

Entrepreneurship as Social Status: Turkish Immigrants' Experiences of Self-Employment in Finland

Östen Wahlbeck¹

Abstract

The article discusses the experiences of self-employment among immigrants from Turkey living in Finland. The immigrants are mainly active in the restaurant and fast food sector in Finland, primarily in small kebab and pizza businesses. The article argues that both economic and social aspects explain the experiences of self-employment. Despite economic hardship, the freedom and social status connected to entrepreneurship is highly valued. Self-employment provides a positive self-understanding and a good social status, which the immigrants from Turkey find it difficult to achieve by any other means in Finnish society.

Keywords: entrepreneurship; self-employment; Turkish immigrants; Finland.

Introduction

Self-employment is common among many immigrant groups in Europe, a fact that undoubtedly is connected to discrimination in the larger labour market and various disadvantages associated with immigrant status. This article looks at the experiences of self-employment among Turkish immigrants in Finland. The immigrants from Turkey are mainly active in the restaurant and fast food sector in Finland, primarily in small kebab and pizza businesses. The structural opportunities available for immigrants are often seen as an explanation for ethnic entrepreneurship. Previous studies of immigrant and ethnic businesses in other coun-

¹ Östen Wahlbeck is Senior Lecturer in Sociology, Department of Sociology, Åbo Akademi University, FI-20500 Åbo, Finland.
E-mail: osten.wahlbeck@abo.fi.

tries indicate that a lack of employment alternatives often is a major motivation for the establishment of independent businesses (e.g. Light and Gold, 2000; Najib, 1994; Ålund, 2003). Not surprisingly, also this study indicates that immigrants are forced into self-employment because of their disadvantaged position in the labour market. However, there is clearly a need to consider also aspects other than the obvious economic aspects of immigrant businesses. As argued in an overview of the research field: "the motivations for engaging in independent enterprise are manifold and the results are not limited to a simple escape from destitution" (Portes, 1995: 25).

There is a vast body of literature about immigrant and ethnic businesses that focuses on the dynamics of the businesses and the factors influencing the successes of the businesses (cf. Light and Gold, 2000; Rath, 2000). There is less research about how ethnic entrepreneurs themselves experience and understand entrepreneurship. The aim of this article is to discuss the entrepreneurs' own understanding of their societal situation, but without losing sight of the structural context in which the experiences are formed. The article is based on interviews with self-employed immigrants from Turkey. The interviews indicate that self-employment provides a social status and a positive self-understanding, which the interviewees otherwise find it difficult to achieve in Finnish society.

It needs to be stressed that how you make a living does not only influence your economic position in society, it also provides a social position and an identity. Self-employment is here a specific case, which can provide immigrants with a specific social status as entrepreneurs. For example, the classical literature of "middleman minorities" indicate that ethnic entrepreneurship has both specific economic and social characteristics while being connected at the same time to a specific reaction of the surrounding society. "Middleman minorities" have a status as "strangers" in the society of settlement and are involved in small enterprises in the trade and service sector. Thus, they occupy an intermediate rather

than a classical low-status position. However, hostility from the surrounding society is also part of the position of a classical middleman minority (Bonacich, 1973; Bonacich and Modell, 1980; Zhou, 2004). More recently, a number of studies have emphasised that a lack of social integration motivates people to become self-employed. Self-employment provides a social status and social integration, which immigrants otherwise would not be able to achieve (Kupferberg, 2003; Serdedakis et al., 2003). This is supported by research about entrepreneurship in general, which frequently has emphasised that entrepreneurs are motivated by a drive for autonomy and control (e.g. Robinson, 1991; Johannisson, 2001).

Background of the study

In Finland, immigrants often experience marginalisation and exclusion in the labour market, which is reflected in a high rate of unemployment (Forsander, 2002; Valtonen, 2001). The unemployment rate among foreign citizens was 31 per cent by the end of the year 2001, while the rate was 12 per cent in the total population. Among Turkish citizens the unemployment rate was 32 per cent (Statistics Finland, 2003: 25). Self-employment consequently constitutes an option for immigrants in Finland, since very few other employment alternatives are available. Previous research has shown, however, that there are significant differences in the rate of self-employment in different nationality groups. Immigrants from Turkey were chosen as the focus of this study because the group displays a remarkably large number of self-employed. In a study by Annika Forsander (2002) of immigrants of working age who arrived in Finland in the years 1989-1993, in total, only 4 per cent were self-employed by the end of 1997. In comparison, the percentage of entrepreneurs in the total population in Finland was 8 per cent. However, among the Turkish citizens in the study, 22 per cent were entrepreneurs, which constituted the highest proportion of entrepreneurs in all nationality groups. Furthermore, 92 per

cent of the Turkish entrepreneurs in the study worked in the restaurant business (Forsander, 2002: 169-70).

This article is based on semi-structured interviews, conducted in 2001-2002, with 27 Turkish entrepreneurs in southern Finland (including 26 men and 1 woman). All the interviewees were born in Turkey and most of them were Turkish citizens. Immigrants from Turkey have predominantly arrived in Finland since the late 1980s. According to Statistics Finland (2003), the number of people born in Turkey living permanently in Finland was 2614. The relatively small size of the group was an advantage in this study. Interviews were made with almost all Turkish self-employed in two chosen locations: the large region of Varsinais-Suomi and a specific part of urban Helsinki. Qualitative interview methods were employed to get a good picture of the entrepreneurs' own understanding of their situation. A Turkish-speaking interviewer carried out most of the interviews. The tape-recorded interviews were transcribed and translated. The analysis was based on the methodology of grounded theory and was facilitated by the use of a computer programme for qualitative text analysis.

In 2002, the official Finnish Trade Register included information about 250 to 300 firms established by entrepreneurs with Turkish names. This is a high proportion considering the small number of immigrants from Turkey. A clear majority of the Turkish businesses in the Register are small-scale enterprises without regular employees, active in the service sector, mainly in restaurants and fast food outlets. This was confirmed by my fieldwork and interviews, which clearly indicated that selling kebabs and pizza is the dominant business activity, and has been so since the early 1990s (cf. Wahlbeck, 2004).

Entrepreneurship and social status

My interviews revealed that none of the interviewees had arrived in Finland because of the intention to start a business. The idea of establishing a business usually came after some time spent in Finland, usually associated with a period

of unemployment. A kebab shop owner in his twenties described the experiences of self-employment in the following way:

You cannot stay idle forever. You have to do something. In addition, you want to try your own luck, because there is a hope deep inside you. But after you have started this job, only a few - a very minor share - get what they want. The rest barely make a living. (Interview no. 18)

There is usually an expectation that by becoming self-employed you will improve your income. There are a few successful Turkish businessmen in Finland and they clearly constitute role models for other immigrants. However, the findings suggest that the kebab and pizza business is generally not a very profitable business. There is often a fierce local competition that keeps the prices low, a competition both from Finnish entrepreneurs and other immigrant groups. The number of fast food outlets increased rapidly in the 1990s, and in the 2000s immigrants from Turkey only run a small minority of the kebab shops in Finland. Thus, a low income, debts and economic uncertainty seem to be more a rule than an exception among immigrant entrepreneurs in the fast-food sector. Nevertheless, all the interviewees preferred to be self-employed for minimal pay instead of being unemployed. An interviewee explained why he made the "choice" to become self-employed:

This is better than unemployment. The business runs provided you do not take any days off, and do not visit any places. In that case the income is enough. (Interview no. 6)

As the quotation above indicates, the working conditions in the kebab shops are far from satisfactory. Most entrepreneurs stated that they worked exceptionally long hours. Still, self-employment is the only alternative to unemployment for many immigrants in Finland. Since there are no other realistic opportunities available, many immigrants are forced into self-employment in fast food outlets. Thus, self-employment seems to be based on a choice among only poor alternatives.

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However, despite the negative aspects of self-employment described above, most of the interviewees in this study indicated that they were content with the “choice” they had made. In many of the interviews, the freedom and sense of purpose that is connected to self-employment was regarded as highly valued. An entrepreneur in his forties explained:

There are negative aspects connected to self-employment, but you are able to influence the content and quality of your own work. You do not have to take orders from anyone. Therefore, I am happy with the choice I have made. (Interview no. 2)

To be an entrepreneur provides both independence and highly valued social status, regardless of the economic successes of the business. Commenting on research in Sweden, Bengt Johannisson (2001) has pointed out that an exclusively economic perspective on entrepreneurship may be misleading. Money is often falsely seen as both the main purpose and means of entrepreneurship. However, according to Johannisson, there is reason to question this simplistic picture, especially in the case of small and newly established businesses. He argues that the main reason why entrepreneurs establish small businesses in Sweden is not financial, but related to a wish to freely and independently build up something of their own. Obviously, personal independence is a key driving force behind all entrepreneurs, irrespective of ethnicity or immigrant history. However, among ethnic minorities and immigrants the alternatives to self-employment may be more limited than among the majority population. A kebab shop owner explained:

I regard this business as my workplace. The purpose is not to make a profit or to suffer a loss, only to provide employment for myself. It makes no difference whether the income is big or small. The business employs you. You do not look at it in any other way. We are content with the income it has provided. (Interview no. 10)

Among immigrants, entrepreneurship constitutes an avenue to achieve a positive self-understanding and social status, in a society where other means of achieving this are

either blocked or not available. For example, a narrative study of self-employed immigrants in Greece (Serdedakis et al., 2003) describes the way in which immigrants regain their lost social status, gain social respect and achieve social integration as self-employed. The interviews with Turkish entrepreneurs in Finland provided similar answers. A Turkish man who moved to Finland in 1994 explained:

I have [Finnish] friends. It is actually easier to be with Finns when they know that you are an entrepreneur and that you pay taxes. They look at you in a different way. When you visit the Municipal Health Centre, the response changes when you tell them that you are an entrepreneur; they surely look differently at those who claim all kinds of benefits. [---] It is understandable that Finns have two different ways of looking at foreigners, those who work and are taxpayers, and those who live on benefits. At least, you know yourself that it feels better inside, when people look at you. (Interview no. 35)

My interviews indicate that a good social status is largely dependent on the attitudes of the Finnish majority population. According to the Turkish entrepreneurs, they get social respect exactly because they are entrepreneurs. For example, another Turkish man told me about his Finnish friends:

Yes, I have made some [Finnish] friends. Of course, they do look at entrepreneurs in a better way than they do at unemployed foreigners. They approach you and become friends when they see that it is an entrepreneur who works. Entrepreneurship provides a certain advantage. (Interview no. 18)

As described in the quotations above, a positive aspect of entrepreneurship is that it provides immigrants with a social status and a positive self-understanding. Immigrants invariably face dilemmas in finding their “place” in society. To create a place or a project of one’s own may provide a solution to these dilemmas. Entrepreneurship is here one possibility, and for many the first that comes to mind and the only one available. If it also provides an income, it is of course an even better solution.

Conclusion

The results suggest that a study of the experiences of self-employment among immigrants needs to take into account both economic and social aspects. The problems immigrants experience in the general labour market in Finland was a major reason why the immigrants from Turkey have started their own businesses in Finland. The “choice” of self-employment among the Turkish immigrants in Finland can only be understood in case we realise that this is one of the few available alternatives to unemployment. Still, an economic perspective does not provide a complete picture of the dynamics behind the “choice” to become self-employed. This study demonstrates that it is important to look at the immigrants’ own understanding of their situation. This viewpoint extends the focus beyond purely economic issues. The freedom and social status connected to self-employment is highly valued. Self-employment provides a positive self-understanding and social status, which the immigrants find it difficult to achieve by any other means in Finnish society. It can be argued that although the immigrants from Turkey experience marginalisation and social exclusion, self-employment enables at least some form of social integration into a largely hostile society of settlement. To become an entrepreneur often provide the immigrants with a specific social role and a positive social status in the society of settlement. Entrepreneurship may therefore be a positive experience, despite the economic hardship it entails for most entrepreneurs. Moreover, the economically disadvantaged and socially marginalised position of immigrants makes self-employment a more attractive alternative than it otherwise would be. The economic and social aspects of self-employment are clearly intertwined and the experiences of entrepreneurship among immigrants can only be fully understood and correctly interpreted if we take into account the general economic *and* social position of immigrants in the country of settlement. Thus, immigrant entrepreneurship and its consequences should not be studied from a strictly economic perspective only.

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