

# **Making sense of mixed-embeddedness in migrant informal enterprising: the role of community and capital**

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## **Abstract**

### **Purpose**

This paper discusses how informal migrant entrepreneurs with different legal statuses interpret their mixed-embeddedness in social and economic contexts. Legal status represents a key determinant in shaping accessible social networks and market opportunities that in turn influence entrepreneurial choices.

### **Methodology and Research Design**

The paper adopts an interpretative stance to explore how migrant entrepreneurs interpret mixed-embeddedness. It draws on the empirical evidence from a cross-sectional sample of 26 asylum seekers that engaged with enterprising activities in the city of Nottingham in the United Kingdom. A recursive hermeneutic process guided the iterative readings of the accounts to develop theoretical insights on how these agents reinvent their relationship with structure.

### **Findings**

A novel theoretical framework emerges from the data analysis to present how these particular migrants use understandings of community and notions of capital to make sense of their mixed-embeddedness. The main theoretical contribution of the framework is to illustrate how groups with different legal statuses produce unique interpretations of mixed-embeddedness. This, in turn, reflects onto specific forms of enterprising and innovative entrepreneurial choices. The framework also produces an empirical contribution as it re-centres the analysis of mixed-embeddedness around the migrant entrepreneur from previous meso- and macro-level perspectives that dominated recent research.

### **Implications for research and practice**

The paper expands knowledge on the notion of mixed-embeddedness by providing insights on how informal migrant entrepreneurs make sense of it. This can form the basis for allowing scholars to address empirically how migrant entrepreneurs reconcile their embeddedness in both social and economic contexts. In terms of practical implications, the paper paves the way for policy-makers to re-evaluate the current approach to the right of asylum seekers to pursue entrepreneurial activities.

### **Originality/value**

The notion of mixed-embeddedness is central to research on informal migrant enterprising. Nevertheless, the concept remains fuzzy and difficult to operationalise. The paper offers an opportunity to understand how migrant entrepreneurs make sense of mixed-embeddedness so that future scholars can better explore how mixed-embeddedness reconciles agency and structure.

### **Keywords**

Informal migrant enterprising; asylum seekers; community; capital; mixed-embeddedness.

## **Introduction**

The notion of mixed-embeddedness is a crucial theme in migrant entrepreneurship research (Kloostermann *et al.*, 1999; Kloostermann, 2010). Mixed-embeddedness aims at reconciling changes in socio-cultural frameworks with transformations in the urban economy as it encompasses “the crucial interplay between the social, economic and institutional contexts” (Kloostermann *et al.*, 1999, p. 257). To understand the choices and behaviours of migrant entrepreneurs, mixed-embeddedness requires to consider their level of embeddedness in both social networks and market opportunities (Kloostermann, 2010).

At meso- and macro- levels, individuals are embedded in webs of social networks (Granovetter, 1985). Emerging from the social networks literature, embeddedness allowed researchers to explain most of the dynamics surrounding the successes of migrant entrepreneurs (Waldinger, 1995). It rebalanced the relationship between agency and structure proposing that individual choices are engrained in social and institutional webs of relationships (Granovetter, 1985). In migration and regional studies, this generated a view that *social embeddedness* influences entrepreneurial behaviours because it denotes the social capital and networks necessary in particular groups to pursue enterprising activities (Portes, 1997). By expanding this view to market exchanges, Engelen (2001) postulated social embeddedness as “the motivations, orientations, or attitudes of the actors in question rather than the resources – social capital, social networks – they possess” (*ibidem.* p. 209).

Migrant entrepreneurs are also enmeshed in the characteristics of the local market, which presents a “coalescence of various labour, market, capital and competitive pressures” (Barrett *et al.*, 2002, p. 17).

A special issue on “The economic context, embeddedness and immigrant entrepreneurs” in this very journal (Vol. 8, No. 1-2) debated how embeddedness and mixed-embeddedness became the dominant reference points for understanding entrepreneurial choices amongst

migrants. Aiming to explain embeddedness at the macro-level, Razin (2002) defined economic embeddedness as “the economic context for immigrant entrepreneurship, at the national and local levels, and how it interacts with traits of the immigrants themselves, as individuals and groups” (ibidem, p. 163).

Nevertheless, the ongoing debate in literature shows how these concepts remain mostly fuzzy and difficult to operationalise and verify empirically (Razin, 2002). Despite a wide adoption of mixed-embeddedness, migrant enterprising remains mostly studied as being group specific with insufficient investigations of other aspects (Rath and Klostermann, 2002). Research attempts to reconcile the different aspects of mixed-embeddedness have failed to notice what happens in the migrants’ perspectives (Klostermann, 2010). Drawing on this gap, the paper addresses the question “how do migrant entrepreneurs interpret mixed-embeddedness?” by integrating the two aspects of mixed-embeddedness with the notions of community and capital. The former is explored considering both its geographical and relational understandings (Gusfield, 1975; Lumpkin *et al.*, 2018). The latter is interpreted using Bourdieu’s (1986) theory of capital conversions, through which agents can transform economic capital into other forms of power.

The social networks and the market opportunities that influence entrepreneurial choices are in a constant flux, morphing over time. The literature has explored the impact on entrepreneurial choices of structural changes such as dwindling existing ethnic markets (Phizacklea and Ram, 1996); recession and competitive pressures (Ram and Hillin, 1994); the evolution of the clientele’s characteristics (Basu, 2010); the development of skills and socio-cultural programmes (Masurel *et al.*, 2002); the redefinition of access to finance (Ram *et al.*, 2003) or the support available to entrepreneurs (Ram *et al.*, 2002).

This paper expands the existing knowledge on mixed-embeddedness by exploring what happens when constituent elements that define the role of the migrants in their social

networks change. For example, when migrants achieve a different immigration status, they reassess their role in both society and community. The legal status of immigrants is therefore a key determinant for considering enterprising as a viable career choice (Barrett *et al.*, 2002). New roles might redefine social status and offer access to new market opportunities. The legal status is especially important for those migrants who want to lawfully integrate in the host society. Yet, uncertainty over legal status is often a determinant for migrants to choose enacting entrepreneurial activities in the informal economy. The so-called shadow economy present new market opportunities that redesign the economic context where migrants are embedded. These considerations lead to second question the paper aims to address: “how do changes in the immigration status influence the migrant entrepreneurs’ interpretation of mixed-embeddedness?”. To address those questions, the study draws on the life journey of asylum seekers. Amongst the different typologies of immigrants, asylum seekers see their legal status necessarily change over time. This makes them a suitable group for observing how individuals reinvent opportunities and relationships in both community and society.

The paper is organised as it follows: first, it reviews the literature on community, focusing especially on its role in migration research. Second, it analyses processes of value-creation in informal migrant entrepreneurship research. Third, it uses the mixed-embeddedness framework to evaluate empirical evidence from the analysis of the stories of 26 asylum seekers in the UK. Building on the analysis, the paper presents community and capital as interpretative means that migrant entrepreneurs use to navigate mixed-embeddedness and orient value creation. Finally, the paper draws its conclusions and offers policy implications for making sense of the entrepreneurial behaviours of migrant entrepreneurs when their structural marginalisation due to their legal status changes.

## **Enterprising migrants and Community**

The notion of community is central to a variety of disciplines (Bulmer, 1985). Studies on geography (Cater and Jones, 1989); regional and urban development (Masurel *et al.*, 2002); religion (Fitzgerald, 2003); media (Howley, 2005); politics (Frazer, 1999); and sociology (Tönnies 1887; Gusfield, 1975) all debated its determinants and core elements. Various attempts to conceptualise community only renewed the confusion and confirm the elusiveness of a shared definition (Delanty, 2003). Inspired by the experiences of the UNESCO Institute for Lifelong learning, Lumpkin *et al.* (2018) attempted to organise these perspectives into four major conceptualisations that reflect different organisational manifestations of community. The authors suggest that community can be conceptualised around geographical demarcations; identity affiliations; shared interests; or common intentions. Affiliations, interests, and intentions are essentially relational exercises as they refer to the nature and quality of relationships within a particular location (Gusfield, 1975). Tönnies (1887) stressed the importance of such human connections in his initial conceptualisation of *Gemeinschaft*. This encompasses a web of human relationships at times interpreted as commonality of goals and objectives (Somerville, 2016); shared learning process in a particular field (Wenger, 1998); exchange of information and mutual support (Cater and Jones, 1989); issues of identity and belonging, especially in terms of kinship and networks (Coleman, 1990); cultural alignment (Portes, 1997); political mobilization (Delanty, 2003); religious association (Fitzgerald, 2003).

The second aspect identifies community as a discrete geographical association of people, linked by the sense of belonging to a place (Crow and Allen, 1994). Modern technologies challenge this understanding by overcoming distance and decoupling community from a physical co-presence in a defined place. Community thus can be seen as transnational (Delanty, 2003) or indeed virtual (Somerville, 2016) whereby its territorial understanding

transcends physical boundaries (Vershina and Rogers, forthcoming). Community can refer to the social ties in the home country or to the ones in the host country (Delanty, 2003).

The two understandings of community represented an especially crucial theme in migration research (Fadahunsi *et al.*, 2000; Bakewell, 2014). Earlier authors (e.g. Migration System Theory) interpreted community as the system reciprocally linking personal networks in the place of origin with compatriots in the place of destination (Bakewell, 2014). Later views (e.g. Cumulative Causation Theory) observed how these systems self-perpetuate over time. In this perspective, community “links migrants, former migrants, and non-migrants in origin and destination areas by ties of kinship, friendship, and shared community of origin” (Massey, 1990, p. 7). In doing so, it lowers the social and economic costs of migration, it increases the information available and it offers opportunities for work and enterprise (Fussell, 2010). Alternative perspectives considered community not only in migration decisions, but also in the settling process. For example, Institutional Theory theorised community as the system of formal (and informal) institutions (e.g. non-governmental organisations, migrant associations, and other private institutions) that complement governmental immigration systems and offer services to help migrants navigate their new social contexts. In these grooves, informal entrepreneurs often find opportunities for diverse activities such as smuggling, clandestine transport, or informal labour contracts (Massey *et al.*, 1993). Finally, considering migrants’ behaviours in the informal context in relation to specific social and institutional roles introduced the importance of social networks (Goss and Lindquist, 1995). For example, Social Capital Theory stressed how community contributes to create change among people and this, in turn, sets in train specific actions (Coleman, 1990). Therefore, not only does community reinforce cultural references, but it also fosters specific behaviours as socially accepted and even desirable (Portes, 1997).

Reviewing these perspectives is important for the analysis of mixed-embeddedness for two reasons. First, they all share references to how the notion of community facilitates social and cultural exchanges (Portes, 1997) as well as market exchanges (Ram and Jones, 2008). Second, these theories predominantly present community as structure, shaping the migrants' choices and behaviours. Further, community emerged in antithetic terms to the actions of the migrant, following an 'us versus them' discourse (de Haas, 2010). Yet, the interface between agency and structure in migration studies received little attention (Bakewell, 2014). The framework presented in this paper suggests establishing community as a mechanism for making sense of mixed-embeddedness. It does so by showing how entrepreneurs in informal contexts interpret it in terms of both territorial and relational identification.

### **Enterprising migrants and capital in the informal economy**

Previous research widely discussed how migrant enterprising is likely to emerge in informal contexts (Ram *et al.*, 2007; Williams, 2007; Ram and Jones, 2008). Informal enterprising remains under-researched in mature economies, as the phenomenon is traditionally associated with developing or emerging economies (Webb *et al.*, 2014; Williams, 2015). Dedicated research stressed the importance of informal enterprising also in mature contexts (Frith and McElwee, 2009). This is especially important as informal ventures often incubate future formal businesses (Williams and Martinez, 2014).

Generally, migrants that lack legal status are more likely to pursue opportunities in the informal economy (Barrett *et al.*, 2002). So, irregular, unauthorised, unlicensed, and undocumented migrants might rely on informal work as their uncertain status and transitory domicile often prevent them from seeking formal work (Düvell *et al.*, 2008). In such circumstances, migrants might face exploitative labour conditions; endure challenging living conditions; or be victims of criminal syndicates (Baldwin-Edwards and Arango, 1999;

Anderson, 2007). Their lives are often transient as they expect sudden relocation, police prosecutions, detention or repatriation (Colombo, 2013). Informal enterprising, thus, becomes a more preferable alternative to compensate for the lack of access to formal work (Anderson, 2007). It nurtures skills and abilities (Ram and Jones, 2008) and it generates returns and opportunities for both the actors involved and the community (Ram *et al.*, 2007).

The social and economic embeddedness of informal migrants follow a continuous redefinition of social ties and market structures. Goals, expectations, attitudes and opportunities are constantly reevaluated and renegotiated. The business reasons pushing migrant entrepreneurs to enact one venture might be replaced by other emerging pressures (Basu, 2010). In the context of a field that morphs over time, one could expect agents to adjust entrepreneurial choices so to pursue different types of returns. Value-creation can go beyond mere monetary rewards to incorporate other achievements in terms of power or prestige. Bourdieu's (1986) notion of capital is useful for understanding such processes. In his view, the endowment of capital extends over its mere economic notion, to include for example social; cultural; and symbolic capital (De Clercq and Voronov, 2009; Pret *et al.*, 2016; Drakopoulou-Dodd *et al.*, 2018). In entrepreneurial contexts, agents can actively accumulate and strategically deploy these different forms of capital (Bourdieu and Wacquant, 1992; Drakopoulou-Dodd *et al.*, 2018). Agents use enterprising activities not only as a way to benefit from economic opportunities, but also as a means to transform economic capital into other forms of capital and vice-versa. The emerging framework presented in this paper uses Bourdieu's (1986) notion of capital as a mechanism for making sense of mixed-embeddedness by showing how entrepreneurs in informal contexts focus on converting economic capital into other forms of power.

## **Methodology and Research Design**

The paper adopts an interpretative stance to explore how migrant entrepreneurs interpret mixed-embeddedness. It draws on the empirical evidence from a cross-sectional sample of 26 asylum seekers that engaged with enterprising activities in the city of Nottingham in the United Kingdom. A qualitative analysis of the accounts helped to develop theoretical insights on how these particular migrants use understanding of community and notions of capital to make sense of their mixed-embeddedness.

Asylum seekers are a representative sample of migrants that are structurally marginalised and whose legal status changes over time. The UK government aims at processing asylum applications within six months, unless a claim is complex (i.e. “a non-straightforward case”). Nevertheless, 49% of asylum applications in 2017 took longer than six months to be processed. Thousands of cases wait for longer than twelve months, although compounded data make it difficult to aggregate them by year. In addition, many asylum seekers who initially fail to be granted status appeal the initial decision. 62.4% of the refused applicants appealed the decision in 2017 (Hawkins, 2018). Appeals can often take months and in some cases years until a final decision is reached. Meanwhile, these individuals are in an administrative limbo as asylum seekers and failed asylum seekers in the UK cannot legally work, volunteer, start a business, or study (Home Office, 2018). Such conditions imply that asylum seekers often face destitution when waiting for a decision.

The study adopted a purposive theoretical sampling that included asylum seekers at different stages of their legal journey (Bryman and Bell, 2015). In studying migrant enterprising, previous research focused mainly on intra-ethnicity groups (Aldrich and Waldinger, 1990; Masurel *et al.*, 2002). This paper instead analyses a cross-section of ethnicities as it focuses on legal status as a discriminant for group identification (Barrett *et al.*, 2002).

The final sample consisted of four different sub-categories of respondents: early arrival asylum seekers; long resident (more than twelve months) asylum seekers and failed asylum seekers who appealed the decision; asylum seekers who achieved status in the last six months and asylum seekers that achieved status more than one year before. The number of respondents is due to an accurate search for theoretical saturation (Treviño *et al.*, 2014).

The choice to include in the sample asylum seekers with different legal statuses facilitated the observation of how the same category of migrants can face different combinations of mixed-embeddedness. Ideally, a longitudinal study would have been more appropriate (Bryman and Bell, 2015). However, the often-transient nature of the population makes longitudinal studies in these contexts extremely challenging (Düvell *et al.*, 2008).

The sample included respondents of different nationalities, gender, age, and at different stages of their enterprising journey to ensure that the emerging theory was robust. As expected, respondents tended to reflect waves of immigration, with Middle-Eastern migrants (e.g. Iraqis, Afghanis) representing the majority of long-term migrants and people from emerging crises (e.g. Eritreans; Burundians) more represented in recent arrivals. Also women are more represented in early arrivals reflecting trends in the population of asylum seekers (Blinder, 2018).

All respondents have been involved in some forms of enterprising, mostly in the informal sector, as expected (Anderson, 2007). If initially the aim was to include structured forms of enterprises, the theoretical sampling approach soon required considering different experiences of enterprising, albeit small or fragmented. The sample was skewed in terms of gender with a high proportion of male respondents. This reflects the population studied (Blinder, 2018). Table 1 summarizes the details of the sample.

INSERT TABLE 1 ABOUT HERE

A research team collected qualitative data using recorded semi-structured interviews. This is an established method in researching both informal enterprising (Frith and McElwee, 2009; Vershinina and Rodionova, 2011) and migrant enterprising (Fadahunsi *et al.*, 2000; Vershinina and Rogers, forthcoming). The research team involved two research assistants to support the data collection and key informants to build the necessary trust with such marginalised groups (Düvell *et al.*, 2008). The team also interviewed key informants at a local NGO to contextualise the accounts of the enterprising migrants in the informal economy (Fleming *et al.*, 2000).

An interview protocol guided the interviews. This included specific questions to investigate the migrant entrepreneurs' social and economic embeddedness. Interviews lasted on average around 45 minutes. Where possible, the research team conducted interviews in English. Respondents could switch to their native language when one member of the team could act as a translator. This not only increased the comfort of the interviewee, but it also facilitated the

capture of linguistic nuances. The research team recorded all interviews and transcribed them verbatim. However, due to the sensitive nature of the discussion, often interviewees preferred to speak off-the record. Interviews were hence often fragmented. This required the interviewers to collect extensive field notes that integrated the recorded data.

The coding of the qualitative data drew on aspects that the existing theories on social (Engelen, 2001) and economic (Razin, 2002) embeddedness. Table 2 below offers an example of how coding structures were created and associated to existing and emerging theoretical aspects. The ongoing data gathering ensured that new coding structures were included in subsequent coding stages to explain emerging themes. The next section presents the analysis of the data and discusses the findings.

## **Analysis and Findings**

The data analysis involved five rounds. The first and second round observed the relations with social networks (Engelen, 2001) and market opportunities (Ram and Jones, 2008) respectively. A recursive hermeneutic process guided the iterative readings of the data and of the related theory to ensure the process did not exclude any relevant concept (Drakopoulou-Dodd *et al.*, 2018). The progressive emergence of discourses of community and value-creation invited the research team to go back to the literature to explore these notions and incorporate them to frame the analysis. The third and fourth round of analysis hence explored the geographical and relational aspects of community, respectively (Gusfield, 1975). Bourdieu's (1986, 1989) notions of capital proved useful to interpret what guided the migrants' entrepreneurial choices in the final step of the analysis.

INSERT TABLE 2 ABOUT HERE

The first step of the analysis explored how the migrant entrepreneurs made sense of their social embeddedness. To this end, the analysis focused not only on the type of social ties, but also on the social structures and how they could support or constrain individual choices and goal seeking (Granovetter, 1985). Following Engelen's (2001) definition of *social embeddedness*, the analysis looked at how these individuals attribute expectations outside of the economic sphere to other members of the social group. Table 2 shows how the accounts highlighted different motivations, expectations, and attitudes towards the self-identified social networks. Interestingly, to the word community migrants associated motivations and expectations highlighting the sense of belonging and identity to these social networks. Similarly, the word community emerged when migrant talked about their economic embeddedness. This was in part expected as the literature widely discussed the reliance on community in identifying market opportunities (Masurel *et al.*, 2002). The analysis also evidenced how the migrants associated various discourses of value creation to both economic and social embeddedness. The example in table 2 for the long resident asylum seekers shows

how they associated to the available opportunities not only a chance to make money, but also an occasion to develop knowledge and ideas. Previous studies highlighted how informal activities can incubate future formal businesses (Williams and Martinez, 2014). This research also illustrates how migrants interpret market structures not only in terms of economic opportunities or limitations, but also in terms of other forms of value creation (Bourdieu, 1986, 1989). Figure 1 below depicts the emerging framework used to complete the analysis. The framework exhibits how migrant entrepreneurs interpret mixed-embeddedness using understandings of community and discourses of capital transformation to make sense of the interplays between their relations, motivations and expectations in social networks and the market opportunities that the economic and political embeddedness offers them.

INSERT FIGURE 1 ABOUT HERE

The analysis reported below and in table 2 highlights how the dynamics through which migrants make sense of their mixed-embeddedness differ between the different groups within

the sample. The four groups rely on distinct conceptualisations of community and value-creation to produce unique interpretations of mixed-embeddedness.

#### *Mixed-embeddedness as obligation*

Early arrival asylum seekers have only informal work available. In the host city, they might know few trusted people. They might struggle to understand the language yet have limited or no opportunities to study it. The socio-economic context is one of structural marginalisation as they are legally prevented to work, study, and volunteer. This means that any *faux pas* can incur into high personal and social costs. They might be detained, forcibly removed, lose the investment of the journey. Ultimately, they feel they will fail to meet the expectations of close ones back at home. Migrants mobilize few trustworthy social networks, normally formed of family or clan members. In the accounts, these contacts often take the face of “cousins” (especially for interviewees from Middle Eastern cultures); “brothers” (especially for interviewees of African origins); or simply “friends of friends”. In these clan-like relationships, they anticipate their honourability to increase when their actions reflect an attempt to meet obligations towards their inner circle of social connections. Quotes like the following significantly pepper the accounts, highlighting a widespread sense of obligation.

*“We do what we have to do” (Respondent D).*

*“The family wants to know that I make it ok” (Respondent F).*

The identification of any spatial dimension of community is mostly absent in the stories of these nascent migrant entrepreneurs. When they appear, it is only to indicate locations of their journey. In setting up their activities, they rally contacts to support their activities both in the host country and in the sending society. Community is both here and ‘at home’.

*“You cannot be fussy [...] you must do something [...] everybody in the community looks at you. They ask in every phone call what you are doing” (Respondent C).*

*“Everybody in the community thinks you will do fine [...] every time [we are] on the phone they ask if I’m ok [...] Everybody [in the community] helps you if there is no money (Respondent D)”.*

Migrants in the initial settling period associate the word community to social ties revolving around systems of obligations. These include whoever they feel ought to support them in the new social context and the ones they perceive to owe an unmet obligation. At this stage, trust is crucial.

Making sense of their mixed-embeddedness as a system of obligations shapes expectations towards the social ties at home and in the host country and pushes them to accept any available enterprising activities. Obligation invites individuals to set in train actions aimed at demonstrating their role in this clan-like community. Migrants hence accumulate social capital by meeting the anticipated expectations of their social networks.

*“If you are without a job everybody in the community helps you to find something [...] and you take it” (Respondent A).*

*“We are expected to do any job. We cannot choose if we have no status [...]” (Respondent B).*

At this stage, the opportunities that enterprising activities pursue are relevant only if they guarantee dignity in the eyes of their community as a tightknit group of family and friends. These opportunities can be indifferently either paid work or independent enterprises and migrants switch often rapidly and seamlessly between the two. The following excerpt echoes the one presented in table 2 and exemplifies this recursive journey between paid jobs and informal enterprising.

*“I was working in the field, you know, picking beans...it is very hard work [...] and humiliating. I tell you. Then with [my cousin] we put some money aside and bought some boxes of vegetables and fruit and we went to sell them to the houses. You know, there are a lot of ladies around who cannot go to the market [...] after few weeks, we both went to work with [my cousin’s] cousin helping him with the deliveries” (Respondent B).*

A tension to act characterises enterprising, with minimal perceptions of enterprising risk. The main aim of enterprising activities is ‘doing something’ as a way to honour a widespread sense of obligations. Arbitrage, bricolage, and bootstrapping are therefore common activities to accrue economic capital and transform it into social capital.

### *Mixed-embeddedness as systems of acceptance*

Long-term asylum seekers (i.e. those who have been waiting for a decision for more than twelve months) and failed asylum seekers who appealed the decision are more likely to face destitution and often rely on NGOs and charitable organisations for support (Blinder, 2018). Key informants in a local NGO in Nottingham confirmed how cultural and religious festivals, language, and shared experiences bring them close to the local diaspora. In terms of social embeddedness, they experience a widespread expectation to be helped by compatriots and manifest a tendency to comply with cultural norms so to be accepted in an identifiable social group. In terms of economic embeddedness, the local diaspora opens an easily accessible market outlet (Ram and Jones, 2008); provides efficient sources of finance (Smallbone *et al.*, 2003); and selects trustworthy human resources (Ram *et al.*, 2007). Community includes people and locations that support their acceptance in the local diaspora. From a social perspective they are at risk of being deported at any given moment if their application is refused or their appeal is not upheld. The key informants confirmed that individuals in this group are therefore very distrustful of others outside the same cultural circle. They engage with social networks constituted mainly by groups of compatriots living in the host country. These include people from different social and class background, tied together by the shared destiny of being fellow countrymen/women in a foreign country. At this stage, recognition of cultural similitudes is crucial in order to achieve social acceptance (Portes, 1997). In their

accounts, migrants refer to community as the web of social networks that facilitates their acceptance in a culturally similar group. Spatially, the community is identified as revolving around places such as community and religious centres.

*“Everybody [in the community] help[s]. You go to mosque, you can know other people from Sudan and help each other” (Respondent H).*

*“You work hard [and] everybody sees that you are not here to steal [...] that you can do something to help the other Kurds” (Respondent G).*

These migrant entrepreneur realise the relevance of cultural capital as a currency for improving one’s status in the wider social networks of the diaspora. Enterprising activities emerge as an opportunity to be at the service of locally based compatriots (Fadahunsi *et al.*, 2000). Enterprising activities hence focus around specific culturally relevant services for other migrants in the diaspora. These services often crystallize in precise forms and attract specific investments. They can take forms that recall the ones in the home country.

Marginalised migrant entrepreneurs continue to operate in the shades of the informal economy. Nevertheless, they promote rudimentary forms of advertisement, establish branding, and visibly engage in self-promotion in the social places of the diaspora (e.g. churches, mosques, community centres). Enterprising emerge as a series of exchanges that guarantees mutual support. Marginalised migrants use their enterprising activities to transform economic capital into cultural capital and, in turn, trade it for acceptance in the diasporic local networks. Respondent K (a barber, running his business in the back office of a legal barber-shop) exemplifies the understanding of mixed embeddedness as system of acceptance.

*“There is no competition with other barbers. We recommend customers to each other. We also support each other when we are short of money or to fill documents. I do the job very traditional. People like because they feel like at*

*home. [...] It is very important to have the support of the Kurdish community. People from my community are very supportive; I have built a very good, friendly relation, so whenever I have any questions or have any problems, I will find support and advice easily. Community is where we exchange ideas and knowledge, where we support each other to succeed” (Respondent K).*

In this perspective, the essence of enterprising is servicing the cultural needs of the community. Even if at times this means sacrificing profit. In the quote above, Respondent K seems to be using a rhetorical device in saying that “*there is no competition with other barbers*”. Especially when considering a sector where migrant enterprising is renowned for cut-throat price strategies (Engelen, 2001). However, personal visits to the establishments confirmed how this group used these strategies against other competitors but not towards the group they wanted to be accepted from.

#### *Mixed-embeddedness as a system of legitimisation*

Asylum seekers who achieved status in the last six months face different market structures. They can now legally start a business or make their enterprise emerge from the informal economy. Nevertheless, the evidence collected showed how some businesses still remain in the shadow economy. This might occur if the enterprise requires a license to operate (e.g. certified translations) or if there is the worry about revealing previous informal operations. It is hence common to observe the entrepreneur using a proxy for making the business visible.

The motivations and the expectations of social embeddedness revolve around legitimising their role. Key informants in the NGOs confirmed how these migrants are now more likely to donate time and resources to support other migrants. A wider social presence of marginalised

migrants pairs with a more visible presence of their enterprising activities, for example with sponsorships. The social network extend from the compatriots to the wider migrant community. Migrant entrepreneurs extend social exchanges to public meetings, events and ceremonies. They use these activities as marketing tools to promote their ventures within the wider migrant networks. This is especially useful to recruit other marginalised migrants looking for work. Such commitments definitely contribute to increase their legitimisation before social networks of different migrant groups.

From a relational point of view, community becomes the wider migrant network. This includes stakeholders such as other migrant communities, other migrant businesses, and NGOs. From a geographical perspective, the community is now interpreted as based all around the city.

Enterprising migrants now accrue and trade economic capital to activate social networks that include both economically relevant actors (e.g. other local businesses) and societal facilitators (e.g. NGOs). Marginalised migrants entrepreneurs use their accumulated economic capital to invest in the collaborative aspects of their enterprises such as supply-chain relationships, informal lending, access to human resources, and sharing of available resources.

Respondent R runs an informal catering service, supplying other local catering businesses run by migrants. She often volunteers with local NGOs:

*“I cook for everyone, Congo, Kurds, Sudani [...] many help to get vegetables where they work, with good money, we all help each other [in the migrant community] (Respondent R).*

When a local NGO organised a series of music events to promote ethnic music, Respondent Q, who runs music recording and videos for ceremonies using a cousin as a proxy, found an opportunity to increase his economic capital and reputation:

*“For the music project, I helped everybody in the [migrant] community. [...] you get always ask somebody to help if you need an instrument [...] many people call me for parties” (Respondent Q).*

The reciprocal nature of such collaborative approach allows enterprising migrants to convert economic capital into reputational capital so to increase their exposure to wider migrant social networks. Collaboration-driven enterprising activities become more visible. This is a crucial moment for businesses that started as informal ventures. Respondent P runs a food delivery business.

*“All people in the refugee community will help you with money if you have a business. Because you are doing something good and helping others. Many other people have informal businesses and help each other. [...] we work with formal businesses as well. They want us to do deliveries for them because we are cheap. In this situation, they pay us little money. We are happy to do this because it shows that we are grateful and that we can do good things. [...] All the refugee communities are also very supportive. They will give you money if you need it for your business. People in the community give you advice to do the business better. You can always speak to somebody to help. You can speak to [a local NGO]. The community is very important especially in giving you knowledge and advice. A member of the community that had a delivery business supported me when [something happened]. He taught me how to organise the deliveries and how to calculate prices and buy fuel. Other people of the community I met [at a local NGO] has (sic) also been very important to give me skills to speak to other businesses. The competition is not very important in my community. Even if another asylum seeker does your same business, they all help each other. If I there is a new refugee, we help him in learning the job and in getting money” (Respondent P).*

In his account, he presents a wider understanding of community to include “*all people in the refugee community*”. From a relational perspective, this community includes people who share the need and the desire for solidarity and mutual support. From a geographical perspective, this community lives in the spaces that a local NGO has across the city. The account highlights the importance of receiving recognition for good actions. This evidences how enterprising activities are interpreted as economic capital being transformed into

reputational capital. Social networks and market opportunities emerge as occasions to legitimise personal status in society.

### *Mixed-embeddedness as systems of affiliations*

The last group of migrant entrepreneurs included former asylum seekers that achieved refugee status for longer than one year.

As some of the structural barriers of marginalisation disappear, more market opportunities become available. The enterprising migrants can now focus on more value-added activities such as management. The enterprises hire more people and tend to transform into formal businesses. Nevertheless, in almost all businesses in the sample, the research team observed that some aspects of the venture remain informal. Key informants supporting the research corroborated this view.

In terms of social embeddedness, the expectation is to give back to others, to provide mentorship and to invite affiliations to their newly achieved position. Community and value-creation again help make sense of their economic and social embeddedness. In terms of geographical understanding, community is now often identified with precise territorial demarcations. In the migrants' stories, this normally encompasses the neighbourhood, with only marginal distinctions between its migrant and non-migrant components. The relational understanding of community focuses on the integration of all those stakeholders that recognise the prestige in their social role. They enact enterprising activities that allow them to accrue symbolic capital to nurture their position within the web of relationships they have now established in a specific local area. For example, entrepreneurs hire people from all ethnic backgrounds and they propose their enterprising activities as an opportunity for all

local residents. Enterprising activities become a chance to gain prestige and recognition in the (local) social networks.

*“In neighbourhood 1, we know if somebody is doing business on the side. But if they are helping others is seen as a good thing” (Respondent V)*

*“We are a big community, here in neighbourhood 1. I also like to help younger people in the community. If I can, I give them a job that gives them dignity. Everybody appreciates that because these people don’t have other opportunities without status” (Respondent Y).*

*“British [people] accepted us and we know we have to do everything to thank them [...] my door is open for every people of the community” (Respondent Z).*

Finally, the identification of community with a particular place allows migrants to see it as a system of *affiliations*. This construction includes everybody that lives in the area, disregarding of their background, of their length of stay, of their ethnicity and of their migrant status.

A crucial element across the different stories in this sample is that several aspects of the business remain informal. In particular, almost all entrepreneurs use the business as a hub for mentoring new incoming asylum seekers in the city. This approach often takes the form of informal training centres within the business. After hours, respondent S runs a workshop where young asylum seekers tinker with old TVs and repair phones. He recalls that:

*“I found it very difficult to receive help and training. This is why I like having asylum seekers and refugees at the shop. They cannot work because they have no status, but they need to be shown the way. Nobody supports them with their skills. The local community helps them with money and... you know... food and stuff. [...]. I take time to show them how to sort PCs and phone. It is not a problem for me to stay until night. It’s a good thing for them. They learn and then they can do their own things when they get status”.*

Respondent T echoes: *“I take time to show them how to sort PCs and phone. It is not a problem for me to stay until night. It’s a good thing for them, so they can start doing it for themselves”.*

Similarly, two local barbers confirm the mentoring approach to enterprising activities in this stage:

*“some people know already what to do, so they work in the shop. Some others have never done the job, so we teach them, and maybe, one day, they will work in the shop, teach to somebody else [...] maybe have their own business in neighbourhood 1” (Respondent W).*

*“In neighbourhood 2, there is a wide network and everybody is supportive. I let two young guys use my salon. They are refugees and cannot work. In the shop, I teach them how to cut hair and also how to run the business. So, then they can have theirs when they get status. They get some money to help their families, but they are happy because they do something for their future” (Respondent U).*

The research team probed entrepreneurs and key informants on this point as it signalled possible ethical issues in terms of work exploitation. This in fact seemed at a first glance a way to recruit cheap workforce. Nevertheless, personal observations and reports from the two key informants stressed the social power associated with this approach of enterprising.

*“Respondents S and T now have proper shops, but there is always a part of the business hidden on the side. This is where the new people work, so they learn how to do things” (Informant 2).*

*“They always have the door open to teach something to you” (Informant 1).*

Through investing time and resources in the training, these entrepreneurs transform economic capital into symbolic capital that they use to gain prestige and social recognition. The workshop becomes a symbol of a rite of passage, through which these established migrant entrepreneurs interpret their mixed-embeddedness.

## Discussion

Mixed-embeddedness remains a key framework for understanding migrant entrepreneurship, especially in informal contexts. Being an interactionist approach, it links agency and structure in a meaningful way (Kloostermann, 2010). However, the concept remains fuzzy, difficult to operationalise and to verify empirically (Razin, 2002). Although it reconciles different levels of analysis of the migrant entrepreneurship phenomenon, it falls short in explaining the interpretative positions of migrant entrepreneurs. Mixed-embeddedness sees agents as reflexive actors who can to some extent inform their own choices (Kloostermann, 2010). Nevertheless, little research exists on ‘how’ these entrepreneurs enact their reflection.

This paper set out to explore how migrant entrepreneurs interpret mixed-embeddedness.

It produced a theoretical contribution in the framework depicted above in figure 1. The framework provides a key to interpreting how migrant entrepreneurs make sense of mixed-embeddedness. It does so by considering their social and economic embeddedness as well as framing it using different understandings of community (Lumpkin *et al.*, 2018) and processes of capital conversions (Bourdieu, 1986). The paper also generates an empirical contribution by using the framework to analyse under-researched social groups (i.e. asylum seekers with different legal statuses). Figure 2 below illustrates how this can favour the identification of unique interpretations of mixed-embeddedness typical of specific groups.

The social networks and the market opportunities and structures in which agents are embedded are in a continuous status of flux. Different structural aspects contribute to make them change in time. The active reflection of agents emerges from their actions and accounts. For example, the paper considered the case of legal status as one of the possible drivers that leads to the redefinition of social and economic embeddedness. It is important to notice how the legal status is only one possible driver, yet easily identifiable.

The empirical analysis of the entrepreneurs' stories evidenced how different possible configurations of mixed embeddedness might emerge.

INSERT FIGURE 2 ABOUT HERE

Figure 2 illustrates how entrepreneurs actively reflect in retelling their stories and in presenting their identity. The migrant entrepreneur takes centre stage as a reflexive actor, whilst the outer ring indicates their mixed-embeddedness.

In the first ring, in their stories and choices, the migrant entrepreneurs enact a reflection on the transformation of capital, in which they convert economic capital into other forms of power. In their accounts, these represent valuable currency in their social and economic networks. In the second ring, migrant entrepreneurs use geographical and relational understandings of community to portray their social networks (Gusfield, 1975).

The processes illustrated in the two rings underscore the construction of different interpretations of mixed-embeddedness. The latter are not normative indications, rather they are specific to the case structurally marginalised migrants analysed. Yet, they could offer a workable basis for operationalising mixed-embeddedness, especially for comparative studies across heterogeneous groups.

Two challenges emerging from the data are important to discuss. First, some of the entrepreneurs presents accounts that appear too positive for the context of marginalisation and informal enterprising in which they were collected. Migrant entrepreneurship research highlighted the often aggressive competitive strategies in informal enterprising (Engelen, 2001). For example, respondent K and respondent P underplay the importance of competition and almost dismiss its existence. Although personal visits to their establishments supported some of the claims, their statements appear more as rhetorical devices. Nevertheless, the aim of the analysis was not to reveal absolute truths, but to uncover the mechanisms through which these agents enact their reflection on social and economic embeddedness. A potential limitation on this approach is due to the fragmented nature of the interviews. Language barriers and fear of revealing sensitive information might also have shaped the accounts to emphasize positive spins on personal experiences and choices.

A second challenge to consider is that although often the process of asylum follows chronologically the different legal statuses considered, this process is not evolutionary. Migrant entrepreneurs can experience one or more of the configurations without necessarily moving onto a successive one. This distinguishes this approach from the 'break-out' approach common in migrant entrepreneurship research (Waldinger et al. 1990; Jones et al. 2000; Engelen 2001). The aim here is not to anticipate possible trajectories of migrant enterprises, but to understand how agents make sense of the underpinning transformations that shape their mixed-embeddedness and that, in turn, can offer insights on entrepreneurial choices.

## **Implications for research and practice**

In terms of implications for future research, the framework proposed in this paper can form the basis for allowing scholars to address empirically how migrant entrepreneurs reconcile their embeddedness in both social and economic contexts. In terms of designing new research, scholars can use the framework to focus on aspects other than ethnicity in investigating informal migrant enterprising. Furthermore, the framework justifies the investment in potential longitudinal studies that will allow researchers to better observe these transformations over time. Finally, future research could explore in detail each of the emerging forms of enterprising to investigate under-researched issues in informal migrant enterprising. For example, research on mentoring-based forms of enterprising might contribute to shed light to yet unearthed enterprising dynamics in terms of talent management in the context of the informal economy.

In terms of policy implications, the paper confirms that structural limitations to formal work for asylum seekers would not stop them from engaging in enterprising activities, albeit informally. Although structural limitations are in place to protect the country's labour market dynamics, in their current form they mainly produce a shift in the type of activities asylum seekers engage when status changes. Government actions focused on structural limitations to curb informal migrant enterprising. This only favours an interpretation of mixed-embeddedness that mainly produces disjointed forms of self-employment. As many informal migrant enterprises incubate future formal businesses (Williams and Martinez, 2014), there is an opportunity to orient the interpretation of mixed-embeddedness so to facilitate exchanges of innovative and disrupted ideas. The paper informs stakeholders of the migration process of how informal enterprising takes place and responds to the relationships that marginalised migrants develop with the community. This invites policy makers, local authorities and non-governmental organisations to consider revising the social networks marginalised migrants

(can) interact with. Dedicated enterprising training, apprenticeship schemes for marginalised migrants as well as opportunities for social exchanges between migrant groups and between local networks might favour novel community interactions. This would, in turn, support the development of formal businesses and indeed accelerate the process of social integration of marginalised migrants.

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Figure 1

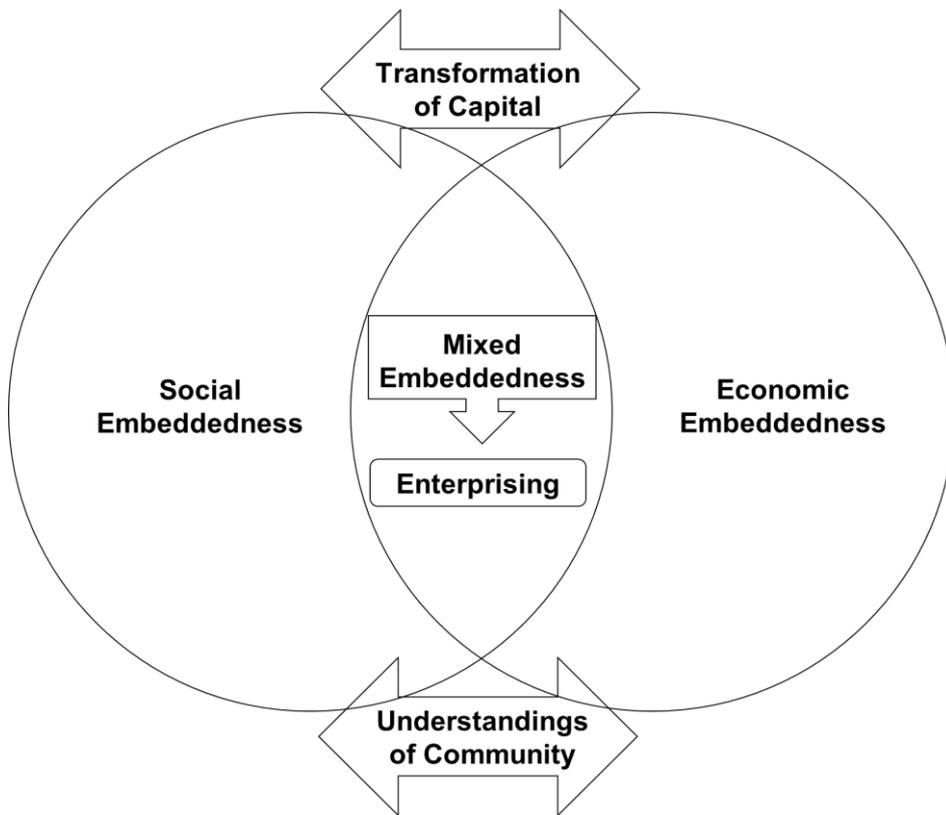


Figure 2

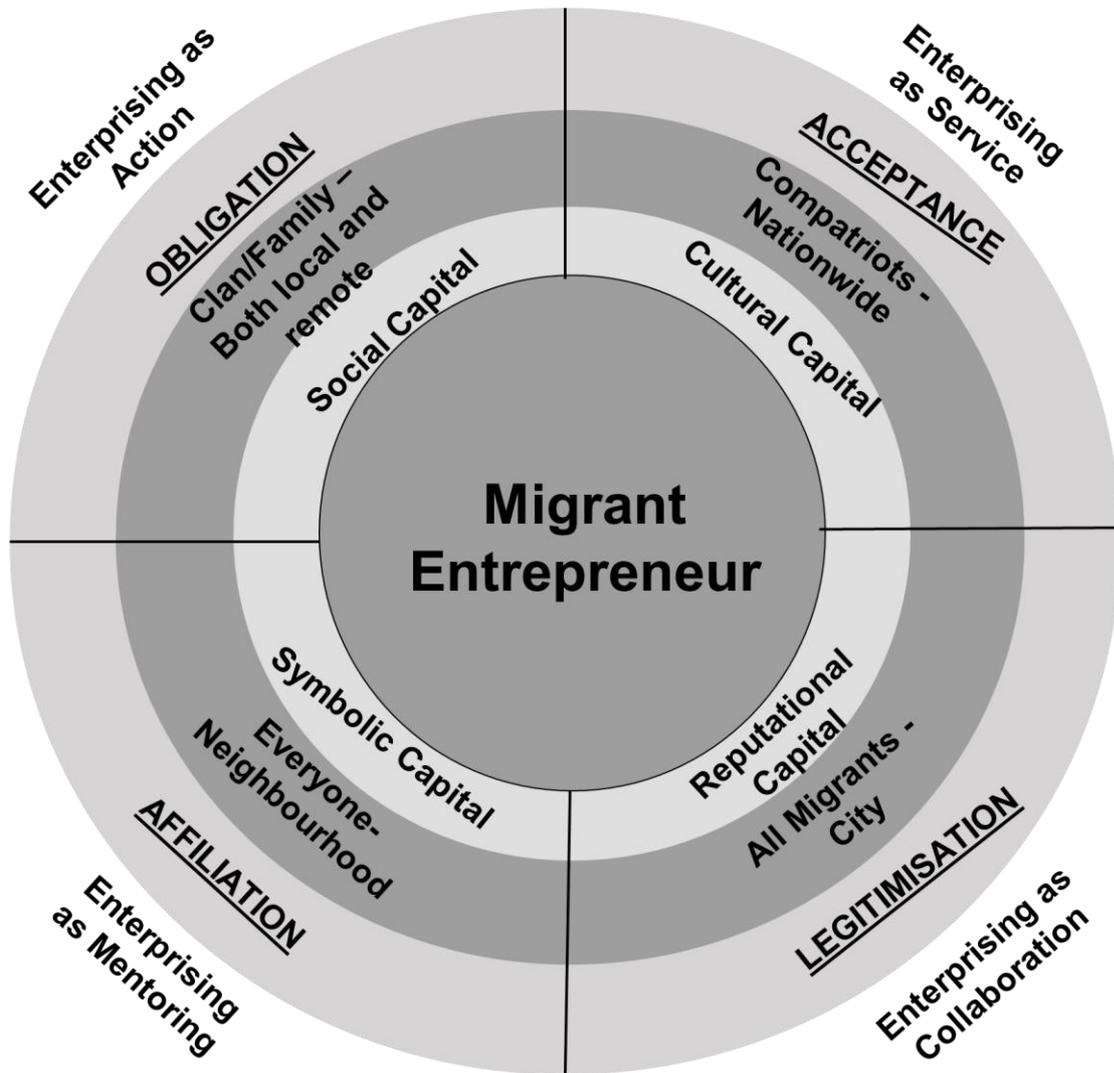


Table 1. The sample

|  | Respondent | Gender | Country         | Sector of main enterprise     |
|--|------------|--------|-----------------|-------------------------------|
| Early arrival asylum seekers   | A          | Male   | Burundi         | Painting / Decorating         |
|  | B          | Male   | Afghanistan     | Grocery Wholesale Trading     |
|  | C          | Female | Cape Verde      | Cleaning Services             |
|  | D          | Male   | Eritrea         | Construction                  |
|  | E          | Male   | Iran            | Car Wash                      |
|  | F          | Female | Syria           | Cleaning Services             |
| Long-term asylum seekers (more than 12 months) and failed asylum seekers who appealed the decision | G          | Male   | Kurdistan/Syria | Catering                      |
|  | H          | Female | Sudan           | Translation Services          |
|  | I          | Female | Eritrea         | Alteration Services           |
|  | J          | Male   | Syria           | Legal Services                |
|  | K          | Male   | Kurdistan/Iraq  | Barber                        |
|  | L          | Female | Congo DR        | Wholesale Trading             |
| Asylum seekers who achieved status in the last 6 months  | M          | Male   | Sudan           | Electrician                   |
|  | N          | Male   | Afghanistan     | Catering                      |
|  | O          | Male   | Sudan           | Maintenance Services          |
|  | P          | Male   | Kurdistan/Iraq  | Phone Repair                  |
|  | Q          | Male   | Zimbabwe        | Music/Video editing           |
|  | R          | Female | Morocco         | Catering                      |
| Asylum seekers that achieved status for longer than 1 year.  | S          | Male   | Iran            | TV / IT Shop and Repair       |
|  | T          | Male   | Kurdistan/Iraq  | Phone Repair                  |
|  | U          | Male   | Iran            | Barber                        |
|  | V          | Male   | Iraq            | Catering                      |
|  | W          | Male   | Kurdistan/Iraq  | Barber                        |
|  | X          | Male   | Afghanistan     | Catering                      |
|  | Y          | Male   | Pakistan        | Welding                       |
|  | Z          | Male   | Iraq            | Shopkeeper (Cigarettes trade) |

| Group  |   | Social Embeddedness  | Economic Embeddedness  | Geographic understanding of community   | Relational understanding of community               | Transformation of capital   | Forms of enterprising  |
|--|---|--|--|---|---|---|--|
| Early arrival asylum seekers   | <i>“Although my expertise was in tailoring, I started a carwash. Then I become a worker in another carwash. I then did other jobs like organise deliveries to ladies who cannot go to the shops and offering translation services to the community here, in Turkey and back home. I also did tailoring services at home, but I was getting very little money for it. In this situation, people take advantage of you, show little respect for your dignity, and your job.[...] After all those jobs I now started this successful car wash and I feel better as people in the community can see that I am doing something serious” (Respondent E)</i> | Search for “Respect” & “Dignity”   | Only informal work available. Exploitation is common. “people take advantage of you”   | Straddled between home and host country “the community here, in Turkey and back home” | Family, Friends, Clan                               | Economic capital is transformed into Social Capital, which increases respect and dignity. “people in the community can see that I am doing something serious” | Take action, Do anything. “I started a carwash. Then I become a worker in another carwash. I then did other jobs like organise deliveries”     |
| Long-term asylum seekers (more than twelve months) and failed asylum seekers who appealed the decision | <i>“There is no competition with other barbers. We recommend customers to each other. We also support each other when we are short of money or to fill documents. I do the job very traditional. People like because they feel like at home. [...] It is very important to have the support of the Kurdish community. People from my community are very supportive; I have built a very good, friendly relation, so whenever I have any questions or have any problems, I will find support and advice easily. Community is where we exchange ideas and knowledge, where we support each other to succeed” (Respondent K)</i>                         | Search for support “whenever I have any questions or have any problems, I will find support and advice easily” | Only informal work available. Hope of ensuing legalisation favours incubation of ideas. “Community is where we exchange ideas and knowledge” | Locally present   | National community “the Kurdish community”          | Economic Capital is transformed into Cultural Capital “I do the job very traditional. People like because they feel like at home”                             | Service the community even if it means to sacrifice profit. “There is no competition with other barbers. We recommend customers to each other” |
| Asylum seekers who achieved status in  | <i>All people in the refugee community will help you with money if you have a business. Because you are doing something good and helping others. Many other people have informal businesses and help each other. [...] we work with formal businesses as</i>  | Search for recognition “We are happy to do   | Formal work and enterprise is available. “All people in the refugee  | City-wide “Other people of the community I met [at a local                            | Entire Migrant Community “All people in the refugee | Economic Capital “We work with formal businesses as   | Extend collaborations “A member of the community   |

|  |   |   |   |   |  |  |   |
|--|---|---|---|---|--|--|---|
| the last six months  | <p>well. They want us to do deliveries for them because we are cheap. In this situation, they pay us little money. We are happy to do this because it shows that we are grateful and that we can do good things. [...] All the refugee communities are also very supportive. They will give you money if you need it for your business. People in the community give you advice to do the business better. You can always speak to somebody to help. You can speak to [a local NGO]. The community is very important especially in giving you knowledge and advice. A member of the community that had a delivery business supported me when [something happened]. He taught me how to organise the deliveries and how to calculate prices and buy fuel. Other people of the community I met [at a local NGO] has (sic) also been very important to give me skills to speak to other businesses. The competition is not very important in my community. Even if another asylum seeker does your same business, they all help each other. If I there is a new refugee, we help him in learning the job and in getting money (Respondent P)</p> | <p>this because it shows that we are grateful and that we can do good things”</p> | <p>community will help you with money if you have a business”. Lack of certifications and/or fear of revealing the previous informal activities can limit personal legal exposure</p> | <p>NGO] has (sic) also been very important to give me skills to speak to other businesses” (the local NGO is based across the city)</p> | <p>community”</p>                                  | <p>well. They want us to do deliveries for them because we are cheap. In this situation, they pay us little money. We are happy to do this because it shows that we are grateful and that we can do good things”</p> | <p>that had a delivery business supported me when [something happened]. He taught me how to organise the deliveries and how to calculate prices and buy fuel”</p> |
| Asylum seekers that achieved status for longer than one year | <p>“I found it very difficult to receive help and training. This is why I like having asylum seekers and refugees at the shop. They cannot work because they have no status, but they need to be shown the way. Nobody supports them with their skills. The local community helps them with money and... you know... food and stuff. [...]. I take time to show them how to sort PCs and phone. It is not a problem for me to stay until night. It’s a good thing for them. They learn and then they can do their own things when they get status”</p>  | <p>Search for affiliation<br/>“they need to be shown the way”</p>                 | <p>Opportunity to introduce other services in the offer.<br/>“they need to be shown the way. Nobody supports them with their skills”</p>  | <p>Spatially identifiable with the neighbourhood<br/>“The local community helps them with money and... you know... food and stuff”</p>  | <p>The neighbourhood<br/>“the local community”</p> | <p>Investment<br/>“I take time to show them how to sort PCs and phone”</p>   | <p>Mentorship<br/>“It’s a good thing for them. They learn and then they can do their own things when they get status”</p>   |

