an overview of migrant entrepreneurship and how it relates to mainstream entrepreneurship theories and practice.

**Methodology**
The research presented here is theoretical and conceptual. We review literature on migrant entrepreneurship in the context of suburbs. More specifically, we attempt to overview the literature relating to:

- The specificity of migrant entrepreneurs and their companies in the context of suburbs
- The contributions of migrant entrepreneurship to the individual entrepreneur, local communities, and regions
- Theories, conceptual frameworks and research methodology in migrant entrepreneurship

**The Prevalence and Contributions of Migrant Entrepreneurship in the Suburbs**
Entrepreneurship is in many instances seen as a solution to low levels of unemployment and rising economic segregation, which are central features of deprived suburbs. Business start-ups create opportunities for self-employment and may contribute to mobility and integration. Nonetheless, most new start-ups remain permanently small (Zhou, 2014). But a small proportion of start-up businesses grow rapidly and create an essential impact on the economies of regions and sub-regions. In the USA it was observed that approximately 30 percent of newly established firms provide 60-80 percent of new jobs, sales and exports (Penea 2002). These high-impact start-ups are often the driving force of local economies, but at the same time are fragile. Migrant entrepreneurs are overrepresented in high-impact start-ups (Saxenian, 2002). The failure rate of new start-ups is very high (Cooper & Dunkelberg 1981). However, despite the high risk involved in start-ups, nascent entrepreneurs continue to initiate new firms.

Some relate the propensity to engage in start-ups to cultural factors (Frank et al. 2007). There is, however, less research conducted on cultural differences and more on personal traits and motivations determining attitudes towards entrepreneurship (McClelland, 1962; Tesfaye, 1993; Delmar, 1996). Personal traits may be embedded in wider cultural contexts. Establishing what kind of personality that enables an entrepreneurial mind-set has been problematic to researchers within entrepreneurship. In our research we are not addressing personality issues. Our focus is instead on the interplay between entrepreneurial resources and endowments on the one hand, and structural factors in society on the other hand, that lead to
the creation of vibrant local entrepreneurial ecosystems, i.e., creative milieus that foster entrepreneurship (2014). Entrepreneurial resources and endowments help us understand the human capital and capabilities the individual entrepreneur mobilizes in pursuing opportunities. The structural factors in society may include various constraints as well as opportunities and help us understand the impact of policies, organizations and institutions on entrepreneurial activities at a local community level. Financial capital is a good example of the structural dimension of entrepreneurial ecosystems. Access to start-up capital for example, has been found to be an essential factor influencing entrepreneurship. Studies have, however, shown a negative effect from taking bank-loan on the survival of start-ups (Åstebro & Bernhardt 2003).

Migrant Entrepreneurship in the Context of Ethnic Enclaves

Migrants starting businesses in ethnic enclaves (Dalinger, et al. 1990) may be better off borrowing from other co-ethnic business owners in their own locality rather than taking a bank loan. Many migrants see start-ups as the only way to get a job. Taking a next step to start more traditional enterprises may be an essential way to establish an economic platform and in perspective move out of segregated neighbourhoods and into the mainstream. Some of the larger migrant groups such as the Koreans in the United States have succeeded in starting small businesses that have grown larger and have moved into more profitable industries outside the ethnic enclaves. Moving from the typical migrant economy into the wider economy has shown to be an important path out of social and economic segregation. Pursuing only traditional migrant entrepreneurship does not solve the problem of segregation. It is not clear how this can be achieved, but city planners and government agencies play a central role in this process. For segregation to be avoided it is essential that migrant entrepreneurs are able to expand into growth industries (Arrighetti, et al., 2014).

Migrants are in many countries spatially distributed differently than what was the case only a few decades ago (Alba et al. 1997, 1999). Ethnic entrepreneurship is as a result often located in suburbs and not city centres. This has impacted the development of what has been called suburbanization (Massey and Benton, 1988). The new suburbs seems to retain its inhabitants for longer periods of time and lead to ethnic retention. Ethnic business at least in the US has had a tendency to lead to a more selective assimilation process where migrant groups choose to assimilate certain aspects of their lives and at the same time maintain collective ethnic resources (Fong et al. 2005). The new and more segregated suburbs represents challenges, but also opportunities for migrant entrepreneurship and may provide newly arrived citizens with a competitive advantage (Cummings 1999). Social networks can provide important business resources (Light & Rosenstein 1995), such as:

- Transmission of strategic business information
- Promotion of mutual aid and financial networking
- Consolidation of market power and penetration
- Cultivation of trust in business transactions, and
- Encouragement of customer allegiance through ethnic bonds and loyalty

New patterns of entrepreneurship located in suburbs have implication on public policy especially for city planners. Enclave theory penetrates this problem area and put to the front
policies that support migrants. Unless migrants can gain access to capital and move on into the larger economy theirs entrepreneurship activities will be severely constrained. The so called ghetto entrepreneurs have a higher potential for failure than those who do business in the larger economy (Brimmer & Terrell 1971). While ethnically divided suburbs may foster ethnic entrepreneurship and encourage start-ups, the segregation can hamper the further development of these entrepreneurs. Furthermore, the concentration of entrepreneurship in ethnic enclaves leads to crowding and high competition limiting growth prospects for the firms. As a consequence, ethnic businesses can remain permanently small. As Zhou (2014) notes, ethnic entrepreneurship consist of necessity-driven, low-skilled, low-impact small businesses that survive by catering to underserved ethnic markets in ethnic enclaves.

**Migrants in High-Impact Industries**

Migrant entrepreneurship is not limited to self-employment and the creation of low-impact small businesses. As more recent work indicates ethnic entrepreneurship represents only one type of entry into entrepreneurship in a specific context. For example, some migrants start-up businesses in ethnic enclaves but break-out and establish high-impact firms in the mainstream economy (Arrighetti, et al., (2014). Others start new businesses in high-impact industries often located in high-tech clusters in different regions (Saxenian, 2002; Hart and Acs, 2011; Wadha, et al 2008; Kloosterman and Rath, 2010). The later type of migrant start-ups have fuelled particular interest in the impact of migrant entrepreneurship job and wealth creation in suburbs and regions. It is possible that migrant entrepreneurs in high-tech industries have drawn much attention from various stakeholders due to the hype and visibility associated to these clusters (Hart and Ace, 2011). A second explanation for the growing participation of migrants in high-impact businesses is believed to be related to a higher level of educational attainment among migrants Wadha, 2008). Empirical work indicates that migrants who have higher levels of educational attainment are likely to operate high-impact businesses (Saxenian, 2002; Wadha, 2008; Kloosterman and Rath, 2010). A second explanation associates this development to the emergence of “multicultural hybridism”, i.e. multi-ethnic entrepreneurial networks (Arrighetti, 2014, p 757). Multicultural ethnic networks are considered major facilitator of migrant entrepreneurship beyond ethnic enclaves. A third view contends that the growing prevalence of migrants in high-impact industries as part of the structural shifts that have been taking place in the economies of developed countries (Kloosterman and Rath, 2010).

Migrant entrepreneurship in high-impact industries is expected to make higher socio-economic contributions (than ethnic enclaves). It is argued that some start-up businesses contribute more to wealth creation (Henrekson and Sanandaji, 2013; Mason and Brown, 2014; Stam et al., 2009; 2011; Wong et al., 2005). Shane (2003) treats necessity and opportunity entrepreneurship as distinct. Baumol (1993), distinguish innovative entrepreneur who introduces innovations (Schumpetrian entreprenurship) and imitative entrepreneurs that primarily are engaged in the diffusion of innovations. Innovative entrepreneurs are opportunity-driven and create high-tech, i.e., new technology-based firms. High-tech businesses are presumed to be more important than other types of high-impact firms because of their “…positive externalities for the companies in the rest of the economy” (Hart and Acs, 2011, p 119). High- impact businesses are distributed across industries and are not easily
identified and measured. In emerging literature thus, high-tech businesses which are operating in high-impact industries are more “visible” and have provided most convincing evidence.

*Migrants Entrepreneurs in High-tech Industries*

Recent work on migrant entrepreneurship has provided evidence of a growing population of highly skilled migrants that establish high-impact businesses in high-tech clusters and industries (Saxenian, 1998, 2002; Wadhwa, et al 2008; Kloosterman, 2010; Hart and Acs, 2011; Arrighetti, et al. 2014). These businesses have been making disproportionately high contributions in employment and revenue growth in various regions (Hart and Acs, 2011; Hart, 2009; Wadhwa, et al., 2008; Saxenian, 1998, 2002). Saxenian (1998), reported that in 1998, 24 percent of Silicon Valley technology firms had Chinese or Indian executives. These firms accounted for more than 58 000 jobs. These migrants’ entrepreneurs tended to established strong professional ethnic networks within their respective industries cutting across regional and national boundaries. In a national survey of high-tech companies started in 1995-2005 in the USA, Wadhwa, et al. (2008, p 4-5) found that 25 percent had at least one key founder who was foreign born. These companies, nationwide, made 52 billion dollars in sales, and had 450 thousand workers as of 2005. Furthermore, migrants (non-citizens of the USA) accounted for 24 percent of all international patent applications filed from the USA in 2006. On a regional level too, the contributions of migrant entrepreneurs was found to be disproportionatelty high. In Silicon Valley, for example, more than 50 percent of the start-ups had at least one key founder who was a migrant. The figure for California was 38.8 percent. Other surveys have reported lower results. Hart and Acs (2011?), reported that 16 percent of the companies in their representative national (USA) sample had at least one founder that was a migrant. The migrants in this survey were US citizens and had at least a graduate degree. They preferred to locate in regions with large immigrant populations. The migrant businesses in this study too were found to contribute disproportionally more to growth than those operated by their local born counter-parts.

The review presented shows that emerging literature on migrant entrepreneurship extends primarily across three inter-related concepts: immigrant entrepreneurship, ethnic entrepreneurship, and minority entrepreneurship. The concept immigrant relates to the temporal dimensions and investigates entrepreneurship among the “new-comers” in particular to what extent and how migrants use entrepreneurship as a strategy for self-employment (Zhou, 2004). Research on ethnic entrepreneurship uses ethnicity as a defining feature, i.e., the focus is on groups that are defined by a sense of kinship, common culture, and self-identity (Waldinger, et al. 1990). This stream investigates how migrants mobilize resources through co-ethnic connections and networks to pursue entrepreneurial opportunities (Aldrich and Waldinger, 1990; Waldinger, et al. 1990; Waldinger, 1993). Research in this area has provided rich descriptions of migrant entrepreneurs. However, the representation of migrant entrepreneurship as an ethnic phenomenon may not reflect the spatial distribution of contemporary migrants and migrant businesses. In Sweden for example, ethnic enclaves are very rare. Instead, groups of highly diverse migrants populate the suburbs of larger cities. Research in this area has provided rich descriptions of migrant entrepreneurs. Minorities are groups that do not belong to the majority population. Minorities are not necessarily migrants but the research tends to overlap with ethnic entrepreneurship (Alves, 2013).
The ethnic entrepreneurship literature underplays the prevalence of a growing population of high-impact migrant businesses beyond the ethnic enclaves. Another dimension of migrant entrepreneurship that is neglected is the dynamic of migrant entrepreneurs. Migrant entrepreneurs and their businesses are highly heterogeneous. Migrant entrepreneurs come from widely varying backgrounds, are found in most industries, and operate different types of businesses. The specificity of migrants entrepreneurs in relation to their locally born counter-parts appears to be the quantity and intensity of the constraints faced in starting and operating businesses. Whether in ethnic enclaves or high-impact industries, migrants face additional constraints and are more severely impacted. They employ a unique mix of coping strategies in coping with these constraints (Alves, 2013). Existing frameworks focus on specific segments of migrant entrepreneurs, such as ethnic groups or high-tech migrant entrepreneurs. There is a need for conceptual frameworks for analyzing the phenomenon of migrant entrepreneurship in different contexts and at different points in their career as entrepreneurs.

Conceptualizing Migrant Entrepreneurship in a Suburban Context
There are two distinct conceptualizations of migrant entrepreneurship in the reviewed literature: interactive models of ethnic entrepreneurship and entrepreneurial ecosystems approach. At the core of the interactive models of ethnic entrepreneurship is the interconnectedness between individual entrepreneurs with a focus on context in which they operate (Volery, 2007; Waldinger, et. al. 1990). The model hypothesizes that ethnic entrepreneurship is determined by the opportunity structure (context) in society and ethnic resources. Another development in the interactive models that draws upon the experiences of ethnic entrepreneurship is the “mixed embeddedness model” which postulates that immigrants are likely to be more severely impacted by the structures of local economy and institutional factors than small businesses owned/operated by their local born counter-parts (Boissevain, et al. 1990; Razin and Light, 1998). While the interactive model is considered useful in explaining the impact of contextual factors on ethnic entrepreneurship, it has been criticized for downplaying the role of the entrepreneur as an active transforming agent of opportunities and communities (Volery, 2007). Some recent work acknowledges the critique by constructing an interactive model that brings the ethnic entrepreneur to the forefront (Volery, 2007). The model attempts to detach the entrepreneur from the “ethnic” thereby broadening its relevance and applicability to other types of entrepreneurs.

Holistic (systems) approach proposes researching entrepreneurship as “an individual behavior of entrepreneurs embedded within a local context” (Szerba, et al. 2013 in Audretsch and Belitski, 2016, p.2). The emphasis in this approach is on the local context, i.e., the functional attributes of the entrepreneurial ecosystem, how it emerges, is adapted and persists (Szerba, et al. 2013; Stam and Spigel, 2016; Stam, 2015, 2014; Autio, et al., 2014; Mason and Brown, 2014; Audretsch, et al. 2012, Isenberg, 2011a). One common definition of the entrepreneurial ecosystem is “… institutional and organizational as well as other systemic factors that interact and influence identification and commercialization of entrepreneurial opportunities (Audretsch and Belitski, 2016, p.2). An entrepreneurial ecosystem has also been defined as a “… set of interconnected entrepreneurial actors, entrepreneurial organizations, institutions and entrepreneurial processes which formally and informally coalesce to connect,
mediate and govern the performance within the local entrepreneurial environment” (Mason and Brown, 2014, p.5). In a similar vein, Stam, (2014, p. 1), views the entrepreneurial ecosystems as “…a set of interdependent actors and factors coordinated in such a way that they enable productive entrepreneurship within a particular territory”. Entrepreneurial ecosystems are geographically bounded and may refer to specific clusters or an industries. There are a wide range of conceptual frameworks modeling the attributes and linkages within the entrepreneurial ecosystem (Stam and Spigel, 2016). Based on Dutch realities, Stam (2014, Figure 1, p.6), proposes an integrative model that links the attributes of entrepreneurial ecosystem with entrepreneurial outputs and outcomes. The functional attributes of the entrepreneurial ecosystem are distinguishes into framework and systemic conditions. The precise nature of the attributes of an entrepreneurial ecosystem reflects the specific context to be analyzed. Despite the advantages of a holistic approach conceptual variations in entrepreneurial ecosystems constrains comparisons of entrepreneurship contexts. Furthermore, the entrepreneurial ecosystem framework lacks a dynamic view of entrepreneurship (Stam, 2014).

In conceptualizing the process of migrant entrepreneurship in the suburbs, we draw upon the holistic approach, entrepreneurial ecosystems frameworks (Audretch and Stam, 2014), and insights from the interactive models of ethnic entrepreneurship (Volery, 2007). We propose a conceptual framework that views entrepreneurship as a process of opportunity recognition and exploitation (Venkataraman and Shane, 2000; Shane, 2003). A process approach provides insights into the interactions between entrepreneurs and the entrepreneurial ecosystem that lead to formative changes in firms and communities. This approach may also capture aspects of the dynamic of the entrepreneurial career of migrants.

A Conceptual Framework of Migrant Entrepreneurship in a Suburban Context
The conceptual model in Figure 1 depicts entrepreneurship as a process of opportunity recognition and realization that is effected by interactions between entrepreneurs and the context. The suburban context includes the ongoing city planning interventions which a formative factor that influences the entrepreneurial ecosystem as well as the entrepreneurial process. City planning is an important influence on identity formation of suburbs.
The entrepreneurial ecosystem provides migrant entrepreneurs with the institutional, social, cultural, and physical infrastructures, as well as material resources such as capital, networks, role models, support services, and that may enable or constrain their entrepreneurial efforts and outcomes. An institutional, social, cultural, and physical conditions that enhances human interaction are vital to migrants that often are unfamiliar with the framework conditions in their host countries. Systemic functional attributes such as the nature and accessibility of networks, access to capital and support services are examples of critical resources to migrant entrepreneurs. The specific impact of the attributes of the entrepreneurial ecosystem may differ depending on the individual entrepreneur. For example, legal institutions can be a major constraint for a new migrant whereas this may not be important for a well-established
counter-part or a local born. Access to formal financial institutions may be less important to
trepreneurs with strong social capital.

The vibrancy and effectiveness (success) of the entrepreneurial ecosystem is indicated
by its density, fluidity, connectivity, and diversity. Density measures the prevalence and
contributions of start-ups and high-tech sector. Fluidity is related to population flux, labor
mobility, and presence of high-growth firms, whereas connectivity takes stock of programs,
dealmaker networks and spin-off rates. Diversity touches upon all the preceding indicators in
particular, economic specialization, mobility and presence of immigrants.

Therefore, the attributes, i.e., personal endowments and resources of the entrepreneur
are important in accessing and utilizing the enablers and coping with the constraints provided
by the context. Migrant entrepreneurs come from different backgrounds with unique
experiences, capabilities, resources and liabilities. Entrepreneurs can locate businesses at
varying stages of formation and entrepreneurial processes can be discontinued at any stage. A
stage-wise analysis of the entrepreneurial process can be useful in understanding this
dynamic.

*The Entrepreneurial Process*
The entrepreneurial process is conceived as an iterative and learning process that generates
new insights and ideas that contribute to the development of entrepreneurial capacity in
individuals as well as the ecosystems in which it takes place.
The entrepreneurial processes has been distinguished into four phases (stages): opportunity
recognition, seed-stage, start-up and early growth. The opportunity recognition phase
proceeds the entrepreneurial decision. During this phase, the entrepreneur likely considers the
desirability and feasibility of venturing into entrepreneurship. Opportunity is not only
the identification of a lucrative idea, it may be opportunity to create self-employment.
Entrepreneurs who perceive the entrepreneurial venture as feasible and desirable make a
decision for further commitment. In the seed-stage, a business idea is conceptualized, eventual
logo-types, designs, etc. are prepared. In the start-up phase, the business is formalized, and
the business idea is introduced on the market. In the early growth phase is the business
experiences a moderate growth in sales and personnel. Most businesses do not grow beyond
this phase. We assume that entrepreneurs need to mobilize specific combinations of resources,
skills and capabilities, etc. in order the effect the respective stage of the process.

*Contextual Dimensions of Suburbs*
The conceptual framework for the study of migrant entrepreneurship in a suburban setting has
proposed three groups of into the In suburbs undergoing major interventions The local
community includes three groups of overlapping factors influencing the migrant
entrepreneurship: urban planning, the socio-cultural characteristics of the community and its
entrepreneurial ecosystem.

*Urban Planning:* determines among others the physical characteristics of a place, who lives
and works at a location, how and by whom the public space is used, what types of interactions
are facilitated, and what type of infrastructure is available. The segregation characterizing the
suburbs in the southern part of Stockholm is a telling example of the impact of urban planning
on the spatial distribution of entrepreneurial.
Entrepreneurial Ecosystem is a framework for defining the systemic and framework conditions that enhance or constrain migrant entrepreneurship (Stam, 2014). Framework Conditions as defined by Stam (2014, 2016) consists formal/informal institutions, the social, cultural and physical infrastructure and demand. Systemic Conditions include networks, capital (human and financial), entrepreneurial leadership, support services, and knowledge. The systemic factors lie close to those defined by the World Economic Forum, (2013, 6-7).

Entrepreneurial dimensions
Migrant entrepreneurs are highly heterogeneous and may behave and interact in distinctive manners. We identify three groups of interrelated factors that determine individual migrant entrepreneurial behavior: entrepreneurial endowments and liabilities, social capital, and human capital.

Entrepreneurial Endowments are include a wide variety of demographic, psychological, social, cultural and economic aspects as well as personal experiences of entrepreneurship. Migrant entrepreneurs with entrepreneurial backgrounds may possess unique knowledge about entrepreneurship that they can capitalize on. Migrants may possess additional endowments in the form of diversity capital, for example access to ethnic networks or multiethnic networks. On the other hand migrants may have to deal with the liabilities of foreignness, for example, poor language skills, lack of social capital, and unfamiliarity with the regulative framework and more generally lack of cultural competence in the cultures of the host country. In view of these constraints social capital is a critical resource for migrant entrepreneurs.

Social Capital is important for several reasons. First, social relations, i.e., networks encourage trust and can create financial capital and assets through (informal) investments including loan. Social networks also constitute an important source of information about entrepreneurial opportunities. Furthermore, social capital can be translated into human capital through informal mentoring assistance in acquiring human capital and access to informal skills in such areas as finances. Perhaps more important, social relations encourage access to multi-ethnic that are of particular importance for migrant entrepreneurs.

Human Capital: human capital has a decisive impact on the type of businesses migrants start as well as their performance as entrepreneurs (Hart, 2014, Saxenian, 2002, Wadha, 2008). For example, migrants with academic education are overrepresented in high-tech industries in the USA. Human capital enhances the ability of migrants to recognize and evaluate opportunities, access institutions and acquire additional skills that facilitate integration to mainstream economy. Although all the influences on entrepreneurial processes illustrated are not specific to migrant entrepreneurship, their composition/mix and impact migrant entrepreneurship more severely than their local born counterparts.

Concluding Remarks
Ethnic and minority entrepreneurship opens new opportunities for new arrivals to a country. By relying on ties and networks within the own ethnic group or other migrants, entrepreneurs are able to utilize an inherent diversity capital. It becomes an asset to speak a specific language and understand different cultural codes. Ethnic entrepreneurs can rely on the help
and assistance from fellow new citizens with a similar ethnic background to establish themselves in a competitive labor market. A labor market that it may be difficult to penetrate without establishing a start-up. This kind of entrepreneurship can vitalize minority communities and represent a vital source of income in poor neighborhoods.

At the same time may ethnic entrepreneurship represent a barrier to inclusion into the labor market. Ethnic start-ups are often established in very competitive industries with low entry barriers. It is relatively easy for newcomers to start these kind of businesses. This means that the competition often is high and the profitability low. Of then the whole family will have to work long hours to make the business break-even. There is a need for clearer career paths for minority business owners. Either into more profitable business or into other career opportunities. High-tech businesses represents such a career business opportunity. There may be a long way to go from running a corner shop to entering the computer industry, but other minorities have shown that such moves are possible. The Chines and Jewish immigrants to the United States have moved upwards the social ladder rapidly. Often starting small businesses and expanding and moving into more profitable industries. It is possible to support these kind of social movements by supporting the diversity capital that minorities represent. There are many ways that local and national governments can act to make upward social movement occur. The educational, entrepreneurial and financial structures play an important role in enabling minorities to flourish. Access to knowledge and capital may be essential to make an entrepreneurial career possible.

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