Empowerment through entrepreneurship
– a tool for integration among immigrant women?

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2009

Abstract

The study investigates whether entrepreneurship among immigrant women in Sweden may be a way to achieve integration in working life and thereby increase their empowerment. Sixteen female entrepreneurs were interviewed. They started their businesses for a number of reasons: unemployment, lack of suitable jobs and career possibilities, discrimination and forced privatization, desire for personal development, independence and freedom, or work within one’s own field of interest. We conclude that entrepreneurship can be a tool for increasing empowerment among educated immigrant women.

Keywords: Entrepreneurship, Immigrant women, Empowerment, Integration

JEL classification codes: J2, J4, J7
Introduction

The economic integration of immigrant women, is an important subject for both Swedish society (Abbasian 2003) and western society in general (Udeix-Udeix Alep 2004). This is primarily explained by the high level of unemployment among immigrant women, especially among women from non-European countries. Even if they are employed, they run a higher risk of becoming unemployed later in life than other groups on the labor market. To a large extent, this can be explained by a deskilling process, which furthers the racial division of labor (Wren & Boyle 2002). Deskilling can be described as a process in which skills and qualifications gained through earlier training and employment are either not utilized or not recognized after migration. This process results in unemployment, long-term social exclusion or employment in low-status professions with low incomes or in dangerous and/or illegal sectors. The deskilling process may also explain much of the high level of sick leave among immigrant women, which is much higher than among ethnic Swedish women (Akhavan et.al 2004).

Being empowered is important to the health and well-being of immigrant women. The common dimension in the definitions of empowerment is power: power to influence one’s own life, power to make one’s own choices and the power to act upon these choices. Empowerment has often been used as a concept to encourage and authorize workers to take the initiative to improve operations, reduce costs and improve product quality and customer service (Howard 1995). Empowerment relates well to decision latitude. It is well known from earlier research that the absence of decision latitude has a negative influence on health (Johnson 1996). Empowerment and decision latitude might be of extremely high value and thus vital to discussions about the economic integration of immigrant women, since the process of empowerment aims to increase women’s ability to act as well as give them power over their own lives (Williamson & Boehmer 1997). To be excluded from so much in society, as these immigrant women are does not promote empowerment and a sense of coherence (Antonovsky 1984), and in turn impacts on the health of immigrant women.

Economic integration is the most important aspect of integration issues, as this is considered to promote integration in subsequent areas - cultural, social, political - as well as the development of residential patterns. It is considered to be the key to inclusion in the wider society. The launching of businesses by immigrant women (and men) has been suggested as a preferable way of addressing at least some of the unemployment issues among them. This is mainly because it is the cheapest way to create jobs for the huge groups of unemployed immigrants (SOU 1996), but also because it gives the immigrant women and men a chance to develop their occupational skills. Many unemployed immigrant women (and men) who had previously received social benefits, can become contributors to the social insurance system due to their new roles as business operators (Abbasian 2000).

Yet entrepreneurship in the form of a micro business, particularly those run by immigrants, has been criticized. One reason is that running a small business generates uncertain income, in comparison to employment, irrespective of the entrepreneur’s level of education and working experience (Elmlund 1998, Finansdepartementet 1997). Habib (2001) claims that the majority of immigrant
Business operators constitute a new proletariat in Swedish society since they earn less than employees of both foreign and Swedish origin, as well as than Swedish native business operators. A Danish study showed the same result, a country that is similar to Sweden in many ways (Bager & Rezaei 2001). Najib (1999a) claims that immigrant-owned businesses, despite all their advantages, have only a marginal effect on their owners’ integration in Swedish society, because their conditions are unfavorable. To start a business in the least attractive branches requires low starting capital, where work is physically and mentally demanding and profitability is low. Immigrants in Sweden and many other countries tend to be concentrated in a few branches that are located in immigrant segregated areas and they always compete with each other in a very limited local market, states Najib (1999b). The situation is much better for those immigrants who start within new and future-oriented branches, but such moves are unusual, since this demands more starting capital and is more insecure.

The aim of the study

The aim of this study is to examine self-employment among immigrant women in Sweden and their increased integration in working life as a presumptive tool for empowerment.

We will attempt to answer the following questions:

• Why do immigrant women start their own businesses in Sweden? Here we will look at both structural and individual driving forces.
• Which immigrant women start business alone? Here, the various forms of capital are of great importance.
• How can entrepreneurship be a good way for immigrant women to become integrated into working life?

Based on the answers to the questions above, we will discuss self-employment as a tool for increasing empowerment among immigrant women.

Method

The study is based on individually-conducted interviews which were used as a data collection tool. The participants were sixteen women from Chile, Iran and Turkey who run their own businesses independently in the Stockholm region. The interviews were semi-structured. We opted to interview a small number of women with more qualitative in-depth questions, rather than interview a larger number in a more quantitative way but with fewer questions, or use a questionnaire with a choice of given answers. Interviews with women from Turkey and Chile was conducted in Swedish. Interviews with women from Iran were conducted in Persian but the texts were translated later and transcribed in Swedish.

The interviewed female entrepreneurs

The average age of the women was 45 at the time of interviews and they had been living in Sweden for 17 years on average. The youngest respondent was 33 and the oldest was 58 years old. Half of them were married and half were divorced. The
majority (14) were married when they arrived in Sweden, one was a widow and one was a teenager. All respondents except one had children at the time of interviews. The majority of these children had grown up and moved from their family homes and some of them had already started their own families. The women's entrepreneurial activities involved the running of taxi firms, health food shops, a hair dressing salon, a staffing company for nurses and assisting nurses, a psychology clinic, a dental surgery, a haberdashery, an interpreter and translation agency, an architectural firm, a consultant firm, an art studio, an accounting firm, a mother care (midwife firm) and a pedicure salon. The majority of the firms had more than one employee and one had more than 200 employees comprising 12-13 nationalities. All respondents had grown up in, or lived for a long time in big cities and had educated parents, although their fathers were more highly educated than their mothers. The majority of the mothers had been housewives.

Data analyses

Since the interviews were semi-structured, we could use a straightforward method free from ambiguity in analyzing the data material. We were interested in the women’s answers, regardless of whether only a few or almost all of them gave the same answer, since this is an area in which little knowledge has been gained from previous research. Where many women gave the same, or similar, answers, we give that information in the presentation of the results, since that might be indicating a generalized condition.

Results

We have structured the presentation of the results according to the research questions in the study.

Driving forces

More than half of the women investigated in this study gave a structural motive as the first reason for becoming entrepreneurs. Unemployment, the need to support their families, the absence of proper jobs, forced privatization of jobs, low-paid jobs and discrimination have been among the structural explanations. Elena, an architect and Tara, a pharmacist who runs a health food shop, had these motives:

“On one occasion when I applied for a job as an architect my agent at the employment office said: your husband is a doctor. He can more than afford to support you, you do not need to work! When I insisted she said that I could train to become a welder or a cook” (Elena)

“When I worked in a pharmacy for three months I was forbidden to speak openly with customers about different medicines and their side effects. The boss wanted to employ me as dispenser, which is a lower position than that of a pharmacist. He also wanted to pay me a lower salary than that of a newly employed dispenser” (Tara)
Slightly less than half of the women mentioned personality values and attitudes, such as a drive to achieve personal career developments, to bring an idea to fruition and to achieve independence and freedom on the job, but also poor physical health due to their regular jobs. Nour, who was previously a dentist and now the owner of a health food shop and Marcela, an economist, mentioned the following motives:

“My motive was that I was striving for independence. I have always been an independent person” (Nour)

“My motive was that I had a good idea which I wanted to develop. The possibility of implementing it and the conviction that I was able to do that were my motives” (Marcela)

**Immigrant women starting businesses alone**

Socio-economic resources have been highly important to the women in this study, insofar as enabling them to start their own business. Above all, their education, working experiences, human capital and personal savings made it possible for them to launch a business. Twelve of them were university-educated, of whom ten had a Master’s degree or higher. The remaining were educated to a level which corresponded to upper secondary school; furthermore, they had also either attended shorter courses at university, studied practical/work-oriented courses or obtained additional knowledge through trainee programs or non-profit work and NGO activities. Most of the women in this study have had direct use of their education in their businesses and their educational backgrounds became the springboard for their firms, to some extent.

Most of the respondents had well-paid governmental jobs in their respective countries of origin, before they came to Sweden. Most of them had also had longer or shorter working experiences in Sweden. Some of the women had obtained working experience via trainee positions and through various labor market activities, organized by the state. In many cases, if not all, the jobs they received in Sweden matched their previous experiences in their countries of origin. The jobs and relevant educational programs and courses also determined their niches and many of them, practiced their original occupations in their firms. The women had also utilized their varied human capital in their firms. Most of them were multi-lingual. Some of the women also had political resources and experiences of political and social activities. These activities were of no direct significance to the businesses, but because of them, the women gained more courage and self-confidence. This helped them in their contacts with other people and to apply their earlier knowledge to their own businesses. The women financed their businesses by combining their savings with loans from the bank and credit institutions, governmental starting subsidies for micro firms and loans from relatives.
The women in our study came mostly from middle-class families and had attitudes and values that are typical of this class, such as access to social and human capital. Moreover, their fathers were modern and well-educated, with their approach to parenting being different from the traditional patriarchal style where women are considered as individuals who must be dependent on male family members. The influence of the fathers is described by pharmacist Tara and pedicurist Margarita as follows:

“Above all, our father treated all of us children equally and raised us to be independent. He especially cared about us girls and spoiled us sometimes. He was democratic and flexible and taught us to be honest. He said to me and my sister: If you want to meet with your boy friends they are welcome to our home” (Tara)

“My parents, and especially my father, were very democratic. They were the feminists of that time, I can tell you. My father was also open with us and we got a democratic upbringing. He gave all of us children a lot of freedom but set limits at the same time. He said that we were responsible for the freedom we had got. We were permitted to go to the discotheque but had to be careful to not make a mistake. We sisters were regarded as our brothers’ equals” (Margarita)

Despite the good upbringing and attention from the parents, there are some differences between the women in the investigation. For example, some of them received a more liberal upbringing (in particular the Chilean women) and had more gender equality within their families than the others. The Chilean mothers were more educated than Iranian and Turkish mothers and were not housewives but had gainful employment outside the home.

Ethnic resources, such as ethnic clientele and ethnic media, free ethnic labor and ethnically based information and consultations have been of less importance to the businesswomen in this study, which is contrary to what we had expected. On the other hand, ethnically based financial help has had some significance. The most important ethnic resource for the women has, however, been the assistance from home that came from husbands, children or both. Thanks to this support, both married and divorced women were able to work at their firms while their husbands or children took care of a part or of all the domestic work. One could of course discuss whether help from the family can be considered as an ethnic resource or “simply” family resources, given that this is available to all women regardless of ethnic origin, at least hypothetically.

Family, or rather marriage, has not necessarily been a factor in the success of the women’s business. On the other hand, the results for the married women show that marriage does not constitute a hindrance to their success in business. Neither could an obvious relation between the women’s marital status and their access to network resources be observed. It has more to do with their personalities and their socio-economic resources than with their marital status, as we see it.
The older generation was, relatively speaking, more successful with their businesses than the younger generation. The older ones updated their previous university qualifications, supplemented them with newer, relevant qualifications and utilized their long and valuable working experience, which is normally lacking among the younger generation. Thus, the older generation could compensate for the lack of physical strength and energy which the younger generation normally has in greater quantities. Responsibility for children also takes up much of the younger women’s time, irrespective of the family situation.

The women’s hard work had much significance for their success in the business. Hard work, in this case, means a working week that normally exceeds 40 hours. The survey shows that 11 of the women worked long weeks, with some working close to 70 hours/week. This hard work was a necessity in their businesses and occurred both in the younger and in the older generation, including those who had recently started businesses and those with longer and varied experiences of entrepreneurship.

**Entrepreneurship and integration in working life**

All women in the investigation were integrated into working life. They had meaningful occupations in their capacities of entrepreneurs. Almost all supported themselves and their families financially and they were financially independent. They had access to an established clientele and social networks. In addition, they had strong self-confidence, which may indicate a good psychological health in general and they enjoyed their occupations, even if the occupation for some of them was not their first choice. The degree of integration nevertheless varies between the women, when their subjective opinions of integration in working life are considered.

Those who were most satisfied with their entrepreneurship were those who had jobs that were equivalent to their qualifications, skills and desires, and those whose businesses presented them with further career opportunities. Women with businesses in their own fields of education were more likely to feel that they were making use of their skills and qualifications in their businesses. This was also the case with those who studied practical/work-oriented courses. In both groups, the women identified themselves with their current occupations. Among them were some women with more advanced qualifications.

Most of the women in this investigation have become integrated into working life through entrepreneurship and, if job satisfaction is used as one important criterion the women mean that they have reached their rightful place in society. In the study, the Chilean women were most satisfied with their current jobs and they mentioned that they had come to their rightful place in society much more frequently than the women in the other groups. It may depend on the fact that they had started their own business within branches matching their prior qualifications, working experiences and interests to a greater extent than the other women.

Entrepreneurship however, despite all the advantages and disadvantages, may have a generally positive effect on the lives of immigrant women in Swedish society, as our results have shown. When society, for various reasons, is unable to give them an
opportunity to work with jobs for which they are qualified and/or for which they have experience, they make it happen by starting their own business. Perhaps this is not the sole, or even the best solution for the economic integration of educated immigrant women, but it is at least a tool of empowerment for them to be able to conduct a professional life. Thanks to their businesses, they are able to attain their rightful place in society or are hopefully able to set off in that direction, with a general feeling of well-being and self-confidence. This has been mentioned both directly and indirectly by the participants in this study as seen in the comments below:

"I am satisfied. I feel that I am appreciated, fully employed and respected as a business woman. I have found my place" (Ayeshe, interpreter agent)

"I am satisfied with my job but it doesn’t totally fulfill my expectations. I have not come to the right place yet. I have experiences which make me capable of being a good teacher or journalist, for example. I am going to take a step forward and start a career as soon as I get the opportunity” (Nasrin, taxi driver)

Discussion

Both immigrant women and men, but also native women, tend to start their own businesses due to a variety of cultural/personal and structural reasons and possibly, a combination of both factors. The structural factors are mainly related to the local and regional environment and above all, the existing conditions on the labor market. Unemployment, the absence of proper jobs, ethnic and gender discrimination and poor working conditions with insufficient career opportunities, are among the structural factors which motivate immigrant men and women and native women to start own businesses (Elmlund 1998, Najib 1999b). Entrepreneurship among Swedish women is their answer to the existing hierarchy and the gender segregated labor market in which women are disadvantaged and regarded as being subordinate to men (Billing 1995). They can devote the same time to the job as before, but earn more money. In Swedish society, as in many other countries, it has been mostly highly educated women from both the public and private sectors who have left their jobs to start micro firms in recent years (Företagarna 1997, Elmlund 1998, Domingo & Moltó 1999).

The women in this investigation started their own businesses for structural and individual/cultural reasons. The result corresponds well with recent studies on the motives behind the entrepreneurial efforts of immigrant women, both in Sweden and overseas (Elmlund 1998, Najib 1999b). The women described in this article had non-material assets such as education, working experiences and human capital. They had also improved their qualifications by attending relevant courses, obtaining trainee positions and taking unpaid work. They complemented these assets with financial resources in the form of personal savings, loans and subsidies. Values, lifestyle and attitudes such as the impetus for freedom, independence and a career, as well as prestige and status are important factors here. Swedish female entrepreneurs list the desire to bring an idea to fruition, to work independently and get freedom as the
reasons for starting their business to a greater extent than men; they are also less fixated on the idea of earning money than the men (NUTEK & SCB 2000). Women tend to combine work and family to a greater extent than men (Holmquist & Sundin 2002). As a result, entrepreneurship and the flexible working time it offers can constitute a part-time job for these women, as they will more easily be able to combine family life with their occupation, state the researchers. A lack of satisfaction at their ordinary workplace could also be among the reasons for starting a business. Women tend to be on sick leave more often than men because of dissatisfaction with their jobs; through changing jobs and being their own boss women could feel much better, claims the economist Fölster (2000). Lindgren (2002) states that female Swedish teachers start independent schools in order to practice their own occupation in the manner they wish, as well as to create their own identity without becoming attached to the idea of being a businesswoman.

One of the assumptions in the investigation was that the upbringing and childhood experiences in the country of origin could affect immigrant women’s businesses, either positively or negatively. In their entrepreneurship model, Light and Rosenstein (1995, p. 23) claim that belonging to the middle class grants access to the material and cultural resources associated with this class. This simply means that parents transfer material and cultural resources and human capital to their children, including a work culture that shapes their values, attitudes, knowledge and the skills which are necessary in social life. This model is a starting point which indicates that the good home environment and upbringing provided by the modern and educated parents with gender equality values can also be counted as a socio-economic resource for immigrant businesswomen. This background can lead the women to success in their businesses. Such a background gives the women self-confidence, strength and independence- resources which help the women in their dealings with people and the authorities. This is in accordance with the results in our study. One Swedish study (Muhonen 1999) showed that career-oriented women tended to have well-educated fathers. In addition, the author found a positive relation between the mother’s educational level, her occupation and the career path chosen by her daughter. Another Swedish study (Naesman 2000) showed that fathers who encouraged their daughters to be strong and independent played a major role in the women’s success later in their adult lives as entrepreneurs. As mentioned before, the mothers of Chilean women in this study were more educated than the mothers of Iranian and Turkish women. Also in contrast to the Iranian and Turkish mothers, all the Chilean mothers had occupations outside the home. Another similarity is the women’s modern upbringing by their fathers that has been in contrast to the traditional patriarchal style. Even in this case Chilean women received a more liberal upbringing and felt more gender equality within their families than the other two groups.

The entrepreneurial capacity within an ethnic group is based on the use of ethnic resources or socio-economic resources (Light & Rosenstein 1993), but the degree of usage of each resource varies between ethnic groups and over time (Mobasher 1996). Najib (1994) claims that the more class-based– or socio-economic– resources an immigrant has, the less likely it is that she will be dependent on her own ethnic resources. His statement agrees well with the findings in our study.

According to Knocke (2001) belonging to a social class can be illuminated in two ways: objectively and subjectively. The former implies respecting the current class to
which a person belongs according to statistical criteria, such as the working class or the middle class, while the latter implies subjectively respecting the class with which a person ideologically identifies herself. The following example may illustrate the discussion. A Swedish professor belongs objectively to the upper middle class with consideration to her actual social position. When she ideologically identifies herself with people from the lower strata (classes) she subjectively belongs to these groups. With support from Knocke we can argue that integration in working life can also be defined both objectively and subjectively. Objectively, an individual is integrated if she has a job, even if the job does not equate with her own qualifications, skills and interests. Subjectively, she is integrated when she has a job which is equivalent to her qualifications, skills and interest. This investigation has tried to capture the subjective aspect of integration through the women’s statements.

Considerations

These 16 interviewed women should not be seen as representatives for their respective ethnic group or for immigrant women in general because, since immigrant women in Sweden and these three ethnic groups in particular are heterogeneous. What our study can contribute is a more in-depth understanding of the forces that drive immigrant women to become entrepreneurs, the resources that are needed to enable them to start their own businesses, and a discussion on economic integration and entrepreneurship as a tool for increased empowerment among these women in society.

Conclusions

In our view, entrepreneurship has the potential to increase the degree of empowerment among immigrant women. However, there appears to be an impending risk that the immigrant women that are most in need of empowerment will not gain it from entrepreneurship. In our view, there is a risk that society may force the unemployed immigrant woman to start her own business without sufficient support from either her family or the society. The result could easily be a tremendously demanding work situation, since women with low human capital, little financial capital and few other resources are more or less directed towards niches on the market where few investments are needed to start a business.

Entrepreneurship can be a good way for immigrant women to become personally integrated into working life and thus serve as a tool for empowerment. For this to happen, it is very important that they have access to a well-functioning social network and above all, credit institutions. The latter has been a hindrance for women in general, and for immigrant women and men in particular; to some extent it has also affected the women that we interviewed. One explanation for the very often hard work and long working hours that immigrant women spend at their companies is that they have not been allowed to borrow an adequate sum of money to develop their companies, but have instead been forced to accept a lower sum than was actually needed. This is a problem that can be solved by society, for example, by making more generous loans available. This, in turn, could increase integration in other ways. For example, it would give these women the opportunity to devote more time to their families, friends, political activities and recreational activities instead of working long hours, seven days a week.
Immigrant women who have the kind of resources that the women in our study have are in a very different situation, even before they start their businesses. The women we interviewed had roots in the labor market, had working experience in the fields in which they were interested in starting their businesses, they were educated and knew how to gain more knowledge that could help them develop their businesses. For them, entrepreneurship increased their sense of empowerment and of belonging, and of being individuals that could really influence their own lives. They had also support from their families, both from their own parents and from their children and/or husbands.

An immigrant woman who starts her own business independently and is expected to become successful is one who comes from a modern family with a modern attitude toward women, has a high level of education, working experience, good language abilities and other types of human capital. The general degree of satisfaction with working life can not only be used as an indicator of the degree of integration in working life, but also of the degree of integration in society. The ideal scenario, which can be based on the results of our study and those of other studies that we have previously mentioned, is that immigrant women who start their own businesses can be satisfied and integrated into working life if:

- They reject passivity and dependence on the welfare system and their husbands to a great extent,
- They have a job which is suited to their desires and qualifications,
- They are able to have a career and find use for their qualifications in the business,
- They earn a good income,
- They identify themselves with their actual working positions,
- They have an established clientele (regular customers) and a social life,
- They have access to social networks,
- They exhibit tendencies similar to native entrepreneurs in choosing branch and niche,
- They finally achieve a state of mental well-being as a result of all of the above-mentioned conditions.

The class aspect or the question of socio-economic resources in the above scenario is obvious and is something that must be taken into consideration in discussions on immigrant women and entrepreneurship, whether it is in a scientific or a political context.

**Footnotes**

1 With Human Capital we mean all knowledge obtained in addition to ordinary work experiences and education. Language abilities and attending various courses are for example included in our definition of human capital.
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