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First-generation Ghanaian entrepreneurs in the Netherlands

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7. An Overview of the Chapters and Findings

According to Sepulveda et al. (2011: 470) ‘much research on ethnic enterprise has concentrated on particularly well-established groups’, which, in the Dutch case, would refer to Chinese, Surinamese, Antilleans, Turks, and Moroccans (see Becker and Blumberg 2013). Yet, new groups of migrants from less developed countries have arrived and (urban) economies have undergone structural transformation (see Kloosterman 2010; Ram et al. 2012; see Jones et al. 2014) which has created many business opportunities for self-employment and wage employment as well. Researchers and policymakers have generally, and so far, given little attention to newcomers, particularly with regard to self-employment in the Netherlands as well as self-employment elsewhere (Ram and Jones 2008). These new groups may display rather different characteristics compared to the more established ones, thereby adding to the notion of ‘super-diversity’ as proposed by Vertovec (2007). From our perspective, different characteristics may also translate into different profiles of self-employment of these newcomers (Ram et al. 2008; see Jones et al. 2014).

Surprisingly and specifically, immigrant entrepreneurship in the Netherlands has been associated with businesses in the traditional, retail and wholesale and hospitality sectors. These businesses are considered to be low-skilled and labour-intensive and can only survive in the highly competitive environment by adopting informal business methods. This narrow approach to immigrant entrepreneurship which has focused for several years on the traditional immigrants in the Netherlands did not take into account the emergence of newcomers such as first-generation Ghanaian migrants who came to the Netherlands in the 1980s and 1990s, who possessed different resources and were inserted in a different opportunity structure. Furthermore, this one-sided view also overlooked the emergence of businesses of second-generation immigrant entrepreneurs in the Netherlands who are more socio-culturally and structurally integrated than first-generation immigrants, who could start businesses in more promising sectors than the traditional sector of the opportunity structure (see Rusinovic 2006; see Beckers and Blumberg 2013).

This dissertation, therefore, attempted to find out if first-generation Ghanaian migrants who fall under the newcomers set up businesses which were quite different to those of the old migrants. Hence, the key question which was formulated in Chapter 1 and addressed in this dissertation was: did the Ghanaians as a new migrant group use their resources to start their businesses in different sectors to those of other first-generation immigrants from non-Western countries, given the opportunity structure of the Netherlands? On the other hand, did first-generation Ghanaian immigrants have a different profile to that of first-generation immigrants, for example, from Turkey and Morocco, which enabled them to exploit

business opportunities offered by expanding urban economies? Specifically, the pre-migration and post-migration human capital, financial capital and social capital of first-generation Ghanaian entrepreneurs were discussed. Consequently, this conclusion also highlights the similarities and the differences between first-generation Ghanaian entrepreneurs and first-generation Moroccan and Turkish entrepreneurs in the Netherlands.

Before discussing how the key question was addressed in the preceding chapters, I briefly described the timing and causes of Ghanaian migration. Further, I described a few characteristics of the Ghanaian migrants as well as their pre-migration resources.

First-generation Ghanaian migrants can be seen as part of a wider trend in migration flows after 1980 (cf Nkrumah 2016). This so-called ‘new’ migration, consisting of a wide variety of political refugees, asylum seekers, and ‘economic’ migrants from a large number of both developed and less-developed countries, is much more diverse than its predecessor which mainly involved migrants from former colonies and ‘guest’ workers’ from a limited number of countries (OECD 2001; for the Netherlands: see Obdeijn and Schrover 2008; Kloosterman 2014).

Although Ghanaian migration to the Netherlands has fallen under the ‘new migration’, Chapter 3 indicated that Ghanaian migration dates back to the late 1950s and early 1960s when a small number of Ghanaians migrated to the Netherlands as either political refugees or sailors and mainly settled in the cities of Amsterdam, The Hague, Rotterdam and Leiden. Accelerated Ghanaian migration to the Netherlands in the 1980s and in the 1990s was effected by both push and pull factors. The push factors were about developments in the country when it was affected by the global oil crisis between 1974 and 1983, and between 1983 and 1990 when Ghana encountered severe drought, political instability and the forced repatriation of Ghanaians resident in Nigeria (see Nimako 2000). When Ghanaian migration to the Netherlands began in the 1980s, the Dutch economy was also experiencing recession and unemployment. From the 1990 onwards, an increasing number of Ghanaians made the Netherlands their primary destination country as they were attracted by an economic boom with increased opportunities for jobs, especially in the service sector, and also for self-employment (see Kloosterman and Rath 2003). Ghanaian migration to the Netherlands went almost unnoticed by the general public until 4 October 1992 when an Israeli cargo plane crashed into one of the high-rise apartments of Amsterdam ‘Bijmermeer’ neighbourhood. It then transpired that some of the victims were undocumented Ghanaian migrants. In addition, Ghanaian migrants captured the Dutch media attention when a few Ghanaian migrants in Amsterdam ‘Bijlmermeer’ were arrested for making false Dutch passports and other identity documents (see Choenni 2002:19).

Chapter 3 also showed that the official Ghanaian population in the Netherlands increased almost fourfold from about 2,500 in 1987 to 9,300 in 1993 (see CBS 2010). This trend of increasing numbers of

Ghanaians migrating to the Netherlands continued into the 21st century with the legally resident Ghanaian population in the Netherlands reaching 21,900 (see CBS 2012). From the spatial point of view, Ghanaian immigrants are heavily concentrated in the larger cities of Amsterdam (11,550) and The Hague (2,200) and in the small modern city of Almere (1,250) with the Ghanaian immigrant population which exceeds that of Rotterdam (950) (ibid.) (see chapter 4).

Ghanaians have used their large concentrations in these cities to found social organisations to cater for the interests of their members. Ghanaian migrants have founded umbrella organisations such as RECOGIN and Sikaman in Amsterdam, Ghanatta in The Hague and Ghanirrom in Rotterdam. These organisations are partly funded by their respective municipal councils which enjoin them to organise programmes and activities which promote and foster social integration. Apart from these organisations, Ghanaians have also founded hometown associations to specifically support and promote their hometowns development projects.

Ghanaian immigrants, especially those in the cities of the Randstad and Almere, have established churches to promote and foster their spirituality and religiosity. As mentioned in Chapter 3, the churches and the hometown associations have been used as platforms to support Ghanaian immigrants in the quest and the process of acquiring legal resident documents.

Furthermore, this concluding chapter reviews the background information of first-generation Ghanaian immigrants in the Netherlands. In Chapter 3 I mentioned that most of first-generation Ghanaian who migrated to the Netherlands in the 1980s and 1990s were in their twenties with the men slightly older than women and about 75 per cent of them were urban dwellers of cities like Accra and Kumasi (see Bilsborrow et al. 2006). However, a few of them came from rural areas of the Eastern and Brong Ahafo regions of Ghana (see Eurostat/EU 2000) It was also estimated that most of them came from low and middle income families.

With respect to first-generation Ghanaian immigrant resources, their pre-migration human capital, social capital, transnational capital were discussed. First, the human capital includes, their pre-migration educational qualifications and occupations and pre-migration business experience. Most of the Ghanaians who migrated to the Netherlands had secondary school or higher education. In terms of gender, the men are slightly higher educated than the women. The high level of education helped a great number of them to access information about the Netherlands through internet prior to migration. In addition, most of the Ghanaians were in gainful employments, especially the women were self-employed; retailing wax prints, food items, cosmetics and perfumes and other assorted goods (see Choenni 2002)

Second, another pre-migration resource of Ghanaian migrants is their social capital. Pre-migration social capital of Ghanaians is divided into national and transnational.

Ghanaian immigrants were embedded in social networks of family members and friends who, in diverse ways, assisted in the migration process. In some cases, family members in Ghana had to pool their financial resources to finance the travelling costs of the prospective migrant (see Eurostat/EU 2000; see Amassari and Black 2001; see Van Dijk 2002; see Kabki et al. 2004). A few cases, however, showed that individual Ghanaians, who had migrated to other countries in the sub-West African region of Ghana and wanted to migrate to Europe and other Western countries, financed the costs of migration themselves.

As regards transnational capital, family members or friends at the destination country usually provided information about that country to the prospective migrants apart from contributing towards the total travelling costs, as the opening case in Chapter 3 illustrated (see also Nkrumah 2016). Family members or friends in the receiving country acted as 'receiving guarantors' to the new arrival. Unofficial information sources indicated that, family members in the destination country made arrangements for 'contractual' marriages for the migrants before they arrived in the Netherlands. Advanced preparations were usually made for the prospective migrant to help soften any 'culture shock' and ensure a smooth adjustment to the socio-economic life of the Netherlands. It was implicitly a means to help him or her to quickly secure a job and earn income which would contribute towards the migration process and costs of other family members who were also potential migrants.

Since most Ghanaians travel abroad for economic prosperity, a sizable number of would-be migrants visited and consulted Pentecostal 'charismatic' Churches that have emerged in almost every corner of the urban centres of Ghana (see Van Dijk 2002). These churches propagated a message which mostly revolved around material prosperity and success and this conforms to the intent and purpose of these young and professional Ghanaians who want to emigrate. In short the idealisation of the Pentecostal 'charismatic' dogma has become a kind of 'fictive' resource that many Ghanaian migrants have adhered to in the planning and the execution of their migration to the Netherlands and other Western developed destinations. Consequently, religious capital plays a significant role both in the migration process as well as in the immigration of Ghanaians into any developed nation they choose to stay in, as exemplified by the numerous Pentecostal churches Ghanaian immigrants have founded in the Netherlands.

First-generation Ghanaians in the Netherlands are referred to as economic migrants and accordingly would be expected to exploit every economic opportunity in the Netherlands. In Chapter 4 it was estimated that, in 2007, about 62 per cent of all Ghanaians between the ages of 15 and 65 had paid jobs, (see CBS 2005; see ACB Kenniscentrum 2011) and were working in the cleaning, hotel and catering and horticultural services (see Choenni 2002: 20). In addition, a few Ghanaian immigrants worked as nurses, lecturers, and city council employees.

Apart from those who are gainfully employed on the labour market, a few first-generation Ghanaian

immigrants have become self-employed. With regard to the different businesses and sectors that first-generation Ghanaians started and entered the conclusion briefly reflects on how first-generation Ghanaian entrepreneurs used different levels of human capital, social capital, transnational capital and religion to exploit the opportunity structure of the Netherlands to start their businesses.

This concluding chapter at this point, highlights the application of the mixed embeddedness model (see Kloosterman et al. 1999; see Kloosterman and Rath 2001; see Rath 2001; see Rusinovic 2006; see Kloosterman 2010; see Ram et al. 2012; see Jones et al. 2014) on which this research was based. The mixed embeddedness model systematically combines the supply side of entrepreneurs with their specific set of resources, on the one hand, with the opportunity structure and markets on the other and links the latter in a looser way to the macro-institutional framework. Moreover, in a more recent elaboration it systematically incorporates variations in human capital on the side of (aspiring) entrepreneurs as well as divergent dynamics in the opportunity structure due to transformation processes in advanced urban economies (see Kloosterman 2010).

The analytical framework of the mixed embeddedness model (ibid) generally matches the human capital of the entrepreneurs with the opportunity structure. In this analysis, four quadrants are identified. These quadrants are markets which reflect the growth potential of each of them. In other words, different levels of human capital of Ghanaian entrepreneurs determine in which quadrant (market) they inserted their businesses. The vacancy chain and post-industrial low-skilled markets usually suit entrepreneurs with relatively low human capital. The vacancy chain market, which is the bottom-left quadrant, consists of businesses which have low growth potential or businesses which are rather stagnating. Businesses started in this market are usually retail and wholesale and in the hospitality services. The post-industrial low-skilled market is located at the bottom-right and entails businesses with expanding growth potential. The businesses in this market, which are normally personal service oriented, have emerged due to deindustrialisation, subcontracting by firms of their non-core business activities and skills to external firms, and also as a result of the need and the demand for social reproduction services such as housecleaning and child-care (see Kloosterman 2000).

The top-left quadrant denotes the set of opportunities in stagnating markets which require relatively high levels of formal human capital. Migrants with higher vocational training or university degrees have, in principle (meaning if their educational credentials are acknowledged), a wider set of options to choose from, both in terms of self-employment and employment, than their counterparts who have only secondary schooling or less. Though the market requires entrepreneurs with relatively high human capital, there is no prospect of any businesses set up like this being able to grow. Consequently, it is less feasible and pragmatic for entrepreneurs to set up businesses in this market. Finally, the upper-right quadrant of the model also consists of a market with high growth potential. Entrepreneurs who start

businesses in this market require relatively high human capital and preferably people with high vocational or university degrees. Businesses that entrepreneurs start in this segment of the market are producer services, usually business-to-business, professional and financial services and are also technology-oriented. In line with the business activities that immigrant entrepreneurs, in that case first-generation Ghanaian immigrants, were involved in, these markets are renamed in Scott's (see 2008, see 2012) terminology as low, skilled stagnating activities, servile activities and cognitive-cultural activities. The conclusion further reviews how first-generation Ghanaian entrepreneurs used their resources to start businesses in different segments of the Dutch market (opportunity structure) of the mixed embeddedness model. These resources included their human capital, financial capital, social capital, transnational capital which I discussed in Chapter 5. In Chapter 6 different business activities which first-generation Ghanaian entrepreneurs engaged in, which I identified as the type of opportunity or market, was cross-tabulated with their resources. In the same Chapter 6 four hypotheses were formulated. This was done to verify, for example, whether first-generation Ghanaian entrepreneurs with different levels of human capital, financial capital and social capital would start businesses in different segments of the market.

First is their human capital, which included their educational qualifications, business experiences and Dutch language proficiency and other skills. It was shown that first-generation Ghanaian immigrants established businesses in the vacancy-chain, post-industrial low-skilled and post-industrial high-skilled quadrants of the mixed embeddedness model. The different businesses set up were based on the level of their human capital capacity. In other words, first-generation Ghanaian entrepreneurs started low-skilled, stagnating and servile and cognitive-cultural activities businesses due to differences in their human capital capacity. For example, those with relatively lower educational qualifications and poor Dutch language skills inserted their businesses into the low-skilled, stagnating and servile activities, while those with high vocational and university degrees and with relative fluency in the Dutch language established them in the cognitive-cultural activities.

Second is their financial capital. Entrepreneurs generally need a certain amount of funding for their businesses (see Waldinger et al. 1990). Obtaining the right amount of financial capital is crucial to the start and continuity of the business. In other words, a certain amount of financial capital is the life blood of the business. First-generation Ghanaian entrepreneurs used four different financial sources to start and run their businesses and these included private means, informal financing from family and friends, formal financing from banks and mixed financing from both informal and formal sources. Apart from those who used their own savings, most of them received financial assistance from the informal sources, while an insignificant number of them received funding from the banks. There are various reasons for not accessing formal financing. For example, some of their business plans were not convincing enough to obtain a bank loan. In addition the applicants lacked collateral. However, eight first-generation

Ghanaian entrepreneurs obtained funding from the banks because the banks were convinced of the economic viability and sustainability of their businesses.

Social networks are a third crucial resource for first-generation Ghanaian entrepreneurs. Social networks are important in immigrant business establishments because they are sources of scarce business resources such as customers, relevant business information and finance (see Hillmann 1998; see Portes 1998; Kloosterman et al. 1998; see Flap et al. 2000; see Rusinovic 2006). First-generation Ghanaian entrepreneurs' level of embeddedness varied with business categories. The results in Chapter 5 on social embeddedness of the Ghanaian entrepreneurs and their businesses conformed to and confirmed the results of the human capital. In Chapter 6, first-generation Ghanaian entrepreneurs who started businesses in the cognitive-cultural activities embedded their businesses in both formal and informal social networks. Some of these entrepreneurs in the cognitive-cultural services sought relevant business information as well as business training from formal institutions set up by municipal governments to assist aspiring and nascent immigrant entrepreneurs. With regard to employment and clients, entrepreneurs across the board recruited their employees from the Ghanaian co-ethnics and heavily depended on African clientele. The empirical findings in Chapter 5 indicated that (N=31) employees were paid informally, that is, payment off the books and also wages far below the legal minimum wage apart from (N=29) who were not paid at all. However, a few servile businesses such as salons, travel agencies, catering and cleaning services, employed non-Ghanaians and paid them formally. These servile businesses also had non-African clients.

A fourth resource which enabled some first-generation Ghanaian entrepreneurs to set up their businesses in the Netherlands is transnational capital (see chapter 5). Besides the embeddedness of Ghanaian entrepreneurs in the local social networks, the transnational social networks of the Ghanaian entrepreneurs contributed in many ways to their businesses in the Netherlands, from business idea creation through success stages of the businesses. In the start-up phase some entrepreneurs received financial capital from their family back in Ghana. Some of the entrepreneurs, particularly those in the retail business, had to make their family members their procurement agencies in Ghana. Apart from their businesses in the Netherlands, some of them set up businesses in Ghana and invested in commercial housing and farming projects mostly with financial support from the businesses in the Netherlands. Ghana is the receiving market for shipping and air travel businesses. The goal for these transnational projects varies. Some entrepreneurs used the proceeds to cater for the financial needs of the family back in Ghana, while others expected that the success of the Ghana business or other investments would enhance their chances of re-locating to Ghana at an earlier age than planned. In most cases, these businesses or projects are managed either by a family, a friend or a trusted business partner/representative. Thus, the transnational involvement of the Ghanaian entrepreneur in the

Netherlands is said to be one of double engagements actively involved with both the Netherlands and Ghana (see Mazzucato 2008).

With respect to the hypotheses in Chapter 6 on how different levels of the resources of Ghanaian entrepreneurs impacted the kind of businesses and the opportunities, the empirical results showed the following. First-generation Ghanaian entrepreneurs with relatively high human capital concluded that they were pulled to self-employment and vice versa. First-generation Ghanaian entrepreneurs with high vocational and university degrees set up businesses in the cognitive-cultural activities such as IT services, financial services and shipping services. However, two entrepreneurs, one with high vocational degree and the other with a university Master's degree, started retail businesses. Ghanaian entrepreneurs who possessed fluent Dutch language skills started businesses in the cognitive-cultural activities. Although, (N=25) entrepreneurs established servile businesses in the cleaning, catering, air travelling and ticketing and day care centres.

The time most first-generation Ghanaian entrepreneurs arrived in the Netherlands also influenced the businesses they started to some extent. In Chapter 6 it was shown that 38 per cent of the entrepreneurs who were already in the Netherlands before, or migrated to the Netherlands in, the 1990s started businesses in the cleaning, temping, horticultural, housecleaning, baby sitting, shipping, money transfer and financial services. Finally, only a few Ghanaian entrepreneurs were embedded in mixed social networks and these mostly set up cognitive-cultural businesses.

However, about 90 per cent of all Ghanaian entrepreneurs relied on informal social networks to start and run their businesses, irrespective of the business and sector. Based on the results of the hypotheses the following conclusions were made. First-generation entrepreneurs with relatively high human capital and mixed social networks started businesses mostly in the cognitive-cultural and servile activities. However, almost all first-generation Ghanaian entrepreneurs are heavily embedded in the homogeneous informal social networks which restrict them from obtaining relevant and professional business information which is critical for setting up mainstream businesses. In that regard it is conceivable, that most of their clientele is African immigrants. With the fore-going analyses of the results of the hypotheses, are first-generation Ghanaian entrepreneurs and their businesses a success?

To avoid definitional biases of success regarding business profits and growth as discussed in Chapter 6, business success is defined as the survival of the business over the years (see Rusinovic 2006; see Jacobs 2012; see Schutjens 2013). Overall, (N=29) Ghanaian businesses were in existence in 2014 from the total of 84 businesses that were interviewed between 2005 and 2012. Success of first-generation Ghanaian entrepreneurs was measured using logistic regression which determined the causal relationship between success (dependent variable) and some variables of the entrepreneurs (independent variables). It was concluded that entrepreneurs who were less than 40 years old, those who had stayed longer in the

Netherlands, entrepreneurs with fluent Dutch language skills, higher vocational and university degrees were successful with their businesses. In addition, entrepreneurs who were embedded in both informal and formal social networks were seen to be more successful than those who depended on homogeneous social networks (see Granovetter 1985; see Burt 1992; see Rusinovic 2006).

Did the homogeneous informal social networks that Ghanaian entrepreneurs rely on for scarce resource to start and run their businesses affect their business success? In this regard, had (N=55) Ghanaian businesses in the 9-year period closed down due to their embeddedness in informal social networks? Though it was not concluded that over-reliance on informal social networks caused these massive closures, obtaining financial capital from family and friends, employing co-ethnics and receiving relevant business idea and information from Ghanaian entrepreneurs' own community were crucial for the start of immigrant businesses. The continuous dependence on informal sources for assistance for running their businesses entailed a lot of problems which were bound to affect the businesses negatively. Access to professional relevant information and advice was overlooked or avoided, businesses over-relying on co-ethnic and African clientele, constant request by co-ethnics and family for goods or services in kind, as well as a lack of access to formal financing from banks were factors they could stunt business survival and growth. Based on the empirical results that only (N=11) Ghanaian entrepreneurs received funding from banks to start their businesses, one could conclude that lack of access to formal social networks in addition to informal social networks might have spelt the doom of the fifty-five Ghanaian businesses.

It was shown in Chapter 5 that 67 per cent was aware of formal institutions that could offer first-generation Ghanaian entrepreneurs the relevant business advice and training. However, only 40 per cent sought diverse business support from these institutions or agencies. It was probable that the fifty-five first-generation Ghanaian entrepreneurs whose businesses failed depended on their co-ethnics for business advice and information. Since most first-generation Ghanaian entrepreneurs informalised the operations of their businesses, forty-two first-generation Ghanaian entrepreneurs closed down their businesses due to management, institutional and financial problems.

Considering the kind of businesses immigrant entrepreneurs generally establish, it has been concluded that, traditionally and irrespective of their time of arrival and insertion in the Netherlands, immigrant entrepreneurs have been associated mostly with setting up businesses in the vacancy-chain openings of the Dutch opportunity structure. They have been associated with retail, restaurant and catering industry. In her research Rusinovic (see 2006) has, however, proven that immigrant entrepreneurs are also active and engaged in other innovative sectors such as in the post-industrial-low skilled and post-industrial high-skilled. First-generation Ghanaian entrepreneurs set up forty-five businesses and eleven businesses in the post-industrial low-skilled and post-industrial high-skilled sectors of the Dutch opportunity

structure respectively. In other words first-generation Ghanaian entrepreneurs established more businesses in other sectors than the traditional sector which most first-generation immigrant entrepreneurs are entrenched.

In that regard, what distinguishes first-generation Ghanaian entrepreneurs from, for example, first-generation Moroccan and Turkish entrepreneurs? To answer this question, a short comparison and contrast was made between first-generation Turkish and Moroccan entrepreneurs on one hand and first-generation Ghanaian entrepreneurs on the other, to illustrate the compatibility and differences between them. First, both immigrant groups originated from non-OECD countries. Unlike the Surinamese and the Antilleans, both of them do not have any socio-cultural affinity with the Netherlands. The socio-cultural distance between these two groups on one hand and the native Dutch on the other could affect their level of socio-cultural integration in the Netherlands. Consequently, both first-generation Ghanaian entrepreneurs and their 'guest' workers counterparts are bound to encounter difficulties with the Dutch language which could hamper inter-personal relations with the wider Dutch society and above all restrict access to the openings in the Dutch opportunity structure suitable for mainstream businesses (see Beckers and Blumberg 2013). Primarily, both 'guest' workers from Morocco and Turkey as well as the first-generation Ghanaian migrants came to the Netherlands with an economic motive.

Second, first-generation Turkish and Moroccan migrants are known for their own-group identification and orientation, as seen in shared religion Islam and community-oriented associations. Hence, the large communities of Moroccan and Turkish migrants with their embeddedness in Mosques and associations, have enabled them to acquire a level of self-sufficiency and this has augured well for the entrepreneurs among them and their businesses which serve the specific needs of their co-ethnic communities (ibid.) In the same manner, Ghanaian migrants are also identified with a shared Christian religion and community and hometown associations. The members of churches and hometown associations of Ghanaian entrepreneurs are the immediate source of customers and employees of Ghanaian businesses. In other words both groups migrated with their pre-migration religious and social predispositions and are consequently inclined to use these social organisations formed in the Netherlands to address their economic, social, political and cultural issues in the Diaspora and those of their home countries as well.

Apart from these few socio-cultural characteristics which both groups appear to have in common, this concluding chapter also highlights the resources which enabled the first-generation Ghanaian entrepreneurs and 'guest' worker entrepreneurs to start their own businesses in the Netherlands. These resources are basically their human, financial and social capital. It was indicated in Chapters 2, 4 and 5 that the level of resources that first-generation Ghanaian entrepreneurs possessed differed from that of the 'guest' worker entrepreneurs. The differences in resource possession and acquisition between the two groups, could possibly lead to different kinds of business each group set up.

First I considered the time of migration, the migration motives, the host country's reception and the socio-economic activities of the two groups because these factors would apparently influence entrepreneurship. Although the research did not include an in-depth comparison between the two groups, the aim of this comparison was to conclude objectively whether both groups did take the same path to entrepreneurship and establish the kinds of business considering the different time of insertion in the Dutch economy and the economic environment at the time of arrival. For example, different opportunity structures and institutional frameworks were likely to exist at the time each of the two groups migrated to the Netherlands.

First-generation Turkish and Moroccan immigrants came to the Netherlands on contractual agreements with the Dutch government and those of their respective countries, to work in the manufacturing industries in the Netherlands where there was an urgent need for workers from abroad to fill up the labour shortages in that sector of the Dutch economy. In other words, it was the urgent economic needs of the 'requesting' West European countries including the Netherlands as well as the manifest presence of poverty and overpopulation in the 'sending' countries which fostered this migration (Manco 2004) Most of the recruits came from the rural areas of both countries and they barely had any formal education, were peasant farmers residing in the rural parts of Morocco and Turkey and had no prior business experience. Since they were recruited on demand, they acquired legal status and recognition.

Besides these old immigrants, people from other third world countries such as Ghana, Nigeria, Somalia, Iran, Egypt and Afghanistan began to migrate to the Netherlands in the 1980s and afterwards when their respective countries faced economic or political or religious crisis. Unlike the 'guest' workers, Ghanaian migrants came to the Netherlands based on push factors at home and not necessarily a demand from the Dutch government. The period of migration coincided with the period when the Dutch authorities had begun implementing anti-immigration laws to clamp down on illegal migration.

Prior to migration and with the exception of a few of the migrants who hailed from the hinterlands of Ghana, a sizable majority were urban dwellers, had high levels of formal education and worked either as public servants or were self-employed. Ghanaian migration in the 1990s also coincided with a period when the Dutch economy had started to boom and a period when de-industrialisation had taken place and many servile businesses were emerging. The attractiveness of the Dutch economy became a pull factor for Ghanaians to migrate to the Netherlands. In addition, the Dutch government had also set in motion deregulation policies which made it easier for potential (immigrant) entrepreneurs to set up particular businesses such as barber shops, day-care centre and employment agencies.

The background information of Ghanaian migrants and the 'guest' workers and a brief analysis of the shift in the opportunity structure help to draw some differences between the two. Evidently, both groups came from third world countries where there is economic deprivation, with relatively lower standards of

living, first-generation Ghanaian migrants were more pushed by the socio-economic and political situation in Ghana to migrate than the 'guest' workers. The immediate recognition of the 'guest' workers by the Dutch migration authorities and the availability of jobs for them were sufficient to facilitate their legal residence in the Netherlands.

The Ghanaian migration shows a rather different scenario. From the outset of their migration, they encountered a lot of unknown risks. Most of them came to the Netherlands on the basis of either a tourist visa or a fake visa which expired soon after their arrival. While in the Netherlands they risked of being deported to Ghana because they were illegal residents and their illegal status also made it difficult, if not impossible, for them to be employed formally. It can be concluded that most of the first-generation Ghanaian immigrants wove into socio-economic fabric of the Dutch society through adventurous and risky ways to obtain formal acceptance in the Netherlands.

With the slight differences in the background information of these two groups, the question is whether this background information on the two groups led to differences in the businesses each group established? In her research Rusinovic (see 2006:48-9) concluded as follows. First-generation immigrants in the Netherlands were rather generally pushed towards self-employment than being pulled. However, the results of this research indicated a different conclusion because more than 50 per cent of first-generation Ghanaian entrepreneurs in the three sectors were rather pulled towards self-employment. The respondents' comments during the interviews showed that some of them stopped their wage employment to become self-employed because they saw the opportunities in the market which when exploited could earn them more income than wage employment.

Second, most of first-generation immigrant entrepreneurs are active in the retail and wholesale and catering businesses (see Van den Tillaart 2001). The conclusion that can be drawn based on this information is that immigrant entrepreneurship in the Netherlands is strongly oriented toward specific segments of the opportunity structure (see Kloosterman and Rath 2003:132). More than half the Ghanaian research population set up businesses in the personal and producer services and therefore ventured into sectors which most of first-generation Turkish and Moroccan had not (see Beckers and Blumberg 2013). However, immigrants in general are gradually leaving the wholesale, retail and catering and moving into other sectors, especially personal and business services (see Kloosterman and Rath 2003).

The assumption here is that immigrant entrepreneurs entering the personal and business services are those with adequate formal education, training and Dutch language skills. First-generation Ghanaians are known to tend to have high pre-migration human capital with regard to education and business experience and only about a third of the research sample is fluent in the Dutch language. The deficiency of Dutch language skills that most of first-generation Ghanaian entrepreneurs exhibit, does not make

them incompatible with the 'guest' worker entrepreneurs who also lack the Dutch language skills (see SCP 1999a).

Research has proven that an entrepreneur's ability to communicate effectively and fluently in the native language increases the possibilities of communicating with a larger group of prospective customers and other stakeholders (see Evans 1989; see Clark and Drinkwater 2000; see Jansen et al. 2003). First-generation Ghanaian entrepreneurs or the 'guest' worker entrepreneurs are only better positioned to establish personal and producer services businesses which can break-out into the mainstream market when they have acquired adequate Dutch language skills. However, the good English language skills of first-generation Ghanaian entrepreneurs, combined with higher levels of other pre-migration human capital, enabled (N=11) of them to access mixed social networks and they therefore obtained crucial resources required to set up businesses in the personal services and producer services sectors (see Rusinovic 2006).

With regard to business financing, immigrants generally rely heavily on their informal social networks. Besides their own capital, they raise loans or receive financial support from family, friends and other co-ethnics. In this case it is concluded that entrepreneurs obviously financed their businesses from these sources. The findings in Chapter 5 showed that most of first- Ghanaian and Turkish and Moroccan entrepreneurs could not obtain funding from the banks in the Netherlands because of lack of requisite collateral, the doubtfulness of the longevity of the nature of their businesses and the unconvincing nature of their business plans (cf. Jones et al 2014).

It is difficult to show empirically from this research the number of first-generation Moroccan and Turkish entrepreneurs whose requests from banks for loans to finance their businesses were rejected, apart from the fact that first-generation Moroccans and Turkish entrepreneurs who are Muslims and tend to consider interest on loans as usury and this contradicts and conflicts with the tenets of Islam (see Tarner 2002; see Rusinovic 2006). Notwithstanding the refusal of banks to finance most Ghanaian businesses in particular, 13 per cent obtained formal financing for their businesses (see Chapter 5).

Apart from the fact that half of first-generation Ghanaians were pulled towards self-employment and their high level of human capital especially, formal education which enabled them to establish businesses in the personal and producer sectors, there was an additional asset they possessed which also facilitated the access of setting up businesses. For example Christianity as a religion, which most Ghanaian immigrants in Europe practice, has been very much part of European culture and for that matter Dutch culture. Although, the role of religion was not elaborately discussed in this dissertation, the entrepreneurs did receive assistance from the church, for example, in finding personnel and clientele for their businesses.

According to Rusinovic (ibid), most of first-generation immigrant entrepreneurs are more transnationally

engaged in socio-economic activities with their home countries. Ghanaian entrepreneurs invest in businesses and other commercial projects in Ghana, besides contributing financially to social events such as funerals (see Mazzucato et al. 2006) and community development (see Mazzucato 2006, see 2008). With respect to the transnational engagements of the 'guest' workers', Vancluysen et al. (2009: 22) showed in their research on transnational activities and social integration of Morocco and Turkish descendants in Flanders, Belgium that economic transnational activities are common practices among Turkish and Moroccan immigrants. Turkish and Moroccan immigrants in the Diaspora are encouraged by their home country governments to channel their financial resources for investment in Turkey and Morocco respectively. Ghanaian immigrants, by contrast, make investments in Ghana on their own initiative and without the government's intervention or instruction. Ghanaian migrants living abroad are morally obliged to maintain ties to relatives, friends and social institutions and invest at home in order to obtain recognition and identity independent of their precarious social status abroad (see Tonah 2007).

The empirical results in Chapter 5 on transnational activities showed that about 50 per cent of first-generation Ghanaian entrepreneurs in the Netherlands have invested in businesses and other commercial entities in Ghana. In the case of Turkish and Moroccan immigrants, the governments of Turkey and Morocco are partially involved. Regarding the importance of remittances to the development of the Moroccan economy, the Moroccan government does a great deal to maintain transfers and investments from those of Moroccan descent living abroad. The importance of remittances is much smaller in the case of Turkey (Ratha and Xu 2009b).

In conclusion, the relative high levels of the pre-migration human capital of first-generation Ghanaians and the subsequent improvements in their human capital in the Netherlands as indicated in Chapter 4 made a few of Ghanaian migrants gain access to the high echelons of Dutch labour market working as nurses in hospitals, as public servants in municipal councils, as teachers and lecturers in public schools and universities respectively and as employees of private firms as well. A few others used their human capital to set up businesses in the personal and producer services with the aim of targeting mainstream clients, while some were innovative in targeting the general public with their products. A few first-generation Ghanaian entrepreneurs effectively used both informal and informal social networks in the start-up phase of their businesses, always making efforts to broaden the market base of their products or the services beyond the Ghanaian market based on the recognition that Ghanaian population in the Netherlands as a whole is not large enough to sustain the growth of their businesses. Surprisingly, two respondents who inserted their businesses in the low skilled stagnating activities were more successful in the retail sector. The success of their businesses is attributed to their relatively high human capital, utilisation of mixed social capital both in terms of financial and non-financial resources and the uniqueness of their products which are patronised by mainstream clientele. To some extent the success

story of these two retailers exonerates the notion that business set up in the low-skilled stagnating activities or businesses embedded in the low vacancy chain market are bound to fail. The extent of mainstream nature of first-generation Ghanaian entrepreneurs and their businesses is, however, difficult to ascertain.

First-generation Ghanaian entrepreneurs also known as ‘newcomers’, migrated to the Netherlands without formal government-to-government agreements and interventions. With different pre-and-post migration human capital as well as being embedded heavily in the informal social networks, more than 50 per cent of first-generation Ghanaian entrepreneurs were able to establish businesses in the personal services. A few first-generation Ghanaian entrepreneurs with the right level of human capital and access to mixed social capital were able to set up cognitive-cultural activity businesses. In conclusion, this dissertation indicates empirically that if first-generation Ghanaian entrepreneurs would improve the level of their Dutch language proficiency and accessed mixed social networks, they would be able to establish businesses in or break-out into the more promising post-industrial high-skilled sectors of the Dutch economy. In other words, they would be able to set up more business in the cognitive-cultural activities, similar to the business activities of the natives and the second-generation immigrants.

This research encourages and throws up a challenge to researchers to re-examine the overall conclusions about immigrant entrepreneurship and particularly of first-generation immigrants from non-OECD countries. First, due consideration should be given to improve the pre-migration human capital resources of the (nascent) immigrant entrepreneurs. Second, policies for enhancing access to formal social networks should also be considered. This would increase the capacity of immigrants to access formal resources and the opportunity structure without limited restrictions and enable them to set up businesses which have high growth potential and survival instead of establishing businesses in the traditional retail and wholesale and catering sector, which have an alarming mortality rate. Researchers of immigrant entrepreneurship should also have the latitude to contextualise and redefine what constitutes success of immigrant businesses. In brief this conclusion would hopefully invigorate and add to future research perspectives by social geographers, sociologists and urban economists in contextualising immigrant entrepreneurship.