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Intersections of Immigrant Status and Gender in the Swedish Entrepreneurial Landscape

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Abstract

Labour markets in welfare states are structured along the lines of gender and immigrant & minority statuses. This paper brings novel insights into the issue of ethnic entrepreneurship as a means of sustainable inclusion of immigrants into the labour market by adding a gender dimension. Based on unique longitudinal data, the paper analyses the division of labour and the work incomes of female immigrant entrepreneurs in contrast with male immigrants and native-born Swedes. The results indicate that the division of labour is structured along the lines of both gender and immigrant status. At first glance, a gender perspective on ethnic entrepreneurship acknowledges persistent inequalities in the labour market. Analysis of entrepreneurship within niches such as the health care sector, however, indicates greater complexity in the entrepreneurial landscape. The paper identifies implications of a nuanced analysis of entrepreneurial research, which recognises diversity along the axes of both immigrant status and gender. Entrepreneurial processes can lead to both exclusion and inclusion of minority groups in the labour market, depending on the sector concerned.

Keywords: Entrepreneurship, gender, immigrant status, segmentation, division of labour

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Introduction

Entrepreneurial activities are often treated from the perspective of native-born men. The entrepreneur is pictured as a self-made and successful man, who is the polar opposite of what is described as female (Ahl, 2006). When an ethnic dimension is added, gender issues tend to be avoided as well (Dallalfar, 1994, de los Reyes, 1998, Schrover et al., 2007). Only a few attempts have been made to analyse the intersection of gender and ethnicity in the entrepreneurial process. Labour markets in welfare states, however, are structured along the axes of both gender and ethnicity, which are highly relevant to entrepreneurial activities (Wright and Ellis, 2000). Similar and complementary divisions of labour tie the notions of ethnicity and gender together, such as mechanisms of networking, horizontal segregation and discrimination (Schrover et al., 2007).

The main Scandinavian discourse on ethnic entrepreneurship has analysed entrepreneurship as a means of inclusion or exclusion of immigrants in the host society (Khosravi, 1999, Hjerm, 2004, Wahlbeck, 2007). The Swedish government has highlighted ethnic entrepreneurship as one of three main ways to reduce the exclusion of immigrants from the Swedish labour market (Skr. 2008/09:24, 2008).[1] Several researchers, however, point to the difficulties faced by entrepreneurship in overcoming the income inequality gap between native-born and immigrant populations (Hjerm, 2004, Hammarstedt, 2006, Andersson, 2006). Immigrant entrepreneurs are particularly negatively placed in their entrepreneurship as opposed to employees and even people outside the labour market (Hjerm, 2004). The working conditions in typical immigrant sectors, such as running a restaurant, are described as harsh (Wahlbeck, 2007). The question thus is whether entrepreneurship really benefits immigrants and if it is a way towards inclusion in the labour market.

While these findings bring important questions about immigrant entrepreneurship to the fore, they all lack the gender dimension. It is, however, important to investigate not only variations in the labour market between immigrants and native-born individuals, but also the horizontal division of labour into sectors and niches, and vertically into high and low positions. Female immigrants are subjected to both gender and ethnic structures, where they - within the female-marked, low-paid sectors - perform the least desirable jobs (de los Reyes, 1998, Wright and Ellis, 2000)). Immigrant women have historically been seen as immigrants rather than women. In the government document referred to above, female immigrant entrepreneurs are described as ‘established in approximately the same sectors’ as native-born Swedish women, which is why they are not treated as a separate category (Skr. 2008/09:24). As this study shows, however, the addition of a gender dimension offers richer and more nuanced explanations to ethnic entrepreneurship studies and policies by exploring the issues of, first, ethnic and gendered niches and, second, self-employment as the immigrants’ path towards either inclusion or exclusion in the host society.

[1] The other two are a general increase of demand and supply in the labour market and educational efforts to reduce inequalities.

Following this line of argumentation, the aim of this paper is to initiate an analysis of ethnic entrepreneurship in Sweden from a gender perspective. The sectoral division of labour and the income from self-employment are investigated for female immigrant entrepreneurs and male immigrants & native-born Swedes.

The following research questions are addressed:

1. Which ethnic and gendered niches/sectors can be found in the Swedish entrepreneurial landscape?
2. Is entrepreneurship a means of economic inclusion of immigrants into the Swedish society?

Theory and background

This article examines the literature on ethnic and gendered entrepreneurship. The two notions have often been treated separately, and in many cases the main discourse around central concepts separates rather than unites them. One example is the use of segmentation/segregation to describe division of labour in the labour market. Whereas ethnic literature tends to use the concept of segmentation, referring back to the schematic division of the dual labour market into primary and secondary sectors, gendered literature tends to describe the horizontal division of labour as segregation in the labour market (Bridges, 2003, Blackburn and Jarman, 2006, Charles, 2003, Fine, 1997, Morrison, 1990, Wang and Pandit, 2007). Moreover, literature on female entrepreneurship generally avoids stressing differences and inequalities in order not to treat women as subordinate (Ahl, 2006; de Bruin et al., 2007). It is even argued that occupational segregation can be economically beneficial for women (Blackburn and Jarman, 2006). Literature on ethnic minorities, on the other hand, often stresses inequalities and differences in the labour market in favour of the native-born population (Musterd et al., 2008, Borjas, 1994, le Grand and Szulkin, 2002). Discrimination is frequently referred to as an explanation, not least by Swedish researchers (Rydgren, 2004, Aslund and Rooth, 2005). Although there are many exceptions, it still seems that literature on ethnicity/immigrant status and gender adopts separate explanations to approach divisions of labour. While research on migration finds a purpose in searching for and emphasising inequalities in the labour market, research on gendered economies appears to be looking for similarities and ways to visualise women as equals in the labour market.

Despite these differences, Schrover and colleagues (2007) identify seven points where the literature on ethnicity and gender in entrepreneurship intersects. (1) Both women and immigrants are supposed to have *networks* that differ from male/native-born contexts. Niching – and separation in the labour market – results from contacts that lead to the concentration of groups in some sectors of the economy. (2) Both immigrants and women arguably make *choices* that lead to inequalities in the labour market, such as education, part-time work and 'working with your own kind'. (3) Immigrants and women are both mentioned as subjects of *discrimination*. (4)They are often seen as being a *temporary* labour force that can be used at times of labour scarcity in the labour market, and (5) their *wages* tend to be lower than those of men/native-born populations. (6) Both women and

immigrants have *physical and innate differences* compared with the norm, native-born men, which is why they are perceived as unskilled workers. (7) Immigrants and women tend to monopolise certain sectors through the processes of *ethnicisation* and *feminisation*. Associations develop between a certain group and a sector, which enables further employment of this group in the sector; this is known as niching, which also contributes to the degradation of jobs in that sector. Here, the explanation entangles segmentation theory, and the separation of the economy into low-paid and unstable jobs on the one hand, and highly-paid, stable jobs on the other (Morrison, 1990, Fine, 1997).

Theories on ethnic entrepreneurship entangle the overarching discussion of the inclusion of immigrants in the labour market of the host country. In Sweden, for instance, full employment is set as a primary political goal and entrepreneurship is often viewed as an alternative to unemployment (Hjerm, 2005). The disadvantage theory supposes that disadvantaged groups, according to language, discrimination, etc., will be pushed into self-employment in order to become employed. In line with this, several researchers have found that immigrants have a higher entrepreneurial activity than native-born individuals (see. for instance. Borjas, 1986, Dustmann and Fabbri, 2005). This was the case for female immigrants in Britain, irrespective of their countries of origin (Dustmann and Fabbri, 2005). In Sweden as well, immigrants were overrepresented among the self-employed. Entrepreneurial activity was low among the large group of Nordic immigrants, but other Western immigrants had high proportions of entrepreneurs (Scott, 1999). Moreover, immigrants from regions with entrepreneurial traditions had higher rates, such as Iran and Vietnam (Hammarstedt, 2001). Interestingly, though, the same study finds variations according to the immigrants' time of residence in Sweden. Newer immigrant groups had lower self-employment rates than older immigrant groups and native-born Swedes.

This paper discusses the inclusion of immigrants into the host economy through self-employment. Several studies have investigated the economic revenues from ethnic entrepreneurship compared with the native-born Swedish population and the findings are negative. In Sweden, the wage-gap between immigrants and native-born individuals was greater among self-employed than employed workers (Andersson, 2006, Hammarstedt, 2006). Low incomes were evident among immigrants from all parts of the world, but they were lowest among immigrants from West Asia (Iran, Iraq and Turkey) and Africa. The differences also persisted after controlling for variations in industrial sectors. Moreover, Hjerm (2005) finds that the economic returns among immigrants from self-employment were not only substantially lower than from being employed; they were also not an economically beneficial alternative to being outside the labour market. Thus, he concludes, ethnic entrepreneurship is not a sustainable tool for policymakers to reduce inequalities in the labour market.

As in most literature on ethnic entrepreneurship, the above studies lack a gender perspective. Self-employed immigrant women encounter double obstacles, however, by being both women and immigrants, and thus they present a dual contrast to the norm of the white male entrepreneur (Essers and Benschop, 2007). In general, gender rather than ethnicity tends to divide the labour market because of differences regarding sectors and

incomes from work (Wright and Ellis, 2000). Also, among entrepreneurs gender is argued to pattern the labour market more strongly than ethnicity (Baycan Levent et al., 2003). Both foreign-born and native-born women are mainly self-employed in service sectors, and, moreover, they are better educated. Immigrant women, however, have more professional experience before they became self-employed than both native-born women and men in general. Similarly, a case study of ethnic economy of Iranian women in Los Angeles concluded that gender differences were significant (Dallalfar, 1994). Gender strongly influenced the entrepreneurial activity, often service-related, where work and social activities could be combined. The incomes of female and ethnic entrepreneurs were lower than native-born men, although they were higher than before their self-employment (Light, 2007). In this study, however, immigrant women were not investigated.

The issue of entrepreneurship as a means of inclusion in the host economy adds complexity to any discussion on what successful entrepreneurship implies. Several studies that were based on qualitative material argue that immigrant women define their success differently from the white, male norm and thus in less economic terms. Afro-American women in the United States, for instance, saw achievements as a process of 'overcoming racism and sexism in the marketplace' while facing the 'double minority challenge' (Robinson et al., 2007). Similarly, Moroccan and Turkish women in the Netherlands approached their entrepreneurship as a way of bridging differences according to both gender and ethnicity (Essers and Benschop, 2007). As entrepreneurs they could be seen as 'intermediaries' and positive representations of immigrant women in contrast with other stereotypes of immigrants. They incorporated 'the "best" of both cultures' into their business. An interview study of immigrant women entrepreneurs in Sweden similarly agrees that entrepreneurship had, indeed, contributed to their inclusion in the host society (Abbasian, 2003). The two motives of becoming self-employed out of necessity, such as difficulties in finding a job, and owing to their wish to fulfil themselves and establish their own entrepreneurial idea were equally common.

Accordingly, the studies that have addressed female immigrant entrepreneurship find similarities with native-born women regarding the structural division of labour into sectors. In qualitative terms, however, immigrant women might differ from native-born women owing to their dual minority positions as both women and immigrants. Accordingly, entrepreneurship might still contribute to the inclusion of immigrants in the host society.

Ethnic and gender entrepreneurship in Sweden

Data

The paper is based on unique, information-rich longitudinal data from Statistics Sweden. The database (PLACE)[2] contains reported information from Swedish authorities, which has been used in several studies on the Swedish labour market. It encompasses detailed information on all individuals in Sweden, which enables the researcher to design tailor-made categories of investigation and to analyse rich information on personal characteristics.

In this study, the Swedish labour force has been sub-divided into four main categories which constitute the basis for analysis along the lines of gender and immigrant status (Table 1). The focus is individuals aged 20 to 64, who were registered as active in the Swedish labour market, either employed or self-employed. Thus, all individuals outside the labour market, such as unemployed persons and those on maternity leave, have been omitted from the study if they did not work part-time. As Table 2 shows, the active proportion of the population in the labour market was considerably lower among immigrants than native-born Swedes. The year of analysis for the study is set at 2004.

Table 1: Main categories used in the study.

Main category	**Frequency**	**%**	**Definition**
Immigrant women	261324	5.9	Foreign-born women aged 20 to 64 who participated in the labour market 2004
Native-born women	1897011	42.5	Swedish-born women aged 20 to 64 who participated in the labour market 2004
Immigrant men	268953	6.0	Foreign-born men aged 20 to 64 who participated in the labour market 2004
Native-born men	2033778	45.6	Swedish-born men aged 20 to 64 who participated in the labour market 2004
Total	*4461066*	*100.0*	

Table 2: Participation in the Swedish labour market of the population aged 20 to 64 (%).

	Participating in the labour market	**Outside the labour market**	**Total pop.**
Immigrant women	62.,3	37.7	100
Native-born women	84.8	15.2	100
Immigrant men	67.0	33.0	100
Native-born men	87.2	12.8	100
Total	82.8	17.2	100

[2] Department of Human Geography, Uppsala University.

Two kinds of variables are analysed. First, ethnic and gendered niches are investigated. Here, the official Swedish SIC code (SNI2002) has been used. It divides the economy into seventeen main sectors, which for the purposes of this study have been reduced to twelve. Additionally, the service sector has been subdivided into two sectors with regard to educational level; the low-education service sector (cleaning, renting, etc.) and the knowledge-intensive service sector (consulting, research, computer-related work, etc.). The SIC code has been criticised for being gender-blind, since it traditionally covers male sectors in more detail than female sectors (Folkesson, 2005). As an example, the health care sector, which provides the main source of employment for women, applies quite broad categories which often contain little information about the occupations held. When entrepreneurship is considered, this makes extra difficulties since the majority of all entrepreneurs belong to the undefined category 'other health care services' (Hedberg and Pettersson, 2006).

Second, income levels are analysed as a measure of economic inclusion of immigrants and women in the Swedish economy. The total population of the study has been sub-divided into quartiles based on income gained from work in 2004; thus we analyse low (<143300 SEK), lower-middle (>143300 and <= 227500 SEK), upper-middle (>227500 and <= 296900 SEK) and high (<296900 SEK) income groups. The analysis treats the individual revenue from performed work rather than disposable income. Accordingly, it has been possible to compare the incomes of employed and self-employed individuals. The comparison between employed and self-employed workers should, however, be treated with extra caution. It is in the interest of the self-employed to register low incomes in order to reduce their taxes (see a similar discussion in Hjerm, 2004). Moreover, a large part of the income could be a result of indirect advantages of the entrepreneur, where private consumption rides tax-free as part of the firm's activities.

Rates of entrepreneurial activity

The entrepreneurial activity differed quite significantly between men and women (Table 3). The probability of men being self-employed was more than double that of women. Above 11 per cent of all men in the workforce but less than 5 per cent of the women were self-employed. Adding the ethnic dimension did not alter this relationship. The proportion of entrepreneurs was actually equal between foreign and native-born men and women. The result is not in accordance with other studies, which have found an over-representation of immigrants among entrepreneurs (Borjas, 1986, Scott, 1999, Dustmann and Fabbri, 2005). It could be explained by the wide definition of entrepreneurship in this paper, which includes everybody whose main economic activity was self-employment, even in cases when the activity was quite small. The overrepresentation of men among entrepreneurs naturally means that an analysis of immigrant entrepreneurship without a gender perspective strongly emphasises male entrepreneurship.

Although no differences were found between native-born and foreign-born men and women, there were noticeable variations within the immigrant group (Table 3). The

highest number of entrepreneurs among immigrant women originated from North America. From this region, the entrepreneurial rate between men and women was actually similar. Also, immigrants from West Asia had high entrepreneurial activity within the groups of men and women respectively, mainly originating from Iran and Turkey. These are long-established immigrant groups in Sweden with long-term residence in the country, which is a decisive factor for self-employment (Hammarstedt, 2001).[3] At the other side of the spectrum, self-employment among immigrants from Africa and South America was extremely low, only 2 per cent among female immigrants.

Table 3: Entrepreneurial activity per region of origin 2004.

		Employed %	**Entrepreneur %**	**%**
Immigrant women	West Europe	94.9	5.1	100
	East Europe	95.7	4.3	100
	West Asia	92.8	7.2	100
	East Asia	95.5	4.5	100
	Africa	98.0	2.0	100
	North America	91.6	8.4	100
	South America	97.6	2.4	100
	Total	*95.1*	*4.9*	*100*
Native-born women	*Sweden*	*95.6*	*4.4*	*100*
Immigrant men	West Europe	88.9	11.1	100
	East Europe	92.0	8.0	100
	West Asia	80.1	19.9	100
	East Asia	91.3	8.7	100
	Africa	93.8	6.2	100
	North America	88.9	11.1	100
	South America	96.2	3.8	100
	Total	*88.7*	*11.3*	*100*
Native-born men	*Sweden*	*88.4*	*11.6*	*100*

Niches along the axes of gender and immigrant status

Men and women, and native-born and foreign-born populations, tend to work in separate sectors of the economy. The horizontal segregation of the labour market feminises certain sectors, while ethnic niching concentrates immigrants in other or overlapping sectors

[3] In an interview study on immigrant women in the health care sector entrepreneurialism occurred only among long-term resident immigrants who had experience of the Swedish labour market and the administrative system. The interviews are part of a research project performed by Hedberg and Pettersson (2008-2010).

(Schrover et al., 2007). Immigrant and female entrepreneurship are seldom analysed together, and usually immigrant women have been hidden behind the male immigrant norm (de los Reyes, 1998). Historically, immigrant women in Sweden used to perform labour in factories that was otherwise performed by men, but additionally they performed domestic services such as housekeeping. To identify entrepreneurial niches and typical sectors in the Swedish economy this paper initially reviews the division of labour in the total labour force, before analysing the sectoral division among entrepreneurs.

At first glance, the Swedish labour market in 2004 appears to be divided with respect to gender rather than immigrant status, which is often the case (see Wright and Ellis, 2000). Men were mainly found within the manufacturing sector (26-27 %), while the main bulk of women worked in the health care sector (30 %) or within education (14-18 %) (Table 4). At this level of analysis, ethnic divisions were small. Native-born women more often worked within education and trade than immigrant women, however, who instead were more often represented within manufacturing. Additionally, both male and female immigrants more often worked within restaurants and the low-education service sector, typically cleaning (Table 5). Within the health care sector, immigrant women tended to work within elderly care to a higher degree than native-born women, who instead worked within hospitals. Immigrant men often performed services of public transportation, such as taxi-driving, while native-born men often worked as technical consultants, in housing construction or in transportation of goods.

The Swedish labour market is therefore most obviously divided according to gender, where women work in traditionally female sectors such as health care. Within these sectors, however, there is a division between native-born and foreign-born women and men regarding the type of work that is performed. The differences are most obvious regarding men, but women more often work in typical 'ethnic niches' such as the cleaning and restaurant industries. These are jobs that both immigrant women and men occupy and thus are divided along the line of immigrant status rather than gender. Other niches, such as public transport and taxi-driving, are performed by immigrant men.

When entrepreneurs are considered, the division of labour is altered and the differences between ethnic and gender groups are somewhat sharpened. The three dominant sectors for female entrepreneurs were trade, social services and knowledge-intensive services (Table 4). Within the social services sector, both immigrant and native-born women entrepreneurs were hairdressers (Table 6). The main source of income for immigrant women within trade was grocery stores, and to some extent tobacco stores. Native-born women, on the other hand, ran more diverse shops, owning flower shops and larger warehouses to a greater extent (not shown). Within the knowledge-intensive service sector native-born women had higher entrepreneurial rates, mainly as administrative consultants and bookkeepers. Immigrant women were self-employed as interpreters and administrative consultants.

Among men, the picture was more scattered. Similarly to women, they had high entrepreneurial activity in the sectors of trade and knowledge-intensive services (Table 4). Within the latter, immigrants had firms such as technical consultancies, whereas

native-born men were also software consultants and administrative consultants (Table 6). Native-born men mainly owned shops performing services on motor-driven vehicles, such as petrol stations. In addition, native-born men were self-employed as farmers and in the construction industry. Immigrant men, on the other hand, had shops that were similar to those of immigrant women.

Table 4: Divisions of labour in 2004 according to main sectors (%).

		% of the total labour force		**% of entrepreneurial population**	
		Immigrant	**Native-born**	**Immigrant**	**Native-born**
Women	Farming, forestry	0.4	0.5	2.5	11.0
	Manufacturing	12.0	9.1	5.4	6.9
	Construction	0.6	0.9	1.5	2.2
	Trade	8.9	11.4	21.8	18.5
	Hotel/restaurant	5.7	2.8	16.0	4.1
	Transport	3.2	3.7	2.0	2.0
	Finance	1.4	2.6	0.1	0.2
	Knowledge-int. services	4.7	5.0	13.6	18.0
	Low-ed. services	8.4	4.5	6.8	5.1
	Public administration	4.6	6.9	0.0	0.0
	Education	14.6	17.5	1.4	1.8
	Health care	30.9	29.3	8.5	8.3
	Social services	4.3	5.3	20.1	21.3
	Total	*100.0*	*100.0*	*100.0*	*100.0*
Men	Farming, forestry	0.7	1.4	2.3	17.1
	Manufacturing	27.9	26.1	6.9	10.4
	Construction	4.5	9.8	7.3	16.8
	Trade	10.3	12.8	23.8	16.8
	Hotel/rest.	7.8	1.7	24.1	1.9
	Transport	10.3	9.1	10.0	7.1
	Finance	0.9	2.0	0.2	0.4
	Knowledge-int. services	6.3	8.0	10.6	17.2
	Low-ed. services	8.7	5.4	5.5	4.7
	Public admin.	3.2	6.2	0.0	0.0
	Education	6.3	5.8	0.7	0.8
	Health care	8.7	5.3	2.5	2.0
	Social services	4.1	4.9	6.0	4.1
	Total	*100.0*	*100.0*	*100.0*	*100.0*

In many respects, the entrepreneurial landscapes of immigrant women and men resembled each other. Entrepreneurship within the restaurant sector was common to both

sexes, and it is often a sector with harsh working conditions (Wahlbeck, 2007). Additionally, immigrant men and women entrepreneurs in the low-education service sector often had cleaning ventures. These sectors typically represent the sorting in the labour market where immigrants perform the least desirable jobs in the dual labour market (Morrison, 1990, Fine, 1997). In the following section, I will analyse the economic revenue for self-employment along the axes of immigrant status and gender.

Table 5: The seven commonest sectors in the total labour force.

		SNI2002	**Niche**	**% of working population**
Immigrant women	1	85311	Health care for elderly people (public residence)	7.9
	2	85112	Specialised hospital care	7.7
	3	85327	Health care for elderly people (residence at home)	5.6
	4	80102	Teaching, nine-year school	5.1
	5	74701	Cleaning	4.9
	6	80101	Teaching, pre-school	4.5
	7	55300	Restaurant	3.8
				39.5
Native-born women	1	85112	Specialised hospital care	7.7
	2	80102	Teaching, nine-year school	7.3
	3	85311	Health care for elderly people (public residence)	6.6
	4	80101	Teaching, pre-school	4.8
	5	85327	Health care for elderly people (residence at home)	4.2
	6	52112	Trade	2.5
	7	85122	Health care (not hospital)	2.2
				35.3
Immigrant men	1	55300	Restaurant	8.2
	2	74701	Cleaning	3.3
	3	85112	Specialised hospital care	2.3
	4	60220	Taxi driver	2.2
	5	34100	Production of motor-driven vehicles	2.1
	6	80102	Teaching, nine-year school	1.9
	7	60211	Public transport	1.7
				21.7
Native-born men	1	45211	House construction	3
	2	60240	Transportation of goods	2.6
	3	80102	Teaching, nine-year school	2
	4	74202	Technical consulting, unspecified	1.9
	5	72220	Technical consulting, software	1.9
	6	45310	Electrical installations	1.6
	7	85112	Specialised hospital care	1.5
				14.5

Table 6: The seven commonest sectors of the self-employed population.

		SNI2002	Sector	% of entre-preneurial population
Immigrant women	1	55300	Restaurant	15
	2	93021	Hairdresser	11.9
	3	85144	Health care (unspecified)	4.3
	4	74701	Cleaning	4.1
	5	52112	Grocery trade	3.8
	6	74850	Office work, interpreter	2.8
	7	74140	Administrative consultancy	2.8
				44.7
Native-born women	1	93021	Hairdresser	11.5
	2	85144	Health care (unspecified)	4.8
	3	74140	Administrative consultancy	4.4
	4	74120	Accountancy, bookkeeping, etc.	4
	5	1300	Farming	3.9
	6	92310	Artistic work	2.9
	7	55300	Restaurant	2.9
				34.4
Immigrant men	1	55300	Restaurant	23.5
	2	60220	Taxi driver	7.9
	3	52112	Grocery trade	4.1
	4	74202	Technical consulting, unspecified	2.5
	5	74701	Cleaning	2.4
	6	93021	Hairdresser	2.4
	7	50201	Service of motor-driven vehicles	2
	8	72220	Technical consulting, software	2
				46.8
Native-born men	1	60240	Transport of goods	4.5
	2	74202	Technical consultancy (unspecified)	4.3
	3	1300	Farming	3.6
	4	45211	House construction	3.6
	5	74140	Administrative consultancy	3.1
	6	72220	Technical consulting, software	3.1
	7	1211	Milk production	2.4
				24.6

Extremely low proportions of entrepreneurial activity in general were found within the branches were men and women had their dominant activity in the labour market; these were the health care and manufacturing sectors respectively. Despite the low

entrepreneurialism within the health care sector, it still constituted 8 per cent of female entrepreneurship. The majority of these women were entrepreneurs in an unspecified sector, which comprises a wide variety of professionals such as physiotherapists, psychologists, physicians, chiropractors, etc. (Hedberg and Pettersson, 2006). The health care sector in Sweden is currently undergoing particular changes. Traditionally, health care has been performed only within the public sector, but in the last few years private alternatives have been increasing. Legislation has changed, allowing municipalities and county councils to open up for private health care as well. Accordingly, it is possible that this sector contains possibilities for further female entrepreneurship among both native-born and foreign-born women.

Entrepreneurship and economic inclusion

In the entrepreneurial landscape, niches could be found both along the axes of gender and immigrant status. As an additional measure, the investigation of incomes from entrepreneurship can indicate whether native-born and immigrant men and women differ in their entrepreneurship. Female and immigrant groups tend to have the lowest incomes in the labour market, and female immigrants tend to have the lowest incomes among them (Schrover, 2007). Moreover, immigrant entrepreneurs have lower revenues than native-born entrepreneurs, even after controlling for variations in sector (Andersson, 2006, Hjerm, 2004, Hammarstedt, 2006). Accordingly, migration researchers have debated whether entrepreneurship benefits or disadvantages immigrants in the labour market. This article analyses the position when the gender dimension is added.

When income from work of the total labour force in Sweden 2004 is divided into quartiles, the majority of the female entrepreneurs as well as immigrant male entrepreneurs belong to the low income group (Table 7). In particular, a large proportion of female immigrant entrepreneurs had low incomes and the proportion was almost double that of native-born male entrepreneurs. Moreover, immigrant women had the lowest proportion of high income earners in the high-income section of the economy. Thus, while it was only among native-born men that entrepreneurship seemed to be economically beneficial for at least half of the entrepreneurs, immigrant women still held a particularly disadvantaged position in relation to both native-born men & women and immigrant men.

Entrepreneurs in all groups had a considerably high proportion in the low income group compared with the equivalent employed groups (Table 7). Nonetheless, the gap between employed and self-employed workers was particularly wide when immigrant women were considered. The proportion of low-income women was almost double among entrepreneurs compared with the employed women. A small advantage, however, appeared among entrepreneurs compared with employed workers in the high-income segment among both immigrant and native-born women. It thus seems that there are sectors in the economy where female entrepreneurs can gain a higher income as entrepreneurs than by being employed. Among men, this tendency could not be seen.

Table 7: Proportion of population in each income group, 2004 (%).

	Income group	Entrepreneur	Employed	Δ Entrepreneur - Employed
Immigrant women	Low	62.5	35.9	26.6
	Lower-middle	16.1	32.8	-16.7
	Upper-middle	8.6	19.8	-11.2
	High	12.9	11.5	1.4
	Total	*100.0*	*100.0*	*0.0*
Native-born women	Low	49.9	27.2	22.7
	Lower-middle	20.0	34.7	-14.8
	Upper-middle	12.5	23.5	-11.0
	High	17.6	14.6	3.1
	Total	*100.0*	*100.0*	*0.0*
Immigrant men	Low	51.9	30.4	21.4
	Lower-middle	20.4	20.3	0.1
	Upper-middle	11.5	25.3	-13.8
	High	16.2	24.0	-7.8
	Total	*100.0*	*100.0*	*0.0*
Native-born men	Low	32.7	17.7	15.0
	Lower-middle	19.6	15.8	3.8
	Upper-middle	17.7	29.0	-11.4
	High	30.0	37.4	-7.4
	Total	*100.0*	*100.0*	*0.0*

Within the immigrant group, the main concentration in the low-income section comprised women from Western Asia, followed by entrepreneurs from East Asia and Africa (Table 8). Here, 77 to 65 per cent of all entrepreneurs received low incomes for their self-employment. North American and West European immigrants, on the other hand, had similar income levels to native-born women. Accordingly, this is where the largest proportion of high income receivers was found among immigrants, together with immigrants from East Europe and South America. Similar tendencies were noticed among immigrant men.

Despite large differences in 2004, a slow process of converging incomes had occurred between 1999 and 2004 (Figure 1). While many entrepreneurs remained within the same income group in 2004 as in 1999, social mobility had occurred among both female and male immigrants, which was higher than among native-born Swedes. The opposite happened to female native-born entrepreneurs, where more entrepreneurs moved downwards than upwards. In all other groups of entrepreneurs, the upward mobility was higher than the downward mobility. Although female immigrant entrepreneurs had the

most negative income level of all groups in 2004, they were experiencing some upward mobility. It should be borne in mind, however, that the upward mobility of immigrant women mainly occurred in the lowest income groups. Among the employed population groups, in contrast, the downward mobility was higher than the upward mobility in all groups.

Table 8: Income levels among immigrant entrepreneurs per country of origin (%).

		Low	**Lower-middle**	**Upper-middle**	**High**
Women	West Europe	54.0	17.6	11.0	17.4
	East Europe	60.9	15.3	8.8	15.0
	West Asia	77.2	13.7	4.8	4.3
	East Asia	69.6	16.6	6.2	7.6
	Africa	64.7	16.5	5.9	12.9
	North America	52.1	19.7	11.8	16.4
	South America	60.9	14.6	10.0	14.6
	Total	*62.5*	*16.1*	*8.6*	*12.9*
Men	West Europe	39.9	19.7	15.1	25.3
	East Europe	50.9	19.1	11.6	18.4
	West Asia	62.1	21.9	8.6	7.4
	East Asia	60.6	19.7	10.1	9.6
	Africa	53.4	21.5	10.2	14.9
	North America	43.4	16.5	12.2	27.9
	South America	50.4	18.0	11.9	19.7
	Total	*51.9*	*20.4*	*11.5*	*16.2*

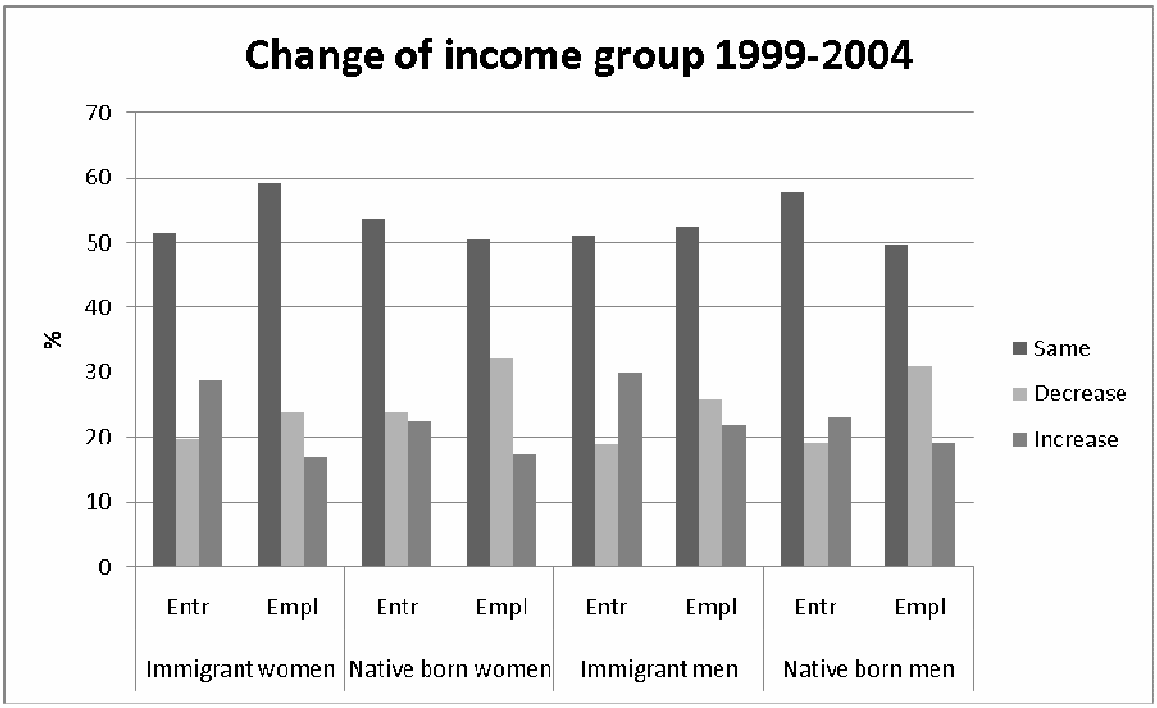

Figure 1: Income change among employed people and entrepreneurs 1999-2004: Improvement or deterioration between income groups.

Income and niches

One part of the explanation for income differences between population groups naturally comes from the division of labour and involvement in various sectors. The strong overrepresentation among immigrant women in the low-income section of the Swedish economy was mainly because of businesses in trade, and social services, which mainly consisted of hairdressers (Table 9). Among native-born women, fewer women belonged to the low-income section in these two sectors. Having a restaurant, which was typical of both immigrant men and immigrant women, was also quite a disadvantaged sector to start up a business within, and particularly so for women. Almost the entire population of the immigrant entrepreneurs in this section belonged to either the low or lower-middle segment of the economy.

The low-education and knowledge-intensive service sectors showed a larger differentiation between the income groups. A large proportion of the immigrants, and particularly women, in the knowledge-intensive service ventures still belonged to the lowest section of the economy. The interpreters and administrative consultants often belonged to the low-income group among immigrant women, and among immigrant men, various groups of consultants, even though there were women who belonged to other income groups as well. The proportion of low-income knowledge-intensive services was smaller within the native-born population, and was particularly small among men. The opposite pattern was found within the high-income group, where the majority of the

native-born men belonged, but only a quarter of the immigrant women. On the other hand, a gender difference is noticeable where a higher number of immigrant men belonged to the high-income group than native-born women.

Table 9: Income groups within typical sectors for entrepreneurship per each population group. Additionally, income from entrepreneurship in sectors typical for the total labour force is included (marked with *) (%).

	Niches	**Low**	**Lower-middle**	**Upper-middle**	**High**
Immigrant women	Trade	74.0	13.3	6.6	6.0
	Hotel/restaurant	69.0	20.3	6.1	4.7
	Knowledge-int. services	46.2	16.7	14.1	23.0
	Low-ed. services	45.4	18.4	12.5	23.7
	Social services	76.0	16.3	4.4	3.3
	Health care*	31.0	12.9	12.9	43.2
	Total	62.5	16.1	8.6	12.9
Native-born women	Trade	48.1	23.2	15.1	13.7
	Knowledge int. services	34.6	17.4	16.2	31.9
	Low-ed. services	42.9	20.2	14.7	22.1
	Social services	62.9	23.6	7.9	5.6
	Health care*	27.1	16.1	15.0	41.8
	Total	49.9	20.0	12.5	17.6
Immigrant men	Trade	63.3	17.1	8.5	11.1
	Hotel/restaurant	60.0	24.2	9.1	6.7
	Knowledge int. services	39.2	13.6	13.4	33.8
	Low-ed. services	42.7	17.1	15.2	25.0
	Manufacturing*	39.9	18.7	15.8	25.7
	Total	51.9	20.4	11.5	16.2
Native-born men	Farming, forestry	58.5	22.1	10.7	8.6
	Manufacturing	24.2	24.4	24.0	27.4
	Trade	29.8	19.9	20.1	30.2
	Knowledge-int. services	26.0	12.5	13.3	48.2
	Low-ed. services	35.8	16.9	16.0	31.4
	Manufacturing*	25.0	18.1	21.2	35.7
	Total	32.7	19.6	17.7	30.0

In analysis of the low-education service sector, which mainly consists of cleaning companies, the firms of native-born men more often belonged to the high-income group than the other population groups, whose proportions were rather similar. Owing to the low revenues for immigrant women in the knowledge-intensive service sector, however, the differences between these two sectors were small. Accordingly, at least monetarily, the service sector is not a good alternative for many immigrant women to become included in the Swedish economy. Even sectors which demand high educational levels seldom result in a higher income.

If instead the manufacturing and health care sectors are addressed, which are the largest sectors for the total labour force, an interesting result emerges. The health care sector is by far the most beneficial sector for entrepreneurship for women, and in particular for immigrant women. Starting a business in the manufacturing sector is also a good alternative for many men, although many immigrant men belong to the low section of the economy. The health care sector, however, provides a particularly interesting answer to female entrepreneurship. Among immigrant women, more than three times as many people belong to the high-income segment in the health care sector than totally among entrepreneurs. Also, among native-born women, the proportion of high-income earners was more than double that of all entrepreneurs.

The health care sector thus represents a sector where it seems possible for women to benefit from entrepreneurship (Table 9). Moreover, this opportunity seems to be equally good for immigrants as for native-born women. Compared with their earnings in other sectors, it seems to be even more profitable for immigrant women. This is particularly interesting, since the health care sector is in the process of opening up to private initiatives. In 2004, one-third of all native-born and foreign-born women were employed in this sector, but only 8 per cent of the entrepreneurs were active in the sector. It seems that there is still room for entrepreneurial activity in the health care sector, which would be a plus for women's income development. Among immigrants, increasing involvement of immigrant women as entrepreneurs in this sector would mean improving inclusion in the Swedish economy. Accordingly, at least in certain sectors, entrepreneurship might be viewed as a means of inclusion in the Swedish economy.

Conclusions

The labour market is strongly divided along the axes of both gender and immigrant status. This article has investigated these intersections among entrepreneurs in the Swedish economic landscape, with particular focus on the division of labour and income revenues. The article touches on the double debate of women's entrepreneurship and the possible variations that exist in terms of male entrepreneurs (Ahl, 2006, de Bruin et al., 2007), and on the other hand that of entrepreneurship as a road to integration in or separation of immigrants from the host society (Hjerm, 2004).

The tentative results indicate that native-born and immigrant women entrepreneurs are similar in many respects. The tradition of entrepreneurship is lower among women than

men and the entrepreneurial rate among native-born and foreign-born women was equally low. In this sense, entrepreneurship was gender-related rather than immigrant status-related.

The division of labour in entrepreneurship showed a complex and overlapping pattern, which was structured around both gender and immigrant status. Whereas many occupations are strongly feminised, other professions are marked by immigrant status. The most obvious difference among entrepreneurs was the hotel/restaurant sector. Restaurant entrepreneurship was dominant among both immigrant men and women, although with a noticeable overrepresentation of men. Other typical businesses for immigrant entrepreneurs were cleaning and, for men, having a taxi firm. Female-marked professions, on the other hand, were hairdressing and health care ventures, whereas men were self-employed within transportation and technical consultancy. To conclude that the sectoral division in entrepreneurship is gendered rather than ethnically patterned would tell only half the truth. On a detailed level, both immigrant status and gender are necessary to describe horizontal divisions of labour. Accordingly, ethnic entrepreneurship seemed to widen rather than close the income gap in the labour market towards native-born men.

The intersection of gender and immigrant status is even clearer in the analysis of entrepreneurial incomes. Here, a strong division could be noted between native-born men on the one hand and the other population groups on the other. In general, the sectors where native-born men performed their entrepreneurship led to higher incomes than typically female or immigrant sectors. Immigrant women belonged to the least advantaged group, whereas immigrant men and native-born women belonged to the same income groups. Nonetheless, a slow improvement of incomes for entrepreneurs was noticed between 1999 and 2004.

Gendered sectors in the total labour force, the manufacturing sector and the health care sector, contributed only to a small part of the entrepreneurial activity. Quite interestingly, however, they offered higher incomes than most other sectors. Further entrepreneurship within these sectors would thus provide potential for further inclusion in the labour market of the least advantaged groups. Particularly high incomes were those of immigrant women entrepreneurs in the health care sector.

At first glance, a gender perspective on ethnic entrepreneurship acknowledges persistent inequalities in low-income niches such as having a restaurant or being a hairdresser. Analyses of entrepreneurship within other niches, such as the health care sector, however, might bring a more nuanced entrepreneurial landscape into view. Increased entrepreneurial activity within the health care sector is an example of a sector where self-employment could lead to increased inclusion of immigrant women in the Swedish labour market. In the discussion of self-employment as a way of inclusion or exclusion in the labour market, adding a gender dimension in this way can bring novel insights. The investigation of the division of labour between men and women, on the one hand, and immigrants and non-immigrants on the other, paves the way for a more nuanced analysis on self-employment, of which the gender perspective is an essential part.

The results so far have implications for researchers as well as policymakers concerning both immigrant status and gender in the analysis of entrepreneurship. A nuanced focus should be applied to entrepreneurial research, which recognises diversity along the axes of both immigrant status and gender. Entrepreneurial processes could lead to both exclusion and inclusion of minority groups in the labour market.

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