

Multicultural Diversity and Migrant Entrepreneurship: The Case of the Netherlands

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Abstract

With the advent of the era of mass migration in Europe, the issue of cultural diversity (CD) has gained increasing social and political interest. There is a changing and often contradictory relationship between immigration, the increasing CD as a result of migration, and the development of global cities as desirable places to live and to work. Of special interest here are the SMEs (Small and Medium-sized Enterprises), which are often owned by migrants. Native and migrant entrepreneurs tend to differ in terms of their commercial opportunities, their business features, management styles, networks and associations, and market niches obtained in cities. The aim of this paper is to explore and review differences in entrepreneurial attitude both between natives and migrants and within migrant groups, and to explain these differences by means of distinct social and cultural indicators (derived from the cultural backgrounds of the entrepreneurs concerned) on the basis of a sample in the Netherlands.

1. Migration, Migrant Groups, and Multiculturalism

Our age is the age of migration. “Like many birds, but unlike most other animals, people are a migratory species. A careful examination of historical era reveals a consistent propensity towards geographic mobility among men and women, who are driven by diverse motives” (Massey et al., 1998). Around 80 million people now live in foreign countries. One million people emigrate permanently each year, while another million seek political asylum. Millions of people travel each year as tourists, on business or as official government representatives (Super, 2005). Our era is characterized by a significant increase in migration flows to Western European countries. Migration often occurs for socio-economic reasons of one sort or another, for example, a result of the great variation in wage rates and living expenses between different countries. By migrating, poor individuals in less developed countries can have a far higher standard of living in more developed countries than in their own countries. Migration is the act of changing location to another country or region. An immigrant is a person who intends to stay long-term, in contrast to a casual visitor or traveller. In recent decades, people have left their own country for economic (e.g. altruistic, professional or educational reasons); because of persecution and oppression (political and religious); and as a result of natural disasters or personal considerations (relationships, retirement, sentimental or criminal). Many of these reasons refer primarily to the motive for emigration from the country of origin. It may be assumed that those who emigrate to escape a problem do so in the hope that they will not face the same problem in the destination to which they immigrate. Emigration is the act and the phenomenon of leaving one’s native country to settle abroad. It is the same as immigration but from the perspective of the country of origin (Wikipedia, 2006). In many countries, international migration – either voluntary or forced – has changed the demographic face of cities, which have become multicultural agglomerations. The economic explanation for this massive phenomenon is not conclusive, as different analytical frameworks – sometimes complementary, sometimes contrasting – have been developed to shed light it, ranging from standard neoclassical theory to dual labour market theory or the new economics of migration theory (see Demeny, 2002; Gorter et al., 1998). In an age of mass migration, migrant workers will be found in many different segments of the labor market, depending on their wage level and professional qualifications. In economic terms, their individual marginal productivity will determine which position they assume on the labour market. In an open economy migrants may show up as a source of supply of labour on the labour market. They may act as substitutes for current workers or they may fill vacancies which were difficult to meet, depending on their skills and on the functioning of their local labour market.

With the advent of the era of mass migration in Europe, the issue of cultural diversity (CD) has gained increasing social and political interest. CD is the variety of human cultures in a specific region, or in the world as a whole (Wikipedia, 2006). CD is a rapidly growing aspect of society all around the world. Although official policy often states that CD enriches a society, history has shown that newcomers or minority groups have not always been regarded in this positive way. If it was easy for mankind to cope with CD, there would never be conflicts between continents, countries, and people in the world. Migrants are by no means a uniform category of people. They comprise a mix of guest workers, refugees, or migrants from former colonies. They have totally different ethnic, cultural or socio-economic backgrounds – reasons why some people speak of a modern economy as a ‘melting pot’ of cultures (Jacobs, 1961). Migrants can be divided into roughly five main groups: settlers; contract workers; professionals; illegal immigrants; and asylum seekers and refugees. These categories are certainly not permanent; people slip readily from one to the other (Super, 2005). In dealing with migration, migrant groups, and CD, there are four approaches: (i) monoculturalism (culture is very closely linked to nationalism, and the host countries have policies, that aim at the social integration of migrant groups in the national culture); (ii) leading culture (communities within a country can have an identity of their own, but they should at least support the core concepts of the culture on which that country’s society is based); (iii) melting pot (all the migrant cultures are mixed and amalgamated without state intervention); (iv) multiculturalism (a policy whereby migrants and others should preserve their cultures, with the different cultures interacting peacefully within one nation (Wikipedia, 2006). These main approaches to CD are depicted in figure 1.

‘Multiculturalism’ (MC) became important throughout the public spheres of Australia, North America and Europe in the 1980s. The word was first used in 1957 to describe Switzerland, but came into common currency in Canada in the late 1960s. It quickly spread to other English-speaking countries. The causes and processes through which the term arose are complex and context-specific. In each case and context, the ideals and measures associated with MC have given rise to both positive and negative readings. People who invoke MC in a positive manner tend to associate the term with ideals of; tolerance: the right of ethnic minority groups to maintain aspects of, their cultural heritage and language; equal treatment: equal access and full participation with regard to matters of law, employment, education, social services, economic activity and political representation; rights to collective expression; and commitment by all, regardless of ethnic background, to a constitution or state and its rule of law. People who invoke MC in a negative way commonly view the agenda as representing ideas and policy measures which threaten core national social values (such as republican citizenship); therefore, in their

eyes, the term represents a recipe for the destruction of national identity and the breakdown of social cohesion. The term MC is invoked differentially to describe a number of discrete phenomena. In this way MC can variously be understood as: (i) a way of describing the actual make-up of a society; (ii) a general vision of the way government and society should orient itself; (iii) a specific set of policy tools for accommodating minority cultural practices; (iv) specially created frameworks of governance allowing for the representation of immigrant and ethnic minority interests; and (v) a variety of support mechanisms and funds for assisting ethnic minority communities to celebrate and reproduce their traditions (Vertovec and Wessendorf, 2004).

The birth of the concept of MC can be traced back to the writings of Horace Kallen, who advocated a policy of “cultural pluralism”. Kallen, a German-born Jewish-American philosopher, first published his ideas in 1915. He attacked assimilation and the melting-pot theory, and instead proposed and encouraged a philosophy of ethnic separatism. “Multiculturalism is a theory (albeit vague) about the foundations of a culture rather than a practice which subsumes cultural ideas” (Harrison, 1984). The term is often used to describe societies which have many distinct cultural groups, usually as a result of migration. This can lead to exchanges that benefit the cultural groups. Such exchanges can range from major businesses to small businesses, or involve accomplishments in literature or the introduction of new food (Wikipedia, 2006). It is difficult to define multiculturalism, as there are several aspects to this ideology, as well as a myriad of views and perceptions concerning it. There are four basic aspects to MC: (i) demographic MC; (ii) perspective MC; (iii) holistic MC; and (iv) political MC (Wikipedia, 2006). *Demographic (descriptive) MC* is the idea that, because a society has people from different backgrounds that therefore such a society, as a whole, should be described as multicultural, a term which is applicable whether that society be a nation, a city, or even a small town. *Perspective MC* is the aspect of the ideology which provides assertions about an ideal type of society to be achieved some time in the future. *Holistic MC* stresses the idea of cultural pluralism; that is, the maintenance of many, or ‘plural’, cultures housed within a nation’s migrant group is valuable, for both the migrant group and the host nation. It is said that the nation should value such CD, although these cultures should coexist within an overall framework of unity. Cultural pluralism is said to be ‘a mode of living which enables everyone to maintain his or her culture or whatever segments of it they may desire, without prejudice or disadvantage’. Demographic MC and holistic MC are irrelevant without the mechanics of political MC. *Political MC* is the active promotion of cultural pluralism, so that instead of encouraging migrants to adapt to the national culture, or even leaving them to their own devices, the government will deliberately encourage migrants to remain

within society as separate migrant groups (Wikipedia, 2006) The main approaches to CD and the different aspects of MC are depicted in figure 1.

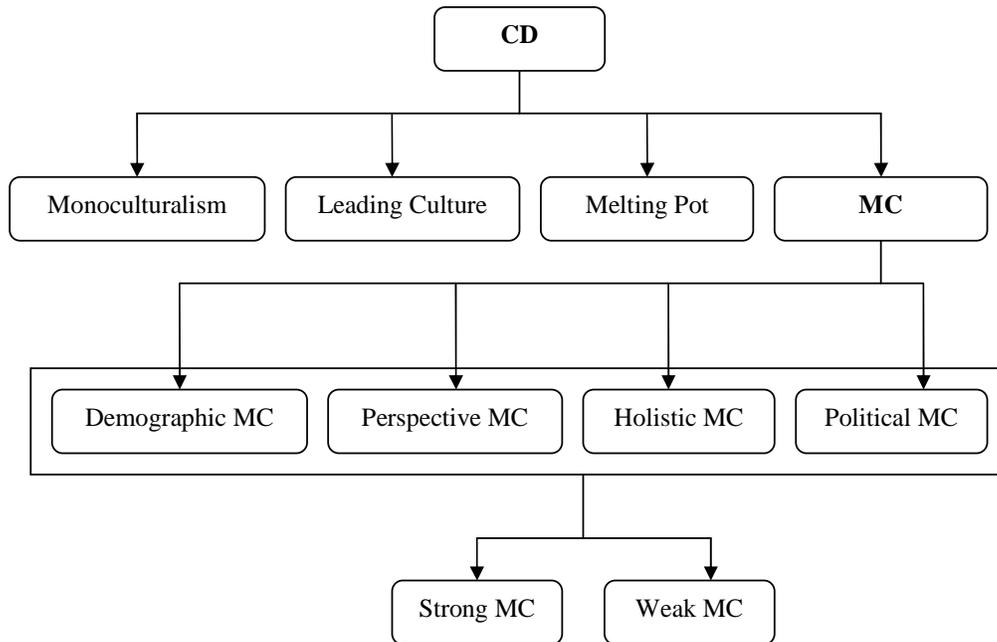


Figure 1. The main approaches to cultural diversity (CD) and the different aspects of multiculturalism (MC).

This phenomenon also can be divided in ‘weak’ and ‘strong’ MC (Grillo, 2004; Vertovec and Wessendorf, 2004). In ‘weak’ MC, CD is recognized in the private sphere, while a high degree of assimilation is expected of immigrants and ethnic minorities in the public sphere of law and government, the market, education and employment. Etzinger (2000) calls this the ‘individual approach’ to CD, which is based on ideas of liberal pluralism. In this approach the state has a neutral attitude towards CD, and it limits public intervention to promoting a better understanding between members of different migrant and religious groups. In ‘strong MC’ (group approach), the acknowledgement and institutionalized recognition of cultural differences in the public sphere including political representation is promoted (Entzinger, 2000; Grillo, 2004). In this study we tend to use the following definition; *MC is a public policy approach for managing CD in a multi-ethnic (migrant) society, officially stressing mutual respect and tolerance for cultural differences within a country.* As a policy, MC emphasizes the unique characteristics of different cultures especially as they relate to one another in receiving nations.

The socio-economic position of ethnic groups in a globally mobile society has been studied extensively in recent years, from the perspective of their skills, language abilities, adjustment behaviour, and so forth. The aim of this paper is to explore and review differences in entrepreneurial attitude both between natives and migrants and within migrant groups, and to explain these differences with the help of some social and cultural indicators derived (from the cultural backgrounds of the entrepreneurs concerned) on the basis of a sample of the populations in the Netherlands. The focus of the research is on the attitudes and behaviour of native and migrant entrepreneurs in the Netherlands in order to reveal their cultural diversities. The main question of this study is: “*Are there culture-based differences in entrepreneurial attitude and behaviour between natives and migrants as well as within migrant groups and can we explain these differences regarding their socio-cultural background?*” This paper provides an answer to this question from the perspective of cultural and entrepreneurial diversity based on the available data of Statistics Netherlands (CBS). First, Section 2 provides a cultural diversity analysis and a brief overview of entrepreneurial culture and migrant entrepreneurship theories. Section 3 examines the migration experiences of the Netherlands and the development process of MC, in particular, in the labour market of the country. Then, Section 4 evaluates migrant entrepreneurship from the perspective of CD and compares the main migrant groups in terms of their entrepreneurial characteristics. Finally Section 5 concludes with a discussion on cultural differences.

2. Cultural Diversity Analysis

‘Culture’ is a notoriously difficult term to define. Much of the difficulty of understanding the concept of culture is because of different usages of the term as it was increasingly employed in the nineteenth century. Historically, the word ‘culture’ derives from the Latin word *colo, -ere*, with its root meaning “to cultivate”. It generally refers to patterns of human activity and the symbolic structures that give such activity importance. Different definitions of culture reflect different theoretical bases for understanding, or criteria for evaluating, human activity. Culture has been called “the way of life for an entire society” (Wikipedia, 2006). As such, it includes codes of manners, dress, language, religion, rituals, norms of behaviour and systems of belief. There are various definitions of culture. From the perspective of social anthropology, culture is described as follows; “*culture or civilization, taken in its wide ethnographic sense, is that complex whole which includes knowledge, belief, art, morals, law, custom, and any other capabilities and habits acquired by man as a member of society*” (Tylor, 1974). In 2002 the United Nations Economic, Social and Cultural Organization (UNESCO) described culture as

follows; “*Culture should be regarded as the set of distinctive spiritual, material, intellectual and emotional features of society or a social group, and that encompasses, in addition to art and literature, lifestyles, ways of living together, value systems, traditions and beliefs*” (Wikipedia, 2006). According to Kroeber and Kluckhohn et al. (1952), culture consists of patterns, explicit and implicit, of and for behaviour acquired and transmitted by symbols, constituting the distinctive achievements of human groups, including their embodiment in artefacts; the essential core of culture consists of traditional ideas and especially their attached values. According to Schwartz (1992), culture consists of the derivatives of experience, more or less organized, learned or created by the individuals of a population, including those images or encodements and their interpretations (meanings) transmitted from past generations, from contemporaries, or formed by individuals themselves. Hofstede (1994) described culture as the collective programming of the mind which distinguishes the members of one group or category of people from another.

Culture can also be described as the values, norms and attitudes in a group (Verheul et al., 2001). Finally, according to Spencer Oatey (2000), culture is a fuzzy set of attitudes, beliefs, behavioural conventions, and basic assumptions and values that are shared by a group of people, and that influence each member’s behaviour and each member’s interpretations of the ‘meaning’ of other people’s behaviour. A common way of understanding culture consists of four elements: (i) values; (ii) norms; (iii) institutions; and (iv) artefacts. Values comprise ideas about what seems important in life. They guide the rest of culture. Norms consist of expectations of how people will behave in various situations. Each culture has different methods, called sanctions. Sanctions vary with the importance of the norm; norms that a society enforces formally have the status of laws. Institutions are the structures of a society within which values and norms are transmitted. Artefacts, aspects of material culture, derive from norms and values of a culture (Wikipedia, 2006). Culture is a factor, which can influence people in the way they behave. Culture is transferred by the social environment. Right from onwards, childhood on culture is made one’s own by the environment in which one passes through the learning and growing process. This learning process is usually unconscious and the result is the background of a person. This background influences the way in which information is interpreted, the norms and values of an individual, etc. This differs of course per culture. For example, authority and responsibility is experienced in a different manner per culture. Culture manifests itself in layers. There are different ways to understand it and to gain insight into this phenomenon. Several scholars have explored this phenomenon with the onion model. One must peel it off layer by layer, just like an onion. Manifestations of culture, which can be easily recognized, are behaviour and artefacts, such as language, clothing, objects of art and eating habits. This is the uppermost layer of the

onion. Norms and values are layers which are deeper within the onion, and therefore more difficult to identify. The reality which one presumes and takes for granted is not up for discussion, which one can compare with an onion. Generally speaking, culture seems to consist of two layers: an invisible layer, which is made up of values, norms and attitudes, and a visible layer consisting of resulting behaviour and artefacts. This description of culture is also expressed in the popular 'iceberg-model' of culture, in which only a small part is visible on the surface, but a big part is not observable to the naked eye. By a thorough analysis of the more visible aspects of culture, one can sometimes gain insight into the invisible underlying elements. The two-layer model is, however, often too general for researchers who apply the onion-model. Hofstede applies a set of four layers, whereby each layer is a result or a consequence of the underlying layer. At the core of Hofstede's model of culture are values, or broad tendencies to prefer certain states of affairs over others. These values form the most hidden layer of culture. Values as such represent the ideas that people have about how things 'ought to be'. Thus, Hofstede also emphasizes the assumption that values strongly influence behaviour. Above the deepest value level, Hofstede (1991) describes three levels of culture that are more clearly observable: (i) rituals (such as ways of greeting and paying respect); (ii) heroes (such as admired persons who serve as an example for behaviour); and (iii) symbols (such as words, colour or other artefacts that carry a special meaning). The model of Hofstede is, in practice, an extension of the two-layer model, which peels off the outer layer to analyse the various visible results of cultural values. Trompenaars (1993) presents a similar onion-model of culture. In contrast to Hofstede, however, he increases the inner layer. He argues that the core of culture consists of basic ideas and conceptions. These basic ideas are somewhat comparable to the 'values' of Hofstede, which influence the more visible values in the above layer. It is however very difficult to make a clear distinction between 'values' and 'basic ideas'.

Spencer-Oatey (2000) combines different visions in her model of culture. Within this model, basic ideas and values shape the inmost core. This core is surrounded by a more elementary layer of attitudes and beliefs. This model makes it possible to understand changes in beliefs, without a change in basic values. The two outside layers in this model are shaped by the 'systems and instances' and an outermost perceptible layer with human behaviour patterns and non-behaviour related issues such as products and art expressions. The model of Spencer-Oatey makes it possible to talk about culture on an extra 'mental' level. The introduction of a layer with attitudes, beliefs and behavioural rules makes it possible to make a distinction between values and the expression of these values. In short, it becomes clear to describe culture as a set of basic values and beliefs, which result in behavioural norms, attitudes and beliefs, which again manifest

them in systems and instances and also in behavioural patterns and products or artefacts. There are various levels of culture, which vary from the easily recognizable outer layers (such as real behaviour) to the least tangible inner layers (such as basic values). Culture is shared by a group or a society and helps to interpret situations in everyday life. Culture is not genetic, but learned. Especially with second-generation foreigners, who live in another country than the original country of their parents, it can be seen that they tend towards the culture of the host country instead of the culture in which their parents were brought up. Thus, although people from a group share the same culture, the behaviour as a result depends on the individual personality.

'Culture' is also presumed to be something that forever distinguishes and separates immigrants and ethnic minorities from the rest of society. A 'multicultural' society, in this reasoning, is therefore a pool of bounded uni-cultures, forever divided into we's and they's. CD is the variety of human cultures in a specific region, or in the world as a whole (Wikipedia, 2006). The phenomenon of CD has been extensively investigated by Hofstede (1991, 2001). As mentioned before, he interprets culture as a collective and interactive set of common identity values that are decisive for a group response (or behaviour) vis-à-vis its external environment. Cultural differences are the result of national, regional, migrant, social class, religious, gender, and language variations. Culture manifests itself in different appearances in relation to geographic location, physical environment, nation, history, socio-economic traditions and conditions, political systems, religious circumstances, common language or dialect, technologies and work modes, or education and deeds. Clearly, culture is not always an unambiguous concept and may often be fuzzy in nature. Consequently, cross-cultural research is often based on qualitative characteristics of the target group which are not so easy to quantify. The great merit of the work of Hofstede is that he has managed to design quantifiable indicators for cross-cultural comparison. His research has prompted an avalanche of interesting research on CD, with particular reference to the development of cross-cultural comparative studies in industrial organizations and management practices. Interesting follow-up of his work can be found *inter alia* in Trompenaars (1993), Milberg et al. (1995), Verbeke (2000), Ardichvili and Kuchinke (2002), Christie et al. (2003), Shulruf et al. (2003), McSweeney (2002), Stephen et al. (2004) and Bergeron and Schneider (2005). Social scientists have discussed CD mostly in the context of 'MC' and 'social cohesion'. While some scholars focus on general principles and philosophies of CD, others focus more concretely on specific aspects of diversity such as religion and language (Vertovec and Wessendorf, 2004).

In the recent literature on CD we can observe two major strands (for an interesting overview, see, Vermeij 2006): viz. the assimilation perspective, and the identity perspective. The

assimilation perspective takes for granted that interaction between different cultural or migrant groups may ultimately eliminate cultural boundaries (see Alba and Nee, 1997). The *identity perspective*, on the other hand, assumes that belonging to a migrant culture may have an indigenous meaning, as it creates a support system based on group identity (see Nagel, 2002). Three environmental factors may be distinguished that impact on someone's migrant positioning: economic or socio-cultural competitive conditions (e.g., labour market, life style) (see, e.g., Olzak, 1992); resource mobilization (e.g. due to the strength or size of a specific population group) (see, e.g., Moghaddam and Perrault, 1992); or social identity (e.g., on the basis of positive role models, high self-esteem or a high social status of some group members) (see e.g. Austin and Worchel, 1979). The assimilation-identity dilemma is not only – and perhaps not predominantly – determined by socio-cultural and migratory factors, but also – and perhaps mainly – by the economic context of migrants. In many cases, it turns out to be difficult for migrant groups to enter the regular labour market due to language deficiencies, low skills, lack of network relations, etc. This may easily create a dual labour market system, in which migrant groups are condemned to the lowest segment as a result of filtering-down phenomena. This will not stimulate assimilation. Those who feel the drive to climb higher up the socio-economic ladder may then be forced to become self-employed and start their own business as a migrant entrepreneur, especially in those cases where the migrant market has a sufficiently large critical mass (see Halter, 2000). This may be another form of lack of assimilation (or group identity formation), although an expanding migrant business may again lead to more assimilation after a break-out strategy (Sahin et al., 2006). CD is an essential component of the study of migrant entrepreneurship. Differences in culture – interpreted in a broad sense – may prompt different types of economic behaviour and entrepreneurship. The driving forces and the conditional framework of CD call for further empirical work.

There is a changing and often contradictory relationship between migration, the increasing CD that follows migration, and the development of global cities as desirable places. Of special interest then are the small and medium-sized enterprises (SMEs), which are owned by migrants. They work particularly in the retail and service sector. Immigrants have established many of the groceries, bakeries, butchers, restaurants and other businesses, and certainly most of the ones seen as exotic and exciting (Vertovec and Wessendorf, 2004). The businesses are operated mainly by migrant bosses, personnel, chefs, cooks, and waiters. It can, therefore, be argued that migrants and their economic activities are propulsive forces in the creation of global cities. Many European cities contain a mosaic of distinct ethno-cultural neighbourhoods, a rich variety of migrant businesses, and a wide range of cultural events (Vertovec and Wessendorf,

2004). The cosmopolitan landscapes of these cities allow citizens and visitors to experience the diversity of global cultures within close proximity. There are many different cities, in which one can easily move between places that reflect the influence of different cultures—all in a single day. The next section will evaluate, in a more detailed way, the different migrant groups in the Netherlands in order to highlight the cultural differences among them.

3. Migration Flows and Multiculturalism in the Netherlands

The Dutch multicultural society mirrors the openness of an industrialized society and is become a meeting place of people from different national, cultural and migrant origins. The Netherlands has shown a remarkable openness vis-à-vis foreigners, a situation that can clearly be observed in the history of the cities in the country. At present, the share of migrants from the Western world in Dutch society is approx. 20 percent, while the share of non-Western migrants is about 10 percent (CBS, 2003, 2004). From the non-Western migrant population, three groups have a dominant position (namely, approx. 60 percent): Turks, Moroccans and Surinamese. The Netherlands is increasingly faced with diversity as a result of international migration. International migration – either voluntary or forced – has changed the demographic face of cities in the country. Zorlu and Hartog (2001) have made a comprehensive study of the migration flows in the Netherlands. They investigated the emigration and immigration flows in different periods. The following account is based on their study of migration experiences. In the early 1960s, the Netherlands switched from being an emigration to an immigration country. The increase in prosperity in the Netherlands reduced emigration and induced new immigration flows all at the same time. Post-war immigrants can be divided into three main groups: immigrants from former colonies; those who were recruited for unskilled jobs (called ‘guest workers’); and, more recently, refugees. In the 1960s, the Netherlands mainly recruited low-skilled workers from Spain, Italy and Greece, while later on guest workers were acquired from Turkey and Morocco. Before the arrival of the first-generation migrants from Turkey, Morocco, Italy and Spain, the indigenous working population in the Netherlands had largely quit working in industry. Therefore, the arrival of these migrant groups was required to meet the need for low-skilled workers in the industrial sector. From 1956 till 1963 different industries also recruited workers from Surinam, but this recruitment stopped because of negative experiences with this group (Rath, 1998). In addition, there were large inflows of people from the Dutch Antilles.

The 1960s were remarkable for the large-scale labour migration from countries from around the Mediterranean. At the beginning of the 1970s people thought that most of the foreign workers should stay in the Netherlands only temporarily, but after a couple years it became clear

that many migrants would settle here indefinitely. After the oil crisis of 1973, the Dutch economy stagnated and labour recruitment stopped. Immigration, however, from recruitment countries (especially from Turkey and Morocco) continued caused by family reunification, and more recently, marriage migration (Zorlu and Hartog, 2001). The poor economic situation in their country of birth had become even worse, and many migrants feared that a return to their country of birth would be a bleak prospect. Therefore, many migrants chose to stay permanently in the Netherlands and decided to bring their wife and children over as well from their country of birth. At the beginning of the 1980s labour migration stalled because of the economic recession and the tendency for the remigration of Turkish and Moroccan people. But then another immigration wave took place before the independence of the former Dutch colony of Surinam (1974-1975) followed by a second peak after the decolonization (1979-1980). And finally, because of war conditions in various parts of the world in the past decade – both inside and outside Europe – asylum seekers and refugees entered the Dutch society, e.g. from Yugoslavia, Somalia, Afghanistan and Iran. The 1990s are marked by asylum migration. Within the period of 1995-2001 in total a quarter of a million people sought political asylum in the Netherlands.

The labour market position of the main groups (migrants from former colonies, guest workers, and refugees) is characterized by strong differences, just like their migration history. Immigrants from the former colonies often speak the Dutch language before they arrive. They are also more familiar with Dutch society. However, we still observe significant differences within this category. The position of the Indonesians has strongly improved, while the Surinamese, Dutch Antilleans and Arubans have a less favourable position, even though some improvement is also noticeable. Immigrants who initially arrived as guest workers also strongly differ in their social career in the Netherlands. The South Europeans – Italians, Spanish, Portuguese, Greeks, and Yugoslavs, and their descendants – have improved their position significantly, while Turks and Moroccans still occupy an unfavourable position (Veenman and Roelandt, 1994; Lucassen and Penninx, 1997; van Ours and Veenman, 1999). Related to these differences, policy attention and research concentrate mainly on Moroccans, Turks, Surinamese, Antilleans and Arubans. A majority of the labour force among the ethnic groups have achieved incorporation in the economic life of the city in paid employment. With a few exceptions aside, ethnic groups belong in general to the lower socio-economic segment of European cities, mainly as a result of their lack of education and skills. When they have the opportunity to work, this has occurred more often in the lesser attractive segments of the labour market (Rath, 1998). Most of the migrant workers are in the service sector, in particular in health care and in other business service sectors. This largely applies to Surinamese and Antillean foreign workers. The other major migrant groups are more active in

industry, trade, and catering services, because of their personal characteristics (e.g. age, gender, lack of Dutch language), educational qualifications, discrimination and absence of relevant economic networks outside these branches (Rath, 1998). The proposition of people working for the government or in education among the Surinamese and Antillean groups is the same as that of the indigenous workers (Berdowski, 1994). The rich history of the Netherlands has clearly demonstrated that a large influx of dedicated and professional migrants from several countries has generated new production modes and innovations, which have contributed significantly to the wealth and international position of the cities concerned. According to Hessels et al. (2005), more highly educated people form a majority of those involved in early-stage entrepreneurial activity in the Netherlands. They also have a more positive perception of setting up their own firm compared with people with a more limited education and are comparatively often active in business services and consumer-oriented sectors. If however, their skill levels are below average Dutch standards, they are most likely to be found in lower segments of the labour market (Borjas, 1995). In general, their wages are below the Dutch average (see de Graaff, 2002), but there is also a great variation in wage levels among different migrant groups.

Table 1a illustrates in absolute figures the number of migrant individuals living in the Netherlands, and Table 1b illustrates in percentages the main migrant groups living in the four big cities of the Netherlands. We can see that the Turkish migrant group is the biggest of the four migrant groups. The population of each group has increased each year.

Table 1a: Important migrant minorities and natives in the Netherlands in absolute figures (CBS, 2006).

	Year	Turks (x1000)	Moroccans (x1000)	Surinamese (x1000)	Antilleans (x1000)	Dutch (x1000)
Total popu- lation	2000	308.9	262.2	302.5	107.2	13088.6
	2001	319.6	272.2	308.8	117.1	13116.9
	2002	330.7	284.1	315.2	124.9	13140.3
	2003	341.4	295.3	320.7	129.3	13153.8
	2004	351.7	306.2	325.3	130.7	13169.9
	2005	358.8	315.8	329.4	130.5	13182.9
	2006	364.6	323.3	332.0	120.4	13184.1

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Table 1b: Share of main migrant groups in the four big cities in the Netherlands (in percentages)

Main migrant groups	The Netherlands	Amsterdam	Rotterdam	The Hague	Utrecht
Moroccans	1.04	8.8	6.3	5.3	8.9
Turks	1.30	5.0	7.5	6.6	4.4
Surinamese	0.98	9.5	8.7	9.6	3.0
Antilleans	0.60	1.5	3.3	2.3	0.7
Others	2.40	9.5	9.3	8.3	4.0
Total of Migrants	6.32	34.3	35.1	32.1	21.0

Total of Natives	93.68	65.7	64.9	67.9	79.0
Total	100.0	100.0	100.0	100.0	100.0

Source: (CBS, O+S, COS, 2004, 2006).

The migrant populations from Turkey and Morocco in the Netherlands are very similar regarding their demographic composition. They are, on average, the least well-educated, and most likely to be married, and most migrants from these countries consider themselves to be Muslim. The migrants from Surinam and Antilles are better educated, more familiar with the Dutch culture and language, and more often single or single parents. All migrant populations have in common that they are relatively young as compared with the native Dutch population (Jansen et al., 2003). Migrants from Surinam and the Antilles also have similar demographic characteristics. Their age distribution is similar to the age distribution of migrants from Turkey and Morocco. Regarding the labour force participation rate of women and the share of married couples in the total number of households, they have much in common with the native Dutch population (Jansen et al., 2003). In Table 2 we can also see that the educational level is lowest for migrant groups from Turkey and Morocco. Migrants from Surinam and the Antilles have, on average, higher educational levels, but not yet quite as high as those of the native population. In addition, we can also see in more detail that the percentage of people with a university degree or professional qualification has decreased for each group. Although there has been a general decrease at this level, the percentage of people with a university Bachelor and Master of science degree has now started to increase for each group. This may be caused by the introduction of a new system of higher education. The differences in gender are rather small for the Turkish population. The education rate at different levels is much lower for both sexes in the group, compared with the other groups. Turkish male and female migrants have an almost similar rate for the Pre-University or Professional Education Level. For Moroccan female migrants, this rate is in general relatively much higher in comparison with Turkish female and Moroccan male migrants. When we look at the higher education level for this group of female Moroccans, we can see that the difference between gender and education level becomes much smaller. The Surinamese and the Antillean migrants are comparable with the native Dutch population. The differences in gender regarding the education level are also similar among these groups.

Table 2. Education level of main migrant groups¹ in the Netherlands in absolute numbers and percentages (CBS, 2006).

Education Level	Turks			Morroccans			Surinamese			Antilleans			Dutch		
	t	m	f	t	m	f	t	m	f	t	m	f	t	m	f
University of Professional Education	'00-'01	330 ²	180	150	400	180	220	600	230	370	180	190	357 ⁷⁰	159 ⁶⁸	198 ⁷²
	%	75	77	73	83	80	86	70	68	71	72	70	70	68	72
	'01-'02	380	180	200	440	200	240	610	235	375	160	260	362 ⁵⁰	160 ⁷⁰	201 ⁹⁰
	%	86	78	74	79	77	80	73	72	74	67	10	69	67	70
	'02-'03	440	200	240	500	220	280	660	245	425	190	290	363 ²⁰	160 ¹⁰	203 ⁰⁰
%	73	73	74	77	72	79	69	66	70	72	68	67	64	69	
University (Old Master)	'03-'04	550	250	300	560	250	310	700	290	410	190	330	362 ⁹⁰	162 ¹⁰	200 ⁷⁰
	%	69	68	69	75	71	78	65	64	65	61	70	63	61	64
	'04-'05	490	230	260	580	240	340	820	290	530	220	330	351 ⁶⁰	158 ²⁰	199 ³⁰
	%	63	63	63	68	66	66	50	60	60	63	59	56	55	57
	'00-'01	110	55	55	80	45	35	240	110	130	70	80	153 ⁹⁰	75 ⁸⁰	78 ¹⁰
%	25	23	27	17	20	14	29	32	26	28	27	30	32	28	
University Bachelor	'01-'02	120	50	70	120	60	60	230	90	130	80	80	159 ⁶⁰	77 ⁶⁰	82 ⁰⁰
	%	24	22	26	21	23	20	27	28	26	33	24	31	33	29
	'02-'03	130	60	70	110	45	65	250	90	170	50	120	151 ²⁰	70 ¹⁰	81 ¹⁰
	%	22	22	22	17	15	18	26	24	28	19	28	28	28	28
	'03-'04	160	70	90	100	50	50	230	80	150	80	110	149 ²⁰	66 ⁵⁰	82 ⁷⁰
%	20	19	21	13	14	13	21	18	24	26	23	26	25	26	
Master of Sciences	'04-'05	110	55	55	130	50	80	260	80	180	50	120	140 ²⁰	62 ⁰⁰	78 ²⁰
	%	14	15	13	15	14	16	19	17	20	14	21	22	22	22
	'00-'01														
	%														
	'01-'02														
	'02-'03	20	10	10	20	10	10	40	30	10	20	10	156 ⁰	99 ⁰	57 ⁰
	%	3	4	3	3	3	3	4	8	2	8	2	3	4	2
	'03-'04	60	30	30	60	30	30	100	50	50	30	20	433 ⁰	219 ⁰	214 ⁰
	%	8	8	7	8	9	8	9	11	8	10	4	7	8	7
	'04-'05	120	50	70	90	40	50	200	80	120	40	80	932 ⁰	399 ⁰	543 ⁰
%	15	14	17	11	11	10	15	17	14	11	14	15	14	15	
	'00-'01														
	%														
	'01-'02														
	%														
	'02-'03	10	5	5	10	10	0	10	5	5	5	5	118 ⁰	89 ⁰	29 ⁰
%	2	2	2	2	3	0	1	1	1	2	1	2	4	1	
	'03-'04	30	15	15	30	20	10	50	30	20	10	10	226 ⁰	143 ⁰	83 ⁰
	%	4	4	3	4	6	3	5	7	6	3	2	4	5	3
	'04-'05	60	30	30	50	35	15	80	30	50	40	30	451 ⁰	256 ⁰	196 ⁰
	%	8	8	7	6	10	3	6	6	9	8	5	7	9	6

Note: 1. The share of migrants per education level and year in the total of the population category concerned, t = total, m = male, f = female.

2. Total absolute numbers shown in bold print; percentages shown in italic print.

3. No migrant figures for 00-01, 01-02 for University Bachelor and Master of Sciences.

The above-mentioned migrants often find themselves in marginal economic positions. The low qualification level of ethnic minorities causes disadvantages in job level, participation level and earnings, in addition to unemployment. Migrants' low-level jobs can be explained by their personal characteristics like sex, family background and experience. Migrant minorities have a disadvantaged position in the Netherlands concerning their participation and unemployment rates as well as their earnings. Zorlu (2002a) has made an extensive study of the labour market position of migrant minority groups in the Netherlands. He investigated their participation, unemployment rates, and earnings. The labour market position of the disadvantaged also varies across migrant minority groups within this group, related to their migration history. According to Zorlu, migrant minorities from Turkey and Morocco have the worst labour market position. The Surinamese and Antilleans have a relatively better labour market position than Turks and Moroccans. The Surinamese and Antilleans share a common history with Dutch people, and people from this group speak Dutch often as mother tongue. Additionally, women from this group have an exceptional labour market performance, even better than Dutch women. Surinamese and Antillean men have higher participation and employment rates but they suffer a high unemployment level (Zorlu, 2002b). Turks and Moroccans have comparable participation and employment rates. Surinamese women have the highest participation and employment rates. The employment and participation rates of Dutch women are similar. Moroccan and Turkish women have the lowest participation and employment rates and the highest unemployment rate. In general, migrant minority groups suffer from relatively higher unemployment rates. The household composition of migrant groups tends to differ for gender categories. Working women live less often with a partner and child, compared with working men. They are more often with a partner but childless or are just single. Differences in household composition are more striking among migrant groups within gender categories. Surinamese and Antillean men are less often in a household type with a partner and children and more often in a household type with partner and without children, while Turkish and Moroccan men are more often with partner and children and less often with partner and without children. Considering the household income, the higher percentage of Surinamese, Antilleans, Turks and Moroccans in the lowest income category is remarkable as well as the low percentage of Surinamese and Antillean women and Turkish and Moroccan men in the highest income category.

Poor performance in the wage and salary sector stimulates migrants to find other income-generating activities. Entrepreneurship can be a way to improve the economic position of migrants (Choenni, 1997). The rate of entrepreneurship shows a considerable variation over time and between countries. This is especially true for populations of migrants (van den Tillaart and

Poutsma, 1998). This is also the case for the Netherlands. Entrepreneurship is being increasingly recognized as an important source of job growth and economic development in the Netherlands (van Stel et al., 2002). In order to evaluate migrant entrepreneurship from the perspective of CD, in the next section we address different groups of migrant entrepreneurs in the Netherlands. We compare the socio-economic and cultural differences between these migrant groups, thereby aiming to highlight the CD in migrant entrepreneurship. We focus mainly on four active and dominant migrant groups: Turks, Moroccans, Surinamese, and Antilleans, in the Netherlands. Our comparison and evaluation are, of course, limited by the available data.

4. Migrant Entrepreneurship from the Perspective of Cultural Diversity

In recent years we have observed a significant shift in the orientation of migrant groups: namely, towards self-employment (Baycan-Levent et al., 2003). This movement is generally referred to as migrant entrepreneurship (van Delft et al., 2000; Masurel and Nijkamp, 2002; Waldinger et al. 1990). The latter phenomenon distinguishes itself from 'normal' entrepreneurship through its orientation on migrant products, on migrant market customers, or on indigenous migrant business strategies (Choenni, 1997). Migrant entrepreneurship is also generally regarded as an important self-organizing principle by means of which migrant minorities are able to improve their weak socio-economic position (Baycan-Levent et al., 2003). There is a significant difference among various migrant groups. Much research has addressed the opportunities and the barriers of migrant entrepreneurship. Some scholars advocate the culturalist approach' which takes for granted that migrant groups have specific values, skills, and cultural features which makes them suitable for entrepreneurship. Cultural factors that favour migrant entrepreneurship are, *inter alia*, internal solidarity and loyalty, flexibility, personal motivation, the work ethic, informal network contacts with people from the same migrant group, flexible financing arrangements, etc. Such factors are responsible for encouraging an entrepreneurial spirit and performance. Others claim that the situation in the receiving society is the dominant cause for engaging in entrepreneurial activities. Social exclusion and discrimination, poor access to markets, high unemployment are, *inter alia*, structuralist factors (Baycan-Levent et al., 2003). Chaganti et al. (2000) distinguish three groups of migrant businessmen: (i) *immigrant entrepreneurs*: are individuals who, as recent arrivals in the country, have had to start a business as a means of economic survival (Buttner et al., 1997); (ii) *migrant entrepreneurs*: are united by a set of socio-cultural connections and regular patterns of interaction among people sharing a common national background or migration experiences (Waldinger et al., 1990); (iii) *minority entrepreneurs*: are business owners who are not of the majority population.

Migrant entrepreneurs may differ in motivation. There are several reasons why they opt for entrepreneurship: to be independent, to be their own boss, have extra income, gain some work experience, maintain family tradition, are dissatisfied with their previous job, need flexibility, want to make a career, like the job, or have ideological reasons and leadership qualities (Baycan-Levent, 2003). Scholars like Brush (1992), Buttner and Moore (1997), Fagenson (1993), Fischer et al., (1993) and Baycan-Levent et al., (2003) investigated the individual characteristics of migrant entrepreneurs, such as demographic background, motivations, educational and occupational experience as entrepreneurs. These studies show that, although there are some similarities in demographic and educational characteristics, and problems they cope with, there are also some differences in educational background, work experience, skills, business goals, and management styles. The most important personal characteristics that explain why migrants become entrepreneurs are mentioned in many studies as their lower education level, their less favoured position as a result of low education and lack of skills and high level of unemployment. The existence of migrant and social networks also plays a major role in their motivation. The studies show that most migrant enterprises belong to the services sector, are small and relatively young, and mainly have family ownership as the legal form. The common problems of migrant entrepreneurs are: administrative and regulatory barriers, lack of capital and credit, lack of knowledge, language, lack of education, lack of management skills, constraints on access to formal business networks and migrant discrimination (Baycan-Levent et al., 2003).

Aspects of migrant entrepreneurs that have been most extensively studied in the literature are the entrepreneurs' relationships with clients, their acquisition of capital and labour, and their motivations. The most significant characteristics of migrant entrepreneurship in general are their client orientation and their access to capital and labour (Deakins, 1999). Generally speaking, migrant entrepreneurs are found to be small in terms of start-up capital, utilized labour, growth capital and turnover. These enterprises are mainly operate in markets characterized by easy entry and strong competition (Rettab, 2001). Business entry and success of entrepreneurs depend on market opportunities and on constraints as well. An enclave market could also result in many restrictions on growth. The concentration of a large number of migrant entrepreneurs, producing and selling similar products and services, in a limited market, combined with a high unemployment rate and low purchasing power in the neighbourhood, could have serious implications for the degree of competition and survival rates of the enterprises (van den Tillaart and Poutsma, 1998; Rettab, 1999).

Masurel et al., (2003) distinguish some general features that are typically applicable to migrant entrepreneurs, e.g. informal and formal networks, clients, business financing, and

workforce and geographical clustering. In cases of information gathering or help in certain situations migrants make use of their own migrant groups. This is also referred to as the 'own group'. Usually, migrant entrepreneurs find a niche in their migrant community and start up in an ethnically well-defined market, so as to provide typical services and products. An enclave economy can then positively affect the prospects of migrant entrepreneurs. Migrant groups that produce a strong entrepreneurial group can be of great economic significance for the migrant business community, as well as for the total community, through job and opportunity creation (Rettab, 2001). Besides having co-migrant clients, the migrant entrepreneur also has close relation with his own migrant group when it comes to the workforce, or business financing. The social networks offer a flexible and efficient opportunity to recruit employees. Migrant entrepreneurs prefer hiring and supporting other migrants in their economic ventures as they enjoy privileged access to the migrant labour and can frequently employ paternalistic arrangements to extract more labour, as well as pay lower wages (Razin, 1989). Migrant entrepreneurs can satisfy the special needs of co-migrant clients, since both share the same language, culture and religion, and can therefore communicate better. The migrant entrepreneur is also able to acquire financial capital and loan production resources from the informal networks. While native entrepreneurs usually borrow their starting capital from the bank, migrant entrepreneurs are less likely to receive bank funding than native entrepreneurs (Rath, 2000), and therefore often borrow capital from family or other group members. Migrant entrepreneurs usually join up less with native formal networks, like retailer groups, trade associations and franchise organizations. Within a city, foreign activities are usually concentrated in certain geographical clusters. Especially in the bigger cities we can find this geographical concentration, because migrants start their businesses in places where there is already a large resident population of people with the same migrant background.

In the context of migrant entrepreneurship, several scholars have highlighted the impact of different migrant group cultures on entrepreneurship. They emphasize the importance of values like social or business attitude, close family and religious ties, and trust, which enable some migrant groups to compete successfully in business (Ward, 1983; Werbner, 1990; Waldinger et al., 1990). The literature also points out differences in entrepreneurial abilities: some people are more entrepreneurial than others. Migrants are motivated to opt for self-employment for a number of economic and psychological reasons (profit, propensity to take risks, a spirit of adventure, access to information or knowledge and desire to innovate). Different migrant groups and different cultures can show different characteristics in terms of driving forces, motivation, performance, and success conditions. The interaction between culture and migrant

entrepreneurship is complex (Basu and Altinay, 2002). Cultural and socio-psychological attributes of different migrant groups affect their entrepreneurial behaviour. Migrant minorities may differ in terms of their reasons for migration, their religion, their language, their educational attainment, their demographic background (whether other relatives are in business or not) and their access to family business networks. Some of these differences reflect CD among the relevant groups concerned. Culture, in the form of a family tradition in business and strong family ties, has an impact on business entry motives, on the financing of new start-ups, and on the nature of the business chosen. Some aspects of culture like family tradition seem to have greater impact on entrepreneurship than others like religion (Basu and Altinay, 2002). It is still a source of debate in the literature whether specific forms of a religion do exert an influence on entrepreneurial behaviour. Furthermore, there is some evidence to suggest that the interaction between culture and entrepreneurship may change over time, that is, between business entry and later business operations. The economic benefits of CD in the city may be manifold, as this may enrich the socio-economic opportunity base, provide a varied supply of talents on the labour market, or enhance the possibilities for creativity in the city (Jacobs, 1961; Florida, 2002). In the context of migrant entrepreneurship, several scholars have highlighted the impact of different migrant group cultures on entrepreneurship. The international literature on entrepreneurship and innovation pays a great deal of attention to the importance of cultural diversity in business behaviour.

Although migrant groups are not uniform and display a great variation in motives, attitudes and behaviour, migrant enterprises and migrant entrepreneurs have some similar characteristics (CEEDR, 2000; Deakins, 1999; Kloosterman et al., 1998; Lee et al., 1997; Masurel et al., 2002; Ram, 1994). Baycan-Levent et al., (2003) have made an in-depth study of entrepreneurship diversities. They investigated ethnic differences in enterprises and entrepreneurs' characteristics between male and female natives and non-natives. The following is based on their findings on the topic of migrant entrepreneurship. Migrant and native entrepreneurs differ in: (i) personal characteristics (migrant entrepreneurs are younger than their native counterparts.); (ii) experience (migrant entrepreneurs have less formal or enterprise-related education or prior work experience than natives, and they have less entrepreneurial or management experience than natives); (iii) sector preferences and fields of interest (migrant entrepreneurs are less likely to own enterprises in goods-producing industries than native entrepreneurs); (iv) enterprises features (migrant minorities-owned enterprises are somewhat smaller and somewhat younger than native-owned enterprises); (v) networks (migrant entrepreneurs use less formal business support organizations than natives); (vi) management

styles (migrant entrepreneurs have specific management methods and enterprise structures); and (vii) training (migrant minorities tend to prefer less formal, experienced-based training, and to learn from their community-based informal networks, to be helped or mentored by this network).

In recent years, the numbers of entrepreneurs have also increased among people of different migrant minority groups in the Netherlands. One out of five new businesses in the Netherlands is set up by a migrant entrepreneur. This group mostly works in the service sector and delivers high-quality products. This group takes risk more easily, since they are supported by their parents. Important facts about the increased (migrant) entrepreneurship in the Netherlands are as follows: (i) there are relatively more migrant entrepreneurs within the Netherlands than native entrepreneurs; (ii) between 1999 and 2004 the number of migrants with their own enterprise grew enormously by 44 percent. In comparison, the number of native entrepreneurs within the same period only grew by 2 percent; (iii) between the period of 1999 and 2004 within the Netherlands the number of enterprises started by migrants was accounted 15,000; (iv) in 1998 the number of enterprises led by migrants was still only 4,000, while in 2003 this number had increased to 10,000; (v) according to the Monitor Ethnic Entrepreneurship (Monitor Etnisch Ondernemerschap), there were approximately 5,000 ethnic entrepreneurs (including one-man businesses) in 2000, of whom nearly 10 percent belong to the second generation; (vi) 15 percent of all the ethnic enterprises are situated in retail and catering sectors. In mid-2004 there were 124,490 entrepreneurs active in the retail industry, which includes 18,070 ethnic entrepreneurs; (vii) all together these nearly 125,000 entrepreneurs run 92,460 enterprises. Of these, 16,210 enterprises can be described as ethnic enterprises; (viii) in particular, the Turks, Moroccans, and Surinamese are entrepreneurial, followed by Indians, Pakistanis, Chinese, Afghans, Iranians and Iraqis; (ix) many Dutch people are interested in purchasing foreign products.

Table 3: Distribution of main migrant entrepreneurs in the Netherlands in absolute and relative figures (CBS, 2006).

Year		Turks (x1000)			Moroccans (x1000)			Surinamese (x1000)			Antilleans (x1000)		
		t	m	f	t	M	f	t	m	f	t	m	f
First- generation entrepreneurs	'99	7.2	5.9	1.3	2.5	2.2	0.3	5.1	3.5	1.6	1.1	0.7	0.4
	%	91	92	87	89	92	75	80	80	80	70	70	80
	'00	8.2	6.8	1.4	3.0	2.6	0.4	5.6	3.9	1.7	1.2	0.8	0.4
	%	88	89	82	88	90	80	79	80	77	67	67	67
	'01	9.6	8.0	1.6	3.5	3.1	0.4	6.2	4.4	1.8	1.4	1.0	0.4
	%	87	88	84	88	89	80	79	81	75	71	71	67
	'02	9.9	8.3	1.6	3.7	3.3	0.4	6.2	4.3	1.9	1.4	0.9	0.5
	%	86	87	84	88	89	80	78	78	76	64	64	67
	'03	10.2	8.6	1.6	3.9	3.4	0.5	6.3	4.3	2.0	1.5	1.0	0.5
%	86	87	80	89	89	83	79	78	80	71	71	71	

Second-generation entrepreneurs	'99	0.8	0.6	0.2	0.3	0.2	0.1	1.2	0.8	0.4	0.5	0.3	0.2
	%	10	9	13	11	8	25	19	19	20	33	30	40
	'00	1.0	0.8	0.2	0.4	0.3	0.1	1.4	0.9	0.5	0.6	0.4	0.2
	%	11	11	12	12	10	20	20	19	23	33	33	33
	'01	1.3	1.0	0.3	0.4	0.3	0.1	1.6	1.1	0.5	0.6	0.4	0.2
	%	12	11	16	10	9	20	21	20	21	30	29	33
	'02	1.5	1.2	0.3	0.5	0.4	0.1	1.8	1.2	0.6	0.7	0.5	0.2
	%	13	13	16	12	11	20	22	22	24	33	36	29
Total of entrepreneurs	'03	1.7	1.3	0.4	0.5	0.4	0.1	1.8	1.2	0.6	0.7	0.5	0.2
	%	14	13	20	11	11	17	23	22	24	33	35	29
	'99	7.9	6.4	1.5	2.8	2.4	0.4	6.4	4.4	2.0	1.5	1.0	0.5
	'00	9.3	7.6	1.7	3.4	2.9	0.5	7.1	4.9	2.2	1.8	1.2	0.6
	'01	11.0	9.1	1.9	4.0	3.5	0.5	7.8	5.4	2.4	2.0	1.4	0.6
'02	11.5	9.5	1.9	4.2	3.7	0.5	8.0	5.5	2.5	2.1	1.4	0.7	
'03	11.9	9.9	2.0	4.4	3.8	0.6	8.0	5.5	2.5	2.1	1.4	0.7	

Note: Percentage mean: the share of migrant entrepreneurs of a generation cohort in the total of migrant entrepreneurs of the total population category concerned.

In Table 3 we can see that during the last decade, the rate of first- and second-generation entrepreneurs has risen steadily in the Netherlands. From the figures of Table 3 we can also conclude that first-generation migrants are far more entrepreneurial than the second-generation migrants. Among the Turkish and Moroccan migrant groups it can be seen that men are relatively more entrepreneurial. The other two major groups of migrants from Suriname and the Dutch Antilles show that entrepreneurship is more or less evenly distributed among males and females. When considering the second-generation migrants from the Turkish and Moroccan groups, it can be seen that male entrepreneurs are relatively more present than female entrepreneurs. With the Surinamese and Antillean groups it can be seen that second-generation women are more entrepreneurial. The net gender effect is very strong for the Surinamese population within the Netherlands. The labour force participation rate in general is relatively high for female migrants from Suriname. However, besides the relative high labour force participation rate, there is still a relative low entrepreneurship rate for female Surinamese migrants when compared with the native female Dutch population. On the other hand, the entrepreneurship rates for female Surinamese are still somewhat higher than entrepreneurship rates for female Turkish and Moroccan migrants. Female migrants from Turkey and Morocco are far less entrepreneurial than, for instance, the native Dutch females. This is probably related to cultural and/or religious differences. Besides entrepreneurship rates, labour force participation rates are also much lower than those of native Dutch women. The combination of a high labour force participation rate and a low rate of entrepreneurship for female Surinamese migrants may be related to the relatively high share of single-parent families for this migrant group (assuming that most of the single parents are women).

Table 4: Profit of migrant entrepreneurs in the Netherlands in absolute figures in € (CBS, 2006).

	Year	Turks (x 1000)	Moroccans (x 1000)	Surinamese (x 1000)	Antilleans (x 1000)
Profit of First- generation entrepreneurs	'99	18.0	15.5	19.2	22.0
	'00	21.0	19.4	21.4	22.3
	'01	19.3	17.2	21.4	21.8
	'02	19.2	18.0	22.9	24.1
	'03	18.0	17.0	21.9	23.1
Profit of Second- generation entrepreneurs	'99	13.9	12.2	21.2	18.8
	'00	14.9	15.7	23.0	19.4
	'01	14.0	12.7	20.9	19.7
	'02	13.8	15.2	22.2	22.2
	'03	12.8	12.6	20.7	22.1
Profit of total entrepreneurs	'99	17.6	15.2	19.6	21.0
	'00	20.3	19	21.7	21.3
	'01	18.7	16.7	21.3	21.1
	'02	18.5	17.6	22.7	23.4
	'03	17.2	16.4	21.6	22.7

Besides the migrant network and support, the success of migrant entrepreneurs depends on their personality and work discipline; and on their attitude to be ambitious, patient, obstinate and self-confident. Other reasons for success could be to work hard and conscientiously and have good relationships with clients. To like the job and to do a good job, to be supported by spouse and family members are also explanations for the success of migrant entrepreneurs (Baycan-Levent et al., 2003). Table 4 indicates that Antilleans and Surinamese seem very successful, and the second-generation entrepreneurs in these groups have almost the same rate of profit as those of the first generation. When we looked at the migrants from Turkey and Morocco, the profit of the first-generation entrepreneurs is much higher than that of the second generation. Although the Surinamese and Antillean groups are much smaller than the other two groups, they have a higher profit. This may be caused by differences in their entrepreneurial behaviour.

Table 5: The age distribution of the main categories of migrant entrepreneurs in the Netherlands (in absolute figures) (CBS, 2006).

	Year	Turks (x 1000)	Moroccans (x 1000)	Surinamese (x 1000)	Antilleans (x 1000)
Age distribution of entrepreneurs 15-25	'99	1.0	0.4	0.3	0.1
	'00	1.1	0.5	0.3	0.1
	'01	1.2	0.5	0.3	0.1
	'02	1.2	0.5	0.3	0.1
	'03	1.2	0.5	0.3	0.1

Age distribution of entrepreneurs 25-45	'99	6.3	2.0	4.3	1.0
	'00	7.4	2.4	4.8	1.1
	'01	8.8	3.0	5.3	1.3
	'02	9.2	3.2	5.3	1.4
	'03	9.5	3.4	5.2	1.4
Age distribution of entrepreneurs 45-65	'99	0.6	0.4	1.7	0.4
	'00	0.7	0.5	1.9	0.5
	'01	0.9	0.5	2.1	0.6
	'02	1.0	0.5	2.3	0.6
	'03	1.2	0.6	2.5	0.7

In 2000, within the age group 15-65, first-generation migrants accounted for approximately 80% of the total migrant population ranging from 77% for the Surinamese and 80% for the Antilleans to 81% for the Turks and 84% for the Moroccans. In Table 5 we can see that the age distribution of the migrant groups is comparable to one another. However, the population of the migrant groups is substantially younger than the native population. This suggests that the relatively low rates of migrant entrepreneurship may be partially related to differences in age distribution. In general, younger people are less likely to be self-employed than older people (Verheul et al., 2001). According to Verheul et al. (2001), the probability of becoming self-employed is found to increase with age. Moreover once people have become self-employed, younger people are more likely to quit their business than older people (Bosma et al., 2002).

5. Concluding Remarks

The Netherlands is a great example of a colourful country with strong multiculturalism, where migrant enterprises enrich society and the people appreciate the added value of cultural differences. The rise of migrant entrepreneurship, in general, appears to have had a favourable effect on the economy of the Netherlands. During the economic decline of recent years, the presence of migrant entrepreneurs has kept the urban economy going. Migrant entrepreneurship reflects different cultures and open-ended capacities for economic growth creation in cities, and contributes to economic diversity. Different migrant groups and different cultures can show different characteristics in terms of driving forces, motivation, performance and conditions for success. As well as the more obvious cultural differences that exist between peoples, such as language, dress, and traditions, there are also significant variations in how societies organize themselves, in their shared conception of morality, and in the ways they interact with their environment. It is debatable whether these differences are merely incidental artifacts arising from

patterns of human migration or whether they represent an evolutionary trait that is key to our success as a species (Wikipedia, 2006).

In order to evaluate migrant entrepreneurship from the perspective of CD, in this paper we have addressed different groups of migrant entrepreneurs in the Netherlands by comparing their socio-economic and cultural differences. We focused mainly on four active and dominant migrant groups, viz. Turks, Moroccans, Surinamese, and Antilleans in the Netherlands, and we compared these groups not only with each other but also with the native Dutch group in terms of their entrepreneurial behaviour and performance. In the Netherlands, the migrant populations from Turkey and Morocco are very similar regarding their demographic composition. They are on average the least well-educated, and most likely to be married, and most migrants from these countries consider themselves to be Muslim. The migrants from Surinam and Antilles are better educated, more familiar with the Dutch culture and language, and more often single or single parents. Migrants from Surinam and the Antilles also have similar demographic characteristics. Regarding the labour force participation rate of women and the share of married couples in the total number of households, the Surinamese and Antilleans have much in common with the native Dutch population. The educational level is lowest for migrant groups from Turkey and Morocco. Migrants from Surinam and the Antilles have, on average, higher educational levels, yet not as high as those of the native population. First-generation migrants are far more entrepreneurial than the second-generation migrants. Among the Turkish and Moroccan migrant groups, it can be seen that men are relatively more entrepreneurial. The other two major groups of migrants from Suriname and the Dutch Antilles show that entrepreneurship is more or less evenly distributed among males and females. In terms of business success, we could see that the Antilleans and the Surinamese seem very successful. They have a higher profit rate compared with the other migrant groups. The second-generation entrepreneurs in these groups have almost the same rate of profit as those of the first-generation. When we looked at the migrants from Turkey and Morocco, the profit of the first-generation entrepreneurs is much higher than that of the second-generation. Although the Surinamese and Antillean groups are much smaller than the other two groups, they have a higher profit. This may be caused by differences in their entrepreneurial behaviour. Besides the migrant network and support, the success of migrant entrepreneurs depends on their personality and work discipline; and on their attitude to be ambitious, patient, obstinate and self-confident. Other reasons for success could be to work hard and conscientiously and have good relationships with clients. To like the job and to do a good job, and to be supported by spouse and family members are also explanations for the success of migrant entrepreneurs (Baycan-Levent et al., 2003). Within a multicultural society it is plausible that differences in basic cultural values,

attitudes and behaviour of the various ethnic communities influence the attitude towards entrepreneurship.

All in all, migrant entrepreneurs deserve more attention. In order to succeed in the current business climate, it is essential that businesses recognize that customers all over the world have choice and consumers have to be targeted for their business. Working with migrant minority businesses offers the opportunity to do just that. Migrant minorities are usually a highly motivated and qualified entrepreneurial group. Migrant entrepreneurs are seen as the future entrepreneurs of the Netherlands. The country is largely dependent for its future welfare on the success of this group of entrepreneurs. The ambition and desire of migrant entrepreneurs to start their own businesses is much higher compared with the native population of the Netherlands. In addition, migrants become more professional and often have sky-high ambitions. Migrant minority businesses mostly fall into the category of Small and Medium-sized Enterprises (SMEs). Such SMEs play a significant role in the domestic economies of most countries. Each and every successful self-employed migrant or minority business contributes to improved social and economic integration. A growing migrant economy creates a virtuous circle: business success gives rise to a distinctive motivational structure, breeding a community-wide orientation towards entrepreneurship.

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