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DRIVERS AND IMPACT OF MIGRANT ENTREPRENEURSHIP ON SOCIOECONOMIC INTEGRATION FROM A MIXED EMBEDDEDNESS PERSPECTIVE: CASE STUDY OF THE TURKS IN GHENT, BELGIUM

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DECLARATION

I hereby declare that this doctoral thesis titled as **"Drivers and Impact of Migrant Entrepreneurship on Socioeconomic Integration from a Mixed Embeddedness Perspective: Case Study of the Turks in Ghent, Belgium"** has been written by myself in accordance with the academic rules and ethical conduct. I also declare that all materials benefited in this thesis consist of the mentioned resources in the reference list. I verify all these with my honour.

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ABSTRACT

Doctoral Thesis

Doctor of Philosophy (PhD)

Drivers and Impact of Migrant Entrepreneurship on Socioeconomic Integration from a Mixed Embeddedness Perspective: Case Study of the Turks in Ghent, Belgium

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The European Commission's Entrepreneurship 2020 Action Plan stated that to make entrepreneurship the growth engine of the EU's economy, Europe needs a 'thorough, far-reaching cultural change'. In order to create 'more entrepreneurs for Europe' it i.a. formulated to reach out to specific groups such as migrants. Yet, to achieve this the issues of drivers and entrepreneurial success are crucial.

Applying a mixed embeddedness perspective, this case study of Turkish entrepreneurs in the Belgian city of Ghent reveals that the continuing presence of enabling factors for starting a business since 1974 have been the availability of a Turkish customer market and the accessibility of markets without the necessity for large human and financial capital. Present- day Turkish entrepreneurs are primarily driven by the wish for independence. Findings of the similar median wage level to the median monthly net income per taxable person in Ghent indicate that entrepreneurship enables socioeconomic integration in the host society. Yet, the perception of social mobility is higher than the actual socioeconomic mobility which entrepreneurship has generated. Among 20 variables, long-term entrepreneurship, perceived easiness of administrational barrier to set up the business, absence of an unemployment push, large native Belgian customer share, motivation by extrinsic rewards and market opportunities; and large social

network showed a clear correlation to higher median net income values. Despite the evolution towards an ethnic mosaic, findings on the wage level demonstrate that entrepreneurs with material incentives for setting up a business can equally opt for a location in the ethnic enclave.

Keywords: EU, Belgium, Euro Turks, (Migrant) Entrepreneurship, Migrant Integration, Mixed Embeddedness, Socioeconomic Integration, Social Mobility, Opportunity Structure, Ethnic Economy, Entrepreneurship Policy

ÖZET

Doktora Tezi

Göçmen Girişimciliğinin Sosyoekonomik Entegrasyona Karma Gömülü (mixed embeddedness) Yaklaşım Açısından Güdüleri ve Etkisi: Gent, Belçika'daki Türkler Örnek Olay Incelemesi

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Avrupa Komisyonu'nun 2020 Girişimcilik Eylem Planı, girişimciliği AB ekonomisinin büyüme lokomotifi haline getirmek için Avrupa'nın 'esaslı, geniş kapsamlı kültürel değişime' ihtiyacı olduğunu belirtmiştir. 'Avrupa için daha fazla girişimci' yaratmak amacıyla göçmenler gibi spesifik gruplara ulaşmayı formüle etmiştir. Ancak, bu amaca ulaşmak için ilgili faktörler ve girişimcilik başarısı konuları kritik önem taşımaktadır.

Belçika'nin Gent şehrindeki girişimcilerin mixed embeddedness (karma gömülü) bakış açısını uygulayarak örnek olay olarak incelenmesi, 1974 yılından itibaren mevcut etkinleştirme faktörlerinin, iş kurmak için Türk müşteri pazarının ulaşılabilirliğini ve büyük miktarda insan kaynağı ve mali sermaye olmadan da pazara erişilebilirliği mümkün kıldığını ortaya koymaktadır. Günümüz Türk girişimcileri öncelikli olarak bağımsızlık isteği ile hareket etmektedir. Gent'teki vergilendirilebilir kişi başına düşen ortalama aylık net gelir ile benzer medyan maaş seviyesi bulguları, girişimciliğin ev sahibi toplumda sosyo-ekonomik entegrasyon sağladığını göstermektedir. Ancak, sosyal hareketlilik algısı, girişimciliğin yarattığı gerçek sosyoekonomik hareketlilikten daha yüksektir. 20 değişken arasında uzun vadeli girişimcilik, işletmeyi kurmak için sağlanan idari kolaylıklar, işsizlik baskısının yokluğu, yerli Belçikalı müşteri payının büyüklüğü, dışsal mükafatlar ve pazar fırsatlarının motivasyonu; ve büyük sosyal ağ, yüksek medyan net gelir değerleri ile açık bir korelasyon

göstermiştir. Etnik bir mozaiğe doğru evrime rağmen, ücret düzeyi ile ilişkili bulgular, bir iş kurmak için maddi teşviği bulunan girişimcilerin, etnik yerleşim bölgesinde bir yer seçmeyi de tercih edebileceklerini göstermektedir.

Anahtar Kelimeler: AB, Belçika, Avrupa Türkleri, (Göçmen) Girişimciliği, Göçmenlerin Entegrasyonu, Karma gömülü, Sosyo-ekonomik Entegrasyon, Sosyal Hareketlilik, Fırsat Yapısı, Etnik Ekonomi, Girişimcilik Politikası

IMPACT OF MIGRANT ENTREPRENEURSHIP ON SOCIOECONOMIC INTEGRATION FROM A MIXED EMBEDDEDNESS PERSPECTIVE: CASE STUDY OF THE TURKS IN GHENT, BELGIUM

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ABBREVIATIONS

BVBA	Besloten Vennootschap met Beperkte Aansprakelijkheid (≈UK: Private Company Limited By Shares)
CG	Control group
CLIP	Cities for Local Integration Policy (Network)
Comm. V.	Commanditaire Vennootschap (≈UK: Limited Partnership)
Comm. V.A.	Commanditaire Vennootschap op Aandelen (≈UK: Publicly Traded Partnership)
CVBA	Coöperatieve Vennootschap met Beperkte Aansprakelijkheid (≈UK: Limited Liability Cooperative)
CVOA	Coöperatieve Vennootschap met Onbeperkte Aansprakelijkheid (≈UK: Unlimited Liability Cooperative)
DG	(EU) Directorate-General
DG ECOFIN	DG Economic and Financial Affairs
DG GROWTH	DG Internal Market, Industry, Entrepreneurship and SMEs
EBVBA	Eénpersoons- BVBA (≈UK: Single Member Ltd.)
EC	European Commission
EEA	European Economic Area: 28 EU countries + Norway, Iceland and Liechtenstein
EEC	European Economic Community
EESC	European Economic and Social Committee
ERDF	European Regional Development Fund
EU	European Union
EU-15	EU countries until the 2004 enlargement: Belgium, the Netherlands, Luxemburg,

	Germany, France, Italy, the United Kingdom, Denmark, Ireland, Greece, Spain, Portugal, Austria, Sweden and Finland
EU-28	The European Union, as of 2013 comprised of 28 member states
Europe Non-EU	Switzerland, Norway, Albania, Belarus, Kosovo, Moldavia, Russia, Bosnia, Ukraine, Liechtenstein, Andorra, Monaco, San Marino, Macedonia, Croatia (until 2013), Iceland, Serbia and Montenegro
FPS	(Belgian) Federal Public Service
GEM	Global Entrepreneurship Monitor
Horeca	Hotel/ restaurant/ café
KCM	Koninklijk Commissariaat voor Migrantenbeleid (Royal Commissariat for Migrant Policy)
KSZ	Kruispuntbank van de Sociale Zekerheid **(**Belgian Crossroads Bank for Social Security)
Last 13 states that joined the EU	EU member states since 2004: the Czech Republic, Slovakia, Poland, Hungary, Slovenia, Malta, Cyprus, Estonia, Latvia, Lithuania, Bulgaria, Romania and Croatia
M	Median value
Maghreb	Group of Northwest African Countries: Morocco, Algeria, Tunisia, Libya, Mauretania
NGO	Non-Governmental Organization
Neighbour countries	France, Germany, the Netherlands and Luxembourg
NV	Naamloze Vennootschap (≈UK: Public Limited Company)
OCMW	Openbaar Centrum voor Maatschappelijk Welzijn (Public Centre for Social Welfare)

OOG	Ondersteuningspunt Ondernemen Gent (Support point Entrepreneurship Ghent)
RSVZ	Rijksinstituut voor de Sociale Verzekeringen der Zelfstandigen **(**Belgian National Institute for the Social Security of the self-employed)
SME	Small and medium-sized enterprise
SYNTRA	Vlaams Agentschap voor Ondernemingsvorming (Flemish Agency for Entrepreneurial Training)
Q	Question
UNIZO	Unie van Zelfstandige Ondernemers (Union of Self-employed Entrepreneurs)
VDAB	Vlaamse Dienst voor Arbeidsbemiddeling en Beroepsopleiding (Public Employment Service Flanders)
VLAIO	Vlaams Agentschap Innoveren en Ondernemen (Flemish Agency Innovation and Entrepreneurship)
VVSG	Vereniging van Vlaamse Steden en Gemeenten (Association of Flemish Cities and Municipalities)
VZW	Vereniging Zonder Winstoogmerk (Non-Profit Association)
Western and Northern EU-15	Ireland, the United Kingdom, Austria, Denmark, Sweden and Finland
Southern EU-15	Italy, Spain, Portugal and Greece

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INTRODUCTION

a) Justification of the study

Beginning with the early 1980s, in many advanced economies small firms and self-employment have been considered a panacea to stimulate competitiveness, economic growth, employment, innovation and flexibility (Kloosterman, 2003:167). At the March 2000 Lisbon European Council, the heads of state or government of the European Union (EU)-15 decided to improve the EU's performance in the areas of employment, economic reform and social cohesion, in attempt to be better positioned in a post-industrial economy, with promoting entrepreneurship in Europe becoming a core objective of the EU.

The 2008-09 financial economic crisis yet seriously hampered the attractiveness of having an own business in the EU. Only in 2012 the pre-crisis level of number of enterprises in 2008 was reached (EC DG Growth[1], 2016:9). In 2013 it was shown that in comparison to 2004 the share of people preferring self-employment to being employed had dropped in 23 out of the (then) 27 EU member states. Overall, entrepreneurship appears to be a much less popular career choice in Europe, where 37% of Europeans prefer to be self-employed, compared to 51% of people in the US and 56% in China (EC, 2013a:4). A Eurobarometer Report in 2012 (EC, 2012b) shows that in north-western continental countries in Europe, the lowest preference was given to working as an employer, which suggests a correlation between the presence or absence of the (activating) social welfare state and an individual's preference for self-employment. This yet does not mean that these welfare states are also the countries with the lowest density of small and medium-sized enterprises (SMEs). In 2015 Sweden (7.0), the Netherlands (6.2), Luxembourg (5.6) and Belgium (5.1) all scored higher than the EU-28 average of 4.5 in terms of number of SMEs per 100 inhabitants (EC DG Growth, 2016:6)[2]. It however does suggest the lack of an entrepreneurial culture[3].

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[1] In full: European Commission Directorate-General Internal Market, Industry, Entrepreneurship and SMEs.
[2] The density of the SME population was the highest in the Czech Republic (9.4), Portugal (7.6) and Slovakia (7.5) (EC DG Growth, 2016:9).
[3] This is also the conclusion made by Holvoet et al. (2015:24).

The Entrepreneurship 2020 Action Plan, presented by the European Commission in 2013, stated that ‘to make entrepreneurship the growth engine of the EU’s economy, Europe needs a thorough, far-reaching cultural change’. In order to create ‘More entrepreneurs for Europe’ three action pillars were formulated, among which ‘Role models and reaching out to specific groups, namely women, seniors, the unemployed, young people and migrants’. Migrants in particular have been considered as ‘an important pool of potential entrepreneurs’. It has been acknowledged that relative to natives, migrants are more likely to set up businesses and can substantially contribute to growth and job creation in the EU (EC, 2012a; 2015). Entrepreneurship may also be a viable route for the economic incorporation and thus integration of immigrants and their children (EC, 2015a; EC, 2015c; European Economic and Social Committee (EESC), 2012:16).

Yet, while migrants have a higher propensity to start a business, it should also be acknowledged that the survival rate of migrant businesses is lower relative to those of natives (Desiderio and Mestres-Domenech, 2011:146; Masurel et al., 2002:5). It follows that, for the aforementioned contributions to take place, not merely the increase in number of migrant entrepreneurs but also the issue of entrepreneurial success appears to be crucial. With respect to these points, hence the following research questions can be deducted:

- What are the factors of entrepreneurial decision-making among migrants?
- What is the level of entrepreneurial success?
- What are the factors leading to entrepreneurial success?

Today Turkish migrants and their descendants are among the largest non-EU migrant and non-EU migrant entrepreneurial groups in many European countries. During the last decennia, an extensive body of literature has been produced on the increasing entrepreneurial activity of the Turkish diaspora in traditional migration countries in Europe. Relative to many other third-country nationals in the EU, ‘Euro Turks’ have also appeared to engage more in entrepreneurial activities. Yet, while about 70% of entrepreneurial ‘Euro Turks’ are estimated to live in Germany (Baycan, 2013:388), a large amount of studies on Turkish entrepreneurship in Europe have highlighted the features of Turkish entrepreneurship in Germany, and to a lesser extent in France, the Netherlands and Austria. Relatively speaking, the case of Turkish entrepreneurship in Belgium has drawn much less attention, despite presently hosting more than 150,000 people who were born with the Turkish nationality (Schoonvaere, 2013:5).

As migrant entrepreneurship tends to be concentrated in cities (Marchand and Siegel, 2014:3), research conducted at the local level is considered particularly valuable. Nonetheless, while in general there is lack of reliable data on immigrant entrepreneurship in many countries, this is even more the case at the local level. Drawing on data from 28 European countries, the last module of the 'Cities for Local Integration Policy' (CLIP) Network, provided much insight into immigrant entrepreneurship at the local level. Yet, it did not include any Belgian cities (Rath, Eurofound, 2011). The same holds for the EC-financed study 'Evaluation and analysis of good practices in promoting and supporting migrant entrepreneurship' (JIIP and VVA Consulting, 2016).

The city of Ghent, Belgium's third most populated city[4] following Brussels and Antwerp, provides an interesting case as unlike in other Belgian cities the population of Turkish origin by far constitutes the largest foreign origin group (21,809 or 8,8 % of the total population) and the increase in entrepreneurial activities by Turks is well known (De Bock, 2012; Verhaeghe et al., 2012, De Gendt, 2014). Moreover, as a result of its demographic and macro-institutional context, the selection of Ghent enables the study of Turkish entrepreneurship in a smaller city (with a population of 252,000 people) in a(n) (activating) social welfare state. De Bock (2014) made a study of ethnic entrepreneurship from 1960 until 1980. Verhaeghe et al. (2012: 14-24) and the non-academic work of De Gendt (2014: 118-127, 201-212) included a study of the emergence and the evolution of Turkish entrepreneurship in their more general studies on the integration of Turkish migrants. Verhaeghe et al. (2012: 14-24) claim that since the end of the 1990s the Turks in Ghent have been moving away from the ethnic enclave into an ethnic mosaic, whereby the ethnic economy is for instance no longer exclusively directed at the own ethnic group. The qualitative study of Bonne et al (2014) primarily focused on the social networks of Turkish entrepreneurs in Ghent.

[4] While Ghent is Belgium's third most populated city, it is the second most populated municipality, owing to the fragmentation of the city of Brussels into 19 different municipalities. In Flanders, Ghent is both the second most populated city and municipality, following Antwerp.

Still, the literature devoted to the entrepreneurial activities of the Turks in Ghent is rather scarce. Hitherto studies on Turkish entrepreneurship have also insufficiently explored relations between the micro-, meso- and macro-level in explaining the emergence and success of Turkish entrepreneurship.

Scholarship on migrant entrepreneurship is divided over the factors which affect the supply side of migrant entrepreneurship. Neoclassical inspired approaches that reigned supreme in the last quarter of the twentieth century emphasized the role of the entrepreneurial spirit. In line with this individualistic view, much research on entrepreneurship has been devoted to actors themselves, mapping their personal characteristics and backgrounds (Kloosterman, 2010:26). Researchers looking at migrant entrepreneurship moved beyond this individual approach by looking for explanations at the level of groups. Structuralist approaches claimed the societal context had to be taken into account as certain groups of migrants were pushed towards self-employment due to specific obstacles (i.e. discrimination) in the labour market for these groups. Culturalist approaches claimed particularly cultural traits offered potential explanations for setting up shop. While the importance of these cultural traits was hard to assess, the potential set of resources that entrepreneurs could command was widened by adding social capital to human capital and financial capital. Entrepreneurship became increasingly regarded as being socially embedded. Granovetter (1985) distinguished relational embeddedness from structural embeddedness, with the former referring to economic actors and involves personal relations with one another and the latter to the broader network to which these actors belong. Waldinger et al. (1990:21-31) included the opportunity structure, i.e. the set of opportunities entrepreneurs can discover and exploit, in analysing migrant entrepreneurship. Kloosterman et al. (1999) put forward the concept of mixed embeddedness as an interactionist approach to encompass both migrant entrepreneurs and the opportunity structure in a more comprehensive analytical framework. As such, the mixed embeddedness approach maintains that both individual and social factors, market conditions and policies and programmes play a role in the decision of migrants to set up shop.

Entrepreneurial success of migrants can be assessed in various ways. One can look at the success of one venture or at the success of entrepreneurship more in general.

With regard to the first aspect, both the profitability and/or the survival rates of migrant firms can be compared with the profitability and/or the survival rates of native-owned enterprises. Yet they can also be measured by comparing the wage level of migrant entrepreneurs with various other variables (Irastorza, 2010). This latter method in fact is also a common way to measure the socioeconomic integration of migrant entrepreneurs, which is the most relevant dimension of integration in the context of immigrant entrepreneurship (Marchand and Siegel, 2014:13). Research has shown that the contribution of migrant entrepreneurship to the socioeconomic integration of immigrants is far for evident. The wage level of migrant entrepreneurs is often compared to the wage level of employed immigrants. In some cases, such as in Germany and in the United States migrant entrepreneurs have higher incomes than employed migrants. However, there is evidence the opposite is true in Sweden (Hjerm, 2004). The data suggest a relation between the presence and absence of the social welfare state and the income level of migrant entrepreneurs relative to employed migrants. Some studies make a comparison with the wage level of native entrepreneurs. Bernard (2008) has shown that immigrants assimilate to the wage level of natives faster in small cities. Others have made a comparison between the wage level of migrant entrepreneurs within and outside an ethnic enclave. According to Marchand and Siegel (2014:14-15), the impact of living in an ethnic enclave on the wage level of migrant entrepreneurs varies from case to case.

These studies on the wage level of migrant entrepreneurs however tend to be limited to one aspect of migrant entrepreneurship, e.g. the impact of location. These studies also do not provide insight in the change in income level the decision to become an entrepreneur has generated in one’s individual life. In this regard, an assessment of the level of upward social mobility achieved as result of entrepreneurship, i.e. a rise in income relative to the income generated in the professional status prior to becoming entrepreneur, can serve as an indicator of entrepreneurial success.

The various approaches on the factors which affect the supply side of migrant entrepreneurship may equally be employed for analysing the factors of entrepreneurial success. The structuralist approach claims structural, external factors often prevent migrant entrepreneurs from experiencing upward social mobility. Both at the micro- and the macro- level a large number of studies point at a performance disadvantage of necessity entrepreneurs vis-à-vis opportunity entrepreneurs (Verheul et al., 2010:9)[5]. The culturalist approach claims cultural factors such as embeddedness in an ethnic network, on the other hand provide a viable route for upward social mobility (Light, 1972). Relating to the mixed embeddedness conceptual framework of Kloosterman et al. (1999) both individual and social factors, market and economy factors and policies and programmes[6] impact upward social mobility. Building on previous work Kloosterman (2010:29) claims that patterns of socioeconomic incorporation of migrant entrepreneurs crucially hinges on the human capital and the growth potential of the market, which respectively refer to significant changes in the supply side (i.e. more high-skilled migrants from non-OECD countries) and the demand side (i.e. new opportunities which arise due to the post-industrial transformation of urban economies) in the past two decades. While vacancy chain openings lead to stagnating social mobility, there are reasonably good chances of upward social mobility for low-skilled workers in post- industrial entrepreneurship and very good chances of upward social mobility for high- skilled workers in post- industrial entrepreneurship. The more a country has moved up on the road to the post-industrial society, the more post-industrial openings will be generated.

This dissertation adopts the comprehensive mixed embeddedness approach (Kloosterman et al., 1999; Kloosterman, 2010, Marchand and Siegel, 2014) to analyse the interplay between the underlying factors of Turkish entrepreneurship and entrepreneurial success in Ghent. Socioeconomic integration was selected as an indication of entrepreneurial success. In order to study the socioeconomic integration of Turkish entrepreneurs where possible a study will be made of the extent of achieved upward social mobility of Turkish entrepreneurship as a result of entrepreneurship, i.e. a rise in monthly net income relative to the monthly net income generated in the professional status prior to becoming entrepreneur. Apart from this a comparison will be made with the median monthly net income per capita in Ghent. While the study equally entails a retrospect on Turkish entrepreneurship, emphasis is laid on the study

[5] Reynolds et al. (2001) introduced the concept of opportunity and necessity entrepreneurship, in which opportunity entrepreneurs are driven mainly by pull motivations while necessity entrepreneurs are rather driven by push factors.

[6] Market and economy factors and policies and programmes together form the opportunity structure where the individual entrepreneur is embedded in, apart from the embeddedness in the own ethnic network.

of contemporary Turkish entrepreneurship in Ghent. Applying a mixed embeddedness approach, entrepreneurial decision-making and the level of entrepreneurial success will be viewed as the result of the interplay between factors at the micro-, meso- and macro-level, respectively referring to the personal background and characteristics of Turkish entrepreneurs; labour, product and financial market conditions for Turkish entrepreneurs in Ghent and policies and programmes at the European, federal, regional and municipal level. The study aims to determine the elements from the mixed embeddedness framework which correlate the most to entrepreneurial success/ socioeconomic integration, for which the monthly net income serves as an indicator. Finally, derived from the hypothesis of Verhaeghe et al. (2010: 14-24) that the Turks in general are moving towards an ethic mosaic, the hypothesis that the Turkish ethnic economy is not exclusively directed towards the own ethnic group is tested.

b) Objectives of the study

The theoretical discussions of concepts related to the entrepreneurial activity of immigrants and ethnic minorities, and the gaps found in the literature led to the selection of the following general and specific research objectives:

- To perform a retrospective analysis of the interplay between the factors underlying the emergence of Turkish entrepreneurship and level of socioeconomic integration.
    - To establish the changes in the size of Turkish entrepreneurship and the extent of socioeconomic integration.
    - To establish which elements at the micro-, meso- or macro-level are the most responsible for the emergence of entrepreneurship and socioeconomic integration.
- To perform an analysis of the interplay between factors underlying the emergence of contemporary Turkish entrepreneurship and level of socioeconomic integration.
    - To analyse the differences in policies with regard to migrant entrepreneurship at the European, federal, regional and municipal level.
    - To collect and present new data on Turkish entrepreneurship in Ghent, obtained through structured interviews with 43 Turkish entrepreneurs in Ghent in December 2016.

- To measure the impact of entrepreneurship on socioeconomic integration on an individual basis (by structured qualitative research). i.e. 1) to measure the social mobility caused by entrepreneurship by comparing the monthly net income level during the last month of the former professional status with the average monthly net income in 2016, as well as the perception of social mobility; 2) compare the median monthly net income in 2016 with the median monthly net income of citizens in Ghent.
- To measure which elements at the micro-, meso- and macro-level correlate the most with entrepreneurial success/ socioeconomic integration, defined in terms of relatively higher average monthly net income in 2016.
- To verify whether empirical evidence from Turkish entrepreneurs in Ghent is found for the hypothesis that the Turks in Ghent are moving away from an ethnic enclave into an ethnic mosaic.

c) Structure of the study

Chapter one of this dissertation presents a review of the literature on migrant entrepreneurship, with particular attention given to the factors causing the emergence of migrant entrepreneurship and the effects of migrant entrepreneurship.

In chapter two and three, the conceptual framework and the methodology are presented, respectively.

Chapter four presents a retrospect on the emergence and evolution of entrepreneurship and socioeconomic integration of Turks in Ghent as of the mid-1960s until present. This first section of the analysis aims to combine the available insights on the emergence and evolution of entrepreneurship and socioeconomic integration of Turks in Ghent and make additions to this, applying a mixed embeddedness perspective. As for this section individual data of Turkish entrepreneurs were not available, the level of socioeconomic integration was studied more in general terms on the level of the Turkish community. In the final part of this chapter, i.e. 'Turkish entrepreneurship as of the late 1990s', more recent features of Turkish entrepreneurship in Ghent and the situation of Turks on the labour market in Ghent and Flanders are presented.

Building on the final section of chapter four, chapter five presents the study on the emergence of entrepreneurship and socioeconomic integration of contemporary Turks in Ghent. In the first section of this chapter a brief summary is given of key characteristics of the (socio-) economic fabric of Belgium, Flanders and Ghent. A second section gives a presentation of the size of the Turkish population within the entire foreign population and the population of foreign origin in Belgium, Flanders and Ghent. In the third section, the size of (migrant) entrepreneurship at the national, regional and municipal level is presented. By combining information provided in the first and second part, the entrepreneurial activity of Turks is compared with the entrepreneurial activity of other migrant groups in Belgium. Section four presents the study of the (migrant) entrepreneurship policy at the EU, Belgian, Flemish and Municipal level. Data was obtained from public institutions at the national, regional and urban level and sociological literature on the Turks in Ghent. What are the main features of the entrepreneurship policy at these various levels? Do policy papers make mentioning of migrant entrepreneurship and if so to which extent do they reach out to (subgroups of) (potential) migrant entrepreneurs? Are there any specific policies and/or support programmes in place where migrant entrepreneurs can benefit from and if so, which migrant entrepreneurs are entitled to this? The majority of the data were obtained from public and private institutions at the European, federal, regional and urban level. In addition, data were obtained from universities, civil society, and Flemish business associations. For a better understanding of the presence or absence of targeted policies towards migrant entrepreneurs, section five presents an analysis of the Flemish migrant integration policy. Also, does this migrant integration policy support immigrants to become entrepreneur? Data used for this part largely entail data from Flemish public institutions, civil society and academic literature. Section six presents the data from a sample survey questionnaire conducted with 43 Turkish entrepreneurs in Ghent, obtained through structured interviews[7] in December 2016. Besides offering new data on Turkish entrepreneurship in Ghent, these data allow a study of entrepreneurial decision-making and the impact of entrepreneurship on

[7] In order to get a higher response rate, the interviews were conducted in conjunction with Vzw Compactuna (CCA), a Ghent- based non-profit association, who i.a. aims to increase interethnic and intergenerational contacts in a context of diversity. The association was founded by Belgians of Turkish origin with connections in the Ghent-Turkish network.

socioeconomic integration on an individual basis. A series of questions (Q3, Q4a, b and c) were asked to establish the impact of entrepreneurship on upward social mobility (i.a. a rise/drop in monthly net income) contemporary Turkish entrepreneurs have experienced as a result of entrepreneurship relative to the professional status they had prior to becoming entrepreneur. Yet, the majority of the question were selected in accordance with the three factors influencing entrepreneurial decision-making and success of the mixed embeddedness conceptual framework i.e. policies and administrative challenges/ institutional politics, market conditions/ economy in which a distinction is made between the labour market, the product market and the financial market; and finally, individual and social factors[8]. Data are presented in the same chronology. Besides determining the extent of up/downward social mobility experienced as a result of entrepreneurship (Through Q3, 4a, Q4b and Q4c, but also Q1 and Q2 in order to reduce distortive factors), the structured qualitative study aims to determine the elements from the mixed embeddedness framework which correlate to entrepreneurial success/ socioeconomic integration, defined in terms of relatively higher median monthly net income in 2016. Median calculation was applied to test a total number of 20 propositions which were developed from explanatory variables. These dependent variables were derived from the questions in the questionnaire and as such were in accordance with the mixed embeddedness conceptual framework. For the independent variable data were used of 38 entrepreneurs who stated their average monthly net income group level in 2016 (Q4c). Data of the same 38 entrepreneurs excluding the data of 4 recently established entrepreneurs (i.e. entrepreneur for <1 year, Q1) were used as a control group (CG).

[8] See for example Marchand, Siegel (2014).

Table 1: Variables, Propositions and Sources (own research)

Variable name	Proposition	Source
1. Duration of entrepreneurship	Entrepreneurs who have been uninterruptedly active as self-employed for more than 10 years have a higher monthly net income.	Q4c & Q1
2. Prior professional status	Entrepreneurs with the prior professional status of student earn more than entrepreneurs with the prior professional status of wage-earner.	Q4c & Q2 (CG Q1)
3. Obligatory pre-entrepreneurial business plan	Entrepreneurs who had to provide a business plan to set up their business have a higher monthly net income.	Q4c & Q4 (CG Q1)
4. Perception of adminstrative burden	Entrepreneurs who found it very easy to fulfil the legal criteria to set up their business have a higher monthly net income.	Q4c & Q7a (CG Q1)
5. Public support prior to business set up	Entrepreneurs who benefited from general information, individual guidance or financial support offered by a public institution to start their business have a higher income.	Q4c & Q8a (CG Q1)
6. Public support after business set up	Entrepreneurs who have benefited from public services after the start of their business(es) have a higher income.	Q4c & Q11a (CG Q1)
7. Motivation to set up a business (1)	Entrepreneurs whose decision to become an entrepreneur was not influenced at all by having difficulties to find a job/ not finding a job as a wage-earner in the regular labour market have a higher income than entrepreneurs whose decision to become an entrepreneur was very much influenced by having difficulties to find a job/not finding a job in the regular labour market.	Q4c & Q13 (CG Q1)
8. Type of business	Independent professionals have the highest monthly net income.	Q4c & Q15b (CG Q1)
9. Legal status of business	Entrepreneurs with a business with the legal status of BVBA[9] have a higher monthly net income than entrepreneurs with the legal status of Eenmanszaak.	Q4c & Q15c (CG Q1)
10. Business location	Entrepreneurs with a business in a neighbourhood with under-representation of persons of Turkish origin have a higher monthly net income.	Q4c &Q17 (CG Q1)
11. Ethnicity of target clientele	Entrepreneurs with a native Belgian target clientele have a higher monthly net income.	Q4c & Q19 (CG Q1)
12. Ethnicity of actual clientele	Entrepreneurs with a native Belgian customer share above 75% have a higher monthly net income.	Q4c & Q20 (CG Q1)
13. Easy availability of start capital	Entrepreneurs who found it easy to collect a necessary amount of start capital for their (first) business have a higher monthly net income.	Q4c & Q21a (CG Q1)
14. Localness	Entrepreneurs who were born and raised in Belgium have a higher monthly net income.	Q4c & Q25a (CG Q1)
15. Education level	Highly educated entrepreneurs have a higher monthly net income.	Q4c & Q29a (CG Q1)
16. Level of Dutch language skills	Entrepreneurs who are proficient in Dutch language have a higher monthly net income.	Q4c & Q30 (CG Q1)
17. Pre- entrepreneurial experience	Entrepreneurs with pre-entrepreneurial experience have a higher monthly net income.	Q4c & Q32a (CG Q1)
18. Motivation to set up a business (2)	Entrepreneurs who were motivated by market opportunity and extrinsic rewards have a higher monthly net income.	Q4c & Q33 (CG Q1)
19. Formal social network	Entrepreneurs who take part in one or more business association(s) have a higher monthly net income.	Q4c & Q35a (CG Q1)
20. Informal social network	Entrepreneurs with more than 1,000 people in their social network have a higher monthly net income.	Q4c & Q36a (CG Q1)

[9] Besloten Vennootschap met Beperkte Aansprakelijkheid (≈UK: Private Company Limited By Shares).

Based on the presented data on the target clientele of Turkish entrepreneurs it can also be verified whether evidence could be found for the hypothesis that the Turks in Ghent are moving away from an ethnic enclave into an ethnic mosaic (Verhaeghe et al., 2012: 14-24).

In the conclusion, in accordance with the mixed embeddedness approach, the interplay between factors at the micro-, meso- and macro-level underlying the emergence of Turkish entrepreneurship and level of socioeconomic integration in Ghent will be thoroughly discussed. This will both involve a discussion of Turkish entrepreneurship in the past and contemporary Turkish entrepreneurship in Ghent.

CHAPTER ONE
LITERATURE REVIEW

1.1. THE SUBJECT OF MIGRANT ENTREPRENEURSHIP IN THE POLITICAL AND ACADEMIC DEBATE

International migrants, according to a widely used definition, persons who have been outside their country of birth or citizenship for a period of 12 months or longer (Sasse and Thielemann, 2005:656), have become a key feature of a modern open society. Immigrants from both developed and less-developed countries moved to advanced economies, embodying the very complex process of globalisation in a very palpable sense In Europe, the immigrant population is growing and rapidly becoming more diverse in terms of ethnic or national origin, but also in terms of length of stay, educational achievement and socioeconomic position (Rath, Eurofound, 2011:1,83).

Much research has been done on the socioeconomic impact of migrants on the host society. While several studies have shown that in the short- run immigration provides many benefits and contributes to economic growth and the creation of new jobs in Europe, far less is known about the long-run economic impact. Özgen et al. (2011:1-2) found that migration is likely to boost innovation through five mechanisms: the population size effect, the population density effect, the migrant share effect, the skill composition effect and the migrant diversity effect. However, in welfare states, the role of migration as a solution to the ageing of the population and declining ratio of workers to pensioners is undermined by high immigrant unemployment rates as this damages the welfare state's finances (Kesler, 2006:1). In any case, for these benefits to be long term they have to be supported by appropriate policies of the host country (Desiderio, 2014:3).

As the labour market integration of immigrants moreover also determines poverty, material well-being, social integration and the integration of future generations of immigrants (Kesler, 2006:1), it has become an important issue in the policy agendas of European countries. Within a present post-industrial context, a large number of European countries have given preference to recruit highly-skilled workers, as revealed by their selection processes. This is grounded in the belief that such workers will integrate more easily, reduce the amount of public funding for education and training, and boost long-run economic growth.

As for a long time migrants were predominantly viewed as workers, often as 'factory fodder' in sunset industries or at the bottom end of the post-industrial service economy migrant entrepreneurs long remained out of sight and mind in the public and political discourse of Europe (Rath, Eurofound, 2011:83). Influenced by the increasing entrepreneurial behaviour of many migrant groups (Baycan-Levent and Nijkamp, 2009:377), more recently, public and political attention has shifted towards migrant entrepreneurship. This has been accompanied by an understanding that migrant entrepreneurship may not only be a viable route for the economic incorporation of immigrants and their children but also contribute to the economic development in certain sectors or cities of the receiving societies (Rath, Eurofound, 2011:11). Although obviously rooted in the neoliberal surge of the 1980s, this promotion of immigrant entrepreneurship has now come to be miraculously located at the crossroads of two different ideological stands of thinking. For the adherents of free-market policies it means an explicit reassertion of supply side solutions and of the role of the market as a fair mechanism for social allocation and underlines the importance of individuals actively shaping their own future. For social democrats, on the other hand it implies an active government helping specific underprivileged groups to find their way in society (Kloosterman, 2003:167).

In a similar way academic interest in the subject was long absent as a result of the hegemony of neoclassical inspired approaches in entrepreneurship studies which emphasized the role of the individual's entrepreneurial spirit (Kloosterman, 2010:26). Researchers looking at migrant entrepreneurship moved beyond this individual approach by looking for explanations at the level of groups. Although it has been an important field of study since the early 1970s (Rath, Eurofound, 2011:11), the overwhelming majority of literature on migrant entrepreneurship has focused on the situation in developed countries and even here it has merely focused on a limited number of host countries and cities (Marchand and Siegel, 2014:2,28). From the outset the United States has been the most commonly analysed country (e.g. Light 1972; Waldinger et al., 1990) with a strong focus on cities such as Miami, New York and Los Angeles (Marchand and Siegel, 2014:28). While since the early 1980s, self-employment among migrant groups has increased significantly (Baycan- Levent and Nijkamp, 2009), since the 1980s, the literature on migrant entrepreneurship in European countries has been expanding, first in Britain and later also in continental Europe (De Bock, 2014:37; Rath, Eurofound, 2011:11; Jones and Ram, 2013:6-7; IMES and Triodos, 2008:15).

Yet, interurban or international comparison is problematized by a variety of factors. According to Marchand and Siegel (2014:5), reliable data on immigrant entrepreneurship is generally limited, which is especially the case at the local level (Rath, Eurofound, 2011:27,32). Data at the national level is largely used, despite immigrant entrepreneurship largely being an urban phenomenon. While statistics on migrant entrepreneurship are based on different definitions of migrant entrepreneurship (See part 1.2) these moreover only represent those entrepreneurial activities that are formally registered, while there might also be informal activities going on in the informal economy. Nonetheless, it is still important to analyse available data to gain a better understanding of migrant entrepreneurship (Marchand and Siegel, 2014:5). However, conclusions about the entrepreneurial nature of immigrants always need to be considered with caution.

1.2. TERMINOLOGY AND CONCEPTS

An examination of policy documents and academic literature reveals that the concept of migrant entrepreneur is not self-evident. Various definitions of entrepreneurship have been used, which makes it difficult to stipulate a rigid definition of entrepreneur. Another important issue has been the distinction between the terms (im)migrant and ethnic entrepreneur (Rath, Eurofound, 2011:31-33).

1.2.1. Entrepreneurship

A large body of literature exists on what entrepreneurs are and how they differ from other economically active individuals. In classical economic terms, an entrepreneur is understood as the one who assumes the risk of organizing and managing a new business venture or enterprise (Anheier, 2005: 126-128). Authors such as Schumpeter (1974) and Kirzner (1997) who dedicated much of their work to this topic, claim entrepreneurship is an approach to business characterised by identifying opportunities, building, innovating and risk-taking in pursuit of profit. The aspect of innovation is hereby important as entrepreneurs are considered as the innovative force in capitalist societies and as such are part of the creative destruction that drives the capitalist system. It follows that an entrepreneur is to be distinguished from the business person, who is merely a shop manager (Rath, Eurofound, 2011:12).

A very prominent distinction made in the entrepreneurship literature, which has gained importance since the implementation of the Global Entrepreneurship Monitor (GEM), is the one between necessity and opportunity entrepreneurs (Marchand and Siegel, 2014:4). While necessity entrepreneurs engage in entrepreneurial activity because it is the best or only option available to them, opportunity entrepreneurs are the ones with potential for economic growth, because they seize unique opportunities in the market (Reynolds et al., 2001:4).

A further distinction is the one between the entrepreneur with personnel and the entrepreneur without personnel. Recently, a large number of people chose (or were forced) to quit their wage-labour jobs to become self-employed subcontractors. In a number of sectors, a variety of tasks have been outsourced to specialised subcontractors that are connected to each other in an intricate structure of interdependencies. The category of self-employed without personnel, sometimes dubbed ‘fake self-employed people’ has shown an explosive growth, especially in construction and care (Rath, Eurofound, 2011:13). It demonstrates how the boundaries between wage labour and self-employment have blurred (Wijmans, 1999). According to the definition of the European Economic and Social Committee the entrepreneur can be self-employed, i.e. employing only themselves or employ staff (EESC, 2012:18).

Ethnic entrepreneurs are often embedded in networks across national boundaries. These networks may extend to their home country but may also extend to other parts of the world with diaspora communities (Rath, Eurofound, 2011:58). With regard to cross-border entrepreneurship some entrepreneurs have been referred to as ‘commuting entrepreneurs’ (Saxenian, 2006) or ‘transnational entrepreneurs’, when they are involved in border crossing business activities (Man Yip, 2011).

While the traditional notion of a (business) entrepreneur refers to entrepreneurs who create monetary or economic value for the firm, special mention should be made of social entrepreneurs. These entrepreneurs primarily create a social value, by adopting a mission to create and sustain social value; recognize and relentlessly pursue new opportunities to serve that mission; engage in a process of continuous innovation, adaptation and learning; act boldly without being limited to resources currently in hand and exhibit a heightened sense of accountability to the constituencies served for the outcomes created (Dees et al., 2001:4-5).

In this dissertation, in line with the definitions of IMES and Triodos (2008:6) and Rath, Eurofound (2011:12) an entrepreneur is defined as a person in effective control of a commercial undertaking for more than one client over a significant period of time. It follows that social entrepreneurs are excluded from this definition. Of course, more than one person, i.e. partners, can be in effective control of a commercial undertaking. As business entrepreneurs are generally registered as self-employed, sometimes the term self-employed will be used. People with the professional status of 'helper of a self-employed person' who are in some countries, e.g. Belgium, also registered as self-employed, will be excluded from this definition, unless mentioned differently.

1.2.2. (Im)migrant Entrepreneurship or Ethnic (Minority) Entrepreneurship?

In accordance with the various concepts that have been used to refer to migrants, such as immigrants, (ethnic) minorities or non-dominant groups, no consensus exists on the usage of the concept (im)'migrant' entrepreneurship. Many authors have considered it to be a synonym of ethnic (minority) entrepreneurship which strictly speaking confuses the issue (Rath, Eurofound, 2011:13). Rath, Eurofound (2011:13) claim that for some entrepreneurs this notion of (im)migrant is erroneous as they were not born in another country, with among them notably many second- and third-generation migrants. Many authors also assume without further reflection that just because they are dealing with immigrants, there are real 'ethnic' differences, that these 'ethnic' differences pertain to the entire immigrant population and that these ‘ethnic’ differences never change (Rath, 2000). Another problematic issue is that migrants, notably of the second generation, receiving citizenship of the country of residence, disappear from the national immigration statistics in countries such as France (Rath, Eurofound, 2011:14) and Belgium (De Bock, 2012). In Germany, dual citizenship is only allowed to EU citizens and citizens of Switzerland and (unless one of the parents is German) any other national has to renounce its former nationality to be able to receive German citizenship. As a result, many Turks for instance are registered as immigrant (Ausländer) while people from Central and Eastern Europe are not. The European Economic and Social Committee defines a migrant entrepreneur as a business owner born outside the EU who seeks to generate value through the creation or expansion of economic activity (EESC, 2012:18).

To solve this problem pragmatically, albeit it theoretically unsatisfactory, throughout this study the term migrant entrepreneurship will be used, but at the same time emphasising that in accordance with IMES and Triodos (2008:5), this also includes the offspring of immigrants, the second generation or the native-born children of the first generation, regardless of having obtained the Belgian nationality or not. In a similar way as the ethnic entrepreneurship concept used by Masurel et al. (2002) this hence does not merely refer to foreign nationals but to all entrepreneurs with a different ethnic or cultural origin than the indigenous population. It is also important to mention that migrant entrepreneurs will be categorised according to their foreign nationality or country of origin, regardless of the individual’s self-categorization into an ethnic group, which for instance implies that Kurdish entrepreneurs or other ethnic groups with a Turkish nationality or originating from Turkey will be considered as Turkish entrepreneurs.

1.3. SCOPE OF MIGRANT ENTREPRENEURSHIP

Since the early 1980s, self-employment among migrant groups has increased significantly (Baycan-Levent and Nijkamp, 2009). As migrants are attracted to cities by both opportunities in terms of work and accommodation as well as by existing communities of other migrants (Marchand and Siegel, 2014:3), migrant entrepreneurship tends to be concentrated in urban areas. Even more so, many immigrant businesses can be found in specific areas of cities where it is common for ethnic minorities to settle (IMES and Triodos, 2008). Larger cities are often characterized by a heterogeneous and internal society. This leads to diversity in terms of backgrounds, skills and experiences, which may have positive impacts on creativity and innovation (Pratt, 2008:1). While cities represent a strong social network of migrants in promoting entrepreneurship, provincial towns represent a less dense social network. The role ethnicity plays in the entrepreneur's action, the dynamics of business start-ups run by migrants or their descendants and upwards social mobility varies from case to case (Rath, Eurofound, 2011). Yet, despite migrant entrepreneurship being an urban phenomenon, availability of data on the local level is rather scarce relative to the data on the national level.

1.3.1. Shares of Indigenous and Migrant Entrepreneurs within the Employed Indigenous and Immigrant Population

The shares of indigenous and migrant entrepreneurs within their respective population show large cross-country and cross-city differences.

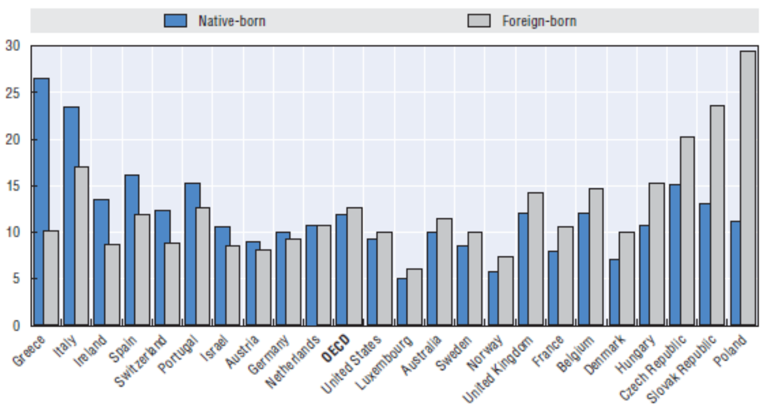
1.3.1.1. Cross-country Comparison

It is often stated that immigrants are more entrepreneurial than natives. Yet, while the body of literature suggests that in many developed countries immigrants are indeed over-represented among entrepreneurs, it equally suggests that in many other developed countries the contrary is the case. Drawing on data of 2007-08, Desiderio and Mestres-Domenèch (2011:140,142) found that in most OECD countries the percentages of foreign-born migrants[10] and natives that are entrepreneur differ only slightly. On average migrants in OECD are slightly more entrepreneurial[11] than natives. 12.6% of migrants of working age were involved in non-agricultural entrepreneurship activities compared with 12.0% among natives.

[10] This hence only refers to the first generation of migrants.
[11] This relates to non-agricultural entrepreneurship.

There are however important cross-country differences. Poland is the country with the largest difference between the share of foreign born entrepreneurs in total foreign-born employment relative to the share of native born entrepreneurs in total native-born employment (+18%), followed by other Central and Eastern European countries Slovakia, Czech Republic and Hungary. In countries such as Australia, the United Kingdom, France, Belgium, Denmark, Sweden and Norway, the share of entrepreneurs in total employment is 1.5 to 2.9% points higher for migrants compared with natives. In the United States, although to a lower degree, the share of migrant entrepreneurs is also higher (Desiderio and Mestres-Domenèch, 2011:146-147). Greece (-16%) and Italy (-7%) are the countries where the share of the foreign-born entrepreneurs in the total foreign-born population is much smaller than the share of the native-born entrepreneurs in the total native-born population. The Netherlands is the only country where the shares of native- and foreign-born entrepreneurs relative to their respective populations are equal.

Figure 1: Self-employed Persons as Share of All Employed Persons, Native- and Foreign-born, 2007-08, Percentages, OECD.

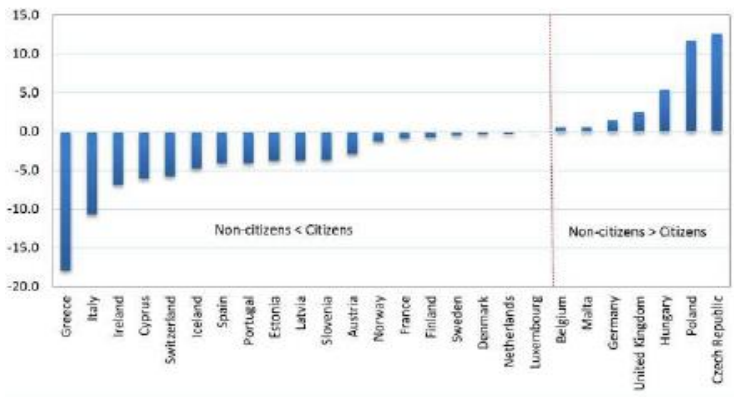


Source: Desiderio and Mestres-Domenèch, 2011:142.

However, if only the percentage of foreign-born entrepreneurs in the total foreign-born population is considered the picture is a little different. While also here Central and Eastern European countries Poland, Slovakia and the Czech Republic lead, Italy comes close behind. Austria, Germany, Ireland and Luxemburg are the EU OECD countries that have the lowest shares of foreign-born self-employed. The share in Belgium is comparable to the shares in the United Kingdom and Hungary (Desiderio and Mestres-Domenèch, 2011:142; Rath, Eurofound, 2011:29).

Drawing on data from Eurostat, Marchand and Siegel (2014:5) found that the average share of people in the active population that are in self-employment across European countries is actually higher for citizens (12.2%) than it is for non-citizens[12](10.5%). The data generally correspond to the findings of Desiderio and Mestres- Domenech (2011:140,142) in that immigrants are more likely to be self-employed than citizens in the Czech Republic, Poland, Hungary, the UK and in Belgium[13], and least likely to be self-employed relative to citizens in Greece and in Italy (Marchand and Siegel, 2014:5). Yet, it is worth mentioning that here Germany belongs to the first category, while in 2007-08 it belonged to the second category. This may indicate an overall higher entrepreneurial rate of non-citizens (i.e. citizens not possessing German citizenship) relative to the rate of foreign- born entrepreneurs (See figure 1 and 2) and/ or a rise of migrant entrepreneurship whether or not accompanied by a decrease in entrepreneurship of (native) citizens during the period 2008-2013.

Figure 2: Difference between Citizens and Non-citizens in Self-employment as Share of Active Labour Force in European Countries, 2013, Percentages.



Source: Marchand and Siegel, 2014:5.

[12] Due to the unavailability of data on the country of birth, not possessing citizenship of the host country was used as an indicator for immigration. The use of citizenship may lead to slightly biased results as immigrants may obtain citizenship of the host country, especially after residing in a country for a long time (Marchand and Siegel, 2014:5). The indicator 'country of birth' on the other hand fails to include second- and third-generation immigrants in the statistics.

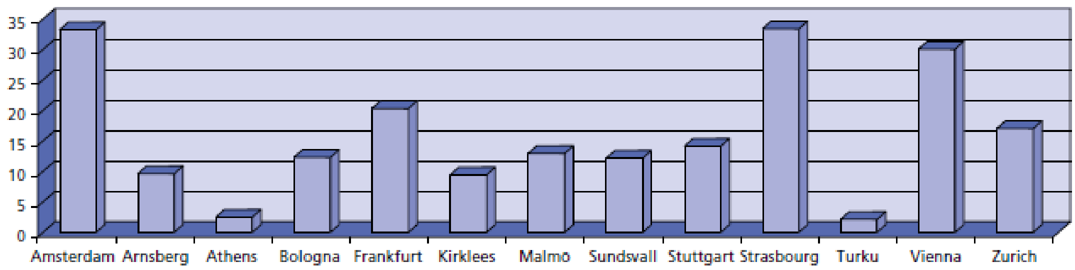
[13] Based on data of RSVZ (2015b) and Van den Broucke et al. (2015) it yet shows that relative to Belgians, non- Belgians have less tendency to become self-employed and/or helper (see 5.3.1). The difference most likely originates from the usage of different definitions. In any way, in comparison to other countries the difference between the share of migrant entrepreneurs and indigenous entrepreneurs is rather small in Belgium.

Many factors contribute to cross-country differences, including the business environment and the specific constraints that migrants face, the socio demographic characteristics of migrants relative to natives, the specificities of migration trends and the sector distribution of migrant employment (Desiderio and Mestres-Domenèch, 2011:143).

1.3.1.2. Cross-city Comparison

The European Network of Cities for Local Integration Policies for Migrants (CLIP)[14], which was launched in 2006, has provided data of migrant entrepreneurship in more than 30 large and medium-sized European cities. In its fourth and last module 28 cities were inquired: Amsterdam, Arnsberg, Athens, Bologna, Breda, Budapest, Copenhagen, Dublin, Frankfurt, Helsinki, Istanbul, Kirklees, Lisbon, Malmö, Prague, Strasbourg, Stuttgart, Sundsvall, Tallinn, Terrassa, Turin, Turku, Vienna, Wolverhampton, Wroclaw, Zagreb, Zeytinburnu and Zürich. The CLIP case studies show that only 13 out of 28 cities have basic data on migrant entrepreneurship readily available (Rath, Eurofound, 2011:33).

Figure 3: Share of Ethnic Businesses among Total Businesses in CLIP cities, Percentages.



Source: Rath, Eurofound, 2011:33.

Once again, as definitions of migrant entrepreneurship and the availability and the validity of these data vary, these data ought to be treated with care. Yet, these data do suggest that there is an enormous variation between cities in terms of the share of

[14] The network is supported by the Council of European Municipalities and Regions (CEMR) and the Committee of the Regions (CoR) of the European Union.

ethnic business among the total amount of businesses. They suggest that while in cities such as Amsterdam, Strasbourg and Vienna migrant entrepreneurs represent a large part of all local businesses, in other cities the proportion of ethnic businesses is negligible.

The share of self-employment among working migrants in CLIP cities for which data was available was everywhere below 10%. Highest shares could be found in Athens (9%), Vienna (9%) and Bologna (8%). A somewhat lower share of below 5% is reported in Malmö (Rath, Eurofound, 2011:34).

1.3.2. Share of Indigenous and Migrant Entrepreneurs Entering and Exiting Self-employment

Data from OECD countries between 1998 and 2008 indicate that the proportion of new migrant entrepreneurs in the labour force is much higher than among natives. 12.1% of foreign-born and 8.5% of native-born entered self-employment. In all countries but Poland (6.6% and 7.9% respectively) and Switzerland (7.2% and 7.9% respectively) the share of foreign-born entering self-employment is higher relative to the share of native-born (Desiderio and Mestres-Domenèch, 2011:146).

This higher propensity of immigrants to create a new business however has to be considered against the sustainability of such business. It has to be recognized that their death rate is also higher than that of the indigenous population. Between countries and within one country, the net survival rates of enterprises among different ethnic groups yet show a high dispersion. This also holds for the survival rates per economic sector, which similarly appear to differ significantly (Masurel et al., 2002:5). As during 1998 and 2008, 8.7% of foreign-born and 5.7% of native-born entrepreneurs exited self-employment in OECD countries, a lower survival probability for migrant entrepreneurs relative to indigenous entrepreneurs can be observed. While the self-employment survival probability (or self-employment persistence) among foreign-born entrepreneurs is 91.3%, it is 94.3% among native-born entrepreneurs. In all countries but Switzerland (95.5% and 95.1%) self-employment persistence among native-born entrepreneurs was higher relative to the self-employment persistence among native-born entrepreneurs. A higher transition out of self-employment can indicate that self-employment is a mechanism to move into wage employment but it can also indicate a higher failure rate of migrant firms (Desiderio and Mestres-Domenèch, 2011:146).

Table 2: Flows Into and Out of Self-employment, Foreign- and Native-born, Year-to-year, 1998-2008, Percentages.

	Entry into self-employment		Exit out of self-employment		Self-employment persistence	
	Foreign-born	Native-born	Foreign-born	Native-born	Foreign-born	Native-born
OECD	12.1	8.5	8.7	5.7	91.3	94.3

Source: Desiderio and Mestres-Domenèch, 2011:146.

1.4. CHARACTERISTICS OF MIGRANT ENTREPRENEURS

While migrant entrepreneurs are in the academic and non-academic literature often portrayed one-dimensionally (Rath, Eurofound, 2011:11), they form an enormous hybrid category in terms of generation, gender, age groups, migration reasons, entrepreneurial motivations, language skills, opinions and religious beliefs, education and so forth. As a diversity of structural determinants influence opportunity cues, there is also an immense variation between economic sectors, neighbourhoods within cities, between cities and between countries (Kloosterman, 2010:37; Rath, Eurofound, 2011:85).

Nonetheless, the available data on migrant entrepreneurs suggest that a number of commonalities can be discerned. As previously mentioned, among the most mentioned commonalities is the finding that migrant entrepreneurship is predominantly situated in cities. From an economic perspective, such an urban clustering has two major advantages: the presence of a critical mass of potential customers of the same ethnic origin leading to viable market niches, and the rise of informal networks of a sufficient size which facilitate the recruitment of low-cost personnel, up-to-date information or inexpensive financing capital (Masurel et al., 2002:4). Another point which was previously mentioned is that while the proportion of new migrant entrepreneurs in the labour force is much higher than among natives, the sustainability of entrepreneurship among migrant entrepreneurship is lower relative to native entrepreneurship.

Besides this, drawing on data from OECD countries from 1998 to 2008, Desiderio and Mestres- Domenech (2011:147) find that most-migrant entrepreneurs are middle-aged and slightly younger than native entrepreneurs. More than three out of four entrepreneurs are aged over 35 among both native and foreign-born. This may be explained by the need to accumulate enough social and physical capital, as well as experience, before being able to start a business. Migrant entrepreneurs have been in the host country longer than employed migrants. Almost two thirds of migrant entrepreneurs in OECD countries have been in the host country more than ten years compared with just above 50% for migrant wage-earners. Obviously, duration of stay is correlated to age, as migrants who have been in the country for longer periods tend to be older. A large majority of migrant entrepreneurs is male. Yet, while this also counts both for native-born (30%), the share of women is slightly higher among foreign-born entrepreneurs (32%).

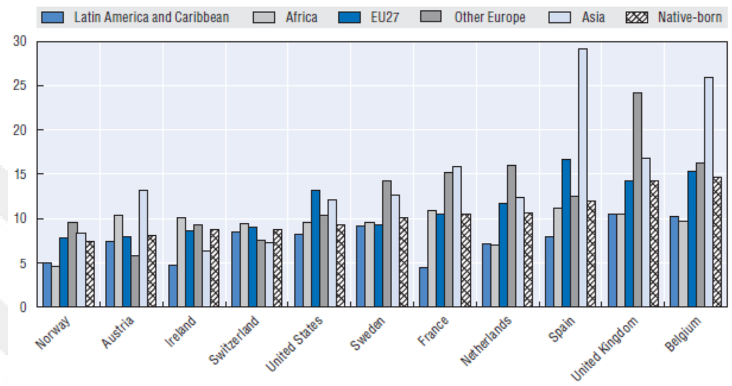
Migrant entrepreneurs are generally low (21%)- or medium (43%) educated[15], which is similar to native-born entrepreneurs (with respectively 22% and 52%). With 36% the share of highly skilled migrants is higher than the share of highly skilled native-born entrepreneurs (i.e. 25%). Still, notable cross-country differences can be observed in terms of the share of low-educated foreign-born entrepreneurs. For instance, while Portugal (50%) and Italy (40%) have a large share of low-educated foreign-born entrepreneurs, in Central European countries Hungary (6%), Slovakia (8%) and Poland (9%) this share is much lower. In Belgium the shares of highly skilled migrant entrepreneurs and highy skilled native-born entrepreneurs are comparable (40% vs 39%) (Desiderio and Mestres- Domenech, 2011:149).

Migrants from different regions of origin have different propensities to become entrepreneur. In several OECD countries Asian migrants are more likely to become entrepreneur than other migrant groups. By contrast, migrants from Latin-American and the Caribbean and African countries are less likely to establish themselves as entrepreneur. Besides these groups, also European non-EU migrants have a high proportion of entrepreneurs in countries such as the United Kingdom (24.2%), the Netherlands (16.1%), Belgium (16.1%) and France (15.1%). This has multiple

[15] Educational categories correspond to ISCED 0/1/2 (Low), ISCED ¾ (Medium) and ISCED 5/6 (High) (Desiderio and Mestres- Domenech, 2011:149).

reasons. Migrants of different origin have a different background and characteristics, such as differences in education and wealth. In addition, some origin countries traditionally have a higher share of entrepreneurs in their economies and individuals that migrate from such countries are more likely to establish a business in the recipient country.

Figure 4: Self-employed by Country Of Residence And Region of Origin, 2007-08, Percentages



Source: Desiderio and Mestres- Domenech, 2011:150.

Migrant entrepreneurship has traditionally been associated with ethnic businesses that cater mainly to populations from their ethnic enclaves. According to Masurel et.al (2002:3), ethnic enterprises are often concentrated in small identifiable market niches, which derive their strength from their ethnic-cultural background (e.g. the food or clothing sector). According to the ideal-typical developmental sequence of migrant businesses of Waldinger et.al (1990:124-127), which may apply both to the ethnic community as a whole and to the career of individual entrepreneurs, migrant entrepreneurs firstly orient their businesses virtually exclusively towards the own ethnic community.

Table 3: Business-settlement Patterns: Developmental Sequence

	High Population concentration	Low Population concentration
High Business Specialization	Ethnic Niche (2nd stage)	Middle Man Minority (3rd stage)
Low Business Specialization	Replacement Minority (1st stage)	Economic Assimilation (4th stage)

Source: Waldinger et al., 1990:125

It follows that while in a first stage first-generation immigrants originally take up otherwise unwanted jobs in the lower tiers of the white economy, with many having neither the capital nor the motivation to enter the business market, in a following stage first-generation immigrant entrepreneurs in cities often predominantly serve their own ethnic community in classic vacancy-chain sectors such as lower-end retailing, wholesaling, restaurants and catering. In these markets, production is mainly small in scale, low in value added, usually labour intensive; earnings are typically low, and days are long and hard (Kloosterman et al., 1999:9-10; Kloosterman, 2010:31). Those who risk unemployment or unattractive labour conditions are pushed rather than pulled to these less promising market segments. According to Masurel et al. (2002:4) fierce competition in identical market niches with low access barriers in the same urban areas and low opportunities for market expansion (break out- strategies) due to low education and limited product scope in traditional branches are significant disadvantages of urban clustering.

Although there have been notably successful first-generation migrant entrepreneurs, being poorly educated, lacking proficiency in the host country's language and lacking access to significant financial resources, many entrepreneurs are, so it seems, only able to set up shop in markets with low barriers of entry in terms of capital outlays and required educational qualifications (Rath, Eurofound, 2011:4). Yet, inevitably cut-throat competition in these highly saturated markets puts pressure on the entrepreneurs to cut (labour) costs. If one goes beyond the regulatory framework, for instance by evading payment of taxes or by ducking the minimum wage and working-hour regulations, the room to manoeuvre increases considerably. The use of social capital within the current opportunity structure gives businesspersons a competitive advantage, both within formal and informal economies (Kloosterman et al., 1999:10). For breaking out of the ethnic market one needs to possess enough familiarity with the bigger local markets and business environment, as well as being able to deal with the bureaucracy.

Second- or third-generation immigrant businesses may either continue to occupy a niche market using ethnic origin for sign value or increasingly venture out to growth sectors such as personal and business services. The younger generation of ethnic migrants (often second migration migrants) tends to be involved in professional service provision and business consultancy (Masurel et al., 2002:5), a phenomenon which is also due to their higher education (Borjas, 1992).

Breaking out of this ethnic niche to other ethnic markets has led migrant entrepreneurs to enter the stage of the ‘middle man minority’. Service to the majority population often begins with newsstands, grocery stores, night shops and restaurants which require long opening hours (Waldinger et al., 1990:126) and activities in which the profits are rather low so that ethnic entrepreneurs meet few native competitors. Particularly second- and third-generation entrepreneurs with better educational qualifications and better host country language skills break out of the ethnic market, having clients of all origins and a diversification of products.

Similarly, there can be immigrant businesses catering to other immigrants, or immigrant businesses from diverse origins clustered together, either by tradition or by design, as in the recent trend of ethnic shopping malls (Choenni, 2000)[16]. As such, migrant entrepreneurs are increasingly to be found outside working-class ethnic neighbourhoods, in the central business districts and suburbs. This enables them to serve a larger number of and wealthier clientele.

Finally, some ethnic entrepreneurs who fit Waldinger et al. (1990:127)’s description of ‘economic assimilation’ show a complementarity between the spatial and occupational dimensions of ethnic assimilation. This aspiring or fledgling entrepreneur tends to be highly educated and connected to different social networks and as such is better qualified to operate in post-industrial growth markets such as finance, information and communication technology, insurances, real estate, media and tourism. Because of their higher levels of human and social capital, often being better educated than their parents, these second- or third- generation immigrants are pulled rather than pushed into entrepreneurship (Rath, Eurofound, 2011:20-21). As these ethnic minorities moreover take on the residential pattern of the host society, they become more similar to “the others” among whom they live.

It follows that migrants develop their business activities not only in these traditional sectors but also in other high-value activities (Desiderio and Mestres-Domenech, 2011:151). As stated before, this transformation is partly due to the

[16] Here ‘ethnic’ has the meaning of non-western and does not refer to a single ethnicity but to the combination of various cultural groups.

increasing educational attainment of many migrants, but also due to shifts in the economic structures in post-industrial societies. According to Desiderio and Mestres-Domenech (2011:151), the range of activities that foreign-born entrepreneurs undertake in their host countries is as wide as that of natives. In Europe, most migrant entrepreneurs work in the wholesale and retail trade sector (19%), the construction sector (18%) and the accommodation and food services sector (12%).While the shares of the first two sectors do not much differ from the share of these two sectors among native-born entrepreneurs, it is clear that share of the accommodation and food services sector is significantly larger among native-born entrepreneurs.

Among the other sectors where foreign-born entrepreneurs are active in are the professional, scientific and technical sector (8%), the human health and social work sector (6%) and the manufacturing sector (6%).

Figure 5: Ten Main Sectors of Activity of the Self-employed and Distribution of Wage- and Salary Workers in The Same Sectors, by Place Of Birth, 1998-2008, Percentages, OECD.

Source: Desiderio and Mestres- Domenech, 2011:152.

Most self-employed only employ themselves and this is even truer for migrant entrepreneurs. While in OECD countries on average 60.8% of native-born entrepreneurs only employ themselves, the share for migrant entrepreneurs is slightly higher (64.8%). Ireland, the United Kingdom, Spain, Greece, Italy and Norway are among the countries where the proportion of migrant entrepreneurs who only employ themselves is the highest (around 75%). On average 31.8% of migrant entrepreneurs employ 2-10 individuals (including the entrepreneur him/herself) (Desiderio and Mestres-Domenech, 2011:157).

Table 4: Number of people Employed By Entrepreneurs (Including Oneself) in OECD Countries.

	Foreign-born					Native-born				
Staff nr.	1	2-10	11-19	20-49	≥50	1	2-10	11- 19	20-49	≥50
%	64.8	31.8	3.4	1.5	1.5	60.8	33.7	4.4	2.4	1.6

Source: Desiderio and Mestres-Domenech, 2011:157.

While migrant and native entrepreneurs face many of the same problems in setting up and developing their business, specific constraints appear to affect migrant entrepreneurs in particular. The skills and competencies that migrant entrepreneurs bring from their home country are often not adapted to the host country environment. They frequently have limited host-country specific language and business skills and lack familiarity with the overall functioning of the host countries' markets. Administrative and bureaucratic procedures, such as registering the business, obtaining a professional permit and joining the relevant chamber of commerce or professional body can prove to be especially complicated for recently-arrived immigrants.

While access to finance is a vital matter for any entrepreneur, migrant entrepreneurs face greater problems accessing finance than native entrepreneurs. This is not entirely due to the limited bankability of migrant enterprises or to more stringent criteria applied by banks in granting loans to migrant entrepreneurs compared to natives. As previously mentioned, migrant businesses have a higher failure rate compared with native business, so financing those businesses exposes the lender to a higher default risks. In most cases, credit institutions also lack knowledge, expertise and understanding of this specific group of corporate clients, resulting in higher perceived risk for migrant borrowers (Rath, Eurofound, 2011:50-51; Desiderio and Mestres-Domenech, 2011:161-163; Marchand and Siegel, 2014:11-12). Even when financial support programs are provided there might be an information asymmetry, as immigrants might not know about certain types of support options. On the other hand, there may also be distrust in such programmes (Marchand and Siegel, 2014:20). As a result, migrant entrepreneurs often rely on informal networks, such as family or community, to obtain finance, rather than formal credit providers. Reliance on community finance however might hamper the potential expansion of the business, in particular beyond the community. Yet, in many of the 28 European CLIP cities studied by Rath, Eurofound (2011:90) microcredit and other forms of soft loans are made available to alleviate this financing problem.

1.5. DRIVERS OF ENTREPRENEURIAL DECISION- MAKING

General entrepreneurship studies consider individuals to engage in entrepreneurial activities driven by a combination of motivations. Generally, a distinction is made between positive factors that ‘pull’ and negative factors that ‘push’ people into entrepreneurship. An enduring debate in the migrant entrepreneurship literature is the one to which degree individual (agency) and collective (structural) factors matter in entrepreneurial decision making. The vital point is here how and to what degree agency and structure influence the development of migrant entrepreneurship (IMES and Triodos, 2008:15).

1.5.1 Individual factors

Prior to the development of the literature on ‘migrant’ entrepreneurship, neoclassical inspired approaches reigned in entrepreneurship studies which emphasized the role of the individual’s entrepreneurial spirit (Kloosterman, 2010:26). Entrepreneurs are considered to be driven by pull motivations such as the need for achievement, the desire to be independent and social development possibilities.

1.5.2 Cultural factors

In the literature on migrant entrepreneurship, a prominent distinction is the one between cultural and structural factors explaining the opportunities and the barriers, by identifying critical success or performance conditions for migrant entrepreneurs[17].

[17] See e.g. Ward and Jenkins (1984) and Kloosterman (2010).

By and large, the first wave of literature used a culturalist approach[18], which sees migrant entrepreneurship positively as a viable route to upward social mobility and can be referred to as the socioeconomic progress approach (Jones and Ram, 2013:6-7). This approach suggests migrants to possess ethnic or culturally determined features which are prerequisites for economic success and entrepreneurial attitudes, such as particular values, skills, flexibility, the dedication to work, the membership of a strong social network and flexible financing arrangements, etc., which may place them in some respects in a relatively favourable position (Light,1972; Rath, Eurofound, 2011:18). Many experts point first and foremost to the social cohesion of ethnic communities and the importance of ethnic solidarity and relations of trust. For them, networks are instrumental in acquiring knowledge, distributing information, recruiting capital and labour, and establishing strong relations with clients and suppliers (Waldinger et al., 1990; Portes and Sensenbrenner, 1993; Jones and Ram, 2013).

This social embeddedness[19] enables these entrepreneurs to reduce their transaction costs by eliminating formal contracts and give privileged access to economic resources. Particularly in cases where the entrepreneur`s primary input is cheap and flexible labour, the reduction of transaction costs by mobilising social networks for labour recruitment seems the key issue. Granovetter (1985) makes a distinction between two types of embeddedness; the relational embeddedness referring to ‘economic actors’ and to the personal relations migrant entrepreneurs have with customers, suppliers, banks, competitors and law enforcers. Structural embeddedness relates to the broader network to which these actors belong, transcending direct personal relations.

1.5.3 Structural factors

Already in an early stage, following the realization of some paradoxical aspects of ethnic entrepreneurship, the culturalist approach was countered by the structuralist approach. Essentially, the structuralist approach[20] underlines the external environment

[18] See e.g. Light (1972) and Jones and McEvoy (1986).
[19] See e.g. Granovetter (1985); Waldinger (1986) and Portes and Sensenbrenner (1993).
[20] See Aldrich et al. (1981); Miles (1982); Waldinger et al. (1990); Jones et al. (1992); Rath, Eurofound (2011); Jones and Ram (2013).

of the migrants as the decisive player and claims that ethnic entrepreneurship is done out of necessity and as a response to social exclusion, discrimination and blocked opportunities in the general labour market. Self-employment is less of a voluntarily chosen occupational specialisation and more of a reactive survival mechanism for a newly arrived group suffering high unemployment rates, job discrimination and lacking viable options elsewhere in the economy.

The structuralist approach views self-employment as an economic dead-end for immigrants and a continuation of subordinate status rather than an escape from it. Long working hours, unpaid family labour and low incomes are some of the indicators that support this dead-end hypothesis. It also emphasizes the structure of the receiving society, in terms of economic, social and political conditions that immigrants encounter and force migrants to start a business. (IMES and Triodos, 2008:15). The structuralist approach hence claims negative factors 'push' people into entrepreneurship. Push motivations may arise from the exit of or risk of unemployment, family pressure and/or dissatisfaction with the present situation in general (Verheul et al., 2010:4). According to Baycan-Levent and Nijkamp (2009:1) major push factors for European migrants appear to be high unemployment rates, low participation rates and low status in the labour market, as well as a related factor, mixed embeddedness (See later).

In general entrepreneurship push and pull factors are also sometimes used in direct relation to the economic situation. Desiderio and Mestres-Domenech (2011:155-156) refer to a 'recession push' argument in cases when a high level of unemployment forces individuals to become self-employed, given the lack of alternatives. On the other hand, a 'prosperity pull' argument claims that if the general economic situation is bad, individuals will be less likely to start their own business, given the lower demand for their services. In fact, both effects might co-exist at the same time.

Since the implementation of the Global Entrepreneurship Monitor in 1999[21] the distinction between opportunity and necessity entrepreneurship (Reynolds et al., 2001) has gained importance in the entrepreneurship literature (Marchand and Siegel, 2014:4). According to Verheul et al. (2010:4), there is consensus that necessity

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[21] The GEM is a survey that gathers data on entrepreneurial activities in more than 60 countries: www.gemconsortium.org

entrepreneurs are mainly motivated by push factors while opportunity entrepreneurs are rather driven by pull factors. Opportunity and necessity entrepreneurs differ from each other in many other ways. They appear to differ in terms of socioeconomic characteristics, such as the level of education, relevant experience and age. They may differ in terms of business management and business performance as for instance, entrepreneurs who start a business because they want to earn more money than in wage-employment, can be expected to behave differently from individuals who create a new venture to be better able to combine work and household responsibilities. Necessity- driven entrepreneurs seem to be less satisfied than opportunity entrepreneurs. At the macro-level, opportunity and necessity entrepreneurs have a different impact on economic growth and job creation. Equivalently, at the micro-level, outcomes point in the direction of an inferior performance of necessity entrepreneurs. Another argument is that determinants of (nascent) opportunity and necessity entrepreneurship differ, which implies policy measures to stimulate necessity entrepreneurship do not necessarily benefit opportunity- driven entrepreneurs and vice-versa. For example, stimulating the unemployed to start a business will benefit necessity and not opportunity entrepreneurs. According to Aernoudt and Van Rompaey (2015:13), necessity entrepreneurship hardly exists in countries where the social security is very well developed, such as Belgium. This is yet contradicted by Holvoet et al. (2015:25) who found that a high percentage of early-stage entrepreneurs (31% in Belgium and 43 % in Flanders) act out of necessity.

1.5.4 Mixed embeddness factors

A third approach creates a more balanced synthesis of agency and structure and can hence be viewed as an intermediate approach between culturalist and structuralist theories. Bonacich (1973) developed the middleman minority theory based on a combination of socioeconomic exclusion and entrepreneurial spirit as the source of ethnic entrepreneurship. Building on this theory, Waldinger et al. (1990:13-47) developed a so-called interaction model explaining ethnic entrepreneurship through a dynamic match between local market opportunities and the local demand on the one hand and the specific available ethnic resources on the other hand. The interaction model comprises three classes of factors, namely the opportunity structure, group characteristics and the ethnic strategy.

The model faced several amendments, of which Kloosterman's (1999) more dynamic and inclusive model of mixed embeddedness has been particularly influential. Not only is the ethnic firm thoroughly embedded in its own social networks, this must be placed in its external political-economic context. Political and economic institutions are considered crucial in understanding both the obstacles and opportunities for aspiring entrepreneurs to start their own business[22].

As the label 'mixed embeddedness` suggests, it acknowledges a strong significance for embeddedness as the ethnic network is vital as a means of raising capital, mobilizing workforce and drawing support for business (Kloosterman, 2010). However, the very fact that the informality of ethnic channels enables entrepreneurs to by-pass the costs and possible unfavourable bias of official channels like banks, is a heavy reminder that ethnic entrepreneurs and their community cannot be taken in isolation from what surrounds them. 'Mixed embeddedness' also suggests that the firm is grounded at more than one level and its fate is determined by the interplay between its own community and the structure of the market and the state[23]. For ethnic entrepreneurship firms in an advanced economy this is generally an interplay between a small under-resourced agent on the one hand; and a structure dominated by large corporate entities, rendered still more hostile by racist bias and discrimination, on the other hand (Jones and Ram, 2013:18-19). Thus, the immigrant's process of incorporation is not just determined by the resources he/she can mobilize but is also decided by the time-and-place of the specific opportunity structure.

With the transition from industrial to post-industrial economies, the profile of the opportunity structure changed significantly. We have witnessed a steady decline of manufacturing (a process that was accompanied by a loss of numerous industrial jobs) and at the same time a spectacular growth in the service industries. The latter coincided with the introduction of flexible specialisation modes of production and various forms of outsourcing and subcontracting in manufacturing and services, and a rise of small businesses (Rath, Eurofound, 2011:20).

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[22] See Kloosterman (2000); Engelen (2001).
[23] See Archer (2003) on the general sense of agency/structure.

Thus, building on his earlier work, Kloosterman (2010) presented an innovative analytical framework for the analysis of (migrant) entrepreneurship from a mixed embeddedness perspective. It combines the micro-level of the individual entrepreneur (with his/ her resources), with the meso-level of the local opportunity structure and links the latter, in a looser way, to the macro-institutional framework. Within this framework, significant changes in the supply side (i.e. more high-skilled migrants from non-OECD countries) and demand side (new opportunities which arise due to the post-industrial transformation of urban economies that has increased opportunities for small firms due to the shift to services, outsourcing, market fragmentation and the availability of low-cost information and communication technology (ICT)) in the last two decades are integrated.

Linking the micro-level of the entrepreneur and meso-level of the opportunity structure shows that there are reasonably good chances of upward social mobility for low- skilled workers in post- industrial entrepreneurship and very good chances of upward social mobility for high- skilled workers in post- industrial entrepreneurship. Following this, Kloosterman identifies four ways in which the institutional framework may impact on the opportunity structure; namely, the differences in ways of provision, regulations regarding labour, regulations regarding businesses and webs of interrelationships of firms and relevant actors. However, here the relationships are much more open than in the case of the links between the micro- and the meso-level. According to Marchand and Siegel (2014:7) when using the mixed embeddedness approach, it is important to understand the context of each individual case and especially the opportunity structure and the social environment of the entrepreneur.

1.6. IMPACT OF MIGRANT ENTREPRENEURSHIP ON SOCIOECONOMIC INTEGRATION AND THE HOST CITY/COUNTRY

Among the most studied effects of migrant entrepreneurship are the impact on socioeconomic integration of migrants themselves and the contribution to their host cities/countries. These two contributions have also been acknowledged by the European Commission (EC, 2015a; EC, 2015c) and the European Economic and

Social Committee (EESC, 2012:16). Yet, the body of literature shows that the level of entrepreneurial success varies strongly.

1.6.1. Impact of Migrant Entrepreneurship on Socioeconomic Integration

Integration opens doors for migrants who intend to stay for a longer period in a specific country and a community within that country. While the process of integration is multidimensional, the socioeconomic dimension is often named among its most prominent dimensions. According to Phalet and Swyngedouw (2003:8) in general, three dimensions can be distinguished: socioeconomic, cultural and political integration. Münz (2016:13-14) claims four dimensions stand out: labour market outcomes, education, language and culture, and legal status and citizenship. Marchand and Siegel (2014:14) claim that "*in the context of immigrant entrepreneurship socioeconomic integration is the most relevant one as it is, among other issues, concerned with access to the host country's labour market*".

1.6.1.1. Determinants of Success in Terms of Socioeconomic Integration

The selection of the potential and determinants of success in terms of socioeconomic integration has depended very much on the theoretical approach of the scholar. These approaches are the same ones which are applied for the selection of the drivers of entrepreneurial decision-making (see 1.5). Many scholars holding the culturalist approach[24] have claimed that migrant entrepreneurship may be a viable route to upward social mobility and the economic incorporation and thus integration of immigrants and their children. (Jones and Ram, 2013:6-7). Particularly the availability of a large amount of social capital is considered to provide a large advantage for migrant entrepreneurs. Scholars holding a structuralist approach have argued that due to structural constraints, self-employment is an economic dead-end for immigrants and a continuation of subordinate status rather than an escape from it

[24] See e.g. Light (1972) and Jones and McEvoy (1986).

(IMES and Triodos, 2008:15). Intermediate approaches between the culturalist and structuralist theories, such as Waldinger et al. (1990:13-48)'s interaction model, which claims achieving upwards social mobility or not depends on the opportunity structure, group characteristics and the ethnic strategy, are more open-ended. In the mixed embeddedness model of Kloosterman (1999) both individual characteristics and characteristics of the own social networks, political and economic institutions are considered crucial in understanding both the obstacles and opportunities for aspiring entrepreneurs to start their own business[25]. Applying this mixed embeddedness approach Marchand and Siegel (2014:7) consider entrepreneurial success to be the result of personal background and characteristics, market conditions and policies and programmes.

Irastorza (2010) makes a distinction between individual-related factors and context related factors. Building on his earlier work, Kloosterman (2010) combines the micro-level of the individual entrepreneur (with his/ her resources) with the meso-level of the opportunity structure (See chapter two). He claims there are slim chances of upward social mobility for low-skilled workers in vacancy-chain openings, reasonably good chances of upward social mobility for low- skilled workers in post-industrial entrepreneurship and very good chances of upward social mobility for high-skilled workers in post-industrial entrepreneurship. Mind that the variable of financial capital is held constant (namely close to 0). Each of these ideal- typical openings require different social capital (Kloosterman, 2010:40).

Table 5: A Typology of the Opportunity Structure: Markets Split According to Accessibility and Growth Potential. These Ideal Typical Openings Need Specific Resources.

<table>
<tr><td colspan="2" rowspan="2"></td><td colspan="2">Growth potential</td></tr>
<tr><td>Stagnating</td><td>Expanding</td></tr>
<tr><td rowspan="2">Human Capital</td><td>High tresholds</td><td></td><td>Post-Industrial/ high-skilled
(necessity of more heterogeneous social capital)</td></tr>
<tr><td>Low treshold</td><td>Vacancy-chain openings
(necessity of homogeneous social capital)</td><td>Post-industrial/ low-skilled
(necessity of more heterogeneous social capital)</td></tr>
</table>

Source: Kloosterman, 2010:30.

[25] See e.g. Kloosterman (2000) and Engelen (2001).

1.6.1.2. Evidence of the Impact of Migrant Entrepreneurship on Socioeconomic Integration

In line with tremendous differences at the micro-, meso- and macro-level (supra), the impact of entrepreneurship on socioeconomic integration shows mixed results. Socioeconomic integration is commonly measured by looking at the wage level (Marchand and Siegel, 2014:14). In addition to comparing the survival rate and profitability of migrant enterprises with native-owned enterprises, a comparison of the wage level can provide a more general assessment of entrepreneurial success. However, the accessibility of data on the wage level of entrepreneurs is problematic. When data are available, they ought to be analysed with care as providing a full picture of the wage level may be distorted by a number of factors. The sincerity of responses cannot be taken for granted, for reasons of pride, shame or limited confidence in the research; income from informal activities may or may not be included in the data, etc. Nonetheless, it is still important to analyse available data to gain an understanding in entrepreneurial success and the relationship between entrepreneurship and socioeconomic integration. Moreover, data on the wage level may also provide insight in the sustainability of migrant entrepreneurship. As stated above, the death rate of migrant enterprises is higher than the death rate of native enterprises.

Research has shown that the contribution of migrant entrepreneurship to the socioeconomic integration of immigrants is far for evident. The wage level of migrant entrepreneurs is often compared to the wage level of employed immigrants. A number of studies have shown that for instance in the United States and in the Netherlands migrant entrepreneurship does contribute to the socioeconomic integration of immigrants (Irastorza, 2010), particularly for immigrants that take up entrepreneurship out of necessity (Constant and Zimmerman, 2004). While in some cases, such as in Germany and in the United States migrant entrepreneurs have higher incomes than employed migrants, there is evidence the opposite is true is in Sweden (Hjerm, 2004). This suggests that differences are due to institutional factors in the respective country. Differences in the welfare system and the attitude towards discrimination across countries may influence the earnings of self-employed and salaried immigrants (Irastorza, 2010:68). Some studies make a comparison with the wage level of native entrepreneurs. Bernard (2008) has shown that immigrants assimilate to the wage level of natives faster in small cities. Overall, labour markets seem to function better in small cities: unemployment rates are lower; labour force participation and incomes are higher. Others have made a comparison between the wage level of migrant entrepreneurs within and outside an ethnic enclave. Immigrants often find more business opportunities in areas where members of their ethnic group have already established themselves, known as ethnic enclaves. The impact of living in an ethnic enclave on the wage level of migrant entrepreneurs varies from case to case (Marchand and Siegel, 2014:14-15). Findings about Cubans living in different cities in the United States show that Cubans living in areas with low concentration of other Cubans have relatively higher incomes than those Cubans living in ethnic enclaves (Davis, 2004). Warman (2007) finds that enclaves have a negative impact on the earnings growth of immigrants in Canada. In the case of Denmark, Damn (2009) finds that the bigger the enclave is the more likely an immigrant has higher earnings (on average 18%), due to dissemination of job information, which positively influences the job-worker match quality and consequently the wage.

Overall however comparative studies of the impact of the presence and absence of a determinant on the wage level in one and the same ethnic entrepreneurship group are rather scarce. This holds even more true for studies that provide insight in the increase/ drop in income entrepreneurship has generated in one's individual life. In this dissertation, an assessment of the level of up-/downward social mobility achieved as result of entrepreneurship, i.e. a rise/ drop in income relative to the income generated in the professional status prior to becoming entrepreneur, will be used as an indicator of socioeconomic integration.

1.6.1.3. Propositions for Higher Median Monthly Net Income among Turkish Entrepreneurs in Ghent

In accordance with the findings in the literature and the mixed embeddedness of Marchand and Siegel (2014) a manyfold of propositions can be derived for higher median monthly net income among Turkish entrepreneurs in Ghent, relating to personal background and characteristics (micro-level), market conditions (meso-level) and policies and programmes (macro-level). Nine propositions are related to personal background and characteristics (Propositions 1, 2, 14, 15, 16, 17, 18, 19 and 20). Seven propositions are related to market conditions (Propositions 7, 8, 9, 10, 11, 12 and 13). Four propositions were related to policies and programmes (3, 4, 5 and 6).

Table 6: Variables and Propositions (own research)

Variable name	Proposition
1. Duration of entrepreneurship	Entrepreneurs who have been uninterruptedly active as self-employed for more than 10 years have a higher monthly net income.
2. Prior professional status	Entrepreneurs with the prior professional status of student earn more than entrepreneurs with the prior professional status of wage-earner.
3. Obligatory pre-entrepreneurial business plan	Entrepreneurs who had to provide a business plan to set up their business have a higher monthly net income.
4. Perception of adminstrative burden	Entrepreneurs who found it very easy to fulfil the legal criteria to set up their business have a higher monthly net income.
5. Public support prior to business set up	Entrepreneurs who benefited from general information, individual guidance or financial support offered by a public institution to start their business have a higher income.
6. Public support after business set up	Entrepreneurs who have benefited from public services after the start of their business(es) have a higher income.
7. Motivation to set up a business (1)	Entrepreneurs whose decision to become an entrepreneur was not influenced at all by having difficulties to find a job/ not finding a job as a wage-earner in the regular labour market have a higher income than entrepreneurs whose decision to become an entrepreneur was very much influenced by having difficulties to find a job/not finding a job in the regular labour market.
8. Type of business	Independent professionals have the highest monthly net income.
9. Legal status of business	Entrepreneurs with a business with the legal status of BVBA have a higher monthly net income than entrepreneurs with the legal status of Eenmanszaak.
10. Business location	Entrepreneurs with a business in a neighbourhood with under-representation of persons of Turkish origin have a higher monthly net income.
11. Ethnicity of target clientele	Entrepreneurs with a native Belgian target clientele have a higher monthly net income.
12. Ethnicity of actual clientele	Entrepreneurs with a native Belgian customer share above 75% have a higher monthly net income.
13. Easy availability of start capital	Entrepreneurs who found it easy to collect a necessary amount of start capital for their (first) business have a higher monthly net income.
14. Localness	Entrepreneurs who were born and raised in Belgium have a higher monthly net income.
15. Education level	Highly educated entrepreneurs have a higher monthly net income.
16. Level of Dutch language skills	Entrepreneurs who are proficient in Dutch language have a higher monthly net income.
17. Pre- entrepreneurial experience	Entrepreneurs with pre-entrepreneurial experience have a higher monthly net income.
18. Motivation to set up a business (2)	Entrepreneurs who were motivated by market opportunity and extrinsic rewards have a higher monthly net income.
19. Formal social network	Entrepreneurs who take part in one or more business association(s) have a higher monthly net income.
20. Informal social network	Entrepreneurs with more than 1,000 people in their social network have a higher monthly net income.

1.6.2. Impact of Migrant Entrepreneurship on the Host City/Country

Another group of scholars have claimed that migrant entrepreneurship may not only be a viable route for the economic incorporation and thus integration of immigrants and their children, but *may also contribute to the economic development in certain sectors or cities of the receiving societies* (i.a. Masurel et al, 2002:5; Rath, Eurofound, 2011:11; Marchand and Siegel, 2014:15-18). The determinants used for success in terms of socioeconomic integration may also be used to determine the contribution of migrant entrepreneurship to their host cities/ host countries.

1.6.2.1. Employment, Economic Growth and Innovation

Migrant entrepreneurs have not only played a *crucial role in increasing the employment opportunities for themselves but also for individuals in the urban population*. *Migrant entrepreneurs with small firms (i.e. under 50 employees)* in European OECD countries *create on average between 1.4 and 2.1 additional jobs (including the entrepreneur him/herself)*. However, the comparison with natives (between 1.8 and 2.8 additional jobs) suggests that migrant entrepreneurs create relatively fewer jobs. The few exceptions to this general observation are the Czech Republic, Hungary, Slovakia and the United Kingdom, where self-employed migrants seem to create more jobs than self-employed natives.

Every year migrant entrepreneurs employ an average of at least 2.4% of the total employed population in OECD countries. In most OECD countries this contribution to employment is equivalent to between 1.5- 3% of the total labour force. Only Eastern European countries and Greece have a lower share of employment by migrant entrepreneurs. The countries where migrants contribute the most to overall employment are Switzerland (9.4%), Luxembourg (8.5%) and Ireland (4.9%) (Desiderio and Mestres- Domenech, 2011:157). According to Baycan Levent and Nijkamp (2009:377), migrant entrepreneurs have also played a crucial role in increasing the employment opportunities for ethnic segments in the population. The contribution of migrant entrepreneurs to overall employment has moreover increased over time in most OECD countries (Desiderio and Mestres- Domenech, 2011:157).

Migrant entrepreneurs' contributions to their host country are not limited to job creation. They have also played a crucial role in *resolving social tensions and problems* (Baycan Levent and Nijkamp, 2009:377). They can *enhance the vitality of streets or neighbourhoods* in cities or of specific economic sectors; and most of all, they *play their part in the 'natural' process of succession and renewal of the total corpus of entrepreneurs* (Rath, Eurofound, 2011:83).

In general, there is strong evidence that entrepreneurship contributes to economic growth, i.e. the percentage rate of increase in real GDP, while the absence of entrepreneurship has negative implications for the economic growth of the respective area (Marchand and Siegel, 2014:15). However, a distinction needs to be made here between opportunity and necessity entrepreneurs, as opportunity entrepreneurs are found to contribute more to economic growth than necessity entrepreneurs (Verheul et al., 2010:4). Immigrant entrepreneurship, particularly in high-value-added or innovative areas such as high-tech firms, holds a great deal of promise for the economic growth and competitiveness of receiving countries (Desiderio, 2014:13; Marchand and Siegel, 2014:16). In fact, migrant entrepreneurship has become one of the driving forces for the growth of national and regional economies, particularly in the USA and in many European countries. Ethnic participation in terms of *migrant entrepreneurship is increasingly seen as a powerful economic force and a contributor to solving structural labour market imbalances in many industrialized countries* (Baycan Levent and Nijkamp, 2009:377).

The current Europe 2020 strategy is about delivering growth that is *smart* - through more effective investments in education, research and innovation-, *sustainable and inclusive*. In order to maintain a strong economic position in the global economy, innovation has been considered as the main economic driver of economic growth in the EU, which among other things resulted in the creation of an Innovation Union (EC, 2013b). This goal is strongly supported by the emergence of innovation networks, which are considered as means to share increasing R&D costs, gain access to scarce resources and most importantly to manage complex innovation processes, cope with technological uncertainty and create learning opportunities (Buchmann and Pyka, 2013:2).

Although the evidence on the relation between immigrant entrepreneurship and innovation is mixed (Marchand and Siegel, 2014:16) immigrants may bring new ideas, skills and innovation from which cities and overall society and the economy may benefit (Rath, Eurofound, 2011:96). *Migrant entrepreneurs may have expert knowledge on specific demands or specific sources of supply relating to foreign products.* In many cases this expertise can be based on first-hand knowledge from back home, or it can be generated through transnational networks that bridge the country of origin and sometimes extensive diaspora of a specific group of immigrants (Oliveira and Rath, 2008:13).

Following the work of Feldman and Audretsch (1999), who showed that regions with more diversity will facilitate the spill over of knowledge, which in turn should trigger more entrepreneurial activity, Niebuhr (2006:5) claims that *migrants and native workers of different cultural backgrounds possessing fairly diverse abilities and knowledge may create skill complementarities in addition to those among workers of the same qualification levels. This has a potential for innovation*, as innovation is defined as *`a product of interaction between actors that have sufficiently different knowledge in order to make Schumpeterian new combinations`* (Boschma and Martin 2010: 142). By introducing new products and new ways of marketing, even the migrant entrepreneurs at the bottom end of the market can become innovators. The introduction of the 'döner kebab' by Turkish entrepreneurs in Germany has been cited as a case in point (Rudolph and Hillmann, 1997).

1.6.2.2. Trade and FDI

Immigrant entrepreneurs and their businesses might also contribute to the host country's economy through increased trade. Through their networks in the home and host country, immigrants can establish trade links across border easier than natives (Marchand and Siegel, 2014:17). Evidence of the positive effects of immigrant entrepreneurs on exports is found in Rauch and Casella (1998) who show that co-ethnic networks promote bilateral trade by providing market information as well as by supplying matching and referral services. While the literature on the relationship between migrant entrepreneurship and foreign direct investments (FDI) is still limited at this stage, most of these studies assume that immigrants can influence where FDI is directed, through their networks both in the home and destination countries (Merchand and Siegel, 2014:17). Transnational ethnic networks can bridge information asymmetries on either side to foster mutually beneficial investment (Javorcik et al., 2011:1).

1.7. POLICIES SUPPORTING MIGRANT ENTREPRENEURSHIP

Immigrant entrepreneurs may benefit from agency–oriented and (opportunity) structure-oriented policy measures. Agency-oriented business support programs aim at improving the personal capability of individuals. Structure-oriented policies aim to create an environment conducive to entrepreneurship and innovation and as such promote a more favourable opportunity structure (Desiderio and Mestres-Domenech, 2011:160-163; Desiderio, 2014:11-13, Marchand and Siegel, 2014:18-27; Rath, Eurofound, 2011:8). In general, both agency- and structure-related policies and programmes are necessary to support the sustainability of ethnic entrepreneurship (Rath, Eurofound, 2011: 94)

How things turn out in practice depends on a number of factors, varying from the number of immigrants, their migration history and national assumptions about the process of integration to national welfare-state models and concomitant trajectories of economic incorporation, the bureaucratic culture, the political landscape and so on (Rath, Eurofound, 2011:86-87).

1.7.1. Agency-oriented Policies

Agency-oriented business support programs may address the mainstream population in general or specifically target migrants and as such aim at improving the personal capability of individuals.

1.7.1.1. Mainstream Business Support Programs

Business support programs aim to empower entrepreneurs by fostering their human, social and financial capital and to enable favourable conditions for business establishment and growth. Public authorities and private stakeholders may participate in the design, funding and delivery of these programs. Public initiatives are commonly funded to a greater or lesser extent at the national level and are implemented by regional and local authorities in cooperation with semi- public institutions, non-governmental organizations (NGOs) and other private organisations. Private business support programmes are generally initiated by private associations, credit unions, banks or philanthropic foundations and trusts, often emanating from big corporations (Desiderio, 2014:7).

In the field of SME and business support generally many programmes are solely targeting the start-up phase of the private enterprise (Rath, Eurofound, 2011:8; Desiderio, 2014:7). A vast array of services may be provided under such programmes, including:

- Entrepreneurship training (e.g. support in developing business plans, courses on accountancy, marketing)
- Help with fulfilment of administrative procedures for business setup
- Counselling for complying with tax regulations, labour law and social security obligations
- Legal advice on licensing and intellectual property
- Mentoring and support in accessing relevant business networks
- Help in raising start-up (or expansion) capital

Mainstream business support programs are generally intended for al entrepreneurs in a country, including resident migrants. As such, these general policies are at least as important as targeted business support programs for immigrants. However, migrants, especially newly arrived ones, may in practice find it difficult to access those programs or make the best use of them (Desiderio and Mestres-Domenech, 2011:160; Desiderio, 2014:8).

In addition to general mainstream programs, special programs may target particular groups of the population that have low rates of entrepreneurship or are in a vulnerable socioeconomic situation, such as women, people with disabilities, young people and the unemployed. Specific initiatives may also promote entrepreneurship in economically depressed regions or urban neighbourhoods. Since migrants tend to be overrepresented in socially and economically disadvantaged groups and areas, they may be an indirect target of these measures (Desiderio, 2014:8).

1.7.1.2. Targeted Business Support Programs for Migrant Entrepreneurs

Two main types of measures targeted at migrant entrepreneurs and investors may be distinguished. For *immigrant entrepreneurs already established in the receiving* country, specific support measures aim to enhance their capacity for business development. *For foreign entrepreneurs and investors abroad*, specific admission policies select candidates whose human and financial capital and business plans are likely to meet the country's economic needs and ensure the success of their business. In what follows, the main focus will be on the immigrant entrepreneurs already established in the country.

A majority of OECD countries have recently implemented support measures targeted at entrepreneurs with an immigrant background- i.e. first generations as well as members of ethnic communities born in the host country- to help them overcome some specific challenges that they may face when setting up and expanding a business. They may be offered to all immigrants or to specific subgroups, such as newcomers, immigrant women, refugees or members of specific ethnic communities (Desiderio and Mestres-Domenech, 2011:160; Desiderio, 2014:8)

Targeted business-support programs for immigrant entrepreneurs, often implemented through some form of public- private partnership, are *particularly common in traditional immigration destinations* such as the United States and Canada, and in European countries that have a long immigration history and/or developed comprehensive integration policies relatively early, such as the Nordic countries, the Netherlands, the United Kingdom, Germany, Austria and Belgium. In particular in the United States, many targeted public and private programmes have been carried out since the 1960s. *Targeted schemes to foster migrant entrepreneurship are less frequent in countries with a more recent experience of immigration*, such as Southern and Central-Eastern European countries. Some immigration countries within the OECD have few or no public policy support measures directly targeting entrepreneurs of immigrant background. This is often the case in countries with relatively small immigrant populations (Desiderio and Mestres-Domenech, 2011: 161; Desiderio, 2014:9). In addition, the *choice for particularistic or universal policies is politically sensitive*. Group-specified policies are sometimes interpreted as being biased towards soft multiculturalism or ignoring the good old economic laws. On the other hand, the absence of group-specific measures can be interpreted as ignorant, assimilationist or even racist (Rath, Eurofound, 2011:86). In France, support to immigrant entrepreneurs is offered through mainstream programmes for the development of economically depressed areas, as a result of the government's focus on cohesion rather than the integration of migrants. Since migrant immigrants tend to be overrepresented in those areas, they appear to be an indirect target of those programmes (Desiderio and Mestres-Domenech, 2011:164; Desiderio, 2014:9).

A government is not a monolithic entity, but an institution that operates at different scalar levels, corresponding with different legal and political structures, budgets and powers (Rath, Eurofound, 2011:7). In countries who do provide support measures to entrepreneurs with an immigrant background, a majority of these support programmes are situated at the regional or local level, in areas where the migrant population is more concentrated, even if their funding is derived from national/ federal or even supra-national (in the case of EU member countries) integration or economic development programmes (Desiderio and Mestres-Domenech, 2011:161). In OECD countries targeted support measures to foster entrepreneurship among populations with an immigrant background cover not only public but also private initiatives, as in the case of programmes for migrant business development initiated by private banks, credit unions or private associations. Even when they originate in public policy, support measures for migrant entrepreneurs are in most cases run by intermediaries (local government, Chambers of Commerce, business associations and unions, as well as NGOs and other private organisations).

Drawing on data gathered from 28 European cities, Rath and Eurofound (2011:41) point out that despite its growing importance in Europe, in most European cities migrant entrepreneurship has not played a major role in the overall strategy supporting the integration of immigrants. Various reasons account for this. Firstly, in several cases, immigrants have not actually entered the entrepreneurial market, so there seems little need for specific policies. Secondly, in these cities integration policy rarely has an economic or socioeconomic orientation. It is mostly about language acquisition, social cohesion, security, norms and values, and only marginally about finding a job, embarking on a career, or setting up a business. Thirdly, if economic integration plays an important role in the integration and economic policies of cities, labour market participation, not the support for increased ethnic entrepreneurship, has been given a more central role in large cities. Fourthly, it is sometimes believed that ethnic minorities are not suffering from any form of disadvantage that would justify special measures. Fifthly, as far as ethnic entrepreneurship is on the agenda, the assumption sometimes prevails that group-specific measures are ‘not done’, and measures should be colour-blind, should not give ‘preferential treatment’ to one group over another, and should not discriminate against any group. Finally, a strict neoliberal logic sometimes prevails. This revolves around the policy assumption that entrepreneurs operate in the private sector only, outside the reach of the government, and that this is the way it should be (Rath, Eurofound, 2011:42).

Targeted business-support programmes to foster entrepreneurship among populations with an immigrant background generally focus on the entrepreneur’s skills rather than on the economic environment (Desiderio and Mestres-Domenech, 2011:161). They may include measures from one or more of the following categories:

- Knowledge-based services to help develop country-specific human capital and business skills, including (business) language courses, multilingual financial literacy and entrepreneurship training modules, an introduction to the host-country’s business culture and environment;
- Mentoring and network-building initiatives to facilitate the acquisition of country-specific business skills and social capital;
- Tailored counselling and assistance on for instance administrative procedures;
- Targeted measures to facilitate access to credit (Desiderio, 2014:10).

Yet, based on a study in 28 European cities Rath, Eurofound (2011:62) found that many migrant entrepreneurs seem reluctant to ask for support or apply for outside help, or are not aware of the availability of support schemes. At the same time, governmental and non-governmental agencies that offer a variety of support services find it hard to reach out to them. Marchand and Siegel (2014:20) claim that besides the likelihood of an information asymmetry- as immigrants might not know about certain types of support options- there may also be distrust in such programmes and a preference for assistance from people with the same ethnic background. It is therefore important that any kind of support programme is adapted to the specific context and the individual entrepreneur.

1.7.2. Structural Policies Promoting an Entrepreneurship-friendly Environment

Besides these programmes it is important that infrastructure in the country offers actual opportunities to potential immigrant entrepreneurs. Structural policies in the areas of general administration, taxes, labour market regulation, economic and industrial development, education and research aiming at an environment fostering entrepreneurship and innovation are crucial to realize the potential benefits of new businesses, including those started by immigrants. These policies are typically the responsibility of national or federal governments. Yet, these policies are unlikely to be put in place with the specific objective of fostering immigrant entrepreneurship, and instead will aim for broader economic goals (Desiderio, 2014:11).

Desiderio (2014:12-13) points to a range of structural policy interventions that may contribute to creating an entrepreneurship-friendly environment for both immigrants and the native-born population. These include:

- Simplifying and speeding up the administrative procedures required for business setup, registration and management;
- Creating favourable fiscal regimes for entrepreneurship and investment;
- Enhancing labour market flexibility to facilitate recruitment;
- Strengthening entrepreneurial education and training;
- Providing enhanced support for scientific research and innovation;
- Promoting an entrepreneurial culture.

These points can also be found in the European Commission's Entrepreneurship 2020 Action Plan, which will be discussed in 5.4.2.

Kloosterman (2003:174) presents several policy options that will provide an increase in opportunities for both native and immigrant entrepreneurship. Direct measures aim to increase the opportunities for businesses in the area, while indirect measures are aiming at a different goal but have spill over effects on the opportunities for entrepreneurs. Furthermore, there are policy measures concerned with enforcement versus non-enforcement.

Table 7: Typology of Policies that May Affect the Opportunity Structure for Small Businesses and Immigrant Entrepreneurs.

Type of policies	Direct	Indirect	(Non-) Enforcement
Enlargement of the domain of market transactions The larger the extent of commodification, the more chances and openings occur for firms.	Privatization (e.g. by outsourcing garbage collecting to private firms).	Eroding self-provision by families by encouraging female labour participation and thus, creating opportunities for firms to provide child-care and house cleaning.	Turning a blind eye to the trade in products that are formally illegal (e.g. allowing small amounts of soft drugs).
Lowering of thresholds of markets When openings exist, they may be blocked by requirements concerning setting up a business.	Deregulation (e.g. abolishing certain requirements regarding educational qualifications). Regulations to keep large firms in check.	Reducing the prices of resources such as capital and labour and promoting commercial premises.	Allowing forms of informal production (e.g. tolerating the employment of illegal workers).
Increase in growth potential of markets Openings should occur in market segments that are accessible but also offer growth potential in the foreseeable future.	Promoting export for SMEs. Specifically regarding migrant entrepreneurship: contract compliance.	General macro-economic policies, but also meso-level policies directed at urban economies or specific sectors.	By allowing more functions or firms than the zoning plan stipulates or types of diversification, which enable firms to move to other market segments.

Source: Kloosterman, 2003:174; Marchand and Siegel, 2014:19.

CHAPTER TWO
CONCEPTUAL FRAMEWORK

2.1. GENERAL CONCEPTUAL FRAMEWORK: THE MIXED EMBEDDEDNESS PERSPECTIVE

This dissertation provides a case study of the factors of entrepreneurial decision-making and the impact of Turkish entrepreneurship on socioeconomic integration in Ghent, Belgium. This is being done by using a mixed embeddedness perspective (Kloosterman et al., 1999; Kloosterman, 2003; 2010). Building on the literature review discussed in chapter one, this chapter presents the conceptual framework for the study, which describes the factors of entrepreneurial decision-making and entrepreneurial success. It draws primarily on the work of Kloosterman et al. (1999), Kloosterman (2003; 2010), Rath, Eurofound (2011), Desiderio (2014) and Marchand and Siegel (2014).

The emergence and (potential) success of migrant entrepreneurs has been viewed through different lenses. Originally, the emergence and (potential) success of migrant entrepreneurship was attributed to structural or, on the other extreme, cultural factors. The culturalist point of view, which considers the ethnic firm to be embedded in its own social networks, has become very popular (Rath, Eurofound, 2011:18). Over time, more interactionist approaches appeared which incorporate personal ‘agency’ factors and structural factors, of which Waldinger et al. (1990:13-48) has been widely known. Aldrich and Waldinger (1990) and Waldinger et al. (1990:13-48) have pioneered the inclusion of the opportunity structure in analysing immigrant entrepreneurship. This opportunity structure represents the economic and institutional environment in place. These circumstances are shaped by historic developments and limit potential business ventures to those kinds of sectors that are supported by this environment. For instance, there may be market conditions favouring ethnic business versus those that make this kind of business hard to run (Aldrich and Waldinger, 1990:114-122).

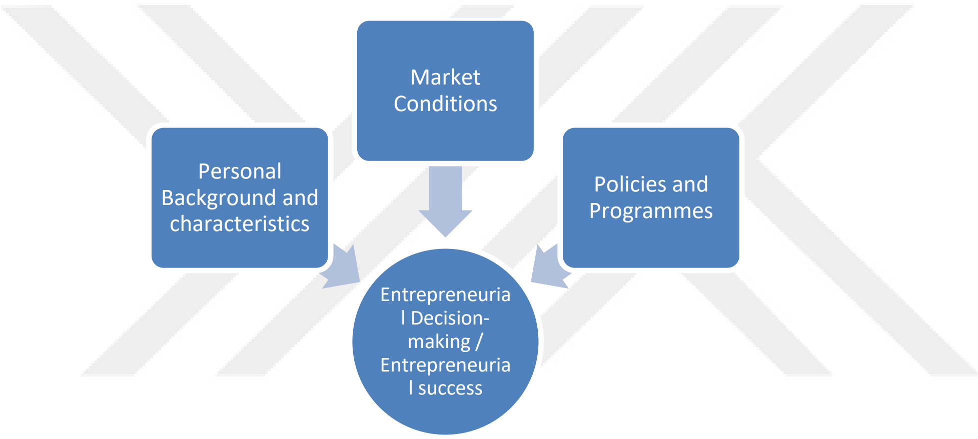
A more recent interactionist approach is the more dynamic and inclusive mixed embeddedness model of Kloosterman (1999). As the label ‘mixed embeddedness’ suggests, it acknowledges a strong significance for social embeddedness as the ethnic network is vital as a means of raising capital, mobilizing workforce and drawing support for business (Kloosterman, 2010:34). However, the ethnic firm is not solely embedded in the own social network of immigrants, but also in the socioeconomic and politico-institutional environment of the country of settlement (Kloosterman et al, 1999). The rate of participation in entrepreneurship of a particular group of immigrants, the kind of business an immigrant starts and its role in the immigrant's process of incorporation depend on the intricate interplay between socioeconomic and ethno-social characteristics of the group in question and the time and place of the specific opportunity structure of the country of settlement (Kloosterman et al., 1999:3, Kloosterman, 2010).

This constantly changing opportunity structure is considered crucial in understanding both the obstacles and opportunities for aspiring entrepreneurs to start their own business (Rath, Eurofound, 2011:20). While market conditions and economic trends determine to a very large extent in which segments these kinds of openings occur they themselves are embedded and enmeshed in institutions. This institutional context determines on a macro-level to a large extent the opportunity for businesses in general both on a national, a sectorial and a local level. Institutions as the welfare system, the organisation of markets, the framework of rules and regulations together with their enforcement, housing policies (impacting on the residential distribution of immigrants) and also business associations and specific business practices which regulate particular markets, significantly affect opportunity structures (Kloosterman et al., 1999:8-9).

However, when opportunities arise it still very much depends on their economic and social status whether a(n) (potential) immigrant entrepreneur can take advantage of them. Here his/her social environment/ networks, culture and background are key. In other words, the fate of the ethnic enterprise is determined by the interplay between the individual entrepreneur and its own community and the structure of the market and the state. It follows that for every individual case, the understanding of the context is important (Marchand and Siegel, 2014:7), which requires research at the crossroads of several disciplines.

Configurations of mixed embeddedness may be very complex and manifold (Kloosterman et al., 1999:10). Applying a mixed embeddedness approach, Marchand and Siegel (2014) roughly divide a variety of factors into three categories: Personal background and characteristics, market conditions and policies programmes[26] and present an overview of these different factors in the framework of entrepreneurial activities of migrants in cities in more detail. The three categories are considered as factors for entrepreneurial decision-making and entrepreneurial success. They can roughly be referred to as the micro-, meso- and macro-level, respectively.

Figure 6: Factors Influencing Entrepreneurial Decision- Making and Success.



Source: Marchand and Siegel, 2014:7.

2.2. MICRO-LEVEL: PERSONAL BACKGROUND AND CHARACTERISTICS

A variety of human capital factors have an impact on the decision to become an entrepreneur and on entrepreneurial success. Among the most cited and relevant ones are: the gender, age, nationality, time spent in the host country, level of education, knowledge level of languages, level of work and entrepreneurial experience, skill level, level of embeddedness in formal and informal (ethnic) social networks, entrepreneurial qualities and motivation. Information on the main motivation for

[26] They can also be referred to as: a) Individual and social factors, b) market conditions (economy) in which a distinction can be made between the labour market, product market and the financial market, and c) policies and administrative challenges (institutional politics).

setting up a business is an important tool to determine on opportunity and necessity entrepreneurship

Table 8: Main Motivations for Becoming an Entrepreneur.

Motivation	*Description*
Extrinsic rewards	Economic reasons that motivate entrepreneurs
Intrinsic rewards	Reasons related to self-fulfilment and growth
Independence/ autonomy	Desire to be one's own boss
Family security	Entrepreneurship to secure a job for oneself as well as potentially for family members.
Necessity	No/ limited other options
Opportunity	Taking advantage of a spotted opportunity
Upholding tradition	Family tradition to run a business

Source: Marchand and Siegel, 2014:10.

In addition to these individual-related factors, the micro-level equally includes a number of facors that Irastorza (2010) considers as context-related factors, such as country/ region/ city of origin, culture[27], selfemployment tradition and religion of the migrant (group).

2.3. MESO- LEVEL: MARKET CONDITIONS

Market-related factors, i.e. the labour market, product market and financial market in the host society/ city are considered as the meso-level.

- Labour market:

When trying to access the formal labour market migrants often face discrimination. This may take form in three different ways. They may face structural discrimination; i.e. the need for a visa and/or no access to certain jobs, taste discrimination; i.e. a bias on the side of employers towards people with certain backgrounds and/ or language skills; and statistical discrimination; employers and job seekers have asymmetrical information about the worker's quality, while qualifications might not be recognized.

[27] Factors such as values, norms and attitudes of a group which have an impact on the attitudes and behaviours of the members of this group in daily life

In such cases migrant entrepreneurship may be a response to social exclusion and integrate better in their host community, as well as to improve their socioeconomic situation. The majority of these entrepreneurs can however be labelled as necessity entrepreneurs, which are not likely to make significant contributions to the society in terms of sustainable economic growth (Marchand and Siegel, 2014:10-11). Policy makers can also pay special attention to the promotion of inclusion of (long-term) unemployed immigrants in certain schemes (Rath, Eurofound, 2011: 66-68).

- Product market:

Entrepreneurs need markets. With a view to to attract customers and make profit, the sector and type of the business, products/ services offered, the location and the decision of the target clientele evidently play a significant role. Especially in an initial phase the availability of social capital is important, which often stems from co-ethnics. To supply these products, the links with the country of origin are important (Waldinger et al., 1990). While micro enterprises will often supply ethnic products more to their own ethnic group or to the general public in their local area, they can also completely break-out of the ethnic market and spot opportunities that other entrepreneurs have not taken up yet (Marchand and Siegel, 2014:11). According to Kloosterman (2010:30) the growth potential is generally the highest in the post-industrial sector.

- Financial market:

As previously mentioned, one of the main obstacles for aspiring migrant entrepreneurs is a lack of financial capital to set up their business (Rath, Eurofound: 50-52). Even when support programmes are offered there may be a information asymmetry or distrust in such programmes. Therefore, immigrant entrepreneurs rely on informal sources of funding, such as family, friends and their extended social networks, much more often than natives. This relying on social capital to cover the shortage of funding may however affect the kind of business immigrants open; they tend to be where initial investments, and as such the entry barriers, are not high (Marchand and Siegel, 2014:11-12).

2.4. MACRO- LEVEL: POLICIES AND PROGRAMMES

Policies and programmes of the host society are considered as the macro-level. As mentioned in part 1.7, immigrant entrepreneurs may benefit from agency-oriented and (opportunity) structure-oriented policy measures. Agency-oriented business support programs may address the mainstream population in general or specifically target migrants and as such aim at improving the personal capability of individuals. Structure-oriented policies aim to create an environment conducive to entrepreneurship and innovation and as such promote a more favourable opportunity structure (Desiderio and Mestres-Domenech, 2011:164; Desiderio, 2014:6, Marchand and Siegel, 2014; Rath, Eurofound, 2011).

How things turn out in practice depends on a number of factors, varying from the number of immigrants, their migration history and national assumptions about the process of integration to national welfare-state models and concomitant trajectories of economic incorporation, the bureaucratic culture, the political landscape and so on (Rath, Eurofound, 2011:9). Policies and programmes influencing the opportunity structure are both set on the European, federal, regional and municipal level. Policy domains closely linked to (migrant) entrepreneurship are economic policy, labour market policy, migration policy and integration policy.

CHAPTER THREE
DATA AND METHODOLOGY

In this study, I analyse the interplay between the factors underlying the emergence and entrepreneurial success of Turkish entrepreneurship in Ghent, whereby socioeconomic integration is considered as an indicator of entrepreneurial success. The study consists of a two parts. The first part (i.e. chapter four) presents a retrospective study of the emergence and evolution of entrepreneurship and socioeconomic integration in Ghent as of the mid- 1960s. A second part (i.e. chapter five) builds on the final section of the first part of the study, i.e. the Turkish entrepreneurship as of the late 1990s, in order to provide a full picture of the emergence of entrepreneurship and socioeconomic integration of present-day Turks in Ghent.

For both parts, analysis will be conducted by adopting the comprehensive mixed embeddedness approach (Kloosterman et al., 1999), as interpreted by Marchand and Siegel (2014). As such, entrepreneurial decision-making and the level of entrepreneurial success will be viewed as the result of the interplay between factors at the micro-, meso- and macro-level, respectively referring to the personal background and characteristics of Turkish entrepreneurs; labour, product market and financial market conditions for Turkish entrepreneurs in Ghent and policies and programmes at the European, federal, regional and municipal level. Socioeconomic integration was selected as an indicator of entrepreneurial success.

In accordance with the mixed embeddedness perspective of Marchand and Siegel (2014) the emergence of entrepreneurship and socioeconomic integration of Turks in Ghent are considered the result of the interplay between factors at the micro-, meso- and macro-level, i.e.:

- Personal background and characteristics of individuals of Turkish origin (micro-level)
- Market conditions (meso-level)
- Policies and programmes/ institutional context (macro-level).

The study of the meso- and the macro-level will provide insight in the opportunity structure for Turkish entrepreneurs in Ghent.

3.1. A RETROSPECT ON THE EMERGENCE AND EVOLUTION OF ENTREPRENEURSHIP AND SOCIOECONOMIC INTEGRATION OF TURKS IN GHENT

The literature on Turkish entrepreneurship in Ghent indicates the presence of a first wave of Turkish entrepreneurs in the mid-1970s and a second wave in the 1980s (De Gendt, 2014: 118-126, 201-212). As of the 1990s evolutions in the absolute numbers of Turkish entrepreneurs are harder to establish, as once obtaining the Belgian nationality they are often no longer considered as ‘Turkish’ entrepreneur (De Bock, 2012:48). The study of this part, which is presented in chapter four, attempts to show the evolution of the ethnic economy (What is the size of entrepreneurship and what type of businesses are set up in different time periods?) and explain the interplay between the micro-, meso- and macro-factors influencing the absence of entrepreneurship until the early 1970s, the emergence of the first wave of Turkish entrepreneurs in Ghent in the mid-1970s, the emergence of the second wave of Turkish entrepreneurs in the 1980s and the emergence of entrepreneurship as of the end of the 1990s. This will be done by combining the insights from available literature on the emergence of Turkish entrepreneurship of Turks in Ghent (in particular: De Bock, 2012 and 2014; Verhaeghe et al., 2012, De Gendt, 2014), applying the conceptual framework. For the period ‘end of the 1990s- present’ quantitative data were used from Flemish business association Unie van Zelfstandige Ondernemers (Union of Self-employed Entrepreneurs, UNIZO) (Van Assche, 2011) and the Local Civic Integration and Integration Monitor Ghent 2015 (Agency for Domestic Governing and Study Service Flemish Government, 2015).

As for this part individual data of Turkish entrepreneurs were not available, the level of socioeconomic integration was studied more generally over time on the level of the Turkish community. In correspondence with Verhaeghe et al. (2012: 14-24), the following periods were discerned: 1964-1974: ethnic networks, 1974-end of the 1990s: ethnic enclave, end of the 1990s- present: on the way to an ethnic mosaic.

3.2. STUDY OF THE EMERGENCE OF ENTREPRENEURSHIP AND SOCIOECONOMIC INTEGRATION OF PRESENT-DAY TURKS IN GHENT

This part, which is presented in chapter five, builds on the final section of the first part, i.e. Turkish entrepreneurship from the end of the 1990s until present, and aims to present a fuller picture of the interplay between factors at the micro-, meso- and macro-level underlying the emergence of contemporary entrepreneurship and socioeconomic integration of Turks in Ghent.

The study of the various levels is being done as follows:

3.2.1. Study of the Micro-level

In order to determine the size of Turkish entrepreneurship primarily quantitative data is used from the Flemish Migration and Integration Monitor 2015 (Van den Broucke et al., 2015), Flemish Regional Indicators 2015 (Study Service Flemish Government, 2015), the Local Civic Integration and Integration Monitor Ghent 2015 (Agency for Domestic Governing and Study Service Flemish Government, 2015), Flemish business association Unizo (Van Assche, 2011) and Belgian National Institute for the Social Security of the self-employed (Rijksinstituut voor de Sociale Verzekeringen der Zelfstandigen **(**RSVZ), 2015a and b). In order to determine the characteristics of Turkish entrepreneurs in Ghent firstly a variety of qualitative studies were contemplated (in particular: De Bock, 2012 and 2014; Verhaeghe et al., 2012; De Gendt, 2014; Bonne et al., 2014). The findings of these studies were presented in the final section of chapter four, i.e. Turkish entrepreneurship as of the late 1990s- present. Following this, data were used from the structured qualitative study carried out with Turkish entrepreneurs in Ghent in December 2016. Specific research questions here were:

- What is the size of Turkish entrepreneurship in Ghent?
- What are the characteristics of Turkish entrepreneurs in Ghent?

3.2.2. Study of the Meso-level

The meso- and macro-level both impact the opportunity structure of Turkish entrepreneurship in Ghent. A first step in finding out the opportunity structure for Turkish entrepreneurs in Ghent is to find out the socioeconomic characteristics of entrepreneurship in Belgium, Flanders and Ghent. Specific research questions were partially taken over from Rath, Eurofound (2011:9-10):

- What are the key characteristics of the national, regional and urban economy and what is their entrepreneurial character? More specifically, what has been the development of the SME sector in general in terms of numbers of businesses, volume of workforce, value of sales, variety of products and market segmentation and what has been the a) spatial distribution, b) the distribution over the various sectors of these economies and c) the ethnic gender and age composition?
- What is the size of migrant entrepreneurship in Belgium, Flanders and Ghent, which kinds of profiles of migrant entrepreneurship can be identified and how does Turkish entrepreneurship in Belgium, Flanders and Ghent compare to entrepreneurship of other ethnical groups?
- Which general and specific barriers do migrant entrepreneurs encounter and what are their competitive advantages?
- How many and what quality of jobs have been generated on the local labour market? How do (un)employment numbers of the Turks in Belgium, Flanders and Ghent compare to the ones of other ethnical groups? Are there signs Turks have been discriminated against on the regular labour market?
- In which neighbourhoods do Turks set up shop? Who is their main clientele?
- How do Turks in Ghent finance their business?

Quantitative data on the spatial and sectorial distribution and entrepreneurial rates of ethnical groups were used from the Flemish Migration and Integration Monitor 2015 (Van den Broucke et al., 2015), Flemish Regional Indicators 2015 (Study Service Flemish Government, 2015), the Local Civic Integration and Integration Monitor of Ghent 2015 (Agency for Domestic Governing and Study Service Flemish

Government, 2015), Flemish business association Unizo (Van Assche, 2011) and Belgian National Institute for the Social Security of the self-employed (RSVZ, 2015a and b). In conjunction with population statistics from Study Service Flemish Government (2015) and Agency for Domestic Governing and Study Service Flemish Government (2015) calculations were made. Quantitative data on the position of the Turks on the labour market were used from Flemish Migration and Integration Monitor 2015 (Van den Broucke et al., 2015) and the Local Civic Integration and Integration Monitor of Ghent 2015 (Agency for Domestic Governing and Study Service Flemish Government, 2015). Data concerning the product market and financial market largely originate from self- conducted structured qualitative research.

3.2.3. Study of the Macro-level

The study of the macro-level largely entails the study of policies and programmes which affect Turkish entrepreneurship in Ghent. Following European integration, Belgium’s federal state structure and the principle of subsidiarity, policies and programmes affecting Turkish entrepreneurship in Ghent are multi-levelled. In accordance to their territorial broadness, in descending order, these scalar levels are:

- The European level, i.e. primarily related to policies of the European Union
- The National level, i.e. primarily related to policies of the Belgian federal government
- The Regional level, i.e. primarily related to policies of the Flemish Government
- The Urban level, i.e. primarily related to policies of Ghent Municipality[28]

In addition, also private actors or NGOs may affect Turkish entrepreneurship in Ghent. With regard to public policy, the scalar level(s) which has (/have) the most authority in the policy domain of entrepreneurship will be indicated. This is particularly necessary as Belgium is a federal state, with the jurisdiction of many policy domains belonging to the regions and communities.

[28] The provincial level, i.e. East-Flanders, of which Ghent is the capital, was not taken into consideration as it only marginally impacts the opportunity structure of Turkish entrepreneurs in Ghent.

Following this, an analysis of EU policies, Belgian, Flemish and Ghent Municipality policies will be made through the following research questions:

- What state and non-state rules and regulations govern the SME sector in general and the ethnic SME sector in particular at the national and local levels and how have they shaped immigrants' self-employment trajectories?
- How have policy debates, programmes and interventions on (migrant) entrepreneurship influenced the emergence of entrepreneurial opportunities and further development of migrant businesses?
- Are there any policies besides standard entrepreneurship policies which specifically target migrant entrepreneurs?
  - Why/why not?
  - If so, in which way do these policies support migrant entrepreneurs?
  - If so, do these apply to all migrant entrepreneurs or rather apply to subgroups of migrant entrepreneurs, such as EU entrepreneurs/ non-EU entrepreneurs, micro-/ small-/ medium-/ or large entrepreneurs, men/ women, young/ old, educated/ non-educated, specifically Turkish entrepreneurs, etc.?
  - If not, in what way can migrant entrepreneurs benefit from general entrepreneurship support of the EU/ the Belgian Government/ the Flemish Government/ Ghent Municipality?

Additionally, with regard to the latter research question, migrant integration policies will be analysed. Data used for this part largely entail data from Flemish public institutions, civil society and academic literature. These may provide insight in the reason why policies, programmes targeting migrant entrepreneurs are present/ absent.

- What is the definition of integration in the EU/ Belgium/ Flemish government/Ghent? Does it position itself as a multicultural society and conduct a multicultural policy with regard to migrants? Does it recognize cultural differences and does it aim at integration of cultural minorities in the society? Is it a one-way or a two-way process? Why are targeted policies used/ not used with regard to migrants? Do integration policies provide support with regard to the labour market integration of the Turks in Ghent and do they stimulate entrepreneurship?

The material used for the study of the macro-level primarily comprises policy documents from the European Commission (in particular from European Commission Directorate-General Growth), European Economic and Social Committee (EESC, 2012), the government declarations of the Belgian Government (Belgian Government, 2014), the Flemish Government (Flemish Government, 2014) and the Ghent Municipal Executive Board of the Mayor and Aldermen (Ghent Municipality, 2012), the 2014-2019 policy document of alderman De Clerq on Economy and Entrepreneurship (Ghent Municipality, 2014), Global Entrepreneurship Monitor Reports for Belgium and Flanders 2013 and 2014 (Bosma et al., 2014; Holvoet et al., 2015) and Aernoudt and Van Rompaey (2015). The study of the Flemish integration policy is done through a review of documents provided by Flemish Agency for Integration and Civic integration and relevant academic literature (in particular: Berry (1997; 2016), Loobuyck-Jacobs (2010), De Cuyper et al. (2010), Coffé and Tirions (2004) and Groffy and Debruyne (2014)).

3.2.4. Sample Survey with Turkish Entrepreneurs in Ghent in 2016

A sample survey questionnaire was conducted in December in 2016 in Ghent with four objectives:

1) present new data on contemporary Turkish entrepreneurship in Ghent in correspondence with the mixed embeddedness conceptual framework of Marchand and Siegel (2014).

2) determine the level of up-/ downward social mobility which Turkish entrepreneurship have experienced in comparison to their previous professional status. The socioeconomic integration of migrant entrepreneurs is often evaluated based on the wage level. As such the level of upwards/downwards social mobility (i.a. a rise/drop in monthly net income) experienced by contemporary Turkish entrepreneurs as a result of entrepreneurship relative to the professional status they had prior to becoming entrepreneur was measured by comparing the average monthly net income

level of Turkish entrepreneurs in 2016 to the net monthly net income level of the last month of the professional status they had prior to becoming entrepreneur (employed, long-term unemployed i.e. at least 1 year, or student). Yet, in order to prevent distortion, the values of entrepreneurs with the previous professional status of student or long-term unemployed and entrepreneurs who have been self-employed for more than twenty years a separate calculation will equally be made excluding these categories.

3) compare the median monthly net income of Turkish entrepreneurs in 2016 with the median monthly net income per taxable person in Ghent in 2013, provided by Stad Gent Dashboard (Ghent Municipality, 2017a).

4) determine which elements from the mixed embeddedness framework correlate with entrepreneurial success/ socioeconomic integration. Median calculation was applied to test a total number of 20 propositions which were developed from explanatory variables. These dependent variables were derived from the questions in the questionnaire and as such were in accordance with the mixed embeddedness conceptual framework of Marchand and Siegel (2014). Specifically, these propositions test the correlation of certain variables to a relatively higher median monthly net income group level in 2016. For the independent variable, data were used of 38 entrepreneurs who stated their average monthly net income group level in 2016 (Q4c).

The target population of the research was defined as self-employed of Turkish origin in Ghent in main occupation[29], hereby further referred to as 'entrepreneurs'. A sample population of 5%[30], i.e. 50 entrepreneurs, was targeted, with a diversity of entrepreneurs in terms of gender, education level, type of business and location. The latter implied that attention was given both to entrepreneurs in neighbourhoods with a

[29] The Belgian National Institute for the Social Security of the Self-employed (RSVZ) makes a distinction between self-employed and helpers in main occupation, extra occupation and of retirement age. As for two latter categories, the largest part of the income does not stem from entrepreneurship they were not involved in this study.

[30] While an absolute number of self-employed in Ghent of Turkish origin could not be found an estimation of 1,250 self-employed of Turkish origin in Ghent was made, based on the total population of Turkish origin in Ghent (21,809), the working population within the category 18 to 64 years old of Turkish origin (49.3%) and the share of self-employed within the working population from 18 to 64 of Turkish origin (16.9%). As this estimation includes helpers of the self-employed, it was further narrowed down to 950.

high Turkish concentration[31], for which primarily Sluizeken-Tolhuis- Ham (e.g. Sleepstraat) and Dampoort (e.g. Dendermondsesteenweg) were selected, as well as in neighbourhoods with a lower Turkish concentration. For the latter primarily Binnenstad and Stationsbuurt Noord were selected.

The method of structured interview[32] was selected, whereby the respondents would be presented a formalized list of 37 main questions. The majority of the questions in the questionnaire (part b, c and d) were derived from the mixed embeddedness conceptual framework of Marchand and Siegel (2014). A minority of questions were posed to determine the level of up-/ downward social mobility Turkish entrepreneurs have experienced in comparison to their previous professional status and to compare the median monthly net income in 2016 with the median monthly net income of citizens in Ghent (part a).

A majority of these questions had to be answered by selecting from multiple choice answers, but respondents were encouraged to elaborate on their answer. A minority of questions were open questions. Questions which implied rating typically used a 5-point Likert Scale. Yet, in some cases the choice was limited to four possible answers. In addition, sometimes an extra option was given to select `do not wish to answer`. Following the advice on conducting a research interview[33], the most prominent questions, i.e. questions related to social mobility, were asked in the beginning, and demographic questions at the end. In a final question, the interviewee was asked to add any other important not- mentioned factor that had had an important impact on the level of his/her average monthly net income in 2016.

In a first phase, Turkish businesses were personally informed about the aim and the scope of the survey and asked about their willingness to participate in an ‘enquête/ interview concerning satisfaction of entrepreneurship’ which typically would take a maximum of 45 minutes. It was mentioned that the interviews were conducted in conjunction with Vereniging Zonder Winstoogmerk (Non-Profit

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[31] Neighbourhoods with an over-representation of persons of Turkish origin, i.e. with a higher average % of persons of Turkish origin than the overall average % of persons of Turkish origin in Ghent (Verhaeghe et al., 2012).

[32] In order to get a higher response rate, the interviews were conducted in conjunction with Vzw Compactuna (CCA), a Ghent- based non-profit association, who among other things aims to increase interethnic and intergenerational contacts in a context of diversity. The association was founded by Belgians of Turkish origin with connections in the Ghent-Turkish network.

[33] See e.g. https://www.ukdataservice.ac.uk/teaching-resources/interview/qualitative.

Association, Vzw) Compactuna, a Ghent- based non-profit association founded by Belgians of Turkish origin, who i.a. aims to increase interethnic and intergenerational contacts in a context of diversity in Ghent. It was also mentioned that the results of the survey would be published in a PhD dissertation and be presented to Ghent Municipality at a later stage. This information was firstly given in Dutch and if necessary once again repeated in Turkish. As for reasons of absence or limited time a large number of entrepreneurs were not immediately available for an interview, a second round of visits was necessary. With a smaller number of entrepreneurs interviews were conducted immediately. Depending on the level of Dutch language proficiency of the entrepreneur and/or desire, questions were asked in Dutch or in Turkish.

While in total 96 businesses were visited, interviews were conducted with 43 entrepreneurs, which gave a participation rate of approximately 45%. All interviews but two were conducted at the entrepreneur's actual work place. All interviews but three were conducted during the actual opening hours of the business and thus possible working hours of the entrepreneur. 22 interviews were conducted in Turkish and 21 in Dutch. In the last week of December, entrepreneurs that had shown interest to participate but had been unable to find time for an interview were visited once again and asked to reply to the questionnaire by e-mail, which was subsequently send in January 2017. Yet, by July 2017, none had returned a filled-in questionnaire by e-mail, despite being sent a reminder email in April 2017. Hence, the number of respondents remained unchanged at 43.

a) Questions related to social mobility: Income impact of entrepreneurial decision-making (comparison with previous position)[34]

- *Q1: How long have you been self-employed/ an entrepreneur? (uninterruptedly and may include various businesses)*
- *Q2: What was your professional status right before you became self-employed/ an entrepreneur?*

[34] For the full questionnaire in English, see Appendix 1.

- *Q3[35]: How do you feel your present hierarchical position in society (i.e. position in society in terms of prestige) relates to the hierarchic position (i.e. position in society in terms of prestige) you had during your professional status right before becoming self-employed/ an entrepreneur? (see Q2)*
- *Q4a: How does the average level of your monthly net income in 2016 income relate to the last monthly net income gained with your professional status right before becoming self-employed/ entrepreneur (see Q2)*
- *Q4b: What was the level of your last monthly net income gained with your professional status right before becoming self-employed/ entrepreneur? (see Q2)*
- *Q4c: What has been the average level of your monthly net income in 2016? (this only relates to the income as a result of self-employed activity/ activities, regardless of other possible sources of income)*
- *Q5: How satisfied are you with the average monthly net income you have earned in 2016? (this only relates to the income as a result of self-employed activity/ activities, regardless of other possible sources of income)*
- *Q6: What is your expectation concerning your monthly net income in two to three years from now?"*In two to three years, I expect my average monthly net income will be …... my average monthly net income level in 2016." *(this only relates to the income as a result of self-employed activity/ activities, regardless of other possible sources of income)*

b) Questions related to Policies and Programmes (institutional politics):

- *Q7a: Which of the following criteria did you legally have to fulfil to set up your business? (apart from applying for a professional card in case of no Belgian nationality) (Multiple answers possible)*
- *Q7b: How easy/ difficult did you find it to fulfil this criterion/ these criteria?*
- *Q7c: If (very) difficult, which criterion was the most difficult to fulfil*?

[35] Question 3 and 4a, b and c refer to social mobility, i.e. the process by which individuals move from one position to another in society- positions which by general consent have been given specific hierarchical values. In every complex society there is a division of labour and a hierarchy of prestige (Lipset, Bendix, 1991:1-8).

- *Q8a: Did you benefit from any general information (such as consulting websites or real-life contact moment), individual guidance (by mail or real-life contact moment) or financial support offered by a public institution to start your business?*
- *Q8b: If so, was this provided by Ghent Municipality (e.g. OOG[36])/ the Flemish Government (e.g. Syntra[37])/ the Belgian Government or the EU?*
- *Q8c: If so: general information/ individual guidance or financial support?*
- *Q8d: If not, why not?*
- *Q9a: How easy/ difficult do you find it to continue your business?*
- *Q9b: If (very) difficult, what are the biggest obstacles for you in your business? (more than one answer possible)*
- *Q10a: How do you generally evaluate public policies (of Ghent Municipality/ the Flemish Government/ Belgian Government/ EU, including taxes and regulations) to support your business?*
- *Q10b: Have you experienced any changes in public policies (e.g. taxes, regulations) affecting your business during recent years?*
- *Q10c: If so, how do you overall evaluate these changes in public policies (e.g. taxes, regulations) affecting your business?*
- *Q10d: If (very) positive, what were the most significant positive changes? (maximum two)*
- *Q10e: If (very) negative, what were the most significant negative changes? (maximum two)*
- *Q11a: After starting your business, did you benefit from any general information (such as consulting websites or real-life contact moment), individual guidance (by mail or real-life contact moment) or financial support, offered by Ghent Municipality (e.g. OOG), the Flemish government/ Belgian Government or the EU?*
- *Q11b: If so: was this provided by Ghent Municipality (e.g. OOG), the Flemish government/ Belgian Government or the EU (more than one possible)*
- *Q11c: If so: general information/individual guidance or financial support*

[36] Ondersteuningspunt Ondernemen Gent (Support point Entrepreneurship Ghent).
[37] Vlaams Agentschap voor Ondernemingsvorming (Flemish Agency for Entrepreneurial Training).

- *Q11d: If not, why not?*
- *Q12: Do you have any suggestions for the EU, Belgian and Flemish governments and/or the Ghent municipality to support your business in a better way? (max. two)*

c) Questions related to market conditions (economy):

Labour market:

- *Q13: To what extent was your decision to become self-employed/ an entrepreneur influenced by having difficulties in finding a job/ not finding a job as a wage-earner in the regular labour market?*
- *Q14: Generally speaking, with which professional status do you think you could work under the best work and financial conditions?*

Product market:

- *Q15a: How many businesses do you have?*
- *Q15b: In what type of business(es) are you professionally active?*
- *Q15c: What is/are the legal entity/ entities of your business(es)? (Dutch legal names)*
- *Q16: How many people do you employ (excluding yourself)?*
- *Q17: In which neighbourhood(s) in Ghent is/ are your business(es) located?*
- *Q18a: For businesses involved in trade excluding hairdressers: How crucial is the supply of Turkish products for your business?*
- *Q18b: For professionals taking on an independent profession, credit suppliers and hairdressers: How important is the familiarity with Turkish language/ Turkish culture for your business?*
- *Q19: What is the main target clientele of your business?*
- *Q20: How large is the share of customers of Turkish origin and how large is the share of native Belgian customers and other customers?*

Financial market:

- *Q21a: How easy/ difficult was it to collect a necessary amount of start capital for your (first) business?*
- *Q21b: How did you mainly finance your start capital?*
- *Q21c: What was the share of your social network in this?*
- *Q21d: How easy/ difficult was it to get a loan from a bank?*
- *Q22: To what extent did the minimum amount of funding needed for a business affect the type and sector of business you set up? (=If you had had a larger start capital, would you have set up a different kind of business, in a different sector perhaps?)*

d) Questions related to personal background and characteristics

- *Q23: What is your gender?*
- *Q24: Which nationality/ nationalities do you have?*
- *Q25a: How long have you been living in Belgium?*
- *Q25b: In case of not being born in Belgium, which country and city did you come from?*
- *Q26: What is your relationship status?*
- *Q27: What is your age?*
- *Q28: How many children do you have?*
- *Q29a: What is your level of education? (last graduated from)*
- *Q29b: In case of degree of higher education, which degree?*
- *Q30: By estimation, what is your level of Dutch? (in accordance with the Common European Framework of Reference for Languages)*
- *Q31: How long have you been running your business(es)?*
- *Q32a: Did you gather any entrepreneurial experience before starting your business?*
- *Q32b: If so, what experience? (open question)*
- *Q33: What was your main motivation to start your current business(es)? (maximum two answers)*

- *Q34: How important were cultural factors such as norms, values and attitudes of people of Turkish origin, (for example popularity of entrepreneurship) in starting a business?*
- *Q35a: In how many business associations do you take part?*
- *Q35b: In case of taking part in one or more business associations; which one(s)?*
- *Q36a: How large is your social network (family, friends, and acquaintances) in Ghent?*
- *Q36b: How large is the share of people of Turkish origin in your social network in Ghent?*

Final question:

- *Q37a: Are there any other important factors which have impacted the level of your average monthly net income in 2016 that were not yet mentioned?*
- *Q37b: if so, which? (more than one answer possible)*

3.2.5. Propositions

Answers from the questionnaires will i.a. give insight in the level of achieved social mobility as a result of entrepreneurship; and in the relation between the micro-, meso- and macro-level and the average monthly net income level in 2016. Data on the average monthly net income level in 2016 is provided by answers to Q4c. As five entrepreneurs did not wish to answer this question N:38. In a next step, propositions were developed for a multitude of items from the questionnaire to analyse the impact of certain variables on the average monthly net income level in 2016 (see Table 1). These propositions were directly derived from the questions in the questionnaire and all relate to individual characteristics and background, market conditions and policies and programmes of the mixed embeddedness conceptual framework.

Nine propositions were related to personal background and characteristics (Propositions 1, 2, 14, 15, 16, 17, 18, 19 and 20). Seven propositions were related to market conditions (Propositions 7, 8, 9, 10, 11, 12 and 13). Four propositions were related to policies and programmes (3, 4, 5 and 6). Testing more propositions for policies and programmes was problematised by the fact that the monthly net income and many aspects in the policies and programmes question section were more interrelated, which hindered measuring the impact of these aspects on the monthly net income. For instance, it is hard to tell whether an entrepreneur’s perception on the public support for his/ her business impacted on his/her level of monthly net income or if this entrepreneur’s level of monthly net income impacted on his/ her perception (see Table 1).

Using median calculation, for each proposition the impact of the mentioned variable was analysed on the average monthly net income level in 2016. A condition for coming to a representative median monthly net income for categories analysed in the proposition was that the number of entrepreneurs belonging to a category was large enough, i.e. N≥3. As four recently established entrepreneurs, i.e. entrepreneurs who had been self-employed for less than one year, were expected to distort the monthly median net income, and this proposition was supported (see proposition 1), reference was also made to the median monthly net income in case the values of these starters were excluded from the analysis (N:34). A proposition only proved supported when it was also found applicable when the values from four recently established entrepreneurs were excluded from the calculation. As such, the four following patterns could emerge and only in the first case the proposition would be supported:

Table 9: Possible Outcomes of Propositions.

	For 38 entrepreneurs	For 34 entrepreneurs (i.e. excl. entrepreneurs < 1year)	Conclusion
Proposition:	Supported	Supported	SUPPORTED
Proposition:	not supported	not supported	not supported
Proposition:	not supported	Supported	not clear
Proposition:	Supported	not supported	not clear

Finally, derived from the hypothesis of Verhaeghe et al. (2010) that the Turks are on a group level moving towards an ethic mosaic, the hypothesis that Turkish ethnic economy is not exclusively directed towards the own ethnic group was tested. This was largely done by looking at the answers given to two questions.

- *Q19: What is the main target clientele of your business?*
- *Q20: How large is the share of customers of Turkish origin and how large is the share of native Belgian customers and other customers?*

3.2.6. Build-up of Part Two

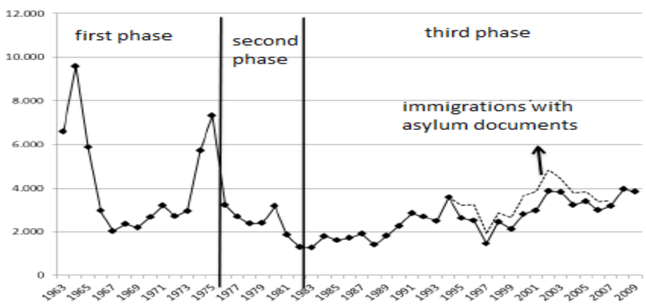
In the first section of this chapter a brief description is given of the (socio-) economic fabric of Belgium, Flanders and Ghent. A second section gives a presentation of the size of the Turkish population within the entire foreign population and the population of foreign origin in Belgium, Flanders and Ghent. In the third section, the size of (migrant) entrepreneurship at the national, regional and municipal level will be presented. By combining information provided in the first and second part, the entrepreneurial activity of Turks will be compared with the entrepreneurial activity of other migrant groups in Belgium. Section four presents the study of the (migrant) entrepreneurship policy at the EU, Belgian, Flemish and Municipal level. For a better understanding of the presence or absence of targeted policies towards migrant entrepreneurs, section five presents an analysis of the Flemish migrant integration policy. The final section presents data from a sample survey questionnaire conducted with 43 Turkish entrepreneurs in Ghent, obtained through structured interviews in December 2016.

CHAPTER FOUR

A RETROSPECT ON THE EMERGENCE AND EVOLUTION OF ENTREPRENEURSHIP AND SOCIOECONOMIC INTEGRATION OF THE TURKS IN GHENT

In 2013 the population of Turkish origin in Ghent amounted to 21,809 and about 8.8% of the total population in Ghent (Agency for Domestic Governing and Study Service Flemish Government, 2015:3). In 2010 the population born with a Turkish nationality in Belgium amounted to about 152,000 and about 1.4% of the total population (Schoonvaere, 2013:5). While for a number of Belgian cities and municipalities large-scale Turkish emigration to Belgium already started in the previous year, the year 1964 can be seen as the starting point of Turkish migration to Ghent[38]. Against the background of the Protocol Concerning the Employment of Turkish Employees in Belgium, the so called ‘guest workers agreement’, which was signed by the Belgian and the Turkish governments on 16 July 1964, during the first phase of Turkish migration to Belgium migration outflows were largely the result of labour migration and family reunion. In the second phase, which was initiated by the permanent labour migration stop in 1974, they were the result of family reunion. As of the early 1980s, they have been the result of marriage migration as well as immigration of refugees and asylum seekers (Schoonvaere, 2013:32-39).

Figure 7: Evolution of Immigration of Citizens with a Turkish Nationality to Belgium, 1963-2009.



Source: Schoonvaere, 2013:32.

[38] Turkish citizens had already been registered in Ghent’s urban and foreigners` registers prior to 1964. However, until 1964 their number remained marginal. For instance, in 1938, eight Turks were registered in the urban and foreigners` registers and in 1945 one (De Bock, 2012:51).

4.1. HISTORICAL CONTEXT OF THE START OF TURKISH MIGRATION TO GHENT

While Belgium is presently known as a net immigration country, in the period from its independence (1830) until the start of the 20th century it was actually a net emigration country. In 1910, migrants constituted only 3.5% of the population[39], of which 90% originated from neighbouring countries. The number of immigrants decreased strongly during and following World War I but rose again steadily during the 1920s as a result of active recruitment campaigns in Italy and Eastern Europe (Poland, Czech Slovakia, Yugoslavia and Hungary), primarily to attract workers for the coal mines[40]. This marked the beginning of a Belgian immigration policy, which is guided by the needs of the domestic labour market. The economic crisis of the 1930s led to the development of regulations, such as the first work permits to restrict the influx of immigrants, and the professional card[41] (in 1939) to regulate self-employed professions. As such, by the end of the 1930s the share of the immigrant population still did not exceed 4% of the total population. Similarly, in Ghent the share of migrants in the total population remained small. At the end of World War II, the foreign population amounted to 3,300 or 2% of its total population (De Bock, 2012:48).

For the post- World War II reconstruction of the Belgian economy the recovery of coal production was deemed necessary. While efforts to recruit local labour forces to work in the mines proved insufficient, the golden years between 1948 and 1974 in Belgium created a socioeconomic climate which was favourable for the recruitment of foreign labour forces. A first bilateral agreement was signed with Italy in 1946. Consequently, between 1946 and 1949, more than 77,000 Italians came to Belgium and in the following years they made up at least 50% of newly arrived immigrants. Following the 1956 mining accident disaster of Marcinelle in which 262 workers lost their lives, including 136 Italian guest workers, the Italian government decided to terminate the bilateral agreement with Belgium. This caused Belgium and the mining

[39] On 1 January 2015 11.2% of the population in Belgium were foreigner, i.e. non-Belgian.
[40] The Belgian coal mines were situated in the provinces Limburg, Hainaut and Liège. Belgium's last coal mine closed in 1992.
[41] The professional card is today still required for foreigners who wish to set up a business in Belgium. Among the foreigners enjoying exemption are individuals with citizenship of a country in the EEA or Switzerland.

company boards to henceforth focus on workers from other countries. A first visit of the Belgian mining federation to Turkey was followed by a negative assessment on potential recruitment. Bilateral agreements were however signed with Spain (1956), Portugal and Greece (1957). Although with these agreements the Belgian Government primarily aimed at recruiting miners, between 1955 and 1958, also companies in other sectors, such as the construction sector, metal industry and personal care were given permission to recruit immigrants.

When in July 1962 full employment was reached in Belgium, the demand for foreign workers reached previous heights again. This was also the case in a number of companies in Ghent, who were ardently looking for workers who were willing to perform heavy and dangerous labour. Among the most well-known ones are textile companies Union Cottonière (later UCO NV) and AKZO Fabelta and metal company Carels/ ACEC (Verhaeghe et al., 2012). Around this time, Turkey[42] once again came to the attention of the Belgian Government. In Turkey, a surplus of labour had come to rise, as a result of a far-reaching socioeconomic transformation (Schoonvaere, 2013:30). As one of the pillars of Turkey's Western-oriented foreign policy[43], economic modernisation, i.e. the modernisation of the industrial and agricultural sector, benefited from significant aids from the United States through the Truman Doctrine and the Marshall Plan (Camyar and Tagma, 2010:380). While economic modernization had set a large migration in motion from rural areas to the regional urban centrums and the country's large cities such as Istanbul, Ankara and Izmir (De Gendt, 2014:26), industrial development had not been strong enough to integrate these internal migrants. Mass unemployment was accompanied by economic, social and political upheaval. Following the signing of the bilateral agreement between Turkey and West- Germany concerning the supply of labour forces in 1961, these domestic migrants were encouraged to migrate to West- Germany. Soon after to other countries as well, as the bilateral agreement with West- Germany had sparked the attention of both the Belgian, French, Austrian and Dutch governments and had set the negotiation of similar bilateral agreements between these countries and Turkey in motion

[42] In a similar way also Morocco came to the attention of the Belgian Government. The bilateral agreement between the Belgian and the Moroccan governments was signed in February 1964, five months before the bilateral agreement between the Belgian and the Turkish governments.
[43] In the first decade following World War II, It became a member of the UN, the Council of Europe, NATO and the OEDD, which would later change its name into OECD.

(Schoonvaere, 2013:30). Unlike West- Germany and the Netherlands, who during the negotiations insisted on educated workers, Belgium, in its ardent pursuit for miners, solely insisted on the physical ability of the workers, which gave Turkey the perfect occasion to insert un- or low educated workers from its rural regions (De Gendt, 2014:26).

The emigration of Turkish labour forces to Belgium started in 1963 (See figure 7). Alongside an official recruitment system, also “spontaneous migration” took place, especially in the regions which were given little or no priority in Turkey’s waiting list system[44], such as Istanbul (De Gendt, 2014:27-28). These Turks did not arrive in Belgium with a residence and/or work permit but with a tourist visa, which permitted a three- month stay in the country. Tensions on the Belgian labour market and competition with neighbour countries, especially Germany and the Netherlands, encouraged employers to employ these “clandestine” immigrants (Schoonvaere, 2013:31).

The protocol concerning the employment of Turkish workers in Belgium[45], the so called ‘guest workers agreement’ was signed by the Belgian and the Turkish governments on 16 July 1964 to organise Turkish migration to Belgium[46]. One month prior to the signing of this agreement, in several Mediterranean countries (such as Italy, Greece, Spain and Morocco) including Turkey promotional brochures titled ‘Living and Working in Belgium’ were distributed, each time written in the official language of the respective countries. The content of these brochures made clear that the Belgian Government, in contrast to the Netherlands and West Germany, promoted family reunion. The reasons for this were manifold; it was hoped that this would persuade a large number of guest workers to come to Belgium and to stay in Belgium, as the industry and mining sector in neighbour countries -where wages were higher- often recruited guest workers in Belgium. It would provide a solution to the threatening

[44] As of 1962 the Turkish state maintained a priority policy, whereby candidate guest workers coming from undeveloped regions could leave 2 to 4 years earlier than fellow countrymen from more wealthy areas. As of 1965 also the members of so called Cooperatives for the Development of the Village gained priority in the lists. Already before the start of the official Belgian recruitment in 1964 300,000 people were on the waiting list, in 1967 700,000 and as of 1970 more than a million (De Gendt, 2014)

[45] In the same year, also with Morocco (1964) and later with Tunisia (1969), Algeria (1970) and Yugoslavia (1970) similar agreements would be signed.

[46] On the condition of a job application test, a medical check- up, an agreement, handling all the documents and the full coverage of the travel costs journey beforehand a worker could be recruited from Turkey (De Gendt, 2014).

demographic shortage and make sure the money the guest workers earned would re-enter the Belgian economy. Moreover, as compulsory education in Belgium was at that time only until 14 it was hoped that the children of guest workers would after a while be employed as guest workers as well (De Gendt, 2014:65).

While the guest workers agreement above all aimed to privilege the mining sector, other sectors such as the textile, wood and construction sectors could benefit from the 'exception rule in case of nominative recruitment, a recruitment-through-pre-agreement'. In this case, it sufficed to send a signed working contract to the worker's country of residence, have the worker prepare his documents himself and cover the worker's travel costs.

In Ghent, traditionally a textile city, textile factories became increasingly interested in the exception rule in case of nominative recruitment. Since the early 1950s recruitment of locals for working in (night) shifts had increasingly become hindered by a considered high work pressure, fear of redundancy and low wages. Moreover, with the emergence of steel company Sidérurgie Maritime NV in 1962 in the Port of Ghent, being followed by Volvo Cars in 1965, where wages were higher and labour conditions were better, it became more difficult to prevent staff from turning their back to the textile factories (De Gendt, 2014:20). In 1964, Union Cottonière, at that time one of the largest textile companies in Ghent, started the direct recruitment of Algerian workers from the North of France. As a large number of them however left shortly after, the recruitment of foreign workers resumed. Moroccan workers were recruited from Brussels, and in 1966, in conjunction with other textile companies, Tunisian workers were recruited from Tunisia. In contrast to the other nationalities, the first Turks arrived on their own initiative in Ghent (De Bock, 2012:55). However not long after their arrival in 1964, they became employed in one of Ghent's textile companies as well (De Gendt, 2014: 48-51). In most cases, they came from Brussels or from one of the neighbour countries. Others came to Europe as part of a group of 'tourists', led by a guide who in exchange for payment would also help them to find a job. Most of them however appear to have arrived as 'chain migrant' to join family members, friends and acquaintances (De Bock, 2012:56).

This recruitment-through-pre-agreement became not solely anchored within Ghent's textile sector, but also within the harbour, the construction[47] and the road works sectors. However, as recruiting immigrants who came to Ghent through spontaneous immigration proved to be much easier and more profitable for factory directors than the official nominative recruitment method, from the very beginning, alongside this official nominative recruitment method, an unofficial recruitment method was used. As demand for labour was met with a growing supply of labour, in 1965, 191 Turks settled in Ghent. By 1966, the Turks had become the largest group of Mediterranean immigrants in the city with more than 400 fellow-countrymen. It was a blitz migration, until that time unseen in post-World War II- Belgium (De Gendt, 2014:48).

A glance at the total share of this unofficial recruitment in the total amount of recruited Turkish workers in Belgium shows the importance of this unofficial method of recruitment. Between 1963 and 1973, the period of the official recruitment, 14,000 Turks were sent to Belgium as guest worker. In the same period however 42,000 Turks settled in Belgium. This especially mobilized a large number of workers from the Emirdag district of Afyonkarahisar Province (South Central Anatolia) to Ghent. Emirdag had been a latecomer on the Western European migration market, which made the district an uncultivated area for CEO's and recruiters of textile companies, but also an easy prey (De Gendt, 2014:52). Yet, most Turkish workers arrived indirectly in Ghent, with a significant group having first worked in the Brussels municipality of Schaarbeek, before arriving in Ghent (Verhaeghe et al., 2012: 14).

As a result of the issues previously mentioned, the Turkish guest workers arriving in Belgium were certainly not representative of the entire population in their country of origin. They were predominantly men between 25 and 40 years old. Most of them originated from the large urban metropolises (such as Istanbul and Ankara) and the more rural areas in Central Anatolia (such as Afyon, Eskisehir and Kayseri). For Ghent specifically, most Turks originated from relatively small districts such as

[47] Apart from the textile sector, there were two other sectors where Mediterranean workers were being employed, i.e. the construction sector and the servant sector. These sectors however had a different importance for immigrants of different nationalities. While the Italian immigration of the 1960s was nearly exclusively linked to the construction sector around the channel zone, Spanish migrants were more linked to the servant sector and Tunisians, Turks, Moroccans and Algerians to the textile sector (De Bock, 2012:52-53).

Emirdag, Piribeyli and Posof, but also from Istanbul (Verhaeghe et al., 2012; De Gendt, 2014:28). More than half of the Turkish labour migrants which arrived in Ghent between 1960 and 1980 were born in one of the villages of the district of Emirdag, such as Karacalar, Yenikapi and Kuruca and in Emirdag itself (De Bock, 2012:65; Verhaeghe et al., 2012).

4.2. THE EVOLUTION OF ENTREPRENEURSHIP AND SOCIOECONOMIC INTEGRATION OF THE TURKS IN GHENT

A number of Mediterranean migrant groups, each of whom with more than 1,000 individuals have kept a considerable size in Ghent, are considered as Ghent's old migrant groups. These are the migrant groups of Turkish, Moroccan, Tunisian and Algerian origin who hereby following will be referred to as Turkish and Northern African migrants. With respect to the socioeconomic integration of these old migrant groups in Ghent, three phases can be distinguished. A first phase, from 1964 to 1974, is the period of the ethnic networks. A second phase, from 1974 until the end of the 1990s, is the period of the ethnic enclave in which the start of the ethnic economy takes place. A third phase, from the end of the 1990s until present is the period of (being on the way to) the ethnic mosaic (Verhaeghe et al., 2012: 14-24)[48]. These developments took place against a background of economic and demographic diversification in Ghent[49].

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[48] See Appendix 2.

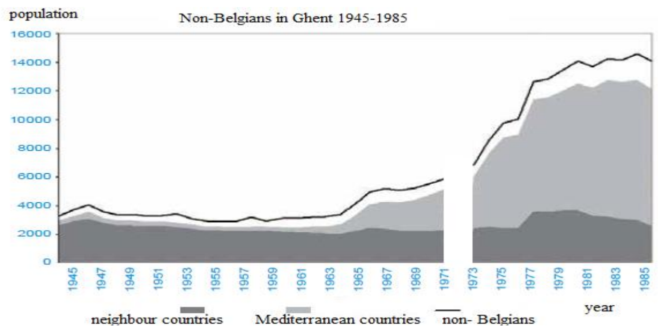
[49] An additional remark is that since 1939 Belgium has applied a system of *professional cards* for foreigners who have obtained a residence permit and wish to set up a business. Within the period considered, upon explicit approval by the Belgian and later Flemish authorities, the validity period of the card was extended from two to five years. While gradually more foreign nationality groups were exempted from this, i.e. since 1965 citizens from Luxemburg and the Netherlands, since 1977 every citizen of the EEC, since 1991 refugees recognized by Belgium and since 1994 every citizen from the EEA, Turks without Belgian citizenship have not been able to enjoy exemption from this. The system of professional cards has been criticized for being discriminatory towards (aspiring) migrant entrepreneurs from a large number of countries. At least until the mid- 1990s the application procedure was called time- consuming and expensive, of which the outcome was hard to predict, as there were no legal criteria determining the basis upon which the card would or would not be granted (Caestecker, 1995:12-15). It can hence be said that Turkish entrepreneurship has emerged despite the system of professional cards.

4.2.1. Economic and Demographic Diversification of Ghent as of the 1960s

As of the 1960s, Ghent has become a much more diversified city both in terms of economy as in terms of demography (De Bock, 2014). During the 1970s, a crisis of the post-war Fordist mode of economic growth characterized by mass-produced standard products and mass consumption led to the emergence of a post- Fordist model of economic growth. Just as Fordism was production-led, so post-Fordism was consumption- led. Customer demands have been evolving to require greater individualisation products, thanks to the continuing introduction of new technologies. Against this background, Ghent evolved from a textile city to a city with different industries as well as a developed tertiary sector (De Bock, 2014:39).

The immigration movements of the mid-1960s meant the beginning of an irreversible evolution for the city of Ghent. While the number and share of foreigners in Ghent remained limited to the mid-1960s, it witnessed a rapid and almost continuous growth, from a number of 4,140 or 3% of the total population in 1965 to more than 14,570 or 6% of the total population in 1984 and 17,211 or 8% in 1999[50]. Another almost simultaneous trend has been the increase in the share of foreigners from Mediterranean countries (De Bock, 2012:48).

Figure 8: Non-Belgian Population of Ghent, 1945-1985[51].



Source: De Bock, 2012:49.

[50] It is worth taking into consideration that as of 1985 and even more as of 1999 a large number of non-Belgians whether automatically obtained Belgian citizenship or made use of the easier regulation with regard to the naturalisation procedure, and as such disappeared from the statistics (De Bock, 2012:48).

[51] Mediterranean countries include the countries where the majority of guest workers originated from: Portugal, Spain, Italy, (ex-) Yugoslavia, Greece, Turkey, Tunisia, Algeria and Morocco. Countries from the Middle East, Egypt and Libya and refugees are not included. For 1972, no data were available. The increase in 1977 was largely caused by the merge of Ghent with 10 neighbouring municipalities.

In the post-war period the overwhelming majority of people migrating from Mediterranean countries could be classified either as labour migrants whose migration was enabled by the job opportunities that existed in Western-Europe or as `follow- on migrants` who could migrate because of the provisions for immigrants to reunify their families in the receiving countries. As time went by, migrants from each of these countries started to set up their own businesses (De Bock, 2014:42-55). The emergence and evolution of Turkish businesses has also been influenced by the virtually simultaneous evolution of other Mediterranean businesses and in this regard the latter deserves consideration.

The settlement of various new migrant groups as of the mid-1980s has increased the diversity in Ghent. The arrival of a group of Ghanaian refugees laid the foundations for a small Ghanaian community, which is still present today. Since the end of the 1980s, significantly large numbers of Chinese and Indian immigrants have picked up residence in Ghent. In the 1990s they were accompanied by refugees from ex-Yugoslavia and Afghanistan[52] and Eastern European and Congolese immigrants. Since the start of the 21st century particularly a large influx of Central and Eastern European immigrants can be witnessed (De Bock, 2012:48). In 2015, 13.9% of the population was non-Belgian (Willems, 2016).

4.2.2. 1964- 1974: Ethnic Networks and Virtual Absence of Entrepreneurship

During the first ten years of the Turkish presence in Ghent, Turkish entrepreneurship was virtually non-existing, let alone a Turkish economy. Turkish immigrant arriving in Ghent in the 1960s found no shops selling exotic products. If they wanted to buy special products, such as bulgur, they had to go to nearby cities where by the 1960s all of these products were available on markets and in immigrant shops. Now and then, a group of friends or family would put an order together, and someone or a couple of people would then drive to Lille or Brussels and buy these

[52] On 11 May 2016 they formed the largest nationality group with subsidiary protection (271) and recognized refugees (211) (Willems, 2016).

products in bulk (De Bock, 2014: 48; Özdemir, 2016:639). In Ghent, within this period, Turkish entrepreneurship was limited to one café. Developing from 'Café De Lelie' which had been a gathering point for many Turks, in 1972 'Café Ankara', at Sluizeken, came into the hands of the first Turkish entrepreneur in Ghent, Süleyman Alci (De Gendt, 2014:119). The reason why it took about eight years for the first Turkish business to emerge lies in the interplay between the micro-, meso- and macro-level.

No necessity owing to virtually full employment

The Turks arrived in a welfare state with high levels of employment. Agreements between the Belgian Government and the private sector i.a. led to recruitment of 'guest workers' in the textile and metal companies in Ghent, where they took up unwanted jobs in the lower tiers of the 'white' economy and as such became a 'replacement minority' (see Waldinger et al., 1990:122-127). The demand for Turks on the regular labour market continued for many years. As such, labour market discrimination was hardly or not an issue. Due to the needs of the labour market and the economic euphoria in the mid-1960s, the Belgian Government was initially quite lenient towards the regularly applied method of non- official nominative recruitment[53] (Schoonvaere, 2013:31). Following the short but heavy economic crisis in 1967 the Belgian Government called upon employers not to use this method anymore and decided to temporarily close the borders by applying stricter criteria for work permits and no longer automatically regularise the so-called 'tourists' (Verhaeghe et al., 2012:15). Following this crisis, the government in fact continued its blind eye policy until 1973 and as such the measure had only little effect on Ghent's textile sector where most Turks were employed in[54] (De Gendt, 2014:104). It follows that for a long time there was no real need to start a business.

[53] This clandestine immigration applies to foreign workers arriving in Belgium with a tourist visa and becoming recruited by employers upon arrival, who then also apply for work permits.
[54] In other sectors such as the construction sector this decision had more effect as the tightening of policy made it harder for newcomers to receive a work contract and indirectly caused a rise in the number of clandestine workers. By 1974 the total number of clandestine workers in Belgium had risen to 70,000.

Economic motivation for migration and absence of a supportive macro-institutional environment for entrepreneurship

The fact that Turks were recruited as cheap labour force to work hard in the heavy industry also determined the profile of these first Turkish migrants: they were generally male, between the ages of 25 and 40, low-educated and had economic motivations for migration. Many migrants originated from relatively small districts such as Emirdag, Piribeyli and Posof but also from Istanbul (Verhaeghe et al., 2012: 15; De Gendt, 2014:28). Little is known about the level of pre-entrepreneurial experience these migrants possessed, although some had been a farmer in Turkey (De Bock, 2012:58). While earnings in the textile companies were lower relative to the wages in various other companies in Ghent, it can be suggested that they offered more financial guarantees than starting a business. Moreover, this period was marked by a lack of a supportive macro-institutional environment for entrepreneurship. In Belgium a continuous decrease in the percentage of self-employed in the total labour force was witnessed, a trend which was visible all over Western Europe. While self-employment among the local population saw a continuous decline between 1970 and 1977 in Belgium, the percentage of employers and self-employment increased among immigrants during the same period (De Bock, 2014:43).

Lack of social capital, spatial concentration and considered temporary stay

The social network of immigrants is crucial when it comes to starting a business (Marchand and Siegel, 2014:9). Turkish newcomers arrived in a network of acquainted and unacquainted people, especially fellow country- and fellow region- men, who helped them to find a residence and a job. This was definitely the case for migrant workers coming from the district of Emirdag, of whom almost everybody could count on a large network after arrival in the city (De Bock, 2012:64). Employers contributed to the presence of ethnic networks through the provision of housing in the vicinity of the company and/ or the practice of financially rewarding (guest) workers who recruited new (foreign) labourers. This encouraged many Turks in Ghent to attract fellow- countrymen from their region of origin and soon generated a chain migration.

The number of Turkish settlers in Ghent rapidly grew to more than 1,000 by 1970[55]. Other factors which contributed to the formation of ethnic networks were the alleged temporary status of their stay and an overall indifferent position of the local population and of the government. Instead of living with each other, Turks and Belgians rather lived next to each other and durable interethnic friendship or partner relations were rather exceptional. Yet, the still rather limited size of the Turkish population, the absence of spatial concentration and the alleged temporary status discouraged the development of ethnic institutions and an ethnic economy (Verhaeghe et al., 2012: 15-16, 21)

Limited number of interethnic couples

The first businesses that were set up by Mediterranean guest workers, including Turks, were cafés. They catered for a clientele of mostly single immigrant men, who had been frequenting cafés, discothèques and snack bars run by Belgians but who were also interested in having a place for themselves, where they were sure they would find others with whom they could speak their own language and exchange information. Often, these places also offered food and sometimes lodging, a service aimed at newcomers who had nowhere else to go (De Bock, 2014:44-45). Over the course of the 1960s, most of these cafés were started by Algerian immigrants, often by mixed Belgian-Algerian couples, in which frequently the café was run by the Belgian women. In Ghent, at that time, interethnic couples were actually not that rare, especially among Italian, Tunisian and Algerian immigrants, but also among Spanish and Moroccan immigrants. Only among Turkish immigrants interethnic couples seem to have been much less frequent, and were interethnic marriages almost inexistent (De Bock, 2014:45). Nonetheless, similar to the practices among other Mediterranean migrant groups, the first 'Turkish' café, 'Café De Lelie' at Sluizeken, a neighbourhood where many Turks resided, was run by a Belgian woman with a Turkish boyfriend. After the owner decided to leave the business in 1972, it was taken over by a Turk, Süleyman Alci, who called it 'Café Ankara' It increasingly became a hotspot for the Turks in

[55] In 1970, Ghent's total population amounted to 148,860 people. If the population of the added areas to the territory of Ghent in 1977 are also considered its population amounted to 255,879 people.

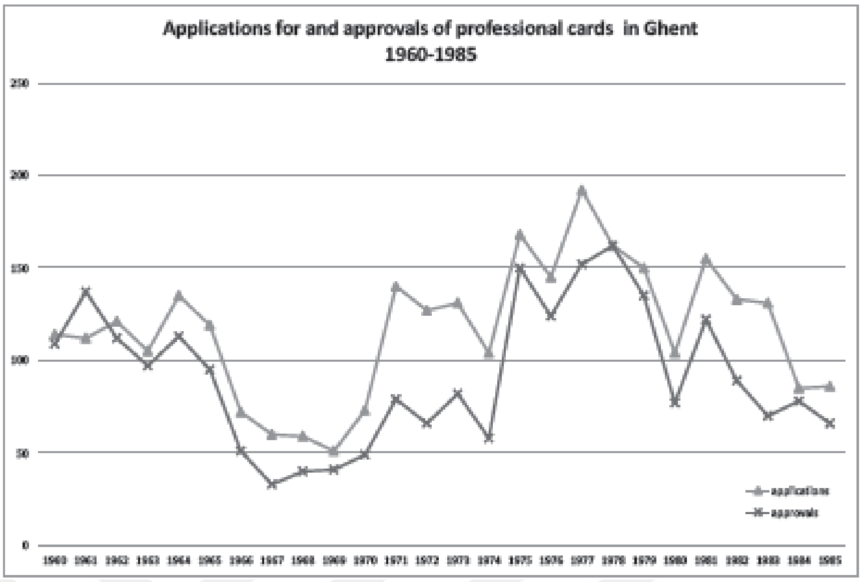
Ghent and functioned as an informal employment agency and a housing office (De Gendt, 2014:119-120).

The scarcity of interethnic contacts between Turks and other ethnic groups and the rarity of mixed couples among Turks indirectly also made it harder to reach out the ethnically mixed crowds. While both the centre of town and the area around Ghent South saw the establishment of cafés, set up by mixed or immigrant couples that were open to ethnically mixed crowds, even though they were clearly branded as Spanish, Tunisian, Algerian, etc., this was not the case among the Turks (De Bock, 2014:46).

4.2.3. 1974- End of the 1990s: Ethnic Enclave and the Presence of an Ethnic Economy

Pioneered by the establishment of the first Turkish café in 1972, the Turkish ethnic economy really took off in 1974 with the establishment of eight more cafés and a restaurant, also being referred to as ‘the first wave of Turkish entrepreneurs’. A second sudden surge in the amount of Turkish entrepreneurs, i.e. the’ second wave of Turkish entrepreneurs’ emerged in the early 1980s (De Gendt, 2014:201-212). These waves match the evolution of the number of applications for a professional card (which was required by law to set up a business) submitted by non-Belgians in Ghent over the period 1960-1985, as well as the number of cards that were actually granted. This should not come as a surprise as by the mid-1970s the Turks had become more numerous than all other Mediterranean immigrants together (De Bock, 2014:45). Similar evolutions took place among other migrant groups who were harder hit than the Turks by the onset of the economic crisis and the ensuing sudden rise in unemployment in 1974. It is important to note that as of 1977, unlike Turkish citizens, citizens of European Economic Community (EEC) countries were granted the right to set up a business under the same conditions as Belgian citizens, i.e. without a professional card (De Bock, 2014:43).

Figure 9: Applications of Non-Belgians for Professional Cards in Ghent and Their Approvals, 1960-1985, Based on Annual Reports of the City of Ghent, 1960-1985[56]



Source: De Bock, 2014:44.

Until the end of the 1990s, the Turkish ethnic economy was virtually exclusively directed towards co-ethnics. This exclusive ethnic economy was a constituent element of the ethnic enclave.

4.2.3.1. Micro-, Meso- and Macro-Factors Influencing the Emergence of the First Wave of Turkish Entrepreneurs in Ghent (1974)

<u>Emergence of a limited number of Turkish unemployed</u>

As a result of the higher energy costs generated by the 1973 oil crisis, Belgium did not only witness a steep rise in its state debt, but also the bankruptcy and delocalization of many companies and mass unemployment. Generally speaking, withdrawal from the labour market has been attributed to the restructuring of post-industrial economies, which has disproportionally affected immigrant workers (Phalet and Swyngedouw, 2003:3). Initially, for the Turks in Ghent, this was however not the

[56] As the cards had to be renewed regularly, these numbers cannot simply be added to estimate the number of non-Belgian businesses in Ghent (De Bock, 2014:43-44).

case. The industrial city of Ghent too was badly affected by this economic crisis. As such, most of the already struggling textile factories in town, which employed a large number of Turks, did not stand a chance. In the 1960s, 90 textile factories in Ghent closed their doors. This trend continued in the 1970s, despite investments made by the Belgian Government. Still, relatively speaking mass unemployment in the 1970s affected migrants the least. In 1975, among a total number of 8,500 unemployed in Ghent, merely 150 were Turks and until the 1980s, Turks remained strongly underrepresented in unemployment numbers (De Gendt, 2014:105).

Growth of the Turkish population strongly increases market opportunities

Mass unemployment in Belgium called the recruitment of foreign workers strongly into question. Following the decisions of the German and the Dutch governments to halt their respective guest workers' programmes, Belgium officially terminated its guest workers programme on 1 August 1974. This decision became known as the 'migration stop' although the government in fact only attempted to halt the recruitment of low-educated workers from non-EEC- countries. Other immigration channels such as family rejoining, asylum and education were kept open. Despite the 'migration stop', the Turkish population in Belgium grew significantly during the mid-1970s[57]. In Ghent, it grew to around 4,200 (Bouckaert- Dhaene, 2002:9). It follows that the Turkish population in Ghent no longer fit the description of (a small-sized) 'ethnic network'.

While the establishment of the first Turkish café in Ghent in 1972 had set an example for potential entrepreneurs, the significant growth of the Turkish population in Ghent increased the market opportunities for potential Turkish entrepreneurs, as the demand for ethnic products and services from the own ethnic group increased.

A number of reasons accounted for the growth in population. Firstly, the number of Turks returning to Turkey was limited. Recognizing the fact that at least a section of the guest worker population had no intention of returning to their country of origin, simultaneously with the announcement of the migration stop, the Belgian Government introduced its first measures to encourage the integration of its migrant

[57] Between 1970 and 1977 the number of Turks in Belgium rose from 20,000 to 66,500.

population. Besides the official recognition of Islam as one of the subsidized religions in Belgium, all Turks and Northern Africans residing in the country were offered the possibility to obtain a permanent residence and work permit. To that end, a one- time regularization possibility was offered to undocumented guest workers staying in the country until 31 December 1975 on the condition of proving a stay on a regular basis in the country since 1974. This new legal context forced Turkish migrants to make a choice: returning to Turkey with a small likelihood of returning to Belgium or opt for a permanent Belgian residence permit, which also enabled short-term visits to the country of origin. A large number of Turks in Ghent opted for the first option (Verhaeghe et al., 2012:17). In Ghent, 625 people submitted a regularisation file (De Bock, 2012:67). Opting for a permanent stay in Belgium also increased the potential to start a business.

Secondly, in an attempt to overcome the crisis, there was a continuing high demand for low-educated workers in Ghent's textile sector. As such, unlike the mining and construction sector in the rest of the country, it immediately functioned as a magnet for newcomers, particularly Turks, with a majority coming from France, the Netherlands and Germany, but also from the Belgian mining regions, Brussels and Turkey[58] (De Gendt, 2014:106).

Thirdly, contrary to the expectation of the Belgian Government, Turkish immigration did not dry up as large majority of Turks found a partner in the country of origin, where they were much eligible, being considered as an entrance gate to a prosperous European country. As such, migration through family rejoining became accompanied by migration through family formation. This evolution was influenced by the decision of Turks to take up permanent residence in Belgium but also by the scarcity of Turkish women in Belgium and the reduction of interethnic contacts with Belgians (Verhaeghe et al. 2012:17)[59]. Family rejoining and family formation also affected market opportunities in a specific way: whereas the single man that dominated the immigrant population in the beginning of the Turkish migration to Ghent had often contented themselves with living out of cans and only occasionally eating traditional

[58] Where the coup d'état of 1971 had not ended years of economic and political crisis and had given way to a rise in migration, especially from remote rural areas, such as Emirdag in Afyon.
[59] Until this day, family reunion and family formation constitute the principal channel for Turkish migration to Ghent (Verhaeghe et al., 2012).

meals, immigrant families were more inclined to invest time and money in the preparation of extensive family dinners with ingredients and flavours ‘from home’(De Bock, 2014:48; Özdemir, 2016:634-636).

Easily accessible markets without necessity for large human and financial capital

The businesses which were set up, i.e. cafés and later small retail businesses, hardly required any entry costs or technical skills and were relatively easy accessible. This was not only the result of ‘ethnic markets’ but also of so-called ‘vacancy chains’, whereby businesses left by locals or other immigrants are taken over by other immigrants. Small retail businesses appeared in an era of decline for small shops, as chain shops such as super markets were taking over the retail sector. The retail shops that were set up were very basic, with cans of beans and packs of rice stacked up on simple shelves, so that hardly any investment was needed. Cafés were the easiest to set up, as the building and its infrastructure were simply rented from a brewery, which in return obtained a monopoly on delivering café drinks (De Bock, 2014:49).

Borrowing financial capital from co-ethnics

Especially for relatively small investments, such as those needed to set up a café or a small retail shop, ethnic networks can function as credit providing systems, granting co-ethnics informal loans, allowing them to quickly gather large sums of money without interest and without a strict repayment schedule. In Ghent, this scenario was only to be found among Turkish immigrants. Aspiring entrepreneur Berbat for instance could also borrow money from the ‘Turkish community’ to set up his café (De Block, 2014).

Homogeneity of the Turkish population and spatial concentration

As a large number of these newcomers originated from villages and neighbourhoods in the district of Emirdag, the share of the Emirdag population in the total Turkish population in Ghent became significantly large. In some cases, entire villages and neighbourhoods emigrated to Ghent, in particular from Karacalar, Türkmenköy, Kurudere, Suvermez, Pörnek around Emirdag and Emirdag itself. Spatial concentration of Turks could be seen in the neighbourhoods of Rabot, Tolhuis-Ham, Sluizeken- Muide, Dampoort and Ledeberg. Facilitating factors in this were the proximity of textile factories and the low prices of housing as a result of the exodus of Belgians from these neighbourhoods (and often even from the city), but also discrimination in the rental market (De Gendt, 2014:88-89,150-151). Spatial concentration increased the potential for an ethnic economy (Verhaeghe et al., 2012: 19). Within these spatial concentrations of Turks in the aforementioned neighbourhoods, moreover a spatial concentration of Turks originating from the same village could be observed. This became referred to as 'transplanted communities' (De Gendt, 2014:114). As a result of these transplanted communities, potential entrepreneurs could also easily benefit from a large informal network of acquaintances.

Increase of the ethnic distance between Turks and Belgians

Influenced by the sudden growth of the migrant population in 1974, the underrepresentation of migrants in unemployment numbers, the visibility of spatial concentration and limited interethnic contact, public opinion became more critical of ethnic minorities during the second half of the 1970s, which resulted in discrimination and racism on the housing market, the labour market and in the nightlife. From 1974 onwards, the signs with 'Interdit aux étrangers' (prohibited for foreigners) spread from Kuiperskaai to the entire centre. While previously they had targeted northern Africans -in the 1960s the Algerians constituted the biggest group of foreigners in Ghent- now also Turks were no longer welcome in a number of establishments. One of the council members within Ghent's Consultation Commission for Guest Workers suggested the Turks to start their own cafés (De Gendt, 2014:126).

While interethnic contacts between Belgians and Turks in Ghent had already been limited before, following changes in the political, socioeconomic and sociological context, the Turks increasingly fell back on the own -now significantly larger- ethnic group, which for a certain number of Turks was limited to the own transplanted communities. Due to the socioeconomic deprivation as a group, this did not lead to the emergence of an ethnic cluster[60]but to the emergence of an ethnic enclave with an ethnic economy as one of the constituent elements (Verhaeghe et al., 2012: 19).

4.2.3.2. Evolution of the Ethnic Economy in Ghent During the 1970s

Pioneered by the establishment of the first Turkish café in 1972, the Turkish ethnic economy really took off in 1974 with the establishment of eight more cafés[61] and a restaurant (De Gendt, 2014:120,125). In no time, of all the Mediterranean immigrants the Turks became the most prolific in setting up new cafés (De Bock, 2014:45). This has been referred to as the first wave of Turkish entrepreneurs. Owners of these eight new cafés originated from Emirdag or the villages around Emirdag, Posof and Istanbul (De Gendt, 2014:125). These cafés set up a niche market (see Waldinger et al., 1990:122-127) as their clientele was often limited to people coming from the same region or village in Turkey (De Block, 2014). As such, they further consolidated the transplanted communities. Functioning among other things as meeting places and places where employers could recruit workers from, these cafés in fact informally served the labour market integration of the Turkish community in Ghent (De Gendt, 2014:126). Some of these cafés provided food and shelter for those who had to find their way in an unknown city, such as ‘Café Schoonzicht’ in Tolhuislaan and ‘Café Emirdag’, known as ‘Kosa’ in Wondelgemstraat, where the stream of newcomers from Emirdag in the mid-1970s found a place to stay while trying to find their way around Ghent. Similar to ‘Café Ankara’ before, these cafés were situated in what by then had come to be seen as ‘Turkish neighbourhoods’, such as the area Sluizeken- Muide. These cafés are reported to have attracted an exclusively male Turkish crowd, sometimes accompanied by Belgian women (De Bock, 2014:46).

[60] While ethnic enclaves and ethnic clusters largely share the same characteristics, in ethnic clusters the group is socioeconomically well-off. Examples of ethnic clusters are Chinese, Korean and Indian clusters in the United States and the United Kingdom (Verhaeghe et al., 2012).

[61] The most famous one was the bar of Cell Hoca at Fratersplein. Nearby Izzet Celikoz opened his café Kıbrıs (Cyprus) and at Vrijdagsmarkt café Mimosa was opened, called after the Cypriote city which was conquered by the Turks in 1974 during the occupation of the island. Another café at Steendam was opened with the name Berbat (after the nick name of the café owner). The Turks from Emirdag opened a bar in Krommewal and in Wondelgemstraat. In Bevrijdingslaan a café was started for the Turks from Istanbul and at Dampoort a café was opened for fellow countrymen from Posof (De Gendt, 2014:125).

After a few years, a majority of these café owners moved over to a small retail business. They became a grocer, cassette salesperson, vegetable trader, opened a friterie, a celebration hall or a restaurant, as a result of which the ethnic economy further diversified (De Gendt, 2014:126). In the first phase of this ethnic enclave, the ethnic economy was virtually exclusively directed towards the own ethnic group (e.g. tea houses with only Turkish clients) or aimed at various ethnic minorities (e.g. Turkish and Northern African clients), offering goods (mostly foodstuffs) that had been part of the immigrants lifestyle at home but that were hard to get hold of in the places where they settled (Verhaeghe et al., 2012: 18; De Block, 2014:48). However, both cafés and small retail shops operated at very small profit margins and had to earn it from hard work and long hours. Many of them did not manage to make their business profitable and had to close down or hand over the business to somebody else after only a few years (De Bock, 2014:49).

Among these first Turkish entrepreneurs, Süleyman Alci[62], who in 1974 sold his café and opened the first Turkish restaurant next door ('Bogaziçi restaurant'), was one of the few who gradually oriented his business more towards Belgian customers. While it, similar to the cafés, also functioned as an informal employment agency and real estate office for Turks, as of 1975 it became visited by Belgians[63]. The speciality of the house was the döner kebab, but it was only served on Saturdays. In 1977, the first Turkish snack bar was opened next to the restaurant. The wedding of Süleyman Alci's eldest son in 1977 at Hotel Brittania at St Bavo Square for which 1,000 guests were invited, including many Belgians, launched a spirit to reorganize Belgian-Turkish fraternization celebrations in Ghent, which had been abandoned since 1974. At these celebrations, reorganized as of January 1979, many citizens of Ghent were for the first time exposed to the döner kebab. However, it was not until Alci introduced the döner kebab at Gentse Feesten[64] later that year that some Turkish entrepreneurs started to realise the business potential of breaking out to the Belgian customer market.

[62] His brother Halil Alci for his part set up a vegetable shop opposite the restaurant in 1975 and a butcher's in Oudburg in 1976. At the same time the Alci brothers had already set up a Turkish cinema where on Sundays the newest movies from Turkey were shown. In hindsight, the Alci brothers can be considered as the pioneers of the Turkish Ghent entrepreneurial landscape.

[63] Particularly by students and May 1968ers (De Gendt, 2014:120).

[64] A ten-day music and (street) theatre festival in the city of Ghent, annually taking place in July. Here the kebab soon became a popular after-midnight-menu amongst revellers, typically in combination with

The development of the ethnic economy also contributed to a strong institutionalisation and diversification of services, which enabled the Turks to develop their ‘own’ society. The ethnic enclave foresaw in own cafés, prayer houses, associations, doctors, lawyers, brokers, media, shops and other institutions. The first Turkish association in Ghent (the Turkish cultural centre) was founded in 1978. Fully funded by private means, in the same year also the first Turkish mosque in Ghent was constructed, i.e. ‘Big Mosque’ in Kazemattenstraat, after having jointly used the first mosque in Ghent with Northern African Muslims for four years. These institutions often exclusively aimed at the own ethnic group and formed to some extent a reflection of Belgian institutions (Verhaeghe et al., 2012: 20).

4.2.3.3. Micro-, Meso- and Macro-Factors Influencing the Emergence of the Second Wave of Turkish Entrepreneurs (1980s)

Exclusion from the labour market and exposure to racism

The impact of the oil crisis on the labour market was increasingly felt during the end of the 1970s. Between 1977 and 1982 in Belgium 200,000 jobs were lost, as a result of which in 1983 a historic number of 554,000 unemployed were registered, to date still the highest number of unemployed the country has ever seen. In Ghent, the number of unemployed doubled between 1977 and 1982. While a number of Ghent’s textile factories initially remained spared by the economic crisis, from the late 1970s onwards, they became increasingly affected by international competition and one after another closed their business. As such, the number of workers in Ghent’s textile sector fell from nearly 10,000 in 1970 to 3,800 in 1980. Of all textile factories in town, only UCO NV remained in business. However, it also shut down its plants one by one[65]. The closure of these textile factories caused mass unemployment among migrants. Unemployment among Turks was for the first time higher than among Belgians and by 1991, it was even four times higher. By the end of the 1980s approximately half of

beer. In the 1990s this success formula would be rediscovered in the student quarter of Overpoort by the Yetimoglu family.

[65] UCO NV finally closed its doors in 2008.

the Turkish male population above 45 was unemployed, compared to 18% of male Belgians above 45 (De Gendt, 2014:171).

Reintegration in the labour market proved difficult for Turks as many of them had only gathered experience as factory worker and the demand for factory workers had nearly vanished. A majority of the first-generation Turks possessed insufficiently developed Dutch language skills and this was only partially compensated by the language lessons provided by Rijksdienst voor Arbeidsvoorziening (National Employment Office) (De Gendt, 2014:171). A census in Belgium in 1991 showed that relative to the first generation, second-generation[66] Turks and Northern Africans generally had better knowledge of the Dutch language and performed better in terms of education. They more often held a degree of secondary education. While men of the second generation did not obtain a degree from higher education more often than those of the first generation, this was the case for Turkish and Northern African women of the second generation. Nonetheless, despite having pursued their education in Belgium, second- generation Turks and Northern Africans faced more difficulties finding a job than the first generation. Unemployment numbers were particularly higher among the second generation of Moroccan and Turkish men in Brussels and in Wallonia. An improvement that could be noticed was that contrary to the first generation, who was more often employed as 'arbeider' (manual worker), Turks and Northern Africans of the second generation were more often employed as 'bediende' (non- manual worker)[67] (Verhaeghe et al., 2012: 39-40). One of the direct results of mass unemployment and socioeconomic deprivation among the Turks in Ghent was that Turkish teenagers[68] and women were more encouraged to work and as such, more frequently entered the labour market (De Gendt, 2014:172).

At the same time, since the migration influx of 1974 Turks and other migrant groups had become increasingly subjected to discrimination and racism. The signs of 'Interdit aux étrangers' (prohibited to foreigners) spread to more cafés in Ghent. Apart

[66] People born in Belgium of whom at least one of the biological parents was born abroad and had migrated to Belgium. Second-generation Turks hence pursued their education in Belgium.
[67] Until 2014, with regard to labour agreements, the Belgian legislation made a distinction between 'arbeiders' who primarily perform manual labour; and 'bedienden' who primarily perform non-manual (intellectual) work. Generally speaking the statute of 'bediende' provided more advantages for the worker. In 2014, this was replaced by a common framework.
[68] Until 1983, education was obligatory until the age of 14. In 1983 it was extended to 18.

from the implementation of the racism law of July 1981 which criminalized racism, the issue of racism long remained unaddressed both at the federal, Flemish[69] and local level and as such, initiatives that protested against racism were long time limited to the private sphere. According to current Ghent mayor Daniel Termont[70], the inability of mainstream political parties to address this issue pushed a large number of people into the hands of overtly anti- immigrant, far-right party Vlaams Blok[71] (Flemish Block). Racism reached a new high in the lead up to the local elections of 1982, with four deliberate racist assaults on various Turkish targets in Ghent, one eventually leading to the death of a 22-year old Turk. When this subsequently led to the banning of the 'Interdit aux étrangers'- signs, entry to various cafés was further denied by porters. Dramatic changes in the opportunity structure, through developments in the labour market and exposure to racism, increased the potential for setting up an own business.

<u>Belgian nationality, decision of permanent stay and development of the ethnic enclave and ethnic economy</u>

Following the coup d'état in Turkey on 12 September 1980, similar to other countries in Europe, Belgium immediately witnessed a peek in the number of Turkish newcomers[72], with a notably large number of asylum seekers,[73] the majority being Kurds, originating from the provinces Van, Hakkari and Batman in the southeast of the country. Nonetheless, due to various reasons Ghent received a modest number of asylum seekers. Firstly, in order to limit the influx of newcomers to its territory, following the example of Germany and the Netherlands, obtaining a Belgian visa became subject to stricter rules with the foreigners law of 15 December 1980, i.e. the law concerning the access to the territory, the residence, the settlement and the removal of foreigners[74]. Secondly, Ghent was only having a small Kurdish minority at that time,

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[69] With the state reform of 1980 the Flemish Government was established.
[70] He has been the mayor of Ghent since 2006.
[71] In 2004, the party was found guilty of violating anti-racism legislation by the Court of Cassation, Belgium's highest court. Thereupon, the party continued under the name Vlaams Belang (Flemish Interest).
[72] 3,200 Turkish newcomers arrived in Belgium in 1980.
[73] In Belgium, they were responsible for ¼ of the Turkish influx in 1980 and for 50% by 1985.
[74] Among the criteria is having adequate material means at one's disposal.

which hence did not create an extra pull factor[75] for Kurds. Mainly being on the run from their fellow countrymen, these people mainly settled in places where not a lot of Turks had settled before, such as Mechelen, Eeklo and Asse. While moreover due to the economic reform policy in Turkey, the industrial sector developed and unemployment decreased, the number of Turkish immigrants reached a historic low in Belgium in 1983 when solely 1,265 Turkish newcomers arrived. In Ghent it even led to a negative Turkish migration balance (De Gendt, 2014:168). As such, in terms of demographic composition, the dominance of the Turkish population with roots in Emirdag, continued in Ghent's Turkish enclave.

Within various Martens governments, Justice Minister Gol[76] conducted a policy `to make migration policy stricter and integration policy friendlier to confirm Belgium as a humanitarian reception country for guest workers`. Following the tightening up of the visa obligation, 'cascade reunion[77] or gradual family reunion[78] became restricted, except for countries who had a bilateral agreement with Belgium, such as Turkey (De Gendt, 2014:168,199). It was in the light of 'friendlier integration' that racism became considered a criminal offence in 1981 (as aforementioned) and on 28 June 1984 the first Belgian nationality code was adopted, which made it much easier for foreigners to obtain the Belgian nationality[79], i.e. after five years of residence and an inquiry of the intention of integration. Children from mixed marriages, which were born in Belgium, could equally obtain the nationality of a Belgian mother, while until then children had always obtained the nationality of the father. This nationality code was considered as an essential instrument to stimulate the integration and political participation of foreigners in Belgium. The first Belgian nationality acquisitions by people born with the Turkish nationality however only took place as of 1991 (Schoonvaere, 2013:7-8). For Turkish (aspiring) entrepreneurs, the very idea of

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[75] In cities such as Brussels and Antwerp, where more asylum-seekers ended up in the already existing Turkish community, it did not take long for riots to break out (De Gendt, 2014:169-170).
[76] Justice Minister from 1981 to 1988 of the Walloon liberal party PRL.
[77] For instance, when a Turkish man in Belgium is joined by his wife, who brings her parents, who bring over the children, etc.
[78] Whereas family formation refers to marriage migrants, family formation refers to the migration of ascendants and descendants.
[79] Owing to Belgium's system of discretionary naturalization the loss of the old nationality was in principle not a condition. This nationality law witnessed minor changes in 1991, 1995 and 1999.

obtaining Belgium citizenship in the foreseeable future raised the prospect of no longer having to apply for a professional card to set up their business.

The salience of mass unemployment amongst particularly Turks and Moroccans gave way to the addition of the 'reintegration premium for foreign nationals', to the 'recovery law concerning social provisions' of 22 January 1985 (chapter 4, section 8). This premium encouraged non- EEC nationals who had been receiving unemployment benefit in Belgium for more than one year to return to their country of origin. Applicants were entitled to obtain a one-time one-year unemployment benefit, being added with 50,000 BEF[80] for a joining spouse and 15,000 BEF for every joining child. This however had major consequences as the allocation made the residence and work permit of the applicant invalid. Ultimately, between 1985 and 1988 a limited number of families, i.e. 207 families, were repatriated, principally to Turkey and Morocco. In Ghent as well, the premium failed to impact. While enthusiasm of the Turks in Ghent for the reintegration premium had been very low from the outset[81], their interest vanished completely after hearing the regrets of the Cerit family[82], the first Turkish family in Ghent that accepted the return bounty in 1986. Moreover, while the reintegration premium had in many cities instigated a debate among migrants about their future, many migrants decided to permanently stay in Belgium (De Gendt, 2014:190-191). As Turks were facing problems on the labour market, the decision to opt for a permanent stay in Ghent increased the potential for setting up an own business.

The decision to opt for a permanent stay in Ghent 1980s found expression in various ways. Firstly, many Turks bought a house in Ghent. While in 1980 only 5% of the Turks owned a house, by 1990 this had increased to 55%, in comparison to 47% among Belgians. Secondly, since the 1974 (labour) migration stop, 'cascade reunion' or gradual family reunion, played an ever more important role. Thirdly, more and more

[80] Belgium introduced the euro currency in 2002. On 1 January 1999, the conversion rate of 1 EUR became fixed at 40.3399 BEF.
[81] As shown in a survey from National Employment Agency (RVA) Ghent organized among potential return migrants in 1983 only 12 of the questioned 366 people wanted to return to their country of origin. The Turkish government, ambassadors, consuls, teachers and imams were also actively calling on the Turks not to make use of the reintegration premium (De Gendt, 2014:188-189).
[82] Especially the three children could not get used to living in Turkey and favoured a return to Ghent. While the regulation concerned made this in principle impossible, only in the 1990s they managed to return to Ghent, as marriage migrant (De Gendt, 2014:188).

Turkish associations came into being, who no longer oriented themselves towards all the Turks, but rather to a section of the Turks or a specific activity. Among them were the first Turkish women associations such as GTKB and Mavi Boncuk, the first Turkish student association, football teams and cultural associations such as Anatolian Folkloristic Center for Education AFEM and vzw Özdil, who promoted folkloristic music. The diversification was equally the case for religious associations.

The 1982 assaults nearly coincided with the establishment of the Brussels-based Turkish Islamic Foundation of Belgium (TIFB), Diyanet[83], by the Turkish government. Associations in Europe related to the TIFB are often postulated as acting on behalf of the Turkish government, which allows the latter to retain a certain degree of influence over the Turkish Muslim immigrant community. Its imams, who have completed their religious training in Turkey and who have followed a language course prior to their arrival, are civil servants whose salaries are paid for by the Turkish government. The activities of TIFB are geared towards the preservation of the cultural and religious identity of Turks abroad. Similar to the tasks of Diyanet in Turkey, it builds and operates mosques, employs imams, organizes religious events, provides burial services and religious education for children, offers iftar meals during the months of Ramadan, etc. In addition, it engages in sociocultural activities, which are expected to enhance familiarization with the Turkish culture. Two components in this respect are essential: religion, i.e. Islam, and language, i.e. Turkish (Yanasmayan, 2010). In Ghent, the 'Big Mosque' in Kazemattenstraat, as well as Eyüp Sultan Camii and Rabot Fatih Camii became associated to TIFB. Opposing the influence of TIFB, in the subsequent years several Islamist groups seperated from TIFB. A group related to Milli Görüs, initially established as an Islamist movement and which was highly critical of Turkey's secular regime, started its operations in Belgium in 1986 through the Islamic Federation of Belgium (IFB). Milli Görüs strives to Islamize all areas of life without making a further distinction between private and public spaces (Yanasmayan, 2010). In Ghent's neighbourhood Rabot, as of the mid-1980s a mosque came under the influence of Milli Görüs. Today, Ghent's second largest mosque,

[83] Initially the Turkish Directorate for Religious Affairs (Diyanet) showed little interest in extending its influence beyond Turkey and did not engage in the founding of mosques in Europe. The change in policy was influenced by the acknowledgement of the permanence of a Turkish émigré community and the realisation of other Islamic and anti-kemalist movements in Europe (Yanasmayan, 2010).

TEHVID Camii belongs to the IFB. The decision of many Turks to stay permanently in Ghent equally led to the establishment of a mosque for the Nurcu community, the Kadiiri fraternity and the Alevi community (De Kesel, 2004; De Gendt, 2014:200-201).

One of the most visible results of the evolution towards the institutionalization of more conservative sections of Turkish Islam in Ghent was the gradual proliferation of the headscarf, with full coverage of the hair[84], among Turkish women. Another result was that several Turkish café tenders decided no longer to serve alcoholic drinks to customers, which significantly reduced the share of Belgian customers and sometimes even led to a closure of their business[85]. In 1986, a number of prominent migrant workers in town raised their concerns about the change in mindset of the Turks in comparison to the 1970s. Johan De Vreeze quoted in Belgian newspaper De Gentenaar that "Tolerance had decreased and had partly been replaced by group selfishness". As a result of growing intolerance and racism among Belgians and growing religious conservatism among the Turks, the ethnic distance between Belgians and Turks in Ghent increased (De Gendt, 2014:184-185).

<u>Continuing availability of markets and unlocking of new markets (among others by second-generation Turks)</u>

Cafés and small retail businesses remained relatively easy to set up as they i.a. did not require large human and financial capital. Moreover, there is evidence that in the 1980s for these kinds of businesses Turks could still obtain informal loans from co-ethnics (De Bock, 2014:56). At the same time, the increase of the ethnic distance between Turks and Belgians, created an extra impetus for the consolidation of the ethnic enclave and the development of an ethnic economy with a diverse supply of activities through ethno-marketing. While high unemployment and the increase of the

[84] Although many women had worn a headscarf prior to their departure from Turkey, in the 1960s this was barely present in Ghent. After 1974, a more loose veil became more present. However, only in the 1980s, the religious veil (with full coverage of the hair) became widely used in Ghent. (De Gendt, 2014:183).

[85] For instance, the share of Belgians clients of the owner of café Berbat, Süleyman Karakaya, who had been in Ghent for 20 years, amounted to about 70%. His decision not to serve beer anymore was soon followed by the closure of his café (De Gendt, 2014:182).

ethnic distance between Turks and Belgians led to a marginalization of a certain group of Turkish youth in the 1980s (De Gendt, 2014:185-186), these second- generation Turks had the knowledge and the skills to set up more specialized immigrant businesses, owing to the fact that they had been educated and trained in the receiving society. By the 1980s, the Turkish population in the city was also sizeable enough to make these businesses profitable (De Bock, 2014:53).

Influenced by developments in the Belgian labour market, exposure to racism, and the activities of Diyanet, Turkishness became more accentuated among the Turks in Ghent (De Gendt, 2014:184). At the same time, growing religious conservatism provided a market opportunity, e.g. Islamic butchers selling ritually slaughtered halal meat, in which there was only competition with Maghrebi entrepreneurs. The fact that much higher financial and legal barriers to set up a business were to be found in professions that were protected by law, such as butchers and hairdressers, pertaining to the possession of a certificate of establishment and also the financial means to equip workplaces and shops, provides an explanation as to why it took so long for immigrant entrepreneurs to set up Islamic butcher shops in Ghent (De Bock, 2014:65).

While initially small retail shops aimed at an exclusively immigrant (mostly Turkish) clientele, from the late 1970s onwards, some started aiming at a mixed Belgian- immigrant clientele, depending on the kind of product that was sold. When by the mid-1980s the market increasingly became saturated, a deliberate break-out to the mainstream market, driven by the popularity of the Kebab and the Turkish pizza/pide, created new market opportunities. In fact, there had already been a market for ethnic eateries in Ghent since the 1960s, which was translated into the establishment of Chinese, Italian, Tunisian, Greek, etc., and the booming of Italian restaurants in the 1970s. Nonetheless, until the second half of the 1980s Turkish snack bars and restaurants in Ghent were rare. While the qualifications that were needed to set up a restaurant could be gained through experience until 1984[86], the financial capital needed for setting up a restaurant was considerably higher than the financial capital needed to set up a café or a retail shop. Relatively speaking, businesses who aimed at a (mixed immigrant-) Belgian clientele, operated at a higher profit margin (De Bock, 2014:49)

[86] Since 1984, a certificate of establishment has been necessary.

Presence of business role models

In addition to Süleyman Alci, who had been considered as a role model for entrepreneurs of the the first wave, as of the end of the 1970s with Abdülkadir Tapmaz[87], another business role model in the Ghent Turkish community emerged, this time someone who had started his business after years of working in a textile company. As the son of Mehmet Tapmaz, one of the first Turks who arrived in Ghent in the mid-1960s, he had had his roots in Emirdag. The strong ties of the Emirdag Turks in Ghent (De Gendt, 2014:201) provided advantages to reach consumers. Within the enclosed context of the ethnic enclave his entrepreneurial spirit soon served as an example for many others.

Entrepreneurial spirit and government's blind-eye policy towards irregularities

In comparison to the entrepreneurs of the first wave, entrepreneurs of the second wave were younger, more skilful in Dutch and more willing to take risks. A study of Centrum Zelfstandig Ondernemen (Center for Entrepreneurship) showed that less than 50% of the entrepreneurs in the 1980s had a degree of secondary education and about 76% had started without any financial plan. Moreover, much to the frustration of Belgian businessmen who complained about the unfair competition this caused, about half of the Turkish businesses were registered as Coöperatieve Vennootschap (Cooperative Partnership) and a second large group as Vereniging Zonder Winstoogmerk (non-profit association). The government's blind eye policy towards this until the 1990s (De Gendt, 2014:204) can also be considered as having been conducive to the start-up of businesses.

[87] Father of current Ghent alderman for well-being, equal opportunities, health and sport, Resul Tapmaz.

4.2.3.4. Evolution of the Ethnic Economy in the 1980s and Early 1990s

The second wave of entrepreneurs in the 1980s is said to be instigated by Abdulkadir Tapmaz. As of the end of the 1970s Tapmaz set up a wide range of businesses, solely or with a business associate: a café, Turkish bazaar, punk shop (later to be converted into a second-hand shop), bread delivery service, a mini-restaurant, and in 1984 a snack bar[88]. Within the enclosed context of the ethnic enclave his entrepreneurial spirit soon served as an example for many others, which as of the early 1980s translated in the start-up of particularly a large number of groceries, but also of Turkish cafés, bazaars, bakeries, butchers, hairdressers, milkmen and jewellers.

While the Turkish community grew to 6,500 people by 1986, the other side of the coin was excessive competition and saturation in the own ethnic market, leading to a quick change in ownership (De Gendt, 2014:204). This led many Turkish merchants to enlarge their range of products or services, which occasionally gave rise to odd combinations: a hairdresser could for instance sell vegetables or a video rental store could sell bread, etc. (De Gendt, 2014:205). Gradually also more shops emerged, such as gift shops, carpet shops shops, textile shops and video rental shops, who aimed at mixed Belgian-immigrant clientele (De Block, 2014).

Following the set-up of Islamic butcher shops by Moroccan and Tunisian immigrants, from the mid- 1980s onwards the first Turkish butcher shops appeared in town. All of them initially had an almost exclusively Muslim clientele, to which more and more Belgians came to be added, attracted by the good price-to-quality ratio provided. Furthermore, all of them had worked for several years under the supervision of a qualified Belgian butcher, thereby gaining experience in order to qualify for the permit to set up shop for themselves. Picking up the needed business know-how while working for a Belgian employer allowed these immigrants to establish their own shops (De Bock, 2014:51).

Others opted for a deliberate break-out to the mainstream Belgian market. This break-out was facilitated by the skilfulness in Dutch of many entrepreneurs and the popularity of the döner kebab, of which the potential success had become clear in

[88] Predecessor of today's well-known Restaurant Ankara in Ghent, which as of 1994 was run by his son Resul. Resul Tapmaz later on handed it over to his brother.

Germany (Demirci, 1995:22) and at the annual Gentse feesten editions as of 1979 (De Gendt, 2014:124). Isa Biçici started Ghent's first Döner Kebab snack bar in students' nightlife district Overpoort in 1984, 'Pita Hyppodrome', with Belgians as target market[89]. Its imminent success was soon picked up by other Turks, which led to the opening of pita snack bars, pizzerias and friteries in the same street. Since then, the 'pita' has been unmistakably intertwined with Ghent's nightlife and as such the 'pita' can serve as a symbol for the Ghent- Turkish symbiosis.

The pita also induced a spill over, as from the late 1980s onwards, in the slipstream of students, more and more Belgians would try a visit to a Turkish restaurant, a shop or even a café. Particularly pide restaurants (called 'pizza restaurants'[90]), of which the first was opened by Ali Bilal in Sleepstraat in 1988, three years after the first Turkish pide restaurant in Belgium had opened in the Brussels municipality of Schaarbeek, were immediately met with positive reception by both Turks and Belgians, which inspired many others to set up a pide restaurant as well (De Gendt, 2014:207). These restaurants chose to aim at a much wider and more profitable market than the city's immigrant population, targeting the local middle classes as well as students and tourists visiting the city: the people who had money to spend (De Bock, 2014:53).

As of the second half of the 1980s, other kinds of specialized immigrant businesses, such as cable companies, bus companies (among them one by the Biçici family), travel agencies and independent professionals such as lawyers and accountants who specifically targeted an immigrant clientele, induced a further diversification of the ethnic economy (De Bock, 2014:53; De Gendt, 2014:208-212).

Until the end of the 1980s, evolutions in the Turkish ethnic economy went hand in hand with an absence of coherent Belgian migrant integration policies[91]. Until then, migrant integration policies were in fact a collection of local initiatives, mostly organised by trade unions and social workers. Affected by large unemployment and goaded by the racist discourse of the political far right in Flanders, by the end of the 1980s Flemish public opinion increasingly became negative towards migrants. Following the breakthrough of far-right party Flemish Block (Vlaams Blok) at the

[89] For the same reason the word 'döner kebab' was changed into the Greek word 'pita'.
[90] For the same reason as the word 'döner kebab' was changed into 'pita'.
[91] Migrant integration policies are discussed more thoroughly in chapter five.

municipality elections of 1988, the Belgian Government established a Royal Commissary for Migrant Policies. Since then, the government has given more attention to the participation of ethnic minorities in society. Emphasis hereby enlarged to non-socioeconomic themes such as women rights, Islam and criminality (Verhaeghe et al., 2012: 45-46).

As of 1991, the numbers concerning Turkish entrepreneurship have become less reliable, as a large number of Turkish entrepreneurs who whether automatically obtained Belgian citizenship or made use of the easier regulation with regard to the naturalisation procedure, have no longer been considered as foreigner in the statistics. Having said this, in 1993, in the whole of Belgium 993 Turks were holder of a professional card. Despite this statistical issue, whenever associations, organisations or studies make reference to Turkish entrepreneurship it generally includes entrepreneurs of Turkish origin as well.

Although there are obviously differences with Turkish entrepreneurs in other cities in Belgium, there are clearly commonalities with Turkish entrepreneurs in Ghent. In the early 1990s, the two sectors in Belgium that saw the largest increase in Turkish businesses were contractor businesses in ground works and cable works, and döner kebab/ pita businesses. As of the end the 1980s, in order to reduce costs, a number of Belgian employers have encouraged their Turkish workers to become contractor in ground and cable works. By the mid-1990s, there were about 20 Turkish contractor enterprises in Belgium, employing an average of 10 active workers. These enterprises have also benefited from public procurements of limited size by public telecommunications enterprise Belgacom[92], much to the indignation of Belgian enterprises. Since 1990, the number of döner kebab/ pita businesses has exploded in Belgium and most definitely in Ghent which by the mid- 1990s hosted more than 35 döner kebab/pita businesses. These snack bars were generally individual initiatives and endeavours to come to a rationalisation by setting up a chain of snack bars, which could increase the familiarity with this sector, stranded. The success of this business generally depends on the service, the location and the level of competition. The high level of competition however made the market nearly saturated.

[92] Today it carries the name Proximus Group, and is primarily state owned.

Aside from being active in döner kebab/ pita businesses and contractor businesses in ground and cable works, in the mid-1990s, 'Turkish' entrepreneurs in Belgium appeared to be active in the following businesses: restaurants, groceries (fruit and vegetables), import- export (gifts, carpets,…), repair (electrical household items, cars, …), cleaning companies, construction, independent professions (doctors, lawyers), lending, insurances and travel agencies (Demirci, 1995:20-23).

Based on interviews with 51 Turkish entrepreneurs in Ghent in 1995, Nazah Sabah (1993) presented a profile of Turkish entrepreneurship in Ghent. Turkish entrepreneurs were generally born in Turkey, had the Turkish nationality (only 14% of them had the Belgian nationality) and had arrived during the 1970s. About half of them had a degree of secondary education. He/she built up his/ her company individually and owned the property of the business on which the business is located. Döner kebab/ pita businesses however rented more often and showed a larger turnover rate than the other businesses. Entrepreneurs in these businesses also worked the most hours: on average 14 to 15 hours, i.e. 4 to 5 hours more than the average of 10 hours among Turkish entrepreneurs. The majority of these businesses were relatively new start-ups. About 61% of the businesses were set up between 1991 and 1995. 37% of the interviewed entrepreneurs had run another business before in Belgium. Only 10% of the businesses was older than 10 years. Satisfaction with the own businesses was rather low, as more than half of the Turkish entrepreneurs described the general situation of their business as 'not good' (Caestecker, 1995:23).

4.2.4. End of the 1990s to the Present: on the Way to an Ethnic Mosaic and Further Breaking out of the Ethnic Economy

The emergence (and continuation) of Turkish entrepreneurship, i.e. entrepreneurs of Turkish origin, within the period from the end of the 1990s until present can be explained by the interplay between developments at the micro-, meso- and macro-level[93]. Since the end of the 1990s, an increase in interethnic interaction at the institutional, spatial and the personal level suggests that the Turkish population in

[93] Entrepreneurship policies and migrant integration policies will be discussed more in detail in chapter five.

Ghent has gradually been moving away from an ethnic enclave, of which socioeconomic deprivation as a group was one of the characteristics, onto the path of forming an ethnic mosaic with other ethnic groups (Verhaeghe et al., 2012: 22-24).

4.2.4.1. Size of Turkish Entrepreneurship as of the Late 1990s

As previously mentioned, as of the 1990s presenting accurate statistics about the number of entrepreneurs of Turkish origin in Ghent has become increasingly problematic. First of all, once obtaining Belgian citizenship, Turks are often statistically no longer considered as Turk but as Belgian. In 2013, about 80% of the population born with a Turkish nationality had obtained the Belgian nationality in Ghent (Agency for Domestic Governing and Study Service Flemish Government, 2015:1,3). Secondly, Turks and people from Maghreb countries are sometimes grouped together in statistics, for instance in statistics of RSVZ, the Study Service of the Flemish Government[94] and Ghent Municipality, and although the number and share of Maghrebi entrepreneurs is limited in comparison to Turkish entrepreneurs, it equally hampers presenting a full picture of Turkish entrepreneurship. When contemplating the following data these remarks need to be taken into account, unless mentioned differently.

Data of RSVZ show that in 2010, on a total of 21,140 self-employed in Ghent only 269 (1.3%) were Turk or Maghrebi, while 89.4% of the self-employed were Belgian. While in comparison to 2006, the total number of entrepreneurs in Ghent rose with 9.4%, the number of Turkish and Maghrebi self-employed fell with 2.6% (Van Assche, 2011: 15-16).

[94] While within the 2015 edition of the 'Local Civiv integration and Integration Monitor,Ghent', a distinction is made between Turks and Maghrebins in statistics on the foreign population and the population of foreign origin, in the 2016 edition this distinction is generally not made (Agency for Domestic Governing and Study Service Flemish Government, 2015; Agency for Domestic Governing and Study Service Flemish Government, 2016).

Table 10: Number of Self-employed per Nationality Group in Ghent, 2006 and 2010, Based on RSVZ Data.

	2006	2010
Belgians	17,829	18,866
Countries joining the EU in 2004	195	191
Bulgarians and Romanians	179	1,010[95]
EU 15 (excl. Belgians)	553	562
Maghrebi and Turks	276	269
Other	221	242
Total non- Belgian	1,424	2,274
Total	19,316	21,140
% non- Belgian	7.37	10,76

Source: Van Assche, 2011: 15.

In Belgium, about 62% of the Turkish and Maghrebi self-employed is active in the trade sector, being followed by the industrial sector (22.3%). The dominance of the trade sector is also to be found among the groups 'EU 15 excluding Belgium' and the group 'other'. Conversely, among Romanians and Bulgarians and the group 'countries joining the EU in 2014' the industrial sector (in both around 60%) is clearly the largest sector where self-employed are active in. Relative to Belgian self-employed, Turkish and Maghrebi self-employed are particularly much more active in the trade sector (+ 27%) and much less active as independent professional (-20%) (Van Assche, 2011:20).

Table 11: Share of Different Sectors among Belgian and Turkish and Maghrebi Self-employed in Belgium; 2006 and 2010, Based on Data of RSVZ.

	Belgians		Turks and Maghrebins	
	2006	2010	2006	2010
Industry	20.14	20.45	17.47	22.27
Trade	37.56	35.22	69.74	61.93
Independent professionals	22.35	26.11	5.33	6.00
Service	8.99	8.29	5.99	7.07
Other	10.97	9.93	1.47	2.73

Source: Van Assche, 2011:20.

[95] The increase in number of Bulgarian and Romanians is striking. However, the issue of 'false' self-employed workers is widely known among these nationality groups (Verhaeghe et al., 2012). 42% of the Bulgarians and Romanian that had been actively self-employed for more than three years did not obtain any income out of this (Van Assche:32).

A fuller picture of Turkish entrepreneurship in Ghent is offered by Local Civic Integration and Integration Monitor Ghent (Agency for Domestic Governing and Study Service Flemish Government, 2015:14). This study shows that at present the share of self-employed within the group of workers from 18 to 64 is higher within the population of Turkish origin (16.9%) than amongst the population of Belgian origin in Ghent (15.9%). While the share of self-employed is lower than the share of self-employed among individuals of EU origin excluding Belgium (20.8%), it is the highest among non-EU origin groups.

4.2.4.2. Factors at the Micro-, Meso- and Macro-level Influencing the Emergence of Turkish Entrepreneurship as of the Late 1990s

Belgian citizenship

Following the acquisition of Belgian citizenship during the 1990s and the 2000s, the Turkish migrant population in Belgium has gradually become a population with a Belgian nationality. In 2010, 74% of the population born with a Turkish nationality had obtained Belgian citizenship (Schoonvaere, 2013:5). In 2013, about 80% of the population born with a Turkish nationality had obtained the Belgian nationality in Ghent (Agency for Domestic Governing and Study Service Flemish Government, 2015). Particularly following the so-called 'fast Belgian law' in 2000,[96] the share of the population born with a Turkish nationality obtaining Belgian citizenship increased significantly. With this law, the procedure for nationality acquisition, considered as a favour, not as a right, (Loobuyck- Jacobs, 2010:33) was eased by bringing back the minimum required years of legal residence in Belgium to 3 years (and 2 years for refugees) and deleting the integration requirements. Moreover, every child born on Belgian soil from a parent also born in the territory ('third-generation immigrants'), automatically acquired Belgian nationality[97]. There was, however, a 'residence' condition for the parent(s): he or she had to have been living in Belgium for at least five years of the ten years preceding the birth of the child.

[96] The nationality law saw also more modest reforms in 1991, 1995 and 1999.
[97] The idea of *ius soli*, i.e. the right of anyone born in the territory of a state to nationality or citizenship, determines Belgian citizenship now.

Furthermore, 'second-generation immigrants', born on Belgian soil, could easily become citizens (Loobuyck-Jacobs, 2010:33). One clear advantage for Turkish entrepreneurs who acquired Belgian citizenship was that applying for a professional card[98] to set up business was no longer required.

Islamophobia and increase of the ethnic distance between Belgians and Turks

While in Flanders the perceived threat of immigrants gradually decreased during the 1990s, it increased rapidly as of the new millennium. These negative attitudes appear to correlate strongly with Islamophobia (Verhaeghe et al., 2012). The exponential growth of the problematisation of Islam has coincided with a growing belief in the failure of multiculturalism. For Flanders, the symbolic line of fracture was the publication of a short op-ed[99] in January 2000 by the Dutch professor of urban studies, Paul Scheffer entitled 'the multicultural drama'. While Vlaams Blok spearheaded the attack on multiculturalism in the 1990s, Scheffer's op-ed brought the Islam in Europe into questioning to a much larger public. Islam soon became a hot topic in popular culture and in the media, ranging from well-meant special editions trying to prevent sensational stories that were circulating to full-scale attacks on Islam and Muslims. In the post 9/11 era, several opinion formers discovered Islam and quickly became advocates of Hungtinton's clash of civilization thesis, which represents Muslims as a homogeneous community which is external to Western society and its values (Zemni, 2011:36).

As such, the ethnic distance[100] between ethnic Belgians and ethnic minorities with an Islam background increased. Research has shown that Dutchmen and Belgians perceive the largest ethnic distance with regard to people originating from Muslim countries such as Turkey, Morocco or Saudi Arabia (Verhaeghe et al., 2012: 45).

[98] Today, the application for a first professional card, its alteration, replacement or renewal costs 140 EUR. The cost for the issuance of a professional card or renewal, through an enterprise counter, is 90 EUR.

[99] A piece of writing which expresses a personal opinion and is usually printed in a newspaper opposite the page on which the editorial is printed.

[100] Various social psychological studies indicate that people, consciously or not, rank ethnic groups into a sort of ethnic hierarchy. The own ethnic group is hereby always on top and other groups are ranked according to the perceived distance with the own ethnic group. These ethnic hierarchies are however not static.

While these developments invigorated the idea of a failure of integration and multiculturalism among opinion leaders and intellectuals, it cleared the way for a discourse of civic integration or even assimilation at the politico-institutional level. Among other things it led to a tightening of the criteria for family reunion of non-EU citizens under the law of 8 July 2011[101], as well as a tightening of the conditions to obtain the Belgian nationality under the law of 4 December 2012.[102] The law of 2 June 2013 tightened the law on sham marriages.

Difficulties on the regular labour market

The labour market which Turks in Ghent have encountered during the last decades has been characterised by a continuing decrease in demand for cheap low-educated labour force in the heavy[103], job security offering (textile) industry. This evolution has coincided with the further development of a flexible service economy, for which language skills and degrees are key and which is further characterised by more temporary and hence less stable jobs. Secondly, due to a surge in overall immigration to Ghent of particularly large numbers of Bulgarians, Poles and Slovakians, Turks have witnessed a growing competition for (low-paid) jobs in the Belgian labour market. While also Belgians have been exposed to this, older migrant groups such as the Turks and Northern Africans have been particularly affected as they are more often employed in labour-intensive sectors such as metallurgy, the textile industry, construction, agriculture and horticulture, the hotel and catering industry, industrial cleaning and waste disposal. The dependency on these sectors remains, due to an ongoing education gap with the Belgian population. Although an increasing number of second- and third- generation Turks have pursued higher education,

[101] Amending the Foreigners law of 1980, the law introduced a minimum income criterion for family reunion, an age limit for husband/ spouse and partners, a stricter understanding of a stable relation and an enlargement of the provisionary period. The possibility for parents (-in- law) to be eligible for family reunion was abolished.

[102] As of then nationality acquisition for adults has only been possible after a minimum of 5 years of legal residence in Belgium providing that integration requirements (e.g. civic integration course, secondary education or professional training in one of Belgium's official languages, uninterrupted employment or self-employed activity) and economic participation (for workers, a minimum number of months of employment; for self-employed, a minimum number of social quarter contributions) are met.

[103] Industry that uses large machines to produce either materials, such as steel, or large goods, such as ships or trains.

students are still overrepresented in special and vocational education and more often leave secondary education without a degree (Verhaeghe et al., 2012: 38). Thirdly, due to the increase in ethnic distance, discrimination against Turks has continued on the labour and rental market as preference is often given to Belgians (De Gendt, 2014:274).

The Turks in Belgium have also been one of the most affected ethnic groups by the 2008 economic crisis (Verhaeghe et al., 2012: 127). In 2013, 5.3% of the people of Belgian origin in Ghent were unemployed, while unemployment rates were significantly higher among the population of Turkish (18.2%) and Maghreb origin (18.9%) (Agency for Domestic Governing and Study Service Flemish Government, 2015:19)[104]. Moreover, as a considerable section of the population ends up in poorly-paid interim jobs, semi-illegal or illegal jobs, earnings of employed Turks and Northern Africans are remarkably lower than those of their Belgian peers. This situation appears to correspond with what has been called `an ethnic stratification in the Flemish and Belgian labour market`, whereby Belgians and other Western Europeans take the best positions, people of Southern European origin such as Spaniards and Italians take a middle position and people of Turkish and Northern African origin take the rear position (Verhaeghe et al., 2012:39).

Table 12: Unemployment Rate, i.e. Share of Unemployed in the Professional Population (= sum of working and jobseekers) Aged 18-64, According to Origin Group in 2013, in Ghent and the Flemish Region.

	Ghent	Flemish Region
Belgium	5.3%	3.8%
Total EU	7.4%	7.0%
Total Non-EU	15.9%	15.0%
-Europe non-EU	12.1%	14.6%
-Turkey	18.2%[105]	17.0%
-Maghreb	18.9%	18.0%
-Other countries	12.2%	11.8%

Source: Agency for Domestic Governing and Study Service Flemish Government, 2015:19.

[104] People of foreign origin are here defined as individuals of whom the present or first nationality of the person in case is non-Belgian or the first nationality of the parents is non-Belgian.

[105] In 2013, a total number of 2,133 individuals of Turkish origin were registered as non-working jobseeker in Ghent, which constituted 14.6% of the total number of job-seekers in Ghent. The total population of Turkish origin in Ghent constitutes 8.8% of the total population (Agency for Domestic Governing and Study Service Flemish Government, 2015:3, 22).

When looking at statistics that make a division according to gender and age it can be witnessed that among the population of Turkish origin in Ghent particularly women and the population aged 50-64 show relatively high unemployment rates.

Table 13: Unemployment Rate among Population of Turkish Origin Aged 18 to 64 in 2013 in Ghent and the Flemish Region, according to Gender and Age group.

	Ghent	Flemish Region
Gender		
-Men	15.9%	14.5%
-Women	21.9%	21.4%
Age		
-18-24	16.6%	19.3%
-50-64	42.1%	28.6%

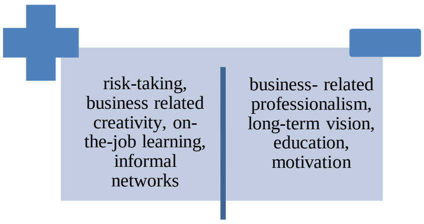
Source: Agency for Domestic Governing and Study Service Flemish Government, 2015:19-20.

Similar to Verhaeghe et al. (2012:40) who claim that particularly young Turks set up shop to counter poor employment opportunities and conditions on the labour market, Bonne et al. (2014:30) found that 'ethnic' Turks often become entrepreneur out of necessity, i.e. unemployment or discontent with the present job. As a result, their main goals are often situated in the short-term, such as providing a family income.

<u>Risk-taking, business- related creativity, on-the-job learning and informal networks of Turkish entrepreneurs</u>

Based on interviews conducted to 13 'ethnic' Turkish construction entrepreneurs of the second generation, 15 'ethnic' Turkish entrepreneurs from the hotel and catering sector in Ghent, one expert and 15 'ethnic' Flemish construction entrepreneurs, Bonne et al. (2014:28-30) moreover found that 'ethnic' Turkish entrepreneurs were showing strengths in the following fields: risk-taking, business-related creativity, on-the-job learning and informal networks. Weaknesses observed were business related professionalism, long-term vision, education and motivation.

Figure 10: Strengths and Weaknesses of Turkish Entrepreneurs in Ghent.



Source: Bonne et al., 2014:28.

Risk-taking refers to the fact that while ethnic Turkish entrepreneurs lack appropriate prior education, this does not impede setting up a business, particularly among entrepreneurs in the hotel and catering sector. They are creative in the sense that prior to setting up a business they gain experience by working in a similar business, they look for business partners who do possess a degree, e.g. of business management which is required for starting up a business, and learn 'on the job'. Some have gone bankrupt for a number of times but have nonetheless each time restarted a business where they apply best practices of previous business experiences. Restarting a business is helped by the unconditional moral and financial support of the informal network, and hereby primarily the family. The family generally supports the decision to set up the business and family members are often business partner (medevennoot) or part of the staff. Overall, the role of the close Turkish network, which is characterised by strong ties and homogeneity, is important. It is used for personal and professional reasons and as such constitutes their social capital. Although the accountant is somebody from just outside the informal network, an informal approach from him/her is equally expected. He/she plays an important role with regard to professional administrative advice. However due to a lack of professional know-how, they rely too much on the competences of these accountants. Interest in formal networks such as Unizo, but also Turkish business associations Betiad or Tümsiad[106] is low, particularly among entrepreneurs in the hotel and catering sector.

[106] The emergence and evolution of Turkish business associations is discussed later on.

More financial possibilities

Despite developments in the labour market, there are indications that overall the Turks in Ghent have experienced socioeconomic progress in the last 20 years and have partly closed the gap with Belgians. The seeds for this were sown in the ethnic enclaves of the 1970s and 1980s, where the ethnic economy provided a segment of the migrant population the possibility to advance socioeconomically. As such, a Turkish middle class[107] emerged and it appears the children and grandchildren of these Turkish middle-class families perform better at school and on the labour market. The financial possibilities of these entrepreneurs have also advanced significantly. Generally speaking, the second generation is doing better than the first generation at school and on the labour market. Asymmetrical developments in the labour market have however resulted in an increased socioeconomic inequality within the ethnic group, in a way that the categorisation as 'Turkish enclave' becomes problematic (Verhaeghe et al., 2012: 23).

Turks in politics

Turks of the second generation have also found access to higher positions. An increasing number of people of Turkish origin in Ghent have become independent professional and entered politics both at the federal as on the local level (Verhaeghe et al., 2012). Around the start of the new millennium Fatma Pehlivan (SP.A.) and Meryem Kaçar (Agalev/ Groen), were the first politicians of Turkish origin in Belgium to enter the Belgian Senate. Since then, among other occupations, they have both been Member of the Ghent Municipality Council. Ghent has had an alderman of Turkish origin since 2009, i.e. Resul Tapmaz (SP.A), son of Abdulkadir Tapmaz who instigated the second wave of Turkish entrepreneurship in the 1980s. Prior to becoming alderman, Resul Tapmaz ran his father's restaurant for many years.

[107] A class occupying a position between the upper and the lower class, who is neither very rich nor very poor.

Continuing availability of markets through growth of Turkish population and breaking- out

In Ghent's increasingly 'super diverse society' (Blommaert, 2011), which at present houses 156 nationalities, and thus a large diversity of nationalities, cultures, religions, languages, life circumstances, educational levels and forms of migration, a large number of Turkish businesses, particularly restaurants and döner kebab/ pita snack bars, have aimed at a mixed immigrant- Belgian clientele. Breaking out of the ethnic niche has led these migrant entrepreneurs to enter the stage of the 'middleman minority' (see Waldinger et al., 1990:122-127). As such, Turkish networks and institutions no longer form a self-enclosed world but instead have become more open to and interactive with the society as a whole. This phenomenon can primarily be discerned among the second and third generation, who were born and raised in Belgium and are hence more familiar with the Belgian society than their (grand) parents.

Nonetheless, within the neighbourhoods where Turkish enclaves are situated, Turkish networks and institutions have been maintained as high demand for ethnic products such as Turkish bread and halal meat continued. In 2013, the population of Turkish origin in Ghent amounted to 21,809 (Agency for Domestic Governing and Study Service Flemish Government, 2015:3). In recent decades, Ghent has witnessed low emigration numbers of Turks. In 2010, merely 128 Turks emigrated from Ghent. Marriage migration has continued to be the main channel of immigration. The migration of newcomers has, just as in the early days of Turkish migration to Ghent, been economically motivated. While in the 1960s and 1970s emigration provided an escape from high unemployment in Turkey, more recently marriage migrants have favoured Ghent hoping to earn more and find better access to good education and healthcare (Verhaeghe et al., 2012: 35). The continuing popularity of Turkish media, Turkish cafés and associations as meeting points for Turks suggest Turks have no intention of cutting ties with the country of origin (of their family) and their migration history. However even these ethnic businesses and institutions are no longer merely oriented towards the own ethnic group but interact with other ethnic groups as well (Verhaeghe et al., 2012: 24, 131).

Towards an ethnic mosaic at the institutional, spatial and personal level

Evolutions in the general institutional sphere can also be witnessed in the evolution of Turkish business associations. As of the late 1990s, Belgium has seen a proliferation of Turkish business associations. In addition to local business associations, also business associations at the national level have often had offices in Ghent, following the large numbers of Turks in Ghent. Beside Turkish citizenship, an increasingly large number of their members have the Belgian nationality. They generally aim to bring together entrepreneurs, stimulate their capability through information, orientation and representation of interest, and encourage cooperation between Turkish and Belgian entrepreneurs. Some of them are also associated to businesses associations in other European countries.

Following the example of the Turks in the Netherlands and Germany, the first Turkish business association in Belgium, Tübiad (Association of Turkish businesspersons), was established in 1994. Largely due to the dissemination of an estimated number of 2,500 entrepreneurs of Turkish entrepreneurs in Belgium, its actions were limited to the Brussels Capital and the Flemish Region, where it wished to build a regional representation in Ghent. A little later, in 1997, Betiad (Belgian Federation of active entrepreneurs), which became part of umbrella organisation Fedactio (Federation of Active Association), was created in Brussels. At present, it comprises associations located in Brussels, Charleroi, Limburg, Ghent, Antwerp and Liège. In the province of East-Flanders, it is represented by Uniekon, which was the result of a merger in 2009 of three local Turkish business associations, i.e. Getiad (Business Association of Ghent Turks), Akiad (Active Business Association Ghent) and Muzo (Business Assocation Flemish Region). Internationally Betiad is a part of Unitee, which brings together Turkish business associations in Belgium, Germany, the UK, France, the Netherlands, Danish Sweden and Norway. In 2008, Tümsiad (Association for all Industrialists and Businessmen) was founded. It has its headquarter in Zaventem, and eight branches in Brussels, Antwerp, Ghent, Sint-Niklaas, Beringen, Heusden, Ghenk and Liège. Tümsiad Belgium is a solution partner of Tümsiads in

Turkey, Germany, Holland, France, Denmark, Austria, Sweden, Jordan, Iran, Syria and Switzerland.

In the last years, projects have been developed by public organisations, universities and business associations to stimulate immigrant entrepreneurship in Flanders. A number of them targeted Ghent specifically with some of them Turkish entrepreneurship in particular. In the latter case projects were generally in partnership with Getiad/ Uniekon/ Betiad.

Table 14: Partnership Projects between Public and Private Actors Set Up to Stimulate Turkish Entrepreneurship in Ghent, 2003-2012

Duration	Project	Funded by
2003-2007	a partnership between Syntra (a training organization recognized by the Flemish Government), Unizo, Getiad and Catholic University Leuven KUL set up the project “Allochtonous entrepreneurship”	European Social Fund
2004-2007	a partnership between Advice desk allochtonous entrepreneurship, Ghent Municipality, Stebo vzw, Unizo Flemish Brabant and Syntra set up the project “Allochtonous entrepreneurs, be welcome”	European Social Fund Flanders
2007-2010	A partnership between Getiad/ Uniekon and Voka (Flanders Chamber of Commerce and Industry) with the Atlas project	Entrepreneurship Agency of the Flemish Government
2007-2010	a partnership of various branches of Unizo carried out the project “Hallo” (Hello)	Entrepreneurship Agency of the Flemish Government
2010-2012	a partnership between Syntra, Ghent Municipality, Uniekon and Betiad set up the project “Dima Kmo” (Dimas sme)	the Managers of Diversity Programme of the Flemish Ministry of Civic integrations of the Flemish Government
2011-2012	a partnership between Syntra Flanders and Vlaamse Dienst voor Arbeidsbemiddeling en Beroepsopleiding (Public Employment Service Flanders, VDAB) set up the project “Entrepreneurship for non-native speakers”	Employment and Investment Plan of the Flemish Government

Source: Claes, 2011[108].

In the last two decades, a considerable number of Turks have left the enclave to dwell in one of the more prosperous suburban neighbourhoods of the town, such as Gentbrugge, Wondelgem, Oostakker and St- Amandsberg. It is plausible that

[108] In addition, as of 2010, Unizo (Union of Self-employed entrepreneurs) has engaged more in structural cooperation with Betiad.

particularly a share of (the children of) more affluent migrants have made this move. As a result, spatial segregation has decreased in comparison to the year 2000 and Turks and Belgians have come to dwell more in each other's neighbourhoods. At the personal level, a spectacular drop in the share of Turkish immigration marriages in the total amount of marriages of Turks in Ghent can be observed, from 72% in 2001 to 49% in 2008. The share of immigration marriages is particularly lower among second-generation Turks (42%). Simultaneously, although it is still a marginal phenomenon, the share of interethnic marriages between Turks and Belgians in the total amount of marriages of Turks in Flanders has risen in the recent decades, particularly among second-generation Turks (Verhaeghe et al., 2012: 111). All these points considered, it can be concluded that within the last two decades the Turkish enclave in Ghent has witnessed the first phase of a transition towards an ethnic mosaic.

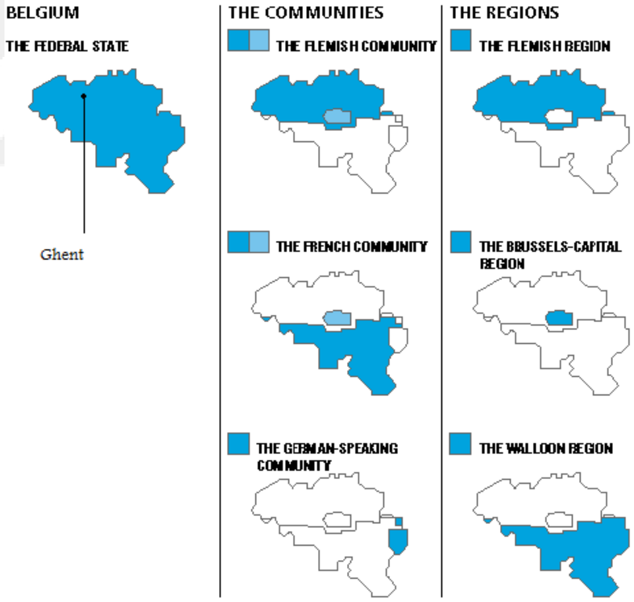
Verhaeghe et al. (2012: 131) point out that particularly two factors may speed up or slow down the process of transition from ethnic enclaves into an ethnic mosaic: the socioeconomic position and the ethnic distance between the different ethnic groups. To move out of the ethnic enclave, one needs to have a sufficient amount of money at his/ her disposal and with view to this labour market integration is crucial. By experiencing upward social mobility, they may also be considered as more attractive life or wedding partners by native Belgians in Ghent. An increase in interethnic contacts may lead to a more positive stance towards the other ethnic groups and as such narrow the ethnic distance between the different ethnic groups. Despite the superdiversity of Ghent's society, certain schools, companies, sports teams and youth teams remain nearly exclusively populated by native Belgians. A more inclusive public discourse and a less one-sided representation of ethnic minorities in the media may also contribute to a narrowing of the ethnic distance.

CHAPTER FIVE
STUDY OF THE EMERGENCE OF ENTREPRENEURSHIP AND SOCIOECONOMIC INTEGRATION OF PRESENT-DAY TURKS IN GHENT

5.1. BACKGROUND ON THE ECONOMY IN BELGIUM, FLANDERS AND GHENT

Belgium, since 1993 a federal state, is composed of three Communities and three Regions[109]. Ghent is located in the Flemish Community and the Flemish Region, whose powers are exercised by a single Flemish Parliament and a single Flemish Government.

Figure 11: Federal Structure of Belgium.



Source: Vos et al., 2008:2.

[109] The regions are competent for `territorial matters` such as the economy, employment, energy and foreign trade. The communities are competent for `person-oriented matters` such as culture, education, immigrant assistance, etc. Unlike the other Regions and Communities, in Flanders the powers are exercised by a single Parliament and a single Government: the Flemish Parliament and the Flemish Government. Similar to the French community Flanders has competences in Brussels in community–related issues. Moreover, despite having no competence in economy-related issues in Brussels, the Flemish Parliament and Government are based in Brussels; which is also the capital of Flanders.

5.1.1 Belgium

Belgium has a small, modern and private-enterprise-based economy which is largely open to international trade and FDI, and highly exposed to external shocks. It imports a substantial quantity of raw materials and exports a large volume of manufactures. Poorly endowed in natural resources, it has highly developed transport networks and a diversified industrial and commercial base. Industry is mainly concentrated in the more heavily populated region of Flanders. In 2015 the GDP of Belgium equalled 455.09 billion EUR. Public debt reached 105.8% of its GDP[110], i.e. much higher than the 60% target set by the EU Stability and Growth Pact. Belgium's budget deficit equalled 2.60% of its GDP.

After years of recession, following the financial economic crisis of 2009, Belgium has returned to growth and halted the deterioration in external competitiveness. In 2014 and 2015, economic activity rebounded with growth reaching 1.7% and 1.5% respectively. Economic growth further slowed down to 1.2% in 2016. Domestic demand has been the main engine of growth in recent years, with a boost from investment in construction and in the service sector. The invest-to-GDP ratio was 22.6% in 2009-2016, compared to 22.1% in 2000-2008 (EC, 2017a:4). Alongside a decrease of the direct share of the industry in the economy, Belgium's economy has gradually evolved into a service-driven economy. In 2014, the service sector accounted for 69%, the industrial sector for 14.7% and the construction sector for 5.1% of the GDP. Within the service sector, trade, transportation, hotels, restaurants and cafés took the largest share with 25.6% of the total production, followed by government and education with 19.5% and business services with 17.6% (Federal Public Service (FPS) Economy, 2015:35-36). Belgium is slowly making a transition towards a more knowledge intensive and innovation-driven economy (EC, 2016b). Global Entrepreneurship Monitor considers Belgium and Flanders as innovation-driven economies[111] (Holvoet, 2015).

[110] Between 1980 and 2016, Belgium's government debt to GDP averaged 109.64%. An all-time high of 133.10% was recorded in 1993 and a record low of 74.10% in 1980.

[111] Based on how economies changes as they develop a distinction can be made between factor-driven economies, efficiency-driven economies and innovation-driven economies (Holvoet et al., 2015:7).

5.1.2 Flanders

The Flemish Region is a wealthy region. In 2014, the GDP per capita was 20% higher than the EU-28 average. On a country level, only Luxemburg, Ireland and the Netherlands perform better. In comparison to European innovative top regions, it shows an average innovation performance. High labour productivity is the most important factor of Flemish welfare. In the EU-28, only Luxemburg and Ireland show higher values. The total investment ratio in the Flemish Region was 25.2% of the GDP (Agency for Domestic Governing and Study Service Flemish Government, 2015:17). Originally, the Flemish Region's economy was largely based on the car, steel and chemical industry. However, the car industry has gradually been leaving Flanders (Renault, General Motors, Ford), the steel industry been heavily reduced (Arcelor Mittal) and the chemical industry has come under more pressure (Aernoudt and Van Rompaey, 2015:60).

While the (direct) share of industry in the economy has gradually decreased, the tertiary sector (trade and commercial activities) constitutes the most important economic activity in terms of employment (45% in 2013) and even more in terms of gross added value (52% in 2012). The secondary sector is also more important in terms of gross added value (27%) than in terms of employment (21%). The industrial sector is however a sector which is to an important extent intertwined with other sectors. The most remarkable evolution throughout the last years has been the increase of the employment rate in the quaternary sector (non- commercial, subsidized services). As this sector is more labour-intensive, its gross added value (20%) is lower than the employment rate (32%). The primary sector has a marginal importance in the Flemish economy; about 1% of gross-added value and 2.5% of employment, but there are of course relations with other sectors, such as the supply to the food industry.

In the period 2003-2012, Flemish employment increased with 10.2%, which was more than the EU-15 average of 3.8%. The surplus of Flemish growth was mainly due to a globally bigger dynamism of the Flemish industrial sectors. This means that employment in an average Flemish sector grew faster than in a similar sector at the EU-15 level. This was mainly the case in tertiary and quaternary sectors (Study Service Flemish Government, 2015:49).

The welfare state is well-developed and provides a generous federally paid and organised social security programme that in the future will be hard to maintain. Belgium is for instance the only country in the world that, in principle, foresees unemployment allocations to be unlimited in time (Aernoudt and Van Rompaey, 2015:60). However, the amount of the benefit gradually reduces depending on the duration of the unemployment and the previous work history as an employee. Moreover, persons are required to make effective attempts to find work and adhere to the action plan which has been put in place for them. Otherwise benefits may be reduced or temporarily suspended. No unemployment insurance scheme exists for self-employed persons, with the exception of bankruptcy allowance which is not paid by unemployment insurance (EC, 2017b).

5.1.3 Ghent

In 2016, Ghent had a population of 257,945 of which 19.2% was aged 0-17, 64.2% was aged 18-64 and 16.5% was older than 65. 14.0% of the population is foreigner, i.e. non-Belgian, and 30.5% is of foreign origin. In 2012, 11.1% were students. Ghent attracts a large number of tourists. In 2015, 402,935 persons were registered as tourists, while 70,600 tourists were registered for business and 92,740 tourists for a congress visit. 53.4% of the population considers Ghent as a bicycle city. 29.6% generally uses the bicycle as means of transportation, while 40.1% generally use the car. For distances shorter than 5km only 28.1% uses the car.

In 2016, Ghent hosted a total number of 5,001 commercial enterprises. The share of vacancies on commercial enterprises was 10%. In 2014, there were 180,210 work places in Ghent: 2% in the primary sector, 18% in the secondary sector, 41% in the tertiary sector and 39% in the quaternary sector. In 2013, the median yearly net income per taxable person[112] in Ghent was 17,613 EUR or 1,467.75 EUR per month. The prosperity index however shows large differences in average prosperity between the neighbourhoods in Ghent. The prosperity index[113] is below Ghent's overall

[112] Income of the taxable person which is situated in the middle of the set when taxable persons are classified according to income. It is not influenced by strongly deviating values (outliers) (Ghent Municipality, 2017a)
[113] Comparison between the average fiscal income per taxable person of a neighbourhood with the average income per taxable person in Ghent (Ghent Municipality, 2017a).

prosperity index in Rabot-Blaisantvest (65%), Sluizeken-Tolhuis-Ham (70%), Muide-Meulestede-Afrikalaan (75%), Bloemekenswijk (77%), Nieuw Gent-UZ (78%), Brugse Poort- Rooigem (79%), Ledeberg (86%), Dampoort (90%), Watersportbaan-Ekkergem (95%), Binnenstad (98%) and Macharius-Heirnis (99%)[114].

29.7% of taxable persons in Ghent have a net yearly income of below 10,000 EUR (below 833.33 EUR per month), the two neighbourhoods with the largest shares being Rabot-Blaisantvest (43%) and Sluizeken-Tolhuis-Ham (42.1%). 17.8% of taxable persons in Ghent have a net yearly income above 30,000 EUR (above 2,500 EUR per month). The lowest shares are to be found in Rabot-Blaisantvest (5.5%) and Sluizeken-Tolhuis-Ham (6.8%).

In 2016, Ghent had an unemployment rate[115] of 9.2%. 20.8% of jobseekers are highly educated, 31.4% medium schooled and 47.8% is low educated. Unemployment rates are the highest in Sluizeken-Tolhuis-Ham (15.0%) and Rabot-Blaisantvest (15.7%). Yet, (numbers from 2013) only 65% of the population aged 18-64 is professionally active, with 55% employed and 10% self-employed. While 5% of the population aged 18-64 is unemployed with unemployment benefit, 18% is not professionally active, 12% were not to be found in any source of social security. Unemployment rates according to origin show that unemployment rates are 5.4% among persons of EU-15 origin (including persons of Belgian origin), 10.8% among persons of EU-15 origin (excluding persons of Belgian origin), 19.9% among persons of an origin of the last states that joined the EU except from Croatia, 16.8% among persons of Moroccan origin and 14.0% among persons of Turkish origin (Ghent Municipality, 2017a).

5.2. SIZE OF THE TOTAL FOREIGN POPULATION AND POPULATION OF FOREIGN ORIGIN IN BELGIUM, FLANDERS AND GHENT, WITH SPECIAL REFERENCE TO THE TURKS

There are various ways to determine migrant populations in Belgium, Flanders and in Ghent. One can look at the variable ‘nationality’, which is a reliable indicator

[114] For the location of these quarters; see Appendix 3.
[115] Relation between non-working jobseekers aged 18-64 and the population aged 18-64 (Ghent Municipality, 2017a).

insofar as the studied populations have kept their nationality. The 'nationality at birth' is a statistical instrument which makes abstraction of individuals who have obtained citizenship of the host country. The 'country of birth' is a third indicator to approach the number of international immigrants. This is the number of individuals born in a country other than the one he/she is residing in (Schoonvaere, 2013:3-4).

Belgian and Flemish Public Services generally refer to the foreign population and the population of foreign origin in Belgium. The General Statistics Direction of the federal public service Economy Belgian uses the classification 'foreign population' for the population without a Belgian nationality ('foreigners') who are registered in the population register or the foreigners register[116]. This implies that non-Belgian nationals who have obtained the Belgian nationality are excluded from this. In addition to this, the Belgian 'Kruispuntbank Sociale Zekerheid' (Cross Roads Bank Social Security) uses the classification instrument 'population of foreign origin' which includes individuals which meet at least one of the following four criteria:

- Individual with a current non-Belgian nationality[117]
- Individual with a non-Belgian birth nationality
- Individual whose father or mother has a non-Belgian birth nationality (Van den Broucke et al., 2015:106)

On 1 January 2015 Belgium had an official population of 11,209,044 inhabitants, of which 57.7% lived in the northern region Flanders, 32% in the southern region Wallonia, 10.5% in the central Brussels Capital Region and a little less than 1% lived in one of the municipalities of the German language community in the eastern part of the country (FPS Economy, 2016). 1,255,286 foreigners were living in Belgium, representing 11.2% of the total population, a share which in the EU-15[118] is only higher in Luxemburg (45%), Austria (12.4%) and Ireland (11.8%). At the

[116] Foreigners entitled to a residence in Belgium are registered in the population register, foreigners entitled or permitted to a stay in the country which exceeds three months are registered in the foreigners register. Individuals seeking asylum are since 1995 no longer included in the foreign population (Van den Broucke et al., 2015:23).
[117] Strictly speaking each of these criteria apply to the first nationality registered in the Belgian National Register.
[118] In Eurostat data foreigners are only added to the population numbers after a minimum stay of 12 months in the country. Asylum seekers are also included in the foreign population (Van den Broucke et al., 2015:23-24).

beginning of 2013, a little more than 3 million people of foreign origin (27.5% of the population) were living in Belgium.

While in Belgium, the Flemish Region is the region with the largest number of foreigners (504,130) and the highest number of people of foreign origin (1,180,617), it is also the region with the lowest share of the foreigners in its total population (7.8%)[119], somewhat below the EU-15 average of 8%, as well as the lowest relative share of people of foreign origin (18.4% of its total population).[120] Hence, the number of persons of foreign origin in the Flemish Region was at the beginning of 2013 approximately 2.5 times higher than the share of persons with a foreign nationality.

Within the Flemish Region, with a population of just over 500,000, the most populous city Antwerp hosts the largest number of foreign nationals (just over 100,000) and the largest population of foreign origin (approximately 213,000). With a population of 252,000, the Region's second largest city Ghent hosts the second largest number of foreign nationals (33,831) corresponding to 14% of its population (Van den Broucke et al., 2015:83) and 73,246 persons of foreign origin, corresponding to 29.4% of its population (Agency for Domestic Governing and Study Service Flemish Government, 2015:3).

While in the Flemish Region 64.6% of a total number of 326,571 foreigners have an EU nationality, a share which in the EU-15 is only higher in Luxemburg (86.1%) and Ireland (68.4%), in Ghent, about 60% of the foreign population have an EU nationality. The most numerous foreign nationality group are the Bulgarians with a number of 6,279 (2.7% of the population). The Turks form the second largest foreign nationality group with a number of 4,388 or 1.7% of the population and as such constitute the largest non-EU nationality group.

[119] 398,726 foreigners (33.9% of Belgium's population) live in the Brussels Capital Region and 352,430 foreigners (9.8% of its population) live in the Walloon Region.
[120] In the Walloon Region, it concerns 30.3%, in the Brussels Capital Region 68.2% (Van den Broucke et al., 2015:99).

Table 15: Top 5 Foreign Nationality Groups in Ghent.

	Number	% of the total population
Bulgarians	6,729	2.7%
Turks	4,388	1.7%
Dutch	2,681	1.1%
Slovakians	1,734	0.7%
Poles	1,316	0.5%

Source: Agency for Domestic Governing and Study Service Flemish Government, 2015:1.

Conversely, Ghent's population of foreign origin is predominantly of non-EU origin (69.3%). The Turks hereby by far constitute the largest group, with a number of 21,809 (29.7% of the population of foreign origin and 8,8 % of the total population in Ghent), being followed by people with an origin of one of the last 13 states that joined the EU, excluding Croatia and people with an origin of the Maghreb countries[121] (Agency for Domestic Governing and Study Service Flemish Government, 2015:3).

Table 16: Top 5 Foreign Origin Groups in Ghent.

	Number	% of the total population
Turks	21,809	8.8%
Non-European/ non- Turkey/non- Maghreb	15,460	6.2%
Last 13 countries that joined the EU, excluding Croatia	10,946	4.4%
Maghreb	7,828	3.1%
Neighbour countries	7,492	3.0%

Source: Agency for Domestic Governing and Study Service Flemish Government, 2015:3.

Housing 156 nationalities, and thus a large diversity of nationalities, cultures, religions, languages, life circumstances, educational levels and forms of migration, Ghent's multicultural society corresponds with Blommaert's (2011) description of superdiversity[122]. Owing to the large share of the people of Turkish origin in the total population of foreign origin (29.8%), and the fact that in all quarters in Ghent they

[121] A total number of 50,821 people or 20.4% of the population in Ghent are of non EU-origin (Agency for Domestic Governing and Study Service Flemish Government, 2015:3).

[122] The term and concept of 'superdiversity' is often said to have been coined by Vertovec in 2005. Many different interpretations have been given to it. Generally it is considered as a criticism on and substituter of multiculturalism.

form the majority among the ethnic cultural minorities, Ghent has also incorrectly been referred to as a bicultural city. It is on the other hand a fact that Ghent is the only Belgian city where one foreign origin group constitutes such a large majority within the total population of foreign origin (De Gendt, 2014:11)[123].

Flanders, housing 18,526 Turks and 125,097 people of Turkish origin (2% of the total population in Flanders)[124], is by far the region with the highest concentration of Turks in Belgium. The total number of Turkish nationals in Belgium is 36,747 (2.9% of the total foreign population) (Van den Broucke et al., 2015:85). Various sources report the total population of Turkish origin stands at around 230,000 (e.g. Flemish Parliament, 2011). As such, the Turkish population in Ghent comprises 12% of the total number of Turkish nationals and 9.5% of the population of Turkish origin in Belgium.

5.3. SIZE OF (MIGRANT) ENTREPRENEURSHIP IN BELGIUM AND FLANDERS[125]

In the following part, the size of both native and migrant entreneurship (groups) in Belgium and Flanders will be studied. In addition an assessment will be made on the entrepreneurial ecosystem in Belgium and Flanders, which largely draws from findings of the GEM surveys on Belgium and Flanders in 2014 and 2015.

5.3.1. (Migrant) Entrepreneurship in Belgium

In Belgium, the share of self- employed in the total number of persons with a job (4,500,000) in Belgium is 14% (664,000)[126] (FPS economy, 2016). The share of the self-employed in the population between 15 and 64 years old is 8.9%, which is below the EU-28 average of 10.8%. Compared with some of its neighbour countries

[123] In comparison, in Antwerp and Brussels the people of Turkish origin constitute a much smaller group than the people of northern African origin. In Ghent 'only' 10.6% of the people of foreign origin come from Maghreb countries (Agency for Domestic Governing and Study Service Flemish Government, 2015:3).
[124] In Flanders the size of the population of Turkish origin is hence 6.6 times higher than the size of the population with a Turkish nationality.
[125] The size of (migrant) entrepreneurship in Ghent was discussed in 4.2.4.
[126] 86% of the total number of persons with a job (3,880,000) is wage-earner.

this share is lower than in the Netherlands (12.4%), but higher than in Germany (8.1%) and France (7.5%). In Flanders the share is 9.9% (Study Service Flemish Government, 2015:141).

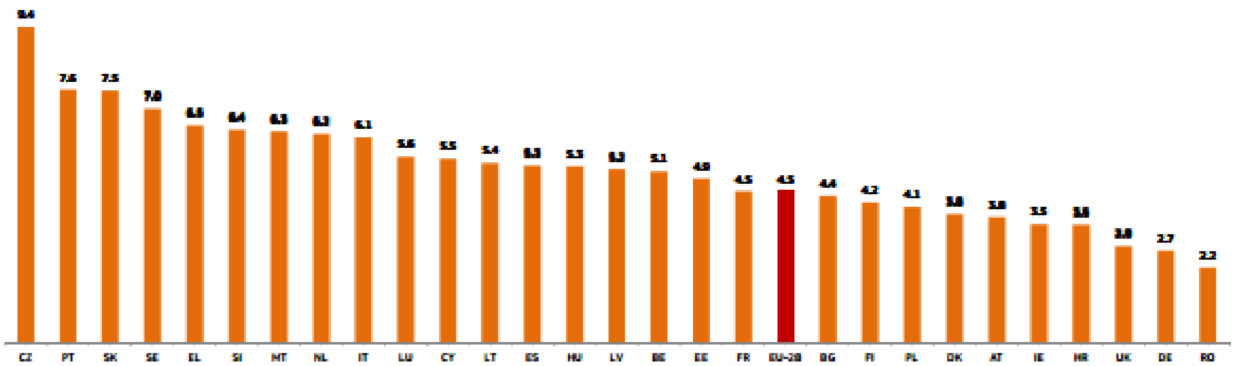
Table 17: Share of the Self-employed in the Population Aged 15-64 in Belgium and Neighbouring Countries.

Country	Share of the self-employed in the population between ages 15 and 64
Netherlands	12.4%
Belgium Flanders	8.9% 9.9%
Germany	8.1%
France	7.5%

Source: Study Service Flemish Government, 2015:141.

In 2015, the number of SMEs per 100 habitants in Belgium was 5.1. While this number is higher than in its largest neighbour countries United Kingdom, France and Germany, it only ranks 16th in the EU (EC DG Growth, 2016)

Figure 12: Number of SMEs per 100 Inhabitants in 2015, EU, based on Eurostat, National Statistical Offices and DIW Econ.



Source: EC DG Growth, 2016.

RSVZ provides the number of the self-employed and their helpers with compulsory insurance. A helper is defined as somebody who helps or replaces a self-employed within his business for a minimum of 90 days a year, without being bound by a labour contract[127]. The helper is often, but not necessarily, a family member of the self-employed. As the helper is considered as a self-employed as well, he/she too is required to be a member of a social security fund (Flanders, 2016).

On 31 December 2014, 1,015,902 employers and helpers/ entrepreneurial employees were member of a social security fund. This meant a sharp increase with 14,801 employers and helpers in comparison to the previous year and with 63,317 employers and helpers or 6.65% in comparison to 2010. Among these employers and helpers, 68.12% or 692,035 were self-employed as a main profession, 23.3% were self-employed as a secondary activity and 8.85% were active after retirement (age)[128].

Table 18: Shares of Employers and Helpers as a Main Profession, as a Secondary Activity and After Retirement (age), Belgium.

Total number on 31 December 2014	1,015,902
Self-employed and helpers as a main profession	68.12% (692,035)
Self-employed and helpers as a secondary activity	23.3%
Self-employed and helpers after retirement (age)	8.85%

Source: RSVZ, 2015a:1-2.

A majority of them were active in trade (333.499), independent professions (286.016) such as doctors, dentists, lawyers, architects and manufacturing (221.515). Others were active in agriculture (80,631), services (79,932), diverse professions (13,745) and fishery (564) (RSVZa, 2015:2).

Table 19: Sectors of Self-employed and Helpers in Belgium.

Total number on 31 December 2014	1,015,902
Trade	333.499
Independent professions	286.016
Manufacturing	221.515
Agriculture	80.631
Services	79.932
Various professions	13.745
Fishery	564

Source: RSVZa, 2015:2.

[127] The latter is the primary difference with a worker or employee.

[128] Generally statistics about self-employment do not include the self-employed and helpers as a secondary activity or after retirement and only focus on the self-employed and helpers as a main profession.

The Flemish region hosted 625,098 (62.11%) employers and helpers, the Walloon Economic Region 282,649 (28.08%) and the Brussels Capital Region 98,772 (9.81%) (RSVZ, 2015a:3). When comparing these shares with the population shares of these regions in the total population in Belgium[129], it shows that becoming an employer and/or helper is more customary in the Flemish Region than in the Walloon and Brussels Capital Region.

Men are more often self-employed than women in Belgium: approximately 18% of the working men are self-employed, compared to 11% among women. In absolute numbers, almost twice as much men as women exercise a self-employed job in main occupation (Federal public service, 2016).

The share of non-Belgian employers and helpers within the total number of employers and helpers in Belgium is 10.2% (103,630 people). When comparing this share with the share of non-Belgians in the total population in Belgium (11.2%)[130] it shows that relative to Belgians, non-Belgians have less tendency to become self-employed and/or helper. This is confirmed by a calculation based on data of Flemish migration and integration monitor 2015 (Van den Broucke et al., 2015:80) and RSVZ (2015b:1), which shows that the share of self-employed and helpers in the total Belgian population (9.1%) is somewhat higher than the share of the self-employed and helpers in the total non-Belgian population (8.2%)[131]. Lambrecht et al. (2002:13) showed that whereas overall Belgians appeared to be more entrepreneurial than non-Belgians in Flanders, Flemish people overestimated the share of entrepreneurship among non-Belgians, due to a rise in the number of foreign entrepreneurs in the streets and due to their high visibility because of their high concentration in specific neighbourhoods. It can be assumed that also the presence of self-employed of foreign origin who obtained the Belgian nationality contributed to this.

[129] On 1 January 2015, 57.7% of Belgium's population lived in the northern region Flanders, 32% in the southern region Wallonia, 10.5% in the central Brussels Capital Region and a little less than 1% lived in one of the municipalities of the German language community in the eastern part of the country (Federal public service economy, 2016).

[130] (Van den Broucke et al., 2015:80)

[131] The share of self-employed and helpers in the total population with a Belgian nationality is the result of the total number of Belgian self-employed and helpers (912,272) divided by the total number of Belgians (9,953,758) multiplied by 100. The share of self-employed and helpers in the total non-Belgian population is the result of the total number of non-Belgian self-employed and helpers (103,630) divided by the total number of non-Belgians (1,255,286) multiplied by 100.

Nonetheless, the number of non-Belgian employers and helpers has seen a sharp increase since 2010, from 88,459 in 2010 to 103,630 on 31 December 2014 (+17.15%). While in the same period the growth in absolute numbers has been larger among Belgians (48,146, compared to 15,171 non-Belgians), in terms of percentage the growth has been considerably larger among non-Belgians (17.5% compared to 5.6% among Belgians).

Table 20: Evolution of the Number of Belgian and Non- Belgian Self-employed and Helpers (calculation based on RSVZ, 2015a:1; RSVZ, 2015b:1)

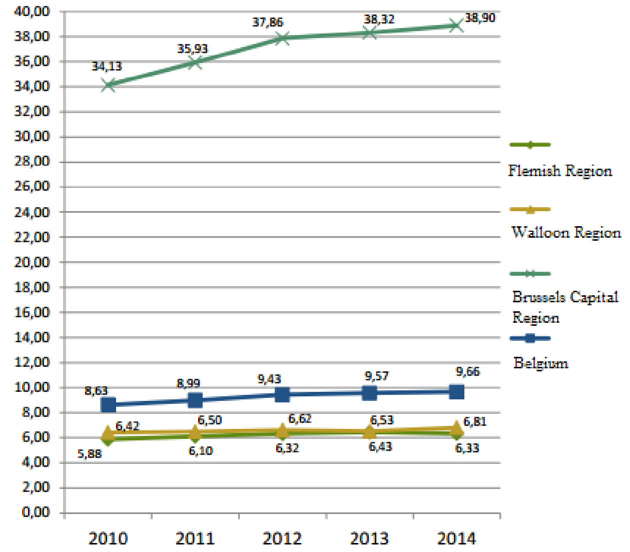
	2010	2014	Evolution in %
Belgians	864,126	912,272	+5.6%
Non-Belgians	88,459	103,630	+17.15%

A look at the geographical distribution of non-Belgian employers and/or helpers among Belgium's Regions shows that 40.71% of the non-Belgian self-employed and helpers reside in Flanders, 39.51% in the Brussels Capital Region and 19.78% in the Walloon Region (RSVZ, 2015b:3). When compared with the relative share of the number of non-Belgians in these respective Regions[132], it can be concluded that non-Belgians who reside in the Brussels Capital Region have a higher tendency to become self-employed and /or helper, compared to non-Belgians in the Flemish Region. Both in absolute and in relative numbers, non-Belgians in the Walloon Region clearly show the lowest tendency towards becoming self-employed and/or helper.

The share of non-Belgian employers and helpers in the total number of employers and helpers within the different regions shows that this share is considerably large in the Brussels Capital Region (38.9%), but much more modest in the Walloon Region (6.81%) and the Flemish Region (6.33%). Since 2014, in every region an increasing trend in share of non-Belgian employers and helpers can be witnessed. Compared to the other regions, the Flemish Region has shown the lowest increase (+0.39%, while +4.77% in the Brussels Capital Region and +0.45% in the Walloon Region).

132 Flanders houses 40.1% of non-Belgians; the Brussels Capital Region 31.8% and Wallonia 28.1% (Flemish Government Study Service, 2015:80).

Figure 13: Shares of Non-Belgian Employers and Helpers in the Total Number of Employers and Helpers; Belgium and Regions.



Source: RSVZ, 2015b:4.

It can be concluded that while the Flemish Region is the region which hosts the largest group of non-Belgians and is the region where citizens have the strongest tendency to become self-employed and/or helper, it is also the region with the lowest share of non-Belgian employers and helpers in the total number of employers and helpers. When compared to 2010, the Flemish Region is moreover the Region where the share of non-Belgium employers and helpers in the total number of employers and helpers has increased the least.

A closer look at the distribution of non-Belgian employers and helpers among foreign nationalities in Belgium[133] shows that citizens from other EU countries constitute 83.10% of these migrant entrepreneurs (86,111). When compared with the share of foreign nationals from other EU countries within the total non-Belgian population (65.6%), it can be seen that citizens from other EU- countries have a higher tendency to become employer and/or helper as compared to citizens with a nationality of a non-EU country[134]. In fact, the ten largest nationality groups of non-Belgian self-

[133] Data for the Flemish Region in particular were not available.

[134] Citizens from non-EU countries constitute 16.90% of the non-Belgian employers and helpers (17,519), while representing 34.4% of the non-Belgian population in Belgium (RSVZ, 2015b:1; Van den Broucke et al., 2015:87).

employed and helpers have an EU nationality. Within this group, the largest nationality groups are the Romanians (17.4%), Dutch (15.5%), French (11.4%), Italians (10.2%) and the Poles (8.0%). Within the group of non-EU nationalities, the largest nationality groups are the Moroccans (2.32%) and the Turks (2.18%) (RSVZ, 2015b:1). They constitute respectively the 11th and 12th largest non-Belgian groups in terms of self-employed and/or helper[135]

A comparison of the shares with the shares of these foreign nationality groups in the total foreign population in Belgium (Federal Public Service Economy, 2015:15) shows that particularly Romanians, Poles and Dutch have a higher tendency to become self-employed and/or helper. Among non-EU nationalities, being self-employed and/or helper appears to be much more common among Turks than among Moroccans.

Table 21: Share of the Self-employed and Helpers within the Own Foreign Nationality Group, Belgium. Calculations based on RSVZ (2015b:1) and FPS Economy (2015:15).

	Number of self-employed and helpers	Share of self-employed and helpers within the total non-Belgian group of self-employed and helpers	Number of foreign nationals	Share of the population in the total non-Belgian population	Share of the self-employed and helpers within the own foreign nationality group
Romanians	18,035	17.4% (1)	65,768	5.2% (6)	27.4%
Dutch	16,086	15.5% (2)	149,199	11.9% (3)	10.8%
French	11,822	11.4% (3)	159,352	12.7% (1)	7.4%
Italians	10,601	10.2% (4)	156,977	12.5% (2)	6.8%
Poles	8,248	8.0% (5)	68,403	5.4% (5)	12.1%
Moroccans	2,401	2.3% (11)	82,009	6.5% (4)	2.9%
Turks	2,260	2.2% (12)	36,747	2.9% (11)	6.2%

5.3.2. (Migrant) Entrepreneurship in Flanders

According to Study Service Flemish Government (2015:140) in 2014, the birth rate of Flemish enterprises, which indicates the number of new enterprises in comparison to the previous year, was 6.4%. Due to the death rate of existing enterprises of 5.7%, the growth rate was only 0.7%, the lowest rate in 5 years. The survival rate of Flemish enterprises, i.e. the rate of starters which are 5 years after the

[135] The sixth, seventh, eighth, ninth and tenth largest nationality groups are the Bulgarians (5.08%), Portuguese (3.49%), Spanish (2.82%), British (2.6%) and Germans (2.47%) (RSVZ, 2015b:1).

start-up of their business still active, recorded the lowest rate in five years in 2014 (72.5%), down from 75.8% in 2009. About 5% of the starters does not persevere more than one year (Study Service Flemish Government, 2015:140-141). More than 60% of Flemish enterprises employ less than 5 employees. When applying the Belgian SME definition, in which SME's employ maximum 50 people, about 94% of these enterprises are SMEs. When applying the European SME definition, in which SME's employ maximum 250 people, the share of SMEs is about 98%.

In 2014, 9.9% of the Flemish population between 15 and 64 was self-employed, a rate which has remained stable during the last years. Flanders' Pact 2020[136] selected three targeted groups: women, persons of 50 or older and persons of non-EU origin. The share of self-employed is higher among the population of 50-64 years old (11.6%), but lower among women (7% in 2014). The share is almost 50% lower for people of a non –EU origin (6.2% in 2013). Particularly the categories non- EU Europe (4.6%) and Maghreb (3.9%) score low. Persons of Turkish origin score remarkably higher with 8.4% (Study Service Flemish Government, 2015:141).

Table 22: Share of Self-employed among Target Groups mentioned in Flanders Pact 2020, Flanders.

Total population between 15 and 64	9.9%
Target groups:	
• Women	7%
• Population between 50 and 64	11.6%
• People of non-EU origin (in population between 18 and 64)	6.2%
Non-EU Europe	4.6%
Maghreb	3.9%
Turkey	8.4%

Source: Study Service Flemish Government, 2015:141.

Data of Kruispuntbank van de Sociale Zekerheid **(**Belgian Crossroads Bank for Social Security, KSZ) show the share of self-employed in the working population between 18 and 64. In 2013, the share of self- employed in the working population

[136] The fifth chapter in Pact 2020 mentions that by 2020 Flanders should have a strong entrepreneurial culture belonging so it can belong to the top 5 European regions Entrepreneurship of women, older people and migrants increases to a level in proportion to their presence in society (Flanders in Action, 2016).

between 18 and 64 was higher in a number of foreign origin groups than among the population of Belgian origin (17.5%, up from 17% in 2009): amongst the people coming from the western and northern EU-15 countries (22.6%), the neighbour countries (22%) and the last 13 states that joined the EU, excluding Croatia (20.8%). The share of self-employed among persons of non-EU origin (13.0%) is generally lower than among persons of EU-origin (19.9%). However, the share of self-employed among persons of Turkish origin was 17.4%, i.e. nearly the same as among the persons of Belgian origin, and 2.9% higher than the share among southern EU-15 origin group. Of all origin groups, the share of self-employed among persons of Turkish origin increased the most (1.4%) in comparison to 2009, while the share of self-employed amongst the people of EU origin dropped with 0.8%, the total share of self-employed among persons of non-EU origin increased with 0.2% and 0.5% among persons of Belgian origin (Van den Broucke et al., 2015:157).

Table 23: Share of the Self-employed in the Working Population between 18 and 64 in 2009 and 2013, according to Origin Group, Flanders.

	2009	2013
Belgian origin group	17.0%	17.5%
Total EU	20.7%	19.9%
• Western and northern EU-15 countries	22.9%	22.6%
• Neighbour countries	22.6%	22.0%
• Western and Northern EU-15	22.9%	22.6%
• Southern EU-15	14.3%	14.5%
• Last 13 states that joined the EU, excluding Croatia	23.7%	20.8%
Total Non-EU	12.8%	13.0%
• Europe non-EU	9.2%	10.2%
• Turkey	16.0%	17.4%
• Maghreb	7.3%	8.1%
• Other countries	16.3%	15.2%

Source: Van den Broucke et al., 2015:157.

With regard to the primary motivation for entrepreneurship, Lambrecht al. (2002:9) found that, at the beginning of the millennium, rather than being pushed into it, e.g. to escape unemployment and discrimination, a majority of migrant entrepreneurs in Flanders were pulled into entrepreneurship by aspirations for financial and social progress and a desire to be its own boss. Moreover, the reason why a business was opened in a specific sector depended on the market: good financial perspectives and a large demand for products and services appeared important. Contact with fellow countrymen seemed less important. For a majority of entrepreneurs, the key to success did not lie in a transnational network or an ethnic (entrepreneurial) tradition but in working hard and being flexible.

Migrant entrepreneurs regarded the future generally positive and as such thought more of continuing their business than quitting it. However, official (and commonly native) advice channels were often unknown to migrant entrepreneurs in Flanders and only 15% of them seemed to be member of a professional association. Despite a strong niche- formation in trade, hotel and catering businesses, most migrant entrepreneurs had as much native as foreign customers and aimed at both customers groups. Migrant entrepreneurs appeared to engage more in partnerships ("vennootschappen") than native entrepreneurs, particularly the younger generation. Although the situation had likely improved, the number of foreigners in independent professions ("vrije beroepen") was still limited[137]. In contrast to the perception of ethnic niche by Flemish media and a large number of Flemish people, Lambrecht et al. (2002:18) found that migrant entrepreneurs showed more and more characteristics of a middleman minority and economic assimilation, as described by the developmental sequence of ethnic businesses of Waldinger et al. (1990:122-127)[138].

5.3.3. Assesment of Entrepreneurial Performance Belgium and Flanders (2014)

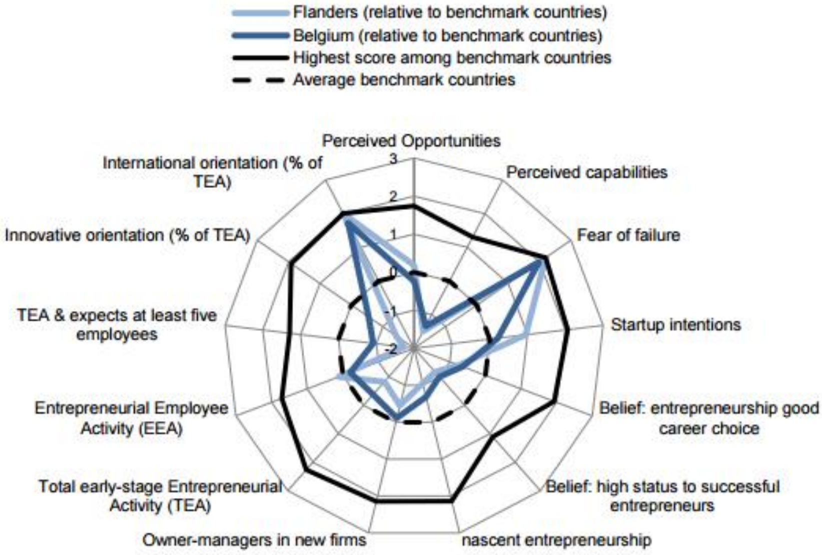
The 2014 Global Entrepreneurship Monitor[139] survey covered 73 economies, representing 72.4% of the world's population and 90% of the world's GDP. The 2014 report on Belgium and Flanders,[140] presents an overview of a very specific set of

[137] With regard to Turkish and Moroccan entrepreneurs, a relative limited number of Turkish and Moroccan female entrepreneurs was observed. Regarding starting capital, Maghrebins (including Moroccans) mainly seemed to bring in their own sources, while Turks seemed to borrow more from a financial institution (Lambrecht et al., 2002:10).
[138] See table 3.
[139] The Global Entrepreneurship Monitor offers insights in entrepreneurial attributes and activities both individually and globally.
[140] In Belgium, GEM 2014 was made possible with the support of the Flemish Government (Holvoet et al., 2015).

(GEM) indicators which measure entrepreneurial activity rates, provide insights in entrepreneurial attitudes of the adult population in Belgium and the Flemish Region and in the growth aspirations of (prospective) business owners/ managers. In addition, experts' views were added to further explore the Belgian entrepreneurial system. The report shows: 1) an international comparison, with indicators of entrepreneurial performance in 28 innovation-driven economies in 2014, including an extra comparison with seven benchmark countries[141], i.e. Denmark, France, Germany, Luxembourg, the Netherlands, Spain and the United Kingdom; and 2) the evolution of GEM Indicators for Belgium and Flanders within the period 2001-2014.

In relation to both comparisons, the following GEM indicators are considered the most critical indicators for Belgium and Flanders: individual self-perceptions, national society perceptions, entrepreneurial activity, entrepreneurial motivation, entrepreneurial aspirations and conditions for entrepreneurship (Holvoet et al., 2015:24-25).

Figure 14: GEM Profile for Belgium and Flanders, 2014.



Source: Holvoet et al., 2015:26[142].

[141] Reference countries were selected based on the geographic region, institutional setting and economic development level (Holvoet et al., 2015:3).

[142] All indicators based on 2014 data, except for indicators on growth, orientation, innovative orientation and international orientation (based on 2011-2014 pooled data in order to enhance statistical precision) (Holvoet et al., 2015:26)

- Individual self-perceptions (see Annex 3 and 4)

When it comes to self-perceptions to starting a business in Belgium and Flanders, perceived opportunities to start a business roughly equal the average recorded in the benchmark countries. However, perceived skills and knowledge to start a business are relatively low (30% in Belgium and 29% in Flanders) and the fear of failure among those who spot opportunities high (49% in Belgium and 50% in Flanders) (Holvoet et al., 2015:24). This may signal that many people accept (perhaps wisely) that starting a business suits others better. On the other hand, it may also indicate some untapped entrepreneurial potential that does not surface in the presence of attractive job alternatives (Bosma et al., 2014). Overall, there is a lack of an entrepreneurial culture in Belgium and in Flanders (Holvoet et al., 2015:24).

- National societal perceptions (see Annex 3 and 4)

"National societal impressions provide a normative image of entrepreneurship in Belgium and Flanders. Consistent with results from previous years, 52% of the Belgian and 53% of the Flemish adults believe entrepreneurship to be a good career choice (even though this measure appears to have dropped in the past two years) but do not attach high status to successful entrepreneurship (52 and 54% respectively). Such an attitude may invoke more hesitance and fear of failure among potential ambitious entrepreneurs. Compared with the benchmark countries as well as other innovation- driven countries, which both show an average of 68%, the low percentage of high status given to successful entrepreneurship is striking. In 2014, in the EU, only Spain and Croatia scored lower for status of successful entrepreneurs. Media attention for entrepreneurship has however risen over the 2001-2014 period (Holvoet et al., 2015:24)."

The 2012 Flash Eurobaromer Report 354 showed that 30%[143] of the respondents in Belgium prefer being self-employed to working as an employee, while 65% preferred working as an employee. A comparison with other EU countries

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[143] In Turkey this was 82%.

suggests that the social welfare state and the ability to earn a satisfactory salary in the regular labour market play a role in this. In 19 of the at that time 27 EU countries, a majority of respondents prefers being an employee, most strikingly in Sweden (74%) and Finland (73%), being followed by Denmark, Slovenia and Belgium (each 65%), Germany and the Netherlands. Lowest preference for working as an employee[144] was given in Lithuania (32%) and Bulgaria (40%) (EC, 2012).

- Entrepreneurial activity (see Annex 3 and 4)

The observed rate of (total) early-stage entrepreneurial activity (TEA)[145] in Belgium (5.5%) and in Flanders (4.7%) is considered rather low in comparison with the benchmark countries (average of 7%) and other innovation-driven economies (average 8.5%). The 2014 assessment on entrepreneurial employee activity however hints that in Belgium this may be compensated by a fair degree of entrepreneurial employees, who conduct entrepreneurial activities as an employee (Holvoet et al., 2015:25).

Between 2008 and 2012, Belgium had the second-lowest start-up rate of businesses in the EU[146], which can be related to several factors discouraging company expansion, including high labour costs (EC DG Economic and Financial Affairs (Ecofin), 2015:22-23). In 2014, 81,107 new enterprises were established in Belgium, which was an increase of 3,600 starters (4.7%) as compared to the previous year. 54.6% of these start-ups took place in the Flemish Region, 27% in the Walloon Region and 13.8% in the Brussels Capital Region. 4.64% of these start-ups were of companies with a seat abroad or without a known address in Belgium. The increase was primarily driven by an increase in the Flemish Region (7.6% in comparison to 2013) and to a lesser extent in the Brussels Capital Region (3.15%). In Wallonia, there was a decrease with 0.25% in comparison to 2013. Yet, the number of new enterprises in Flanders

[144] In Turkey this was 15%.
[145] Defined as the prevalence rate of individuals in the working age population who are actively involved in business start-ups, either in the phase in advance of the birth of the firm (nascent entrepreneurs) or the phase spanning 42 months after the birth of the firm (owner-managers of new firms). (Holvoet et al., 2015:13).
[146] Only Cyprus had a lower average start-up rate between 2008 and 2012. In comparison to 25 other EU countries as no results were given for Slovenia, nor for Croatia, which joined the EU in 2013.

(44,273) was still below the 2011 number of 44,879 (Vandorpe and Tchinda, 2015:13). This low number of new enterprises suggests a business climate which is unfavourable to the generation of new activities and natural expansion. This in turn lowers the pressure on existing firms to become more efficient. Moreover, there is an unfavourable product mix (EC DG Ecofin, 2015:22).[147] In 2015, among all EU Member states, Belgium ranked 14th in terms of SME value added growth, i.e. 3.2%. At the same time, it only ranked 24th in terms of SME employment growth, i.e. 0.6% (EC DG Growth, 2016).

The fact that relatively few new Belgian companies are created corresponds with the findings from Flash Eurobarometer 354 that only 16% of the employed in Belgium[148] have at some time started a business or are taking steps to start one, which is below the EU average of 23%, and that 65% of the employed in Belgium have never considered starting a business[149]. Only 24% of the employed people in Belgium considered it feasible to become self-employed within the next 5 years, which despite an increase in comparison to 12% in 2009, is still below the EU average of 30% and far below shares in countries as the Netherlands (40%) and Latvia (51%)[150]. Only 23% of the employed in Belgium said it was desirable to become self-employed within the next 5 years, below the EU average of 32% (EC, 2012).

- Entrepreneurial motivation

A high percentage of early-stage entrepreneurs (31% in Belgium and 43 % in Flanders) act out of necessity. This is much higher than the average of 18% in innovation-driven economies and 16% in the benchmark economies. These results suggest that Flanders and Belgium have among the highest percentages of necessity entrepreneurs in innovation-driven economies (Holvoet et al., 2015:25).

147 According to the Global Entrepreneurship Report 2013 about Belgium and Flanders (Bosma et al., 2014:23) the rather low rate of early-stage entrepreneurial activity in international comparison may however be compensated by a high degree of entrepreneurial employees.
148 In Turkey this is 28%.
149 In Turkey this is 33%.
150 In Turkey this is 37%.

- Entrepreneurial aspirations

While the average in the benchmark economies is 17%, Belgian (26%) and Flemish (30%) early-stage entrepreneurs are among the most prone to exhibit an international orientation (Holvoet et al., 2015:25). A part of this result is likely to be driven by the small and open economy that characterizes both Belgium and Flanders (Bosma et al., 2014:23). At the same time, the apparent lack of innovative orientation is striking, particularly among Flemish early-stage entrepreneurs (18%, 27% in Belgium) as compared to the benchmark economies' average (34%). Furthermore, the share of entrepreneurs with high expectations for job growth is limited, particularly in Flanders (1.12%, 1.47% in Belgium) as compared to the benchmark economies' average of 1.93% (Holvoet et al., 2015:25).

- Conditions for entrepreneurship

The GEM National Export Survey for Belgium in 2014, which builds on data provided by 29 national experts shows that Belgium scores higher than the EU average on finance, R&D transfer, commercial infrastructure and internal market (openness). Remarkable is a score of 3.4[151] for entrepreneurial finance[152], which is the highest score in the EU in 2014 and a strong improvement compared with 2013 (Belgium:2.6, then equal to the EU average). In line with the average in the EU, infrastucture- both commercial and physical infrastructure (roads, utilities, communications, water disposal)- is by Belgian experts considered as a posititive factor for entrepreneurship. In contrast, national policy (regulation), education (primary and secondary) and cultural and social norms are regarded as negative factors for entrepreneurship in Belgium as these items all score below 2.5.

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[151] Based on the Likert scales, whereby a choice can be made between 1, 2, 3, 4 and 5, whereby 1: highly insufficient, 2.5: neutral and 5 highly sufficient for entrepreneurship (Holvoet et al., 2015:22).
[152] Entrepreneurial finance: the availability of financial resources- equity and debt- for SMEs (including grants and subsidies).

Table 24: Entrepreneurial Framework Conditions, Belgium, 2014- Likert Scales.

	1	2a	2b	3	4a	4b	5	6	7a	7b	8	9
Belgium	3.4	2.6	2.0	2.7	2.0	2.8	3.0	3.7	2.5	3.2	3.8	2.2
EU average	2.6	2.7	2.5	2.8	2.1	2.8	2.5	3.2	3.0	2.8	3.9	2.7

Source : Holvoet et al., 2015:22[153].

In responses to open questions, most cited restrictions by national experts were government policy and cultural and social norms. Most cited supports were (entrepreneurial) education and cultural and social norms. Most cited suggestions for improvement were government policy, (entrepreneurial) education and cultural and social norms.

The assesment for Belgium in 2014 hence overall signals that Government policy remains a critical factor for entrepreneurship, that entrepreneurial education is considered a strength and cultural and social norms are both considered as a strength and restriction. Remarkable is also that while entrepreneurial finance scored well on the Likert scales, this factor was not explicitly mentioned as a strength by the experts in the open-ended questions. It could hence be said that entrepreneurial finance has remained under the radar (Holvoet et al., 2015:25).

A presentation of the indicators related to the entrepreneurial ecosystem in Belgium (GEM, 2015) shows that public policy gives much relevance to entrepreneurship as an economic issue.

2015 data about Belgium's entrepreneurial ecosystem show a strong improvement in governmental support and relevance. It can be suggested that while entrepreneurial finance already increased in 2014 when the new federal and Flemish Governments took office, it took more time to implement a more entrepreneurship-friendly policy. Despite this, governmental policies in terms of regulations and taxes, as well as entrepreneurial education at school stage, have remained discouraging for entrepreneurship. Limited improvements were recorded in government entrepreneurship programmes, entrepreneurial education at post-secondary stage, internal market dynamics and social and cultural norms. While entrepreneurial finance

[153] 1 Finance, 2a National Policy (support and relevance), 2b National Policy (taxes and regulations), 3 Government entrepreneurship programs, 4a Education (Primary and Secondary), 4b (Post-Secondary), 5 R&D transfer, 6 Commercial Infrastructure, 7a Internal Market (Dynamics), 7b Internal Market (Openness), 8 Physical Infrastructure, 9 Cultural and Social Norms (Holvoet et al. 2015:21).

saw a limited decline it was nonetheless still high. This decline however also took place in R&D transfer.

Table 25: Comparison between the Entrepreneurial Ecosystem in 2014 and 2015, Belgium-Likert Scales[154].

	1	2a	2b	3	4a	4b	5	6	7a	7b	8	9
Belgium 2014	3.4	2.6	2.0	2.7	2.0	2.8	3.0	3.7	2.5	3.2	3.8	2.2
Belgium 2015	3.2	4.0	2.0	2.9	2.0	3.2	2.7	3.8	2.9	3.1	3.9	2.5

Source: Holvoet et al., 2015:22, GEM, 2015.

Belgium' government policy in terms of taxes and regulations hence remains one of the most structural restrive factors for entrepreneurship. As shown by Belgium's 14th rank in the World Bank's 'Doing Business Report', apart from regulated professions, starting a company in Belgium is generally easy in terms of procedures. Yet, out of 144 countries it only ranks 130th on the World Economic Forum's 'burden of government regulation' indicator and regulations are significantly more widespread than in other countries (EC DG Ecofin, 2015:23). Businesses are required to have relatively high levels of minimum paid-in capital, for which Belgium ranks only 167th on the 'Doing Business Report' (EC DG Ecofin, 2015:23). This gives an explanation for the finding of the 2012 Flash Eurobarometer 354 that 87% of the respondents in Belgium find it important to get necessary financial resources to take steps to start a new business or take over one (EC, 2012:53). Proof of knowledge of company management is required, by means of a certificate or degree, to be allowed to start a commercial activity. For a small number of self-employed trade and craft professions, i.e. butchers, electricians, mechanics, bakers and hairdressers, also professional competence must be shown, by means of a certificate, degree or demonstration of sufficient practical experience. For some professions, i.e. doctors, lawyers, or self-employed who want to work in the public area or perform their job in the house of consumers, a special permission is required, which costs about 100 to 150 EUR (FPS Economy, 2014:7-17). For entrepreneurs who do not have a nationality of an European

[154] 1 Finance, 2a National Policy (support and relevance), 2b National Policy (taxes and regulations), 3 Government entrepreneurship programs, 4a Education (Primary and Secondary), 4b (Post-Secondary), 5 R&D transfer, 6 Commercial Infrastructure, 7a Internal Market (Dynamics), 7b Internal Market (Openness), 8 Physical Infrastructure, 9 Cultural and Social Norms.

Economic Area (EEA) country or Switzerland, a professional card is required. This can be attained on the condition of having a right of residence in Belgium, complying with regulatory requirements and showing the importance of the project for Belgium, in terms of economic, societal, cultural, artistic or sportive utility. This card costs 140 EUR and after that a yearly fee of 90 EUR must be paid (FPS Economy, 2014:17-20). Since 1 January 2015 the three Regions are competent for awarding the professional cards.

The Belgian tax system is characterized by a high overall burden, relatively high rates and narrow tax bases.[155] High labour taxes, with an explicit rate on labour of 42.8% in 2012, compared with an EU average of 36.1%, have a major impact on labour costs and cost competitiveness and also have strong implications for some specific groups in terms of financial disincentives to work. To soften the high labour cost burdens for start-ups, social security contributions were lowered for the hiring of the first three employees. This federal reduction was recently increased as well as expanded to the first five employees. Company expansion beyond this level nevertheless remains hampered, which might necessitate further action and points to the general need to shift taxes away from labour. Also, certain non-labour taxes come across as very counterproductive for entrepreneurship. This is the case with several smaller taxes on capital goods levied at the local level, e.g. on propulsion (EC DG Ecofin, 2015:22). Since 2015, businesses in the catering sector have been subjected to sharpened control on unregistered income. Businesses with annual revenues originating from the sales of meals exceeding 25,000 EUR have become obliged to install and connect a fiscal data module, also known as ‘black box’, to their cash register. This black box automatically registers all money transfers. Purchasing prices generally circulate around 400 EUR (Blackbox, 2015).

[155] In general, a broad tax base with a lower rate is economically less distortive than a narrow base with a higher rate (EC DG Ecofin, 2015:55). In Belgium SMEs and aspiring entrepreneurs have moreover been complaining about the fact that since the federal Verhofstadt government 2007-2011, unlike SMEs, many multinational firms have been receiving tax exemptions, creating an unfair competition (Van Eetvelt, 2016). The European Commissioner for Competition Margrethe Vestager called this policy illegal state aid and competition distortion and gave Belgium two months to claw back about 700 million EUR from at least 35 multinational companies (Politico, 2015).

5.4. (MIGRANT) ENTREPRENEURSHIP POLICIES AT SUPRANATIONAL, NATIONAL, REGIONAL AND MUNICIPAL LEVEL

As previously mentioned, the constantly changing opportunity structure is considered crucial in understanding both the obstacles and opportunities for aspiring entrepreneurs to start their own business (Rath, Eurofound, 2011:20). While market conditions and economic trends determine to a very large extent in which segments these kinds of businesses occur they themselves are embedded and enmeshed in institutions. This institutional context determines on a macro-level to a large extent the opportunity for businesses in general both on a national, sectorial and local level (Kloosterman, 1999). Immigrant entrepreneurs may benefit from agency-oriented policy measures that target the mainstream population in general or migrants in particular, aiming at the improvement of the personal capability of individual. They may also benefit from (opportunity) structure- oriented policy measures who aim to create an environment conducive to entrepreneurship and innovation and as such promote a more favourable opportunity structure (Desiderio and Mestres-Domenech, 2011:164; Desiderio, 2014:6; Marchand and Siegel, 2014:12-13; Rath, Eurofound, 2011).

5.4.1. Legal and Political Context

As a result of ongoing processes of European integration (as of the 1950s) and federalisation within Belgium (as of the 1970s), policies and programmes influencing the opportunity structure of (Turkish) businesses in Ghent are both set at the supranational (EU), national (Belgian Government), regional (Flemish Government), as well as at the local level (Ghent Municipality). Yet, policies and programmes influencing Turkish entrepreneurship are not limited to these originating from public institutions but equally encompass policies and programmes originating from the private sector and NGOs.

As a part of economic policy, entrepreneurship policy is multidisciplinary (De Gadt, 2006:2)[156]. Evidently, this is even more so for policies supporting migrant entrepreneurship. The opportunity structure of immigrants is not merely influenced by entrepreneurship policies, which have as their objectives to promote entrepreneurship (De Gadt, 2006:2), but also by policies in various other fields, i.a. economic, migration, migrant integration, education and labour market policies. Economic policy for instance covers the system for setting levels of taxation and government budget, the money supply and interest rates, purchasing power and the level of privatisation. Migration policies may stimulate or restrict certain forms of migration for certain migrant groups and implement more flexible or stricter policies with regard to the issuance of work permits, including professional cards. Migrant integration policies may support a certain group of migrants in the integration in the host society and hereby use a categorical or more inclusive approach towards migrants.[157] In a similar way, labour market policies may or may not support the labour market integration of migrants. Education policies may stimulate the capabilities of migrants and as such raise their chances on the labour market. Nonetheless, in what follows the focus will primarily be on entrepreneurship policies at the supranational (European), national, regional and local level. Additionally, migrant integration and labour market policies will be analysed to come to a better understanding of agency- and structure-oriented entrepreneurship policies.

Multi- level entrepreneurship policies influence the opportunity structure of the Turks in Ghent. EU actions in the field of enterprises and entrepreneurship are subject to subsidiarity, i.e. except in the areas in where it has exclusive powers, the EU only acts where action will be more effective at EU level than at national level. As such, the EU, in practice represented by the Commission, encourages a business-friendly environment through assistance of the member states in developing SME-friendly policies, monitoring the progress in their implementation, sharing best practices and a number of financial instruments, within a multiannual framework that covers up to

[156] This policy is composed of elements which have links to economic policy, but also to social policy, tax policy, urban policy etc.
[157] Whereas categorical policy refers to a specific separate policy domain which is set up to supply measures, inclusive policy is realized within the general policy of different policy domains, largely by general measures.

seven years, such as the COSME (Competitiveness for Enterprises and SMEs) Programme for the period 2014-2020. The role of the EU is further complicated by the common rule of unanimity in most of the fields relevant to enterprise policy, in particular tax-related issues, and the ordinary legislative procedure, in which the European Parliament and the Council (of Ministers) share legislative power (Aernoudt and Van Rompaey, 2015:7-8). Nonetheless, it is obvious that steps taken at the EU level since the end of the 1980s- and particularly since the realisation of the internal (single) market in 1993 which allowed goods, services, people and capital to move freely within the EU- have generated more possibilities for the business sector, following an increase in liberalisations and privatisations of public services. Competition rules are also set at the European level. Benchmarking methods and the exchange of good practice have also added value to the work of Member States without raising the issue of subsidiarity. The principle of subsidiarity equally applies to the fields of migrant integration and labour market policies. Consequently, the EU’s role is limited to policy coordination, exchange of knowledge and financial resources. The sovereignty of member states in labour market policies has however been restricted by the transfer of macro-economic policy to the European Central Bank and the Stability and Growth Pact which discourage fiscal policy.

At the Member State level, since the third state reform in 1989, the competence for economic and innovation policy has gradually been transferred from the Belgian federal to the regional level. The fourth state reform in 1993 enlarged the economic competences of the Regions by including the so-called national sectors (steel, textile, etc.). The fifth state reform took place in 2002 and regionalised the competence of external trade. Finally, the sixth state reform, implemented in 2014, transferred some parts of the labour market policy: unemployment schemes remain at the federal level but the control mechanisms are to be regionalised. Labour market regulation, fiscal policy related to income, corporate taxes, civil law, corporate law and judicial power however have remained mainly at the federal level.

Owing to this reform process during the last decennia, the three Belgian Regions, i.e. the Flemish Region (in which Ghent is based), the Walloon Region and the Brussels-Capital Region, have gradually developed their own economic and enterprise policy (Aernoudt and Van Rompuy, 2015:59). Its main competences are stimulating competences such as supporting start-ups and all policy instruments with regard to encouraging and supporting (local or foreign) investment, policy with regard to mobility and infrastructure, physical planning and urbanisation (De Gadt, 2006:7). The legal responsibility for financial support has also been transferred to the three Regions (Lambrecht and Pirnay, 2005:90). In a simultaneous process the Communities have increasingly gained competence for education and training (De Gadt, 2006:7). As of the 1980s, the Flemish Region has also developed its own migrant integration policy. Owing to the subsidiarity principle also at the local level entrepreneurship, labour market and migrant integration policies are present, which aim to execute national or regional policies. It follows that the interconnection between these levels needs to be taking into account at all times.

In what follows an analysis of EU policies, Belgian, Flemish and Ghent Municipality policies will be made through the following research questions:

- What is/are the objective(s) of the entrepreneurship policy?
- What is/are the target group(s) of the entrepreneurship policy? Does it include a special reference to migrant entrepreneurs?
- What are the tools of this (migrant) entrepreneurship policy?
- In case migrants are a specific target group of the entrepreneurship policy, is entrepreneurship considered as a tool for integration?

With regard to the latter research question, in part 5.5. the Flemish migrant integration policy will be analysed. This may provide insight in the reason why policies, programmes targeting migrant entrepreneurs are present/ absent.

5.4.2. Supranational Level: The EU

Despite their contrasting logics, since the early 1980s neoliberalism and the social democratic project of the (neo-) Keynesian era have existed concurrently in the European Union. The neoliberal project has been given expression with the common market, and a monetary policy based on price stability and an anti-inflationary mandate rather than on growth and development, and the Stability and Growth Pact, which makes state-sponsored development targeted at the eradication of specific internal inequalities or the protection of particular sectors in society, by deficit spending increasingly difficult. Alongside a rhetoric of globalism, a discourse on competition and individual entrepreneurialism developed. The social democratic project has been given manifestation at the regional scale through geographical redistribution programs and social funds such as the European Regional Development Fund (ERDF) and the European Social Fund (ESF) (See Hay and Rosamond, 2002:8; Dinan, 2004:223-229; Mitchell, 2006:393-394).

In line with the conception that employment creation could be most easily realised by a focus on large enterprises, until the 1980s, the EEC's enterprise policy was mainly intended to attract large companies to Europe. Low wages, qualified labour, logistics, a booming market and investment subsidies would encourage American and Japanese headquarters to realise huge green field investments in Europe. Chemicals and the automotive industry were two sectors that created a great deal of employment. These industries are now however largely delocalizing their plants to other countries where they find high skilled, cheap labour, a booming market and investment subsidies. As these industries no longer create jobs, but remain important in terms of job maintenance, most regions have developed a retention policy. This retention policy mostly consists of attempts to embed companies in the region by tightening their links with research centres, universities, incubators and policy makers.

At the beginning of the 1980s, the EU experienced an economic downturn. Unemployment was high and the neo-Keynesian approach of deficit spending led to budgetary and monetary problems in a number of countries. When reports, e.g. from the American economist David Birch, indicated that small firms created more jobs than large firms (Aernoudt & Van Rompuy, 2015:5; Autio, 2016:5), various countries started formulating SME policies. The European Commission launched an SME task force, which would lead to the creation of a separate DG devoted to SME policy. The starting point of a classical SME policy is the neo-classical approach, i.e. that one should reduce imperfections or negative external effects in the market place. The goal of the SME policy is thus to strengthen the existing base of small enterprises by ensuring they can compete in the market place and that they are not prejudiced because of their small size relative to large firms through direct measures. Analysis of the policies set up at regional, national and European levels however made clear that only a few SMEs appeared willing to accept support and this for a number reasons; the support provider did not understand the owner's business, external support was perceived as threatening for the personal autonomy, measures ignored the heterogeneity of small firms or the specific character of localities and the application procedure was burdensome. Rather than concluding that its SME policy was inefficient, the EU posited that its SME policy could not be efficient in the absence of an entrepreneurial society (Aernoudt and Van Rompaey, 2015: 4-5).

In the last decades growing political interest in SMEs has been translated into a more ambitious 'entrepreneurship policy'. While maintaining its SME policy of the 1980s and 1990s, since the Lisbon European Council in March 2000 the EU has increasingly given interest to generating a favourable environment for the creation and development of innovative enterprises and particularly SMEs[158]. "Representing 99% of all businesses in the EU and having created around 85% of new jobs and providing two-thirds of the total private sector employment in the EU, the European Commission considers SMEs and entrepreneurship as the backbone of Europe's economy and key to ensuring economic growth, innovation, job creation, and social integration in the EU." (EC, 2015b). The vast majority of these SMEs are micro- enterprises. They account for almost 93% of all enterprises in the non–financial business sector (EC DG Growth, 2016:1).

In the 2000s, the Commission's DG devoted to SME policy merged with the DG Industry and became DG Enterprise and Industry. Benchmarking and best practices became basic instruments at European level, intended to influence regional and national policies. Despite maintaining its SME policy of the 1980s and 1990s, various subsidy programmes were closed. The EU posits that an optimal combination between the focus of the SME policy of the 1980s and 1990s and its entrepreneurship policy as of the 2000s seems to be the most efficient way to create value for public and private money (Aernoudt and Van Rompaey, 2015:5-6). At the beginning of 2015, DG

[158] The EU defines SMEs as companies employing less than 250 people, with a turnover of maximum 50 million EUR or a balanced sheet total of maximum 43 million EUR. A distinction is further made between micro, small and medium enterprises. A micro-business is an enterprise with less than 10 employees, and a turnover of below 2 million EUR or a balance sheet total of below 2 million EUR. A small SME is an enterprise with less than 50 employees and a turnover of below 10 million EUR or a balance sheet total of below 10 million EUR. Medium-sized enterprises employ less than 250 people, with a turnover of maximum of 50 million EUR or a balanced sheet total of maximum 43 million EUR (EC, 2003:39).

Growth (full name: DG Internal Market, Industry, Entrepreneurship and SMEs) was created to restructure DG Enterprise and Industry. Most of the activities of DG Growth- except for the problem of access to finance- are concentrated on environmental issues and are realised mainly through benchmarking exercises. The multiannual SME programmes have become multiannual programmes for enterprises and entrepreneurship, and they now focus on entrepreneurship and innovation (Aernoudt and Van Rompaey, 2015:7).

Table 26: Comparison between SME policy and Entrepreneurship Policy, which Jointly Set Out the Commission's Policy At Present.

	SME policy	Entrepreneurship policy
Basic assumption	Market imperfection	Entrepreneurial gap
Objective	Help SMEs overcome inconveniences not encountered by large enterprises	Encourage people to set up a business or to think entrepreneurially
Target group	Enterprises, mainly exiting firms	Individuals, entrepreneurs
Specific criteria	Picking winners; high growth sectors	Particular segments possible: women, ethnic groups, young persons
Levers	Financial (investment subsidies, R&D, export assistance)	Mainly non-financial support
Focus on	Business environment	Entrepreneurial culture

Source: Aernoudt and Van Rompaey, 2015:17.

In generating an environment conducive to entrepreneurship, the Commission makes a distinction between the business climate and the entrepreneurial culture. The business climate concerns the conditions within which firms are created and developed, such as the administrative, fiscal and financial environment for enterprises. The entrepreneurship culture involves motivation issues, which are related to attitudes and culture, specific target groups and the failure and bankruptcy problem, and capacity, which is linked to education, training, research, and innovation (Aernoudt and Van Rompaey, 2015:15).

The Commission claims that "to make entrepreneurship the growth engine of the EU's economy, Europe needs a thorough, far-reaching cultural change. For this reason, the principle of "think small first" must become the touchstone of European and national policies, under a co-ordinated action at European, national and regional levels." (EC, 2013a:4-5). In the academic literature (e.g. Vasilescu, 2014) and policy making (e.g. EC DG Growth, 2016) entrepreneurship development is commonly seen as a solution for the problems created by the economic crisis. A Eurobarometer report on entrepreneurship shows this vision is shared by the majority of Europeans, as 87 % consider entrepreneurs as job creators, while 79 % agree that entrepreneurs create new products and services that benefit all (EC, 2012:10). The Commission however underlines the need for an enterprise mentality in Europe. The 2014 GEM Report shows that the EU is the region where starting a venture was the least seen as a good career choice (Singer et al., 2015). In 19 EU countries,[159] a majority of the respondents preferred being an employee to being an employer, most strikingly in Sweden (74%), Finland (73%), Denmark, Slovenia and Belgium (65%), Germany and the Netherlands. The lowest preference given to working as an employee was to be found in Lithuania (32%) and Bulgaria (40%). When EU candidate countries are also considered the lowest preference for being an employee was recorded in Turkey (15%)[160] (EC, 2012,16) Since 2004, the share of people preferring self-employment to being an employee has dropped in 23 EU member countries and in comparison to the USA and China much less people prefer to work as self-employed in the Union (EC, 2013a:4)

Table 27: Comparison between Business Climate and Entrepreneurship Culture.

Business climate	Entrepreneurship culture
Macro-economic conditions	Attitudes
Easy access to finance	Culture
Taxation issues	Failure and bankruptcy issues
Exploitation of the internal market	Education
Employment and environmental legislation	Training
Administrative burden	Research and Innovation

Source: Aernoudt and Van Rompaey, 2015: 15.

While within the EC's entrepreneurship policy the entire population is targeted, it has also increasingly reached out to particular segments of the population who are underrepresented within the entrepreneurial population such as women, young people and migrants. The EU Labour Force Survey (1998 – 2008) highlights the positive

[159] Since the data date from 2012 they apply to 27 EU countries. Croatia, which joined in 2013, is hence not included.
[160] Conversely, of all EU-28 and candidate countries it is the country with the highest % of people favour being selfemployed over being employed (82%), being followed by Lithuania (58%) (EC, 2012:16).

contribution of migrant entrepreneurs to employment (EESC, 2012:19). “Migrants are recognized as an important pool of potential entrepreneurs, as relative to natives they are more likely to start businesses and can substantially contribute to growth and job creation in the EU. Immigrants founded 52 % of start-ups created in Silicon Valley, USA, between 1995 and 2005. Israel owes much of its success to its immigrant population. However, in the EU these migrant businesses are mainly micro-businesses, with very few employees, a smaller turnover and low profits in comparison with indigenous businesses and fail more often due to a lack of information, knowledge and language skills.” (EC, 2013a:24). Apart from this, in many European countries, it has increasingly become the individual’s responsibility to integrate effectively and the failure to do so has increasingly been projected as a matter of individual choice, under the discourse and practices of neoliberal governmentality. This is part of a broader delegation of responsibility to the individual immigrant for assimilating effectively into the labour market, the host nation and European society at large (Hay and Rosamond, 2002:6-8; Mitchell, 2006:392).

Entrepreneurship programmes have been accessible on grounds of residence and hence include legally residing immigrants in one of the participating countries (EU, 2015). Today, access to finance for SMEs is at the core of the EU 2020 strategy and its major instruments COSME[161], HORIZON 2020 and Regional Fund. COSME is the EU programme for the competitiveness of Enterprises and SMEs, running from 2014 to 2020, with a budget of 2.3 billion EUR. It implements the Small Business Act (SBA), which reflects the Commission’s political will to recognise the central role of SMEs in the EU economy[162]. COSME especially focuses on digital entrepreneurship and supports SMEs in the following areas: facilitating access to finance, supporting internationalization and access to markets, creating an environment favourable for

[161] With the single portal on Access to Finance, the COSME programme explicitly supports SMEs in facilitating access to finance, in different phases of their lifecycle. A wide range of financing is available: business loans, microfinance, guarantees and venture capital (EC, 2013c).

[162] The SBA was launched in 2008 and reviewed in 2011 to integrate the SBA into the Europe 2020 Strategy. It strives to foster SME development and remove obstacles to SME growth. It does not constitute a legal requirement but a series of guidance measures that can be adapted to suit each country’s specific needs. This guidance is underlined by ten core principles: entrepreneurship, second chance, think small first, responsive administration, state aid and public procurement, access to finance, single market, skills and innovation, environment and internationalization. The SME Performance Review is one of the main tools used by the European Commission to monitor and assess countries’ progress in implementing the Small Business Act (SBA) on a yearly basis (EC DG Growth, 2016:7).

competitiveness and encouraging an entrepreneurial culture. An example in case is the Erasmus for Young Entrepreneurs program, which was launched in 2009 with 37 partner countries, within the framework of the Small Business Act (SBA) for Europe (EC, 2015; EU, 2015).

HORIZON 2020[163] is the EU Research and Innovation Program, running from 2014 to 2020. It allocates at least 3 billion EUR to highly innovative SMEs through the SME instrument and 2.84 billion EUR to innovative companies and other organisations who find it difficult to access financing for high-risk new ideas or their development through the access to risk finance instrument (EC, 2014:10). Moreover, 15.6 % of the economic, social and territorial cohesion fund was awarded to competitiveness, highlighting the EU's strong emphasis on competitiveness (EC, 2013d:18). Additionally, funds are available through the Creative Europe project (loans to SME in cultural and creative sectors), Programme for Employment and Social Innovation (microloans up to 25,000 EUR to micro-enterprises and investments up to 500,000 EUR to social enterprises), the European Structural and Investment Funds, the European Investment Bank and the European Investment Fund. Direct funding grants are being allocated by the Commission or its executive agencies. More often however funding is channelled through local, regional or national authorities, or through financial intermediaries such as banks and venture capital organisations that provide funding through financial instruments. Direct funding grants serve as complementary financing and are meant to break even financially (EU Your Europe, 2017).

Additionally, in the last decade particular programmes have been set up to reach out to (potential) migrant entrepreneurs. The development of these programmes has coincided with the financing of a number of research projects on migrant entrepreneurship. Following a 2008- study conducted by IMES and Triodos, and a study by Rath and Eurofound in 2011, in 2016 a study conducted by JIIP and VVA Consulting was presented.

[163] Apart from this direct support to SMEs, the Horizon 2020 specific objective 'Innovation in SMEs' boosts the innovation capacity of SMEs, including through the Eurostars Joint Programme which will continue to promote transnational collaboration of R&D performing SMEs (EC, 2013e).

Through the Blue Card directive (Council Directive 2009/50/EC)[164] the European Commission aims to create a policy that helps to attract high qualified would-be entrepreneurs from non-EU countries and ensure that business support services reach all potential entrepreneurs[165]. In 2010, the Commission presented its Europe 2020 Strategy which put forward three mutually reinforcing priorities, i.e. smart growth, sustainable growth and inclusive growth. Two of the five headline targets make explicit reference to migrants. One headline target states that, “75% of the population aged 20-64 should be employed, including through the greater involvement of women, older workers and the better integration of migrants in the workforce”. Another EU headline target[166] states that ”20 million less people should be at risk of poverty” and considers minorities to be “among the groups at particular risk.” (EC, 2010:18).

In 2011, the European Agenda for the Integration[167] of Third- Country Nationals was presented, which called for a strengthened and coherent approach to integration, across different policy areas and policy areas and made mention of entrepreneurship with a view to the integration of third-country nationals. The proposed actions focused on the following key areas: integration through participation, more action at the local level and involvement of the countries of origin. Conform with Common Basic Principle 3 for Immigrant Policy in the EU, i.e. “‘Employment is a key part of the integration process and is central to the participation, to the contributions immigrants make to the society, and to making such contributions visible, ‘integration through participation’ i.a. includes ‘participation in the labour market’. Hereby it mentions that “the important role of migrants as entrepreneurs and their creativity and

[164] Denmark, Ireland and the United Kingdom did not participate in the adoption of the Directive 2009/50/EC and are not bound by it or subject to its application (EU, 2009:20).
[165] In 2013 12,964 Blue Card Permits were issued in the EU, in 2014 13,869, in 2015 17,104 and 20,979 in 2016 (EC, 2017d).
[166] The other targets set are: 3% of the GDP should be invested in R&D; the 20/20/20 climate/energy targets should be met; and the share of school leavers should be under 10% and at least 40% of the younger generation should have a tertiary degree (EC, 2010:3).
[167] In 2004, the EU adopted 11 Common Basic principles for Immigrant Integration Policy, who formed the foundations of EU initiatives in the field of integration. These principles were reaffirmed in 2014. Nonetheless, the EU has no competence to legislate in the field of Integration policy and mainly focuses on assisting national, regional and local organisations and authorities in identifying and sharing best practices and benchmarking on successful integration strategies with each other. The EU also supports integration actions through various funding programmes (EC, 2016a:2,3).

innovation capacity should also be reinforced, with the support of authorities with information on the conditions to set up a business.“ (EC, 2011:5).

Within the framework of the Europe 2020 Strategy, the Entrepreneurship 2020 Action Plan, adopted in January 2013, sets out a number of actions under three different action pillars:

- entrepreneurial education and training
- an environment where entrepreneurs can flourish and grow
- role models and reaching out to demographic groups that are underrepresented within the entrepreneurial population and especially founders of start-ups; i.e. women, seniors, unemployed, young people and migrants already present and residing in the EU based on best practices from the Member States (EC, 2013a; JIPP and VVA Consulting, 2016).

The Action Plan[168] asserts that “within this group of migrant entrepreneurs the more vulnerable groups of less qualified migrants should also be addressed, as they fail more due to a lack of information, knowledge and language skills… It is important that policies to encourage entrepreneurship in Europe take full account of the entrepreneurship potential represented by this group. For the creation of businesses and jobs represented by (highly) qualified migrants… National and European policies should also consider the potential of qualified migrants for the creation of businesses and jobs. In particular, support measures and policy initiatives should help attract talented would-be entrepreneurs wishing to create global companies based in Europe.”

With regard to women, no specific mentioning is made of which specific profile should be given the most attention. With regard to the unemployed support, it mentions that “given the significant number of unemployed people across Europe, entrepreneurship support schemes should be put in place to encourage business creation as a route of unemployment… Support should be targeted at groups with the

[168] This Action Plan and its key actions will be followed up by the Commission through the competiveness and industrial policy and the Small Business Act governance mechanisms, including in their external dimension with the candidate, potential candidate and neighbourhood countries. The network of National SME Envoys shall, together with the EU SME Envoy play a particularly key role in ensuring that progress is made on the proposed measures. Member States are invited to report on progress on the key actions of this Communication at national level in the context of their National Reform Programmes in the framework of the European Semester (EC, 2013a:28).

greatest potential (such as unemployed workers with professional skills, women or young people) and should rely on close co-operation between employment services, business support and finance providers." Finally, the Action Plan considers seniors "a valuable source for entrepreneurship… A growing cohort of well-educated, highly experienced adults is retiring every year and to date society has not been innovative in occupying them and benefiting from their know-how and skills. Engaging them in both business creation and in supporting new and existing entrepreneurs to maximize the wealth of experience they possess that can be lost on retirement, cultivate intergenerational learning and ensure knowledge transfer… Those seniors who wish to start a business for the first time should benefit from the full range of existing support services." (EC, 2013a:23-24)

The key Actions for migrants, which ought to be implemented in the period 2014-2017, are the following ones:

- Propose policy initiatives to attract migrant entrepreneurs and to facilitate entrepreneurship among migrants already present in the EU or arriving for reasons other than setting up business, based on good practices from Member States
- Analyse the opportunity of proposing legislation to remove obstacles to qualified immigrant entrepreneurs to establish a business and obtain a stable residence permit (EC, 2013a:24-25).

With a view to labour market integration, supporting entrepreneurship was made mention of by the Commission's Action plan on the integration of third country nationals (EC, 2016a:9). It asserts that "notwithstanding the efforts made, third-country nationals across the EU continue to fare worse than EU citizens in terms of employment, education and social inclusion outcomes." (EC, 2016a:2).

In August 2016 a Commission- financed study conducted by JIIP and VVA Consulting was presented. The study presented an evaluation and analysis of good practices in promoting and supporting migrant entrepreneurship. It includes twenty European good practice case studies[169], followed by two international ones coming from Canada and Australia, two countries with a longstanding tradition of promoting

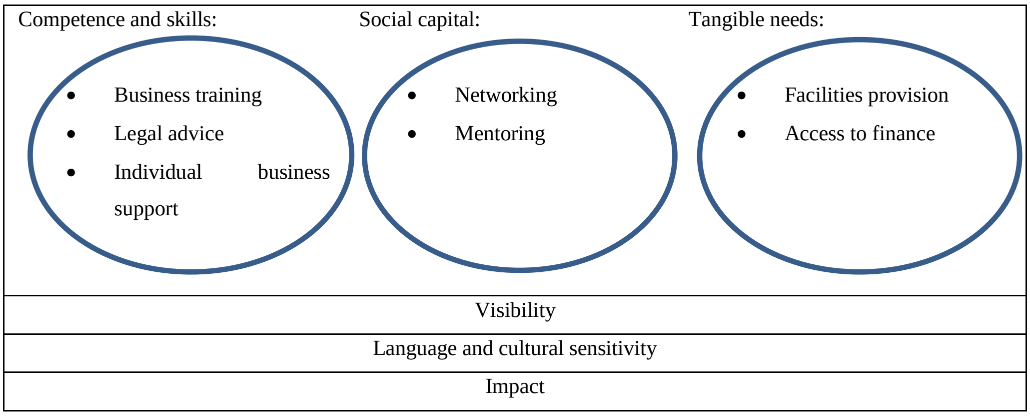
[169] No Belgian support schemes were presented among the good practice case studies (EC, 2016a).

and supporting migrant entrepreneurship. To assist the evaluation of migrant entrepreneurship support schemes, a benchmarking tool was developed which is structured along ten dimensions:

1) Visibility
2) Networking
3) Legal and regulatory advice
4) Individual business support
5) Group business training
6) Mentoring
7) Access to finance
8) Facilities provision
9) Language/ cultural sensitivity
10) Impact

Eight of these represent types of activities, while the remaining two represent overarching dimensions (language and cultural sensitivity and impact). The guidebook concludes that "to provide a support scheme as effective and comprehensive as possible, at least one component from each group and the cross-cutting dimensions should be included." (JIIP and VVA Consulting, 2016:43).

Figure 15: Categorisation of the Ten Dimensions of the Benchmarking Tool.



Source: JIIP and VVA Consultation, 2016:43.

The publication of two calls for proposals in 2016, funded by the European Parliament and COSME, led to the start of eight European projects between June and October 2017. Four of them focus on supporting training and mentoring programmes for potential entrepreneurs in migrant communities. The target group are third-country nationals staying in the EU and they run for two years[170]. Four other projects focus on promoting networking and the exchange of best practice between support organisations working in the field of migrant entrepreneurship. The target group are organisations working with migrants and business support providers and the duration of the projects is three years (EC, 2017c).

5.4.3. National Level: (Migrant) Entrepreneurship Policy of the Michel Government (2014-...)

Since October 2014, Belgium has had a centre- right coalition government between two liberal parties (Flemish Open VLD and Walloon MR), a Flemish nationalist party (N-VA) and a Flemish Christian Democrat party (CD&V) under the leadership of francophone Prime Minister Michel (MR).[171] In response to EU pressure, the government pledged to further restrain public spending, and to pursue an ambitious reform programme to improve Belgium's competitiveness, including changes in tax policy, labour market rules and welfare benefits.

Within the Michel government, Willy Borsus of MR[172] was given the mandate over the fields middle class, SMEs, the self-employed, societal integration and agriculture. Following the completion of the sixth state reform at the beginning of 2014, the Communities and Regions obtained more autonomy (accompanied by an increasing budget) in labour market policy. Unemployment schemes remained at the

[170] Two Belgian partners take part in these projects, i.e. Digital African Women and University College Leuven Limburg (UCLLL).

[171] The composition of the Michel government brought along a number of discontinuities. It lead to the first absence of a Walloon socialist party in 25 years and the first participation ever of N-VA in the federal government. Following the non-participation of socialist parties despite the majority held by the socialist PS party in the Walloon and Brussels Capital Region, the Michel Government has been referred to as the Kamikaze government and besparingsregering' savings government '. Similar to the Flemish Government (See further), it has also been labelled the Swedish coalition, which is a reference to the flag of Sweden, with blue standing for Open VLD and MR, yellow for N-VA and the cross for CD&V.

[172] In 2017 he became Minister-President of the Walloon Government. His function in the federal government was taken over by his fellow party member Denis Ducarme.

federal level while the control mechanisms are to be regionalised. Labour market regulation, fiscal policy related to income, corporate taxes, civil law, corporate law and judicial power have remained mainly at the federal level. Registration of enterprises also takes place at the national level. Since 2003, this has been done by Kruispuntbank van Ondernemingen (KBO, Crossroadsbank enterprises). Eight recognized enterprise offices fulfil a bridging function between KBO and enterprises. As self-employed workers have a different social statute and a specific social security regulation they need to become member of a recognized social security funds for self-employed who fulfil a bridging function with Rijksinstituut voor Sociale Verzekeringen der Zelfstandigen (RSVZ, National Institute for the Social Security of the Self-employed).

The 2014 Governmental agreement of the Michel Government sets out the programme of the federal government until the end of its legislative term in 2018. It is written that *"it is our ambition to conduct a growth policy, in order to reinforce competitiveness and have our enterprises create extra jobs*."... "*In agreement with the EU 2020 Strategy, the government reconfirms the target of the National Reform Programme to achieve an employment rate of 73.2% by the end of the legislative term. This will among other things be realised by reducing labour costs (through the 'tax shift') and the further reformation of the labour market and the pensions, while the social security system is consolidated."… "The government wants to prioritize job creation in the private sector."…"Participation in the labour market will be encouraged, whereby special attention will be given to equal opportunities"… "The government acknowledges that access to work and earnings who are in relation with competences has remained difficult for a number of vulnerable groups. The government will particularly focus on gender equality, persons with a migration background and persons with a work handicap. It increases the participation of the elder and increases the struggle against youth unemployment."…*While the agreement states *"female entrepreneurship will be encouraged"*, a specific reference to the encouragement of immigrant entrepreneurship is however absent.

It further mentions: "*a more investment- friendly and entrepreneurship-friendly climate is necessary as enterprises are the most important thriving force for the creation of job activity, employment and wealth of our country".* The government calls SMEs[173] *"the backbone of the Belgian economy as between 2002 and 2010 85% of new jobs were created by SMEs. These jobs were created within the own region, with strong local embeddedness, by SMEs who are often family managed and non-relocatable. The role of the small, efficient government is above all to encourage. The ambition of the government is to create a framework within which entrepreneurship receives all opportunities. In order to advance job creation, targeted policy tools are required which specifically encourage the competitiveness of SMEs, such as a structural reduction of the administrative burden with 30%, which is priority, and a reduction of labour costs."*

"The government will develop special regulations about the financing of enterprises- also when they fail and want to start again-, the simplification of SME legislation, electronic trade and the hotels, restaurants and café sector. With regard to social protection the government also aims to improve the social statute of self-employed and increase efforts in the struggle against social and fiscal fraud." (Belgian Government, 2014:3-27).

5.4.4. Regional Level: (Migrant) Entrepreneurship Policy of the Bourgeois Government (2014-...)

In 2006, the Flemish Government and social partners started a socioeconomic forum called Vlaanderen in Actie (ViA, Flanders in Action). Within this framework, in 2009, the Pact 2020 was agreed on[174], which has the goal to position Flanders among the best European regions, both economically, socially and ecologically. Pact 2020 formulates three core principles for the future of Flanders (by 2020), i.e. wealth creation, inclusion and sustainability. A strategy is formulated which focuses on four

[173] In Belgium, there is no uniform definition of SMEs. With regard to the staff headcount criterion, SMEs are sometimes equated with Small Enterprises, which are defined as enterprises in which on a yearly basis not more than 50 people are employed. In agreement with the EU definition of SMEs, the definition sometimes includes Medium-sized enterprises, which are defined as enterprises with no more than 250 people employed.

[174] The pact was signed by the Flemish Government and the social partners, i.e. employer organisations and trade union organisations who are unified in the Sociaal Economische Raad van Vlaanderen (SERV, Socioeconomic Council of Flanders). Also Umbrella organisation Verenigde Verenigingen (Unified Associations), which represents hundreds of civil society associations (among which Forum Ethnic Cultural Minorities), the president of ViA and the Flemish Administration signed the Pact (Flemish Government, 2009b:9).

priority themes, i.e. a competitive and sustainable economy; more employment in more workable jobs and with longer careers; high-level quality of life; and an effective and efficient government. The Pact moreover comprises 20 sharply, clearly and measurably described objectives which are to be realised by 2020. Objective five specifically relates to entrepreneurship. It reads that "*by 2020 Flanders has a strong entrepreneurial culture with a rise in the appraisal of entrepreneurship and in the number of enterprises, in a way that it scores as good as the top 5 European Regions. Young starters will be encouraged and entrepreneurship among women, persons of foreign origin and the elder increases to a level which is in proportion with their presence in society.*" (Flemish Government, 2009a:23-24). In 2015, the Flemish Government presented a new future vision with 2050 as horizon. 'Vision 2050' further builds on the experience and projects of ViA, which ran from 2006 to 2014, within the Leterme I and Peeters I and II administrations. However, so far 'Vision 2050' has not gained broad societal support, let alone resulted in an action plan (Flemish Government, 2016).

The composition of the current Flemish Government, the Bourgeois government which started its activities in July 2014, is remarkably similar to its federal counterpart. The Bourgeois government is a centre- right coalition government between N-VA, Open VLD and CD&V, with the evident exception of francophone MR party. Here as well the absence of socialist party (SP.A) is rather exceptional, as this has only been the third time since the launch of the Flemish parliament and government in the 1970s. In the current government, there is no Flemish Minister for SMEs, self-employed or entrepreneurship. The current Flemish Minister for Employment, Economy, Innovation and Sport is Philippe Muyters (N-VA). Liesbeth Homans (equally from N-VA) is the Flemish Minister for Public Governance, Civic integration, Housing, Equal Opportunities and Poverty reduction[175].

The 2014 Flemish coalition agreement of the Bourgeois Government, entitled 'trust/confidence, connect and progress' ('vertrouwen, verbinden en vooruitgaan'), provides an overview of the main policy decisions for the legislative period 2014-

[175] Philippe Muyters was also Minister for Employment in the previous Flemish Government, i.e. the Peeters II government from 2009 to 2014. The Minister for civic integration was Geert Bourgeois (N-VA), the Minister for Economy was Kris Peeters (CD&V) and the Minister for social economy and cities was and Freya Van Den Bossche (SP.A).

2019. It is written that "*a small, transparent and efficient government stimulates welfare and well-being of its citizens"… "The Flemish Government aims at a public landscape which is comprised of strong cities and municipalities with more competences and autonomy. These are the first contact points for citizens. This requires a cultural shift within the Flemish administration, which further evolves from a controlling administration into a knowledge administration. The largest cities receive the possibility to deviate from the Flemish legislation, in case this can be motivated from an efficiency point of view or the metropolitan context and insofar this is in accordance with applicable European directives and regulations"*… On the other hand, *"the provinces are further slimmed down. They no longer exercise person-related powers, nor exercise supra-local functions or area-directed initiatives in cities with a population of over 200,000."*

"In order to consolidate sustainable economic growth and welfare in Flanders, we reinforce innovation and entrepreneurship as the economic source stream in Flanders… An innovative economic dynamic is grounded in an entrepreneurial culture… We want to excel as a knowledge-driven growth region. Innovation and entrepreneurship have to create dynamics of growth and job creation in an international competitive context. Innovation and entrepreneurship are par excellence leverages for sustainable solutions to great challenges in society in the field of environment, energy, healthcare, inclusion, etc… It's a policy of backing (potential) winners, rather than clinging to the economy of the past."

"A person who starts an own business or leads an enterprise takes risks and responsibility. We want to stimulate an entrepreneurial culture… reward and support entrepreneurship, as entrepreneurship creates added value and employment, income and profit and as such welfare and well-being… It also has a specific attention for target groups… The government must give the signal that entrepreneurship is highly esteemed: by stimulating an entrepreneurial spirit among youngsters, behave enterprise-friendly and by limiting the administrative burden on self-employed/ entrepreneurs." Hence, during this legislative period we will resolutely set in on the following three starting points:

- *A demand-oriented and market-driven government policy in the field of economy and innovation which gives confidence, esteems and stimulates* *entrepreneurship and offers legal security to enable successful entrepreneurship in Flanders and generate welfare and employment;*

- *A simplification and rationalisation of structures and instruments with faster and easier procedures, more transparency and customer-friendliness and a clear one office function;*
- *A larger focus on business-oriented innovation and valorisation, strong knowledge institutions with excellent research and a growth path for the 3% norm for R&D, for which we strive for 1% public expenses by 2020".*

"We lower the threshold for businesses to information and public support and *simplify the instrument mix… We recognize the added value of partnerships and projects. Agentschap Ondernemen (Agency Entrepreneurship) and IWT are merged into the new agency Flanders Innovation and Entrepreneurship (Vlaams Agentschap voor Innovatie en Ondernemen, VLAIO[176]). VLAIO is set up as the unique public entrepreneurship office and contact point for entrepreneurs in Flanders[177]."*

"We count on the responsibility of every policy level (both federal as local) in the creation of a favourable entrepreneurship-friendly climate. Particularly with regard to cost competitiveness, a powerful federal policy must be conducted for i.a. the reduction of wage and energy costs. We apply quantified and supported long-term objectives who enable international comparison as the compass for our policy. Engagements taken within the framework of the Flemish Reform Programme Europe 2020 and Pact 2020 are hence further pursued."

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[176] VLAIO is charged with implementing the economic, innovation and enterprise policy in Flanders. In cooperation with a large number of partners, in particular innovation centres and Flanders DC (District of Creativity) it contributes to a favourable entrepreneurial climate. It encourages Flanders to innovate in various ways: through funding, advice and services, co-ordination and networking and policy development. It supports both companies, research centres and organisations. The website of VLAIO also provides a list of all subsidy measures (165 in total) provided by European, Belgian, regional and provincial administrations, such as the SME wallet, ecological support, strategic transformation support, income compensation allocation, SME growth subsidy, SME innovation projects. Particular funds are available for certain target groups. Yet, apart from one subsidy measure which relates to the fiscal statute of foreign board members, no subsidy measures relate to foreigners or people of foreign origin (VLAIO, 2016).

[177] VLAIO and Flanders Investment & Trade together form the Flemish nexus of the Enterprise Europe Network, which was initiated by the Commission. As such, Flanders is embedded in a network of more than 600 partner organizations in the EU with 4,000 experienced employees. Through this network reliable information can quickly be provided about European legislation and legislation in other member states and enterprises can be brought into contact with enterprises from other countries who are looking for economic or technological cooperation (VLAIO, 2016).

"To raise the employment level for men and women aged 20-64 to 76% by 2020, the Flemish government reinforces its activation policies by working more on customization and competence-oriented matching. … Since a federal structural linear wage reduction is expected, the Flemish government stimulates the recruitment and further employment of certain target groups with a larger distance to the labour market. These wage reduction measures are limited to three target groups[178]*, i.e. young job seekers, job seekers between 55 and 65 and persons with a labour handicap... The Flemish target group policy will primarily focus on these groups."*

"Besides this, the activation policy places its emphasis on the following groups:

- *Young people and particularly unqualified school leavers*
- *Long-term unemployed*
- *Persons aged 55-65*
- *Latent labour reserves such as re-entries, inactive persons following temporary illness, persons in poverty and single parents*
- *Persons of foreign origin (allochthones). By improving the activation and competency policy, we will improve the position of jobseekers of foreign origin. We set in on a more integrated language policy, competence building actions and specific channelling and work experience trajectories for low-educated youngsters, with a particular focus on the urban problem. We also aim to reduce discrimination on the labour market, both preventively as curatively."*

"The Flemish government will strengthen the observation and availability control of the unemployed. In agreement with the federal government the normative framework for the regulation with regard to suitable position, active seek behaviour, administrative control and sanctions will be refined." … "VDAB will be able to

[178] Long-term unemployed (no longer) and persons with a migration background were not considered as target groups. According to Minderhedenforum (Minority forum), this disadvantages persons with a migrant background twice, as exactly persons with a migration background are often long-term unemployed. The employment rate of persons with a migrant background in Flanders is 44,4%, while the EU average is 58,5%. The rate is however higher than in Brussels (40.8%) and in Wallonia (32.8%). If Flanders wants to reach an employment rate of 76% by 2020, it will nonetheless need to activate more persons with a migrant background (Minderhedenforum, 2014).

exercise this competence more efficiently through a complete integration in her customised intermediation and guidance model."

"Flanders devotes more attention to labour migration policy. Although priority is given to the activation of the present labour reserve and the further increase of the interregional cooperation with Wallonia and Brussels, cooperation with the neighbour countries and the rest of Europe is deemed necessary. The Flemish Government will take steps to develop an active labour migration policy for employees and self-employed in accordance with the specific needs of the Flemish labour market. The Flemish government also foresees a flexible influx of highly and medium skilled employees via a dynamic bottleneck profession list."

"Apart from this, efforts are needed to create an active labour migration policy for wage-earners and self-employed which is accustomed to the specific needs of the Flemish labour market. We foresee a flexible influx of highly educated workers, as well as regular school through a dynamic bottleneck jobs list."

"As insufficient knowledge of Dutch language is a major obstacle to employment- in particular for people of foreign origin- a compulsory language screening is implemented for all foreign language job-seekers in function of their trajectory to work. In case of insufficient knowledge of Dutch language, we provide Dutch language education in a guidance trajectory at VDAB or the partners of VDAB. This can be followed by job training. Refusing Dutch language education is sanctioned, in a same way as refusal of other trainings is sanctioned."

"*The Flemish government further commits itself to entrepreneurship training"… "The Flemish government gives Syntra-Vlaanderen the task to orient the training supply. Additionally, also partnerships with certain sectors, companies, etc. can be developed."* This practice was also used by former governments. Partners have involved public (e.g. VDAB) and educational institutions (e.g. Hogeschool Gent), cities (e.g. Ghent) professional organizations (e.g. UNIZO, VOKA), specific sectors (e.g. horeca[179] Vlaanderen) and non-profit associations (e.g. vzw Stebo). Both under the Peeters I government (2007-2009), Peeters II government (2009-2014) and current Bourgeois government, Syntra has considered persons of foreign origin as one of the

[179] Hotel/ restaurant/ café.

target groups[180] (Syntra, 2009, 2015; De Loof, 2014:8-14). Although under all these governments subsidized projects have been set up, more evidence of subsidized projects was found under the previous governments (see table 15). From 2014 to 2016, vzw Stebo developed the project 'AZO!' (Allochtone Zelfstandige Ondernemers, self-employed entrepreneurs of foreign origin). The project was supported by the Flemish Government and the European Social Funds, which stimulates Flemish organisations to strengthen the labour market and increase employment. AZO aimed to create awareness and inform about running a business among persons of foreign origin in Flanders via info evenings. AZO also provides collective and individual support to starters. In 2017, vzw Stebo also started a programme to guide refugees towards entrepreneurship.

As regards the integration of persons with a migration background, the Flemish government conducts an integration and civic integration policy (see further). *"The aim of this policy is to enhance cohesion between all who have a common future in Flanders, based on a common set of values, fundamental rights and liberties. Integration and civic integration is a shared responsibility, of individual citizens and the entire society and her facilities. Persons with a migration background who are not professionally active as well as minor aged newcomers deserve special attention."*

"Integration policy is further aligned with the needs of local governments, as integration and citizenship come to rise in the neighbourhood, municipality or city. Much devotion is hereby given to participation (in the labour market, the district and associative life, education, cultural activities, etc.) and on Dutch language acquisition. Knowledge of Dutch is an essential tool for a fully-fledged participation in social and economic life. Language is also acquired by participating in the society. As such, we stimulate learning-by-doing, at the job, during trainings and in associative life."

"For the people entitled to follow the compulsory civic integration programme the effort obligation will be replaced by a result obligation. Moreover, it strives to make this compulsory integration programme apply in the Brussels Capital Region, and to EU- nationals who settle in Flanders." (Flemish Government, 2014:3-8, 21-67,128-131).

[180] In 2014, specific entrepreneurial service was given to (pre) starters of foreign origin by Syntra, Stebo, Syntra/VDAB, Betiad/UNIZO, Syntra/Stebo/VOKA/NFTE/Gusto, Fedactio and UMZO (Union of Moroccan Self-employed entrepreneurs in Belgium).

5.4.5. Local Level: (Migrant) Entrepreneurship Policy of the Ghent Municipal Executive Board of Mayor and Aldermen (2013-2018)

According to Jozefien De Bock and Pascal Debruyne migration has saved the city multiple times: at the time of the urban exodus of the middle class in the 1960s, migrants from countries such as Turkey, Morocco and Algeria filled in the abandoned jobs and houses. Ever since migrants have taken up many informal jobs and performed a lot of cheap labour in sectors where a part of Ghent's economy depends on, such as the hotel and catering sector and the construction sector.[181] Migrant entrepreneurship in particular has also been considered of great importance for the city of Ghent. Apart from the pure economic positive output, their biggest merit has been keeping the quarters of Ghent vivid (De Gendt, 2014:211-212) as most of the Turkish businesses for instance started in shops which were abandoned by Belgians, such as in Sleepstraat and in Wondelgemstraat. At a time when neighbourhood markets were increasingly supplanted by supermarkets, Turkish entrepreneurs moreover ensured the survival of the neighbourhood shop in Ghent (De Gendt, 2014:211-212). Vereniging van Vlaamse Steden en Gemeenten[182] (Association of Flemish Cities and Municipalities, VVSG), which acts within the framework of ViA and Pact 2020, has been encouraging local governments to develop a convenience store policy for years. While the primary role of neighbourhood shops is economic- commercial, they fulfil secondary roles as well; they have an important social function, contribute to the liveability of neighbourhoods and village centres and are likely to be more ecological. Ghent Municipality defines convenience stores as every business with its main activity being a bakery, butcher's, fruit and vegetable store, cheese store, fish store, natural foods store or mini-market with a maximum net area of 200m². This neighbourhood shop needs to be run by a self-employed person. In addition to general subsidy measures to façade renovation, since 2012, an extra subsidy measure has been in force in Ghent, within the framework of the approved ERDF project "Façade renovation and renovation of abandoned commercial properties" (VVSG, 2012).

[181] 'Migratie redt de stad '(Migration saves the city)- Debate with Jozefien De Bock, Bruno Meeus, Birsen Taspinar and Ben Banaouisse, organised by De Gentse Lente vzw in Ghent, 21 March 2014.
[182] All 308 Flemish municipalities are member of VVSG.

Since 2012, Mayor Daniel Termont (SP.A)[183] has led a coalition between SP.A (Socialists), Open VLD (Liberals) and Groen (Greens). Hence, unlike in the Belgian and the Flemish governments, N-VA and CD&V are not to be found in the current Ghent Municipal Executive Board of the Mayor and Aldermen (College van Burgemeester en Schepenen). Within the Municipal Executive Board one alderman is of Turkish origin, i.e. Resul Tapmaz (SP.A[184]), who is responsible for the domains Well-being, Equal Opportunities, Health and Sport. Mathias De Clerq (Open VLD) is alderman for Harbour, Economy and Entrepreneurship. Christophe Peeters (Open VLD) is alderman for Finance, Festivities, SMEs and Innovation.

The mission Ghent Municipality gives itself is the following one:"

- *Ghent is an open, solidary, wise and child friendly city. It brings all forces together to develop the city into a lasting liveable entity and in such a way further shape the future.*
- *In a creative way, Ghent wants to be a forerunner in the transition to a climate neutral city.*
- *We further build on an environmental friendly and diversified economy which generates prosperity for all.*
- *As such, we develop ourselves to a community of responsible citizens who can develop themselves freely and can count on the necessary support."*

To realise this mission, Ghent Municipality decided on nine principal strategic objectives. The fifth one, which relates to entrepreneurship, mentions that *"Ghent optimally applies present creativity and space for a diversified and sustainable economy and industry in which talent, entrepreneurial spirit, work and employment are being stimulated."* Nine principal strategic objectives were translated into forty

[183] Ghent Municipality has had a Socialist Mayor since 1989. Daniel Termont has been the Mayor of Ghent since 2007. In 2016, he was chosen as the president of Eurocities, a network which brings together local governments of 130 of Europe's largest cities and 40 partner cities. Its objective is to reinforce the important role that local governments should play in a multilevel governance structure.

[184] Tapmaz is the grandson of a Turkish guest worker who emigrated from Emirdag to Ghent, and the son of an entrepreneur who had one of the first Turkish restaurants in Ghent. Tapmaz himself was born in Ghent and was the owner of two restaurants in Ghent. From 2009 until 2012 he was alderman for personnel policy, informatics, administrational simplification and quality care.

strategic objectives. Within the policy field of Economy and Entrepreneurship, the following two strategic objectives influence the framework:”

1) *We strengthen, sustain and renew the existing industrial fabric and create space and conditions for a well-thought-out, sustainable growth of innovative sectors, also in the harbour.*
2) *We realise a climate which stimulates and reinforces entrepreneurship, creative ideas and innovation.”* (Ghent Municipality, 2014:1-2).

Chapter one of the administrative agreement for the period 2013-2018 of the Ghent Municipal Executive Board, titled poverty reduction, well-being and Openbaar Centrum voor Maatschappelijk Welzijn (Public Centre for Social Welfare, OCMW) mentions that “*absolute priority will be given to poverty reduction. Whereas due to historical reasons Ghent has a high poverty rate, also new forms of poverty have come to rise… We will strive for social justice and a maximum well-being of the citizens of Ghent. Via OCMW (through a re-evaluation of allocation of the social integration allowance*[185]*) and civil society, citizens in poverty will be empowered. While priority will be given to an inclusive policy, in some cases a specific policy will be necessary. Offering opportunities also means that we expect people to make efforts to participate in society.”*

“Whereas EU citizens are by law not enforced to follow a free civic integration trajectory, following the trajectory is set as a condition for migrants from Central and Eastern Europe who want to make a claim on OCMW- support. There is a need for an integral trajectory whereby organizations involved coordinate their services and improve the capacity of language education. Where possible, the principle of combining work with learning is the starting point. Well-being of children receives extra attention.”

Chapter seven, on economy, mentions that *“the economic policy of Ghent Municipality needs to arm entrepreneurs in Ghent and the industry for the future. That’s why in Ghent we choose for a sustainable economy… We encourage future-oriented businesses who choose for a sustainable production, i.e. using less resources and energy.*

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[185] The size of the social integration allowance is decided at the federal level.

"The industry, not in the least the harbor of Ghent, remains an important employer in Ghent. We want to ensure the future of the industry in Ghent, which has developed itself into an example of sustainable harbor activities. Simultaneously, there is a need for a further well-thought-out growth and diversification of Ghent's economy, which is possible by engaging in growth sectors with a high added value and extra employment, such as the energy and environment technology and the creative economy[186]."

"Also SMEs play a significant role for the city as they create a large number of jobs, a good mix of living and working and a strong social fabric. We want to maintain and strengthen this activity, and where possible bring it back to the city, by creating a good climate for starting entrepreneurs. Consultation with various economic sectors is very important."

"With the educational institutions and the business life on hand, our city possesses unique trump cards. We want to play these trump cards by remaining a hospitable pool of attraction for local and international entrepreneurs. Through their knowledge centrums and their spin-offs, we need to implement educational institutions in innovative and sustainable projects, in close cooperation with the business sector. We strive for a Ghent, which is eventually recognized and considered as the reference city for sustainable economic development. Also innovation needs further support in order to ensure a flourishing social economy sector."

"Cooperative entrepreneurship- based on participation and solidarity- receives special attention. Ghent Municipality will support initiatives of citizens to establish cooperatives. Also a platform for crowdfunding will be established, whereby persons and businesses who wish to start an innovative, sustainable project can look for alternative funding by citizens of Ghent. The activities of Ondersteuningspunt Ondernemers Gent (OOG, Support Point Entrepreneurs Ghent) and the support of starters and re-starters will be enlarged, which creates good guidance for businesses during the application process for licenses. OOG also gives special attention to sustainable entrepreneurship. We aim to reduce the administrative burden of all local enterprises, i.a. through digitalization and guidance. Public databases will be made

[186] Enterprises active in the following fields: new media, audiovisual art, culture-related activities, publications and prints, creative services, design, diamond and fashion (Ghent Municipality, 2016).

digitally available so that applications can be developed in the interest of citizens and businesses in Ghent. A clear regulation will be elaborated whereby the self-employed and enterprises receive added organizational support in case their activity is jeopardized or impeded by public works."

"We want to raise the chance of success for starters and limit failure. This implies re-starters as well on whom still a stigma rests. Furthermore, in cooperation with OCMW, we pay attention to the self-employed in poverty. The purchasing policy of Ghent Municipality reflects the goals of innovation, creativity and sustainability. The allocation of government assignments is among other things based on sustainability criteria. In such a way, Ghent Municipality gives chances to innovative and creative businesses."

"Vicinity is an important trump of the city. It is desirable to encourage the livability of neighbourhood shops and hotel and catering sector and the implementation of small businesses who are reconcilable with the living environment, particularly in new city parts and quarters. Following the experiment to diversify the trade fabric in Wondelgemstraat[187], we aim for a similar approach in other streets. Downtown and in the centers trade and the hotel and catering sector are of major importance. We want to give them all chances to further develop." (Ghent Municipality, 2012:5-12, 53-59).

According to the 2014-2019 policy document of alderman De Clerq on Economy and entrepreneurship, *"Ghent aims to create a local entrepreneurial climate as favourable and sustainable as possible where enterprises can flourish and grow. We have attention for both existing as new enterprises, for healthy enterprises as well as enterprises in difficulties. We want to do this based on a stimulating policy for entrepreneurs, with a clear vision and strong ambition on the short and long term. However, also actions within other policy fields such as mobility, environmental planning, environment and labour market affect the attractiveness to do business in Ghent. As such this policy document cannot be seen separate from the policy plans in these fields."*

The 2014-2019 policy document on economy and entrepreneurship of Ghent Municipality policy claims the five most important themes are the following ones:"

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[187] A street in Rabot neighbourhood with large presence of Turkish businesses.

- *Stimulation of an entrepreneurial culture*
- *Support to starters and re-starters*
- *Creation of extra and sustainable space to do business*
- *Enlargement of acquisition policy, development spearhead policy and enlargement sector policy*
- *Enlargement of a service accustomed to entrepreneurs"*

'These are themes in which local policy can help making a difference, in function of the maintenance of jobs and creation of new jobs, the strengthening of the urban economy, increasing the prosperity of the present inhabitants and future generations and the transition to climate neutrality". These actions are also to be found in the policy plans and action plans at the European, national and regional level. Throughout the themes and the action, a maximum focus is put on the possibilities of the green economy… Together with innovation and knowledge development this creates new chances for the development of the urban economy."

"This local policy is complementary with existing initiatives of higher governments and the socioeconomic midfield. It is not the intention to copy existing initiatives, but where necessary to deal with remaining gaps." Ghent Municipality foresees 500 million EUR to strengthen the global and economic climate in Ghent through the 2014-2019 multiannual budget. Entrepreneurship policy is an inclusive policy, i.e. a policy which is reachable by all sections in society." (Ghent Municipality, 2014, intro).

Chapter eight of the administrative agreement for the period 2013-2018 of the Ghent Municipal Executive Board Chapter, on work, mentions that "*the employment rate in Ghent is above 103%, which means that besides many citizens of Ghent, also many people who live outside the city, have a job in the city. Some other citizens in Ghent however face difficulties in finding a place on the labour market: in particular, young, elder, low skilled persons, persons of foreign origin and persons with a handicap… The new city council considers the elimination of the labour market paradox, combatting the thresholds for work and inequality on the Ghent labour market as top priorities and it will oppose every form of discrimination. Via guidance and education and in cooperation with VDAB and other partners, Ghent Municipality, must enable jobseekers to find their way towards valuable job… An anti-*

discrimination pact will be agreed upon following a consultation with entrepreneurs in Ghent.''

Although Ghent Municipality also aims to encourage entrepreneurship, it does not go as far as stating there is need for a 'cultural change' towards more appraisal of entrepreneurship, which is however formulated at the European, national and regional (Flemish) level. While it states poverty reduction is an absolute policy priority at the local level this is not so at the higher levels. This may be explained by the limited power of the local level in the field of entrepreneurship, but also by the more leftist composition of the Ghent Municipality Executive Board in comparison to the composition of the national and regional governments.

Chapter nine on integration mentions that *''while Ghent has seen a gradual growth in population and in diversity- today it hosts nearly 160 different nationalities, cultural minorities, elder, LGBT's, young, people with a handicap, etc.- we want Ghent to remain an open and solidary city where everyone feels at home and be a place where is being invested in the positive coexistence of diverse population groups. We want to come to a social cohesion where everyone's individual and cultural identity survives, but where the fundamental norms and values of its democratic rule of law, such as the equality between man and woman, the freedom of speech, freedom of partner choice and the protection of everyone's physical and psychic integrity, remain the cornerstones of society.''*

''Guaranteeing equal opportunities in the first place means providing the perspective for social progress. Opportunities are pre-eminently created via education and work and we put a strong emphasis on the knowledge of Dutch language as this increases the opportunities of newcomers.''

''We reoriented the integration policy from a target groups policy into an emancipation policy, with emphasis on the emancipation of women of foreign origin. We will maintain structural contact and cooperate with self-organisations and civil society organisations. We encourage initiatives of organisations that further the integration and emancipation of cultural minorities and support ethno-cultural associations in a transparent way in their activities in the field of education, work, wellbeing, youth, sports and culture. Structural and project-based cooperation between ethno- cultural and local associations will be encouraged, as well as between

different communities, for instance between the Turkish and the Bulgarian community."

Apart from this, direct reference to the Turks is absent. References are only made to new migrant groups. "*Migration from Eastern Europe puts a lot of pressure on our city and its service. Measures will be taken to advance harmonic coexistence and combat the nuisance. We will keep exercising pressure on higher governments, in particular the European Union, to tackle the problems fundamentally and limit the influx."* (Ghent Municipality, 2012:53-69).

<u>Support for starters</u>

Starters can contact both public, semi-public and private institutions to get assistance with regard to entrepreneurship. First of all, the website of Ghent Municipality provides a lot of information about entrepreneurship with links being provided to other instances who provide assistance with regard to entrepreneurship in town. Ondersteuningspunt Ondernemers Gent (OOG, Support Point Entrepreneurs Ghent) is the urban public contact point for entrepreneurs in Ghent, which was established with the support of the ERDF. OOG provides information about issues related to entrepreneurship, such as support measures, permits, starting a business, searching for a business location, alternative financing and staff. Lots of general information is to be found on the Dutch website https://oog.stad.gent/. OOG can also be contacted by mail or telephone. For specific questions, a personal account manager will provide assistance. (Aspiring) entrepreneurs can also contact 'De Startersfabriek', a non-profit association, founded by Ghent Municipality and 34 founding and encouraging partners, which aims to coordinate starter initiatives in Ghent and give guidance to starters. For young people or students 'De Gentrepreneur' platform was moreover launched, which provides workshops, info sessions, free advice, coaching and a network of young entrepreneurs.

Unlike before, entrepreneurs do not have to pass various public agencies to have their (sometimes obligatory) formalities (e.g. enrolment at KBO, Enterprise number, VAT number, permits) being taking care off. This can now be handled by private entrepreneurial offices, contact points for enterprises, which offer a large number of services to entrepreneurs. While in Belgium there are eight recognized offices, six are equally to be found in Ghent: Eunomia Vzw (with two offices), Acerta Vzw, Partena Vzw Xerius Vzw, Securex and Zenito Vzw.

<u>Financial support measures</u>

In addition to subsidies and other support possibilities of the European, provincial, Flemish and federal governments, mentioned in the subsidy database of VLAIO[188], Ghent Municipality provides some extra financial support measures for (potential) entrepreneurs having their business on the territory of Ghent: "

1) *One of the first steps a starting entrepreneur needs to take is enrollment at KBO, a federal public databank which was founded several years ago in replacement of the trade register. Enrollment takes places at an entrepreneurial office and costs 83.50 EUR. Ghent Municipality automatically repays the enrollment fee.*
2) *Ghent Municipality supports starting entrepreneurs through a starters contract, i.e. an agreement between Ghent Municipality and (re-)starters. The contract provides access to support for formations, professional accompaniment and investments. Within the framework of the starters contract, 40% of the expenses can be recollected for the following investments:*
    - *enrolment and course fees for formation and education purposes*
    - *The fees for professional advice and accompaniment*
    - *Investments in the enterprise*
    - *The maximum total intervention is 5,000 EUR, including VAT.*

    This support is subject to the following conditions:
    - *You are a starting entrepreneur, a practitioner of an independent or intellectual service providing profession or a restarter who interrupted his/her enterprise for at least one year.*

188 http://www.vlaio.be/subsidiedatabank/maatregelen.

- *You have since less than 2 years been registered as self-employed in main occupation*
- *Your enterprise is located in Ghent*

3) *Ghent Municipality provides subsidies for the renovation and embellishment of commercial properties, which applies to traders, tenant-traders, owners of commercial properties and hotel/ restaurant/ café/ bar tenders (See before). The following subsidies are available:*
    - *Façade renovation: maximum subsidy of 10,000 EUR*
    - *Certain structural works within the commercial area: maximum subsidy of 5,000 EUR*
    - *Creating a separate entrance to make the residential entities above the commercial property accessible: maximum subsidy of 1,500 EUR.*

    The subsidy percentage amounts to 30% of the costs. Extra attention is given to activities that increase the accessibility for people with a physical limitation.
4) *Businesses with an available floor surface ≤ 500m² and new businesses in the first three years after their start-up are offered exemption on the urban tax on business establishment.*
5) *'Creative quarter Rabot' is a pilot project of Ghent Municipality to stimulate the creative economy and the interaction between employers, organisations and citizens in the Rabot quarter. Rabot's central location and industrial heritage, combined with modern architecture and the diversity of its citizens are considered to offer a good basis for creative talent. Ghent Municipality offers support to entrepreneurs who are active in the creative economy sector and to entrepreneurs who wish to set up shop in this quarter. Support is offered in three ways:*
    - *To the coworking, hotel, and caterings sectors by offering attractive and affordable work places to entrepreneurs from the creative economy sector (e.g. culture related activities, new media, audio-visual arts, design and fashion, publication and prints).*
    - *Renovation grants for structural work areas of creative entrepreneurs. The support amounts to maximum 50% of proven costs, with a maximum of 12,500 EUR. Extra efforts in terms of sustainability are*

extra supported, with a maximum of 3,000 EUR. With this measure, Ghent Municipality aims to attract more creative entrepreneurs to the quarter and raise the visibility of already present creative entrepreneurs.

- *Ghent Municipality encourages initiatives which bring entrepreneurs (from the creative economy or from other sectors), umbrella organisations, knowledge and education institutions, sector federations and neighbourhood organisations into contact with each other. These are activities that promote cooperation and networking, organise formations or promo actions that make the creative economy visible and/or promote the quarter Rabot-Blaisantvest as business residence. Entrepreneurs from the creative economy and their partners can recover up to 50% costs, with a maximum of 7,000 EUR.*

6) *Ghent Municipality encourages entrepreneurs and organisations to place electric charging poles for cars and make these accessible to others by an allocation of 1,000 EUR for the placement of such a pole. This is subject to the following conditions:*
    - *For every location maximum one subsidy and for every applicant maximum two subsidies a year.*
    - *You only receive a subsidy for the costs of the charging pole.*
    - *It has to remain active for a period of five years.*
    - *The pole is accessible to everyone during the office hours of the enterprise.*

7) *Ghent Municipality offers energy coaching. Following an energy scan of the enterprise, accompaniment is offered in the making of and the execution of an energy savings plan. Furthermore, premiums are allocated to enteprises who implement energy saving measures.*
8) *Ghent Municipality supports self-employed entrepreneurs and SMEs in financial need. There are support measures as regards loans, inspection, advice, coaching, staff issues, debt mediation, delay/exemption of payment, psychological assistance and replacement in times of absence. It also supports*

entrepreneurs in case of difficulties due to public works, provides answers concerning restarts and other useful advice.

9) *Ghent Municipality offers a subsidy to building owners who plan to place a green roof, on the condition that the roof has a size of at least 6m², minimum a drain layer, scaffold layer and a vegetation layer as well as a flat roof with a buffer capacity of at least 35l/m². Subsidies amount to 31 EUR/m² for entrepreneurs not subjected to VAT and 25 EUR/m² for entrepreneurs subjected to VAT. For every building, a maximum of 25,000 EUR can be requested.*

10) *With the subsidy regulation for the support of trade initiatives, PUUR Gent (Pure Ghent)*[189] *wants to encourage traders to take initiative to promote the core of their trade. This subsidy can amount to maximum 50% of the total costs, but is limited to 3,000 EUR. Natural persons, legal persons and de facto partnerships are eligible. The initiatives need to comprise more than one individual trade business, be accessible for free and be located in Ghent* (Ghent Municipality, 2016).

In line with the entrepreneurship policy mentioned in the policy agreement 2013-2018, no subsidies are provided to migrants in particular.

5.5. FLEMISH INTEGRATION POLICY

As previously mentioned, targeted business support programs for immigrant entrepreneurs are particularly common in traditional immigrant destinations such as the United States and Canada, and in European countries that have a long history and/or developed comprehensive integration policies relatively early, such as the Nordic countries, the Netherlands, the United Kingdom, Germany, Austria and Belgium[190] (Desiderio and Mestres-Domenech, 2011:161; Desiderio, 2014:9). However, although persons of foreign origin were mentioned as a target group of

[189] Non-profit association established in 2015, which operates under the legal name 'vzw Business Improvement District Ghent' (vzw BIG). Vzw BIG is a satellite vzw of Ghent Municipality, which aims to professionalise entrepreneurship policies in Ghent and promote entrepreneurs in Ghent.

[190] It should be added here that in fact comprehensive integration policies in Belgium, have only been developed by the Flemish Government while the Walloon Government has opted not to develop any comprehensive migrant integration policies.

entrepreneurship policy of ViA Pact 2020 and a variety of programmes was set up to stimulate migrant entrepreneurship until 2014, little evidence was found of targeted business support programs for immigrant entrepreneurs in policies of the current Flemish government and Ghent Municipality Executive Board. Both in the Flemish Government and the Ghent Municipality Executive Board a priority is expressed for inclusive policies whereas more specific targeted policies will be conducted '*where necessary'*. The lower amount of evidence found of targeted business support programmes for migrants since 2014, suggests that these programmes have since 2014 been considered less 'necessary' by the Flemish Government and Ghent Municipality Executive Board.

The following part aims to find out whether the limited number of support programmes for migrant entrepreneurs in Flanders is in accordance with the present Flemish integration policy[191]. Findings of Desiderio and Mestres-Domenech (2011) and Desiderio (2014) suggest that targeted business support programmes for migrant entrepreneurs were more common before. Hence, also a study will be made of the evolution of the Flemish integration policy to find out more generally in which way the presence and absence of support programmes for migrant entrepreneurs relate to Flemish integration policies. The study of the Flemish integration policy aims to answer the following questions: 1) which part of the population does it apply to, 2) what are the objectives of the policy; and 3) what are its tools (e.g. the presence or absence of targeted groups) and what is the main motivation for this?

Today, while the EU is supporting national and local policies, EU member states are primarily responsible for integration. Many of them have conducted integration policies to 'integrate' non-dominant cultural groups in the dominant society. The notion of 'integration' however does not make any reference to the type of policy and as such has become an umbrella term for policies which respond to the challenges of living together in an intercultural context.

According to Berry (1997:8-12), in culturally plural societies, cultural groups and their individual members, in both the dominant and the non-dominant situations, must deal with the issue of how to acculturate, i.e. the general processes and outcomes

[191] As migrant integration belongs to the competences of the community, the Flemish migrant integration policy also applies to Brussels, although different regulations are implemented.

(both cultural and psychological) of intercultural contact. Strategies with respect to two major issues are usually worked out by groups and individuals in their daily encounters with each other. These issues are *cultural maintenance* (to what extent are cultural identity and characteristics considered to be important and their maintenance strived for) and *contact and participation* (to what extent should they become involved in other cultural groups or remain primarily themselves). As these acculturation strategies can be considered from the point of view of both dominant and non-dominant groups, also national policies and programmes can be analysed in terms of these four approaches. This national context can moreover affect acculturation strategies of the non-dominant group, such that in explicitly multicultural societies individuals may seek to match such a policy with a personal preference for integration, whereas in assimilationist societies, acculturation may be easiest by adopting an assimilation strategy for oneself.

States[192] can pursue assimilationist policies when they do not wish individuals to maintain their cultural identity and wish them to seek daily interaction with other cultures. This policy expects all immigrants and ethno-cultural groups to become like those in the dominant society. When people are forced to assimilate the notion of pressure cooker may be appropriate. When people themselves choose to assimilate, the notion of melting pot may be employed. In contrast, others pursue segregationist policies when they want individuals to place a value on holding on to their original culture, and at the same time wish them to avoid interaction with others. When individuals themselves choose this option, the separation alternative is defined. When states wish individuals to both maintain one's original culture, as well as to engage in daily interactions with other groups integration is the option. Here, some degree of cultural integrity can be maintained, while at the same time individuals are requested to participate as an integral part of the larger social network. Here states are willing (/ pleased) to accept and incorporate all groups to a larger extent on their own cultural terms. Finally, others have sought the marginalisation of some unwanted groups by combining attempts of forced assimilation (pressure cooker) with forced exclusion (segregation). Here, little possibility or interest is given to cultural maintenance (often

[192] While Berry (1997:9-10) presented the acculturation strategies from the point of view of non-dominant groups, here they are presented from the point of view of national policies and programmes of the dominant group.

these individuals face enforced cultural loss), nor to having relations with others (often these individuals face exclusion or discrimination). Marginalisation is rarely a freely chosen option.

Table 28: Acculturation Strategies from the View Point of the Dominant Society.

	Dominant society considers cultural maintenance of the non-dominant group to be of value	Dominant society does not consider cultural maintenance of the non-dominant group to be of value
Dominant society considers maintenance of relationships with larger society to be of value	Integration	Assimilation (pressure cooker)
Dominant society does not consider maintenance of relationships with larger society to be of value	Segregation	Marginalisation

Source: Berry, 1997:8-12.

Integration can only be 'freely' chosen and successfully pursued by non-dominant groups when the dominant society is open and inclusive in its orientation towards cultural diversity. Thus, a mutual accommodation is required for integration to be attained, involving the acceptance by both groups of the rights of all groups to live as culturally different peoples. This strategy requires non- dominant groups to adopt the basic values of the larger society, while at the same time the dominant group must be prepared to adapt national institutions (e.g. education, health, labour) to better meet the needs of all groups now living together in the plural society.

It follows that the integration strategy can only be pursued in societies that are explicitly multicultural[193], in which a certain ideology with the following psychological pre-conditions is established:

1) the widespread acceptance of the value to a society of cultural diversity (i.e. presence of a positive multicultural ideology),

[193] Multiculturalism is a concept whose meaning varies by concept and writer. The term can be used as a demographic description of a society, it can refer to an ideology on the part of individuals or government that ethnic, racial, cultural and religious diversity should be accepted or rejected; or it can refer to public policies/ programs (e.g., multicultural curricula). These three features are closely related (Berry, 2016:5). Finally, it can also refer to a specific normative political theory that lays out principles for governing diverse societies (Bloemraad et al., 2008:154).

2) relative low levels of prejudice (i.e. minimal ethnocentrism, racism and discrimination)
3) positive mutual attitudes among cultural groups (i.e. no specific cultural hatreds) and a sense of attachment to, or identification with the larger society by all groups (Berry, 1997:8-12; 2016).

Around the end of the 21st century, in many countries around the world, such as the United States, Australia and several European countries, such as Denmark, Austria, the Netherlands and the United Kingdom, the active ‘achievement’ of diversity was abandoned and the promotion of assimilation became more apparent in both the discourse and public policies on minority integration (Mitchell, 2004:641; Entzinger, 2006:1; Modood, 2008:84). In the winter of 2010-2011, a number of Western-European political leaders, among which Angela Merkel, Nicolas Sarkozy, David Cameron, as well as Belgian Prime Minister Yves Leterme, claimed the multicultural society/ multiculturalism had failed.

In federal Belgium, the idea that ‘multiculturalism has failed’ is today still the dominant discourse at both the national and the regional level, in which two main culprits are pointed the finger to: Firstly, persons of foreign origin are being accused of not adopting Western values and norms. This has been accompanied by a growing individualisation of responsibility/ quid pro quo model. In an interview with a Flemish newspaper in 2013, current Flemish Minister for Domestic policies, Housing, Urban Policies, Social Economy, poverty reduction, Equal Opportunities and Civic Integration, Liesbeth Homans (N-VA), called racism a relative concept which is mainly being used as an excuse for personal failure. Secondly, the leftist elite are being blamed for extensive usage of political correctness, promoting multiculturalism and glossing over criminality, nuisance, profiteering, wrong education, fundamentalism etc. The integration sector is commonly being identified with the leftist elite (Groffy and Debruyne, 2014:44), which has resulted in growing criticism on institutions such as Unia and Minderhedenforum, primarily by Belgian State Secretary for Migration and Asylum, Theo Francken (N-VA) and State Secretary for Equal Opportunities and Poverty Reduction, Zuhal Demir[194] (N-VA).

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[194] Lawyer and politician, born to Alevi Kurdish parents from Turkey. In 2017, she was the first person of Turkish origin to become Minister or State Secretary in Belgium.

In the complex and multinational Belgian state, jurisdiction over migration and integration policy is divided among different departments of the federal government, and among different departments of the communities and the regions. Federalism and state reforms have resulted in a situation whereby currently migration policy is primarily a competence of the Belgian Government within an international (European Union) legal framework. Since 2014, Theo Francken (N-VA) has been State Secretary for Migration and Asylum, which was added to the Minister for Internal Affairs. Migrant integration policy is primarily a competence of the communities, regions and cities. In the Flemish government, which combines the Flemish Region and the Dutch-speaking Community, there is a Minister for 'Integration' and 'Civic Integration' (inburgering). Since 2014, this function has been exercised by Liesbeth Homans (N-VA), who has the central and final responsibility for the entire minorities policy.

In what follows, before discussing the current Flemish 'Integration and Civic Integration policy', a brief historical evolution of Flemish Integration Policies will be given.

5.5.1. History of Flemish Integration Policies

The history of Flemish Integration Policies can be divided into three periods; pre-1980, 1980-2004 and 2004 to present.

5.5.1.1. Pre-1980

In the aftermath of World War II, low educated labour migrants ended up in Belgium's mining and textile sectors. Not the society, but the labour market was considered the receiver of guest workers. As guest workers were considered temporary workers who eventually would return to their country of origin, interest in stimulating guest workers' social or cultural integration in society was limited. The moral dimension of labour migration was based on the financial win-win perspective that migrant workers and the receiving society cherished. At the end of the 1960s a new form of migration emerged, i.e. chain migration, which similar to asylum migration, required a more responsible role of the receiving society. The 1974 economic crisis led to the introduction of a (labour) migration stop by the Belgian Government, while the further acceptance of chain migration and asylum migration was legitimized on humanitarian grounds[195] (Coffé and Tirions, 2004:29). Within this context, Islam became recognized as one of the official religions in Belgium. By the end of the 1970s, social workers, community workers and trade unions became more important players in the field of migrant integration. Pushed by the trade unions, electoral rights for migrants became part of the political debate (Groffy and Debruyne, 2014:46). Despite the establishment of a political commission in the mid-1970s which debated the rights and duties of migrants, laws concerning the residence of foreigners and the prohibition of racism were not implemented before 1980 (Coffé and Tirions, 2014:29).

5.5.1.2. 1980s: Categorical Well-being Policy

The official discourse of conservative government parties in the early 1980s was that migration had to be stopped, but integration of migrants who aimed at permanent settlement in Belgium had to be promoted (Coffé and Tirions, 2004:29). Since then nationality legislation has been considered as an essential instrument to stimulate integration and political participation (Loobuyck and Jacobs, 2010:33)[196]. With the second state reform of 8 August 1980, the policy with regard to the reception and integration of immigrants was transferred to the Dutch, French and German-speaking communities, and as such came under the authority of the newly established Flemish Government, which merged the Dutch-speaking community and the Flemish Region. In the course of the 1980s the Flemish Government developed a number of policy instruments with a view to the construction of a categorical well-being policy, such as an accompaniment service for migrants, the stimulation of self-organizations among migrant groups and the construction of language education for adult migrants.

[195] The acceptance of chain migration at the end of the 1960s was economically motivated. Guest workers were considered to be more motivated to work for a longer period when they were joined by their family (Coffé and Tirions, 2004:28).

[196] The 1984 Belgian Nationality law enabled foreign residents to obtain Belgian citizenship. The law changed several times. While previously foreigners could request naturalization after a minimum of 3 years legal residency in Belgium (Loobuyck and Jacobs, 2010:33), since 2012, a minimum legal residence of 5 years, in addition to meeting various conditions, i.e. proving knowledge of an official language in Belgium, integration in society, and a work experience during at least 1,5 year within this period, has been required. Every child born on Belgian soil from a parent also born in the country however automatically acquires Belgian nationality, which relates to the idea of 'ius soli'.

At the end of 1982, the Flemish High Council for Migrants was established as a discussion partner for the government (Van den Broucke et al., 2015:17).

From the mid-1980s onwards, the impoverishment of the migrant population could no longer be ignored. Concepts such as deprivation, deprived neighborhoods and deprivation reduction emerged and ‘integration’ became largely interpreted as socioeconomic integration. In 1986, Veerle Hobin and Frank Moulaert introduced a White Paper on Integration Policy concerning migrants in Flanders-Belgium, with a plea for structural measures to reduce poverty and exclusion. This was yet met with limited government interest (Groffy and Debruyne, 2014:46). In fact, until the end of the 1980s, due to the narrow scope of Belgian and Flemish migrant integration policies, migrant integration policies were in practice more a collection of local initiatives, mostly organised by trade unions and/or social workers (Van den Broucke et al., 2015:18).

5.5.1.3. 1989-1998: Coordinated Migrant Policy

Yet, the economic crisis of the 1980s also affected the jobs of many Belgian native blue-collar workers. Competition at the bottom side of the labour market, in combination with the emergence of Flemish far-right secessionist party Vlaams Blok (Flemish Block), led to an upsurge in racism within the Flemish population. The political debate hereby shifted from unemployment, poverty and structural deprivation towards culture and ethnicity (Groffy and Debruyne, 2014:46). Following the electoral breakthrough of Vlaams Blok party at the 1988 local elections[197], the Belgian Government decided on the creation of an Interdepartmental Committee for Migrant Policy (i.e. a discussion forum for all the governments involved in migration policy) and a Royal Commissariat for Migrant Policy (Koninklijk Commissariaat voor Migrantenbeleid, KCM), which would be charged with the inquiry of the issue of migrant integration and the development of a coherent federal policy with regard to the inclusion of immigrants (Van den Broucke et al., 2015:17). Instead of applying the socioeconomic analysis of the White Paper, the approach of ‘problematic living together’ entered the concept of ‘integration’. Cultural differences and Islam became

[197] Its electoral breakthrough at the national elections happened on ‘Black Sunday’ on 24 November 1991.

highlighted as problematic issues. Electoral right for migrants was no longer topic of debate. At the same time the integration sector was reorganized and professionalized (Groffy and Debruyne, 2014:46). KCM developed a consensus-based integration concept based on rights and duties. Integration was seen as the 'insertion' of migrants, which holds a middle position between assimilation and segregation, into Belgian society (Coffé and Tirions, 2004:29-30) according to three guiding principles:

a) *assimilation where public order demands it;*
b) *consistent promotion of best possible fit in accordance with the orienting social principles which support the culture of the host country and which are related to 'modernity', 'emancipation' and 'true pluralism'—as understood by a modern western state;*
c) *Unambiguous respect for cultural-diversity-as-mutual-enrichment in all other areas.*

Furthermore, integration entailed the promotion of structural involvement of minorities in the activities and targets of the government (Loobuyck and Jacobs, 2010:32). A clear end point of the integration process was however not mentioned (Blommaert and Verschueren, 1998). As the integration concept also made reference to cohesion, which is perceived differently in the different regions, both the Flemish and the Walloon Region were expected to develop their own cultural integration model, without negatively affecting the traditions of the neighbor (Coffé and Tirions, 2004:30). Officials and supporters of this policy considered the Belgian option as a multicultural one with a lot of space for diversity and pluralism (Loobuyck and Jacobs, 2010:32). According to Blommaert and Verschueren (1998) the Belgian policy and integration discourse was ethnocentric and results in assimilation and 'homogeneism', a fundamental non-acceptance of diversity. In 1993, KCM was replaced by the Centre for Equal Opportunities and Opposition to Racism (Centrum voor Gelijkheid van Kansen en Racismebestrijding, CGKR)[198].

As a result of the division of labour, the Flemish government had the freedom to give its own interpretation to the federal migration policy. The first Flemish policy

[198] This agency is under the responsibility of the Prime Minister of Belgium and its principal tasks are fighting racism, discrimination, human trafficking and poverty, studying recent immigration, the screening of foreigners' rights and organizing information campaigns and training (Loobuyck-Jacobs, 2010:32-33). In February 2016 its name was changed into Unia.

note on migrant policy of March 1989 acknowledged the permanent presence of immigrants in Flanders and stated the need for a specific policy approach with a double focus: attention to the lack of equal opportunities in various domains and attention to emancipation through recognition of cultural identity (Loobuyck- Jacobs, 2010:34). The regulation as regards integration centers for migrants gave recognition to the private and public initiatives which before 1990 had dealt with integration as social service, community work organs or accompaniment services for migrants and had grown throughout the years (Van den Broucke et al., 2015:18).

The keywords of this Flemish policy in the 1990s were two-track policy (tweesporenbeleid), inclusive policy and coordinated policy. The two-track policy targeted an integration policy (comprehended as 'Equal Opportunities policy') and a cultural policy, aimed at empowering migrants to come up for their own rights. This cultural policy was the result of a growing awareness that until then the debate on migrants had been too much restricted to a debate among native Belgians, which objectified migrants.

A shift from categorical towards inclusive policy meant that every minister within the Flemish government was urged to take responsibility for the concrete implementation of the migration policy (education, employment, wellbeing, media, etc.) (Van den Broucke et al., 2015:18). Yet, categorical policies were not fully abandoned, as is clear from the subsidizing of self-organizations (Coffé and Tirions, 2004:31). On top of the general migration policy, where needed, a specialized policy would be conducted. Policy coordination was considered essential with a view to the promotion of cohesion within and the monitoring of the progress of the entire government policy with regard to migrants. In addition to this, the Flemish government emphasized the responsibility of local governments. The sector's three main activities were the reception of newcomers, the development of language education and the stimulation of migrant associations (Van den Broucke et al., 2015:18).

5.5.1.4. 1998-2004[199]: Coordinated Minority Policy

The coming to office of a new government in 1995 gave an impetus to further develop the Flemish migrant (integration) policy. However, the reference to migrants was replaced by the notion of (ethnic- cultural) minorities. The strategic plan for the Flemish policy regarding ethnic- cultural minorities, made up in 1996 by the interdepartmental Migrant Commission (Interdepartementale Commissie Migranten, ICM) and approved by the Flemish Government, resulted in the first Flemish minorities decree on 28 April 1998 (Van den Broucke et al., 2015:18).

The minorities policy was a three-track policy (driesporenbeleid) comprised of an emancipation policy for established groups, a reception policy (onthaalbeleid) for newly arrived foreigners and a specific absorption policy for people without a legal residence permit (opvangbeleid). This decree also had a large organizational component: the ‘integration sector’ evolved from 8 regional and 43 local integration centers into 5 provincial and 2 local integration centers (Antwerp and Ghent), 1 Brussels Capital integration center, in addition to urban integration services. These integration centers were supported by the Flemish Minorities Center (Vlaams Minderhedencentrum, VMC)[200] and became structurally recognized as executors of the Flemish integration policy in the field. A coordinating minister and a coordinating commission had to prevent overlaps and contradictions between different sectorial initiatives. In 2000, the Minorities Forum (Minderhedenforum) was established as an official discussion partner of the Flemish Government in matters that concern ethnic cultural minorities.

This decree identified five target groups as regards the emancipation and reception policy: citizens of foreign origin who are legal residents, recognized refugees, traveling population groups, people entitled for a civic integration trajectory and people without documents (Motmans and Cortier, 2009:65). The Flemish Government would opt for inclusive measures as much as possible. Special categorical

[199] The minority policy formally lasted until 2009, when the minorities decree was amended by the integration decree. In 2004, an updated minority policy was accepted by the Flemish Government, called ‘living together in diversity’.

[200] In 2011, VMC was reformed into Kruispunt Migratie-Integratie (Crossroads Migration- Integration). In 2015, it was added to the Flemish Public Agency Integration and Civic Integration (Agentschap Integratie en Inburgering).

measures only for minorities would hence be temporary (Van den Broucke et al., 2015:19).

5.5.2. As of 2004: Minority/ Integration[201] Policy *and* Civic Integration Policy

Since 2004, in addition to its integration policy, the Flemish Government has been using a civic integration policy. The 2003 civic integration decree has seen a number of modifications, the largest of which were registered in 2006, 2009 and 2013.

5.5.2.1. 2004: Living in Diversity and Civic Integration Policy

During the first years of the 21st century, the Flemish integration policy, officially referred to as ‘minority policy’ formed a mixture of categorical (1980s) and inclusive (1990s) elements (Loobuyck and Jacobs, 2010:34). In 2004, the Flemish Government accepted an updated strategic plan for minority policy, called ‘living together in diversity’. The focus of the integration policy hereby enlarged to the whole society as “all citizens need to learn how to deal with ethnic cultural diversity”. This integration policy also became referred to as ‘diversity policy’.

Since the end of the 1990s, there were various local experiments and projects related to reception policy of newcomers. Largely inspired by the idea of citizenization (inburgering) of the Netherlands, the Flemish Government officially accepted the so-called citizenship trajectories (Inburgeringstrajecten) with the civic integration decree of 2003 (Loobuyck and Jacobs, 2010:35). With this decree, which came into force in 2004, the integration sector- or ‘diversity sector’- came under the authority of Minister for Civic Integration, Marino Keulen (VLD[202]). The policy note of the new government in 2004 foresaw the abandoning of a target group approach and the development of a two-track policy, comprised of living together in diversity and a civic integration policy (Flemish Government, 2006:intro). The integration sector developed itself as a player on the market of diversity management and interculturalisation of services, organisations and facilities. Its role in the organization of persons of foreign origin and their emancipation diminished. Self-organisations and

[201] In 2009, the minority decree was amended by the integration decree.
[202] In 2007, the party changed its name into Open VLD.

their federations on the other hand have kept a target group approach. The police, schools and other facilities appeal on them to get advice on participation, induction etc. (Groffy and Debruyne, 2014:47).

The civic integration policy was regulated by the separate 2003 civic integration decree, which defined civic integration as follows: *"An interactive process whereby the government offers foreigners a specific programme, which on the one hand enables them to improve their ability to cope independently and on the other hand contributes to the recognition of the people of the target group as fully-fledged citizens by the society, with the fully-fledged, active participation of all and the realization of sufficient amount of social cohesion in society as objective."*

While the civic integration decree was built on the reception policy (onthaalbeleid) of the minority policy, it also emphasized some new issues (Keulen, 2004; Motmans and Cortier, 2009:63-71). The Flemish Government considered civic integration as a process with mutual duties and rights and no longer as something entirely non-committal. The Government has the duty to offer the target group a customized civic integration trajectory. In turn, the newcomer commits itself to active participation in his/her civic integration trajectory. The policy paper on civic integration for the period 2004-2009 mentions that "*the newcomer is expected to do everything that is possible to gather the ability to cope independently, while the Flemish Government takes its responsibility, by offering the necessary starting chances, in order to commence a new life in a different society. At the same time, it is the duty of the newcomer to participate actively in society, by making necessary efforts, as well as getting to know and to respect the language and the forms of interaction of the receiving society… The obligatory nature of the civic integration policy has an emancipatory objective"* (Keulen, 2004:9). This rights-and-duties approach is in line with the discourse of the active/ activating welfare state (De Cuyper et al., 2010) and with the integration concept which was developed by KCM in the early 1990s.

Article 3 of this decree identifies the target group[203] of the civic integration policy as *"foreigners ≥18, registered[204] as residents in Flanders or in the bilingual Brussels Capital Region, with the exception of foreigners who have a temporary*

[203] The target group also includes under-age newcomers who do not speak Dutch. They however receive an accustomed trajectory.
[204] i.e. registered in the Belgian national Register.

residence objective and asylum seekers whose asylum request has not been declared admissible yet." Yet, the target group was much larger than the group that was obliged to undertake tuition (Loobuyck and Jacobs, 2010:35). While it was the intention to oblige every newcomer who since less than 1 year had been registered in a municipality of Flanders or the Brussels Capital Region to follow a civic integration trajectory, *national, European and international legislation foresaw that, in addition to the exceptions mentioned in article 3, citizens of the EEA, their spouses, their children under the age of 21 and their parents; newcomers aged 65 or older and newcomers who are seriously ill; spouses of Belgian citizens and residents in the Brussels Capital Region could not become obliged.* As all of these categories were however entitled to the trajectory, their participation was optional (De Cuyper et al., 2010; Loobuyck-Jacobs, 2010:35)[205].

Article 4 mentioned that *"the citizenship trajectory comprises a primary and a secondary part. The primary trajectory, which intends to increase foreigners' abilities to cope individually, is made up of a social orientation course with regard to the Flemish and Belgian society, the provision of basic level Dutch language courses, career orientation (in cooperation with VDAB) and counseling. The secondary trajectory aims at a fully-fledged participation of the people of the target group in society. It is however not provided by the reception agencies, but by standard provisions and is non- obligatory. It allows people belonging to the target group to pursue a professional education or an education to become an entrepreneur. For people interested in entrepreneurship, VDAB can call upon Syntra Flanders, the Flemish agency for formation of entrepreneurs, to give an orientation course"* (De Cuyper et al., 2010:14). *"Although adult foreigners in a weak socioeconomic position will be exempted from this, the Flemish government could decide on a fee for the citizenship trajectory which has to be paid by the adult foreigner."*

Article 5 mentioned that, *"except in case of conflicting international legislation and with the exception of foreigners who are registered in the Brussels Capital Region, adult foreigners who infringe on the obligation to report to a reception desk within a term of 3 months following their registration and subsequently participate in the*

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205 The trajectories were for instance compulsory for asylum seekers whose application have been declared admissible and non-EU newcomers who marry with a non-EU citizen (Loobuyck and Jacobs, 2010:35).

formation programme on a regular basis will be sanctioned with a fine between 1 and 25 EUR. The Flemish Government could make up a list of groups who cannot be obliged to attend the citizenship trajectories."

At the same time, the portfolio of Civic Integration was created and added to the Flemish Minister of Domestic Affairs, who hence became responsible for Civic Integration Policy (also being referred to as diversity policy) and the coordination of the entire policy domain (Van den Broucke et al., 2015:19). The execution of this civic integration policy is not executed by one executive organ but by a multi-actor model[206], with the former three being the 'core partners':

- Eight formally recognized reception desks (5 provincial and three urban in Ghent, Antwerp and Brussels) implemented this civic integration policy in the field.
- With a view to the provision of Dutch language courses, between 2002 and 2004 in Flanders and Brussels 8 Houses of Dutch were established: 5 provincial Houses and 3 urban Houses, in Ghent, Antwerp and Brussels. In 2005 the structure and the functioning was coordinated to the one of the reception desks to guarantee a one- agency- functioning.
- VDAB
- municipalities (in providing information)
- OCMW
- standard facilitators of Dutch language courses

5.5.2.2. Modification of the Civic Integration Decree in 2006[207]

The modification of the 2003 decree in 2006 above all resulted in the addition of a certain group of Belgians of foreign origin to the target group, namely the so-called 'oldcomers'. As such, the target group shifted from newcomers to people who

[206] Both the Houses of Dutch and the reception agencies are judicial entities that enjoy a large autonomy. As these reception agencies grew from private initiatives, throughout the years have developed an own method and vulture, it can be suggested that both the translation of these policies and the cooperation practices will receive a different implementation in different regions (De Cuyper et al., 2010:15).

[207] The decree of 2003 was a second time modified in 2008, albeit to a much smaller extent. Changes principally related to asylum seekers (De Cuyper et al., 2010:4).

participate in the civic integration programme (inburgeraars). The target group of this civic integration policy, as mentioned in article 3 of the Decree, became twofold[208]:"

1) *Persons≥18, who recently migrated to Belgium and who have taken up long- term residence in Flanders or in the Brussels Capital Region, with the exception of foreigners who have a temporary residence objective and asylum seekers whose asylum request has not been declared admissible yet;*
2) *Every Belgian≥18, born outside Belgium, of whom at least one of the parents was born outside Belgium, and registered in Flanders or in the bilingual Brussels Capital Region.*

"While everyone belonging to these categories has the right to follow a citizenship trajectory, certain categories within the target group will be given priority, one of which is the category of people that has been obliged to attend these citizenship trajectories, as mentioned in article 5, provided they are registered in Flanders." This group was also enlarged:"

1) *Every person belonging to the target group whose registration in Belgium does not exceed a period of 12 months;*
2) *Every person belonging to the target group who is a religious figure of one of the religions recognized by the Belgian State[209], and responsible for worship service;*
3) *Every recognized refugee in Belgium, provided his/ her registration does not exceed a period of 12 months;*
4) *Persons belonging to the target group whose registration in Belgium exceeds 12 months and who enjoy an income through social services or a social integration wage (leefloon)".*

[208] Under-age newcomers are also included in the target group. They however take part in a different trajectory.

[209] The Belgian Constitution, which does not foresee in a strict separation between state and religion, recognizes 7 worldviews. The first Belgian Constitution in 1831 already recognized Catholicism, Protestantism and Judaism, later on Anglicanism (1835), Islam (1974) and orthodox Christianity (1985) were recognized. In addition, non- confessional humanism (1993) was recognized as a seventh worldview. However, unrecognized religions/ worldviews remain. With Buddhism and the Syrian Orthodox Church important steps have been taken in order to receive recognition as a "community of worship" (Art. 181, § 1 Const.) or as a "non-confessional philosophical association" (Art. 181, § 2 Const.).

Nonetheless, there are still a number of categories within the target group who are exempted from the obligation, such as people with a nationality of an EU/ EEA state or Switzerland, with the exception of people who only have the Belgian nationality or have the Belgian nationality and the nationality of state different from an EEA state or Switzerland, but do not have the nationality of another EEA state or Switzerland. This exemption equally applies to family members of people with a nationality of an EU/ EEA state or Switzerland; newcomers ≥65; newcomers who are seriously ill or disabled; and newcomers who register in one of the 19 Brussels municipalities.

We can hence conclude that particularly people with an origin different from an EU/ EEA state or Switzerland were targeted by this decree. Since 2007, non-EU partners of settled and naturalized Belgians of non-EU origin have been added to the group with obligatory compliance (Loobuyck- Jacobs, 2010:35). As a result, since 2007, citizenship trajectories have for instance been obligatory for Turkish male/female newcomers who married a naturalized Turkish woman/man. Moreover, regardless of holding the Belgian nationality or not, settled immigrants of non-EU origin insufficiently mastering the Dutch language could be obliged in case they are unemployed, have children at school, or want to make use of social housing facilities. Since March 2008, Belgians born outside Belgium with at least one parent born outside Belgium are also obliged to participate in a civic integration course.

The decree of 2006 also put more emphasis on sanctions and since September 2008, non-compliance, to be understood as non-participation, can lead to fines ranging from €50 to €5,000, depending on the nature and the quantity of infringements. People who belong to the target group but are not obliged to attend the trajectory can also be fined. These fines range from 50 to 500 EUR.

5.5.2.3. Integration Decree of 2009: Start of the 'Integration Policy'

The updated version of the Flemish minority policy, called living in diversity, resulted in the fundamental modification of the 1998 Minorities decree by the Flemish Integration Decree of 2009. As a result the 'minority policy' became an 'integration policy'. "While priority had first been given to a civic integration policy that aimed at providing newcomers with the individual baggage to connect to Flemish society, the integration policy now had to ensure living harmoniously together in diversity in quarters, villages, associations and the job as much as possible." (Dejaegher, 2009; Motmans and Cortier, 2009:69-71)

Article 2 of the decree defines integration as "*a dynamic and interactive process in which individuals, groups, communities and provisions, each from a context of enforceability of rights and duties inherently in relation to our democratic rule of law, are in a constructive way related to each other and deal with migration and the consequences of this in society."*

The division between natives ('autochthones') and people of foreign origin ('allochthones') was erased from the decree, as the integration policy *is directed at the entire society, no matter the origin.* Yet, depending on the issue, special interest will be given to *two specific target groups*[210] *as they face more challenges in areas such as employment or education* (Dejaegher, 2009; Motmans and Cortier, 2009:69-71):

- *persons who have been legally residing in Belgium for more than three months and who were not Belgian at birth and/or from whom at least one of the parents was not Belgian at birth, especially these people who are situated in an observable deprived situation*
- *travelling persons ('woonwagenbewoners') (Art.3)*

"The integration policy is a three-track policy: an emancipation policy, directed at the proportional participation of all; a policy directed at the accessibility of all facilities for all; and a policy which is directed at the living together in diversity (Art 4§1)". Art 4§2 mentions that *"integration is an inclusive policy, which is realized within the general policy of various sectors, largely through general measures and only when necessary through specific actions and facilities".* Article 6§1 mentions that *"within a period of 12 months following the taking of office, the Flemish Government will decide on the strategic and operational objectives, whereby in every relevant policy domain the objectives of the integration policy will be decided. Integration is considered as the responsibility of society as a whole and active and shared citizenship for everyone was given a central role*." (Dejaegher, 2009).

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[210] In addition, special attention will be given to people without legal documents residing in Belgium.

The decree foresaw in the replacement of VMC by a Flemish Expertise Center Migration and Integration (Vlaams Expertisecentrum Migratie en Integratie, VLEMI), which, unlike VMC, also has to be applicable to civic integration policy. While integration is not merely the responsibility of the integration sector, the new decree also awarded an important role to it with respect to *secondary civic integration*. After obtaining the certificate of civic integration the integration sector puts the new Fleming on its way to facilities which can improve his further integration, emancipation and education. As such, local integration services can for instance take up initiatives to reduce the language backlog of children of ‘new Flemings’ in education as much as possible through for instance homework accompaniment. They can foresee in extra language education or offer support to parents at contact moments for parents at school or stimulate the participation of parents to outside school activities. In the thirteen center cities (including Ghent), the role of the integration service can be enlarged with a contact point for discrimination (Van den Broucke et al., 2015). A participation organisation (i.e. Flemish Minority Forum) will encourage empowerment and representation of interests and will hence represent both autochthonous and foreign (‘allochtone’) organizations. The minister hereby speaks of a bottom-up approach (Motmans and Cortier, 2009:71).

For the implementation of the local integration policy, the new decree gave more authority to the municipalities. The integration sector is made up of overarching Flemish services, 8 (principally provincial) integration centers and 34 local integration initiatives. Finally, social interpretation and translation services were for the first time mentioned in the decree which enables structural funding (Dejaegher, 2009).

5.5.2.4. Decree of 2013 Concerning the Flemish Integration Policy and Civic Integration Policy

The decree of 7 June 2013[211] concerning the Flemish Integration and Civic Integration policy was the next attempt to link the decrees civic integration and integration inextricably with each other. It enabled the establishment of an external autonomous and hence depoliticized Flemish Agency of Integration and Civic

[211] In order to include the tasks defined in the 2004 decree of the Houses of Dutch, the decree of 7 June 2013 was altered by the decree of 29 May 2015.

Integration[212] by private law (Art.16). This agency aims to execute the Flemish integration and civic integration policy in the field and operates in Flanders and in the bilingual Brussels Capital Region. As of 2015, the reception desks civic integration, the integration centers, the social interpretation and translation services[213], Kruispunt Migratie-Integratie and the Houses of Dutch[214] were incorporated into the Flemish Agency of Integration and Civic Integration. Minority Forum remains the only recognized participation organization to represent the target groups.

Article 12 of the decree mentions that "*within the borders of their territory, cities and municipalities have the directing role as regards integration policy, which means that within the borders of the principle of subsidiarity they are responsible for the implementation, guidance and fine-tuning of the inclusive local integration policy. For the execution of the Flemish integration and civic integration policy in Ghent and Antwerp two separate agencies are foreseen, called IN-Gent[215] and Atlas respectively."*

In comparison to the 2009 decree, the definitions of integration and the target groups of the integration policy remained unchanged, as well as *the notion that the Flemish integration policy is an inclusive policy,* which is realized within the general policy of different policy domains, largely by general measures, *and only when necessary through a specific supply* (Art. 4§1). *The Flemish Government determines on the policy domains which are relevant to integration (Art.7).*

Integration policy became understood as *"the policy which with concerted initiatives plays in on the situations and dynamics that are connected to the consequences of migration, with independent and proportional participation, accessibility of all provisions, active and shared citizenship for everyone and*

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[212] It is worth mentioning here that the Governing Council of the Agency of Integration and Civic Integration was from December 2013 to March 2017 presided by Zuhal Demir (N-VA), who is of Turkish- Kurdish origin. In March 2017 she became federal state secretary for poverty reduction, equal opportunities, people with a handicap, management of large cities and scientific policy. She was replaced by Roel Verhaert.

[213] Except the social interpretation and translation services in Brussels.

[214] Except the House of Dutch in Brussels.

[215] (NPO) IN-Gent is a merge of 3 non-profit organisations: NPO Kompas Ghent, NPO Intercultural Network Ghent and NPO Interpretation and social translation service Ghent. At the same time some functions were taken over from Ghent Municipality. In-Gent's Governing Council is presided by Resul Tapmaz (SP.A.), who is of Turkish origin (IN-gent, 2016).

obtaining social cohesion[216] *as a goal." (*Art. 4§2). *It encourages the process of integration, guided by the following principles: equality, respect for all, attention for differentiation, migration as opportunity for society, attention for anti-discrimination and the fight against racism, active citizenship for all, empowerment of particular target groups and good knowledge of the environment's language (Art. 4§3). The targets of the integration policy are realized in an integrated way, i.e. they are adjusted to the local and (sub)provincial level context; inserted in the local and (sub)provincial inclusive integration policy; a results-oriented approach is priority; there is close cooperation with facilities with a view to structural embedding; and maximal involvement of special target groups."*

For the first time civic integration is clearly positioned as a component of the integration process as it is considered as an "*accompanied trajectory towards integration in which the government offers a specific customized programme to individuals belonging to the target group of the citizenship trajectories, which increases their self-help potential with a view to their participation on a professional, educational and social level."*

With regard to the citizenship trajectories, a shift took place from an effort obligation to a result obligation. The new decree imposed on the people subjected to compulsory citizenship trajectory the obligation to attain a certificate of the A2[217] level in Dutch language, as well as some basic knowledge about the Flemish/ Belgian society. The target groups as mentioned in the 2003 decree following the 2006 modifications, as well as the group of people belonging to the target group for whom the citizenship trajectory is compulsory, remained unchanged.

5.5.3. Criticism

The Flemish civic integration and integration policy has frequently been confronted with skepticism. While right-liberals, nationalists and conservative liberals have stressed the importance of obligations and sanctions, more progressive politicians

[216] Active and shared citizenship for everyone and obtaining social cohesion replaced the goal of living together in diversity. Hence, although not mentioned as such, a four-track policy seems to have replaced the former three- track policy.
[217] Using the Common European Framework of Reference for Languages. At the A2 level one should to deal with simple, straightforward information and begin to express oneself in familiar contexts.

have argued that obligation is only fair when there is sufficient availability of tutoring and the waiting lists for lessons have been eliminated (Loobuyck and Jacobs, 2010:35). Municipalities and civil society organizations have criticized the incorporation of civil society organizations active in the integration sector in the public sector, claiming it is not a politically neutral choice but interferes with specific organizations and the autonomy of the larger civil society integration sector. Some have hereby blamed the Flemish Government for a lack of transparency in the reform plans and a lack of dialogue with civil society. Another criticism has been the strong focus on newcomers, while local policies and Public Centers for Social Welfare equally deal with many 'oldcomers' (Groffy and Debruyne, 2014:59).

Largely owing to ethnocentric and assimilationist elements within the policy, it is often said to conflict with the European principle of integration which describes integrations as a two-way process[218]. In a hearing in 2013, Eric De Jonghe, director of Brussels' reception desk for civic integration, stated: "The reform does not pay enough attention to the role of the receiving society". Jos Jacobs of the East Flemish section of Agency Integration and Civic integration, OdiCe, claimed "the design (of the new policy) pays a large deal of attention to the civic integration obligation of various groups of newcomers, but does not even spend one page on the integration work" (Groffy and Debruyne, 2014:50). Goffry and Debruyne (2014) conclude that while a policy was worked out by the receiving society, i.e. the Flemish Government, it did not take the hurdles experienced by the target group as a starting point of this policy.[219] The decree does not make any reference to racism and discrimination based on origin, whereas it is an obvious problem in society, as shown by practical tests done by Minorities Forum: 1 out of 3 candidate renters on the rental market is being discriminated against based on its foreign name. Kif Kif[220] showed that tens of companies had asked recruiting agency Adecco not to recruit foreign workers. 56% of the notifications in 2012 at Center for Equal Opportunities concerned racial criteria. According to Loobuyck- Jacobs (2010:35) the idea of civic integration is also

[218] According to the Common Basic Principles for Immigrant Integration Policy of 2004, reaffirmed by the European Council Conclusions of June 2014.
[219] According to Groffy and Debruyne (2014:50,58) the Flemish Agency of Integration and Civic Integration cannot stand 'at the side of the target group', because the representation of their interests is considered the function of Minorities Forum and is as such drawn away from the Agency. Morover, the framework of civic integration was fully developed from the point of view of the receiving society.
[220] A Flemish intercultural non-profit association (vzw) which strives for equality and stands up against racism.

controversial in migrant communities as rather than legitimizing the support in qualification, empowerment, emancipation and capabilities, people tend to associate this policy with assimilation and increasing obligations. In an interview on the Flemish television channel in 2016, Secretary of State for Migration and Asylum, Francken, however argued participants of the programme consider the civic integration course useful.

The Flemish Association for Cities and Municipalities concluded that most actions in the decree are meant for the group of people who are subject of the citizenship trajectory and primarily concern language issues. However, the bad socioeconomic situation of foreign citizens cannot be resolved by merely taking language measures. Structural actions which tackle discrimination and deprivation are required. While high expectations are put on civic integration certificates, which have to generate a sufficient civil effect, they are not in the least put on employers. Moreover, researchers of HIVA and Support Point Diversity and Learning claim the civic integration and integration policy takes the risk to construct new hurdles, rather than tackle existing ones. Groffy and Debruyne (2014:51) claim there is an area of tension between the approach in which knowledge of Dutch is considered a prerequisite for participation and the approach in which learning the language is a vehicle for participation. The risk of the first approach is that it will become a mechanism for exclusion.

Research done by the Research Institute for Work and Society of KU Leuven showed that obtaining this A2 level, regardless of being coupled with a certificate or not, did not offer any guarantee for a better influx to the labour market (Wets et al., 2012:49-50).

5.5.4. Conclusion

The Flemish migrant integration policy has over time evolved from a categorical policy in the 1980s to a more inclusive and co-ordinated policy in the 1990s. The present Flemish migrant integration policy shows a clear preference for inclusive policy, whereby specific actions, other than general policy will ‘only be taken when necessary’. The present Flemish civic integration and integration policy can be considered a hybrid integration policy, combining both multiculturalist and assimilationist elements, in attempt to face the challenge of superdiversity. Flanders' gradual retreat from state-sponsored multiculturalism towards a certain level of assimilation fits with a similar trend in a large number of other European countries since the end of the 1990s (Entzinger, 2006; Mitchell, 2004). On the one hand, the Flemish approach defines membership in terms of participation in a common culture; open to all, rather than on grounds of ethnic descent and aims to achieve social cohesion in which everyone's particularity and cultural identity can prosper. On the other hand, the Flemish approach obliges both newcomers and Belgians of foreign origin to learn the language and agree with the 'Flemish' values of pluralism, democracy, the rule of law, freedom, equality, solidarity, respect and citizenship (Loobuyck- Jacobs, 2010:36). At the same time, the Flemish Government has insisted that its civic integration policy is open to diversity and does not aim at assimilation.

This approach is primarily built on two different elements. Firstly, identity politics, in the form of democratic cultural nationalism, which takes an intermediate position between ethnic and civic nationalism and is currently to be found in nearly all Flemish political parties[221]. Whereas Flemish nationalism was in the beginning essentially a movement for Flemish cultural and linguistic emancipation of a state controlled by francophones, it gradually reached out to broader aspects of political and social life (Hooghe, 1993). Democratic cultural nationalism accepts immigrants as full members of the nation, provided that they learn the corner stones of Flemish society, i.e. the language, history and values of the society (Loobuyck-Jacobs, 2010:30-31). At the same time, in Flanders, the recognition of ethno-cultural groups and group- based multicultural policies play an important role. This approach is based on the belief that preservation and development of cultural heritage and identity can also stimulate and promote emancipation and participation within its society. At the moment, thirteen ethnic cultural federations are being recognized and/ or subsidized[222] by the Flemish Government, for reasons of inclusiveness developed from both native and non-native civil society. Amongst these federations are Turkish Union and the Union of Turkish

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[221] Although Flanders' largest political party N-VA has positioned itself as a supporter of civic nationalism, in practice it equally appears to embrace democratic cultural nationalism. Its positioning can be regarded as a way to distance itself from the ethnic nationalism that Flemish far right party Vlaams Belang (Flemish interest) supports. An example of Vlaams Belang's ethnic nationalism is its strong focus on anti-Islamic stances.

[222] Within the framework of the decree for sociocultural adult work of 2003.

Associations and more intercultural associations such as FZOVL and FMDO. They form umbrella bodies for a total of 1,638 sections all over Flanders and Brussels and form an important partner of Flanders' integration policy. These federations aim to empower, generate interculturalism and make people's voices heard. In relation to the governments and other policy making authorities since 2000 the interests of these federations have been upheld by FOV Federation Sociocultural Work (FOV Federatie Sociocultureel Werk). Minorities Forum (Minderhedenforum) has functioned as speaker for many ethnic- cultural minorities in Flanders and Brussels (FOV, 2016).

Secondly, on the logic of the active/ activating welfare state, which claims citizens' participation in society is not only the state's responsibility, but also the responsibility of citizens themselves.

As such, the Flemish situation can be qualified as being one of inegalitarian multiculturalism: the cultural identity of minorities is important, but the Flemish culture always has to take precedence (Martiniello, 1997). In terminology of Berry (1997) its policy can be called an integration policy, as some degree of cultural integrity is maintained, while at the same time seeking to participate as an integral part of the larger social network. In the terminology of Brubaker (1992) it seems justified to label the Flemish Civic integration and integration Policy a policy of intransitive assimilation, as this policy directs to a certain degree of similarity. As such, it is largely unintended and often invisible. It is not something done to persons, but rather something accomplished by them. However, in the last years maintenance of cultural integrity of non-dominant groups has been less publicly supported, as shown by strong criticism on communications of Minorities Forum, which is the only organization officially recognized to represent the interests of both the target groups, and Unia. The incorporation of civil society organizations into the public integration sector was at least for a number of these organizations not a voluntary decision.

5.6. STRUCTURED QUALITATIVE RESEARCH INTO TURKISH ENTREPRENEURSHIP IN GHENT IN DECEMBER 2016

The following section relates to the sample survey questionnaire which was conducted in the form of structured interviews with 43 Turkish entrepreneurs in December 2016 in Ghent.

5.6.1. Presentation of the Data and Proposition testing

A series of questions (Q3, Q4a, b and c) were asked to establish the impact of entrepreneurship on upward social mobility (i.a. a rise/drop in monthly net income) contemporary Turkish entrepreneurs have experienced as a result of entrepreneurship relative to the professional status they had prior to becoming entrepreneur. Yet, the majority of the question were selected in accordance with the three factors influencing entrepreneurial decision-making and success of the mixed embeddedness conceptual framework i.e. policies and administrative challenges/ institutional politics, market conditions/ economy in which a distinction is made between the labour market, the product market and the financial market; and finally, individual and social factors. Data are presented in the same chronology. Median calculation was applied to test a total number of 20 propositions which were developed from explanatory variables. These dependent variables were derived from the questions in the questionnaire and as such were in accordance with the mixed embeddedness conceptual framework. For the independent variable data were used of 38 entrepreneurs who stated their average monthly net income group level in 2016 (Q4c). Data of the same 38 entrepreneurs excluding the data of 4 recently established entrepreneurs (i.e. entrepreneur for <1 year, Q1) were used as a control group (CG).

5.6.1.1. Questions Related to Social Mobility: Income Impact of Entrepreneurial Decision-making (Comparison with Previous Position)

- *Q1: How long have you been self-employed/ an entrepreneur? (uninterruptedly and may include various businesses)*

Table 29: Q1

<1 year	4	9.3%	
1-2 years	4	9.3%	
3-5 years	11	25.6%	
6-10 years	8	18.6%	(Median, M[223])
11-20 years	8	18.6%	
>20 years	8	18.6%	
Total	43	100%	

Source: Structured interviews December 2016

18.6% of the entrepreneurs had been entrepreneur interruptedly for no longer than 2 years, with 9.3% having started a business no longer than 1 year before. Entrepreneurs who had been an entrepreneur for less than one year were 2 psychologists (n°1 and 2), a restaurant holder (n°32) and a hairdresser (n°38). Entrepreneurs who had been an entrepreneur for one to two years were a hairdresser (n°5), a student/ entrepreneur with a çig köftebusiness (n°10), an entrepreneur with an interior design/ bazaar shop (n°19) and an entrepreneur with a business in import/ export (n°33).

The largest group (=the mode[224]) has been entrepreneur for 3 to 5 years. Values are lower but equally spread over the groups '6-10 years', '11-20 years' and '>20 years' and the median value is 6-10 years.

- *Q2: What was your professional status right before you became self-employed/ an entrepreneur?*

Table 30: Q2

wage-earner	32	74.4%
long-term unemployed (minimum 1 year)	2	4.7%
Student	9	20.9%
other	0	0%
Total	43	100%

Source: Structured interviews December 2016

[223] The middle value in a list of numbers or values that can be numbered. To find the median, numbers have to be listed from smallest to largest or the other way around. The middle value of 43 entrepreneurs is the value of the 22nd entrepreneur.
[224] The value that appears most often in a list of numbers or values that can be numbered.

74.4% was wage-earner prior to becoming self-employed and 20.9% student. Only 4.7% said they had been long-term unemployed (i.e. for minimum 1 year) prior to becoming entrepreneur. All former wage-earners also mentioned the sector which they were active in. The four sectors where more than one wage-earner had been professionally active in were:

- the hotel, restaurant and catering sector (7): restaurant, 3; bakery, 2; Turkish superette,1; butcher's, 1,
- the textile sector (5),
- the meat industry (3)
- the cable industry (3).

Others stated they had formerly been professionally active in a solar panel company, transportation company, salt factory, garbage collecting service, ground works, flower company, import export, electricity, marketing, banking, nursing, accountancy, research and one had worked for the public integration service. One self-employed (n°10) was combining studies with her business, with the help of family members. In this study she is considered as self-employed, who was a student right before she became self-employed.

- *Q3: How do you feel your present hierarchical position in society (i.e. position in society in terms of prestige) relates to the hierarchic position (i.e. position in society in terms of prestige) you had during your professional status right before becoming self-employed/ an entrepreneur? (see Q2)*

Table 31: Q3

My present hierarchical position in society is much higher	6	14.0%	
My present hierarchical position in society is higher	26	60.5%	(M)
I do not experience any difference in hierarchical position in society	9	20.9%	
My present hierarchical position in society is lower	2	4.7%	
My present hierarchical position in society is much lower	0	0%	
Total	43	100%	

Source: Structured interviews December 2016

About one fifth of entrepreneurs did not experience any difference in hierarchical position in society since becoming self-employed. 74.5% however stated their present hierarchical position in society is higher (median), with 14% of them considering their present hierarchical position as ‘much higher’. Only 4.7% considered the present hierarchical position in society to be lower. One entrepreneur (n°39) who took over the business of his father mentioned he did not experience any difference in hierarchic position as many people had also considered him and his brother as self-employed when he was wage-earner. One entrepreneur (n°4) mentioned that even though he did not experience any difference in hierarchical position he has felt freer since he became self-employed.

Table 32: Q3 and Former Professional Statuses (Q2)

	much higher	higher	same level	Lower	much lower	Total	
wage-earner	2	20	8	2	0	32	(M: higher)
long-term unemployed	0	1	1	0	0	2	(M:higher- same level)
Student	4	5	0	0	0	9	(M: higher)
Total	6	26	9	2	0	N:43	

Source: Structured interviews December 2016

It seems evident that former students and long-term unemployed consider their present hierarchical position in society as higher or much higher. All nine former students (n°2, 6, 10, 21, 25, 29, 31, 40 and 41) did indeed consider their present hierarchical position to be higher with four of them (n°2, 6, 21 and 25) considering their present hierarchical position as ‘much higher’. Yet, while one former long-term unemployed considered his present hierarchical position as higher (n°37), another former long-term unemployed had not experienced a difference in hierarchical position (n°38). This may be because n°38, a hairdresser, had only very recently (less than 2 months) become self-employed. He furthermore mentioned his monthly net income level was still below <600 EUR and had even reached a lower level than his previous monthly net income.

For former wage-earners a perceived rise in hierarchical position is less evident than for former students and long-term unemployed. Yet, similar to former students, the median value for former wage-earners was ‘my present hierarchical position in society is higher'. Former wage-earners who considered their present hierarchical position in society as much higher were an entrepreneur with a baklava patisserie (n°15) who had formerly worked as a driver in a transportation company and had seen a large increase in monthly net income from 851-1,200 EUR to 2,500-3,000 EUR; and an entrepreneur with a business in insurances, credit supply and mortgages (n°43) who had formerly worked as an employee in the same sector and had seen an increase in monthly net income from 1,501-1,800 EUR to >3,000 EUR.

Former wage-earners who considered their present hierarchical position to be lower were an entrepreneur with a pita and friterie business who had formerly worked as a cook in a restaurant and had seen a status quo in his monthly net income of 1,501-1,800 EUR (n°28) and a restaurant holder who until less than one year before had worked as a public servant (n°32) and had seen a drop in monthly income from >3,000 EUR to <600 EUR.

- *Q4a: How does the average level of your monthly net income in 2016 income relate to the last monthly net income gained with your professional status right before becoming self-employed/ entrepreneur (see Q2)*

Table 33: Q4a

My average monthly net income in 2016 is much higher	11	25.6%	
My average monthly net income in 2016 is higher	18	41.9%	(M)
My average monthly net income in 2016 is at the same level	5	11.6%	
My average monthly net income in 2016 is lower	6	14.0%	
My average monthly net income in 2016 is much lower	3	7.0%	
Do not wish to answer	0	0%	
Total	43	100%	

Source: Structured interviews December 2016

About two thirds of entrepreneurs (67.5%) stated that their average monthly net income in 2016 is higher than the last monthly net income they earned before becoming self-employed, with 25.6% of them stating 'much higher'. Yet, about one fifth (21%) stated a decrease in monthly net income, while 11.6% claimed it had remained at the same level.

An entrepreneur with a business in import and export (°33) stated that while his average monthly net income level in 2016 is at the same level as in his previous position this is because of the 'havuz sistemi' which is applied to distribute the profits of the business. Having formally taking over the business together with his brother, a share of the earnings is equally divided over several members in the family and only when the father decides so more money can be distributed. According to himself and some other entrepreneurs this system is however not very common among Turks in Ghent. One entrepreneur with an interior design shop/ bazaar (n°19), who has been entrepreneur for 1 to 2 years said his monthly net income is much lower because of high costs. A jeweller (n°36) stated that his income is now much higher, after it had taken his business five years to become profitable.

Table 34: Q4a and Former Professional Statuses (Q2)

	much higher	higher	same level	Lower	much lower	Total	
wage-earner	6	13	5	5	3	32	(M:higher)
long-term unemployed	0	1	0	1	0	2	(M: at the same level)
Student	5	4	0	0	0	9	(M: much higher)
Total	11	18	5	6	3	N:43	

Source: Structured interviews December 2016

Again, it seems evident that for former students and former long-term unemployed the monthly net income in 2016 is higher than the last monthly net income they earned before become self-employed. Five former students (n°2, 6, 25, 40 and 41) did indeed consider their average monthly net income in 2016 to be much higher and four former students (n°10, 21, 29 and 31) considered it as higher. While one former long-term unemployed equally (n°37) stated his monthly net income had gone up from <600 EUR to 1,201-1,500 EUR, another former long-term unemployed mentioned he had seen a decrease in monthly net income, although the wage category of <600 EUR had not changed (n°38). As mentioned before, this entrepreneur had only very recently started his professional activity (less than 2 months before). For former wage-earners a rise in monthly income is less evident than for former students and former long-term unemployed. Yet, 19 out of 32 former wage-earners (about 60%) stated their average monthly net income in 2016 is higher or much higher, with 13 of them (about 40%) stating the average monthly net income in 2016 is higher, which was the median value.

Former wage-earners and distortive factors

A serious obstacle in comparing the average monthly net income in 2016 of the present job with the last monthly net income earned during the previous professional status is that the value of money changes over time, which implies that the value of money at a certain time in the past does not equal the value of money today. As such, it cannot be taken for granted that the rise in monthly net income for 67.5% of all entrepreneurs and about 60% of former wage-earners has also created a higher value of the monthly net income for the same share of entrepreneurs.

A good example is that since the official introduction of euro banknotes and coins in Belgium in 2002 the Belgian gross monthly minimum wage[225] for persons of 21 years old and older saw an increase from 1,140 EUR to 1,531 in December 2016 (+34.3%) (Eurostat, 217). Data at Q1 indicated that eight entrepreneurs (18.6%) have been entrepreneur uninterruptedly for 6 to 10 years (which is also the median value), eight entrepreneurs have been entrepreneur for 10 to 20 years and another eight entrepreneurs for more than 20 years. The latter category clearly poses an extra obstacle as entrepreneurs who have been entrepreneur for more than 20 years were not paid in euro during the last month of their former professional status, but in Belgian Francs (BEF) or in Dutch Gulden (NLG)[226]. A similar problem was expected for cases whereby the monthly net income that entrepreneurs gained before becoming entrepreneur was paid in Turkish Lira but such situations were not registered. Unsurprisingly, all 8 entrepreneurs who had been entrepreneurs for >20 years stated their average monthly net income level in 2016 was higher with two of them (n°20 and 42) stating much higher. Seven of the eight entrepreneurs who had been entrepreneur

[225] The Belgian national mimum wage is established in collective labour agreements of the National Labour Council (Nationale Arbeidsraad, NAR). A collective labour agreement is a labour agreement between trade unions and employers. This differs according to sector/ function and years of work experience. From this gross wage social contributions are withdrawn (13.07% for wage-earners in the private sector) as well as an extra payroll tax, the size of which i.a. depends on the composition and work status of the family (this often ranges between 0% or 15% of the gross wage). In case of 0% the net monthly minimum wage in December 2016 would hence be 1,331 EUR, in case of 15% it would be 1,100 EUR. The monetary poverty border for singles in Belgium was a net available income of 13,377 EUR/ year or 1,115 EUR/month. For couples with two children this was a net available income of 28,092 EUR or 2,341 EUR/ month (Combat Poverty, insecurity and social exclusion service- Steunpunt tot bestrijding van armoede, bestaansonzekerheid en sociale uitstluiting, 2017).

[226] This was then converted with the exchange rates of 1EUR= 40.3399 BEF and 1 EUR=2.20 NLG.

for more than 20 years were wage-earners in their former professional status (n°7, 12, 18, 20, 34, 35 and 42). Due to the higher risk of distortion of the values, these seven entrepreneurs are in the following part left outside the analysis. One entrepreneur (n°31) was a student in his former professional status and was included in the analysis.

The picture for former wage-earners who have been entrepreneur for a maximum of 20 years appears to be slightly different. Unlike for all former wage-earners, the median value appeared to be ‘my average monthly net income is at the same level’, while the share of entrepreneurs who stated that their average monthly net income in 2016 is higher or much higher no longer formed the majority (48%).

Table 35: Q4a, Former Wage-earners (Q2) and Nr. of Years Entrepreneur (Q1)

	much higher	higher	same level	lower	much lower	Total	
all former wage-earners	6	13	5	5	3	32	(M: higher)
f. wage-earner and entrepreneur for max. 20 years	4	8	5	5	3	25	(M: at the same level)
f. wage-earner and entrepreneur for max. 10 years	2	6	5	4	3	20	(M: at the same level)
f. wage-earner and entrepreneur for 1-10 years	2	6	5	3	2	18	(M: at the same level)
f. wage-earner and entrepreneur for 3-10 years	2	6	4	3	0	15	(M: higher)

Source: Structured interviews December 2016

Besides, it is definitely possible that at least some of the five former wage-earners that have been entrepreneur for 11 to 20 years[227] (n°14, 16, 23, 30 and 3) have been entrepreneur for more than 14 year. This would mean they were also paid in a non-Euro currency, which again distorts the values. Two of these five entrepreneurs mentioned that their average monthly net income in 2016 is much higher, two mentioned it is higher and one (n°14) mentioned it is lower. If these values are withdrawn from the previous figure the share of entrepreneurs who mentions that their average monthly net income in 2016 is higher or much higher drops from 48% to 40%, although it is still higher than the 35% of entrepreneurs who mention that their average monthly net income in 2016 is either lower or much lower. The median value of ‘my average monthly net income in 2016 is at the same level’ remains unchanged.

[227] N°6, 25 and 29 had the previous professional statute as student.

Finally, it was expected that two former wage-earners[228] who had been entrepreneur for less than one year would see a decrease in monthly net income. This proved to be the case both for n°1 (lower) and 32 (much lower). To a lower extent this was also expected for entrepreneurs who had been entrepreneur for less than two years. This proved to be the case for two out of three former wage-earners who had been self-employed for 1 to 2 years, i.e. n°5 and 19 (both much lower). For n°33 the income had remained at the same level. As such, the median value shifted to ‘my monthly net income is higher’.

In conclusion, it appears that in general Turkish entrepreneurs in Ghent have gained a higher monthly net income by becoming entrepreneur in comparison to the last monthly net income they earned during their previous professional status. Yet, when a number of distortive elements are excluded from the analysis, i.e. entrepreneurs with the former professional status of student or long-term unemployed and entrepreneurs who have been an entrepreneur for more than twenty years it shows that generally the monthly net income of entrepreneurs has maximum remained at the same level. This median value moreover does not change when other potential distortive factors, i.e entrepreneurs who have been self-employed for 10 to twenty years and entrepreneurs who have been self-employed for a less than one year, are equally excluded from the analysis. When further calculations were to be done with regard to the changing value of money over the last 20 years the final outcome would be ‘my average monthly net income in 2016 is at the same level’, ‘is lower’ or ‘is much lower’.

- *Q4b: On average, what was the level of your monthly net income gained with your professional status right before becoming self-employed/ entrepreneur? (see Q2)*

[228] N°1 had the previous professional status as student and n°38 had previously been long-term unemployed.

Table 36: Q4b

<600 EUR	13	30.2%	
600-850 EUR	6	14.0%	
851-1,200 EUR	1	2.3%	
1,201-1,500 EUR	7	16.3%	(M)
1,501-1,800 EUR	11	25.6%	
1,801- 2,500 EUR	3	7.0%	
2,501-3,000 EUR	1	2.3%	
>3,000 EUR	1	2.3%	
Do not wish to answer	0	0%	
Total	43	100%	

Source: Structured interviews December 2016

44.2% of entrepreneurs had a monthly net income of maximum 850 EUR right before they became entrepreneur, with 30.2% of them earning less than 600 EUR per month. 37.2% had a monthly net income higher than 1,500 EUR. The median was situated in the category from 1,201 to 1,500 EUR.

Similar remarks to the ones made at Q4a also apply here. When the values of 9 entrepreneurs with the previous professional status of student (6 of them stating a former monthly net income of <600 EUR and 3 stating a former monthly net income of 600 to 850 EUR) and 2 entrepreneurs with the previous professional status of long-term unemployed (both stating a former monthly net income <600 EUR) are excluded from the analysis, the median value is situated between 1,201-1,500 EUR and 1,501-1,800 EUR, which is 1,500.50 EUR.

Table 37: Q4b and Former Professional Statuses (Q2)

	<600 EUR	600-850 EUR	851-1,200 EUR	1,201-1,500 EUR	1,501-1,800 EUR	1,801-2,500 EUR	2,501-3,000 EUR	>3,000 EUR	Total	
wage-earner	5	3	1	7	11	3	1	1	32	(M: 1,500.50 EUR)
long-term unemployed	2	0	0	0	0	0	0	0	2	(M: <600 EUR)
Student	6	3	0	0	0	0	0	0	9	(M: <600 EUR)
Total	13	6	1	7	11	3	1	1	N:43	

Source: Structured interviews December 2016

Former wage-earners and distortive factors

Table 38: Q4b, Former Wage-earners (Q2) and Number of Years Entrepreneur (Q1)

	<600 EUR	600-850 EUR	851-1,200 EUR	1,201-1,500 EUR	1,501-1,800 EUR	1,801-2,500 EUR	2,501-3,000 EUR	>3,000 EUR	Total	
f. wage-earner	5	3	1	7	11	3	1	1	32	(M: 1,500.50 EUR)
f. wage-earner and entrepreneur for max. 20 years	1	0	1	7	11	3	1	1	25	(M: 1,500-1,800 EUR)
f. wage-earner and entrepreneur for max. 10 years	0	0	1	6	8	3	1	1	20	(M: 1,500-1,800 EUR)
f. wage-earner and entrepreneur for 1-10 years	0	0	1	6	7	3	1	0	18	(M: 1,500-1,800 EUR)
f. wage-earner and entrepreneur for 3-10 years	0	0	1	5	5	3	1	0	15	(M: 1,500-1,800 EUR)

Source: Structured interviews December 2016

Similar to the analysis at Q4 the median value can be calculated for former wage-earners excluding a number of distortive factors. This analysis shows that the median monthly net income of former wage-earners who had been entrepreneur for more than 20 years is 1,500-1,800 EUR. Excluding a number of other distortive factors from the analysis, i.e. entrepreneurs who have been self-employed for ten to twenty years, entrepreneurs who have been self-employed for less than one or three years does not alter the median monthly net income group. The fact that excluding entrepreneurs who have been self-employed for one to three years from the analysis does not impact on the income group, indicates that the higher median monthly net income (as was shown at Q4b) does not exceed 1,800 EUR. A rather surprising finding was that a restaurant holder who has been self-employed for less than one year (n°32) and had an average monthly net income of <600 EUR in 2016 had earned more than 3,000 EUR with a job as public servant.

- *Q4c: What has been the average level of your monthly net income in 2016? (this only relates to the income as a result of self-employed activity/ activities, regardless of other possible sources of income.)*

Table 39: Q4c

<600 EUR	2	4.7%	5.3%	
600-850 EUR	3	7.0%	7.9%	
851-1,200 EUR	4	9.3%	10.5%	
1,201-1,500 EUR	4	9.3%	10.5%	
1,501-1,800 EUR	13	30.2%	34.2%	(M)[229]
1,801- 2,500 EUR	6	14.0%	15.7%	
2,501-3,000 EUR	2	4.7%	5.3%	
>3,000 EUR	4	9.3%	10.5%	
Do not wish to answer	5	11.6%		
Total	43	100%	(38) 100%	

Source: Structured interviews December 2016

Unlike to questions 4a and 4b, not every entrepreneur was willing to answer this question. Five entrepreneurs (11.6%) did not wish to answer this question and as such their values cannot be included in the analysis. These were n°9, 19, 23, 34 and 35. N°9 did state that his average monthly net income in 2016 was higher than his last monthly net income prior to becoming entrepreneur of 1,200-1,500 EUR. N°19 stated that his average monthly net income in 2016 was much lower than his former average monthly net income of 1,201-1,500 EUR. N°23, 34 and 35 stated their average monthly net income in 2016 was higher than their former monthly net income of <600 EUR. Some entrepreneurs (n°6 and 31) mentioned they also gained an income from renting apartments in 2016 and added that this practice is at present common among Turkish entrepreneurs in Ghent. While the size of this income was neither asked nor given entrepreneur n°6 did mention that he is satisfied enough with his average monthly net income in 2016 of 851 to 1,200 EUR and very satisfied with the income through renting included. One entrepreneur (n°10) who combined running a business with studying had an average monthly net income below 600 EUR in 2016, but also received a scholarship, which in total provided an average income of between 851 and 1,200 EUR. Due to the double professional status the scholarship was not considered as another source of income and as such the monthly net income was registered in the category 851-1,200 EUR.

[229] The median value for 38 entrepreneurs who wished to answer was 1,500-1,800 EUR. These results also show that even if data of all 43 entrepreneurs would be available the median value would remain unchanged at the monthly net income level of 1,501-1,800 EUR.

The results, which were based on data of 43 entrepreneurs with 5 non-responses, show that in at least 58.2% of entrepreneurs had an average monthly net income above 1,500 EUR in 2016, with 30.2% of them earning between 1,501 and 1,800 EUR (median). At least 30.3% of entrepreneurs however had an average monthly net income below 1,500 EUR in 2016. The results also show large differences in monthly net income. While at least 11.7% earned on average less than 851 EUR per month, another 14% earned more than 2,500 EUR per month. The highest value was >3000 EUR with N:4.

<u>Proposition 1: Entrepreneurs who have been uninterruptedly active as self-employed for more than 10 years have a higher monthly net income</u>

It seems evident that starters, i.e. entrepreneurs who have been self-employed for less than one year, earn a relatively low monthly net income in 2016 as it for instance takes time to become known in the neighbourhood or city and consequently to attract customers. Conversely, it can be suggested that entrepreneurs who have been entrepreneur for more than 20 years earn a relatively high monthly net income in 2016. As such the values will be analysed for the categories concerning uninterrupted period of self-employment as mentioned in Q1. The values of the five entrepreneurs who did not wish to answer this question (n°9 had been entrepreneur for 3 to 5 years, n°19 for 1 to 2 years, n°23 for 11 to 20 years and n°34 and 35 for more than 20 years) are however excluded from this. The values which are being analysed are hence the following ones:

Table 40: Q1: Nr of Years Uninterruptedly Active as Self-employed (N:38)

<1 year	4	10.5%	
1-2 years	3	7.9%	
3-5 years	10	26.3%	
6-10 years	8	21.0%	(M)
11-20 years	7	18.4%	
>20 years	6	15.7%	
Total	38	100%	

Source: Structured interviews December 2016

Table 41: Number of Years Uninterruptedly Active as Self-employed (Q1) and Average Monthly Net Income in 2016 (Q4c)

	<600 EUR	600-850 EUR	851-1,200 EUR	1,201-1,500 EUR	1,501-1,800 EUR	1,801-2,500 EUR	2,501-3,000 EUR	>3,000 EUR	Total	
<1 year	2	1	1	0	0	0	0	0	4	(M: 600 EUR)
1-2 years	0	1	1	0	1	0	0	0	3	(M: 851-1,200 EUR)
3-5 years	0	0	0	1	7	0	0	2	10	(M: 1,501-1,800 EUR)
6-10 years	0	0	1	1	3	1	1	1	8	(M: 1,501-1,800 EUR)
11-20 years	0	0	1	1	0	4	1	0	7	(M: 1,801-2,500 EUR)
>20 years	0	1	0	1	2	1	0	1	6	(M: 1,501-1,800 EUR)
Total	2	3	4	4	13	6	2	4	N:38	

Source: Structured interviews December 2016

Table 42: Number of Years Uninterruptedly Active as Self-employed (≤ 10 years/ >10 years) (Q1) and Average Monthly Net Income in 2016 (Q4c)

	<600 EUR	600-850 EUR	851-1,200 EUR	1,201-1,500 EUR	1,501-1,800 EUR	1,801-2,500 EUR	2,501-3,000 EUR	>3,000 EUR	Total	
≤ 10 years	2	2	3	2	11	1	1	3	25	(M: 1,500-1,800 EUR)
>10 years	0	1	1	2	2	5	1	1	13	(M: 1,801-2,500 EUR)
Total	2	3	4	4	13	6	2	4	N:38	

Source: Structured interviews December 2016

The results clearly show that the median monthly net income of entrepreneurs who have been self-employed for more than 10 years is higher.

Table 43: Number of Years Uninterruptedly Active as Self-employed (≤ 10 years/ >10 years) (Q1) and Average Monthly Net Income in 2016 (Q4c) (N:34)

	<600 EUR	600-850 EUR	851-1,200 EUR	1,201-1,500 EUR	1,501-1,800 EUR	1,801-2,500 EUR	2,501-3,000 EUR	>3,000 EUR	Total	
≤ 10 years	0	1	2	2	11	1	1	3	21	(M: 1,500-1,800 EUR)
>10 years	0	1	1	2	2	5	1	1	13	(M: 1,801-2,500 EUR)
Total	0	2	3	4	13	6	2	4	N:34	

Source: Structured interviews December 2016

This is also the case when the values of entrepreneurs who have been entrepreneur for less than one year (n°1, 2, 32 and 38) are excluded from the analysis, which means the proposition is supported.

Moreover, the value of median monthly net income increases in accordance with the number of years one has been uninterruptedly self-employed, although it decreases after a having been self-employed for more than 20 years. As such, the highest average monthly net income level in 2016 is to be found among entrepreneurs who have been uninterruptedly self-employed for 11 to 20 years. The median number of years uninterruptedly active as self-employed in specific income categories are the following ones:

Table 44: Income Categories and Median Number of Years Uninterruptedly Active as Self-employed (N:38)

<600 EUR:	M: <1 year
600-850 EUR:	M:1-2 years
851-1,200 EUR:	M: 3-5 years
1,201-1,500 EUR:	M: 10.5 years
1,501-1,800 EUR:	M: 3-5 years
1,801-2,500 EUR:	M: 11-20 years
2,501-3,000 EUR:	M: 10.5 years
>3,000 EUR:	M: 5.5 years

Source: Structured interviews December 2016

When looking at the median values for each income level it shows that a minimum of 3 to 5 years is necessary to reach an average monthly net income of 1,500-1,800 EUR in 2016. Another observation shows that entrepreneurs with an average monthly net income >3,000 EUR in 2016 reached this level of income despite not having been active as self-employed as long as entrepreneurs with income levels between 1,800-2,500 and 2,500-3,000 EUR.

Realising the low median rates of four entrepreneurs who have been self-employed for no longer than one year and the risk of distortion of the overall median value it is worth considering the median value of 34 entrepreneurs who have been entrepreneur for a minimum of one year. Realising the equally lower monthly net income for entrepreneurs who have been self-employed for 1 to 2 years it is equally worth considering the median value for entrepreneurs who have been self-employed for a minimum of 3 years.

Table 45: Average Monthly Net income in 2016 (Q4c) and All Entrepreneurs, Entrepreneurs ≥1 year and Entrepreneurs ≥ 3 years (Q1)

	<600 EUR	600-850 EUR	851-1,200 EUR	1,201-1,500 EUR	1,501-1,800 EUR	1,801-2,500 EUR	2,501-3,000 EUR	>3,000 EUR	Total	
all entrepreneurs	2	3	4	4	13	6	2	4	38	(M: 1,500-1,800 EUR)
entrepreneur for ≥1 year	0	2	3	4	13	6	2	4	34	(M: 1,500-1,800 EUR)
entrepreneur for ≥ 3 years	0	1	2	4	12	6	2	4	20	(M: 1,500-1,800 EUR)

Source: Structured interviews December 2016

The results show that including or excluding self-employed who have been self-employed for a at least one year as well as entrepreneurs who have been self-employed for a maximum of 2 years does not affect the median value of the average monthly net income of entrepreneurs in 2016 who wished to answer the question, as it remains unchanged at 1,501-1,801 EUR.

<u>Proposition 2: Entrepreneurs with the prior professional status of student have a higher monthly net income than entrepreneurs with the prior professional status of wage-earner</u>

A focus on the link between the average monthly net income in 2016 and the professional status before becoming entrepreneur gives the following result:

Table 46: Former Professional Status (Q2) and Average Monthly Net Income in 2016 (Q4c)

	<600 EUR	600-850 EUR	851-1,200 EUR	1,201-1,500 EUR	1,501-1,800 EUR	1,801-2,500 EUR	2,501-3,000 EUR	>3,000 EUR	Total	
wage-earner	1	3	1	3	9	4	2	4	27	(M: 1,501-1,800 EUR)
student	0	0	3	0	4	2	0	0	9	(M: 1,501-1,800 EUR)
long-term unemployed	1	0	0	1	0	0	0	0	2	(M: 600-1,200 EUR)
Total	2	3	4	4	13	6	2	4	N:38	

Source: Structured interviews December 2016

Being a wage-earner before becoming self-employed does not correlate to a higher monthly net income than for entrepreneurs who were student before becoming self-employed. Yet, it is worth mentioning that the six entrepreneurs with the highest average monthly net income in 2016 all had the professional status of wage-earner prior to becoming self-employed. Although the number of long-term unemployed was too low to be representative (N:2) having had the professional status of long-term unemployed before becoming self-employed appeared to negatively impact the monthly net income.

Table 47: Former Professional Status (Q2) and Average Monthly Net Income in 2016 (Q4c) (N:34)

	<600 EUR	600-850 EUR	851-1,200 EUR	1,201-1,500 EUR	1,501-1,800 EUR	1,801-2,500 EUR	2,501-3,000 EUR	>3,000 EUR	Total	
wage-earner	0	2	1	3	9	4	2	4	25	(M: 1,501-1,800 EUR)
student	0	0	2	0	4	2	0	0	8	(M: 1,501-1,800 EUR)
long-term unemployed	0	0	0	1	0	0	0	0	1	(M: 1,200-1,500 EUR)
Total	0	2	3	4	13	6	2	4	N:34	

Source: Structured interviews December 2016

Excluding the data of 4 entrepreneurs who had been self-employed for less than one year from the analysis does not affect the median monthly net income for former wage-earners and students. It does change the median monthly net income for former long-term unemployed to 1,200-1,500 EUR but N:1 and as such is not representative. It follows that the proposition is falsified.

- *Q5: How satisfied are you with the average monthly net income you have earned in 2016? (this only relates to the income as a result of self-employed activity/ activities, regardless of other possible sources of income)*

Table 48: Q5

very satisfied	6	14.0%	6	15.8%	
satisfied enough	12	27.9%	9	23.7%	
not particularly satisfied or dissatisfied	10	23.3%	9	23.7%	(M)
not satisfied	13	30.2%	12	31.6%	
very dissatisfied	2	4.7%	2	5.3%	
Total	43	100%	38	100%	

Source: Structured interviews December 2016

41.9% of entrepreneurs were at least satisfied enough with the monthly net income they gained, while 34.9% were (very) dissatisfied. The median value was however 'not particularly satisfied or dissatisfied' both for 43 entrepreneurs (23.3%) as for 38 entrepreneurs (23.7%).

Table 49: Q5 and Average Monthly Net Income in 2016 (Q4c)

	very dissatisfied	not satisfied	not particularly satisfied or dissatisfied	satisfied	very satisfied	Total	
<600 EUR	0	1	1	0	0	2	(M: npsd- not satisfied)
600-850 EUR	0	1	1	1	0	3	(M: npsd)
851-1,200 EUR	0	1	0	3	0	4	(M: satisfied)
1,201-1,500 EUR	0	1	2	1	0	4	(M: npsd)
1,501-1,800 EUR	1	4	4	1	3	13	(M: npsd)
1,801-2,500 EUR	1	3	1	1	0	6	(M: not satisfied)
2,501-3,000 EUR	0	1	0	1	0	2	(M: npsd)
>3,000 EUR	0	0	0	1	3	4	(M: very satisfied)
Total	2	12	9	9	6	N:38	

Source: Structured interviews December 2016

Table 50: Q5 and Median Monthly Net Income

Very dissatisfied	M: 1,800.50 EUR
Not satisfied	M: 1,501-1,800 EUR
Not particularly satisfied or dissatisfied	M: 1,501-1,800 EUR
Satisfied	M: 1,201-1,500 EUR
Very satisfied	M: 1,801-3,000 EUR

Source: Structured interviews December 2016

When looking at the median values per income level it shows that besides entrepreneurs with a monthly net income >3,000 EUR with a median value of vary satisfied, only the group of entrepreneurs with an income of 851-1,200 EUR had a median value of satisfied. When looking at the median values per satisfaction level it shows that while high satisfaction corresponds to a high monthly net income, dissatisfaction and particularly strong dissatisfaction (i.e. 'very dissatisfied') correspond to a higher monthly net income than when satisfied.

One entrepreneur (n°3) who had a monthly net income >3,000 EUR stated she was satisfied enough but not very satisfied due to the workload. One entrepreneur (n°15) who had a monthly net income between 2,500 to 3,000 EUR said he was not satisfied as his life standard had increased in the last years. Another entrepreneur in the same income category (n°36) stated he was satisfied but not very satisfied as his own consumer purchasing power had decreased significantly during the last years. One entrepreneur (n°22) stated he was very dissatisfied despite having a monthly net income of between 1,801 and 2,500 EUR. Another entrepreneur in the the same income category (n°7) stated he was not satisfied. Similarly, some entrepreneurs with lower monthly net income levels were sometimes satisfied enough. N°1 for instance was satisfied enough with a monthly net income level between 600 and 850 EUR. N°32 who had a monthly net income < 600EUR was indecisive. It should be added that both n°1 and n°32 had been entrepreneur for less than one year. One entrepreneur (n°24) stated he was unsatisfied with his monthly net income of between 851 and 1,200 EUR, but that his perception would be worse if his wife would not have a good job with a good income (she is an accountant).

- *Q6: What is your expectation concerning your monthly net income in two to three years from now? "*In two to three years, I expect my average monthly net income will be …………………………… my average monthly net income level in 2016." *(this only relates to the income as a result of self-employed activity/ activities, regardless of other possible sources of income)*

Table 51: Q6

much higher than	6	14.0%	6	15.8%	
a little higher than	14	32.6%	13	34.2%	(M)[230]
at the same level as	8	18.6%	7	18.4%	
a little lower than	10	23.3%	8	21.1%	
much lower than	0	0%	0	0%	
no opinion	5	11.6%	4	10.5%	
Total	43	100%	38	100%	

Source: Structured interviews December 2016

46.6% of entrepreneurs expected a rise in monthly net income in two to three years with 32.6% of them expecting a little rise (median). About one fifth (18.6%) expected a status quo in monthly net income. 23.3% expected a decline in monthly net income, but none of them expected a much lower income.

[230] Median of all responses excluding 'no opinion'.

Table 52: Q6 and Average Monthly Net Income in 2016 (Q4c)

	much lower than	a little lower than	at the same level as	a little higher than	much higher than	No opinion	Total	
<600 EUR	0	0	0	1	0	1	2	(M: a little higher than)
600-850 EUR	0	1	0	0	1	1	3	(M: at the same level- a little higher than)
851-1,200 EUR	0	1	0	1	1	1	4	(M: a little higher than)
1,201-1,500 EUR	0	0	0	3	0	1	4	(M: a little higher than)
1,501-1,800 EUR	0	3	3	7	0	0	13	(M: a little higher than)
1,801-2,500 EUR	0	3	2	0	1	0	6	(M: a little lower than- at the same level)
2,501-3,000 EUR	0	0	1	1	0	0	2	(M: at the same level- a little higher than)
>3,000 EUR	0	0	1	0	3	0	4	(M: much higher than)
Total	0	8	7	13	6	4	N:38	

Source: Structured interviews December 2016

Table 53: Q6 and Median Monthly Net Income

Much lower than	M: not available
A little lower than	M: 1,501-1,800 EUR
At the same level as	M: 1,801-2,500 EUR
A little higher than	M: 1,501-1,800 EUR
Much higher than	M: 1,801->3,000 EUR
No opinion	M: 850.50 EUR

Source: Structured interviews 2016

The results show that entrepreneurs with the highest average monthly net income in 2016 are also the entrepreneurs who expect the largest increase in monthly net income in two to three years.

One entrepreneur (n°39), who in 2016 had an average monthly net income >3,000 EUR gained from three different businesses and expected his monthly net income to be much higher in 2 to 3 years, mentioned plans to start other businesses in the Brussels Capital Region. One entrepreneur (n°11), who had a monthly net income of between 1,501 and 1,800 EUR and expected her monthly net income to be a bit higher in two to three years, however mentioned she planned to study again due to bad work conditions. It should be added here that her husband also worked in the business (patisserie) as self-employed.

One entrepreneur (n°27), who had a monthly net income of between 1,501 and 1,800 EUR and expected a little decrease in monthly net income, mentioned he has the intention to shut down his business due to high costs. Another entrepreneur (n°5), who had a monthly net income between 600 and 850 EUR and expected a little decrease in income, mentioned he would not be able to work much longer, due to physical problems.

5.6.1.2. Questions related to Policies and Programmes (Institutional politics)

- *Q7a: Which of the following criteria did you legally have to fulfil to set up your business? (apart from applying for a professional card in case of no Belgian nationality) (Multiple answers possible)*

Table 54: Q7a

prove experience	6	14.0%	5	13.2%
provide diploma/ certificates	36	83.7%	33	86.8%
demonstration of minimum investment	17	39.5%	16	42.1%
provide a business plan	9	20.9%	9	23.7%
prove relevance to local economy	0	0%	0	0%
other:				
compulsory courses	2	4.7%	2	5.3%
None	5	11.6%	3	7.0%
N:43/38	43		38	

Source: Structured interviews December 2016

The results show that providing diploma/ certificates is the most common criterion (applied to 83.7% of entrepreneurs) to set up a business. Two entrepreneurs (n°20 and 34) who had been entrepreneur for more than 20 years mentioned it was much easier to set up a business in the past, as apart from applying for a professional card no extra criteria were needed back then. One entrepreneur (n°29) mentioned that because of the statute of the business as `CVOA[231]` he did not have to fulfil any criteria but his business partner did. Another entrepreneur (n°9) did not give any further clarification for why no criteria had to be fulfilled.

Almost 40% of entrepreneurs mentioned a demonstration of minimum investment was necessary. Not surprisingly these were all entrepreneurs whose businesses had the legal status of `BVBA`, `CVOA` or `Comm. V.[232]` (see Q15c).

[231] Coöperatieve Vennootschap met Onbeperkte Aansprakelijkheid (≈UK: Unlimited Liability Cooperative).
[232] Commanditaire Vennootschap (≈UK: Limited Partnership).

About one out of five (20.9%) entrepreneurs stated a business plan had to be provided. This was the case for 7 entrepreneurs whose business had the legal status of `BVBA` and 2 (n°13 and 36) who had a business with legal status of `Eenmanszaak`. About one out of seven (14%) stated experience had to be proven to be able to set up a business. This was the case for 2 butchers, 2 hairdressers, an architect and one entrepreneur with a pita and friterie (n°28). One entrepreneur (n°32) who is cook in her own restaurant mentioned she had to follow a course to be allowed to exercise her profession. Another entrepreneur with a business in insurances, credit supply and mortgages (n°43), mentioned she yearly has to follow compulsory courses. Proving relevance to the local economy apparently is not a criterion to set up a business in Ghent.

<u>Proposition 3: Entrepreneurs who had to provide a business plan to set up their business have a higher monthly net income</u>

Table 55: Q7a and Average Monthly Net Income in 2016 (Q4c)

	<600 EUR	600-850 EUR	851-1,200 EUR	1,201-1,500 EUR	1,501-1,800 EUR	1,801-2,500 EUR	2,501-3,000 EUR	>3,000 EUR	Total	
prove experience	1	0	0	2	2	0	0	0	5	(M: 1,201-1,500 EUR)
provide diploma/ certificates	2	2	3	3	13	4	2	4	33	(M: 1,501-1,800 EUR)
demonstration of minimum investment	1	0	1	1	6	3	1	3	16	(M: 1,501-1,800 EUR)
provide a business plan	1	0	0	0	4	1	1	2	9	(M: 1,501-1,800 EUR)
other:										
compulsory courses	1	0	0	0	0	0	0	1	2	(M: 1,501- >3,000 EUR)
None	0	1	0	0	0	2	0	0	3	(M:1,801-2,500 EUR)
Total respondents: 38										

Source: Structured interviews December 2016

Table 56: Q7a (No) Need to Provide a Business Plan and Average Monthly Net Income in 2016 (Q4c)

	<600 EUR	600-850 EUR	851-1,200 EUR	1,201-1,500 EUR	1,501-1,800 EUR	1,801-2,500 EUR	2,501-3,000 EUR	>3,000 EUR	Total	
provide a business plan	1	0	0	0	4	1	1	2	9	(M: 1,501-1,800 EUR)
no need to provide a business plan	1	3	4	4	9	5	1	2	29	(M: 1,501-1,800 EUR)
Total	2	3	4	4	13	6	2	4	N:38	

Source: Structured interviews December 2016

The results show that the median monthly net income of entrepreneurs who had to provide a business plan to set up their business is at the same level as entrepreneurs who did not have to provide a business plan to set up their business.

Table 57: Q7a (No) Need to Provide a Business Plan and Average Monthly Net Income in 2016 (Q4c) (N:34)

	<600 EUR	600-850 EUR	851-1,200 EUR	1,201-1,500 EUR	1,501-1,800 EUR	1,801-2,500 EUR	2,501-3,000 EUR	>3,000 EUR	Total	
provide a business plan	0	0	0	0	4	1	1	2	8	(M: 1,800.50 EUR)
no need to provide a business plan	0	2	3	4	9	5	1	2	26	(M: 1,501-1,800 EUR)
Total	0	2	3	4	13	6	2	4	N:34	

Source: Structured interviews December 2016

Excluding the data of entrepreneurs who have been self-employed for less than one year (n°1, 2, 32 and 38) however makes the median monthly net income of entrepreneurs who had to provide a business plan to set up their business alter to 1,800.50 EUR, while the median monthly net income of entrepreneurs who did not have to provide a business plan remains at the same level. As such, *it is not clear whether the proposition is supported or not.*

- *Q7b: How easy/difficult did you find it to fulfil this criterion/ these criteria?*

Table 58: Q7b

very easy	6	14.0%	5	13.6%	
Easy	19	44.1%	16	42.1%	(M)
not particularly easy or difficult	4	9.3%	4	10.5%	
Difficult	12	27.9%	12	31.6%	
very difficult	2	4.7%	1	2.6%	
Total	43	100%	38	100%	

Source: Structured interviews December 2016

56.1% of entrepreneurs found this criterion/ these criteria easy or very easy to fulfil, with 44.1% of them finding it easy (median). While 9.3% did not find it/ them particularly easy or difficult to fulfil, 32.6% found it/them difficult to fulfil. N°32 mentioned it was very easy because she had a lot of preknowledge about the criteria. N°4 mentioned he prepared himself by firstly learning from someone who had certificates. N°33 and 41 mentioned it was easy because his accountant took care of everything. N°35 said it was easy because he already had everything. Although considered easy n°32 also mentioned it necessitated a lot of running around to handle everything. N°39 found KBO a bit slow.

<u>Proposition 4: Entrepreneurs who found it very easy to fulfil the legal criteria to set up their business have a higher monthly net income</u>

Table 59: Q7b and Average Monthly Net Income in 2016 (Q4c)

	<600 EUR	600-850 EUR	851-1,200 EUR	1,201-1,500 EUR	1,501-1,800 EUR	1,801-2,500 EUR	2,501-3,000 EUR	>3,000 EUR	Total	
very easy	1	0	0	0	1	2	0	1	5	(M: 1,800.50 EUR)
Easy	0	2	3	3	6	1	0	1	16	(M: 1,500.50 EUR)
not particularly easy or difficult	0	1	0	0	2	1	0	0	4	(M: 1,501-1,800 EUR)
Difficult	1	0	1	1	4	1	2	2	12	(M: 1,501-1,800 EUR)
very difficult	0	0	0	0	0	1	0	0	1	(M: 1,800-2,500 EUR)
Total	2	3	4	4	13	6	2	4	38	

Source: Structured interviews December 2016

Table 60: Q7b (Easy+ Very Easy/ Difficult+ Very Difficult) and Average Monthly Net Income in 2016 (Q4c)

	<600 EUR	600-850 EUR	851-1,200 EUR	1,201-1,500 EUR	1,501-1,800 EUR	1,801-2,500 EUR	2,501-3,000 EUR	>3,000 EUR	Total	
easy + very easy	1	2	3	3	7	3	0	2	21	(M: 1,501-1,800 EUR)
not particularly easy or difficult	0	1	0	0	2	1	0	0	4	(M: 1,501-1,800 EUR)
difficult + very difficult	1	0	1	1	4	2	2	2	13	(M: 1,501-1,800 EUR)
Total	2	3	4	4	13	6	2	4	38	

Source: Structured interviews December 2016

These results show that the median monthly net income of entrepreneurs who found it very easy to fulfil the legal criteria to set up their business was higher than for entrepreneurs who found it easy, not particularly easy or difficult or difficult. The median monthly net income of entrepreneurs who found it very difficult was 1,801-2,500 EUR but as N:1 it is not representative. When instead of a five-point scale a three- point scale is used however no differences in median monthly net income are registered.

Table 61: Q7b and Average Monthly Net Income in 2016 (Q4c) (N:34)

	<600 EUR	600-850 EUR	851-1,200 EUR	1,201-1,500 EUR	1,501-1,800 EUR	1,801-2,500 EUR	2,501-3,000 EUR	>3,000 EUR	Total	
very easy	0	0	0	0	1	2	0	1	4	(M: 1,801-2,500 EUR)
Easy	0	1	3	3	6	1	0	1	15	(M: 1,501-1,800 EUR)
not particularly easy or difficult	0	1	0	0	2	1	0	0	4	(M: 1,501-1,800 EUR)
Difficult	0	0	0	1	4	1	2	2	10	(M: 1,800.50 EUR)
very difficult	0	0	0	0	0	1	0	0	1	(M: 1,801-2,500 EUR)
Total	0	2	3	4	13	6	2	4	34	

Source: Structured interviews December 2016

Excluding the data of four entrepreneurs who had been self-employed for less than one year (n°1, 2, 32 and 38) only makes the median monthly net income for entrepreneurs who stated ‘very easy’ shift to 1,801-2,500 EUR and for entrepreneurs who stated ‘difficult to 1,800.50 EUR. As such, the proposition is supported.

- *Q7c: If (very) difficult, which criterion was the most difficult to fulfil*?

Table 62: Q7

provide diploma/ certificates	12	85.7%
demonstration of minimum investment	1	7.1%
provide a business plan	1	7.1%
Total	14	100%

Source: Structured interviews December 2016

Among entrepreneurs who found it difficult or very difficult to fulfil a legal criterion/ legal criteria to set up their business 85.7% stated that providing diploma/ certificates was the most difficult to fulfil. 7.1% found the demonstration of minimum investment and another 7.1% found providing diploma/ certificates the criterion most difficult to fulfil.

When compared to the answers at Q7a it can be seen that 12 out of 36 entrepreneurs (one out of three) who mentioned they had to provide a diploma/ certificates found this criterion difficult and the most difficult to fulfil. Only one out of 16 entrepreneurs (6.3%) who mentioned they had to demonstrate a minimum investment found this criterion difficult and the most difficult to fulfil. One out of 9 entrepreneurs (11.1%) who mentioned they had to provide a business plan found this criterion difficult and the most difficult to fulfil. This equally demonstrates that providing diploma/ certificates is considered the most difficult legal criterion to fulfil to set up a business.

Three entrepreneurs (n°14,18 and 27) mentioned that providing a diploma/ certificate was difficult because they needed to take courses for that, which may relate to Dutch language courses as well as the obligatory proof of basic knowledge in company management in Belgium. Another entrepreneur mentioned (n°26) it was difficult because he had to translate diplomas/ certificates into Dutch. One architect, one psychologist, one jeweller and one hairdresser mentioned it was difficult to obtain a diploma due to a long and heavy education. The entrepreneur who mentioned proving a business plan was the most difficult criterion (n° 25) mentioned this was because it required knowledge and understanding of a large number of rules in Ghent. One entrepreneur who had been self-employed for less than one year (n°1) yet mentioned that in fact finding a place to rent is the most difficult issue to deal with when setting up a business, due to discrimination on the rental market and the inability to provide a proof of salary as starter.

- *Q8a: Did you benefit from any general information (such as consulting websites or real-life contact moment.), individual guidance (by mail or real-life contact moment) or financial support offered by a public institution to start your business?*

Table 63: Q8a

Yes	7	16.2%	7	18.4%	
No	36	83.7%	31	81.6%	(M)
Total	43	100%	38	100%	

Source: Structured interviews December 2016

The share of entrepreneurs benefiting from general information, individual guidance or financial support offered by a public institution to start a business was 16.2%. A large majority of entrepreneurs (83.4%) did not benefit from any of these.

- *Q8b: If so, was this provided by Ghent Municipality (e.g. OOG)/ the Flemish Government (e.g. Syntra)/ the Belgian Government or the EU?*

Table 64: Q8b

Ghent Municipality (e.g. OOG)	3	42.9%
Flemish Government (e.g. Syntra)	2	28.6%
Belgian Government	0	0%
EU	0	0%
Ghent Municipality (e.g. OOG) and Flemish Government (e.g. Syntra)	1	14.3%
cannot recall but sure it was a public service	1	14.3%
Total	7	100%

Source: Structured interviews December 2016

Contact with public institutions around the time of starting the business is established at the local and the regional level. At least 4 out of 7 (57.1%) entrepreneurs who did benefit from general information, individual guidance or financial support offered by a public institution to start a business mentioned this was provided by Ghent Municipality and at least 3 out of 7 (42.8%) mentioned it was provided by the Flemish Government. One entrepreneur mentioned this was provided by both Ghent Municipality and the Flemish Government. One entrepreneur mentioned he did not recall which public service he contacted. One of these entrepreneurs mentioned they did not know Syntra was an Agency of the Flemish Government (n°11).

- *Q8c: If so: general information/ individual guidance or financial support?*

Table 65: Q8c

general information/ individual guidance	6	85.7%
financial support	1	14.3%
Total	7	100%

Source: Structured interviews December 2016

All of these entrepreneurs but one benefited from general information/ individual guidance. One entrepreneur (n°13) mentioned he obtained general information about the horeca permit from Ghent Municipality. Two entrepreneurs (n°25 and 33) mentioned specifically that they had contacted OOG (Ghent Municipality) to obtain general information. One of them (n°25) mentioned it was not very helpful, while the other (n°33) mentioned he was not able to follow up the advice. Another one (n°11) mentioned he took part in a formation organised by the Flemish Government and one by Unizo. Besides this he also received a lot of help of his entrepreneurial office Acerta. Another one (n°14) mentioned he took part in a formation with 20 other people but did not recall who it was organised by. One entrepreneur (n°32) contacted both a service offered by Ghent Municipality and the Flemish Government. It is worth adding that this entrepreneur had worked as public servant for many years before. One entrepreneur (n°39) benefited from financial support from the Flemish Government. He is the only entrepreneur who ran more than 2 businesses, i.e. 3.

- *Q8d: If not, why not?*

Table 66: Q8d

I did not find it necessary	17	47.2%
I thought it was too difficult	4	11.1%
I did not know these services were available	13	36.1%
I did not trust these institutions	0	0%
other:		
I knew it would not be able to get financial support anyway	1	2.8%
safer to borrow money from parents	1	2.8%
Total	36	100%

Source: Structured interviews December 2016

About half of entrepreneurs (47.2%) who did not benefit of any services provided by public institutions mentioned this was because they did not find it necessary. Entrepreneurial offices are likely to play an important role in this. Apart from this, one entrepreneur (n°26) mentioned he was enough helped by his accountant and his friends. One entrepreneur (n°43) mentioned she was helped a lot by the CEO at her previous job. 11.1% of entrepreneurs did not benefit of any of these services because they found it too difficult. One entrepreneur (n°17) mentioned this equally applied for services offered by UNIZO. More than one third of entrepreneurs (36.1%) did not benefit from these services because they were not aware these services were available. One psychologist (n°2) mentioned she however did know about the services offered by Unizo and 'Psychologenpraktijk' and contacted them.

<u>Proposition 5: Entrepreneurs who benefited from general information, individual guidance or financial support offered by a public institution to start their business have a higher income</u>

Table 67: Q8a and Average Monthly Net Income in 2016 (Q4c)

	<600 EUR	600-850 EUR	851-1,200 EUR	1,201-1,500 EUR	1,501-1,800 EUR	1,801-2,500 EUR	2,501-3,000 EUR	>3,000 EUR	Total	
yes	1	0	0	1	3	1	0	1	7	(M: 1,501-1,800 EUR)
No	1	3	4	3	10	5	2	3	31	(M: 1,501-1,800 EUR)
Total	2	3	4	4	13	6	2	4	N:38	

Source: Structured interviews December 2016

Entrepreneurs who benefited from general information, individual guidance or financial support offered by a public institution to start their business did not have a higher monthly net income than entrepreneurs who did not benefit from these services.

Table 68: Q8a and Average Monthly Net Income in 2016 (Q4c) (N:34)

	<600 EUR	600-850 EUR	851-1,200 EUR	1,201-1,500 EUR	1,501-1,800 EUR	1,801-2,500 EUR	2,501-3,000 EUR	>3,000 EUR	Total	
yes	0	0	0	1	3	1	0	1	6	(M: 1,501-1,800 EUR)
no	0	2	3	3	10	5	2	3	28	(M: 1,501-1,800 EUR)
Total	0	2	3	4	13	6	2	4	N:34	

Source: Structured interviews December 2016

Excluding the values of 4 entrepreneurs who had been entrepreneur for less than 1 year (n°1, 2, 32 and 38) does not change the median monthly net income of entrepreneurs who did not benefit from these services. As such the proposition is not supported.

Table 69: Q8b and Average Monthly Net Income in 2016 (Q4c)

	<600 EUR	600-850 EUR	851-1,200 EUR	1,201-1,500 EUR	1,501-1,800 EUR	1,801-2,500 EUR	2,501-3,000 EUR	>3,000 EUR	Total	
Ghent Municipality	0	0	0	0	2	1	0	0	3	(M: 1,501-1,800 EUR)
Flemish Government	0	0	0	0	1	0	0	1	2	(M: 1,501->3,000 EUR)
Belgian Government	0	0	0	0	0	0	0	0	0	
EU	0	0	0	0	0	0	0	0	0	
Ghent Mun. + Flemish Gov.	1	0	0	0	0	0	0	0	1	(M: <600 EUR)
Cannot recall	0	0	0	1	0	0	0	0	1	(M: 1,201-1,500 EUR)
Total	1	0	0	1	3	1	0	1	N:7	

Source: Structured interviews December 2016

Table 70: Q8c and Average Monthly Net Income in 2016 (Q4c)

	<600 EUR	600-850 EUR	851-1,200 EUR	1,201-1,500 EUR	1,501-1,800 EUR	1,801-2,500 EUR	2,501-3,000 EUR	>3,000 EUR	Total	
general information/ individual guidance	1	0	0	1	3	1	0	0	6	(M: 1,501-1,800 EUR)
financial support	0	0	0	0	0	0	0	1	1	(M: >3,000 EUR)
Total	1	0	0	1	3	1	0	1	N:7	

Source: Structured interviews December 2016

Moreover, having benefited from public services of at least two different political levels did not correlate to a higher median monthly net income. It has to be mentioned here that the entrepreneur who benefited from services from Ghent Municipality and the Flemish Government had been self-employed for less than one year (n°32). If the values of this entrepreneur are added to the separate fields of ‘Ghent Municipality’ and ‘Flemish Government’ the median values for Ghent Municipality are the same, i.e. 1,501-1,800 EUR.

More important appears to be the kind of public service which was benefited from. The entrepreneur who had benefited from financial support before starting his businesses (n°39) had a much higher monthly net income than the entrepreneurs who benefited from general information/ individual guidance. As this entrepreneur ran more than one business, i.e. 3, it is however possible that his answer related to financial support before the start-up of a second or third business rather than before the start of his first business.

- *Q9a: How easy/ difficult do you find it to continue your business?*

Table 71: Q9a

very easy	2	4.7%	
Easy	7	16.3%	
not particularly easy or difficult	9	20.9%	
Difficult	15	34.9%	(M)
very difficult	10	23.3%	
Total	43	100%	

Source: Structured interviews December 2016

About one fifth of entrepreneurs (21%) find it easy to continue his/her business with 4.7% finding it very easy. More than half of the entrepreneurs (58.2%) find it difficult to continue their business with about one out of four (23.3%) finding it very difficult. The median value was ‘difficult’. Another one fifth of entrepreneurs (20.9%) did not find it particularly easy or difficult to continue their business. The level of monthly net income clearly did not always correspond to the level of optimism/ pessimism. Entrepreneurs who found it very easy to continue their business were a hairdresser with a monthly net income of between 1,201 and 1,500 EUR (n°29) and a baker with a monthly net income between 1,801 and 2,500 EUR (n°16). Among the entrepreneurs who found it very difficult to continue their business was an entrepreneur active in insurances, credit supply and mortgages (n°43) who had a monthly net income above 3,000 EUR. Among the others were a newsagent (n°31), two pita and friterie business holders (n°13 and 28) with monthly net incomes between 1,500 and 1,800 EUR.

- *Q9b: If (very) difficult, what are the biggest obstacles for you in your business? (more than one answer possible)*

Table 72: Q9b

insufficient income	9	36.0%
strong competition	16	64.0%
work conditions	9	36.0%
no satisfaction from the job	0	0%
other:		
economic crisis/ decreasing consumer purchasing power	2	8.0%
project- based job	1	4.0%
lots of paper work	2	8.0%
stricter rules in the private sector	1	4.0%
not easy to find qualified staff	1	4.0%
high taxes (e.g. labour costs)	2	8.0%
high age	1	4.0%
Total respondents:25		

Source: Structured interviews December 2016

About two thirds of entrepreneurs (64%) who considered it difficult or very difficult to continue their business considered strong competition as (one of) the biggest obstacle(s) for their business. It was often heard that micro- and small enterprises need more protection. One entrepreneur (n°6) said large companies such as Lakshmi Mittal are more protected. Some entrepreneurs suggested more federations of traders, such as for butchers (n°17). Others complained more about the competition created by other Turkish entrepreneurs such as n°19, 28 and 43. One entrepreneur (n°28), who runs a pita and friterie business claimed there should be higher quality standards to set up a pita and friterie business. An electrician and technician (n°40) complained about unfair and large competition with Poles, Romanians and Spaniards who work at much cheaper rates and get hired by public institutions.

About one third (36%) considered insufficient income as (one of) the biggest obstacle(s). Related to this, 8% of entrepreneurs (n°29 and 30) considered high taxes and another 8% (n°5 and 43) the decrease in purchasing power to be (among) the biggest obstacles. Another one third (36%) considered work conditions as (one of) the biggest obstacle(s). Two entrepreneurs (n°17 and 31) complained about the long working hours. One entrepreneur (n°17) even mentioned he now works twice as much as before.

- *Q10a: How do you generally evaluate public policies (of Ghent Municipality/ the Flemish Government/ Belgian Government/EU, including taxes and regulations) to support your business?*

Table 73: Q10a

very positive	0	0%	
Positive	6	14.0%	
not particularly positive or negative	6	14.0%	
negative	16	37.2%	(M)[233]
very negative	11	25.6%	
no opinion	4	9.3%	
Total	43	100%	

Source: Structured interviews December 2016

62.8% of entrepreneurs evaluated public policies to support their business (of Ghent Municipality/ the Flemish Government/ Belgian Government/EU, including

[233] Median of 43 responses and 39 responses excluding 'no opinion' are the same.

taxes and regulations) as negative, with 25.6% of them evaluating these policies as very negative. The median value was 'negative'. Only 14% of entrepreneurs evaluated public policies as positive with no one evaluating them as very positive. This positive evaluation appeared to relate to the level of the monthly net income as all of them but one had a monthly net income above 1,500 EUR: an entrepreneur who ran a restaurant with a monthly net income above 3,000 EUR (n°42), an accountant with a monthly net income between 2,500 and 3,000 EUR (n°3); two entrepreneurs with a pita and friterie business with a monthly net income between 1,801 and 2,500 EUR (n°29 and 30), an entrepreneur with a bakery/ superette with a monthly net income between 1,500 and 1,800 EUR (n°18). An exception was a café holder with a monthly net income between 600 and 850 EUR (n°20) He repeatedly mentioned he was very thankful for what the Belgian state had done for him. Another 14% of entrepreneurs considered these policies as not particularly positive or negative and 9.3% had no opinion. No proposition was formulated here as it also very much possible that the level of monthly net income impacted on the evaluation of public policies.

- *Q10b: Have you experienced any changes in public policies (e.g. taxes, regulations) affecting your business during recent years?*

Table 74: Q10b

Yes	24	55.8%	(M)[234]
No	17	39.5%	
no opinion	2	4.7%	
Total	43	100%	

Source: Structured interviews December 2016

More than half of the entrepreneurs (55.5%) mentioned they experienced changes in public policies (e.g. taxes, regulations) affecting their business during recent years. 39.5% mentioned they did not and experience any changes in public policies during recent years and 4.7% had no opinion.

[234] Median of 43 responses and 41 responses excluding 'no opinion' are the same.

- *Q10c: If so, how do you overall evaluate these changes in public policies (e.g. taxes, regulations) affecting your business?*

Table 75: Q10c

very positive	0	0%	
Positive	2	8.3%	
not particularly positive or negative	3	12.5%	
negative	12	50.0%	(M)
very negative	7	29.1%	
Total	24	100%	

Source: Structured interviews December 2016

79.1% of entrepreneurs who experienced changes in public policies during recent years evaluated these changes in public policies as negative, with 29.1% evaluating them as very negative. The median value was ‘negative’. 12.5% evaluated these changes as not particularly positive or negative. One entrepreneur (n°3) stated “the success of your business depends on yourself”. A sheer 8.3% evaluated changes in public policies as positive, with no one evaluating them as very positive.

- *Q10d: If (very) positive, what were the most significant positive changes? (*maximum two)

Table 76: Q10d

Ghent Municipality set up a campaign to raise awareness for health care	1	50.0%
Ghent Municipality has made my street pretty and gave the chance to create a terrace	1	50.0%
Total respondents:2		

Source: Structured interviews December 2016

A psychologist (n°1) mentioned Gent Municipality has set up campaign to raise awareness for health care. A restaurant holder in ‘Binnenstad’ neighbourhood (n°42) was happy with the attention and efforts given to make his street prettier, which also gave the chance to create a terrace.

- *Q10e: If (very) negative, what were the most significant negative changes? (*maximum two)

Table 77: Q10e

more and/ or higher taxes/ social contributions	10	52.6%
impediment of car and truck access to the business (parking problems and one direction streets in the city)	8	42.1%
more rules, supervision and paperwork	5	26.3%
disproportionate amount of support given to larger enterprises, little support to micro- enterprises	3	15.8%
did not stimulate the economy/ safeguard consumer purchasing power	2	10.5%
disproportionate amount of attention given to other neighbourhoods/negligence of the own neighbourhood	2	10.5%
reduction of social benefits	1	5.3%
Total respondents:19		

Source: Structured interviews December 2016

More than half of the entrepreneurs (52.6%) who experienced (very) negative changes affecting their business during recent years mentioned more and/or higher taxes or social contributions as/ among the most significant change(s). N°15 mentioned an increase in the province tax rate. N°34 and n°41 mentioned an increase of VAT- rates e.g., on alcohol.

42.1% considered impediment of car and truck access to the business as/among the most significant change(s). Complains with regard to this matter were only heard from entrepreneurs in neighbourhoods with over-representation of persons of Turkish origin, particularly in ‘Sluizeken-Tolhuis-Ham’ (n°5, 33, 35, 37 and 39), but also in ‘Dampoort’ (n°12 and 19) and Macharius-Heirnis (n°3). Apart from this, 10.5% complained about disproportionate attention given to other neighbourhoods and/or negligence of the own neighbourhood. One entrepreneur (n°5) wondered if this would be because it is a ‘Turkish neighbourhood’, suggesting discrimination by the municipality. It has to be mentioned here that in December 2016 mobility was a widely discussed topic in Ghent as the municipality had unravelled the start of a new mobility plan in April 2017, which would further enlarge the central car free area. At least one complaint about car and track access i.e. about higher toll fees on the road for transportation of goods (n°39) had yet very little to do with plans or policies of Ghent Municipality. 26.3% complained about more rules, supervision and paperwork. Almost in one breath with mentioning rises in tax expenses three entrepreneurs in the hotel, restaurant and catering sector referred to the introduction of the black box/ white cash register (n°15, 16 and 41). According to n°41 not having a black box/ white cash register may lead to a fine of 1,500 EUR.

- *Q11a: After starting your business, did you benefit from any general information (such as consulting websites or real-life contact moment), individual guidance (by mail or real life contact moment) or financial support, offered by Ghent Municipality (e.g. Oog), the Flemish Government (e.g. Syntra), the Belgian Government or the EU?*

Table 78: Q11a

Yes	8	18.6%	7	18.4%	
No	35	81.4%	31	81.6%	(M)
Total	43	100%	38	100%	

Source: Structured interviews December 2016

A large majority of entrepreneurs (81.4%) did not benefit from any general information (such as consulting websites or real-life contact moment), individual guidance (by mail or real-life contact moment) or financial support, offered by a public instance. 18.6% however did benefit from at least one of these services, which is about the same % of entrepreneurs that benefited from such services at the time of the start-up of their business (see Q8a). Some of these entrepreneurs (n°5 and 6) mentioned they received news from others from time to time.

- *Q11b: If so, was this from Ghent Municipality (e.g. OOG)/ the Flemish Government (e.g. Syntra)/ Belgian Government or the EU? (more than one possible)*

Table 79: Q11b

Ghent Municipality (e.g. OOG)	5	62.5%
Flemish Government (e.g. Syntra)	1	12.5%
Belgian Government	0	0%
EU	0	0%
Ghent Municipality (e.g. OOG) and Flemish Government (e.g. Syntra)	1	12.5%
Ghent Municipality and Belgian Government	1	12.5%
Total	8	100%

Source: Structured interviews December 2016

7 of 8 entrepreneurs (87.5%) who benefited from services offered by a political institution benefited from services offered by Ghent Municipality, 2 entrepreneurs

benefited from services offered by the Flemish Government (25%) and 1 entrepreneur benefited from services offered by the Belgian Government (12.5%).

Among them 2 entrepreneurs benefited from services at 2 political levels: one entrepreneur benefited from services from both Ghent Municipality and the Flemish Government. Another entrepreneur benefited from services from both Ghent Municipality and the Belgian Government.

- *Q11c: If so: general information/ individual guidance or financial support?*

Table 80: Q11c

general information/ individual guidance	6	75.0%
financial support	1	12.5%
general information/ individual guidance and financial support	1	12.5%
Total	8	100%

Source: Structured interviews December 2016

7 of 8 entrepreneurs (87.5%) benefited from general information/ individual guidance. A restaurant holder in Sluizeken-Tolhuis-Ham (n°35), a jeweller in Rabot-Blaisantvest (n°36), one entrepreneur who ran a pita and friterie business at Dampoort (n°30) and one newsagent at Macharius-Heirnis (n°31) mentioned they participated in a general information evening for self-employed organised in Sleepstraat, a street in Sluizeken-Tolhuis-Ham. One entrepreneur who ran a restaurant in Binnenstad (n°42) mentioned he was obliged to contact the horeca coach of Ghent Municipality to obtain certain permits. One entrepreneur who runs a bank, investment and mortgage business (n°43) mentioned she benefited from general info provided by both Ghent Municipality and the Belgian Government.

2 out of 8 (25%) benefited from financial support. One architect in Stationsbuurt Noord (n°21) benefited from the KMO Portefeuille (SME Wallet, offered by the Flemish Government. One restaurant holder in ‘Binnenstad’ (n°33), who had years of work experience in the public sector, benefited from general information/ individual guidance as well as a fund/ investment offered by Ghent Municipality.

- *Q11d If not, why not?*

Table 81: Q11d

I did not find it necessary	12	34.3%
I thought it was too difficult	4	11.4%
I did not know these services were available	15	42.9%
I did not trust these institutions	0	0%
Other:		
contacted Unizo	1	2.9%
no time	3	8.6%
Total	35	100%

Source: Structured interviews December 2016

42.9% of entrepreneurs who did not benefit from services provided by public institutions after the start-up of their business mentioned this was because they did not know these services were available. About one third (34.3%) mentioned they did not find it necessary to contact these services. One entrepreneur (n°29) mentioned that he was helped enough by his business partners. In addition, one entrepreneur (n°25) did not particularly mention why he did not benefit from these services but made clear he contacted Unizo of which he did not become member due to high costs to deal with his papers. 11.4% mentioned they found it too difficult. One entrepreneur (n°15) mentioned that particularly the language causes problems. 8.6 % argued they did not have time to contact these services.

<u>Proposition 6: Entrepreneurs who have benefited from public services after the start of their business(es) have a higher income</u>

Table 82: Q11a and Average Monthly Net Income in 2016 (Q4c)

	<600 EUR	600-850 EUR	851-1,200 EUR	1,201-1,500 EUR	1,501-1,800 EUR	1,801-2,500 EUR	2,501-3,000 EUR	>3,000 EUR	Total	
Yes	1	0	0	0	3	1	1	1	7	(M: 1,501-1,800 EUR)
No	1	3	4	4	10	5	1	3	31	(M: 1,501-1,800 EUR)
Total	2	3	4	4	13	6	2	4	N:38	

Source: Structured interviews December 2016

Entrepreneurs who benefited from public services did not have a higher monthly net income than entrepreneurs who did not benefit from public services after the start of their business(es).

Table 83: Q11a and Average Monthly Net Income in 2016 (Q4c) (N:34)

	<600 EUR	600-850 EUR	851-1,200 EUR	1,201-1,500 EUR	1,501-1,800 EUR	1,801-2,500 EUR	2,501-3,000 EUR	>3,000 EUR	Total	
Yes	0	0	0	0	3	1	1	1	6	(M: 1,800.50 EUR)
No	0	2	3	4	10	5	1	3	28	(M: 1,501-1,800 EUR)
Total	2	3	4	4	13	6	2	4	N:34	

Source: Structured interviews December 2016

However, when the data of four entrepreneurs who had been self-employed for less than one year (n°1, 2, 32 and 38) are excluded from the analysis, the median monthly net income for entrepreneurs who stated ‘yes’ shifts to 1,800.50 EUR, while the median monthly net income for entrepreneurs who stated ‘no’ remains the same. As such, it is not clear whether the proposition is supported or not.

Table 84: Q11b and Average Monthly Net Income in 2016 (Q4c)

	<600 EUR	600-850 EUR	851-1,200 EUR	1,201-1,500 EUR	1,501-1,800 EUR	1,801-2,500 EUR	2,501-3,000 EUR	>3,000 EUR	Total	
Ghent Municipality	0	0	0	0	2	1	1	0	4	(M: 1,800.50 EUR)
Flemish Government	0	0	0	0	1	0	0	0	1	(M: 1,501-1,800 EUR)
Belgian Government	0	0	0	0	0	0	0	0	0	
EU	0	0	0	0	0	0	0	0	0	
Ghent Mun. + Flemish Gov.	1	0	0	0	0	0	0	0	1	(M: <600 EUR)
Ghent Mun. and Belgian Gov.	0	0	0	0	0	0	0	1	1	(M: >3,000 EUR)
Total	1	0	0	0	3	1	1	1	N:7	

Source: Structured interviews December 2016

Entrepreneurs who benefited from public services of only Ghent Municipality had a slightly higher monthly income than the self-employed who only benefited from a public service of the Flemish Government. Having benefited from public services of at least two different political levels did not correlate to a higher income. It has to be mentioned here that the entrepreneur who benefited from services from Ghent Municipality and the Flemish Government had been self-employed for less than one year (n°32). If the values of this entrepreneur and of the entrepreneur who benefited from public services of Ghent Municipality and the Belgian Government (n°43) are added to the separate fields of ‘Ghent Municipality’, ‘Flemish Government’ and Belgian Government, the median value for ‘Ghent Municipality’ is 1,800.50 EUR, for the ‘Flemish Government’ it is 600 to 1,500 EUR and it is >3,000 EUR for the ‘Belgian Government’.

Table 85: Q11c and Average Monthly Net Income in 2016 (Q4c)

	<600 EUR	600-850 EUR	851-1,200 EUR	1,201-1,500 EUR	1,501-1,800 EUR	1,801-2,500 EUR	2,501-3,000 EUR	>3,000 EUR	Total	
gen. info/ ind. Guidance	0	0	0	0	2	1	1	1	5	(M: 1,801-2,500 EUR)
financial support	0	0	0	0	1	0	0	0	1	(M: 1,500-1,800 EUR)
gen. info/ ind. guidance + financial support	1	0	0	0	0	0	0	0	1	(M: <600 EUR)
Total	1	0	0	0	3	1	1	1	N:7	

Source: Structured interviews December 2016

Entrepreneurs who benefited from only general information/ individual guidance appeared to have a higher monthly net income than the entrepreneur who benefited from only financial support (n°21). One entrepreneur who benefited from both general information/ individual guidance and financial support (n°32) had a much lower monthly net income than entrepreneurs who benefited from one of these two services. As previously mentioned, this was an entrepreneur who had started her business less than one year before. If the values of the latter entrepreneur are added to the separate fields of general information/ individual guidance and financial support, the median for general information/ individual guidance becomes 1,800.50 EUR and the median for financial support 600-1,500 EUR.

- *Q12: Do you have any suggestions for the EU, Belgian and Flemish Governments and/or the Ghent Municipality to support your business in a better way? (max. two)*

Table 86: Q12

lower taxes (e.g. labour costs, VAT, Sabam, garbage taxes)	16	37.2%
provide more support to micro-SMEs/protect micro- businesses from too much competition	4	9.3%
guarantee car (and truck) acces to (micro-)SMEs more	4	9.3%
offer more premiums and improve conditions for obtaining premiums (e.g. starters premium, renovation premium)	4	9.3%
give more attention to neighbourhoods with Turkish concentration/ more equal treatment between Turks/ Belgians	3	7.0%
simplify procedures to enlarge/ bring changes to business	3	7.0%
OOG should direct itself more to ethnic minorities	2	4.7%
Total respondents:43[235]		

Source: Structured interviews December 2016

[235] Answers shown are answers which were mentioned by at least two respondents.

The suggestion which was made the most (37.2%) by entrepreneurs was to lower taxes. This included labour taxes, social contributions, garbage taxes, Sabam, tv, etc. One entrepreneur (n°12) mentioned lowering taxes is necessary as now there is a lot of undeclared work. Other frequently heard suggestions were providing more support to micro-SMEs/ protect micro- businesses from too much competition (9.3%). One entrepreneur (n°5) suggested an institution which would defend the interests of all micro-SMEs in Sleepstraat, a street in Sluizeken-Tolhuis-Ham. Another entrepreneur (n°24) claimed public institutions should show more empathy. Guarantee car (and truck) access to (micro-) SMEs more (9.3%) and offer more premiums and improve conditions for obtaining premiums (e.g. starters premium, renovation premium) were among the other frequently heard suggestions. These suggestions were generally in line with the answers to question 10e.

5.6.1.3. Questions Related to Market Conditions (Economy)

Labour market:

- *Q13: To what extent was your decision to become self-employed/ an entrepreneur influenced by having difficulties in finding a job/ not finding a job as a wage-earner in the regular labour market?*

Table 87: Q13

very much influenced	5	11.6%	5	13.1%	
considerably influenced	3	7.0%	3	7.9%	
slightly influenced	9	20.9%	9	23.7%	
not influenced at all	26	60.5%	21	55.3%	(M)
Total	43	100%	38	100%	

Source: Structured interviews December 2016

60.5% of entrepreneurs stated that the decision to become self-employed/ entrepreneur was not influenced at all by having difficulties in finding a job/ not finding a job as a wage-earner in the regular labour market. Of the remaining 39.5% of entrepreneurs who stated their decision to become was influenced by having difficulties in finding a job/ not finding a job as a wage-earner in the labour market

20.9% stated it only slightly influenced their decision. 18.6% of entrepreneurs stated it influenced their decision considerably with 11.6% of them stating very much influenced. Among the self-employed/ entrepreneurs who stated their decision was very much influenced by having difficulties in finding a job/ not finding a job as a wage-earner in the regular labour market was a psychologist (n°2), who mentioned she had not been able to get a job as psychologist in hospitals because she wore a headscarf. The other entrepreneurs who stated 'very much influenced' (n°4, 5, 16, 20) had a few characteristics in common. The Dutch language skills of all of them were at a lower level, with respectively 'A', 'A', 'B' (but knew very little Dutch when he started his business) and 'no knowledge of Dutch language'. This can partly be explained by the fact that all of them had migrated from Turkey. Besides this three of them did not pursue higher education, while n°5 obtained an ön lisan in mechanical engineering.

<u>Proposition 7: Entrepreneurs whose decision to become an entrepreneur was not influenced at all by having difficulties to find a job/ not finding a job as a wage-earner in the regular labour market have a higher income than entrepreneurs whose decision to become an entrepreneur was very much influenced by having difficulties to find/not finding a job on the labour market</u>

Table 88: Q13 and Average Monthly Net Income in 2016 (Q4c)

	<600 EUR	600-850 EUR	851-1,200 EUR	1,201-1,500 EUR	1,501-1,800 EUR	1,801-2,500 EUR	2,501-3,000 EUR	>3,000 EUR	Total	
not influenced at all	1	0	2	2	8	5	0	3	21	(M: 1,501-1,800 EUR)
slightly influenced	1	0	1	0	4	0	2	1	9	(M: 1,501-1,800 EUR)
considerably influenced	0	1	0	2	0	0	0	0	3	(M: 1,201-1,500 EUR)
very much influenced	0	2	1	0	1	1	0	0	5	(M: 851-1,200 EUR)
Total	2	3	4	4	13	6	2	4	N:38	

Source: Structured interviews December 2016

The results show that the median monthly net income of entrepreneurs whose decision to become entrepreneur was not at all influenced by having difficulties to find a job/ not finding a job as a wage-earner is higher than the median monthly net income of entrepreneurs whose decision to become entrepreneur was very much influenced by having difficulties to find a job/ not finding a job as a wage-earner on the regular labour market.

Table 89: Q13 and Average Monthly Net Income in 2016 (Q4c) (N:34)

	<600 EUR	600-850 EUR	851-1,200 EUR	1,201-1,500 EUR	1,501-1,800 EUR	1,801-2,500 EUR	2,501-3,000 EUR	>3,000 EUR	Total	
not influenced at all	0	0	2	2	8	5	0	3	20	(M: 1,501-1,800 EUR)
slightly influenced	0	0	1	0	4	0	2	1	8	(M: 1,501-1,800 EUR)
considerably influenced	0	0	0	2	0	0	0	0	2	(M: 1,201-1,500 EUR)
very much influenced	0	2	0	0	1	1	0	0	4	(M: 851-1,500 EUR)
Total	0	2	3	4	13	6	2	4	N:34	

Source: Structured interviews December 2016

These results are equally shown when 4 entrepreneurs who have been self-employed for less than one year are excluded from the analysis, which means the proposition is supported.

Moreover, the results show a clear correlation between the level of income and having difficulties to find a job/ not finding a job as a wage-earner on the labour market. The monthly net income is the highest among entrepreneurs whose decision to set up a business was not at all or only slightly influenced by having difficulties to find a job/ not finding a job as a wage-earner on the regular market. The monthly net income was the lowest among entrepreneurs whose decision to become self-employed was very much influenced by having difficulties to find a job/ not finding a job as a wage-earner on the regular market.

- *Q14: Generally speaking, with which professional status do you think you could work under the best work and financial conditions?*

Table 90: Q14

as self-employed/ entrepreneur	17	39.5%
as wage or salary earner	19	44.1%
no difference	5	11.6%
no opinion	2	4.7%
Total	43	100%

Source: Structured interviews December 2016

Turkish entrepreneurs were divided about with which professional status they could work under the best work and financial condition with a small preference for working as a wage and salary earner (44.1%) An entrepreneur with a textile business (N°7) and an entrepreneur who had a clothing shop and was also market vendor (n°24) mentioned that before they would have said ‘as self-employed/ entrepreneur’ but that this is no longer the case given the current economic situation. Two bakers (n°16 and 26) and an architect (n°21) clarified their answer by mentioning that in particular social conditions are much better as wage or salary earner, as wage or salary earners enjoy more social guarantees. An entrepreneur with a business in electricity and installation techniques (n°40) equally motivated his answer by saying wage or salary earners work under better social conditions, despite earning less than as self-employed/ entrepreneur. Another baker (n°22) mentioned it is for instance much harder to obtain a loan from the bank as self-employed/ entrepreneur. An entrepreneur with a pita and friterie business (n°28) mentioned there are generally less worries as wage or salary earner. An entrepreneur with a patisserie with börek and simit (n°11) mentioned she did not get enough satisfaction as self-employed, which made her decide to go studying again. An entrepreneur with a clothing shop (n°6) mentioned teachers work under the best work and financial conditions. 39.5% stated that best work and financial conditions could be enjoyed as self-employed/ entrepreneur. The entrepreneurs with the 6 highest average monthly net incomes in 2016 (n°3, 15, 36, 39, 42 and 43), all with a monthly net income above 2,500 EUR, all stated they could work under the best work and financial conditions as self-employed/ entrepreneur. 11.6% did not see a difference in work and financial conditions. A restaurant holder (n°32) mentioned freedom compensates a lot. Finally, 4.7% had no opinion.

Product market

- *Q15a: How many businesses do you have?*

Table 91: Q15a

One	40	93.0%	(M)
Other			
two	2	4.7%	
three	1	2.3%	
Total	43	100%	

Source: Structured interviews December 2015

A very large majority of entrepreneurs (93%) ran one business, while a small minority of entrepreneurs (7%) ran more than one business. One entrepreneur was a market vendor and ran a clothing shop (n°24) and one entrepreneur ran a hairdresser's and a supermarket (n°25). Finally, one entrepreneur (n°39) ran a decoration/ interior design business, a clothing shop and a furniture shop.

- *Q15b: in what type of business(es) are you active?*

Table 92: Q15b

independent professional (4):		9.3%
Psychologist	2	
Accountant	1	
Architect	1	
business involved in trade (39):		90.7%
hotel, restaurant and catering sector (horeca) (23):		(53.4%)
pita/kebab/ friterie business	5	
restaurant which does not have 'pita' or 'pide/pizza' references in its name	4	
pide/ Turkish pizza restaurant	3	
Bakery	3	
baklava/ patisserie	2	
Butcher	2	
çig köfte	1	
bakery and superette	1	
Café	1	
börek and simit patisserie	1	
other (16):		(37.2%)
Hairdresser	3	
supermarket + hairdresser (2 businesses)	1	
clothing shop	1	
clothing shop + market vendor (2 businesses)	1	
jewellery shop	1	
textile shop	1	
import/ export business	1	
Newsagent	1	
decoration/ interior design	1	
decoration/ interior design + clothing + furniture shop (3 businesses)	1	
electricity and reparation	1	
Bazaar	1	
furniture business	1	
insurance/ mortgage/ credit supply business	1	
Total	43	100%

Source: Structured interviews December 2016

About 90% of entrepreneurs ran a business/ businesses involved in trade, including 53.4% of entrepreneurs active in the hotel, restaurant and catering (horeca) sector. A little less than 10% of entrepreneurs were independent professionals, including 2 psychologists, an accountant and an architect.

<u>Proposition 8: Independent professionals have the highest monthly net income</u>

Table 93: Q15b Independent Professionals and Average Monthly Net Income 2016 (Q4c)

	<600 EUR	600-850 EUR	851-1,200 EUR	1,201-1,500 EUR	1,501-1,800 EUR	1,801-2,500 EUR	2,501-3,000 EUR	>3,000 EUR	Total	
business of ind. profession:										(M: 1,200-1,500 EUR)
psychologist	0	1	1	0	0	0	0	0	2	(M: 850.50 EUR)
accountant	0	0	0	0	0	0	0	1	1	(M: >3,000 EUR)
architect	0	0	0	0	1	0	0	0	1	(M: 1,500-1, 800 EUR)
Total	0	1	1	0	1	0	0	1	N:4	

Source: Structured interviews December 2016

The results show a large diversity of monthly net income categories for businesses of independent professionals, with the median monthly net income being 1,201-1,500 EUR. However, two psychologists (n°1 and 2) had been self-employed for less than one year. Excluding their values from the analysis would make the median monthly net income shift to 1,800-3,000 EUR with N:2, which as such is not representative.

Table 94: Q15b Horeca and Average Monthly Net Income in 2016 (Q4c)

	<600 EUR	600-850 EUR	851-1,200 EUR	1,201-1,500 EUR	1,501-1,800 EUR	1,801-2,500 EUR	2,501-3,000 EUR	>3,000 EUR	NA	Total	
Horeca											(M: 1,501-1, 800 EUR)
pita/kebab/ friterie business	0	0	0	0	3	2	0	0	0	5	(M: 1,501-1, 800 EUR)
restaurant, excl. pita/pide rest.	1	0	0	0	1	0	0	1	1	4	(M: 1,501-1, 800 EUR)
pide/ Turkish pizza restaurant	0	0	0	1	0	0	0	0	2	3	(M: 1,201-1,500 EUR)
Bakery	0	0	0	0	1	2	0	0	0	3	(M: 1,801-2,500 EUR)
baklava/ patisserie	0	0	0	0	1	0	1	0	0	2	(M: 1,801-2,500 EUR)
Butcher	0	0	0	1	0	0	0	0	1	2	(M: 1,201-1,500 EUR)
çig köfte	0	0	1	0	0	0	0	0	0	1	(M: 851-1,200 EUR)
bakery and superette	0	0	0	0	1	0	0	0	0	1	(M: 1,501-1, 800 EUR)
Café	0	1	0	0	0	0	0	0	0	1	(M: 600-850 EUR)
börek and simit patisserie	0	0	0	0	1	0	0	0	0	1	(M: 1,501-1, 800 EUR)
Total	1	1	1	2	8	4	1	1	4	N: 23	

Source: Structured interviews December 2016

These results show that the median monthly net income of entrepreneurs active in the hotel, restaurant and catering sector is 1,501-1,800 EUR with N:19. A student with a çig köfte business (n°10) had been an entrepreneur for 1 to 2 years. One café tender (n°20) was above 50 and mentioned he did not care much about making money. One holder of a restaurant excluding pita/ pide restaurants had been self-employed for less than one year (n°32). Excluding her data from the analysis would make the median monthly net income of restaurants excluding pita/pide restaurants alter to 1,800->3,000 EUR with N:2, which as such is not representative.

Table 95: Q15b Other and Average Monthly Net Income (Q4c)

	<600 EUR	600-850 EUR	851-1,200 EUR	1,201-1,500 EUR	1,501-1,800 EUR	1,801-2,500 EUR	2,501-3,000 EUR	>3,000 EUR	NA	Total	
other:											(M: 1,500-1,800 EUR)
Hairdresser	1	1	0	1	0	0	0	0	0	3	(M: 600-850 EUR)
dec./ interior design + clothing shop + furniture shop	0	0	0	0	0	0	0	1	0	1	(M: >3,000 EUR)
Supermarket + hairdresser	0	0	0	0	0	1	0	0	0	1	(M: 1,801-2,500 EUR)
clothing shop + market vendor	0	0	1	0	0	0	0	0	0	1	(M: 851-1,200 EUR)
jewellery shop	0	0	0	0	0	0	1	0	0	1	(M: 2,501-3,000 EUR)
textile shop	0	0	0	0	0	1	0	0	0	1	(M: 1,801-2,500 EUR)
import/ export business	0	0	0	0	1	0	0	0	0	1	(M: 1,501-1,800 EUR)
Newsagent	0	0	0	0	1	0	0	0	0	1	(M: 1,501-1,800 EUR)
decoration/ interior design	0	0	0	0	0	0	0	0	1	1	
clothing shop	0	0	1	0	0	0	0	0	0	1	(M: 851-1,200 EUR)
electricity and installations	0	0	0	0	1	0	0	0	0	1	(M: 1,501-1,800 EUR)
Bazaar	0	0	0	1	0	0	0	0	0	1	(M: 1,201-1,500 EUR)
furniture business	0	0	0	0	1	0	0	0	0	1	(M: 1,501-1,800 EUR)
insur./ mortgage/ credit supply	0	0	0	0	0	0	0	1	0	1	(M: >3,000 EUR)
Total	1	1	2	1	4	2	1	2	1	N:16	

Source: Structured interviews December 2016

The median monthly net income of entrepreneurs involved in trade, excluding the horeca sector was equally 1,500-1,800 EUR. One hairdresser had been self-employed for less than one year (n°38). Excluding his data would make the median monthly net income for hairdressers shift to 850-1,200 with N:2 which as such is not representative.

Table 96: Q15b Independent Professionals/ Businesses Involved in Trade and Average Monthly Net Income in 2016 (Q4c)

	<600 EUR	600-850 EUR	851-1,200 EUR	1,201-1,500 EUR	1,501-1,800 EUR	1,801-2,500 EUR	2,501-3,000 EUR	>3,000 EUR	NA	Total	
independent professionals	0	1	1	0	1	0	0	1	0	4	(M: 1,201-1,500 EUR)
business involved in trade	2	2	3	4	12	6	2	3	5	39	(M: 1,501-1,800 EUR)
Total	2	3	4	4	13	6	2	4	5	N:43	

Source: Structured interviews December 2016

The median monthly net income for all entrepreneurs involved in trade was 1,501-1,800 with N:39, which was higher than the median monthly net income of independent professionals.

Table 97: Q15b Independent Professionals/ Businesses Involved in Trade and Average Monthly Net Income in 2016 (Q4c) (N:39)

	<600 EUR	600-850 EUR	851-1,200 EUR	1,201-1,500 EUR	1,501-1,800 EUR	1,801-2,500 EUR	2,501-3,000 EUR	>3,000 EUR	NA	Total	
independent professionals	0	0	0	0	1	0	0	1	0	2	(M: 1,801->3,000 EUR)
business involved in trade	0	2	3	4	12	6	2	3	5	37	(M: 1,501-1,800 EUR)
Total	0	2	3	4	13	6	2	4	4	N:39	

Source: Structured interviews December 2016

Excluding data of 4 entrepreneurs who had been entrepreneur for less than one year (n°1, 2, 32 and 38) does not alter the median monthly net income of businesses involved in trade. The median monthly net income of independent professional shifts to 1,801-3,000 EUR but as N:2 it is not representative. As such, it is not clear whether the proposition is supported or not.

- *Q15c: What is/ What are the legal entity/ entities of your business(es)? (Dutch legal names)*

Table 98: Q15c

Eenmanszaak (≈UK:Sole trader/ US:Sole Proprietorship)	13	30.2%	12	31.6%
BVBA (≈UK: Private Company Limited By Shares)	23	53.5%	19	50.0%
EBVBA (≈UK: Single Member Ltd.)	0	0%	0	0%
CVBA (≈UK: Limited Liability Cooperative)	2	4.7%	2	5.3%
CVOA (≈UK: Unlimited Liability Cooperative)	3	7.0%	3	7.9%
Comm.V. (≈UK: Limited Partnership)	2	4.7%	2	5.3%
Comm. V.A. (≈UK: Publicly Traded Partnership)	0	0%	0	0%
NV (≈UK: Public Limited Company)	0	0%	0	0%
Total	43	100%	38	100%

Source: Structured interviews December 2016

More than half of the entrepreneurs (53.5%) ran a business/ businesses with the legal status of BVBA. Another large group of entrepreneurs (30.2%) ran a business with the legal entity of Eenmanszaak. 3 entrepreneurs (7%) who ran a pita and a friterie business, of which two were each other's business partner, ran a business with a CVOA status. 2 business partners (4.7%) ran a hairdresser's with a CVBA status (n°37 and 38). 2 entrepreneurs (4.7%); a student/ entrepreneur with a çig köfte business (n°10) and an entrepreneur with a business in insurances, credit supply and mortgages (n°43) ran a business with the legal status of Comm.V.

The latter entrepreneur was one of the entrepreneurs who mentioned he had started his business with the legal status of Eenmanszaak but had switched to another status over time. While n°43 over time had switched to the status of Comm.V., a restaurant holder in Sluizeken-Tolhuis-Ham (n°35) mentioned he had started his business with the status of Eenmanszaak but had then switched to BVBA. One accountant (n°3) who started her business with the status of Eenmanszaak mentioned it was her ambition to switch to a BVBA status. It can hence be expected that particularly among the entrepreneurs who ran their business with the legal status of BVBA there were more entrepreneurs who had started their business with a legal status of Eenmanszaak and had over time switched to a BVBA status. One entrepreneur with 2 businesses, i.e. a hairdresser's and a supermarket (n° 25) and an entrepreneur with 3 businesses, i.e. an interior design/ decoration shop, clothing shop and furniture business, ran all their businesses with the legal status of BVBA. One entrepreneur with 2 businesses, i.e. a clothing shop and market vendor however ran his businesses with the legal status as Eenmanszaak.

Proposition 9: Entrepreneurs with a business with the legal status of BVBA have a higher monthly net income than entrepreneurs with the legal status of Eenmanszaak

Table 99: Q15c and Average Monthly Net Income in 2016 (Q4c)

	<600 EUR	600-850 EUR	851-1,200 EUR	1,201-1,500 EUR	1,501-1,800 EUR	1,801-2,500 EUR	2,501-3,000 EUR	>3,000 EUR	Total	
Eenmanszaak	0	3	2	0	4	1	1	1	12	(M: 1,501-1,800 EUR)
BVBA	1	0	1	3	8	3	1	2	19	(M: 1,501-1,800 EUR)
CVBA	1	0	0	1	0	0	0	0	2	(M: 600-1,200 EUR)
CVOA	0	0	0	0	1	2	0	0	3	(M: 1,800-2,500 EUR)
Comm. V.	0	0	1	0	0	0	0	1	2	(M: 1,201->3,000 EUR)
Total	2	3	4	4	13	6	2	4	N:38	

Source: Structured interviews December 2016

The results show that entrepreneurs with a business with the legal status of BVBA and entrepreneurs with a business with the legal status of Eenmanszaak have a similar median monthly net income level, i.e. 1,500 to 1,800 EUR. In addition, entrepreneurs with the legal status of CVOA and Comm.V. register higher median monthly net income values than entrepreneurs with the legal status of BVBA, but it has to be noticed here that for these legal statuses N:3 and N:2, respectively.

Table 100: Q15c and Average Monthly Net Income in 2016 (Q4c) (N:34)

	<600 EUR	600-850 EUR	851-1,200 EUR	1,201-1,500 EUR	1,501-1,800 EUR	1,801-2,500 EUR	2,501-3,000 EUR	>3,000 EUR	Total	
Eenmanszaak	0	2	1	0	4	1	1	1	10	(M: 1,501-1,800 EUR)
BVBA	0	0	1	3	8	3	1	2	18	(M: 1,501-1,800 EUR)
CVBA	0	0	0	1	0	0	0	0	1	(M: 1,201-1,500 EUR)
CVOA	0	0	0	0	1	2	0	0	3	(M: 1,800-2,500 EUR)
Comm. V.	0	0	1	0	0	0	0	1	2	(M: 1,201->3,000 EUR)
Total	0	2	3	4	13	6	2	4	N:34	

Source: Structured interviews December 2016

Excluding the data of 4 entrepreneurs who have been self-employed for less than one year (n°1, 2, 32 and 38) does not alter the median monthly net income of entrepreneurs with the legal status of Eenmanszaak and of entrepreneurs with the legal status of BVBA. As such, the proposition is falsified.

- *Q16: How many people do you employ (excluding yourself)?*

Table 101: Q16

None	20	46.5%	
1 to 3	18	41.9%	(M)
4 or 5	2	4.7%	
6 to 9	2	4.7%	
10 to 20	1	2.3%	
21 to 30	0	0%	
>30	0	0%	
Total	43	100%	

Source: Structured interviews December 2016

Solely applying the staff criterion of the European SME definition, all but one entrepreneur were micro-entrepreneur, i.e. employing less than 10 people. 88.4% of entrepreneurs did not employ anyone excluding themselves (46.5%) or employed 1 to 3 persons (41.9%: median). A minority of entrepreneurs (n°11 and 35) employed 4 to 5 people (4.7%), 6 to 9 people (4.7%: n° 40 and 41) or 11 to 20 people (2.3%: n°39). Entrepreneurs who employed more than 3 people, excluding themselves, all ran a business with the legal status of BVBA.

- *Q17: In which neighbourhood(s) in Ghent is/ are your business(es) located?*[236]

[236] For the location of these quarters, see Appendix 35

Table 102: Q17

Neighbourhoods with over-representation of persons of Turkish origin (31)		72.1%	27	71.1%
Dampoort	15	(34.9%)	13	(34.2%)
Sluizeken-Tolhuis-Ham	11	(25.8%)	10	(26.3%)
Macharius-Heirnis	3	(7.0%)	2	(5.3%)
Rabot-Blaisantvest	1	(2.3%)	1	(2.6%)
Bloemekenswijk	1	(2.3%)	1	(2.6%)
Neighbourhoods with under-representation of persons of Turkish origin (12)		27.9%	11	28.9%
Binnenstad	7	(16.3%)	6	(15.8%)
Stationsbuurt Noord	3	(7.0%)	3	(7.9%)
Sint-Amandsberg	1	(2.3%)	1	(2.6%)
Oostakker	1	(2.3%)	1	(2.6%)
Total	43	100%	38	100%

Source: Structured interviews December 2016

72.1% of entrepreneurs ran a business located in a neighbourhood with over-representation of persons of Turkish origin, predominantly in Dampoort (34.9%) and Sluizeken-Tolhuis-Ham 25.8%, and to a lesser extent in Macharius-Heirnis (7.0%), Rabot-Blaisantvest (2.3%) and Bloemekenswijk (2.3%). One entrepreneur with two businesses, i.e. market vendor and clothing shop (n°24) was considered as running a business in Bloemenkenswijk, the place where his clothing shop was located. Another entrepreneur with two businesses, i.e. a supermarket and hairdresser’s (n°25) ran both his businesses in Sluizen-Tolhuis-Ham. One entrepreneur with three businesses (n°39), i.e. an interior design/decoration shop, clothing shop and furniture shop ran two of his businesses in Sluizeken-Tolhuis-Ham and in Melle, a neighbouring municipality of Ghent. He was considered as running his businesses in Sluizeken-Tolhuis–Ham.

27.9% of entrepreneurs ran a business in a neighbourhood with under-representation of persons of Turkish origin, predominantly in Binnenstad (16.3%) and Stationsbuurt Noord (7.0%) and to a lesser extent in Sint-Amandsberg (2.3%) and Oostakker (2.3%). Entrepreneurs in neighbourhoods with under-representation of persons of Turkish origin were four restaurant holders (n°32, 34, 41, 42), two psychologists (n°1 and 2), one accountant (n°3), one architect (n°21), one entrepreneur who ran a pita/ friterie business (n°4) one cafe holder (n°20), one baker (n°26) and one entrepreneur with a business in electricity and installation techniques (n°40).

Proposition 10: Entrepreneurs with a business in a neighbourhood with under-representation of persons of Turkish origin have a higher monthly net income

Table 103: Q17 and Average Monthly Net Income in 2016 (Q4c)

	<600 EUR	600-850 EUR	851-1,200 EUR	1,201-1,500 EUR	1,501-1,800 EUR	1,801-2,500 EUR	2,501-3,000 EUR	>3,000 EUR	Total	
Neighbourhoods with over-representation of persons of Turkish origin	1	1	3	4	8	6	2	2	27	(M: 1,501-1,800 EUR)
Neighbourhoods with under-representation of persons of Turkish origin	1	2	1	0	5	0	0	2	11	(M: 1,501-1,800 EUR)
Total	2	3	4	4	13	6	2	4	N:38	

Source: Structured interviews December 2016

The results show that the median monthly net income of entrepreneurs with a business/ businesses in neighbourhoods with under-representation of persons of Turkish origin is at the same level of the median monthly net income of entrepreneurs with a business/ businesses in neighbourhoods with over-representation of persons of Turkish origin[237].

Table 104: Q17 and Average Monthly Net Income in 2016 (Q4c) (N:34)

	<600 EUR	600-850 EUR	851-1,200 EUR	1,201-1,500 EUR	1,501-1,800 EUR	1,801-2,500 EUR	2,501-3,000 EUR	>3,000 EUR	Total	
Neighbourhoods with over-representation of persons of Turkish origin	0	1	3	4	8	6	2	2	26	(M: 1,501-1,800 EUR)
Neighbourhoods with under-representation of persons of Turkish origin	0	1	0	0	5	0	0	2	8	(M: 1,501-1,800 EUR)
Total	0	2	3	4	13	6	2	4	N:34	

Source: Structured interviews December 2016

Excluding the values of 4 entrepreneurs (n°1, 2, 32 and 38) who have been self-employed for less than one year from the analysis do not alter the median monthly net income levels. As such, the proposition is falsified.

- *Q18a: For businesses involved in trade excluding hairdressers and credit suppliers: How crucial is the supply of Turkish products for your business?*

[237] Analysis per neighbourhood is not made as to respect the privacy of the respondents.

Table 105: Q18a

very important	23	65.7%	(M)
Important	7	20.0%	
not really important	1	2.9%	
not important at all	4	11.4%	
Total	35	100%	

Source: Structured interviews December 2016

85.7% of entrepreneurs of businesses involved in trade excluding hairdressers and credit suppliers considered the supply of Turkish products important for their business, with 65.7% of them considering it as very important (median).

One entrepreneur who ran a friterie and pita business (n°4) mentioned he originally opened his business as a friterie but then added pita to the menu which has proved to sell more. Another entrepreneur with a pita and friterie business (n°13) mentioned being able to offer halal food is very important. One restaurant holder (n°32) said being able to offer halal food is important as well as selling Turkish wine. One baker (n°16) mentioned being able to sell Turkish olives and cheese is important. One entrepreneur who ran a supermarket and a hairdresser’s (n°25) mentioned about 80 to 90% of the products he sold in his supermarket were Turkish. One entrepreneur with a textile business mentioned he imported his material from Turkey (n°7). One entrepreneur with a business in import and export (n°33) mentioned selling Turkish products was very important for his business as this proves a higher quality standard than for instance Chinese products, who sell more polyester and do not respect health and environment standards, which in fact creates unfair competition. One entrepreneur with a business in interior design (decoration), clothing shop and furniture business (n°39) mentioned it was important to offer Turkish brands in his clothing shop and interior design shop, particularly with regard to carpets.

14.3% did not consider this supply important with 11.4% of them considering it not important at all. Among them were an entrepreneur who ran a bazaar in Dampoort (n°12), a café holder in Binnenstad (n°20), an entrepreneur who was market vendor and ran a clothing shop in Bloemekenswijk (n°24), a newsagent in Macharius-Heirnis (n°31) and an entrepreneur with a business in electricity and installation techniques in Oostakker (n°40).

- *Q18b: For professionals taking on an independent profession, credit suppliers and hairdressers: How important is the familiarity with Turkish language/ Turkish culture for your business?*

Table 106: Q18b

very important	3	37.5%	
Important	2	25.0%	(M)
not really important	3	37.5%	
not important at all	0	0%	
Total	8	100%	

Source: Structured interviews December 2016

5 out of 8 (62.5%) self-employed taking on an independent profession, credit suppliers and hairdressers stated familiarity with Turkish language/ Turkish culture is important, with 2 psychologists (n°1 and 2) considering it very important and 1 accountant (n°3), 1 architect (n°21) and one credit supplier (n°43) considering it important. 3 out of 8 (37.5%) did not find it important, although none of them stated it was not important at all. These were all hairdressers (n°6, 37 and 38). As such, it can be concluded that while professionals taking on an independent profession and credit suppliers consider familiarity with Turkish language/ Turkish culture as (very) important, this is different for hairdressers, as they consider familiarity with Turkish language/ Turkish culture as not really important for their business.

- *Q19: What is the main target clientele of your business?*

Table 107: Q19

native Belgians	15	34.9%	13	36.8%
people of Turkish origin	2	4.7%	1	2.6%
others:				
construction firms	1	2.3%	1	2.6%
no specific target clientele	25	58.1%	23	60.5%
Total	43	100%	38	100%

Source: Structured interviews December 2016

58.1% of entrepreneurs stated they did not have a specific target clientele. 34.9% stated their main clientele are native Belgians. One entrepreneur with a çig köfte business (n°10) specified that she particularly targeted vegan Belgians. One restaurant holder (n°32) mentioned she deliberately did not choose for a business name with links to Turkey and did not want to profile her restaurant as a Turkish restaurant, but as an oriental restaurant, with Balkan, eastern Mediterranean, Armenian and Persian products available.

Only 4.7% stated that people of Turkish origin are the main target clientele of their business. One of them was an entrepreneur (n°19) who ran a bazaar and mentioned that even if he wanted he would not be able to attract many Belgian customers. The other entrepreneur who mentioned people of Turkish origin as the main target clientele of her business was an entrepreneur with a business in banking, credit supply and mortgages (n°43). One entrepreneur with a business in electricity and installation techniques (n°40) mentioned his main target clientele are construction firms.

<u>Proposition 11: Entrepreneurs with a native Belgian target clientele have a higher monthly net income</u>

Table 108: Q19 and Average Monthly Net Income in 2016 (Q4c)

	<600 EUR	600-850 EUR	851-1,200 EUR	1,201-1,500 EUR	1,501-1,800 EUR	1,801-2,500 EUR	2,501-3,000 EUR	>3,000 EUR	Total	
native Belgians	1	1	2	2	3	3	0	1	13	(M: 1,501-1,800 EUR)
people of Turkish origin	0	0	0	0	0	0	0	1	1	(M: >3,000 EUR)
other:										
construction firms	0	0	0	0	1	0	0	0	1	(M: 1,501-1,800 EUR)
no specific target clientele	1	2	2	2	9	3	2	2	23	(M: 1,501-1,800 EUR)
Total	2	3	4	4	13	6	2	4	N:38	

Source: Structured interviews December 2016

The median monthly net income of entrepreneurs with a native Belgian target clientele was at the same level of the median monthly net income of entrepreneurs without a specific target clientele. The median monthly net income of entrepreneurs with a Turkish target clientele is much higher, i.e. >3,000 EUR, but N: 1 and is hence not representative.

Table 109: Q19 and Average Monthly Net Income in 2016 (Q4c) (N:34)

	<600 EUR	600-850 EUR	851-1,200 EUR	1,201-1,500 EUR	1,501-1,800 EUR	1,801-2,500 EUR	2,501-3,000 EUR	>3,000 EUR	Total	
native Belgians	0	1	2	2	3	3	0	1	12	(M: 1,501-1,800 EUR)
people of Turkish origin	0	0	0	0	0	0	0	1	1	(M: >3,000 EUR)
other:										
construction firms	0	0	0	0	1	0	0	0	1	(M: 1,501-1,800 EUR)
no specific target clientele	0	1	1	2	9	3	2	2	20	(M: 1,501-1,800 EUR)
Total	0	2	3	4	13	6	2	4	N:34	

Source: Structured interviews December 2016

Excluding the values of 4 entrepreneurs (n°1, 2, 32 and 38) who have been self-employed for less than one year from the analysis does not alter the median monthly net income levels. As such, the proposition is falsified.

- *Q20: How large is the share of customers of Turkish origin and how large is the share of native Belgian customers and other customers?*

Table 110: Q20 Combinations

Turkish origin <25%, native Belgians >75%, others <25%	7	16.3%	6	15.8%
Turkish origin 51-75%, native Belgians 25-50%, others <25%	6	14.0%	6	15.8%
Turkish origin 51-75%, native Belgians <25%, others <25%	6	14.0%	6	15.8%
Turkish origin >75%, native Belgians <25%, others <25%	5	11.6%	4	10.5%
Turkish origin 25-50%, native Belgians 25-50% others <25%	5	11.6%	4	10.5%
Turkish origin 25-50%, native Belgians 51-75%, others <25%	3	7.0%	3	7.9%
Turkish origin <25%, native Belgians 51-75%, others <25%	3	7.0%	3	7.9%
Turkish origin 51-75% native Belgians <25%, others 25-50%	2	4.7%	1	2.6%
Turkish origin <25%, native Belgians 25-50%, others 25-50%	2	4.7%	2	5.3%
Turkish origin <25-50%, native Belgians 25-50%, others 25-50%	2	4.7%	1	2.6%
Turkish origin <25%, native Belgians 51-75%, others 25-50%	1	2.3%	1	2.6%
Turkish origin 25-50%, native Belgians <25%, others 51-75%	1	2.3%	1	2.6%
Total	43	100%	38	100%

Source: Structured interviews December 2016

As previously shown, the share of customers of Turkish origin, native Belgian customers and other customers of Turkish self-employed/ entrepreneurs in Ghent are rather heterogeneous. The 3 most heard combinations were customer share of Turkish origin <25%, native Belgians >75% and others <25% (16.3%); customer share of

Turkish origin 51-75%, native Belgians 25-50% and others <25% (14%); and Turkish origin 51-75%, native Belgians <25%, others <25% (14%).

Table 111: Q20 Turkish Origin

Turkish origin >75%	5	11.6%	4	10.5%	
Turkish origin 51-75%	14	32.6%	13	34.2%	
Turkish origin 25-50%	11	25.6%	9	23.7%	(M)
Turkish origin <25%	13	30.2%	12	31.6%	
Total	43	100%	38	100%	

Source: Structured interviews December 2016

When only looking at the shares of customers of Turkish origin, heterogeneity again appears to be the case, although relatively few entrepreneurs (11.6%) mentioned that the share of customers of Turkish origin was above 75%, with the median value being a share of customers of Turkish origin of 25 to 50%. Businesses of entrepreneurs who stated that the share of customers of Turkish origin was above 75% were over-represented in neighbourhoods with over-representation of persons of Turkish origin as 4 of the 5 entrepreneurs (80%[238]) who stated that the share of customers of Turkish origin was above 75% had a business in a neighbourhood with over-representation of persons of Turkish origin. These were a restaurant holder in Dampoort (n°9), a student/ entrepreneur with a çig köfte business in Dampoort (n°10), an entrepreneur who ran a patisserie with specialisation in baklava in Dampoort (n°15) and an entrepreneur with a business in insurances, credit supply and mortgages in Sluizeken-Tolhuis-Ham (n°43). One entrepreneur with a share of customers of Turkish origin above 75% ran her business in a neighbourhood with under-representation of persons of Turkish origin. This was a psychologist in Stationsbuurt Noord (n°1).

Table 112: Q20 Native Belgians

native Belgians >75%	7	16.3%	6	15.8%	
native Belgians 51-75%	7	16.3%	7	18.4%	
native Belgians 25-50%	15	34.9%	13	34.2%	(M)
native Belgians <25%	14	32.6%	12	31.6%	
Total	43	100%	38	100%	

Source: Structured interviews December 2016

[238] while only 72.1% of the interviewed entrepreneurs had a business in such a neighbourhood.

When only looking at the share of native Belgian customers, it shows that for about two thirds of entrepreneurs the share of native Belgian customers does not exceed 50%, with the median value being a share of native Belgian customers of 25 to 50%. For about one sixth of entrepreneurs the share of native Belgian customers exceeded 75%. Their businesses were clearly overrepresented in neighbourhoods with under-representation of persons of Turkish origin. These were three restaurant holders in Binnenstad (n°34, 41 and 42), a baker in Sint-Amandsberg (n°22) and an entrepreneur with a business in electricity and installation techniques in Oostakker (n°40). Yet two of them ran a business in a neighbourhood with over-representation of persons of Turkish origin; an entrepreneur with three businesses, i.e. an interior design (decoration) shop, clothing shop and furniture shop (n°39) in Sluizeken-Tolhuis-Ham and an entrepreneur with a textile business in Sluizeken-Tolhuis-Ham (n°7).

Table 113: Q20 Others

others >75%	0	0%	0	0%	
others 51-75%	1	2.3%	1	2.6%	
others 25-50%	7	16.3%	5	13.2%	
others <25%	35	81.4%	32	84.2%	(M)
Total	43	100%	38	100%	

Source: Structured interviews December 2016

When only looking at the share of ‘other customers’, it shows that for about 80% of entrepreneurs the share of ‘other customers’ was below 25%, which consequently was also the median value. The only entrepreneur who mentioned the share of ‘other customers exceeded 50%, was an entrepreneur with a bazaar shop in Dampoort (n°12). He mentioned that the share of others was between 51 and 75% and primarily composed of Bulgarians. Another entrepreneur with an interior design/ bazaar shop in the same neighbourhood (n°19) mentioned the share of other customers in his business was between 25 and 50% but that this share could as well be higher as it is not always easy to distinguish Bulgarians from Turks.[239] One restaurant holder in

[239] A certain number of Bulgarians in Ghent have Turkish roots and speak Turkish as well. While during the field research I came across a number of Bulgarian entrepreneurs who spoke Turkish and stated to have Turkish roots, none of them had the Turkish nationality.

Binnenstad (n°32) mentioned the share of ‘other customers’ of her business was between 25 and 50%, with most of them being Western European foreign nationals.

<u>Proposition 12: Entrepreneurs with a share of native Belgian customers >75% have a higher monthly net income</u>

Table 114: Q20 Combinations and Average Monthly Net Income in 2016 (Q4c)

	<600 EUR	600-850 EUR	851-1,200 EUR	1,201-1,500 EUR	1,501-1,800 EUR	1,801-2,500 EUR	2,501-3,000 EUR	>3,000 EUR	Total	
T.O. <25%, N. B >75%, others <25%	0	0	0	0	2	2	0	2	6	(M: 1,801-2,500 EUR)
T.O. 51-75%, N.B. 25-50%, others <25%	0	0	0	0	3	2	1	0	6	(M: 1,800.50 EUR)
T.O. 51-75%, N.B. <25%, others <25%	0	0	0	2	3	1	0	0	6	(M: 1,501-1,800 EUR)
T.O. >75%, N.B. <25%, others <25%	0	1	1	0	0	0	1	1	4	(M: 1,200-2,501 EUR)
T.O. 25-50%, N.B. 25-50% others <25%	0	2	1	0	0	0	0	1	4	(M: 850.50 EUR)
T.O. 25-50%, N.B. 51-75%, others <25%	1	0	0	1	1	0	0	0	3	(M: 1,201-1,500 EUR)
T.O. <25%, N.B. 51-75%, others <25%	0	0	0	0	3	0	0	0	3	(M: 1,501-1,800 EUR)
T.O. 51-75%, N.B. <25%, others 25-50%	0	0	1	0	0	0	0	0	1	(M: 851-1,200 EUR)
T.O. <25%, N.B. 25-50%, others 25-50%	0	0	1	0	1	0	0	0	2	(M: 1,201-1,500 EUR)
T.O. 25-50%, N.B. 25-50%, others 25-50%	0	0	0	0	0	1	0	0	1	(M: 1,801-2,500 EUR)
T.O. <25%, N.B. 51-75%, others 25-50%	1	0	0	0	0	0	0	0	1	(M: <600 EUR)
T.O. 25-50%, N.B. <25%, others 51-75%	0	0	0	1	0	0	0	0	1	(M: 1,201-1,500 EUR)
Total	2	3	4	4	13	6	2	4	N:38	

Source: Structured interviews December 2016

The results show the highest median monthly net income values (1,800-2,500 EUR) for the customer share combinations ‘Turkish origin <25%, native Belgians >75% and others <25%’ (N:6); and ‘Turkish origin 25-50 %, native Belgians 25-50% and others 25-50% (N:1 and as such not representative). While these share combinations have a customer share of Turkish from 0 to 50%, another share combination, i.e. Turkish origin 51-75%, native Belgians 25-50% and others <25% (N:6) also shows a relatively high median monthly net income of 1,800.50 EUR. All three combinations have a share of native Belgians of minimum 25 to 50%.

Table 115: Q20 Native Belgians and Average Monthly Net Income in 2016 (Q4c)

	<600 EUR	600-850 EUR	851-1,200 EUR	1,201-1,500 EUR	1,501-1,800 EUR	1,801-2,500 EUR	2,501-3,000 EUR	>3,000 EUR	Total	
Native Belgian >75%	0	0	0	0	2	2	0	2	6	(M: 1,800-2,500 EUR)
Native Belgian 51-75%	2	0	0	1	4	0	0	0	7	(M: 1,500-1,800 EUR)
Native Belgian 25-50%	0	2	2	0	4	3	1	1	13	(M: 1,500-1,800 EUR)
Native Belgian <25%	0	1	2	3	3	1	1	1	12	(M: 1,500.50 EUR)
Total	2	3	4	4	13	6	2	4	N:38	

Source: Structured interviews December 2016

Overall it showed that the higher the native Belgian customer shares, the higher the median monthly net income, although native Belgian customer shares of 25-50% and 51-75% showed similar median monthly net income values.

Table 116: Q20 Turkish Origin and Average Monthly Net Income in 2016 (Q4c)

	<600 EUR	600-850 EUR	851-1,200 EUR	1,201-1,500 EUR	1,501-1,800 EUR	1,801-2,500 EUR	2,501-3,000 EUR	>3,000 EUR	Total	
Turkish origin >75%	0	1	1	0	0	0	1	1	4	(M: 1,200-2,500 EUR)
Turkish origin 51-75%	0	0	1	2	6	3	1	0	13	(M: 1,500-1,800 EUR)
Turkish origin 25-50%	1	2	1	2	1	1	0	1	9	(M: 1,200-1,500 EUR)
Turkish origin <25%	1	0	1	0	6	2	0	2	12	(M: 1,500-1,800 EUR)
Total	2	3	4	4	13	6	2	4	N:38	

Source: Structured interviews December 2016

Considering ‘Turkish customer shares’ the results are less clear, although it shows that customer shares of Turkish origin of 25-50% relate to a relatively lower median monthly net income.

Table 117: Q20 Others and Average Monthly Net Income in 2016 (Q4c)

	<600 EUR	600-850 EUR	851-1,200 EUR	1,201-1,500 EUR	1,501-1,800 EUR	1,801-2,500 EUR	2,501-3,000 EUR	>3,000 EUR	Total	
others >75%	0	0	0	0	0	0	0	0	0	(M: N.A.)
others 51-75%	0	0	0	1	0	0	0	0	1	(M: 1,200-1,500 EUR)
others 25-50%	1	0	2	0	1	1	0	0	5	(M: 851-1,200 EUR)
others <25%	1	3	2	3	12	5	2	4	32	(M: 1,501-1,800 EUR)
Total	2	3	4	4	13	6	2	4	N:38	

Source: Structured interviews December 2016

The results for ‘other customer shares’ show the highest median monthly net income for other customer shares <25%.

Table 118: Q20 Native Belgians and Average Monthly Net Income in 2016 (Q4c) (N:34)

	<600 EUR	600-850 EUR	851-1,200 EUR	1,201-1,500 EUR	1,501-1,800 EUR	1,801-2,500 EUR	2,501-3,000 EUR	>3,000 EUR	Total	
Native Belgian >75%	0	0	0	0	2	2	0	2	6	(M: 1,800-2,500 EUR)
Native Belgian 51-75%	0	0	0	1	4	0	0	0	5	(M: 1,500-1,800 EUR)
Native Belgian 25-50%	0	2	2	0	4	3	1	1	13	(M: 1,500-1,800 EUR)
Native Belgian <25%	0	0	1	3	3	1	1	1	10	(M: 1,500-1,800 EUR)
Total	0	2	3	4	13	6	2	4	N:34	

Source: Structured interviews December 2016

Excluding the data of 4 entrepreneurs who had been self-employed for less than one year (n°1, 2, 32 and 38) only alters the median monthly net income of the native Belgian customer share <25% as it become 1,500-1,800 EUR. As such, the proposition is supported.

Financial market:

- *Q21a: How easy/ difficult was it to collect a necessary amount of start capital for your (first) business?*

Table 119: Q21a

very easy	1	2.3%	1	2.6%	
relatively easy	18	41.9%	17	44.7%	
not particularly easy or difficult	0	0%	0	0%	
rather difficult	14	32.6%	12	31.6%	(M)
very difficult	10	23.3%	9	23.7%	
Total	43	100%	38	100%	

Source: Structured interviews December 2016

Turkish entrepreneurs were rather divided on this topic. 55.9% of entrepreneurs found it difficult to collect a necessary amount of start capital for their (first) business, with 32.6% of them finding it rather difficult (median value) and 23.3% finding it very difficult. 44.2% of entrepreneurs found it easy to collect a necessary amount of start capital for their (first) business, although only 2.3% of them called it very easy. ‘Very easy' was stated by a psychologist (n°2) who ran her business with the legal status of Eenmanszaak. She mentioned she was financially supported by her husband.

Table 120: Q21a and Q15c

	Eenmanszaak	BVBA	CVBA	CVOA	Comm.V.
very easy	1 (7.7%)	0 (0%)	0 (0%)	0 (0%)	0 (0%)
relatively easy	3 (23.1%)	11 (47.8%)	1 (50%)	2 (66.7%)	1 (50%)
not particularly easy or difficult	0 (0%)	0 (0%)	0 (0%)	0 (0%)	0 (0%)
rather difficult	7 (53.8%)	6 (26.1%)	0 (0%)	1 (33.3%)	0 (0%)
very difficult	2 (15.4%)	6 (26.1%)	1 (50%)	0 (0%)	1 (50%)
Total	13 (100%)	23 (100%)	2 (100%)	3 (100%)	2 (100%)

Source: Structured interviews December 2016

When comparing 43 entrepreneurs in terms of legal status it shows that despite the lower amount of start capital required to start up an Eenmanszaak, these entrepreneurs showed the highest shares for 'difficult/ very difficult' (69.2%), although 'very difficult' was stated more often by entrepreneurs with the legal status of CVBA, Comm. V. and BVBA. 6 out of 23 BVBA's (21.7%) stated it was 'very difficult' (n°8, 12, 15, 17, 23, 35), one out of 2 entrepreneurs (50%) with the legal status of Comm. V. (n°10), one out of two (50%) entrepreneurs with the legal status of CVBA (n°38) and two out of 13 entrepreneurs (15.4%) with the legal status of Eenmanszaak (n°4 and 7). One entrepreneur with a legal status of BVBA (n°35) stated he started with the legal status of Eenmanszaak. It was not clear whether collecting a necessary amount of start capital money was considered very difficult when starting his business as Eenmanszaak, when switching to the legal status of BVBA or was a more general evaluation. If considered as Eenmanszaak the differences between Eenmanszaak and BVBA for 'very difficult' is reduced from 10.7% to 1.3% and as such becomes minimal.

One architect who set up her business with the legal status of Eenmanszaak (n°21) mentioned it was 'relatively easy' to collect a necessary amount of start capital, as no start capital was necessary and only rental money for the office was necessary. An entrepreneur with a pita and friterie business who ran his business with the legal status of CVOA (n°28) stated `relatively easy` as he did not need to bring in any capital since this was done by his business partner (vennoot). One restaurant holder with the legal status of BVBA (n°32) mentioned that while it was generally relatively easy it was quite difficult to obtain a loan from the bank.

<u>Proposition 13: Entrepreneurs who found it easy[240] to collect a necessary amount of start capital for their (first) business have a higher monthly net income</u>

Table 121: Q21a and Average Monthly Net Income in 2016 (Q4c)

	<600 EUR	600-850 EUR	851-1,200 EUR	1,201-1,500 EUR	1,501-1,800 EUR	1,801-2,500 EUR	2,501-3,000 EUR	>3,000 EUR	Total	
very easy	0	0	1	0	0	0	0	0	1	(M: 851-1,200 EUR)
relatively easy	1	1	1	1	7	2	0	4	17	(M: 1,500-1,800 EUR)
not particularly easy or difficult	0	0	0	0	0	0	0	0	0	
rather difficult	0	2	1	1	4	3	1	0	12	(M: 1,500-1,800 EUR)
very difficult	1	0	1	2	2	1	1	0	8	(M: 1,500.50 EUR)
Total	2	3	4	4	13	6	2	4	N:38	

Source: Structured interviews December 2016

Table 122: Q21a (Relatively Easy/ Very Easy and Rather Difficult/ Very Difficult) and Average Monthly Net Income in 2016 (Q4c)

	<600 EUR	600-850 EUR	851-1,200 EUR	1,201-1,500 EUR	1,501-1,800 EUR	1,801-2,500 EUR	2,501-3,000 EUR	>3,000 EUR	Total	
relatively easy/ very easy	1	1	2	1	7	2	0	4	18	(M: 1,500-1,800 EUR)
not particularly easy or difficult	0	0	0	0	0	0	0	0	0	
rather difficult/ very difficult	1	2	2	3	6	4	2	0	20	(M: 1,500-1,800 EUR)
Total	2	3	4	4	13	6	2	4	N:38	

Source: Structured interviews December 2016

The results show that the median monthly net income of entrepreneurs who found it easy or very easy to collect a necessary amount of start capital for their (first) business(es) was at the same level as the median monthly net income of entrepreneurs who found it rather difficult or very difficult to collect a necessary amount of start capital for their (first) business(es). It is however worth mentioning that the 4 entrepreneurs with highest average monthly net income in 2016 each stated it was relatively easy to collect a necessary amount of start capital for their (first) business. When analysis is made through a 5-point scale instead of 3-point scale it shows that

[240] Originally the proposition was related to entrepreneurs who found it 'very easy' to collect a necessary amount of start capital for their first business. Yet, N was < 3 and as such not representative. As such, the proposition was applied to entrepreneurs who found it 'easy' to collect a necessary amount of start capital for their first business(es).

the median monthly net income of entrepreneurs who found it very difficult to collect a necessary amount of start capital for their (first) business is a little lower than the median monthly net income of entrepreneurs who replied ‘relatively easy’ or ‘rather difficult’.

Table 123: Q21a (Relatively Easy/ Very Easy and Rather Difficult/ Very Difficult) and Average Monthly Net Income in 2016 (Q4c) (N:34)

	<600 EUR	600-850 EUR	851-1,200 EUR	1,201-1,500 EUR	1,501-1,800 EUR	1,801-2,500 EUR	2,501-3,000 EUR	>3,000 EUR	Total	
relatively easy/ very easy	0	1	1	1	7	2	0	4	16	(M: 1,500-1,800 EUR)
not particularly easy or difficult	0	0	0	0	0	0	0	0	0	
rather difficult/ very difficult	0	1	2	3	6	4	2	0	18	(M: 1,500-1,800 EUR)
Total	0	2	3	4	13	6	2	4	N:34	

Source: Structured interviews December 2016

Excluding the data from entrepreneurs who had been self-employed for less than one year (n°1, 2, 32 and 38) from the analysis does not alter the median monthly net income of entrepreneurs who considered it relatively/ very easy and of entrepreneurs who considered it rather/ very difficult. As such, the proposition is falsified.

- *Q21b: How did you mainly finance your start capital? (more than one answer possible)*

Table 124: Q21b

private means (personal capital)	24	55.8%
Bank	17	39.5%
social network (family, friends and acquaintances)	34	79.0%
public support	1	2.3%
others:		
venoot (business partner)	1	2.3%
do not wish to answer	0	0%
Total respondents:43		

Source: Structured interviews December 2016

About 80% of entrepreneurs relied on their social network to finance their start capital. 55.8% mentioned private means were amongst the main financing sources for their start capital. About 40% mentioned they had obtained a loan/ credit from a bank.

While also relying on her social network and on personal means, one entrepreneur who ran a simit and börek patisserie with the legal status of BVBA (n°11) mentioned this comprised about 60% of her start capital. One baker with the legal status of BVBA (n°16) only mentioned ‘bank’ among the main financing sources and added the loan/ credit had a large interest rate. A butcher with the legal status of BVBA (n°17) mentioned `social network` and `bank` amongst the main financing sources and added that he could only obtain a personal loan, as a business loan was not possible. A newsagent with the legal status of Eenmanszaak stated private means social network and bank among his main financing sources and mentioned that his parents functioned as guarantors to obtain a loan from the bank, and that if they had not it would not have been possible to obtain a loan. As mentioned before, one entrepreneur who runs three businesses with the legal status of BVBA (n°39) benefited from financial support from the Flemish Government. He mentioned that public support functioned as a guarantor to obtain a loan from the bank. One entrepreneur who ran a pita and friterie business with the legal status of CVOA (n°28) mentioned he did not need any start capital as this was obtained by his business partner.

- *Q21c: What was the share of your social network in this?*

Table 125: Q21c

<25%	13	30.2%	
25-50%	9	20.9%	(M)
51-75%	6	14.0%	
>75%	15	34.9%	
do not wish to answer	0	0%	
Total	43	100%	

Source: Structured interviews December 2016

While about 80% of entrepreneurs mentioned their social network as one of the main finance sources for their start capital, the share of the social network in the total start capital shows strong variation. While about 50% of entrepreneurs stated the share of the social network in this was maximum 50%, another 50% stated it was higher than 50%. For about one third of entrepreneurs the share of the social network exceeded 75%. The median value was 25-50%.

- *Q21d: How easy/ difficult was it to get a loan from a bank?*

Table 126: Q21d

very easy	0	0%	0%	
relatively easy	7	16.3%	33.3%	
not particularly easy or difficult	0	0%	0%	
rather difficult	5	11.6%	23.8%	(M)
very difficult	9	20.9%	42.9%	
did not try	22	51.1%	0%	
Total	43	100%	(21) 100%	

Source: Structured interviews December 2016

While about half of the entrepreneurs (51.1%) stated they did not try to get a loan from a bank, about two thirds of the entrepreneurs who tried to get a from a bank stated it was difficult to obtain a loan from the bank, with 42.9% of them stating it was very difficult. The median value for the entrepreneurs who tried to get a loan from a bank was ‘rather difficult’.

One psychologist with the legal status of Eenmanszaak (n°1) mentioned she did not try because it was safer to pay back parents and more flexible. A hairdresser with the legal status of Eenmanszaak (n°5) mentioned it was too dangerous. One entrepreneur who ran a bazaar with the legal status of BVBA (n°19) did not try as he did not consider it possible. He also mentioned about high interest rates. Two restaurant holders with the legal status of BVBA (n°41 and 42) mentioned they did not try as it was not necessary. N°42 said this was because he took over the business of a family member. One entrepreneur with a pita and friterie business with the legal status of CVOA (n°29) mentioned he did not try for the business but did try to get and obtained a loan for a company car, although he found it difficult.

One entrepreneur with a textile business with the legal status of Eenmanszaak (n°7) mentioned it was very difficult as banks ask for a proof of income, which can not immediately be provided. One butcher with the legal status of BVBA (n°17) said also obtaining microcredit was very difficult. One entrepreneur with a baklava patisserie with the legal status of BVBA (n°8) said it was rather difficult due to high interest rates, which is also the case on the housing market. An architect with the legal status of Eenmanszaak (n°21) mentioned she could not receive a starters loan due to formerly being registered as self-employed while in fact being a trainee self-employed.

One entrepreneur who ran a hairdresser's and a supermarket said it was relatively easy to obtain a loan as he had presented a nice project (n°25). This most likely applied to the start of his second business. An entrepreneur who ran an interior design shop, furniture shop and clothing shop with the legal status of BVBA (n°39) said it was difficult for the first business but easier for the next two businesses. One butcher and a restaurant holder, both with the legal status of BVBA (n°23 and 34) said it was relatively easy to get a loan but that it would be much harder to get a loan today.

- *Q22: To what extent did the minimum amount of funding needed for a business affect the type and sector of business you set up? (=If you had had a larger start capital, would you have set up a different kind of business, in a different sector perhaps?)*

Table 127: Q22

very much influenced	6	14.0%	
considerably influenced	0	0%	
slightly influenced	28	65.1%	(M)
not influenced at all	9	20.9%	
Total	43	100%	

Source: Structured interviews December 2016

While about one fifth of entrepreneurs stated the minimum amount of funding needed for a business did not affect the type and sector of business they set up. About two thirds of entrepreneurs stated that the minimum amount of funding needed for a business slightly influenced the type and sector of business they set up. Many entrepreneurs mentioned they would have liked to start a larger business or would at least now like to enlarge their business, such as two entrepreneurs with a friterie and pita business (n°4 and 28), an entrepreneur with a bazaar (n°19), a butcher (n°17) who mentioned he would otherwise have added a restaurant to his business. Another butcher (n°23) mentioned he would first have started a restaurant if he had had the opportunity. One entrepreneur who ran a simit and börek patisserie mentioned she had to start with a small business but had since then developed it into a bigger business. One baker (n°26) mentioned he would have preferred the location `Binnenstad`. Some entrepreneurs mentioned they would (perhaps) have preferred setting up a business in another sector. One newsagent (n°31) mentioned he would have preferred to set up a supermarket. One restaurant holder (n°42) mentioned he would otherwise have set up a factory.

`Starting a business in a different sector` was particularly heard among the 14% of entrepreneurs who said the type and sector of their business was ‘very much influenced’ by the minimum amount of funding needed for a business. One entrepreneur who ran a baklava patisserie (n°8) mentioned he would have preferred to start a business in the solar panels sector. One entrepreneur who ran a pita and friterie business (n°29) mentioned he would otherwise have started a business in the electric devices sector.

5.6.1.4. Questions Related to Personal Background and Characteristics (Individual and Social)

- *Q23: What is your gender?*

Table 128: Q23

Man	35	81.4%
Woman	8	18.6%
Total	43	100%

Source: Structured interviews December 2016

A large majority (about 80%) of self-employed were men, with a little less than one fifth being women. Female entrepreneurs were 2 psychologists (n°1 and 2), an accountant (n°3), a student with a çig köfte business (n°10), someone who ran a baklava/ simit patisserie (n°11), an architect (n°21), a restaurant holder (n°32) and somebody who ran a business in banking, credit supply and mortgages (n°43).

- *Q24: Which nationality/ nationalities do you have?*

Table 129: Q24

only Turkish nationality	11	25.6%
Turkish and Belgian nationality	31	72.1%
other:		
Turkish, Belgian and Dutch nationality	1	2.33%
Total	43	100%

Source: Structured interviews December 2018

About 75% of entrepreneurs had the double Belgian-Turkish nationality and 25% only had the Turkish nationality. One entrepreneur had besides the Belgian and Turkish nationality also the Dutch nationality. This was a student who ran a çig köfte business (n°10).

- *Q25a: How long have you been living in Belgium?*

Table 130: Q25a

<5 years	2	4.7%	2	5.3%	
5-10 years	5	11.6%	5	13.6%	
11-15 years	5	11.6%	3	7.9%	
16-25 years	9	20.9%	8	21.1%	
>25 years	7	16.3%	6	15.8%	(M)
Since I was born	15	34.9%	14	36.8%	
Total	43	100%	38	100%	

Source: Structured interviews December 2016

While about one third of entrepreneurs were born and raised in Belgium, two thirds of entrepreneurs were not born in Belgium. Yet the largest group of migrants (37.2% of the total number of entrepreneurs and 57.1 % of migrants) have lived in Belgium for more than 15 years. The median value for all entrepreneurs was >25 years and 16-25 years for migrants. Only about 5% of entrepreneurs have been living in Belgium for less than 5 years. These were a student who ran a çig köfte business (n°10) and a hairdresser (n°38).

- *Q25b: In case of not being born in Belgium, which country and city did you come from?*

Table 131: Q25b

Turkey (26):		92.9%
Afyon/ Emirdag	10	
Eskisehir	3	
Antalya	3	
Konya	2	
Isparta	1	
Gaziantep	1	
Marmaris	1	
Bursa	1	
Elazig	1	
Izmir	1	
Malatya	1	
not mentioned city in Eastern Turkey	1	
The Netherlands (2):		7.1%
Oss	1	
The Hague	1	
Total	28	100%

Source: Structured interviews December 2016

A large majority of entrepreneurs who were not born in Belgium (35.7%) stated they came from Afyon/Emirdag. In fact, it is likely that the share of migrants who origininated from Afyon/ Emirdag is larger as it is a known fact that many people from Afyon/Emirdag have settled in Eskisehir and 10.7% of migrants stated they came from Eskisehir. Additionally, this may even apply to migrants coming from Konya (7.1%) and Isparta (3.6%) as these cities are geographically not far away from Afyon/Emirdag neither. Six entrepreneurs (21.4% of migrants) came from cities in western Turkey, with three of them coming from Antalya (10.7%) and others from Izmir, Marmaris and Bursa. The entrepreneur who came from Bursa (n°19) further added that he actually originated from Posof in the Northeast of Turkey. Four other entrepreneurs (14.3%) came from cities located in the more eastern part of Turkey, among which Elazig, Malatya and Gaziantep. Finally, two entrepreneurs (7.1%) stated they came from the Netherlands, one from The Hague (n°18) and the other from Oss (n°10).

<u>Proposition 14: Entrepreneurs who were born and raised in Belgium have a higher monthly net income</u>

Table 132: Q25a and Average Monthly Net Income in 2016 (Q4c)

	<600 EUR	600-850 EUR	851-1,200 EUR	1,201-1,500 EUR	1,501-1,800 EUR	1,801-2,500 EUR	2,501-3,000 EUR	>3,000 EUR	Total	
<5 years	1	0	1	0	0	0	0	0	2	(M: <600-850 EUR)
5-10 years	0	1	0	0	3	0	1	0	5	(M: 1,500-1,800 EUR)
11-15 years	0	0	0	1	1	1	0	0	3	(M: 1,500-1,800 EUR)
16-25 years	0	0	1	1	4	2	0	0	8	(M: 1,500-1,800 EUR)
>25 years	0	1	1	2	0	1	0	1	6	(M: 1,200-1,500 EUR)
Since I was born	1	1	1	0	5	2	1	3	14	(M: 1,500-1,800 EUR)
Total	2	3	4	4	13	6	2	4	N:38	

Source: Structured interviews December 2016

These results show that entrepreneurs who were born and raised in Belgium do not have a higher median monthly net income than entrepreneurs who have been in Belgium for 5-10 years, 11-15 years and 16-25 years. These results are however significantly distorted by entrepreneurs who have been self-employed for less than one year. Of the four entrepreneurs who have been self-employed for less than one year, three were born in Belgium and registered the values <600 EUR (n°32), 600-50 EUR (n°1) and 851-1,200 EUR (n°2). Without these entrepreneurs the median monthly net income for entrepreneurs who were born in Belgium would be 1,800-2,500 EUR and as such higher than for entrepreneurs who have migrated to Belgium. The other entrepreneur who has been self-employed for less than one year has been living in Belgium for less than 5 year. If his value is excluded, entrepreneurs who have been living in Belgium show a median monthly net income of 851-1,200 EUR (N:1 and as such not representative).

Table 133: Q25a and Average Monthly Net Income in 2016 (Q4c) (N:34)

	<600 EUR	600-850 EUR	851-1,200 EUR	1,201-1,500 EUR	1,501-1,800 EUR	1,801-2,500 EUR	2,501-3,000 EUR	>3,000 EUR	Total	
<5 years	0	0	1	0	0	0	0	0	1	(M: 851-1,200 EUR)
5-10 years	0	1	0	0	3	0	1	0	5	(M: 1,500-1,800 EUR)
11-15 years	0	0	0	1	1	1	0	0	3	(M: 1,500-1,800 EUR)
16-25 years	0	0	1	1	4	2	0	0	8	(M: 1,500-1,800 EUR)
>25 years	0	1	1	2	0	1	0	1	6	(M: 1,200-1,500 EUR)
Since I was born	0	0	0	0	5	2	1	3	11	(M: 1,801-2,500 EUR)
Total	0	2	3	4	13	6	2	4	N:34	

Source: Structured interviews December 2016

However, when the data of entrepreneurs who have been self-employed for less than one year (n°1, 2, 32 and 38) are excluded from the analysis it shows that the median monthly net income of entrepreneurs who were born and raised in Belgium is actually higher than the median monthly net income of other entrepreneurs. It follows that it is not clear whether the proposition is supported or not.

- *Q26: What is your relationship status?*

Table 134: Q26

Married	35	81.4%
Divorced	3	7.0%
single (and not divorced)	3	7.0%
in a relationship	2	4.7%
Total	43	100%

Source: Structured interviews December 2016

86.1% of entrepreneurs mentioned they had a life partner, with 81.4% of them being married. 14% mentioned they were single with half of them being divorced.

- *Q27: What is your age?*

Table 135: Q27

< 30	4	9.3%	
30-40	21	48.8%	(M)
41-50	9	20.9%	
> 50	9	20.9%	
Total	43	100%	

Source: Structured interviews December 2016

About half of the entrepreneurs were aged between 30 and 40. About 20% were aged between 41 and 50 and another 20% above 50. A minority of entrepreneurs (9.3%) were aged below 30. These were a psychologist (n°1), a student with a çig köfte business (n°10), an entrepreneur with three businesses, i.e. an interior design shop, a clothing shop and a furniture shop (n°39) and an entrepreneur with a business in electricity and installation techniques (n°40).

- *Q28: How many children do you have?*

Table 136: Q28

0	9	20.9%	
1	7	16.3%	
2	12	27.9%	(M)
3	12	27.9%	
other:			
4	1	2.3%	
6	2	4.7%	
Total	43	100%	

Source: Structured interviews December 2016

While about one fifth of entrepreneurs do not have any children, more than one fourth of entrepreneurs have two children and another one fourth have three children. A smaller share of entrepreneurs has one child. Only 3 entrepreneurs (7%) have more than 3 children. One entrepreneur with a bazaar (n° 12) had 4 children and one entrepreneur with a textile business (n°7) and a butcher (n°23) had 6 children.

- *Q29a: What is your level of education? (last graduated from)*

Table 137: Q29a

ilkokul/ primary education	9	20.9%	8	21.1%	
Ortaokul	5	11.6%	3	7.9%	
secondary education: lise (ASO)/ meslek okulu (BSO) / teknik okulu (TSO)	18	41.9%	16	42.1%	(M)
ön lisan (in Turkey)	1	2.3%	1	2.6%	
non-bachelor certificate/ diploma to execute profession (in Belgium)	1	2.3%	1	2.6%	
Bachelor	5	11.6%	5	13.1%	
master	4	9.3%	4	10.5%	
Total	43	100%	38	100%	

Source: Structured interviews December 2016

About 75% of entrepreneurs did not graduate from an institution of post-secondary education, with 20.9% of them having only completed ilkokul in Turkey or primary education in Belgium. 25.6% have completed an education at post-secondary level education level, with an almost equal share of bachelor and master degree holders. The median value was situated at the secondary educational level. One newsagent (n°31) mentioned he attempted a higher education in law, but did not complete his education.

- *Q29b: in case of degree of higher education, which degree?*

Table 138: Q29b

ön lisan:	
mechanical engineering	1
non-bachelor certificate/ diploma to execute profession:	
Goldsmith	1
bachelor:	
accountancy and fiscality	1
Nursing	1
Marketing	1
industrial science	1
insurances and finance	1
master:	
clynical psychology	2
Architecture	1
intercultural communication and management	1
Total	11

Source: Structured interviews December 2016

One entrepreneur with a pita/friterie business (n°4) mentioned he obtained an ön lisan in mechanical engineering in Turkey. One jeweller mentioned he pursued a four- year long extra formation in a private school in Belgium to become goldsmith (n°36). Five entrepreneurs held a bachelor's degree: one accountant (n°3) holds a degree in accountancy and mentioned she has also pursued extra courses through evening school, one entrbvbaepreneur with a simit and börek patisserie holds a degree in nursing (n°11), one entrepreneur with a business in electricity and installation techniques holds a degree in industrial science (n°40), one entrepreneur with three businesses, i.e. an interior design shop, a clothing shop and a furniture business (n°39) holds a degree in marketing and has also pursued an extra formation at an educational institution in the United States which he considers to be equivalent to Vlerick Business School in Belgium, and one entrepreneur with a business in insurances, credit supply and mortgages (n°43) obtained certificates through evening school which are equivalent to a bachelor degree in insurances and finances.

Four entrepreneurs held a master's degree: Two psychologists (n°1 and 2) obtained a degree in clinical psychology, one architect (n°21) obtained a degree in architecture and one restaurant holder (n°32) holds a degree in intercultural communication and management.

Proposition 15: Highly educated entrepreneurs have a higher monthly net income

Table 139: Q29a and Average Monthly Net Income in 2016 (Q4c)

	<600 EUR	600-850 EUR	851-1,200 EUR	1,201-1,500 EUR	1,501-1,800 EUR	1,801-2,500 EUR	2,501-3,000 EUR	>3,000 EUR	Total	
ilkokul/ primary education	0	2	0	0	2	3	0	1	8	(M: 1,800.50 EUR)
Ortaokul	1	0	0	2	0	0	0	0	3	(M: 1,200-1,500 EUR)
secondary education	0	0	3	2	7	3	1	0	16	(M: 1,500-1,800 EUR)
ön lisan (T.)	0	0	0	0	1	0	0	0	1	(M: 1,500-1,800 EUR)
non-bachelor certificate/ diploma (B.)	0	0	0	0	0	0	1	0	1	(M: 2,500-3,000 EUR)
Bachelor	0	0	0	0	2	0	0	3	5	(M: >3,000 EUR)
Master	1	1	1	0	1	0	0	0	4	(M: 850.50 EUR)
Total	2	3	4	4	13	6	2	4	N:38	

Source: Structured interviews December 2016

Table 140: Q29a (Maximum Secondary Education/ Higher Education) and Average Monthly Net Income in 2016 (Q4c)

	<600 EUR	600-850 EUR	851-1,200 EUR	1,201-1,500 EUR	1,501-1,800 EUR	1,801-2,500 EUR	2,501-3,000 EUR	>3,000 EUR	Total	
maximum secondary education	1	2	3	4	9	6	1	1	27	(M: 1,500-1,800 EUR)
higher education	1	1	1	0	4	0	1	3	11	(M: 1,500-1,800 EUR)
Total	2	3	4	4	13	6	2	4	N:38	

Source: Structured interviews December 2016

These results show that the median monthly net income of highly educated entrepreneurs is at the same level as the median monthly net income of entrepreneurs with maximum secondary education. Among the higher educated, entrepreneurs with maximum a bachelor's degree showed a much higher median monthly net income than entrepreneurs with an ön lisan (N:1) or master's degree (N:4, including three starters). Among entrepreneurs with maximum secondary education it shows that entrepreneurs with maximum primary/ ilkokul education have the highest median monthly net income.

Table 141: Q29a (Maximum Secondary Education/ Higher Education) and Average Monthly Net Income in 2016 (Q4c) (N:34)

	<600 EUR	600-850 EUR	851-1,200 EUR	1,201-1,500 EUR	1,501-1,800 EUR	1,801-2,500 EUR	2,501-3,000 EUR	>3,000 EUR	Total	
maximum secondary education	0	2	3	4	9	6	1	1	26	(M: 1,500-1,800 EUR)
higher education	0	0	0	0	4	0	1	3	8	(M: 1,801-2,500 EUR)
Total	2	3	4	4	13	6	2	4	N:34	

Source: Structured interviews December 2016

Excluding the data of 4 entrepreneurs who have been self-employed for less than one year (n°1, 2, 32 and 38) from the analysis alters the median monthly net entrepreneurs with higher education to 1,801-2,500 EUR while the median monthly net income for entrepreneurs with maximum secondary education remains unchanged at 1,500-1,800 EUR. As such, it is not clear whether the proposition is supported or not. In any sense, being highly educated is not a requisite to obtain a relatively highly monthly net income. A good example of this is a restaurant holder with a monthly net income >3,000 EUR (n°42) who stated his highest graduated educational level was ilkokul/ primary education.

- *Q30: By estimation, what is your level of Dutch? (in accordance with the Common European Framework of Reference for Languages)*

Table 142: Q30

no knowledge- beginner	1	2.3%	1	2.6%	
elementary: basic knowledge (A1 or A2 level of the CEFR)	9	20.9%	7	18.4%	
intermediate: independent user (B1 or B2 level of the CEFR)	14	32.6%	11	28.9%	(M)[241]
advanced: proficiency (C1 or C2 level of the CEFR)	19	44.2%	19	50.0%	
Total	43	100%	38	100%	

Source: Structured interviews December 2016

[241] The median for 38 respondents is between intermediate and advanced.

44.4% of entrepreneurs stated they were advanced in Dutch and 32.6% considered themselves as being intermediate in Dutch language. As mentioned before, 22 interviews were conducted in Turkish and 21 in Dutch. 19 of the interviews conducted in Dutch were taken with entrepreneurs who stated they were advanced in Dutch and 2 (with n°34 and 35) were conducted with entrepreneurs who stated they were (higher) intermediate in Dutch, whereby where necessary Turkish translations were made. About 23.2% yet stated they had either no Dutch language skills at all or were elementary users of the Dutch language. These were all entrepreneurs who had migrated to Belgium. One of these entrepreneurs had moved to Belgium less than 5 years before (n°38), three (n°4, 5 and 28) had moved to Belgium 5 to 10 years before, three 11 to 15 years before (n°9, 19 and 26), one 16 to 25 years before (n°18) and two more than 25 years before (n°14 and 20).

<u>Proposition 16: Entrepreneurs who are proficient in Dutch language have a higher monthly net income</u>

Table 143: Q30 and Average Monthly Net Income in 2016 (Q4c)

	<600 EUR	600-850 EUR	851-1,200 EUR	1,201-1,500 EUR	1,501-1,800 EUR	1,801-2,500 EUR	2,501-3,000 EUR	>3,000 EUR	Total	
no knowledge- beginner	0	1	0	0	0	0	0	0	1	(M: 600-850 EUR)
elementary (CEFR A-level)	1	1	0	1	4	0	0	0	7	(M: 1,500-1,800 EUR)
intermediate (CEFR B-level)	0	0	0	3	3	3	1	1	11	(M: 1,500-1,800 EUR)
advanced (CEFR C-level)	1	1	4	0	6	3	1	3	19	(M: 1,500-1,800 EUR)
Total	2	3	4	4	13	6	2	4	N:38	

Source: Structured interviews December 2016

The results show that the median monthly net income is at the same level for entrepreneurs with elementary, intermediate and advanced knowledge of Dutch. The median monthly net income for entrepreneurs without knowledge of Dutch- beginner was significantly lower but as N:1, it is not representative.

Table 144: Q30 and Average Monthly Net Income in 2016 (Q4c) (N:34)

	<600 EUR	600-850 EUR	851-1,200 EUR	1,201-1,500 EUR	1,501-1,800 EUR	1,801-2,500 EUR	2,501-3,000 EUR	>3,000 EUR	Total	
no knowledge- beginner	0	1	0	0	0	0	0	0	1	(M: 600-850 EUR)
elementary (CEFR A-level)	0	1	0	1	4	0	0	0	6	(M: 1,500-1,800 EUR)
intermediate (CEFR B-level)	0	0	0	3	3	3	1	1	11	(M: 1,500-1,800 EUR)
advanced (CEFR C-level)	0	0	3	0	6	3	1	3	16	(M: 1,500-1,800 EUR)
Total	0	2	3	4	13	6	2	4	N:34	

Source: Structured interviews December 2016

Excluding the data of 4 entrepreneurs who have been self-employed for less than one year (n°1, 2, 32 and 38) from the analysis does not alter the median monthly net income of any Dutch language skills category. As such the proposition is falsified.

- *Q31: How long have you been running your current business(es)? In case you currently run more than one business, please specify for each business.*

Table 145: Q31

<1 year	7	14.9%	
1-2 years	5	10.6%	
3-5 years	12	25.5%	(M)
6-10 years	9	19.1%	
11-20 years	8	17.0%	
>20 years	6	12.8%	
Total	47	100%	

Source: Structured interviews December 2016

40 of 43 entrepreneurs ran one business, two entrepreneurs ran two (n°24 and 25) and one entrepreneur ran three businesses (n°39). The amount of years that entrepreneurs have been running their business(es) shows strong variation, although the largest share (about 25%) is clearly to be found in the category ‘3 to 5 years’, which is also the median value. About 25% of these businesses have not been running for more than 2 years and about 30% have been running for more than 10 years.

- Q32a: Did you gather any *entrepreneurial experience before starting your current business(es)?*

Table 146: Q32a

Yes	28	65.1%	25	65.8%
No	15	34.9%	13	34.2%
Total	43	100%	38	100%

Source: Structured interviews December 2016

About two third of entrepreneurs mentioned they had gathered entrepreneurial experience before starting their current business(es). One third stated they had not gathered any entrepreneurial experience before starting their current business.

- Q32b: If yes, *which experience? (open question)*

Table 147: Q32b

had one or more previous business(es)	13	46.4%	12	48.0%
previously did this job as self-employed in secondary activity	1	3.6%	1	4.0%
experience as a work student/ trainee or employee in a similar business	4	14.3%	2	8.0%
gather experienced as an employee or helper in family business	10	35.7%	10	40.0%
Total	28	100%	25	100%

Source: Structured interviews December 2016

About half of the entrepreneurs who gained entrepreneurial experience before starting their business gained this experience by having one or more previous business(es). 35% of entrepreneurs who gathered entrepreneurial experience before starting their business stated they gathered this experience as an employee or helper in a family business. A relation could be seen between the level of monthly net income and experience gathered before starting a business as 5 of the 6 entrepreneurs with the highest average monthly net income in 2016 mentioned having gathered entrepreneurial experience before starting their business. 3 of the 4 entrepreneurs (n°3, 39 and 43) who mentioned they had an average monthly net income above 3,000 EUR in 2016 gathered an experience as an employee or helper in a family business and stated they had an entrepreneurial family. A jeweller with a monthly net income above 2500 EUR (n°36) stated he used to have a vegetables and fruit shop and was a financial advisor for 5 years. An entrepreneur who ran a baklava patisserie with a monthly net income above 3,000 EUR mentioned he had gathered experience as worker in a baklava business. A smaller share of entrepreneurs (about 15%) stated they gathered experience as a work student/ trainee or employee in a similar business. One restaurant holder (n°32) mentioned she was previously insurance provider as self-employed in secondary activity.

<u>Proposition 17: Entrepreneurs with pre-entrepreneurial experience have a higher monthly net income</u>

Table 148: Q32a and Average Monthly Net Income in 2016 (Q4c)

	<600 EUR	600-850 EUR	851-1,200 EUR	1,201-1,500 EUR	1,501-1,800 EUR	1,801-2,500 EUR	2,501-3,000 EUR	>3,000 EUR	Total	
Yes	1	0	2	3	12	2	2	3	25	(M: 1,500-1,800 EUR)
No	1	3	2	1	1	4	0	1	13	(M: 1,201-1,500 EUR)
Total	2	3	4	4	13	6	2	4	N:38	

Source: Structured interviews December 2016

These results show that the median monthly net income of entrepreneurs who stated they had gathered entrepreneurial experience prior to setting up their business(es) was higher than the median monthly net income of entrepreneurs who stated they had not gathered any entrepreneurial experience before setting up their business. However, a remark needs to be made. Three entrepreneurs who had been self-employed for less than one year (n°1, 2 and 38), with a monthly net income of 600-850 EUR, 851-1,200 EUR and <600 EUR respectively, stated they had not gathered any pre-entrepreneurial experience. One self-employed who had been self-employed for less than one year with a monthly net income <600 EUR (n°32) stated she had gathered pre-entrepreneurial experience. If the values of these four entrepreneurs were excluded from the analysis the median monthly net income for entrepreneurs with previous entrepreneurial experience would remain unchanged at 1,501-1,800 EUR while the median monthly net income for entrepreneurs without previous entrepreneurial experience would be 1,800.50 EUR. Hence, it can be concluded that the median monthly net income of entrepreneurs with and without previous entrepreneurial experience is more or less at the same level.

Table 149: Q32a and Average Monthly Net Income in 2016 (Q4c) (N:34)

	<600 EUR	600-850 EUR	851-1,200 EUR	1,201-1,500 EUR	1,501-1,800 EUR	1,801-2,500 EUR	2,501-3,000 EUR	>3,000 EUR	Total	
Yes	0	0	2	3	12	2	2	3	24	(M: 1,501-1,800 EUR)
No	0	2	1	1	1	4	0	1	10	(M: 1,501-1,800 EUR)
Total	2	3	4	4	13	6	2	4	N:34	

Source: Structured interviews December 2016

Excluding 4 entrepreneurs who had been self-employed for less than one year from the analysis alters the median monthly net income of entrepreneurs who stated they had not gathered pre-entrepreneurial experience to 1,501-1,800 EUR, which is at the same level of entrepreneurs who stated they had gathered pre-entrepreneurial experience prior to setting up their business. As such the proposition is falsified.

Table 150: Q32b and Average Monthly Net Income in 2016 (Q4c)

	<600 EUR	600-850 EUR	851-1,200 EUR	1,201-1,500 EUR	1,501-1,800 EUR	1,801-2,500 EUR	2,501-3,000 EUR	>3,000 EUR	Total	
Had one or more previous business(es)	0	0	1	3	5	2	1	0	12	(M: 1,500-1,800 EUR)
Was previously self-employed in secondary activity	1	0	0	0	0	0	0	0	1	(M: <600EUR)
Experience as a work student/ trainee or employee in a similar business	0	0	0	0	1	0	1	0	2	(M: 1,800-2,500 EUR)
Gathered experienced as an employee or helper in family business	0	0	1	0	6	0	0	3	10	(M: 1,500-1,800 EUR)
Total	1	0	2	3	12	2	2	3	N:25	

Source: Structured interviews December 2016

These results show that for entrepreneurs with pre-entrepreneurial experience the median monthly net income was at the same level for entrepreneurs who had gathered this experience through a previous business and for entrepreneurs who had gathered experience as an employee or helper in a family business. The median net income for entrepreneurs who had worked as a work student/ trainee or self-employed in a similar business was higher, but N:2 and as such not representative. The entrepreneur who was previously self-employed in secondary activity had been self-employed for less than one year (n°32).

- *Q33: What was your main motivation to start your business? (maximum two answers)*

Independence is by far the largest motivation for entrepreneurs to start their business. 58% of entrepreneurs mentioned this among their main motivations, with 20.9% stating they were only motivated by an urge for independence. Other frequently heard motivations were extrinsic and intrinsic rewards (both 23.3%), keeping up family tradition (20.9%) and necessity (18.6%). Entrepreneurs who mentioned being motivated by 'necessity' were a psychologist (n°2), a hairdresser (n°5), one entrepreneur with a bazaar (n°12), an entrepreneur with an interior design shop/ bazaar (n°19), one café holder (n°20), one butcher (n°23), one restaurant holder (n°34) and an entrepreneur with a business in insurances, credit supply and mortgages (n°43). Three of them were motivated by necessity alone, these were n°5, 20 and 23. A clear correlation can be seen between being motivated by necessity alone and a relatively low average monthly net income as in 2016 n°5 and 20 had a monthly net income between 600 and 850 EUR, while n°23 did not wish to answer, but mentioned his financial situation was not positive.

7% of entrepreneurs were motivated by a market opportunity. A less clear correlation can be seen between being motivated by 'a market opportunity' and a relatively high monthly income as both an accountant with a monthly net income above 3,000 EUR (n°3) and a jeweller with a monthly net income between 2,500 and 3,000 EUR (n°36) were motivated by a 'market opportunity'. Yet, as a student/ entrepreneur with a çig köfte business with a monthly net income between 850 and 1,200 EUR (n°10) was equally motivated by a 'market opportunity' it shows that other factors also play an important role. Two entrepreneurs mentioned being motivated by social contacts (n°11 and 33) and one entrepreneur (n°13) was motivated by working closer to his family.

Table 151: Q33 Combinations

independence	9	20.9%	8	21.0%
independence and family tradition	4	9.3%	4	10.5%
extrinsic rewards and independence	4	9.3%	4	10.5%
intrinsic reward and independence	3	7.0%	3	7.9%
independence and necessity	3	7.0%	2	5.3%
keeping up family tradition	3	7.0%	3	7.9%
Necessity	3	7.0%	2	5.3%
intrinsic and extrinsic rewards	2	4.7%	1	2.6%
intrinsic rewards and family tradition	2	4.7%	2	5.3%
extrinsic rewards and market opportunity	2	4.7%	2	5.3%
extrinsic reward and necessity	2	4.7%	1	2.6%
intrinsic reward	2	4.7%	2	5.3%
independence + other: social contacts	1	2.3%	1	2.6%
independence + other: closer to family	1	2.3%	1	2.6%
intrinsic reward and market opportunity	1	2.3%	1	2.6%
other:				
social contacts	1	2.3%	1	2.6%
Total:	43	100%	38	100%

Source: Structured interviews December 2016

Table 152: Q33 Individual Main Motivations

Independence	25	58.1%	23	60.5%
extrinsic rewards (e.g. making money)	10	23.3%	8	21.1%
intrinsic rewards (self-fulfilment and growth)	10	23.3%	9	23.7%
keeping up family tradition	9	20.9%	9	23.7%
necessity (e.g. due to difficulties in finding a job in the wage labour market)	8	18.6%	5	13.1%
opportunity (taking advantage of a spotted opportunity in the market)	3	7.0%	3	7.9%
other:				
social contacts	2	4.7%	2	5.3%
being closer to family	1	2.3%	1	2.6%
Total respondents: 43/ 38				

Source: Structured interviews December 2016

Proposition 18: Entrepreneurs motivated by market opportunity and extrinsic rewards have a higher monthly net income

Table 153: Q33 Combinations and Average Monthly Net Income in 2016 (Q4c)

	<600 EUR	600-850 EUR	851-1,200 EUR	1,201-1,500 EUR	1,501-1,800 EUR	1,801-2,500 EUR	2,501-3,000 EUR	>3,000 EUR	Total	
independence	1	1	1	1	3	1	0	0	8	(M: 1,500.50 EUR)
independence and family tradition	0	0	1	0	3	0	0	0	4	(M: 1,500-1,800 EUR)
extrinsic rewards and independence	0	0	0	1	0	1	1	1	4	(M: 2,500.50 EUR)
intrinsic reward and independence	1	0	0	0	2	0	0	0	3	(M: 1,500-1,800 EUR)
independence and necessity	0	0	1	1	0	0	0	0	2	(M: 1,200.50 EUR)
keeping up family tradition	0	0	0	0	0	3	0	0	3	(M: 1,800-2,500 EUR)
Necessity	0	2	0	0	0	0	0	0	2	(M: 600-850 EUR)
intrinsic and extrinsic rewards	0	0	0	0	0	0	0	1	1	(M: >3,000 EUR)
intrinsic rewards and family tradition	0	0	0	1	1	0	0	0	2	(M: 1,500.50 EUR)
extrinsic rewards and market opportunity	0	0	1	0	0	0	0	1	2	(M: 1,800->3,000 EUR)
extrinsic reward and necessity	0	0	0	0	0	0	0	1	1	(M: >3,000 EUR)
intrinsic reward	0	0	0	0	1	1	0	0	2	(M: 1,800.50 EUR)
independence + other: social contacts	0	0	0	0	1	0	0	0	1	(M: 1,500-1,800 EUR)
independence + other: closer to family	0	0	0	0	1	0	0	0	1	(M: 1,500-1,800 EUR)
intrinsic reward and market opportunity	0	0	0	0	0	0	1	0	1	(M: 2,500-3,000 EUR)
other:										
social contacts	0	0	0	0	1	0	0	0	1	(M: 1,500-1,800 EUR)
Total:	2	3	4	4	13	6	2	4	N:38	

Source: Structured interviews December 2016

These results show that the median monthly net income is at the highest possible level for the combinations 'intrinsic and extrinsic rewards' and 'extrinsic reward and necessity', although for both of them N:1. It is equally at a relatively high level for 'intrinsic reward and market opportunity' (N: 1) and 'extrinsic reward and independence' (N:4 and as such representative). The lowest median monthly net income (1,200.50 EUR) is shown for the combination 'independence and necessity'. Entrepreneurs who had been self-employed for less than one year (n°1, 2, 32 and 38) stated the combinations 'independence', 'independence and necessity', 'intrinsic reward and independence' and 'independence' respectively. If their values were excluded from the analysis the median monthly net income for 'independence' and 'intrinsic rewards and independence' would remain unchanged at 1,500- 1,800 EUR. The median monthly net income for independence and necessity would alter to 1,200-1,500 EUR with N:1.

Table 154: Q33 Individual Main Motivations and Average Monthly Net Income in 2016 (Q4c)

	<600 EUR	600-850 EUR	851-1,200 EUR	1,201-1,500 EUR	1,501-1,800 EUR	1,801-2,500 EUR	2,501-3,000 EUR	>3,000 EUR		
Independence	2	1	3	3	10	2	1	1	23	(M: 1,500-1,800 EUR)
extrinsic rewards	0	0	1	1	0	1	1	4	8	(M: 3,000 EUR)
intrinsic rewards	1	0	0	1	4	1	1	1	9	(M: 1,500-1,800 EUR)
keeping up family tradition	0	0	1	1	4	3	0	0	9	(M: 1,500-1,800 EUR)
necessity	0	2	1	1	0	0	0	1	5	(M: 1,200-1,500 EUR)
market opportunity	0	0	1	0	0	0	1	1	3	(M: 2,500-3,000 EUR)
other:										
social contacts	0	0	0	0	2	0	0	0	2	(M: 1,500-1,800 EUR)
being closer to family	0	0	0	0	1	0	0	0	1	(M: 1,500-1,800 EUR)
Total respondents: 38										

Source: Structured interviews December 2016

These results clearly show that the median monthly net income for entrepreneurs motivated by extrinsic rewards is the highest (3,000 EUR) with N:8. Moreover, if the value of a student who set up a çig köfte business, who has a monthly net income of 800-1,200 EUR and has been self-employed for less than 2 years (n°10) and stated she was motivated by 'extrinsic rewards and market opportunity' were excluded the median monthly net income would even be at the highest possible level, i.e. >3,000 EUR. The median monthly net income for entrepreneurs motivated by a market opportunity is the second highest (2,500-3,000 EUR) with N:3. When abovementioned entrepreneur n°10 is excluded from this the median monthly net income would be 3,000 EUR with N:2.

Table 155: Q33 Individual Main Motivations and Average Monthly Net Income in 2016 (Q4c) (N:34)

	<600 EUR	600-850 EUR	851-1,200 EUR	1,201-1,500 EUR	1,501-1,800 EUR	1,801-2,500 EUR	2,501-3,000 EUR	>3,000 EUR		
Independence	0	0	2	3	10	2	1	1	19	(M: 1,500-1,800 EUR)
extrinsic rewards	0	0	1	1	0	1	1	4	8	(M: 3,000 EUR)
intrinsic rewards	0	0	0	1	4	1	1	1	8	(M: 1,500-1,800 EUR)
keeping up family tradition	0	0	1	1	4	3	0	0	9	(M: 1,500-1,800 EUR)
necessity	0	2	0	1	0	0	0	1	4	(M: 851-1,200 EUR)
market opportunity	0	0	1	0	0	0	1	1	3	(M: 2,500-3,000 EUR)
other:										
social contacts	0	0	0	0	2	0	0	0	2	(M: 1,500-1,800 EUR)
being closer to family	0	0	0	0	1	0	0	0	1	(M: 1,500-1,800 EUR)
Total respondents: 34										

Source: Structured interviews December 2016

Excluding the values of entrepreneurs who have been self-employed for less than one year (n° 1, 2, 32 and 38) only alters the median monthly net income for 'necessity' to 851-1,200 EUR with N:4. As such the proposition is supported.

- *Q34: How important were cultural factors such as norms, values and attitudes of Turkish people, (for example popularity of entrepreneurship) in starting a business?*

Table 156: Q34

very important	6	14.0%	
Important	9	20.9%	
not really important	21	48.8%	(M)
not important at all	7	16.3%	
Total	43	100%	

Source: Structured interviews December 2016

About half of the entrepreneurs stated that cultural factors such as norms, values and attitudes of Turkish people (e.g. popularity) were not really important in starting their business and another 16.3% stated cultural factors were not important at all. One restaurant holder who had had his business between 6 to 10 years (n°41) stated cultural factors were not really important and added that while in the past entrepreneurship was widely considered as prestigious among Turks this was in December 2016 not so much the case anymore, as the number of Turkish business has mushroomed. About 36% of entrepreneurs yet stated that cultural factors were important in starting their business with 14% of them stating they were very important. Entrepreneurs who stated these cultural factors were very important were two restaurant holders (n°35 and 42), an entrepreneur with a pita and friterie business (n°4) who stated he could not work in a pork company due to cultural/ religious reasons, an entrepreneur with a baklava business (n°8), a hairdresser (n°37) and a psychologist (n°1).

- *Q35a: In how many business associations do you take part?*

Table 157: Q35a

None	36	83.7%	31	81.6%	(M)
One	6	14.0%	6	15.8%	
Two	1	2.3%	1	2.6%	
Three	0	0%	0	0%	
Other	0	0%	0	0%	
Total	43	100%	38	100%	

Source: Structured interviews December 2016

A large majority of entrepreneurs (83.7%) did not take part in any business association. Six entrepreneurs, i.e. two restaurant holders (n°32 and 40), an entrepreneur with a baklava patisserie (n°15), an architect (n°21), an entrepreneur with a pita and friterie business (n°28), an entrepreneur with a a business in electricity and installation techniques (n°40) took part in one business association. An accountant (n°3) took part in two business associations.

- *Q35b: If so, which one(s)?*

Table 158: Q35b

Belgian/ Flemish/ local (6):		75.0%
Unizo	2	
Beroepsvereniging boekhouders	1	
Horeca Vlaanderen	1	
Volta federation for electricians	1	
Netwerk Architecten Vlaanderen	1	
Turkey/ international (2):		25.0%
Akdeniz Profesyonel Asçilar Birligi	1	
Müsiad	1	
Total	8	100%

Source: Structured interviews December 2016

75% of these business associations were Belgian/ Flemish or local business associations. An accountant (n°3) took part in Unizo and Beroepsvereniging Vlaanderen, one restaurant holder (n°40) in Unizo of which he said it has helped him a lot, one restaurant holder (n°32) in Horeca Vlaanderen, an entrepreneur with a business in electricity and installation techniques (n°40) took part in Volta Federation for Electricians. An architect (n°21) took part in Netwerk Architecten Vlaanderen and has plans to take part in Unizo and Betiad in the future. One entrepreneur who is a market vendor and runs a clothing shop mentioned he used to take part in an association for market vendors but said this did not help him. Two business associations were internationally active/ based in Turkey. One entrepreneur with a pita and friterie business, who came from Antalya 5 to 10 years ago (n°28), took part in Akdeniz Profesyonel Asçilar Birligi (Mediterranean Professional Union for cooks). He mentioned it was in fact only interesting for reasons of prestige, as no one else in Ghent is member of this business association. An entrepreneur with a baklava patisserie (n°15) took part in Müsiad (Müstakil Sanayici ve İşadamları Derneği, Independent Industrialists' and Businessmen's Assocation). One entrepreneur with a business in import and export (n°33) mentioned he used to take part in an international business association but no longer did.

<u>Proposition 19: Entrepreneurs who take part in one or more business association(s) have higher monthly net income</u>

Table 159: Q35a and Average Monthly Net Income in 2016 (Q4c)

	<600 EUR	600-850 EUR	851-1,200 EUR	1,201-1,500 EUR	1,501-1,800 EUR	1,801-2,500 EUR	2,501-3,000 EUR	>3,000 EUR	Total	
none	1	3	4	4	10	6	1	2	31	(M: 1,500-1,800 EUR)
one	1	0	0	0	3	0	1	1	6	(M: 1,500-1,800 EUR)
two	0	0	0	0	0	0	0	1	1	(M:>3,000 EUR)
three	0	0	0	0	0	0	0	0	0	
other:	0	0	0	0	0	0	0	0	0	
Total	2	3	4	4	13	6	2	4	N: 38	

Source: Structured interviews December 2016

Table 160: Q35 (None/ One or More) and Average Monthly Net Income in 2016 (Q4c)

	<600 EUR	600-850 EUR	851-1,200 EUR	1,201-1,500 EUR	1,501-1,800 EUR	1,801-2,500 EUR	2,501-3,000 EUR	>3,000 EUR	Total	
None	1	3	4	4	10	6	1	2	31	(M: 1,501-1,800 EUR)
one or more	1	0	0	0	3	0	1	2	7	(M: 1,501-1,800 EUR)
Total	2	3	4	4	13	6	2	4	N:38	

Source: Structured interviews December 2016

These results show that the median monthly net income of entrepreneurs who do not take part in any business association is at the same level as the median monthly net income of entrepreneurs who take part in one or more business association(s). The median monthly net income for entrepreneurs who take part in two business association is >3,000 EUR but N:1 and as such is not representative. The median monthly net income for entrepreneurs who take part in one or more business association(s) is 1,500-1,800 EUR.

Table 161: Q35 (None/ One or More) and Average Monthly Net Income (Q4c) (N:34)

	<600 EUR	600-850 EUR	851-1,200 EUR	1,201-1,500 EUR	1,501-1,800 EUR	1,801-2,500 EUR	2,501-3,000 EUR	>3,000 EUR	Total	
None	0	2	3	4	10	6	1	2	28	(M: 1,501-1,800 EUR)
one or more	0	0	0	0	3	0	1	2	6	(M: 1,801-2,500 EUR)
Total	0	2	3	4	13	6	2	4	N:34	

Source: Structured interviews December 2016

When four entrepreneurs who have been self-employed for less than one year (n°1, 2, 32 and 38) are excluded from the analysis the median monthly net income for entrepreneurs who take part in one or more business association(s) alters to 1,801-2,500 EUR. The median monthly net income of entrepreneurs who do not took part in a business association remains at the same level. As such, it is unclear whether the proposition is supported or not.

- *Q36a: How large is your social network (family, friends, and acquaintances) in Ghent?*

Table 162: Q36a

<100	6	14.0%	5	13.1%	
100-200	2	4.7%	2	5.3%	
201-500	12	28.0%	11	28.9%	
501-1,000	9	20.9%	7	18.4%	(M)
>1,000	14	32.6%	13	34.2%	
Total	43	100%	38	100%	

Source: Structured interviews December 2016

More than half of the entrepreneurs have a social network (family, friends and acquaintances) with more than 500 people in Ghent, with 32.6% of them having a social network with more than 1,000 people. The median value was having a social network with between 500 to 1,000 people. Yet about 1 out of 7 entrepreneurs (14%) has a social network with less than 100 people and 2 entrepreneurs (4.7%) have a social network with 100 to 200 people. Another large share of entrepreneurs (28%) has a social network with 201 to 500 people. All of the entrepreneurs with a social network with less than 100 people had migrated from another city or country to Ghent, with some of them also not residing in Ghent. These were a psychologist (n°1) who stated she was born and raised in Brussels and had only recently moved to Ghent, two entrepreneurs with a baklava patisserie (n°8 and 15) who had both been living in Belgium for 5 to 10 years, with n°15 not living in Ghent, one pide restaurant holder (n°9) who had been living in Belgium for 11 to 15 years but not in Ghent, one student/ entrepreneur with a çig köfte business (n°10) who had been living in Belgium for less than 5 years, but not in Ghent; and a hairdresser (n°38) who had been living in Belgium for less than 5 years. All of the entrepreneurs with a social network with more than 1,000 people were whether born in Belgium or had been living in Belgium for more than 15 years. These were n°3, 6, 7, 16, 29, 31, 33, 35, 36, 39, 40, 41, 42 and 43. These results show a clear correlation between the amount of years spent in Ghent/ Belgium and the size of one's social network in Ghent.

Moreover, the four entrepreneurs with an avarage monthly net income above 3,000 EUR in 2016 (n°3, 39, 42 and 43) and one of the two entrepreneurs with a monthly net income between 2,500 and 3,000 EUR (n°36) all had a social network with more than 1,000 people in Ghent. Both n°36 and 39 also stated having a large social network is very important for their business. One entrepreneur with a baklava patisserie (n°15) had an average monthly net income of between 2,500 and 3,000 EUR in 2016 but stated his social network in Ghent was limited to less than 100 people. These results show that while having a large social network in Ghent enlarges the chance for a higher monthly net income, having a large social network in Ghent is not an absolute requisite for a relatively high monthly net income.

<u>Proposition 20: Entrepreneurs with more than 1,000 people in their social network have a higher monthly net income</u>

Table 163: Q36a and Average Monthly Net Income in 2016 (Q4c)

	<600 EUR	600-850 EUR	851-1,200 EUR	1,201-1,500 EUR	1,501-1,800 EUR	1,801-2,500 EUR	2,501-3,000 EUR	>3,000 EUR	Total	
<100	1	1	1	0	1	0	1	0	5	(M: 851-1,200 EUR)
100-200	0	0	0	1	1	0	0	0	2	(M: 1,500.50 EUR)
201-500	1	1	1	1	5	2	0	0	11	(M: 1,500-1,800 EUR)
501-1,000	0	1	1	2	2	1	0	0	7	(M: 1,200-1,500 EUR)
>1,000	0	0	1	0	4	3	1	4	13	(M: 1,801-2,500 EUR)
Total	2	3	4	4	13	6	2	4	N:38	

Source: Structured interviews December 2016

These results show that the median monthly net income of entrepreneurs with >1,000 people in their social network in Ghent (N:13) is the highest, while the median net income of entrepreneurs with <100 people in their social network in Ghent is the lowest.

Table 164: Q36a and Average Monthly Net Income in 2016 (Q4c) (N:34)

	<600 EUR	600-850 EUR	851-1,200 EUR	1,201-1,500 EUR	1,501-1,800 EUR	1,801-2,500 EUR	2,501-3,000 EUR	>3,000 EUR	Total	
<100	0	0	1	0	1	0	1	0	3	(M: 1,501-1,800 EUR)
100-200	0	0	0	1	1	0	0	0	2	(M: 1,500.50 EUR)
201-500	0	1	1	1	5	2	0	0	10	(M: 1,500-1,800 EUR)
501-1,000	0	1	0	2	2	1	0	0	6	(M: 1,500.50 EUR)
>1,000	0	0	1	0	4	3	1	4	13	(M: 1,801-2,500 EUR)
Total	0	2	3	4	13	6	2	4	N:34	

Source: Structured interviews December 2016

Excluding entrepreneurs who have been self-employed for less than one year from the analysis alters the median monthly net income for entrepreneurs with less than 100 people in their social network in Ghent to 1,501-1,800 EUR and the median monthly net income for entrepreneurs with 501-1,000 people in their social network to 1,500.50 EUR. The median monthly net income for entrepreneurs with more than 1,000 people in their social network in Ghent remains at the same level. As such, the proposition is supported.

- *Q36b: How large is the share of people of Turkish origin in your social network in Ghent?*

Table 165: Q36b

<25%	1	2.3%	1	2.6%
25-50%	5	11.6%	5	13.1%
51-75%	21	48.8%	19	50.0%
>75%	16	37.2%	13	34.2%
Total	43	100%	38	100%

Source: Structured interviews December 2016

86% of entrepreneurs stated that the share of people of Turkish origin in their social network in Ghent is higher than 50%, with about 37% of them stating it is higher than 75%. The median value was 51-75%. One out of 7 entrepreneurs stated the share of people of Turkish origin in their social network in Ghent was below 50% with only one entrepreneur (2.3%) stating the share was lower than 25%.

The entrepreneur who stated the share of persons of Turkish origin in her social network in Ghent is below 25% was a restaurant holder (n°32) in Binnenstad who has been self-employed for less than one year. The five entrepreneurs who stated that the share of persons of Turkish in their social network was between 25 and 50% were an entrepreneur with a simit and börek business in Dampoort (n°11), a baker and a newsagent in Macharius- Heirnis (n°22 and 31 respectively), a café holder in Binnenstad (n°20) and an entrepreneur with a business in electricity and installation techniques in Oostakker (n°40). Among these six entrepreneurs, the highest average monthly net income in 2016 was 1,801-2,500 EUR (n°22), followed by 1,501-1,800 EUR (n°11, 31 and 40), 600-850 EUR (n°20) and <600 EUR (n°32), which gave a median value of 1,501-1,800 EUR, i.e. the same median monthly net income as entrepreneurs who stated the share of persons of Turkish origin in their social network was 51-75% or >75%.

Table 166: Q36b and Average Monthly Net Income in 2016 (Q4c)

	<600 EUR	600-850 EUR	851-1,200 EUR	1,201-1,500 EUR	1,501-1,800 EUR	1,801-2,500 EUR	2,501-3,000 EUR	>3,000 EUR	Total	
<25%	1	0	0	0	0	0	0	0	1	(M: <600 EUR)
25-50%	0	1	0	0	3	1	0	0	5	(M: 1,500-1,800 EUR)
51-75%	1	1	3	3	4	3	1	3	19	(M: 1,500-1,800 EUR)
>75%	0	1	1	1	6	2	1	1	13	(M: 1,500-1,800 EUR)
Total	2	3	4	4	13	6	2	4	N:38	

Source: Structured interviews December 2016

5.6.1.5. Final Question

- *Q37a: Are there any other important factors which have impacted the level of your average monthly net income in 2016 that were not yet mentioned?*

Table 167: Q37a

Yes	27	62.8%
No	16	37.2%
Total	43	100%

Source: Structured interviews December 2016

67.2% of entrepreneurs mentioned there were other important factors which have impacted the level of their average monthly net income in 2016 that were not yet mentioned.

- *Q37b: If so, which? (more than one answer possible)*

Table 168: Q37b

economy not as good as before, people have less purchasing power	6	22.2%
(mouth to mouth) publicity and social network very important	6	22.2%
large competition (including larger firms and fake entrepreneurs)	4	14.8%
purchase of (expensive) franchise	3	11.1%
some months difficult, e.g. in summer and september less clients	2	7.4%
I do not have the same ambition/ selfconfidence/ entrepreneurial spirit as others (yet)	2	7.4%
terrorism in Belgium affected	2	7.4%
high quality brand with large demand	2	7.4%
good location (popular hub)	2	7.4%
change in fashion/ trend	2	7.4%
many activities organised in neighbourhood	1	3.7%
Turkish market important because Belgians not enough interested in pide	1	3.7%
price of bread depends on baker's federation	1	3.7%
no federation to represent the horeca sector's interests	1	3.7%
not on the social card yet (psychologist)	1	3.7%
work with other psychologist in psychologist 'praktijk'	1	3.7%
strong dependency on payability of customers	1	3.7%
because of black box you pay less RSZ for first workers	1	3.7%
people with property are targeted by the tax agency	1	3.7%
family is very known	1	3.7%
Total respondents: 27		

Source: Structured interviews December 2016

The factors which were mentioned the most by these respondents were the economic situation and the decrease in consumer purchasing power (22%), publicity for which the social network is important (22%), large competition (15%) and the decision whether to purchase a franchise or not (11%). Seasonal fluctuations, rising terrorist threats, changes in fashion and trends, quality of the offered products with large demand, location and entrepreneurial spirit (each 7.4%) were all heard more than once.

5.6.2. Supported, Falsified and Unclear Propositions with regard to Average Monthly Net Income Level in 2016

5.6.2.1. Overview

Table 169: Outcomes of 20 Propositions

	For 38 entrepreneurs	For 34 entrepreneurs (excl. entrepreneurs < 1year)	Conclusion
Proposition 1:	Supported	Supported	SUPPORTED
Proposition 2:	not supported	not supported	not supported
Proposition 3:	not supported	Supported	not clear
Proposition 4:	Supported	Supported	SUPPORTED
Proposition 5:	not supported	not supported	not supported
Proposition 6:	not supported	Supported	not clear
Proposition 7:	Supported	Supported	SUPPORTED
Proposition 8:	not supported	not clear (N of one category < 3)	not clear
Proposition 9:	not supported	not supported	not supported
Proposition 10:	not supported	not supported	not supported
Proposition 11:	not supported	not supported	not supported
Proposition 12:	Supported	Supported	SUPPORTED
Proposition 13:	not supported	not supported	not supported
Proposition 14:	not supported	Supported	not clear
Proposition 15:	not supported	Supported	not clear
Proposition 16:	not supported	not supported	not supported
Proposition 17:	not supported	not supported	not supported
Proposition 18:	Supported	Supported	SUPPORTED
Proposition 19:	not supported	Supported	not clear
Proposition 20:	Supported	Supported	SUPPORTED

Source: Structured interviews December 2016

5.6.2.2. Supported Propositions

Proposition 1: Entrepreneurs who have been uninterruptedly active as self-employed for more than 10 years have a higher monthly net income.

Proposition 4: Entrepreneurs who found it very easy to fulfil the legal criteria to set up their business have a higher monthly net income.

Proposition 7: Entrepreneurs whose decision to become an entrepreneur was not influenced at all by having difficulties to find a job/ not finding a job as a wage-earner in the regular labour market have a higher income than entrepreneurs whose decision to become an entrepreneur was very much influenced by having difficulties to find a job/not finding a job in the regular labour market.

Proposition 12: Entrepreneurs with a native Belgian customer share above 75% have a higher monthly net income.

Proposition 18: Entrepreneurs who were motivated by market opportunity and extrinsic rewards have a higher monthly net income.

Proposition 20: Entrepreneurs with more than 1,000 people in their social network have a higher monthly net income.

5.6.2.3. Propositions which are Not Clearly Supported Nor Falsified

Proposition 3: Entrepreneurs who had to provide a business plan to set up their business have a higher monthly net income.

Proposition 6: Entrepreneurs who have benefited from public services after the start of their business(es) have a higher income.

Proposition 8: Independent professionals have the highest monthly net income.

Proposition 14: Entrepreneurs who were born and raised in Belgium have a higher monthly net income.

Proposition 15: Highly educated entrepreneurs have a higher monthly net income.

Proposition 19: Entrepreneurs who take part in one or more business association(s) have a higher monthly net income.

5.6.2.4. Propositions which were Not Supported

Proposition 2: Entrepreneurs with the prior professional status of student earn more than entrepreneurs with the prior professional status of wage-earner.

Proposition 5: Entrepreneurs who benefited from general information, individual guidance or financial support offered by a public institution to start their business have a higher income.

Proposition 9: Entrepreneurs with a business with the legal status of BVBA have a higher monthly net income than entrepreneurs with the legal status of Eenmanszaak.

Proposition 10: Entrepreneurs with a business in a neighbourhood with under-representation of persons of Turkish origin have a higher monthly net income.

Proposition 11: Entrepreneurs with a native Belgian target clientele have a higher monthly net income.

Proposition 13: Entrepreneurs who found it easy to collect a necessary amount of start capital for their (first) business have a higher monthly net income.

Proposition 15: Highly educated entrepreneurs have a higher monthly net income.

Proposition 16: Entrepreneurs who are proficient in Dutch language have a higher monthly net income.

Proposition 17: Entrepreneurs with pre-entrepreneurial experience have a higher monthly net income.

5.6.3. Hypothesis Testing: The Turkish Ethnic Economy is Not Exclusively Directed Towards the Own Ethnic Group

In addition, derived from the hypothesis of Verhaeghe et al. (2010) that the Turks in general are moving towards an ethic mosaic, the hypothesis that Turkish ethnic economy is not exclusively directed towards the own ethnic group is tested.

As shown in 4.2.4, one of the constituent elements of the ethnic mosaic is an ethnic economy which is not exclusively directed towards own ethnic group. Answers to the questions showed that the median customer share of customers of Turkish origin was 25 to 50%, which was equal to a share of native Belgian customers. The share of other customers was below 25%. Moreover 15 out 43 entrepreneurs (34.8%) stated native Belgians as their target clientele and only 2 out of 43 (4.6%) stated people of Turkish origin as their target clientele. Related to this it was shown that entrepreneurs with a native Belgian customer share above 75% have a higher monthly net income (proposition 10). The fact that about 75% of entrepreneurs stated to at least have intermediate skills in Dutch language also offers extra tools to direct the business towards the native Belgian customer market.

In order to decide on how far the Turks in Ghent have come on their way from an ethnic enclave to an ethnic mosaic, the other constituent elements of the ethnic enclave and ethnic mosaic need further study, in particular with regard to ethnic institutionalisation, spatial concentration and marriage pattern[242]. Based on the findings in this research the Turkish ethnic economy in any case meets the ethnic economy condition of an ethnic mosaic. It may moreover function as a catalyst to move the Turks in Ghent towards an ethnic mosaic.

[242] See Appendix 2.

CONCLUSION

During the last decennia, an extensive body of literature has been produced on the increasing entrepreneurial activity of the Turkish diaspora in traditional migration countries in Europe. Relative to many other third-country nationals in the EU, 'Euro Turks' have also appeared to engage more in entrepreneurial activities. Yet, a large amount of studies on Turkish entrepreneurship in Europe have highlighted the features of Turkish entrepreneurship in Germany, and to a lesser extent in France, the Netherlands and Austria. Relatively speaking, the case of Turkish entrepreneurship in Belgium has drawn much less attention, despite presently hosting more than 150,000 people who were born with the Turkish nationality (Schoonvaere, 2013:5). The city of Ghent, Belgium's third most populated city provided an interesting case as unlike in other Belgian cities the population of Turkish origin by far constitutes the largest foreign origin group (21,809 or 8,8 % of the total population) and the increase in entrepreneurial activities by Turks is well known (De Bock, 2012; Verhaeghe et al., 2012, De Gendt, 2014). Moreover, as a result of its demographic and macro-institutional context, the selection of Ghent enabled the study of Turkish entrepreneurship in a smaller city (with a population of 252,000 people) in a(n) (activating) social welfare state.

Literature devoted to the entrepreneurial activities of Turks in Ghent is rather scarce and have insufficiently explored relations between the micro-, meso- and macro-level in explaining the emergence and success of Turkish entrepreneurship. De Bock (2014) made a study of ethnic entrepreneurship from 1960 until 1980. Verhaeghe et al. (2012: 14-24) and the non-academic work of De Gendt (2014: 118-127, 201-212) included a study of the emergence and the evolution of Turkish entrepreneurship in their more general studies on the integration of Turkish migrants. Verhaeghe et al. (2012: 14-24) claim that since the end of the 1990s the Turks in Ghent have been moving away from the ethnic enclave into an ethnic mosaic, whereby the ethnic economy is for instance no longer exclusively directed at the own ethnic group. The qualitative study of Bonne et al (2014) primarily focused on the social networks of Turkish entrepreneurs in Ghent.

This dissertation adopted the comprehensive mixed embeddedness approach (Kloosterman et al., 1999; Kloosterman, 2010, Marchand and Siegel, 2014) to analyse the interplay between the underlying factors of Turkish entrepreneurship and entrepreneurial success in Ghent. This approach maintains that both individual and social factors, market conditions and policies and programmes play a role in the decision of migrants to set up shop as well as in the level of entrepreneurial success. Socioeconomic integration was selected as an indication of entrepreneurial success. In order to study the socioeconomic integration of Turkish entrepreneurs where possible a study was be made of the extent of achieved upward social mobility of Turkish entrepreneurship as a result of entrepreneurship, i.e. a rise in monthly net income relative to the monthly net income generated in the professional status prior to becoming entrepreneur. Apart from this, a comparison was made with the median monthly net income per capita in Ghent. While the study equally entailed a retrospect on Turkish entrepreneurship, emphasis was laid on the study of contemporary Turkish entrepreneurship in Ghent. Applying a mixed embeddedness approach, entrepreneurial decision-making and the level of entrepreneurial success were viewed as the result of the interplay between factors at the micro-, meso- and macro-level, respectively referring to the personal background and characteristics of Turkish entrepreneurs; labour, product and financial market conditions for Turkish entrepreneurs in Ghent and policies and programmes at the European, federal, regional and municipal level. The study aimed to determine the elements from the mixed embeddedness framework which correlate the most to entrepreneurial success/ socioeconomic integration, for which the monthly net income served as an indicator. Finally, derived from the hypothesis of Verhaeghe et al. (2010: 14-24) that the Turks in general are moving towards an ethic mosaic, the hypothesis that the Turkish ethnic economy is not exclusively directed towards the own ethnic group was tested.

A retrospect on the emergence and evolution of entrepreneurship and socioeconomic integration of the Turks in Ghent demonstrated the importance of both individual, culturalist, structural and more general ‘mixed embbedness’ factors in the development of Turkish entrepreneurship. Yet, while in different periods different factors at the micro-, meso- and macro-level have played a significant role in the emergence of entrepreneurship, since 1974 equally similarities can be discerned. These have been the continuing availability of a Turkish customer market and the accessibility of markets without the necessity for large human and financial capital. Firstly, it took about eight years for the first Turkish business to emerge as there was no necessity owing to virtually full employment, a lack of social capital and spatial concentration, a considered temporary stay and economic motivation for migration, a limited number of interethnic couples and an absence of a supportive macro-institutional environment for entrepreneurship. The first wave of Turkish entrepreneurs in 1974 was influenced by the growth of the Turkish population, the homogeneity of the Turkish population, spatial concentration and the increase of the ethnic distance between Turks and Belgians, easily accessible markets without necessity for large human and financial capital, borrowing financial capital from co-ethnics and the emergence of a limited number of Turkish unemployed. The emergence of the second wave of entrepreneurs in the 1980s was influenced by mass unemployment and exposure to racism, the further development of the ethnic enclave and the ethnic economy, the possibility to obtain the Belgian nationality and the decision of permanent stay, the continuing availability of markets and unlocking of new markets (i.a. by second-generation Turks), the presence of business role models, an entrepreneurial spirit; and the government's blind-eye policy towards irregularities. As of the late 1990s, entrepreneurial decision-making has been influenced by the potential to obtain Belgian citizenship, Islamophobia and the increase of the ethnic distance between Belgians and Turks, difficulties on the regular labour market, risk-taking, business- related creativity, on-the-job learning and informal networks of Turkish entrepreneurs, an increase in financial possibilities, Turks in politics, the continuing availability of markets through the growth of Turkish population and the breaking- out towards an ethnic mosaic at the institutional, spatial and personal level. While Turkish entrepreneurs have been predominantly active in the retail trade and (accommodation and) food service sectors, over time they have engaged in a growing variety of businesses. While originally entrepreneurship largely contributed to segregation, over time affluent entrepreneurs have contributed to the development of an ethnic mosaic. The latter finding conflicts with the structuralist approach on the impact dimension of entreneurship as it regards entrepreneurship more as a dead-end street for migrants.

The study of the emergence of entrepreneurship and socioeconomic integration of present-day Turks in Ghent further built on the results of the longitudinal study as of the 1990s and included a study of the institutional context as this on a macro-level to a large extent determines the opportunity structure for businesses in general both on a national, sectorial and local level. Belgium's and Flanders' economy has gradually evolved into a service-driven economy whereby also a transition towards a more knowledge-intensive and innovation-driven economy can be observed. The welfare state is well-developed and provides a generous federally paid and organised social security programme. The Flemish Region is a wealthy region. In 2014, the GDP per capita was 20% higher than the EU-28 average. In 2013, the median monthly net income per taxable person in Ghent was 1,467.75 EUR.

A study of multi-level policy documents showed that both at the European, Belgian and Flemish level a very supportive discourse on entrepreneurship could be witnessed, aiming at a cultural change in support of entrepreneurship. Although Ghent Municipality also aims to encourage entrepreneurship, it does not go as far as stating there is need for a 'cultural change' towards more appraisal of entrepreneurship, which is however formulated at the European, national and regional (Flemish) level. This may be explained by the limited power of the local level in the field of entrepreneurship, but also by the more leftist composition of the Ghent Municipality Executive Board in comparison to the composition of the national and regional governments.

While at the European level migrants are among the target groups in the entrepreneurship policy, in Flanders this is no longer the case neither in the entrepreneurship policy nor in the labour market policy. Yet, people of foreign origin have remained a target group of Syntra, the Flemish agency for formation of entrepreneurs. Both at the European, federal, regional and urban level subsidy measures to migrants in particular are scarce. In Flanders more evidence of targeted subsidy measures to migrant entrepreneurs was to be found under the previous governments. As regards the integration of persons with a migration background, the Flemish government conducts an integration and civic integration policy. For people interested in entrepreneurship, a possibility is given to follow an orientation course in entrepreneurship which is offered by Syntra. The present policy shows a clear preference for inclusive policy, whereby specific actions, other than general policy will ‘only be taken when necessary’. In terminology of Berry (1997) its policy can be called an integration policy, as some degree of cultural integrity is maintained, while at the same time seeking to participate as an integral part of the larger social network. In the terminology of Brubaker (1992) it seems justified to label the Flemish Civic integration and integration Policy a policy of intransitive assimilation, as this policy directs to a certain degree of similarity. As such, it is largely unintended and often invisible. It is not something done to persons, but rather something accomplished by them. However, in the last years maintenance of cultural integrity of non-dominant groups has been less publicly supported.

The most critical GEM- indicators for Belgium and Flanders are individual self-perceptions, national society perceptions, entrepreneurial activity, entrepreneurial motivation, entrepreneurial aspirations and conditions for entrepreneurship. 2015 data about Belgium’s entrepreneurial ecosystem show a strong improvement in governmental support and relevance in comparison to 2014, the year when both the national and flemish government took office. Despite this, governmental policies in terms of regulations and taxes, as well as entrepreneurial education at school stage, have remained discouraging for entrepreneurship. Limited improvements were recorded in government entrepreneurship programmes, entrepreneurial education at post-secondary stage, internal market dynamics and social and cultural norms. While entrepreneurial finance saw a limited decline it was nonetheless still high. This decline however also took place in R&D transfers.

The share of the self-employed in the population between 15 and 64 years old in Belgium is 8.9% and 9.9% in Flanders, which is below the EU-28 average of 10.8%. Compared with some of its neighbour countries this share is lower than in the Netherlands (12.4%), but higher than in Germany (8.1%) and France (7.5%). The number of non-Belgian employers and helpers in Belgium has seen a sharp increase since 2010, from 88,459 in 2010 to 103,630 on 31 December 2014 (+17.15%), an increase which has been considerably larger than among Belgians (5.6%). While the Flemish Region is the region which hosts the largest group of non-Belgians and is the region where citizens have the strongest tendency to become self-employed and/or helper, it is also the region with the lowest share of non-Belgian employers and helpers in the total number of self-employed and helpers. When compared to 2010, the Flemish Region is moreover the Region where the share of non-Belgium employers and helpers in the total number of employers and helpers has increased the least. Citizens from other EU- countries have a higher tendency to become employer and/or helper as compared to citizens with a nationality of a non-EU country. Particularly Romanians, Dutch and Poles have a tendency to become self-employed and/or helper. Among non-EU nationalities, being self-employed and/or helper appears to be much more common among Turks than among Moroccans. In terms of foreign origin it shows that the share of the self-employed in the working population among Turks is similar to the one among Belgians, while the share is still higher among people of non-Belgian EU-origin.

Results coming from structured interviews with 43 Turkish entrepreneurs in December 2016 in Ghent showed that independence is by far the largest motivation for Turkish entrepreneurs to start their business. Little empirical evidence (only about 18%) was found of necessity entrepreneurship. At the same time, it appears that in general Turkish entrepreneurs in Ghent have gained a higher monthly net income by becoming entrepreneur in comparison to the last monthly net income they earned during their previous professional status. Yet, when a number of distortive elements are excluded from the analysis, i.e. entrepreneurs with the former professional status of student or long-term unemployed and entrepreneurs who have been entrepreneur for more than twenty years, it shows that generally the monthly net income of entrepreneurs has maximum remained at the same level. This median value moreover does not change when other potential distortive factors, i.e entrepreneurs who have been self-employed for ten to twenty years and entrepreneurs who have been self-employed for a less than one year, are equally excluded from the analysis. When further calculations were to be done with regard to the changing value of money over the last 20 years the final outcome would be ‘my average monthly net income in 2016 is at the same level’, ‘is lower’ or ‘is much lower’. Comparing the income group of the average monthly net income in 2016 with the last monthly net income gained prior to becoming entrepreneur gave similar results. The shift over time from the monthly net income group 1,200-1,500 EUR to 1,500-1,800 EUR was brought to 1,500-1,800 EUR for each when the same distortive elements from the analysis were excluded. At the same time 74.5% of entrepreneurs stated their present hierarchical position in society is higher with 14% of them considering their present hierarchical position as 'much higher'. This shows that the perception of social mobility is higher than the actual socioeconomic mobility; and as such also that there may well be a perception of social mobility when no actual socioeconomic mobility was perceived. In any way no clear support was found for the socioeconomic progress approach which regards migrant entrepreneurship positively as a viable route to upward social mobility (e.g. Jones and Ram, 2013:6-7). This is likely influenced by the presence of the (activating) welfare state as findings in the literature (see Marchand and Siegel: 2014:13) suggest a relation between the presence and absence of the social welfare state and the income level of migrant entrepreneurs relative to employed migrants.

The median monthly net income (1,500-1,800) EUR is slightly higher than the median monthly net income per taxable person in Ghent in 2013 (1,467.75 EUR). While a marginal increase in the median monthly net income per taxable person in Ghent from 2013 to 2016 is likely to have taken place, this is a positive finding as regards the socioeconomic integration into the urban society. This is likely to be influenced by the rather small size of Ghent as according to Bernard (2008) immigrants assimilate to the wage level of natives faster in small cities. When socioeconomic integration is looked at on the level of the neighbourhood the picture is even more positive as the neighbourhoods where most Turkish entrepreneurs were active in were neighbourhoods with a lower net monthly income per capita. This confirms the finding of Verhaeghe et al. (2012) that the income condition of the 'ethnic enclave' is no longer supported. Findings concerning the target clientele and the actual clientele of entrepreneurs showed that the Turkish ethnic economy in any case meets the ethnic economy condition of an ethnic mosaic. The ethnic economy may moreover function as a catalyst to move the Turks in Ghent towards an ethnic mosaic. The finding that having a business in a neighbourhood with under-representation of persons of Turkish origin does not lead to a higher monthly net income yet makes clear that entrepreneurs with material incentives to set up a business can equally opt for the location of the ethnic enclave.

6 out of 20 variables showed a clear correlation to higher median income values, i.e. long-term entrepreneurship, perception of administrational barrier to set up

the business, absence of an unemployment push, native Belgian customer share, motivation by extrinsic rewards and market opportunities; and large social network. Variables which clearly did not correlate to higher median monthly net income value were: being a student in the previous professional status, having benefited from general information, individual guidance or financial support offered by a public institution to start a business; the legal status of BVBA; having a business in a neighbourhood with under-representation of persons of Turkish origin; native Belgian target clientele, easiness to collect a necessary amount of start capital for setting up the (first) business, being highly educated, proficiency in Dutch language; and pre-entrepreneurial experience.

The variables which showed a clear correlation are of relevance for policy makers who aim to stimulate migrant entrepreneurship in Flanders and, more specifically, Turkish entrepreneurship in Ghent. 68.2% of Turkish entrepreneurs evaluated public policies to support their policies as negative. Apart from this, 44.2% have experienced negative changes in public policies affecting their business in the years prior to the survey. The finding that having benefited from general information, individual guidance or financial support offered by a public institution to start a business clearly did not lead to a higher median monthly net income also showed progress could be made with a view to the output of entreneurship. In this light the finding that 18.6% of entrepreneurs mentioned having set up a business (partly) out out necessity deserves special attention, as the median monthly net income of these entrepreneurs was lower than among others. Future research could make a similar study of entrepreneurship both among natives and other migrant groups in Ghent or in any other given urban context. In the case of Turkey, such studies could contribute to the study field of the integration of Syrian refugees in the host society.

Although a diversity of entrepreneurs in terms of gender, education level, type of business and location were targeted, 81.4% of the respondents were men, 74.4% did not graduate from an instititutuion of post-secondary education, 72.1% were located in neighbourhoods with over-representation of persons of Turkish origin and 53.4% were active in the hotel, restaurant and catering business. While a sample population of self-employed in main occupation of Turkish origin in Ghent of nearly 5% was targeted and reached, future research on Turkish entrepreneurship in Ghent could aim to gather more insight in female entrepreneurship, entrepreneurs who graduated from an institution of post-secondary education, entrepreneurs located in neighbourhoods with under-respresentation of persons of Turkish origin and entrepreneurs active outside the hotel, restaurant and catering sector.

More research on the wage level of migrant entrepreneurs is welcomed as this may provide more insight in entrepreneurial success (factors), social mobility, socioeconomic integration and the sustainability of businesses. This ought to be done with great care as research on the wage level is problematized by at least two important factors. First of all, the sincerity of responses cannot be taken for granted for reasons of pride, shame or limited confidence in the research; income from informal activities may or may not be included in the data, etc. Secondly the study of the evolution of wages over time needs cannot be done in absence of a study of the value of money over time. This study aimed to minimalise the distortive effect of these factors. In order to alleviate the first problem interviews were conducted in conjunction with a local non-profit association whose founding members are well-known in the urban Turkish network, offering flexibility in terms of language and moment of interview. For the second issue a limited study on the value of money over time was conducted. Apart from this, with regard to social mobility in comparison to the previous professional status, equally calculations were made which exclude potential distortive factors, i.e entrepreneurs with the former professional status of student or long-term unemployed and entrepreneurs who have been entrepreneur for more than twenty years, entrepreneurs who have been self-employed for ten to twenty years and entrepreneurs who have been self-employed for a less than one year.

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APPENDICES

APPENDIX 1: Questionnaire used for structured interviews in December 2016[243]

a) Questions related to social mobility: Income impact of entrepreneurial decision-making (comparison with previous position)

- *Q1: How long have you been self-employed/ an entrepreneur? (uninterruptedly and may include various businesses)*
    - <1 year
    - 1-2 years
    - 3-5 years
    - 6-10 years
    - 11-20 years
    - >20 years

- *Q2: What was your professional status right before you became self-employed/ an entrepreneur?*
    - wage-earner
    - long-term unemployed (minimum 1 year)
    - student
    - other:

- *Q3: How do you feel your present hierarchical position in society (i.e. position in society in terms of prestige) relates to the hierarchic position (i.e. position in society in terms of prestige) you had during your professional status right before becoming self-employed/ an entrepreneur? (see Q2)*
    - My present hierarchical position in society is much higher
    - My present hierarchical position in society is higher
    - I do not experience any difference in hierarchical position in society
    - My present hierarchical position in society is lower

[243] The questionnaires which were used were in Turkish and in Dutch.

- My present hierarchical position in society is much lower

- *Q4a: How does the average level of your monthly net income in 2016 income relate to the last monthly net income gained with your professional status right before becoming self-employed/ entrepreneur (see Q2)*
    - My average monthly net income in 2016 is much higher
    - My average monthly net income in 2016 is higher
    - My average monthly net income in 2016 is at the same level
    - My average monthly net income in 2016 is lower
    - My average monthly net income in 2016 is much lower
    - Do not wish to answer

- *Q4b: What was the level of your last monthly net income gained with your professional status right before becoming self-employed/ entrepreneur? (see Q2)*
    - <600 EUR
    - 600-850 EUR
    - 851-1,200 EUR
    - 1,201-1,500 EUR
    - 1,501-1,800 EUR
    - 1,801- 2,500 EUR
    - 2,501-3,000 EUR
    - >3,000 EUR
    - Do not wish to answer

- *Q4c: What has been the average level of your monthly net income in 2016? (this only relates to the income as a result of self-employed activity/ activities, regardless of other possible sources of income)*
    - <600 EUR
    - 600-850 EUR
    - 851-1,200 EUR
    - 1,201-1,500 EUR

- 1,501-1,800 EUR
- 1,801- 2,500 EUR
- 2,501-3,000 EUR
- >3,000 EUR
- Do not wish to answer

- *Q5: How satisfied are you with the average monthly net income you have earned in 2016? (this only relates to the income as a result of self-employed activity/ activities, regardless of other possible sources of income)*
    - very satisfied
    - satisfied enough
    - indecisive
    - not satisfied
    - very dissatisfied

- *Q6: What is your expectation concerning your monthly net income in two to three years from now?"*In two to three years, I expect my average monthly net income will be …………………………… my average monthly net income level in 2016." *(this only relates to the income as a result of self-employed activity/ activities, regardless of other possible sources of income)*
    - much higher than
    - a little higher than
    - at the same level as
    - a little lower than
    - much lower than
    - no opinion

b) Questions related to Policies and Programmes (institutional politics):

- *Q7a: Which of the following criteria did you legally have to fulfil to set up your business? (apart from applying for a professional card in case of no Belgian nationality) (Multiple answers possible)*

- prove experience
- provide diploma/ certificates
- demonstration of minimum investment
- provide a business plan,
- prove relevance to the local economy
- other important criteria:
- none

- *Q7b: How easy/difficult did you find it to fulfil this criterion/ these criteria?*
    - very easy
    - easy
    - not particularly easy or difficult
    - difficult
    - very difficult

- *Q7c: If (very) difficult, which criterion was the most difficult to fulfil*?

- *Q8a: Did you benefit from any general information (such as consulting websites or real-life contact moment), individual guidance (by mail or real-life contact moment) or financial support offered by a public institution to start your business?*
    - Yes
    - No

- Q8b: If so, was this provided by *Ghent Municipality (e.g. OOG/ the Flemish Government (e.g. Syntra/ the Belgian Government or the EU?)*

- *Q8c: If so: general information/ individual guidance or financial support?*
    - general information/ individual guidance
    - financial support

- Q8d: If not, *why not?*

- I did not find it necessary
- I thought it was too difficult
- I did not know these services were available
- I did not trust these institutions
- Other:

- *Q9a: How easy/ difficult do you find it to continue your business?*
    - very easy
    - easy
    - not particularly easy or difficult
    - difficult
    - very difficult

- *Q9b: If (very) difficult, what are the biggest obstacles for you in your business? (more than one answer possible)*
    - insufficient income
    - strong competition
    - work conditions
    - no satisfaction from the job
    - Other

- *Q10a: How do you generally evaluate public policies (of Ghent Municipality/ the Flemish Government/ Belgian Government/EU, including taxes and regulations) to support your business?*
    - very positive
    - positive
    - not particularly positive or negative
    - negative
    - very negative
    - no opinion

- *Q10b: Have you experienced any changes in public policies (e.g. taxes, regulations) affecting your business during recent years?*
    - yes
    - no
    - no opinion

- *Q10c: If so, how do you overall evaluate these changes in public policies (e.g. taxes, regulations) affecting your business?*
    - very positive
    - positive
    - not particularly positive or negative
    - negative
    - very negative

- *Q10d: If (very) positive, what were the most significant positive changes? (maximum two)*

- *Q10e: If (very) negative, what were the most significant negative changes? (maximum two)*

- *Q11a: After starting your business, did you benefit from any general information (such as consulting websites or real-life contact moment), individual guidance (by mail or real-life contact moment) or financial support, offered by Ghent Municipality (e.g. OOG), the Flemish government/ Belgian Government or the EU?*
    - yes
    - no

- *Q11b: If so: was this provided by Ghent Municipality (e.g. OOG), the Flemish government/ Belgian Government or the EU (more than one possible)*
    - Ghent Municipality (e.g. OOG)
    - Flemish Government (e.g. Syntra)

- Belgian Government
- EU

- *Q11c: If so: general information/individual guidance or financial support?*
    - General information/ individual guidance
    - Financial support

- *Q11d: If not, why not?*
    - I did not find it necessary
    - I found it too difficult
    - I did not know these services were available
    - I did not trust these institutions
    - Other:

- *Q12: Do you have any suggestions for the EU, Belgian and Flemish governments and/or the Ghent municipality to support your business in a better way? (max. two)*

c) Questions related to market conditions (economy):

Labour market:

- *Q13: To what extent was your decision to become self-employed/ an entrepreneur influenced by having difficulties in finding a job/ not finding a job as a wage-earner in the regular labour market?*
    - very much influenced
    - considerably influenced
    - slightly influenced
    - not influenced at all

- *Q14: Generally speaking, with which professional status do you think you could work under the best work and financial conditions?*
    - as self-employed/ entrepreneur

    - wage-earner on the regular labour market
    - no difference
    - no opinion

Product market

- *Q15a: How many businesses do you have?*
    - one
    - other:

- *Q15b: In what type of business(es) are you professionally active?*
  - independent professional:
  - Business involved in trade:
    - hotel, restaurant and catering sector (horeca):
    - other:

- *Q15c: What is/are the legal entity/ entities of your business(es)? (Dutch legal names)*
    - Eenmanszaak (≈UK: Sole trader/ US: Sole proprietorship)
    - BVBA (≈UK: Private company limited by shares)
    - EBVBA (≈UK: single member Ltd.)
    - CVBA (≈UK: limited liability cooperative)
    - CVOA (≈UK: unlimited liability cooperative)
    - Comm. V. (≈UK: limited partnership)
    - Comm. V.A. (≈UK: publicly traded partnership)
    - NV (≈UK: Public limited company)
    - other

- *Q16: How many people do you employ (excluding yourself)?*
    - none
    - 1-3
    - 4-5
    - 6-9

- 10-20
- 21-30
- >30

- *Q17: In which neighbourhood(s) in Ghent is/ are your business(es) located?*

- *Q18a: For businesses involved in trade excluding hairdressers: How crucial is the supply of Turkish products for your business?*
    - very important
    - important
    - not really important
    - not important at all

- *Q18b: For professionals taking on an independent profession, credit suppliers and hairdressers: How important is the familiarity with Turkish language/ Turkish culture for your business?*
    - very important
    - important
    - not really important
    - not important at all

- *Q19: What is the main target clientele of your business?*
    - native Belgians
    - people of Turkish origin
    - others
    - no specific target clientele

- *Q20: How large is the share of customers of Turkish origin and how large is the share of native Belgian customers and other customers?*
    - Turkish origin <25%; 25-50%,51-75%, >75%
    - (native) Belgians <25%; 25-50%,51-75%, >75%
    - others <25%; 25-50%,51-75%, >75%

Financial market:

- *Q21a: How easy/ difficult was it to collect a necessary amount of start capital for your (first) business?*
    - very easy
    - relatively easy
    - not particularly easy or difficult
    - rather difficult
    - very difficult

- *Q21b: How did you mainly finance your start capital?*
    - private means (personal capital)
    - bank
    - social network (family, friends and acquaintances)
    - public support
    - others
    - do not wish to answer

- *Q21c: What was the share of your social network in this?*
    - <25%
    - 25-50%
    - 51-75%
    - >75%
    - Do not wish to answer

- *Q21d: How easy/ difficult was it to get a loan from a bank?*
    - very easy
    - relatively easy
    - not particularly easy or difficult
    - rather difficult
    - very difficult
    - did not try

- *Q22: To what extent did the minimum amount of funding needed for a business affect the type and sector of business you set up? (=If you had had a larger start capital, would you have set up a different kind of business, in a different sector perhaps?)*
    - very much influenced
    - considerably influenced
    - slightly influenced
    - not influenced at all

d) Questions related to personal background and characteristics

- *Q23: What is your gender?*
    - man
    - woman

- *Q24: Which nationality/ nationalities do you have?*
    - only Turkish nationality
    - Turkish and Belgian nationality
    - other:

- *Q25a: How long have you been living in Belgium?*
    - <5 years
    - 5-10 years
    - 11-15 years
    - 16-25 years
    - >25 years
    - since I was born

- *Q25b: In case of not being born in Belgium, which country and city did you come from?*

- *Q26: What is your relationship status?*
    - married
    - divorced
    - single (and not divorced)
    - in a relationship

- *Q27: What is your age?*
    - <30
    - 30-40
    - 41-50
    - >50

- *Q28: How many children do you have?*
    - 0
    - 1
    - 2
    - 3
    - other:

- *Q29a: What is your level of education? (last graduated from)*
    - ilkokul/ primary education
    - ortaokul
    - secondary education: lise (ASO)/ meslek okulu (BSO)/ teknik okulu (TSO)
    - ön lisan
    - non-bachelor certificate/ diploma to execute profession in Belgium
    - bachelor
    - master

- *Q29b: In case of degree of higher education, which degree?*

- *Q30: By estimation, what is your level of Dutch? (in accordance with the Common European Framework of Reference for Languages)*
    - no knowledge-beginner
    - elementary: basic knowledge (A1 or A2 level of the CEFR)
    - intermediate: independent user (B1 or B2 level of the CEFR):
    - advanced: proficiency (C1 or C2 level of the CEFR)

- *Q31: How long have you been running your business(es)?*
    - <1 year
    - 1-2 years
    - 3-5 years
    - 6-10 years
    - 11-20 years
    - >20 years

- *Q32a: Did you gather any entrepreneurial experience before starting your business?*
    - yes
    - no

- *Q32b: If so, what experience? (open question)*

- *Q33: What was your main motivation to start your current business(es)? (maximum two answers)*
    - intrinsic rewards (self-fulfilment and growth)
    - extrinsic rewards (for example making money)
    - independence
    - keeping up family tradition
    - opportunity (taking advantage of a spotted opportunity in the market)
    - necessity (for example due to difficulties in finding a job in the wage labour market)

- other:

- *Q34: How important were cultural factors such as norms, values and attitudes of people of Turkish origin, (for example popularity of entrepreneurship) in starting a business?*
  - very important
  - important
  - not really important
  - not important at all

- *Q35a: In how many business associations do you take part?*
  - none
  - 1
  - 2
  - 3
  - other:

- *Q35b: In case of taking part in one or more business associations; which one(s)?*
  - Belgian/Flemish/local:
  - Turkey/international:

- *Q36a: How large is your social network (family, friends, and acquaintances) in Ghent?*
  - <100
  - 100-200
  - 201-500
  - 501-1000
  - >1,000

- *Q36b: How large is the share of people of Turkish origin in your social network in Ghent?*

- <25%
- 25-50%
- 51-75%
- >75%

Final question:

- *Q37a: Are there any other important factors which have impacted the level of your average monthly net income in 2016 that were not yet mentioned?*
    - yes
    - no

- *Q37b: if so, which? (more than one answer possible)*

APPENDIX 2: Differences between Ethnic Network, Ethnic Enclave, Ethnic Cluster and Ethnic Mosaic.

	Ethnic networks	*Ethnic enclaves*	*Ethnic clusters*	*Ethnic Mosaic*
Group size	Small	Large	Large	Large
Socioeconomic position	No clear socioeconomic profile as group	Socioeconomically deprived group	Socioeconomically affluent group	Socioeconomic differences within the group
Ethnic institutionalisation	Absence of own ethnic institutions	Closed ethnic institutions	Closed ethnic institutions	Open interactive ethnic institutions
Ethnic economy	Absence of an ethnic economy	Ethnic economy exclusively directed towards own group	Ethnic economy exclusively directed towards own group	Ethnic economy not exclusively directed towards own ethnic group
Spatial concentration	Small and volatile spatial concentration	Spatial concentration	Spatial concentration	Spatial dispersion and intertwined with other ethnic groups
Marriage pattern	Immigration and interethnic marriages	Intra-ethnic marriages (among which a large number of immigration marriages)	Intra-ethnic marriages (among which a large number of immigration marriages)	Intra- and inter-ethnic marriages (limited number of immigration marriages)

Source: Verhaeghe et al., 2012: 21.

APPENDIX 3: Center of Ghent (Binnenstad) and surrounding quarters (Map: Ghent Municipality, 2017b).

APPENDIX 4: GEM Indicators for Belgium, 2001-2014 (%18-64 population).[244]

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Individual self-perceptions														
Perceived opportunities to start business in the next 6 months	21	13	16	39	40	12	21	13	13	38	40	33	34	41
Perceived skills & knowledge to start a business	33	37	37	40	47	36	42	39	38	41	40	37	33	29
Knows someone who started a business in the past 2 years	33	29	33	31	37	30	35	29	30	22	23	15	17	17
Fear of failure for those perceiving opportunities *	36	26	25	34	26	26	24	32	22	36	39	42	47	50
Intentions to start a business **	.	3	3	4	6	3	6	5	4	7	8	8	6	9
National societal impressions														
Entrepreneurship as a good career choice	.	.	57	75	66	46	44	43	44	63	67	66	58	53
High status to successful entrepreneurs	.	.	52	69	74	54	51	44	48	53	59	60	54	54
Media attention for entrepreneurship	.	.	42	48	52	42	43	41	37	45	48	55	41	50
Prevalence rates of total early-stage entrepreneurial activity														
Nascent Entrepreneurship (activity less than 3 months)	1.8	1.7	3.1	1.5	2.6	2.1	2.7	2.1	1.6	2.2	2.3	1.3	2.8	2.6
New Entrepreneurship (3 to 42 months)	0.7	1.0	1.5	1.2	1.3	1.2	0.7	1.0	1.8	1.3	2.5	1.6	1.7	2.2
TEA-indicator (nascent and new entrepreneurship)	2.4	2.6	4.4	2.7	3.7	3.2	3.4	3.0	3.3	3.5	4.8	2.8	4.4	4.7

Source: Holvoet et al., 2015:27.

APPENDIX 5: GEM Indicators for Flanders, 2001-2014 (% 18-64 population).

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Individual self-perceptions														
Perceived opportunities to start business in the next 6 months	20	16	18	38	43	15	16	14	15	40	43	33	31	36
Perceived skills & knowledge to start a business	30	35	35	39	44	35	37	36	37	45	44	37	34	30
Knows someone who started a business in the past 2 years	30	28	31	30	37	28	31	29	29	24	26	22	19	19
Fear of failure for those perceiving opportunities *	38	31	26	32	29	36	28	33	28	37	41	41	47	49
Intentions to start a business **	.	5	5	6	6	6	6	6	5	8	11	9	8	11
National societal impressions														
Entrepreneurship as a good career choice	.	.	56	71	67	47	45	47	46	60	64	62	55	52
High status to successful entrepreneurs	.	.	54	69	72	53	51	46	49	51	55	57	52	52
Media attention for entrepreneurship	.	.	40	40	48	37	37	38	33	46	47	54	44	51
Prevalence rates of total early-stage entrepreneurial activity														
Nascent Entrepreneurship (activity less than 3 months)	2.0	2.1	2.8	2.2	2.9	1.8	2.7	2.0	2.0	2.3	2.7	3.3	3.1	2.9
New Entrepreneurship (3 to 42 months)	1.2	1.1	1.2	1.4	1.2	1.1	0.4	0.9	1.6	1.4	3.0	2.0	1.9	2.5
TEA-indicator (nascent and new entrepreneurship)	3.1	3.0	3.9	3.4	3.9	2.7	3.1	2.9	3.5	3.7	5.7	5.2	4.9	5.4

Source: Holvoet et al., 2015:28.

[244] * Fear of failure measured only for the respondents who perceive good opportunities to start a business, ** start-up intentions measured only for the respondents who are currently not actively involved in entrepreneurial activity (as a nascent entrepreneur or owner-manager in new-established firm (Holvoet et al., 2015:8).