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# Entrepreneurship and Immigrant Business Groups in the Italian Labour Market

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**Abstract** The analysis of the characteristics of immigrant businesses, their spatial location and the unique dynamics of this increasingly important component of Italian trade, is essential in order to fully exploit the potential synergies created by the proliferation of entrepreneurial foreign nationals.

This paper aims to contribute to the body of knowledge on the relationships between migration and economic development, and migration and entrepreneurs. Integrating sources of official data will illuminate the Italian experience over the last fifteen years.

**Keywords** Entrepreneurship • Immigrant • Business • Labour Market • Social Policy

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# **Introduction: Topics and Aim**

The topic of immigrant entrepreneurship is receiving increased attention in the context of the most developed economies because of the associated commercial and social opportunities. Unlike the political debate, which primarily frames the migration issue in terms of safety and assimilation, the academic debate focuses instead on the potential fiscal and societal benefits of harnessing the cultural strengths of the immigrant population for the common good (Castles 2010). From this perspective, analysis of the characteristics of immigrant businesses, their spatial location and the unique dynamics of this increasingly important component of Italian trade, is essential in order to fully exploit the potential synergies created by the proliferation of entrepreneurial foreign nationals. This approach remains in its infancy in Italy and has focused on the evolution of legislation on self-employment among the immigrant population: This sector of the labour market was totally informal and unregulated until 1990, when the Turco-Napolitano law extended the right to exercise selfemployment to all foreign nationals legally residing in Italian territory (Regini 2007). Fostering the integration of immigrants into a host society is a complex process, dependent on variables including cohesion and composition, and one which is difficult to predict and manage (Ambrosini 2006). Migration networks routinely facilitate the entry of their members into the labour market, but this often involves low-skilled positions which they control. These networks can vary enormously, however: scholarship on ethnic entrepreneurship typically examines the economic interactions within a particular area of relatively new settlement. It also looks at the dynamics, such as social capital, that are brought into an area by immigrants (e.g. Light 2004; Martini 2016). Maintaining forms of belonging and a distinct ethnic identity seems to depend on implementing the networks' practices and is important in meeting migrants' needs (Thomas 1997 [1921]).

The fact that large-scale international migration usually involves poorly qualified people means that the process of integration is automatically undermined and this in turn may lead to widening regional and national

inequalities in areas of settlement.¹ Human capital is badly affected and development suffers. This paper aims to contribute to the body of knowledge on the relationships between migration and economic development, and migration and entrepreneurs. Integrating sources of official data will illuminate the Italian experience over the last fifteen years.

# **Background: Social and Economic Context**

Immigration has long been an important component in the social and demographic dynamics of the country. In recent years, it has been a particularly significant factor in the rate of population growth (Istat 2015). Since the early 1970s, the number of immigrants has consistently exceeded the number of emigrants. But the rate of this excess increased markedly after the turn of the century. Immigration figures, mostly relating to foreign citizens, escalated dramatically between 2002 and 2011. In this period, more than 3.9 million people immigrated, of whom 3.5 million had foreign citizenship. In absolute terms, the majority of arrivals were Romanian (943,000, or one in four immigrants). Among the other major nations of origin were Albania (278,000), Morocco (258,000), Ukraine (215,000) and China (150,000).

The Romanian immigrant flows are exceptional (over 89,000 in 2011—see Bonifazi et al. 2016, p. 181). Post-2007, the 'entry effect' of Romania (and Bulgaria) joining the European Union has seen the registration of a large number of births to immigrants (Idos 2015, p. 261).

The language employed in discussing this subject is, of course, critical. American literature has influenced European art and these issues are nuanced and evolving. The scale and nature of business must also be taken into account. In our case, we employ the term 'ethnic entrepreneurship' to refer to independent businesses run by immigrants.

<sup>&</sup>lt;sup>1</sup> International migration presents the human face of globalization, with consequences that make headlines throughout the world. *The Cross-Border Connection* addresses a paradox at the core of this phenomenon: emigrants departing one society become immigrants in another, tying those two societies together in a variety of ways. In nontechnical language, Roger Waldinger explains how interconnections between place of origin and destination are built and maintained and why they eventually fall apart (Waldinger 2015). See also Portes (2003).

'Entrepreneur' is not applied here in the classic Schumpeterian sense.<sup>2</sup> It is not germane to the new entrepreneurs from abroad for a number of reasons. Innovation or creativity do not even exist in some cases; (A) sometimes immigrants who run a company do not enjoy sufficient autonomy, meaning they depend on other subjects; (B) some immigrant-run companies undertake activities which occupy market niches but do not display entrepreneurial spirit and are limited by their marginality. The majority of immigrant entrepreneurship in Italy involves small or very small firms (micro-enterprises).<sup>3</sup>

After 2000, migration flows became increasingly heterogeneous. The individuals and groups that comprised migrant populations had increasingly disparate backgrounds and needs. This further complicated their entry into host societies, their reception and, subsequently, their experience of the process of integration.

In general terms, we can divide the flows into: (a) forced migration: the migrations of refugees who flee from conditions of war and famine, to whom European countries are required to give adequate protection (asylum) by recognition of the status of 'political refugee' and the implementation of effective paths of humanitarian protection; (b) economic migration (also called 'migration for legitimate interest'): the migration of

<sup>&</sup>lt;sup>2</sup>Schumpeter (1934, 1954), considers the entrepreneur as the engine of growth; the key is innovation, i.e. new products, new production methods, new markets, new sources of raw materials or semi-finished goods, or a new form of organization involving the creation of a monopoly or the collapse of a previous monopoly position. Innovation means change and imbalance. Baumol (1993) wrote that 'The entrepreneur is simultaneously the most intriguing and one of the most elusive between the characters that make up the subject of economic analysis'. Knight Frank (1965) write that 'the ability to cope with difficult and uncertain situations is one of the attributes normally accorded to the entrepreneurial function as well as a common topic that is considered a demonstration of leadership skills: the ability to organize and coordinate the factors of production and distribution'. Chandler Alfred (1962), states that the task of an entrepreneur is the creation of a managerial hierarchy. This network is essential for the proper functioning of big business, and in turn an indispensable instrument for growth and economic competitiveness in the age of the second industrial revolution. See Amatori Franco (2008, pp. 505–543) for further studies.

<sup>&</sup>lt;sup>3</sup> The interpretations regarding the entrepreneur and entrepreneurship in general are also enriched by the relationship between the entrepreneur and the environment; in this context the economic success achieved by migrant ethnic minorities emerges (Godley 2006; Cassis and Minolglou 2005). Many of the advantages enjoyed by ethnic groups have their roots in the special relationship that these emigrants have with their homeland. A recurring finding is the lack of entrepreneurial spirit among the inhabitants of the destination country. Ethnic minorities become entrepreneurial because they can enjoy insider benefits and share their knowledge and economic solidarity with other members of the group.

those who usually move in search of economic improvement or for other legitimate reasons (study, medical care, reunions, and so on). These migrations are regulated by the 'flow-decree' in Italian legislation.

Recently, the European Union has become interested in immigrant entrepreneurship and the European Commission has brought small- and medium-size enterprises to the centre of its political agenda. These are the businesses that have been most affected by the economic crisis of the last decade, and the Commission is now promoting the exchange of information on best practices and systematic consultation between the various stakeholders. The Commission's Entrepreneurship 2020 Action Plan calls for decisive action to unleash Europe's entrepreneurial potential.

It is difficult to compare the histories of immigrant entrepreneurs around Europe, because the registration criteria are different in the various member states. In the Italian case, challenges are presented by the sheer volume of data related to issues including residence permits, social security and registrations at the Chambers of Commerce. At the EU level, Eurostat's Labour Force Survey data highlight that in 2013 there were 30.3 million entrepreneurs and self-employed people in the 28 member states. Italy, with 4.9 million of them, topped the list and had approximately 1 million more entrepreneurs than both Germany (4 million) and the United Kingdom (3.8 million). Moreover, the incidence of self-employment in Italy stood at 82% compared with the European average of 14%. In respect of self-employment among immigrant entrepreneurs, Italy ranked fourth after the United Kingdom, Germany and Spain (see Fig. 5.1).



**Fig. 5.1** Inflows of foreign population into selected OECD countries and the Russian Federation. Source: Idos 2015

However, Italy ranked first in the number of self-employed immigrant entrepreneurs from non-EU states. Moreover, according to this survey, Italy had fewer immigrant enterprises with employed workers than the European average (about 1 in 6 as opposed to 1 in 4).

# **Research Question**

On this basis, our principal questions are: What ethnic businesses are there in Italy? What types of employment contract govern work in the sector? What is the geographical distribution of migrant entrepreneurs? What is the nature of the relationship between the high number of immigrant businesses and their growing contribution to the country's productive system?

Non-EU foreigners wishing to work in Italy must get a valid residence permit, which allows for regular employment, seasonal work that might be recurring and self-employment. The number of foreigners who can enter Italy for work purposes, however, is not unlimited. Rather, it is rigidly fixed by specific decrees such as the 'flows decree' issued by the Prime Minister on the basis of information provided by the Ministry of Labour and Social Policy. It is also dictated by political imperatives, which are shaped by employment trends and the number of foreigners registered as unemployed, as well as data on the demand for labour, which is harvested by the Computerized Registry, established by the Ministry of Labour and Social Policy. The law regulates the issuance of residence permits for work by setting the conditions and requirements necessary to qualify for them, as well as the operational procedures for requesting and obtaining them.

In determining cash flow, you can also establish some preferential quotas in favour of citizens from those countries with which Italy has concluded specific bilateral agreements on the regulation of entry flows. For workers of Italian origin who are resident in non-EU countries, provisions can be made on the basis of strictly-defined links to relatives living in Italy.

The recent Decree Law 145/2013, converted with amendments by Law 9/20149, provides for two exceptions to the above limit on entry quotas. These exceptions cater for university researchers and highly skilled workers.

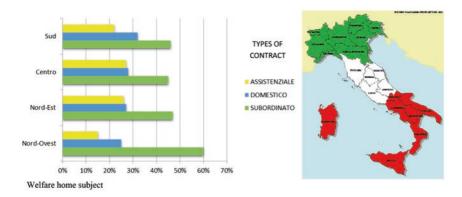
Loss of employment does not constitute grounds for withdrawing residence permits from non-EU workers and their legally resident families. Foreign workers in possession of a residence permit for employment who lose their jobs can be registered as unemployed for the period of validity of their residence permit. This even applies in the case of resignation (Website Rights and Answers: Working in Italy for foreigners, Immigration and Citizenship, 2014).

Foreigners who wish to run an industrial or commercial trade or business, or form or run a company in Italy, must also demonstrate that they have adequate resources for the activity that they intend to undertake in Italy; that they fulfil the requirements of Italian law for the exercise of individual activities, including, where required, the requirements for entry in the registers and records; and that they are in possession of an up-to-date (within three months) certificate from the competent authority declaring that there are no impediments to the authorization or permit required for the activity that they intend to conduct.

Workers from outside the European Union must still establish that they have suitable accommodation and an annual income from legitimate sources, which must be higher than the minimum required by the law for exemption from participation in healthcare.

In Italy, the characteristics of the principal types of employment contract are designed in response to the shortfall in the local supply of labour. Contracts for home care and domestic work are the most-sought after and common among foreign women residing in Italy (see Fig. 5.2).

Analysis of the prevalence of contract types reveals much about the composition of regional economies. A breakdown of job applications submitted by foreigners in Italy shows (see Fig. 5.2) that the North-West provides 36.5% of employment. The domestic sector is most important in Central Italy, at 32%, and in the North-West, at 30%. Central Italy routinely registers the most applications for assistance contracts, at 34%, followed by the North-West, at 26%. In the South, the Campania region accounts for 8%, 12% and 11% of the national total of the three respective contract types, and 45%, 54% and 58% of the southern total. Sicily and Calabria record much lower percentages. The percentage distribution is the result of several factors: the high rate of applications for employment in the North is mainly accounted for by the demand for work in small



**Fig. 5.2** Type of contract % by region (2013), yellow: care work; blue: housework; green: employment. Source: Data processing from Istat report Market of foreign workers, 2013

and medium-sized enterprises that offer stable work, often requiring low qualifications; for domestic work and care, the most significant data are those for metropolitan areas such as Rome and Milan, but also Naples, where this a growth in demand for personalized services that enable female workers to enter and remain in the labour market.

The North-West appears to be Italy's most industrialized zone, with 60% of its workers employed in that category. Another 16% are engaged in domestic situations and care giving, with the remainder in a variety of other positions. The North-East's regularization figures are 47% for employment, 21% for domestic work and 21% for care work, while the pattern of distribution in Central Italy is more homogeneous, at 47% for subordinated work, 30% for domestic work and 23% for care work. The South follows the general Central trend, with 48% for employment, 32% for work and 20% for home care work. A gradual increase is therefore confirmed in domestic and care work rates, and this is also the case in the provincial labour markets. The largest groups of women come from Ukraine, Romania, Poland and Moldova. Greater numbers from South America have also been in evidence in recent years. As for employment, 18% of the total number of women in the industry are Chinese. The rates are not as high in the labour and household welfare markets. Among men, 13% of employees and 8% of domestic workers are Moroccans. In

general, the average age of men and women who migrate to Italy is 28 and 32 respectively (Zucchetti 2004; Istat 2013).

### **Discussion**

Italy fits neatly into the global scenario of industrialized economies requiring immigrant labour as their population ages their demographic trends spiral downwards and their supply of local workers is not enough to meet demand. However, the significant element of regularization 'of foreigners by foreigners' should be stressed. This is especially prevalent in respect of the emergence of employment, a movement that confirms more stable migration patterns and means that foreign company owners are usually long-term residents in Italy. In total, about 17% of employers in Italy are foreign, but this proportion falls to around 5% for domestic work and 1% for support activities. In fact, the real prime example of 'foreign entrepreneurs that regularize foreign workers' is offered by the Chinese (with 23,000 regularization applications, of which only 21,400 are in paid employment).

Cases of Albanian, Romanian, Moroccan and Egyptian employers are less frequent (but together with the Chinese they account for two in three foreign employers), but they conform to general trends in employment.

These data confirm the growth of foreign entrepreneurship.

The data on applications for regularization record the nationality of both worker and employer the as well as the type of contract. They highlight the tendency of Chinese employers to employ Chinese workers. This is particularly the case in traditionally Chinese-dominated production niches or in territories with a well-established Chinese presence (the so-called 'Third Italy') or in the big cities. The Chinese specialize in packaging of clothing and leather goods, as well as restaurants. The other ethnic groups mentioned above are more likely to employ immigrants who do not share their nationality; this is especially true in the case of Egypt employers, 27% of whose employees are not Egyptian; the rate falls to between 9% and 13% in the case of Albanians, Moroccans and Romanians. Some differences are also apparent in respect of the type of contracts offered to regularized workers. All of the Egyptian workers

employed by Egyptians, and 93% of Chinese workers employed by Chinese employers have submitted their applications. The vast majority of them work in sectors traditionally associated with their ethnicity, for example catering, construction and business services in the Egyptian case. At least 14% of Romanian workers employed by Romanians are regularized in the domestic sector and at least 3% in the service sector. This suggests the implementation of a strategy, organized on the basis of social networks within the community, to support employment for recent arrivals in Italy, the ultimate purpose being to facilitate regularization. The same assumption can be made in the case of Moroccan and Albanian employers, although the practice is less pronounced among these ethnicities (approximately 8–9%). This high rate of concentration, nonetheless, and field studies indicate that entrepreneurs of these nationalities play a significant role in the building trade, brokerage services and distribution and business services (Zucchetti 2004).

The data extracted from a survey carried out by Unioncamere Study Centre (Table 5.1) show that non-EU citizens owned 335,452 companies in Italy in 2014. This was an increase of 6.2% in the year since 2013. The companies are located chiefly in Lombardy (18.7%), followed by Lazio (11.4%) and Tuscany (10%).

The national distribution of immigrant businesses is as follows: the North account for slightly more than half of the total (30.4% in the North West and 21.3% in the North East), Central Italy for over a quarter (26.3%) and the South for over a fifth (22%). Regionally, Lombardy leads the way with 94,000 immigrant businesses (19% of the total). Lombardy is further distinguished by being the only region of the North-West with a positive balance between undertakings (immigrant and otherwise) recorded and deleted during 2013 (net of cancellations). Following Lombardy came Lazio (60,000, 12.2%) and Tuscany (48,000, 9.7%) and then two North-Eastern regions, namely Emilia Romagna (46,000, 9.2%) and Veneto (42,500, 8.6%). These five regions hosted almost 6 out of every 10 immigrant companies (58.7%).

Tuscany, Liguria and Friuli Venezia Giulia also stand out, however, thanks to the impact of the 10% plus of their businesses that were immigrant-owned.

Table 5.1 Companies belonging to non-EU citizens

Italian regions	2013	2014	Var. % ↑ 2014/2013
Abruzzo	7387	7560	2.6
Basilicata	1145	1144	-0.1
Calabria	9199	9875	7.3
Campania	22,852	25,825	13.0
Emilia-Romagna	29,908	30,665	2.5
Friuli Venezia Giulia	6508	6656	2.3
Lazio	33,666	38,206	13.5
Liguria	12,324	13,019	5.6
Lombardia	58,827	62,744	6.7
Marche	9393	9535	1.5
Molise	1064	1066	0.2
Piemonte	22,243	22,732	2.2
Puglia	11,151	11,699	4.9
Sardegna	6322	6720	6.3
Sicilia	17,351	18,556	6.9
Toscana	32,419	33,592	3.6
Trentino Alto Adige	3392	3412	0.6
Umbria	4238	4457	5.2
Valle D'Aosta	372	381	2.4
Veneto	26,130	27,588	5.6
Total	315,891	335,452	6.2

Sources: Data from UnionCamere

Immigrant-run business had the greatest effect on local production in the provinces of Prato (24.4%), Florence (14.1%) and Trieste (13.7%). They are the provincial context in which immigrant-run companies appreciably affect local production (in Rome and in Milan the impact was 11% and 11.8% respectively. A closer examination of Italy shows that Prato is the italian province with the high percentage of foreign companies, exeeding Milan and Florence, with almost 40% of companies. Prato has considerable foreign presence, equal to 6718 firms (39.89% of the total firms in the area). Next to Prato was Milan (27,804), then Florence (10,210), Reggio Emilia and Rome. Only 1.67% of the companies in the province of Enna were foreign-directed. While Chinese enterprises dominated the manufacturing sector, Albanian entrepreneurs were a formidable presence in construction. In business, however, the figure of 47,277 Moroccan companies dwarfed their nearest competitor, the Chinese with 19,294 (Research Center Idos 2014).

In the North-East, where in 2013 only Trentino Alto Adige had a positive balance for business overall, the negative effects of the crisis (2007–2008) on the extensive network of local SMEs are particularly evident. The smallest enterprises suffered the most especially those active in subcontracting, the less specialized and those less open to foreign markets. Another phenomenon in Trentino Alto Adige, however, and which ran parallel to the decrease in the number of Italian-run companies (–1.4% in 2013), was the 2.9% rise in the number of immigrant-run businesses at a time of growing difficulties in manufacturing and building. A similar contraction in the number of Italian-managed firms (–1.2%) and expansion in foreign-run companies (+3.3%) occurred in the North-West.

The most positive general trend was identified in Central Italy—and in Lazio in particular—and in the South, especially in Campania. In both cases, the stagnation in the volume of businesses run by Italians (+0.3% in the Centre and +0.7% in the South in 2013) was accompanied by a sharp jump in the number of immigrant-run businesses (+5.4% and +5.5%). The situation in the Islands was more problematic (-1% in 2013 for Italian-run businesses and +3.3% for their immigrant-run equivalents) (Research Center Idos 2014).

Although often referred to as 'ethnic' firms, the products and services they offer are dedicated largely to Italian customers, although they do not ignore the needs of immigrant communities, as evidenced not only by popularity of specialty shops of countries of origin, but also by specific service companies. For example, there are many small publishing companies offering 'ethnic' newspapers, legal aid and bureaucratic services assisting with documentation processes, and social services such as nurseries, as well as travel agencies, call centers and so on. Their contribution to the craft sector is also significant, where many trades no longer practiced widely by Italians assume 'protected' status when immigrants take over. A large majority of non-EU workers in Italy are involved in one of these activities (384,318 enterprises account for, 77.4% of the total). Countries of origin making a significant contribution include Morocco (61,177 enterprises, 15.3%), Romania (46,029, 11.5%), China (45,043, 11.2%), Albania (30,376, 7.6%), Bangladesh (20,705, 5.2%) and Senegal (16,894, 4.2%). The incidence of sole proprietorships has decreased in localities with relatively prosperous economies: to 71% in Trentino Alto Adige (and 66.1% in the Autonomous Province of Bolzano), 74.7% in Lazio and 75.4% in Lombardy, 69.4% in Milan and 74% in Rome (Clumps, National Monitoring of the Financial Inclusion of Migrants in Italy, Third Report, 2014).

The acknowledged prevalence of micro-, small- and medium-sized enterprises, typical of Italy but characterizing the entire EU framework, implies heightened vulnerability in the current context of globalization, especially in the wake of the international economic crisis. The decline of small businesses in recent years is no surprise.

Families lend support at the time of the creation and launch of a company, but can also function as a brake on expansion. Obstacles to growth further act as barriers to access to bank credit. This is a common challenge for immigrant entrepreneurs, who tend to respond mainly through self-financing and reliance on kinship networks and communities. This culture is intensified for members of ethnic communities.

Looking at the sectoral distribution of economic activity, we find the highest concentration of non-EU workers in the wholesale and retail trades and the motor vehicle repair business (44.9%), followed by the construction sector (22.3%) and manufacturing (8.5%). The sectors with the lowest participation rates were agriculture, forestry, fisheries and the extraction of minerals and quarrying.

There were a number of significant increases: in so-called unclassified companies (23.1%); in rental and travel agencies and business support services (18%); and in other service activities (10.6%); the only negative changes were in the extraction, mining, transportation and warehousing industries.

The sector offering the highest levels of recruitment to foreign workers was agriculture (35.3%), followed by construction (24.4%) and industry (20.9%). According to the 2014 SISCO survey, the non-EU states providing the most recruits were Albania with 141,140 accounts activated, China (121,133) and Morocco (119,421). The statistics allow us to enumerate the structure of labour demand for individual nationalities. Indian citizens were awarded 54.3% of agricultural contracts, 46.2 of contract in industry and commerce (excluding construction) went to Chinese nationals, Egyptian took 29.7% of construction contracts and Ghanaians had a near monopoly in the service sectors (93.8%).

The number of companies run by immigrants in Italy in 2014, based on the difference between registrations and cancellations during the year, net of terminations of office, was 524,674. This was more than 1 company in every 12 in Italy (8.7% of the total). This rises to 1 in 8 if you limit the analysis to individually-owned companies only.

Smaller companies, the traditional protagonists of Italian business, were the most widespread form of immigrant-run company (53.9%).

More than 8 immigrant companies in every 10 (80.2% or 421,004) were sole traders and just over half of those were run by indigenous people (51.4%).

The trade and construction sectors accounted for more than half of all immigrant-owned businesses, followed by other sectors such as manufacturing and property, food and travel services.

Finally, if we divide business owners by gender (Table 5.2), females were well represented, particularly those from Ukraine (56.7%), Nigeria (46.2%) and China (45.8%), and to a lesser extent, Pakistan, Bangladesh and Albania.

Table 5.2 Non-EU born business owners, by origin and gender

Birth place	Male (%)	Female (%)
Morocco	88.5	11.5
China	54.2	45.8
Albania	90.9	9.1
Bangladesh	94.4	5.6
Senegal	92.8	7.2
Switzerland	68.5	31.5
Egypt	94.1	5.9
Tunisia	91.4	8.6
Pakistan	94.9	5.1
Nigeria	53.8	46.2
Serbia and Montenegro	80.9	19.1
India	86.3	13.7
Brazil	62.6	37.4
Macedonia	91.6	8.4
Moldavia	71.9	28.1
Argentine	71.6	28.4
Ukraine	43.3	56.7
Algeria	94.8	5.2
Peru	70.5	29.5
Venezuela	64.2	35.8
Total	79.0	21.0

Source: UnionCamere-InfoCamere, Movimprese

The increased involvement of women was a significant factor in the rise of immigrant entrepreneurship in this period of crisis. In the last few years, the number of companies run by women of foreign origin (117,703) increased by 5.4% and at the end of 2013 accounted for almost a quarter of the total of immigrant-run businesses (23.7%). The proportion was even higher in in Molise (35.6%), Basilicata (33.5%) and Abruzzo (31.5%). Rome and Milan, the two major provincial sites of immigrant businesses, were home to the businesses of 22% of all women entrepreneurs in Italy, almost 1 in 10 of whom was born abroad. In 2015, womenowned foreign businesses in Italy numbered 109,000, 6000 more than the year before (+6%) and 18,000 more than four years earlier (+20%). They employed over 200,000 people. Among the most numerous were the Chinese women (21,000), Romanians (9000), Moroccans (7000), Nigerians and Swiss (5000 each), and Germans (over 4000). The highest numbers were in Rome (10,000), Milan (8000), Turin (5000), Florence (4000), Naples and Prato (3000 each) and Brescia (over 2000). But the record for the fastest growth between 2011 and 2014 went to Reggio Calabria (from 600 to over 800; +33%), followed by Ferrara (400 to 600; +50%) and Ravenna (from 500 to over 600; +20%) (Report 2014; OECD 2014).

## **Conclusions**

Migration flows that bring new cheap and low-skilled labour can only be helpful, as long as the broader economic environment facilitates their arrival. Such availability of human capital can only offer important opportunities for the destination economies, as in the case of Italy, contributing to the revival of industry and SMEs. Moreover, as we have tried to highlight, in the context of the global economic crisis, which is a huge contributory factor in the advent of increased immigration to Italy (including illegal immigration), state institutions must be proactive in regulating the labour market so that it can accommodate most of this newly available labour. The important role that women are likely to play must also be reckoned with. This article has not addressed issues concern-

ing political refugees and asylum seekers, including from Syria, because that topic requires dedicated discussion.

In terms of earning power among immigrants, the most disadvantaged communities were the Ukrainian and Filipinos, because they were predominantly female and concentrated in domestic services; Filipino and Peruvian men lost out also because they did the same kind of work. The Chinese, Indian, Moroccan and Albanian communities enjoyed higher than average monthly wages.

In addition, the relative lack of innovation in the Italian economy and demographic trends (including a low birth rate) mean that there is a continuing demand for low-skilled foreign labour, which has negative effects on the quality of employment. Given that ethnic networks indirectly promote a work integration process that often requires re-specialization and the culture of immigration leads to acceptance of low-skilled jobs, it is understandable that immigrants remain entangled in a market of low-paid jobs that do not provide opportunities for upward mobility.

The recent economic crisis can only have slowed the process of integration of immigrants at the various levels of society, and this will only improve if institutions, businesses, families and states become more open to dialogue and more tolerant. The crisis led to an increase in general unemployment among Albanian immigrants, especially those employed in industry and construction, and made them rethink their migratory project. In particular, it has forced them to resume and to strengthen the transnational ties of their migratory networks, and has prompted many of them to consider returning to Albania from Italy (Conti et al. 2016).

Entrepreneur and entrepreneurship are two key words in the current debates among economic historians, economists and sociologists on the topic of economic development.

The reason for this is simple: assuming that economic development (growth) is a politically desirable objective for a local, national or supernational community, it is by now very clear that there can be no development without entrepreneurs.

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