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Original Citation:

Availability:
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(Article begins on next page)
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Being an entrepreneur: Emergence and structuring of two immigrant entrepreneur groups

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The paper aims to analyze the mechanisms whereby immigrant entrepreneurship emerges and develops. In this connection, we argue that studies of immigrant entrepreneurship can benefit from deeper dialog with economic sociology. With the idea of mixed embeddedness as our starting point, we advocate an analytical framework of the generative mechanisms of immigrant entrepreneurship that traces the interconnections between the approaches of New Economic Sociology, Political Economy and Neo-Institutionalism from the perspective of mechanism-based explanation. This framework is then applied to a qualitative case study conducted on two micro immigrant-entrepreneur groups: the Italian ice cream parlor owners and pizzeria owners in Frankfurt am Main, Germany, selected inasmuch as they represent polar forms of immigrant entrepreneurship. In this perspective, empirical findings show detailed differences between the two groups. For pizzeria owners, entrepreneurial transition is the result of a short-term project, the actors are part of small networks, do business in predominantly local markets, and are mainly shaped by mimetic isomorphism. By contrast, the ice cream parlor owners script more consistent entrepreneurial paths, belong to more highly articulated networks, show specific aspects of economic transnationalism, and structure themselves by a predominately normative process.

Key words: immigrant entrepreneurs; embeddedness; social capital; transnationalism.

1. Introduction

In the literature on migration, the space devoted to immigrant entrepreneurship is growing. Long investigated in North America, in recent years this topic has attracted the attention of numerous European scholars who have noted the spread of small businesses run by immigrants, especially in urban settings (Rusinovic 2008; Kloosterman 2010; Aytar and Rath 2012). Almost everywhere, in fact, immigrant groups show high rates of self-employment, at times higher than the native-born population (Ram and Jones 2008; Jones, Mascarenhas-Keyes and Ram 2012). Immigrants’ transition to self-employment is a complex process, as it is affected by at least three kinds of variables: individual determinants that can be conducive to achieving economic goals; the ethnic solidarity that supplies entrepreneurs with valuable resources; the host country’s economic regulation (Apitzsch 2005). The topic thus lends itself to being analyzed not only in investigations of migrations stricto sensu, but also through dialog with the leading approaches in economic sociology. Therefore, immigrant entrepreneurship has become an interdisciplinary topic, attracting growing interest in economic sociology. This is an important outcome, given that the issue of entrepreneurship has long been one of the “structural holes” of economic sociology (Swedberg 2007).

Starting from Granovetter’s (1985) seminal paper on the embeddedness of economic action, the analytical tools of New Economic Sociology (NES) have been increasingly applied in immigrant enterprise studies, and in particular the idea of social capital which describes the resources made

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available by social networks (Jones, Ram and Theodorakopoulous 2010, 567-568; Coleman 1990). One of the tenets of this stream of the literature is the notion of mixed embeddedness, which sees immigrant entrepreneurship as straddling concrete embeddedness in social networks and the more abstract embeddedness in the socio-economic and politico-institutional environment of the country of settlement (Kloosterman and Rath 2001, 190).

Building on this literature, the paper will first provide support for: i) the attempt to outline a multi-level framework for interpreting immigrant entrepreneurship; ii) the cross-fertilization between economic sociology and immigrant entrepreneurship studies. In this connection, we argue that studies of immigrant entrepreneurship can gain a more fine-grained understanding by combining the approaches of NES and Political Economy with sociological Neo-Institutionalism. While the first two approaches are already encompassed in the idea of mixed embeddedness – albeit rather implicitly – the latter has had a marginal impact in immigrant entrepreneurship studies (Shane 2012). As we will see, the literature on the topic has lavished attention on the relational determinants of immigrant entrepreneurship and on the macro-influences exerted by labor market regulation. In our view, however, a thorough analysis of the “cogs and wheels” of immigrants’ entrepreneurial action also calls for attention to micro-level institutionalization (Zahra and Wright 2011; Greenman 2013). What is needed, then, is to understand how beliefs, desires, myths and routine practices shared by a given immigrant group – in a word, cultural embeddedness – are related to everyday immigrant entrepreneurship. To this end, we will assume an analytical approach and an appropriate theory of action (Hedström and Ylikoski 2010), whereby a macro phenomenon – in this case, the formation of specific groups of immigrant entrepreneurs – is explained on the basis of mechanisms affecting the micro units – here, the individuals. In other words, the investigated phenomenon is taken to be the emergent effect of the combination of individuals’ action and interaction.

In particular, this can help in achieving a broader understanding of: i) the generative mechanisms of immigrant entrepreneurship; ii) the process whereby specific groups of immigrant enterprises “institutionalized” themselves, or in other words set a particular trajectory, thus structuring themselves internally and operating on the market (Duina 2011, p. 19; Jones 2001). Accordingly, the first part of the paper will present an analytical framework on the issue of the formation of entrepreneurship.

In the second part of the paper, this analytical framework will be applied to an in-depth case study of two groups of immigrant micro entrepreneurs: the Italian ice cream parlor and pizzeria owners in Frankfurt am Main, Germany, selected inasmuch as they represent polar forms of immigrant entrepreneurship. Taking a micro-relational perspective, the study looks at the genesis of their micro enterprises and certain significant aspects of their entrepreneurial action: the networks that the entrepreneurs rely on in their working and social lives, and how their economic activity takes shape at the territorial level. We will thus focus on how network structure (the pattern of relationship) and network content (the resource access they provide) affect the entrepreneurial process (Slotte-Kock and Coviello 2010, 31; e.g., Anderson and Jack 2002; Smith-Doerr and Powell 2005; Klyver and Foley 2012). This is consistent with the idea of going beyond a schematic interpretation of the relationship between social structures and economic outcomes, which handle relational structures as a lubricant or, conversely, as a glue that inhibits “break-out” strategies for immigrant entrepreneurs (Anderson and Jack 2002; Cope, Jack and Rose 2007; Gedajlovic et al. 2013). In starting from specific case studies, the goal is to construct analytical models of immigrant entrepreneurship having “partial and local” validity (Boudon 1991), as the aggregate outcome of individual actions taking place in relational structures that have specific morphological features, facilitate the spread of particular resources, and are situated in a setting with its own specific opportunity structure.

The article proceeds as follows. In the next section we will attempt to lay out a framework for investigating the processes whereby immigrant entrepreneurship arises (section 2). Once the main aspects regarding the design of the study and the selection of the cases have been clarified (section
3), we will present the main empirical findings about pizzeria owners (section 4) and ice cream parlor owners (section 5), followed by a comparative synthesis (section 6). Broader suggestions on the topic of immigrant entrepreneurship will be provided in the concluding section.

2. Theoretical context of immigrant entrepreneurship: brief overview and proposal for analysis

Studies of immigrant entrepreneurship have addressed two fields. The first deals with the supply side, focusing on the group and/or individual resources that immigrants mobilize to set up an independent business. The second is based on the assumption that immigrant self-employment should be observed in the light of the host societies’ economic systems (Kloosterman and Rath 2001; Kloosterman 2010).

In the first, supply-side oriented field, mention should be made of those studies that took a culturalistic perspective, explaining entrepreneurial orientation and acquisitive market behavior as a product of cultural background (e.g., Antyas and Cederberg 2009). A supply side focus is also assumed by authors who emphasize the condition of social disadvantage in which immigrants often find themselves. Their transition to self-employment would thus be an adaptive reaction to the adversities encountered in the host society: faced with a closed labor market and the difficulty of having their educational credentials recognized, self-employment is their main pathway to upward mobility (see Heath and Cheung 2007).

These studies all suffer from the same vice: they provide a hetero-directed and atomistic actor model. In the first case, we are dealing with a hypersocialized actor, pushed mechanically by introjected norms and values; in the second case, we have a hyposocialized actor, assumed to be in a relational void, who is oriented deterministically towards self-employment in the absence of career alternatives. Accordingly, these scholars foster an individualistic and monadic idea of entrepreneurs, as if they acted in a “socio-economic vacuum” (Kloostermann 2010; Hermann 2010; Dana and Light 2011; van Gelderen and Masurel 2012).

This shortcoming is to some extent overcome by the investigations carried out in the second field, which take the demand side into consideration. In particular, these authors note that the features taken by immigrant entrepreneurship depend on the regulation of the host country’s labor market. In this connection, it has been found that immigrants are traditionally directed towards sectors with low entry barriers and where regulations are not overly rigid, concentrating chiefly in metropolitan economies (Rath 2002; Sassen 2012). The demand-oriented studies underscore how entrepreneurial action is shaped by institutions that convey opportunities and constraints (Devitt 2011). However, they are often deterministic in character: the regulation of the economic context at time T is linked to economic performance at time T+1, neglecting the impact of intervening variables (Barbera and Negri 2008).

In moving beyond these limits, significant impetus has come from scholars who have attempted to ground their analysis of immigrant entrepreneurship in the migrants’ networks. Soon after migrating in particular, immigrants’ networks tend to be relatively dense and homophilous, rich in bonding social capital, and can be put to good use in embarking on entrepreneurial careers, i.e., in procuring start-up capital, acquiring information about running the business, hiring co-ethnics at low wages and building enforceable trust with customers and suppliers, thus reducing transaction costs (Flap, Kumcu and Bulder 2000). Despite the progress made through these latter studies, they still have some weaknesses. Scholars who focus on the social embeddedness of entrepreneurial action attempt to explain too much in terms of social capital, which thus becomes the lynchpin for deterministic explanation (Portes and Sensenbrenner 1993; Smith-Doerr and Powell 2005; Deakins et al. 2007; Light and Dana 2013).

More recent studies have overcome these limitations, in particular those that have emphasized that supply side and demand side are not mutually exclusive, but must be combined in an integrated perspective. Here, mention should be made of the notion of mixed embeddedness advanced by
Kloosterman and Rath (2001, 2003). Those scholars combined the analysis of ethnic social capital with a reconstruction of the entrepreneurial opportunities generated on the markets of the adopted society.

Though we follow Kloosterman and Rath’s theorization, we propose several additions that could increase its explanatory power. To open the black box of the processes whereby immigrant enterprises are formed, what is needed is a theory of action – lacking in Kloosterman and Rath’s work – that can enable us to identify the micro-scale generative mechanisms in situated case studies. The notion of mixed embeddedness could thus be considered in the perspective of analytical sociology’s mechanism-based explanation: a dynamic approach that – by definition – observes how a given social phenomenon (explanandum) emerges from individual choices influenced by systems of interaction and social conditions (Hedström and Bearman 2009). This type of explanation, moreover, assumes the idea that postulating a general theory of immigrant entrepreneurship that covers all situations, identifying the phenomenon’s ultimate cause, is somewhat implausible, both empirically and heuristically. Nevertheless, it promotes a progressive accumulation of knowledge: from the studies presented above, then, we can construct a repertory of mechanisms (Elster 1989) or explanatory tools (e.g., upward mobility achievement, disadvantages theory), that can be applied in analyzing particular immigrants’ self-employment. Hence, which of these mechanisms is at work, and how, in specific groups of immigrant entrepreneurs is mainly an empirical question.

Thus, we can outline a schema, focusing attention on the micro-foundation of entrepreneurial action, rather than on the entrepreneur’s personal traits (e.g., Thornton 1999; Granovetter 2002; Aldrich 2005; Ebner 2005; Storti 2011). To this end, an entrepreneur could be seen as an actor with cognitive rationality (i.e., he defines the situation and makes his choices on the basis of reasons he thinks to be good) whose action is shaped both by constraints and opportunities, determined at:

1) micro-level, i.e., regarding the actors. In order to explain immigrants’ entrepreneurial transition, it is fruitful to assume the DBO (Desires, Beliefs, Opportunities) actor-based model, which holds that individuals’ choices are the result of a combination of their beliefs, hopes and the menu of options available to them, i.e., the opportunities (Hedström 2005);
2) meso-level, i.e., pertaining to structures of interdependence in which the actors’ decisions take shape. In this connection, we have already mentioned the importance of observing topologies of networks in which entrepreneurs are embedded, specifically: i) their degree of internal closure and cohesiveness; ii) the entrepreneurs’ capacity to network, in some cases finding innovative ways of bridging social networks that would otherwise not be in contact with one another (e.g., Burt 2000; Granovetter 2002; Peverelli and Jiwen Song 2012);
3) macro-level, i.e. relating to structural elements, which we operationalize in two dimensions: i) the market’s accessibility; ii) its growth potential (Kloosterman 2010). The first dimension chiefly encompasses the regulatory regime, which establishes the formal requirements for accessing a given market (e.g., Ram and Jones 2008). The second dimension involves current trends in a specific market, which can show promise for growth, or, conversely, tendencies to stagnate or even shrink.

This schema is in line with the recent debate in economic sociology. The latter is a discipline with a plurality of approaches: NES, Political Economy (PE) and Neo-Institutionalism. In recent years, in order to achieve more thorough empirical analyses, it has been suggested that these approaches should be more highly integrated, analyzing both social networks and institutions, in the formal and informal sense (e.g., Granovetter 2005). On its own smaller scale, our contribution is moving in this direction. Though it gravitates chiefly towards the NES pole, it also adopts – as did the idea of mixed embeddedness – several analytical mainstays of the PE research traditions: the relevance of market regulation as well as systems of incentives for entrepreneurial action (e.g., Ram, Jones and Patton 2006). However, for more dynamic analysis, we propose that the Neo-
Institutionalism viewpoint also be incorporated: i.e., the fact that the actors act in a certain institutional environment, or in other words in a field made up of regulative rules (sanctions), normative rules (moral obligations) and constitutive rules (cognitive schema, representations, codes of conduct, practices, routines, tacit assumptions). These elements circulate in the networks and translate into practices and capabilities that contribute to or, conversely, detract from the propensity towards entrepreneurship, in addition to legitimizing specific forms of entrepreneurial action, regarding for instance the dynamics of competition or interaction with employees (see Powell and DiMaggio 1983, Duina 2011; Urbano, Toledano and Ribeiro 2011; Hopp and Stephan 2012).

In detail, we propose that the toolbox provided in the three levels of the schema (the DBO actor-based model; network topology; accessibility and potential growth of the market) be central in analyzing the mechanisms whereby immigrant entrepreneurship emerges and spreads, as well as the processes through which it is concentrated in certain specific sectors of the economy. In parallel, the analytical tools of Neo-Institutionalism can shed light on the structuring of a given population of immigrant enterprises. In other words, they make it possible to investigate the normative and mimetic processes that lead immigrant micro enterprises to look and behave alike on the market.

3. Introducing the cases: context, data and method

In line with the toolkit outlined in the first part of the paper, the study will focus on two main research topics:

1) The mechanisms whereby a given type of immigrant entrepreneurship emerges;
2) How immigrant entrepreneurs’ economic activity takes shape at the territorial level and in their networks.

To this end – as indicated in the introduction – we will investigate two groups of immigrant micro entrepreneurs of Italian origin who run businesses in Frankfurt, Germany: pizzeria and ice cream parlor owners.

First, it should be said that the idea of observing two such groups was suggested by a certain neglect shown by the specialist literature towards Italian immigrants who have become micro entrepreneurs, even though Italy has seen major out-migrations in the past4. Of these, one of the most important was the fordist emigration to Germany that started in the 50s and lasted well into the 70s (Janz and Sala 2011).

Germany’s importance, moreover, also stems from certain aspects of the context. Space only allows for a brief description of the main features of the German economy that are relevant to our analysis. The Comparative Capitalisms literature identifies distinct capitalist regimes, the institutional configuration of which shapes the economy and the collective supplies of inputs: skills, capital, entrepreneurship, demand for migrant workers (Devitt 2011). Germany embodies the Conservative-Continental model, oriented towards the coordinated social market economy (Hall and Soskice 2001). In particular, the German labor market is characterized “by a strong qualification-based segment associated with a differentiated system of education and training” (Hillmert 2011, 408). Accordingly, entry to most jobs involving either subordinate work or self-employment, including those calling for low skill levels, is highly regulated, and requires formal qualifications (Constant and Zimmermann 2004). Though this has not prevented a large pool of immigrant entrepreneurs from forming, it has made the phenomenon less widespread than in other EU countries (Hermes and Leicht 2010). Above all, this aspect has channeled the supply of entrepreneurship towards certain areas5. From this perspective, the two groups we will analyze – pizzeria and ice cream parlor owners – are in certain respects a critical case (Yin 2003), as they allows us to observe how immigrant entrepreneurship emerges even where the formal constraints and market accessibility are tight (Wilpert 2003).

Frankfurt was selected for the investigation because it is located in Hesse, one of the regions with the largest number of Italian immigrants6. In particular, over 15,000 Italian citizens reside in the city, where they are the most numerous group of EU nationals (Bürgeramt, Statistik und Wahlen
In addition, Frankfurt is a middle size global city (Sassen 2012) with a vibrant economy in both industry and services, which provides fertile ground for immigrant entrepreneurship (Apiztsch and Kontos 2008). In this context, the active Italian population shows an especially high concentration in the restaurant and hospitality business (Bürgeramt, Statistik und Wahlen 2009b).

For the purposes of our analysis, moreover, it is also significant to reconstruct certain aspects of Italian immigrants’ distribution in the city.

Figure 1. Distribution of Italians in Frankfurt: a) Percentage of Italians by district out of the total Italian resident population; b) Density of the Italian population by district.
The differences in Italians’ presence in the various areas of the city, though statistically appreciable, are not so great as to suggest that there is such a thing as an Italian ghetto: there are no districts of the city that are home to over 5% of the total Italian resident population (Figure 1a) or where Italians account for over 6% of the district’s residents (Figure 1b). Frankfurt, unlike other German cities, has no areas that are known for the presence of a given immigrant group.

Table 1. Segregation and residential dissimilarity index (compared to Germans) of the major immigrant groups in Frankfurt

<table>
<thead>
<tr>
<th>Group</th>
<th>Segregation index</th>
<th>Residential dissimilarity index</th>
</tr>
</thead>
<tbody>
<tr>
<td>Italians</td>
<td>12.4</td>
<td>15.1</td>
</tr>
<tr>
<td>Turks</td>
<td>18.9</td>
<td>20.8</td>
</tr>
<tr>
<td>Former Yugoslavs</td>
<td>20.6</td>
<td>23.0</td>
</tr>
<tr>
<td>Greeks</td>
<td>26.5</td>
<td>29.6</td>
</tr>
</tbody>
</table>

In an urban landscape devoid of spatial niches for the ethnic population, the Italians are even less segregated than the other immigrant groups and more compatible with the native-born Germans from the residential standpoint (Table 1). Essentially, there is no evidence suggesting that there are the preconditions for the emergence of an enclave economy, a point to which we will return in our analysis of the case studies.

The two entrepreneur groups were chosen inasmuch as they are belong to a production system with a high concentration of micro immigrant enterprises representing polar types (Mills, Durepos...
and Wiebe 2010), as regards their different relational density and a different articulation in space. As such, these cases enable us to reconstruct two different entrepreneurial trajectories.

In detail, pizzeria owners are close to a model of immigrant entrepreneurship which could be called “localized market opportunity”: they are groups of immigrant entrepreneurs that feature underembeddedness – when market transactions prevail, and there is little involvement of relational mechanisms (Uzzi 1997) – and an economy confined to the local level, which corresponds to situations with openings on the local market. In these cases, a typical *vacancy-chain process*, and a substitution effect, create structural holes that can be occupied by immigrant entrepreneurs. The latter have limited ties and engage in transactions with a low degree of embeddedness in relations with co-ethics. These are often low human capital, low added-value sectors, left open by native-born entrepreneurs: for example, the more executive level components of the construction industry or of business services (cleaning, freight transport). This type also includes immigrant entrepreneurs who offer exotic products, or in other words products with an ethnic connotation, but among natives, and thus in a localized but open market (Waldinger 2000).

By contrast, ice cream parlor owners are close to “ethnic networks in globalized economies”, i.e., they are groups of immigrant entrepreneurs that feature overembeddedness – when transactions are firmly rooted in social ties (Uzzi 1997) – in a non-local economies. This is the case of immigrant groups who run businesses whose production chain involves operations carried out at a distance, in different countries that do not necessarily border each other (Barret, Jones and Mcevoy 1996, 798). Several cross-border commercial links for handicrafts provide examples of this configuration: a number of trade routes of this kind have been activated by immigrants from North Africa who have settled chiefly in the European countries around the Mediterranean basin (Peraldi 2002).

Therefore, ice cream parlor owners and pizzeria owners, though originating in the same country, active in the same sector and uniform from a socio-demographic standpoint (see Table 2) make it possible to outline: i) different models of entry into the labor market and of transition to self-employment; ii) different forms of relational embeddedness and network content; iii) differing propensities to cross-border entrepreneurship (see Smallbone and Welter 2012).

In line with our framework (see section 2), our analysis will be conducted from a multilevel, dynamic perspective, though we will focus our attention chiefly on the micro- and meso-scale. Consequently, we will assume that our antecedent, or given exogenous variable, is the opportunity structure (i.e. the market access conditions); and that the independent variables are the individual resources and the networks, in order to understand how they affect the entrepreneurial process and outcomes (Slotte-Koch and Coviello 2009).

The investigation is mainly based on a qualitative case study. Data were collected through semi-structured interviews conducted with 21 ice cream parlor owners and 23 pizzeria owners, selected by a judgmental sampling strategy, as well as through 10 key-informant interviews with labor union officials, scholars, policy makers, business supporter professional of immigrant communities, volunteer workers, and by analyzing secondary statistical data.

Most of the key-informant interviews were conducted at a preliminary stage of the investigation, and served to identify the entrepreneurial groups that are most relevant for Italian immigrants. The key informants also acted as gatekeepers, providing several entrepreneurs to contact for the first interviews. In addition, a small number of key-informant interviews were carried out at an advanced stage of the study – and involved scholars and business supporters of immigrant communities – to triangulate and to discuss the main case findings.

The semi-structured interviews conducted with ice cream parlor owners and pizzeria owners followed a protocol that involved a first narrative section in which the interviewees were asked to tell their life stories, giving an account of their migratory path and their working and entrepreneurial career. The second part of the interview consisted of a set of specific questions probing: i) the enterprise’s start-up stage; ii) the employee recruitment process; iii) the composition of the clientele; iv) the articulation of their expressive and instrumental social networks. The latter aspect was reconstructed by means of name-eliciting questions (Fischer 1982). Interviews were conducted
in Italian, lasted from an hour to an hour and a half on average, transcribed verbatim and then coded using template analysis (King 1988)⁹.

The sampling strategy was designed to maximize the variation in the sampled population as regards their area of origin and the city district where they sited their business, while remaining within the same generation: the sample was made up of long-standing entrepreneurs who started their businesses from the latter half of the ’70s to the beginning of the ’90s. The best-represented age class in the sample was thus that from 55 to 64 years, followed by that over 65 years. With the exception of only 3 cases – 2 ice cream parlor owners and a pizzeria owner respectively – the interviewees were all male. The businesses they own are micro enterprises: the median number of employees in the sample was 3. In the vast majority of pizzerias and ice cream parlors, family members work together with outside employees: the owner’s wife and son, if the latter is of age (we are thus dealing with mithelfende Familieangehörige, as such businesses are called in the German legislation). As regards formal human capital resources, the interviewees’ endowments are modest: most of the interviewees have a primary and a lower secondary school education, and only 4 finished upper secondary school (Table 2).

| Table 2. Characteristics of interviewed entrepreneurs (Absolute frequencies). |
|-----------------------------|-----------------------------|
|                             | Ice cream parlor owners (21) | Pizzeria owners (23) |
| **Age**                    |                             |                   |
| 45-54                       | 4                           | 2                 |
| 55-64                       | 10                          | 15                |
| 65+                         | 7                           | 6                 |
| **Owner gender**           |                             |                   |
| Male                        | 19                          | 22                |
| Female                      | 2                           | 1                 |
| **Business size (No. of employees)** |                   |                   |
| 0-2                         | 4                           | 8                 |
| 3-5                         | 14                          | 15                |
| 6+                          | 3                           | -                 |
| **Formal human capital (education)** |                   |                   |
| Primary                     | 5                           | 4                 |
| Lower Secondary             | 13                          | 18                |
| Upper Secondary             | 3                           | 1                 |

4. A way to entrepreneurship: pizzeria owners

Postwar Italian emigration originated chiefly in certain specific areas of the South (Haug 2011). This is confirmed by our study on pizzeria owners: except for a single case from Northern Italy, the subjects were all from the South, with those from Campania and Sicily outnumbering those from Puglia and Calabria. Among these pizzeria owners, here we will concentrate on a specific category: the pioneers, the first-generation pizzeria owners, those who truly introduced the business to Germany.

Homogeneous in terms of territorial origin, the pioneers also share a common social background: they are a group consisting almost entirely of men, unmarried at the time of emigration, with little education, part of the urban and rural proletariat, who in Italy had a job, but underpaid and sporadic, not enough to lift them out of poverty.

In Italy I had to work 12 hours a day, and it was hard to make a living (pizzeria owner, No. 9).

Questioned as to why they left Italy, they almost unanimously cited economic reasons, reinforced by an optimistic vision of the “migratory dream”.

[10]
I left [for Germany] when I got out of the army, there were no jobs back home and I didn’t have a wife or children. So one day I went to the employment office and they said: look, if you want to work, you’ve got to go to Germany, and I started on the procedure for leaving (pizzeria owner, No. 1).

I was curious about coming to Germany because I’d see these emigrants with these great big cars, it was amazing (…) and so I said to myself: you know these guys coming with these really hot cars, they’re raking in the cash up there, I’d better go too (pizzeria owner, No. 3).

In short, the pioneers are part of that population which left Southern Italy to find a better job (or, more rarely, were unemployed and left to seek work) and, as a first step, did manual labor in a factory. Some of the pioneers arrived in Germany as guest workers under the bilateral labor exchange agreement signed in 1955 by the Italian and German governments (Wilpert 2003). Later, some changed jobs, with a significant proportion opening pizzerias. This process takes place in different ways, which can be seen as a series of ideal-typical variants. Some of the actors became pizzeria owners through a “positive” choice, made when they had stable employment. For these subjects, opening a business was the result of differing mixes of motivations, chiefly involving instrumentally rational action or, conversely, a type of axiologically rational action. For the former, then the transition to self-employment springs from an instrumental motive.

I told myself, if it all works out, I’ll earn a whole month’s pay in one day, and so I decided (pizzeria owner, No. 1).

whereas for the latter, the pizzeria represents upward mobility, a pathway to self-realization that is not exclusively material and economic.

I was working as a factory hand. But there was no future in it, or rather, the future would always be the same, while I wanted to be independent, be my own boss (pizzeria owner, No. 4).

No less significant is the presence of subjects for whom self-employment is only a second-best choice. In these cases, where there are negative externalities in the work environment, entrepreneurial action may be seen as a choice that is adaptive in character. In particular, we can say that two types of adaptive behavior occur: exotropic or outward-looking adaptive behavior, when an unforeseen negative situation arises in the old work environment and the subject escapes to a new one, and autoplastic adaptive behavior, where actions, structures and resources are gradually modified to adapt to a new environment and a new, independent employment situation (Gallino 1991). For some subjects, then, becoming entrepreneurs is a reactive response to a job crisis – this category includes the interviewees who “took refuge” in the pizzeria business because they lost their factory job – or the outcome of a gradual “retooling” resulting from growing dissatisfaction with the old job:

No, it’s not that I really wanted to make pizzas, but the company were I worked closed. So I asked my uncle for help and started working in a pizzeria. And then after a while I said to myself: OK, let’s try to open one (pizzeria owner, No. 7).

I decided to leave my job because I was a wreck, the job was just too wearing and I wanted to change, there were no other reasons, in any case they’d have given me a pretty good pension if I’d stayed, they were going to give me some money themselves. The risk was that I was always traveling. I earned good money, in fact I managed to save up enough to buy the pizzeria (pizzeria owner, No. 8).
These variants aside, the pioneers’ entrepreneurial experiences can be interpreted as the combined outcome of mechanisms operating on both the demand side and the supply side, or respectively: i) high demand for Italian food on the part of German consumers, which opens a niche market where there is little competition from native-born entrepreneurs (Bernhard 2006; Möhring 2012).

In those days the Germans would eat anything, all they needed was to read that the stuff was Italian […]. Right away, I had 90 percent of the German customers …). We were the first to bring foreign food here to Germany, and they liked it (pizzeria owner, No. 2).

The majority of my customers are German, in the past, too. Italians, yes, they come too, but they don’t spend like the Germans who come every day. Because they cook at home, you know? (pizzeria owner, No. 22).

Never Italians, always Germans. Here I don’t even have a single Italian who comes regularly for pizza. Very occasionally one comes and has a pizza, but there are very few of them (pizzeria owner, No. 15).

ii) The ease of access to the restaurant sector, given its low financial and legal barriers to entry (Wilpert 2003, 246).

It wasn’t hard to get a license, much easier than in Italy. A few days at a course where they told you what you had to do (pizzeria owner, No. 10).

Accordingly, it is something of an anomaly on the German labor market scene, traditionally highly regulated (see section 3). Thanks to this ease of access, running restaurants “whets the appetite” of the Italian immigrant group, who on average have low levels of education. Thus, what is at work here is not a high propensity towards the restaurant business on the part of pizzeria owners, but a mechanism of adaptive preferences (Elster 1989); where opportunities are severely limited, beliefs and desires are reformulated and rerouted (Hedström 2005).

I tried setting up on my own as a mechanic. But how could I? I didn’t have the right diploma. I couldn’t open a garage […]. If you want to run your own business, opening a pizzeria is the only thing they let you do and I did it (pizzeria owner, No. 6).

These features make the restaurant sector a typical low threshold market, i.e., unstable, as it has a high business mortality rate (“There were more pizzerias going bankrupt than staying open”, pizzeria owner, No. 3; “They [pizzerias] were opening all over, but they were closing too”, pizzeria owner, No. 12) and entry processes propagate quickly, through imitation, with no long-term entrepreneurial planning (Engelen 2001).

I didn’t know the first thing about pizza; in three days I learned how to do the job (pizzeria owner, No. 19).

On the other hand, individual and relational resources were also found to be important. While endowments of economic capital have a secondary impact, what is essential is “knowing about Italian cooking”, a component of informal human capital (Coleman 1990), which generates a competitive edge. Social capital also exerts an influence on the actors’ entrepreneurial trajectories. It should be noted that the pizzeria owners’ networks are unextensive and homophilous, made up chiefly of their fellow countrymen. As they are not highly articulated, their networks show substantially overlapping expressive and instrumental ties, and a low degree of multiplexity.
I don’t see many people in my free time, when could I? I stay with my family on my day off. Anyway, my friends are mostly Italian, a couple of relatives, and some of the very few people I know who also have pizzerias (pizzeria owner, No. 20).

My best friends are Italian, I met them at work […]. But since I don’t have much spare time, some of my customers have become friends, because otherwise I wouldn’t know anybody. And then there’s my family and that’s about it (pizzeria owner, No 23)

The interviewees are thus likely to come into contact with fellow countrymen who own a pizzeria, relying on them mostly as a source of information, though more lasting forms of exchange are not generated from these contacts.

When was looking for a pizzeria, we put the word around with people we know, friends and coworkers, until we found one (pizzeria owner, No. 13).

As for how employees are recruited, nationality was not a significant criterion in hiring. The pizzeria owners never had a preference for Italians, systematically hiring foreigners from other countries to bring down costs.

Italians aren’t willing to do humble jobs any more, foreigners are more adaptable and they’ll work for lower pay (pizzeria owner, No. 11).

In the long run, this generated a perverse effect, spread though a Trojan horse mechanism: employees of other nationalities went through a learning-by-doing process, acquiring the skills needed to open a pizzeria. As a result, the pizzeria sector is no longer controlled by Italian entrepreneurs, who have begun to accuse the “other migrants” of infringing the Italian trademark and engaging in unfair competition, cutting corners to reduce the costs of production and labor.

Now, to tell the truth, maybe I’d rather hire an Italian […], because all these Indians, Moroccans, Pakistanis we’ve always hired have made things pretty unclear (pizzeria owner, No. 5).

Faced with this presumed threat, the pioneers were unable to present a united front or take any form of collective action: there is little aptitude for cooperation.

I’ve never cooperated with other pizzeria owners. I know there’s an association of Italian restaurateurs, they send me letters but I don’t even open them, because I’m not interested. What do you expect this association to be? Nobody belongs (pizzeria owner, No. 21).

This disinclination to collaborate suggests a few points concerning the pioneers’ relational resources and the impact that transition to self-employment has had on their integration in the host society. Shifting to entrepreneurship improved the subjects’ economic condition. Nevertheless, the growth of their economic resources has not been accompanied by a corresponding broadening of their normative and relational benchmarks. On the contrary, the constrictions involved in a labor intensive business not only prevents the actors from having extensive social relations with little involvement of the native-born, but it also weakens whatever contacts they had previously.

I’ve got a few friends, a couple of friends I go out for coffee with and they’re Italian (…). Not with Germans, no, I just can’t manage it with the Germans, partly because I can’t even manage it with my friends. At least, here we don’t finish until midnight every night. How could I do anything afterwards? (pizzeria owner, No. 1).

It’s a job that takes up too much of your time, too much of your life. You don’t have any time to spend with your family, or for your social life (pizzeria owner, No. 4).
5. A *sui generis* case of transnational entrepreneurship: ice-cream parlor owners

Unlike the pizzeria owners, the ice cream parlor owners come from a rather small area of Northern Italy: around Belluno and Cadore in the Veneto region. To provide a synthesis, we will concentrate here on the core-type of ice cream parlor owner we will call *traditional*, defined by two major characteristics: high professionalism\(^{11}\) and seasonal presence in the host country\(^{12}\).

Most of the traditional ice cream parlor owners come from farming families, while those whose parents were in trade are less numerous; having people in the family with experience in self-employment is thus a characteristic feature of the interviewees’ social origin. For the oldest ice cream parlor owners emigration was economically motivated, as a result of persistent poverty in the Veneto during the early postwar years. At the time of their departure, the interviewees rejected the idea of leaving the Veneto for a permanent home in Germany, or to remain there uninterruptedly for some length of time. The plan was to migrate seasonally\(^{13}\).

> The ice cream business made it possible to do two jobs, to go away and come back, and that was an attractive idea. With other jobs, you’ve got to be away the whole year (ice cream parlor owner, No. 1).

Willingness to do seasonal work matches the labor requirements of ice cream parlors, which need personnel in the period they are open, i.e., in the spring and summer months (usually from March to November, though the opening season has become longer over time in order to compensate for gradually increasing overhead costs).

> We’re like the swallows: we arrive with the spring and go away with the fall (ice cream parlor owner, No. 12).

Here we are dealing with young people, almost all men, who were raised in independent farming families, in which they were socialized to look actively for opportunities to work, even far from home (Bagnasco 1988).

As regards *how* and *when* the decision to acquire an ice cream parlor was made, in the first place, the interviews indicate that they were motivated by a strong “entrepreneurial orientation”, to which they were socialized in the family setting. The passage to self-employment is thus the aim of a steadily pursued working career, for which entrepreneurial status is a normative model.

> I’ve always been used to my family being self-employed, my parents were independent and my grandparents were independent, they had some farmland and you always had to be pretty enterprising: if things went well, you had something, if not, nothing. I’ve always been used to working like that (ice cream parlor owner, No. 6).

In line with their aspirations towards self-employment, the interviewees had entrepreneurial plans from the very beginning of their stay abroad. Some had laid out their careers even before crossing the German border.

> I came to Germany with very specific goals: working for two or three years as an employee in order to learn, and then opening my own ice cream parlor (ice cream parlor owner, No. 7).

> I’ve always had the idea of starting my own business, I’ve always liked commerce, buying and selling. When I came to Germany, I wanted to see if it could be a good investment. After a couple of years I started to see that it was a good business and I got the idea of setting up my own ice cream place (ice cream parlor owner, No. 3).

> I’d always planned to be a businessman. Then I saw that the ice cream parlor was profitable, and after my first season as an employee I could tell that I liked the work, too: making ice cream has something creative about it (ice cream parlor owner, No. 2)
In the majority of cases, this plan is shared with the owner of the ice cream parlor where the immigrant first worked, who becomes an important actor in the formation and training of the future ice cream maker

I told my boss: ‘Listen, I want to take this step, I want to own an ice cream parlor myself’. He helped me a lot, he gave me a hand, in a few months with him I learned as much as you would learn in years (ice cream parlor owner, No. 9).

In the transition to self-employment, moreover, the family of origin offers several forms of resources: i) economic capital: modest nest eggs from the family are invested in opening the ice cream parlor; ii) human capital: these families raise their offspring to be independent, with a work ethic and a certain polyvalent ability, which are assets in developing entrepreneurship; iii) social capital: we often witness true unitary management of resources, where family businesses are set up (in some cases, several brothers co-own a large ice cream parlor). Family relationships have enabled a combination of market and reciprocity, based on the transfer of skills, knowledge and information, as well as capital advances and loans.

As regards opening the ice cream parlor, the start-up cost is higher than for a pizzeria, given the need for ice cream making equipment (“Two ice cream machines, three pasteurizers and then there are the furnishings. We’re already up to around 200,000”, ice cream parlor owner, No. 11)\(^{14}\). Ice cream parlor owners thus usually have to rely on outside help: they put together the start-up capital by combining their own savings with bank loans and money from their families. Also important is the growth potential of the outlet market, where native-born consumers are highly receptive:

Here the customers are all German, and then there are a few Italians and a few Turks (ice cream parlor owner, No. 14).

The clientele’s changed a lot, it’s got more international, while in the ’70s there were just Germans with very few Italians (ice cream parlor owner, No. 3).

In short, there is a robust correspondence between actors’ desires and beliefs, on the one hand, and favorable opportunities on the other:

I liked the work and it was going well […], and so I was convinced that I should set up on my own, build something that would be mine. And also give free reign to my ideas and creativity with ice cream, and the fact that I’m good at dealing with people (ice cream parlor owner, No. 10).

To recruit employees, traditional ice cream parlor owners draw on the labor pool in their areas of origin.

It was always easy for me to find work: either I knew somebody personally who had an ice cream parlor, or I’d find a want ad in the paper and towards Christmas it was always full, it was chock full of ice cream parlor owners going around and looking for employees (ice cream parlor owner, No. 4).

We found our employees by driving around and asking, in the north of the Veneto. We’d go into cafes and ask if they knew some young man who was ready to leave (ice cream parlor owner, No. 6).

As consequence, almost all the ice cream parlors, unlike the pizzerias, have an Italian owner, generally from the Veneto. The common national origin of the workers results from a deliberate entrepreneurial decision to enhance the business’s – and the product’s – identity representation, and is one of the tools for sealing off the group from entry by outside economic actors. In certain respects, the ice cream parlor owners take on the features of a Weberian closed group, as they have common interests and lifestyles that make them a professional community.
Nobody ever considered taking foreigners [...]. We only want Italians, and from our own part of the country, we don’t want the ice cream parlors to get into foreign hands [...]. The Germans weren’t any good, they’re just not cut out for the ice cream parlor. Nobody ever thought of taking foreigners, Yugoslavs or whatever (ice cream parlor owner, No. 13).

As regards employees, several important findings emerge concerning the role of family members in the business. First, the ice cream parlors’ owner is almost always the male head of the family. Second, they need a low-cost, malleable workforce, as is usual for micro enterprises. The owners’ wives meet these functional needs: inexpensive, since they belong to the family, and flexible, capable of combining work with looking after the home and family. The traditional ice cream parlor owners have their own particular way of balancing these two elements, especially if they have children. In fact, their nuclear family has two homes: in Italy, the country of origin, and in Germany, where the business is located. The children do not follow their parents to Germany, but remain in Italy, where they are schooled and taken care of by grandparents, uncles and aunts. The ice cream parlor owners’ wives, who normally work in the business, are always ready to return to Italy if their presence is unexpectedly needed and for however long is necessary, even during the ice cream season.

Families separate: the father stays here and the mother goes back and forth (ice cream parlor owner, No. 5)

The families of origin thus support the business, making it possible to cope with its seasonal nature, and assuming a transnational profile for that purpose. The fact that parents and children live apart, however, involves affective and emotional costs.

This job has taken a lot away from us. The hardest thing is being separated from the children (ice cream parlor owner, No. 1).

Work in the ice cream parlor and family life just don’t go together, my daughter stayed in Italy with her grandmother, as long as she was little it was OK, more or less, but then it becomes a problem [...]. The ice cream business isn’t for married people (ice cream parlor owner, No. 3).

Like the family structure, the ice cream parlors’ economic activity also shows certain transnational aspects. Many of the supplies (e.g., ice cream bases, production machinery, display cases and furnishings) are made in Italy, often by companies located in the Veneto, and then exported by Italian distributors, who in many cases are former ice cream parlor owners who still do business on the German market.

We get a lot of the stuff in Italy, almost all made in the Veneto or Emilia Romagna. The furnishings, the ice cream machines are Italian, from the Veneto or Emilia (ice cream parlor owner, No. 15).

Consequently, they maintain ties with certain local producers in the Veneto, taking part – as small retailers – in a sort of transnational industrial district centering on ice cream, whose members include small furniture makers as well as more modern production units in the mechanical sector. The ice cream parlor owners have voice with the owners of these businesses: some test the equipment and suggest improvements. This also occurs in ad hoc settings such as the ice cream fair organized by their association15.

As for their attitude towards German society, it was found that traditional ice cream parlor owners’ assimilation in the host country is limited in scope, serving their entrepreneurial interests with little attention to the social and cultural dimensions. The importance assigned to having their children educated in Italy denotes a tie with a sort of ancestral homeland (Bonacich 1973).
I’m not integrated (…). Not being integrated doesn’t bother me. It was our own choice, we don’t need to be integrated. I’m integrated there [in the Veneto], not here (ice cream parlor owner, No. 8).

There is also a separation between working life and social life: the former is developed in Germany, the latter in Italy. Consequently, relational resources are also divided in space: in Germany, ice cream parlor owners’ networks are instrumental, with the exception of ties with family members and a few friends, often colleagues. In Italy, on the other hand, they mostly maintain expressive networks, made up of family and close friends.

My friends are mostly Italian, family members and coworkers […]. If we stayed here all year round, maybe we’d make a few German friends (ice cream parlor owner, No. 19).

I’ve got Italian acquaintances, nothing more, having friendships in Germany doesn’t interest me, my friends are in Italy. My job is seasonal and so I see my friends in Italy and then once in a while they come to visit. There’s my brother-in-law, we see each other sometimes. Other Italians who work in a restaurant, but nothing more. As I told you, having contacts in Germany doesn’t interest me (ice cream parlor owner, No. 7).

Here in Germany I’ve got my customers… we talk, but it’s not really like a friendship (ice cream parlor owner, No. 18)

On the whole, the ice cream parlor owners’ relational resources feature small, cohesive networks – centering around the nuclear family, for the most part – which coexist with bridging ties whose span is longer.

I often visit my colleagues. We talk about our work. We tell each other about new ice cream bases, new products, if we’re making new cups. So there’s a good exchange (ice cream parlor owner, No. 20).

In other words, there is network complementarity, with both cohesion and closure, which guarantees a mix of ties embedded in the actors’ social structure and arm’s length ties (Uzzi 1996, 1997; Ferrary and Granovetter 2009).

6. Main findings in comparative perspective
Doing business in the same sector, the two groups of entrepreneurs interact with the same formal opportunity structure, ovvero si “interfacciano” con le medesime variabili di livello macro: an outlet market that is potentially large, considering the high and immediate receptiveness of the local clientele, and low access barriers. Nevertheless, this second feature of the opportunity structure has different impacts on the two groups of entrepreneurs, desumibili da come si configurano aspetti di taglio micro. While the entrepreneurs in the first group modify desires and beliefs adaptively, deciding to become entrepreneurs by opening a pizzeria, ice cream parlor owners match opportunities with their prior desires and beliefs, giving rise to a vocational entrepreneurship.

The size of the outlet market, moreover, helps explain why immigrant Italian entrepreneurs in Germany have a higher relative presence in the restaurant business than other immigrant groups who have been in the country for a comparable period of time (Hermes and Leicht 2010). The latter, in fact, are often under a competitive disadvantage, as – at least at first – they can count only on a co-ethnic clientele, and only after a lengthy period attract the Germans’ taste for exotic foods (Pichler 1997; Pécoud 2003; Wilpert 2003, 239).

We will now turn to some of the salient differences between the two groups that affect their entrepreneurial outcomes. Ice cream parlor owners engage in cooperative practices, whereas
pizzeria owners operate more individualistically, giving rise to a population of enterprises with a high rate of entropy.

Those of us who own pizzerias have no dealings with each other, no exchanges of opinions about the business, nothing at all (pizzeria owner, No. 7).

I know a lot of pizzeria owners, but we don’t do anything together. I don’t know if the others do, but I don’t think so (pizzeria owner, No. 21).

This is influenced by the fact that the pizzeria owners’ group is a system of cliques with few mediated interrelations. Consequently, the social capital that can be mobilized is limited to the few occasions in which one family member or close relative can help another, and is thus insufficient to provide farther-ranging support (Pizzorno 2001). By contrast, the ice cream parlor owners can also boast intergroup ties, and can thus rely on more relational resources, including social capital in the form of both solidarity and reciprocity. In fact, their internally cohesive family groups have a high capacity for bonding with each other and intercepting external resources by means of non-redundant ties. As such, they can guarantee a good mix of endogenous solidarity and longer ties, resulting in a situation midway between individualism and unconditional altruism which promotes economic performance and cooperative action (Zukin and DiMaggio 1990; Granovetter 1995; Burt 2001).

As regards the impact that the networks exert on the entrepreneurial outcomes – ovvero sulle variabili di scala meso – one of the investigation’s findings is therefore that what counts is not how much they are inter- or intra-ethnically based, but rather, the structural aspects: small, saturated networks of strong ties for the pizzeria owners, as opposed to the ice cream parlor owners’ networks, which combine a distinctive mix of bridging ties and arm’s length ties.

In addition to the relational structures, some of the resources circulating in them shape the process of ‘institutionalization’ of the two populations of enterprises. The entrepreneurial action of pizzeria owners is oriented towards the local setting, which provides customers, employees, suppliers. Moreover, their entrepreneurial activity has a venture-centric meaning (Greenman 2013): pizzerias are subject to few normative and constitutive rules. Accordingly, pizzerias are a population of micro enterprises with a certain diffuse homogeneity (there is little difference from one pizzeria to another in the criteria for selecting employees, interactions with suppliers and what is on offer to customers), which arises from a process of isomorphism which is predominately mimetic (Powell and DiMaggio 1983). The business of ice cream parlor owners, on the other hand, is sustained by a sense of appropriateness, mutual recognition and a way of doing business that they see as efficient and “right”.

We do things differently than the pizzerias. You can see, if you take a walk around: out there, there’s a pizzeria on the corner of every street. They’re all out to get each other. I’d never go and open an ice cream parlor near another one. We respect each other (ice cream parlor owner, No. 17).

Convergence towards this model takes place consciously, in a process that involves “organization supervisors” and aspiring owners in learning a trade on the job, as well as at “specialized centers” (the training courses organized in Germany by the trade association, Uniteis), and which is reproduced by hiring personnel with certain specific characteristics. We can thus say that the population of ice cream parlors is also isomorphic but, unlike the pizzerias, on the basis of processes that are chiefly normative (Powell and DiMaggio 1983).

Opening a pizzeria is sometime people improvise, people who saw a chance to make money out of pizza. We old ice cream makers, on the other hand, did a good job of preparing the ground. We taught how the job should be done. We’ve made our profession respected […]. That’s one of the reasons we organize training courses (ice cream parlor owner, No. 2).
In addition, the ice cream parlor owners maintain fluid ties between the two poles of their migratory path, have cross-border networks (Glick Schiller and Çağlar 2009), and engage in a form of entrepreneurship with lasting transnational aspects. They are mobile entrepreneurs, whose impact on the economy of the local societies in their home country goes well beyond the simple flow of remittances, creating a complex social and economic field that transcends national borders (Portes, Guarnizo and Haller 2002).

In a nutshell, the analysis of ice cream parlor owners highlights that even in a traditional sector with low human capital, immigrant entrepreneurs express robust economic action, sensu Padget and Ansell (1993), if they are embedded in articulated networks and draw on a shared repertory of constitutive rules.

The differences between the two groups as regards the key dimensions are summarized in the table below. Tralasciamo le variabili macro - relative alla struttura delle opportunità - in quanto indifferenziate tra i due gruppi, e sintetizziamo invece i fattori che, secondo il nostro schema analitico, hanno pertinenza micro e mezzo (see section 2): le combinazioni di micromeccanismi (DBO) alla base dell’agire individuale, la morfologia delle reti, la conformazione del gruppo, l’emergenza di azioni collettive.

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<th>Mechanisms for transition to self-employment (micro-level)</th>
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<td>Pattern within networks (meso-level)</td>
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7. Conclusions
Though the empirical results do not lend themselves to generalization, they provide a picture of two “opposing models” of immigrant entrepreneurship which – if appropriately stylized – can be transferred to the analysis of further empirical cases (see Bryman 2004). In particular, several of the investigation’s findings can suggest some broader considerations.

We can say that the two groups have different degrees of ethnicity: higher for the ice cream parlor owners than for the pizzeria owners. Both groups have an outlet market with no ethnic connotations, while the product offered by both is ethnic, as it is related to their specific immigrant background. However, the ice cream parlor owners have set up a cross-border production system involving Italian suppliers; in addition, they are very attentive to their employees’ national origin and the strategies for building product image. The pizzeria owners, by contrast, have shown...
themselves to be more open to mainstream markets, as regards both suppliers and employee recruitment. Over and above the detailed differences, these latter considerations bring us to a more general suggestion. Within literature on immigrant entrepreneurship, the restaurant business has long been viewed in an evolutionist light, as springing from internal demand from co-ethnics, to which the immigrant entrepreneurs provide an almost mechanical response. There can be no doubt that many case studies have pointed to this type of process (e.g., Masurel, Nijkamp and Vindigni 2004), but this is not to be interpreted nomologically. Our research has shown that different paths could also be identified.

Thus, cases of traditional, *agé* entrepreneurs also confirm the advisability of adopting a multi-level approach to investigating immigrant entrepreneurship. In this connection, our study demonstrated that even in situations with limited opportunity structures, the process whereby immigrant entrepreneurship emerges cannot be interpreted in deterministic terms. This strengthens the need to describe the action-formation mechanisms (Hedström and Ylikoski 2010) linking individuals’ desires and beliefs (*micro*-level) to their action in a situational social structure (*meso*-level), made up of constraints and opportunities (*macro*-level). Come postulato nella parte teorica del paper, a ciascuno dei tre livelli corrisponde un repertorio di strumenti analitici derivanti dalle tradizioni di ricerca della sociologia economica. La NSE si addensa prevalentemente intorno alla scala *meso*, prestando attenzione alle reti. La PE esercita un forte dominio sul livello *macro*, analizzando la struttura delle opportunità formali e la regolazione dei mercati. Più trasversale è invece il raggio di azione del neo-istituzionalismo che fornisce elementi utili sia per ricostruire le motivazioni e gli orientamenti dell’agire individuale su scala *micro* sia gli aspetti normativi che plasmano la cornice istituzionale in cui operano le imprese.

Sulla scorta di queste considerazioni, concludiamo con un ultimo riferimento ai casi di studio. The transition to self-employment takes place through a combination of different motives, where there is a predominantly adaptive component and a logic that is chiefly instrumental if there is no medium-term planning (as in the case of the pizzeria owners). By contrast, proactive mechanisms and motives centering on expression and identity-making are also important where plans are made for the long term (i.e., for the ice cream parlor owners). Accordingly, in the first case the population of immigrant enterprises is institutionalized on the basis of processes that are almost exclusively mimetic, whereas in the second case the processes have a significant normative component. With this in mind, we would welcome *micro*-comparative studies (between similar groups in different contexts, rather than between dissimilar groups in the same context) which analyze how entrepreneurial pathways take shape at the crossroads between the actors’ individual resources, the characteristics of the networks to which they belong, and micro-institutional factors.

Notes

1 Henceforth, we adopt the term immigrant entrepreneurs – by which we mean immigrants who own businesses with employees – rather than ethnic entrepreneurs. The latter concept, in fact, implies that there is a “regular pattern” of interaction, with shared customs and practices in a given immigrant group situated in a specific context. As many scholars have stated, the question of ethnicity is thus not a given of immigrant entrepreneurship, but is a matter of research (Chaganti and Greene 2002; Koning and Verver 2012). For the purpose of this article, the ethnic dimension of the investigated entrepreneurs should be operationalized in relation to: i) the product, i.e., whether it is ethnic or non-ethnic on the basis of the extent to which it is correlated to the entrepreneurs’ background; ii) the market, which may be open or consist of an ethnic clientele; iii) the origin of employees and suppliers (e.g., Rusinovic 2008). With the concept of entrepreneurship, we propose to refer to starting and running a business (van Gelderen and Masurel 2012, 2).

2 There can be said to be three main approaches in economic sociology: New Economic Sociology, which takes into account the different kind of relational embeddedness of economic action; Political Economy, which explores the political regulation of the economic sphere; Neo-Institutionalism which pays attention to cultural embeddedness of economic action, i.e., the role played by informal institutions in shaping economic processes (Swedberg 2007).

3 In greater detail, analytical sociology is a “movement” (Hedström and Bearman 2009), centering on generative mechanism–based explanation, which holds that in order to explain the emergence of a social phenomenon “one should identify the situational mechanisms by which social structures constrain individuals’ action […] shape their desires and
beliefs, describe the action-formation mechanisms linking individuals’ desires and beliefs to their actions and specify the transformational mechanisms by which individuals, through their actions and interactions, generate various intended and unintended social outcomes” (Hedström and Ylikoski 2010, 58). The core of this approach is its reliance on explanation, rather than a preference for a specific theory or object of study; it has often been applied in recent years to sociological investigations of economic phenomena.

Scholars have devoted growing attention to immigrant entrepreneurship for the last couple of decades, chiefly investigating the pathways taken by immigrants from developing countries and settling in the industrialized West. In this work, Italy has been considered as a country that has attracted increasing numbers of immigrants from abroad, neglecting the situation of the Italians who immigrated from the country from the late ‘50s to the early ’70s.

German workers’ self-employment rate is 10.9%, while the average for immigrants is around 10% (our calculation using data from Microcensus 2010). Slightly over 13% of Italian immigrants are self-employed, with a higher-than-average concentration in the restaurant sector (Leicht, Leiss, Fehrenbach 2005). This is a significant figure, given that “Although Italians are not the largest immigrant group in Germany, they have long been the most important nationality with respect to numbers self-employed on a national level” (Wilpert 2003, 241).

There are around 523,000 Italians currently living in Germany. Of these, slightly over 3% reside in the eastern Länder. The majority of Italian residents are concentrated in the southwestern part of the country and in the Rhineland, the heart of industrial Germany. Approximately 82% of the Italians who have immigrated to Germany live in and around Stuttgart in Baden-Württemberg, in the Munich region in Bavaria, in North Rhine-Westphalia and in Hesse (Statistisches Bundesamt Deutschland 2010; Haug 2011).

Take, for example, the case of the Turks living in Berlin’s Kreuzberg district, or the smaller Italian enclave in Mannheim.

The two indexes, whose values range from 0 to 100, were calculated as follows: $IS = 1/2 \cdot \sum_{i=1}^{n} |X_i - Y_i| \cdot 100$, where $X_i$ is the ratio of a group located in the $i$-th area to the total population of that group in the entire city; $Y_i$ is the ratio of the remaining groups located in a certain area to the total of the remaining groups in the entire city; $n$ is the number of urban areas considered. $ID = 1/2 \cdot \sum_{i=1}^{K} |X_i - Z_i| \cdot 100$, where $X_i$ is the ratio of a group in the $i$-th area to the total population of that group in the entire city, $Z_i$ is a ratio similar to $X_i$ for another groups (the native-born, in this case) and $K$ is the number of urban areas considered (see Wong 1998).

The corpus of interviews was analyzed in three stages: i) each interview was segmented, and each segment characterized by theme; ii) interviews and theme were compared; iii) ideal-typical experiences/tendencies were identified to which each case can be assigned with a greater or lesser degree of similarity. In accordance with this methodological orientation, the following sections will present selected quotes from the interviews that are representative exempla of the ideal-typical tendencies thus identified (Cardano 2011).

This is in line with the reconstruction of the context (see section 3), which indicated the low spatial density of Italian immigrants in Frankfurt. In the interviews with key informants, moreover, it was found that pizzeria and ice cream parlor owners did not select the location of their businesses on the basis of a preference for attracting Italian customers. The case studied here thus does not reflect the “little Italy” case encountered in certain cities in the United States, viz., a typical enclave, which only in a mature stage may expand into broader markets. In the case examined here, by contrast, the outlet market’s target was never restricted to Italian consumers.

By “professionalism”, we mean having a high level of skill learned on the job, in some cases strengthened by appropriate training.

Recent years have seen the emergence of other types of ice cream parlor owners, with a less sophisticated level of professionalism and a more permanent presence in the host country (Storti 2007).

Being able to move freely between the two countries was guaranteed by Italy’s membership in the EEC, which gave Italian emigrants a competitive edge over those of other nationalities (Wilpert 2003).

Entry regulations, on the other hand, are not particularly rigid: entrepreneurs intending to start a business are required to have the same permit as pizzeria owners.

Uniteis both trains new ice cream parlor owners and provides ongoing education services for those who are already in business. By contrast with the Italian restaurateurs’ association in Germany, which numbers very few pizzeria owners among its members – none of those we interviewed belonged – a high percentage of ice cream parlor owners belong to the association, which interacts with both Italian and German institutions (www.uniteis.de).

References


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