

Migrant entrepreneur in-between networks: a liminal perspective to migrant entrepreneurship

Abstract

In this paper, we propose to adopt the lens of *liminality* to capture the transitional and evolving nature of network embeddedness in the process of migrant entrepreneurship, as an act situated “betwixt and between” networks (Turner et al., 1969, p. 107). We further analyse the process in relation to market access and opportunity creation. Applied to migration and entrepreneurship as processes, the notion of liminality highlights the importance of the act of migration, whereby individuals are becoming migrants (as a process of integration as well as of identity construction) and entrepreneurs. Using the lens of liminality also helps capturing migrant individuals’ interactions and the associated process of socialisation, ultimately leading to the creations of liminal social and geographical spaces of in-between-ness (Noussia & Lyons, 2009), in which the entrepreneurs are situated and create opportunities in different markets, domestically or transnationally.

1. Introduction

The literature on migrant entrepreneurship has long considered the importance of social ties in the establishment of new ventures and in the ability to reach a customer base in the host country (Portes & Sensenbrenner, 1993; Zhou, 2004). This privileged access to resources by migrant entrepreneurs requires a social understanding of the changing situation of individuals in different networks, as well as within a set of structures within and beyond their community of co-ethnics, and its influence on market access domestically and internationally.

What can be investigated further is the importance of the *transitional state*, which is intrinsic to the act of migration. In this paper, we thus propose to adopt the lens of *liminality* to capture the complexity and the fluid nature of network embeddedness of migrant entrepreneurs “betwixt and between” networks (Turner et al., 1969, p. 107), further analysed in relation to market access and opportunity creation by these entrepreneurs. By using the works of Van Gennep (later reformulated by Turner), we see liminality as a transitional, processual and non-reversible event, subsequently leading to a different state or status. Applied to migration, this highlights the importance of the act of migration, whereby individuals are becoming migrants (in their perception and in the perception of the wider receiving society), and by this, change status and identity (Alvesson et al., 2008; Beech, 2011). The passage from one social status to another (of becoming a migrant, or a returnee) is often accompanied by a parallel movement in space, i.e. the geographical movement from one place to another. The transitional nature of migration and its associated change processes also lead to the creations of liminal social and geographical spaces of in-between-ness (Noussia & Lyons, 2009), in which the entrepreneurs are situated and identify opportunities.

We argue that through different moments, their individual identity as migrants is also characterised by the separation from social ties in the home country, a transitional state of integration into networks within the host country and a phase of incorporation (or in more updated terms: integration) within the host country. On the course of these transitional and liminal phases, networks boundaries (with customers and suppliers), resource access and entrepreneurial perception of opportunities (in specific market segments) are changing, the entrepreneurs thus experiencing both liability of foreignness and the ability to spot unique opportunities and access specific niche markets. We also argue that by operating at the margins

and between markets, the migrant entrepreneur creates a specific form of entrepreneurial capital as a resource for business development through the evolving situation in networks.

We thus go on exploring the markets accessed by migrant entrepreneurs both in the host country and internationally, through the use of transnational ties. By looking beyond the community market, we challenge the notion of bounded or enclaved niche economy to reflect the realities of how opportunities are being identified or created using the different networks of relationships between which the migrant entrepreneur is transitioning. We thus contribute to conceptual debates on networks dynamics (e.g. Andersen & Medlin, 2016; Kaartemo et al., 2019), by exploring the influence of such liminal states on access to markets and international opportunity recognition.

We first present the notion of network embeddedness in entrepreneurship (and especially migrant entrepreneurship), before digging deeper into the exploration of migration in such context. We then define and bring *liminality* into migrant entrepreneurship, before proposing a processual model of migrant entrepreneurship as a liminal act.

2. The embeddedness of migrant entrepreneurship

2.1 Ties and networks

The importance of ethnic ties has been strongly emphasised in migrant entrepreneurship research (cf. Aldrich & Waldinger, 1990). The two main aspects highlighted were access to resources (such as finance or advice) and access to a community niche market as a primary market based on shared identity between the entrepreneurs and their customers and embeddedness in ethnic networks (Jones et al., 2014; Waldinger, 2005). Embeddedness within community networks explains how overcome the liability of outsidership (Brzozowski et al., 2014; Dimitratos et al., 2016; Tian et al., 2018). Whilst the primary market for most migrant entrepreneurs in the host country is generally their co-ethnic community market¹, due to embeddedness in relevant diasporic or transnational networks, migrant entrepreneurs are more capable of spotting specific business opportunities than mainstream or indigenous entrepreneurs.

2.2 A largely missing processual view of migrant entrepreneurship and embeddedness

However, the embeddedness view, with its focus on access to resources is lacking some dynamic and processual view to understand opportunity creation in different markets. In fact, the migrant entrepreneurship literature has also largely ignored this aspect in their study, with some exceptions, especially in relation to business strategies (Basu, 2011; Lassalle & Scott, 2018). Entrepreneurship is a processual act (i.e. with consideration of time dynamics) and a more processual view of network embeddedness in migrant entrepreneurship is still missing to account for the dynamic nature of both entrepreneurship and migration.

2.3 Transitional state and migration

What should be investigated further in migrant entrepreneurship are *transitional states* within physical and social spaces, especially as part of the act of migration. Migrant individuals are first physically moving across borders and as a result, migration implies changes in socialisation, often resulting in social deprivation and isolation due to loss of (daily) embeddedness from former social networks in the country of origin (White & Ryan, 2008).

¹ This market is often designated as “ethnic economy” or “ethnic enclave” (Waldinger, 2005; Werbner, 2001)

For migrant entrepreneurs, the ability to identify or create opportunities and access resources within the different networks is affected by the separation from social ties in the home country. In other words, migration is accompanied by a *transitional* state of social integration into networks and a phase of societal integration within the host country. To follow Nicholson et al. (2013), these two simultaneous processes of becoming embedded (proximation) and de-embedding from former networks (distanciation) are worth investigating in relation to entrepreneurship and access to domestic and transnational markets. The transitional nature of complex migration patterns leads to the creation of states of in-between-ness (Noussia & Lyons, 2009), in which the entrepreneurs are situated, identify and create opportunities, domestically and transnationally as for transnational entrepreneurship (Drori et al., 2009; Portes et al., 2002; Stoyanov et al., 2018; Urbano et al., 2011).

2.4 temporary migration and returnees

Migration and transnationalism are dynamic and based on temporary decisions (White & Ryan, 2008), including circular movement and return migration. In such contexts, the importance of resources (especially knowledge accumulated abroad) on the ability of return migrants to identify or create opportunities in their country of origin is crucial for entrepreneurs (Bai et al., 2018; Qin & Estrin, 2015). Interestingly, the importance of networks and dynamic network embeddedness in different locations and relational spaces is a critical aspect of their opportunity creation processes (Bai et al., 2017). Returnee entrepreneurs benefit from knowledge and resources acquired in both countries. However, functionalist models and teleological views tend to neglect identity and identification issues and their importance on boundary setting, e.g. within markets (Ellis & Ybema, 2010). This, we argue, can only be appreciated through a consideration (but also a conceptualisation) of these complex transitional states on individuals.

3. Bringing in Liminality into migrant entrepreneurship

3.1 Liminality

We thus propose to adopt the lens of *liminality* to capture the complexity and the fluid nature of network embeddedness migrant entrepreneurs “betwixt and between” networks (Turner et al., 1969, p. 107), and to highlight the transitional and incomplete nature of socialisation and network-building processes and the role of such evolving processes on market access and opportunity creation.

Referring to the works of Van Gennep (1960), as well as on development of the concept by Turner (1974) and Turner et al. (1969), we see liminality as a transitional, processual and non-reversible event. Liminal states are *transitional* (Van Gennep, 1960), and the “passage from one social status to another is often accompanied by a parallel passage in space, a geographical movement from one place to another” (Turner, 1974, p. 58). Thence, migration is a liminal act, where the passage from a status (e.g. moving out of their home country) to another (e.g. settling in the host country) is achieved through a transitional state (e.g. temporary expectations of migration stay).

3.2 What does liminality tell us about migration, entrepreneurship and access to markets?

Bringing *liminality* into migrant entrepreneurship provides a strong conceptual basis to discuss a processual, dynamic and transitional perspective to entrepreneurship in the context of migration. In this sense, the concept of liminality brings about three particular notions to be used.

First, liminality emphasises the idea of in-between-ness during transitional moments (Turner, 1974; Van Gennep, 1960) such as migration, whereby migrants experience different situations of outsidership to social circles in the different countries. In fact, a migrant is always perceived as a migrant in others' eyes, whereas returnees progressively lose social connections with their country of origin while migrating and face different conditions when returning, often hindering their economic integration back home (Fihel & Grabowska, 2010). Nevertheless, migrant and returnee entrepreneurs are able to capitalise on the different experiences and knowledge that they have acquired in the different countries as well as to leverage resources from the networks in which they are simultaneously embedded or becoming embedded in (Bai et al., 2018; Brzozowski et al., 2014; Stoyanov et al., 2018). Through in-between-ness between relation spaces (Beech, 2011)², the entrepreneur accesses specific resources and identify relevant opportunities in different contexts (Bagwell, 2018; Urbano et al., 2011).

Second, using a liminal lens helps relating opportunity creation to identity construction in contexts of migration, transnationalism and return migration. Shared identity and cultural proximity have been identified as key elements of migrant entrepreneurship, providing an explanation of the ability of migrant to create opportunities within their co-ethnic market (Lassalle & McElwee, 2016; Urbano et al., 2011; Zhou, 2004). However, identity construction is an outcome of the interactions between individuals within social structures in which they belong or operate (Alvesson et al., 2008; Ellis & Ybema, 2010) and entrepreneurs use the identity to reach the community market. Migrant entrepreneurs display cultural artefacts (including language signs, community events) to evidence a form of authenticity in their business. This allows entrepreneurs to create opportunities either within their co-ethnic market or beyond (Zhou, 2004).

Third, liminality brings a clear conceptual framework to capture processual and dynamic network evolution within the study of migrant entrepreneurship. For individuals embedded, or becoming embedded, in different social networks, the liminal position presents specific challenges in terms of identify construction (as seen above) but also to action and activities, including economic and marketing activities (Ellis & Ybema, 2010). So far, the migrant entrepreneurship literature has focused on embeddedness as a rigid concept of belonging, despite criticisms by Engelen (2001) and Lassalle & Scott (2018). Similarly, in entrepreneurial marketing, new approaches to network embeddedness have been introduced, emphasising the dynamic and evolving nature of networks and the reconceptualization of embeddedness and network relationship as processes (Halinen & Törnroos, 2005; Medlin, 2004; Nicholson et al., 2013). On the one hand, opportunity creation is possible through socialisation with the community of co-ethnic migrants, of which the entrepreneurs owns, understands or adopts the codes. On the other hand, the dynamic embeddedness of migrants within the host country's indigenous networks also allows redrawing social and cultural boundaries (Noussia & Lyons, 2009), taking advantage of evolving and dual embeddedness in different social networks (in both home and host countries) and draw upon specific resources accessed through their migration experiences (such as knowledge, different approaches) to create opportunities in these different contexts (Bai et al., 2018).

Thus, opportunity creation and access to market is based on the liminal nature of migration and with its associated change process. Through the creation of liminal social and geographical spaces of in-between-ness, (migrant, returnees and transnational) entrepreneurs benefit from transitional states to identify and create opportunities in different markets. We argue that

liminality, as a processual, transitional but non-reversible notion, helps conceptualising migrant entrepreneurship from a processual perspective that accounts from network embeddedness as a flow, through the consideration of migration (itself a liminal process). We therefore propose the following model.

4. Proposed model and conclusion

Our theoretical proposition integrates two key dimensions of network embeddedness dynamics, and a processual view of migrant entrepreneurship as a conceptual proposition (Langley, 1999). We consider entrepreneurship as a liminal act which encompasses dynamic embeddedness within different relational and social spaces as well as social identity construction, that the individual entrepreneur use to create opportunities.

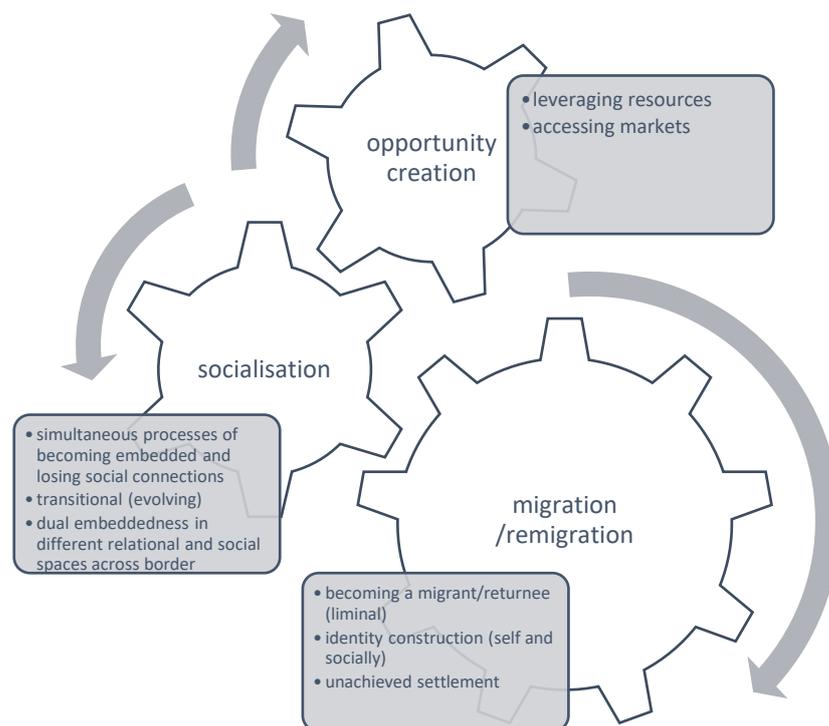


Figure 1: A liminal view of migration and entrepreneurship

Our model is displayed according to three phases of the migrant entrepreneurship process. The first phase is migration, which also encompasses further migration, transnationalism or return migration. Migration is liminal, as individual *become* migrants or returnees. These terms will be part of their evolving but yet non-reversible identity construction, both on the individual base or socially constructed identity in other people eyes, whether from the community or from the receiving society (Alvesson et al., 2008; Beech, 2011). Migration is also liminal because it is transitional, as migration is itself a temporary act (White & Ryan, 2008), where intentions to stay and settle are constantly evolving. However, there is a process of migration, either from initial movement to settlement, or to further migration and return in home country.

Migration triggers the second phase of the model, i.e. the socialisation process, primarily within community networks in the host country. Individuals nevertheless get further integrated in the host country indigenous networks too, through an iterative process of distanciation and proximation within different social and relational spaces (Nicholson et al., 2013). In this liminal phase, most aspects are transitional, such as simultaneous processes of becoming embedded

and losing social connections in the home country. As a result, the migrant individual benefits from evolving dual embeddedness in different relational and social spaces across borders, which constitutes a strong transnational network space (Vertovec, 2009).

Finally, the last phase of the migrant entrepreneurship process³ is the creation of the opportunity by leveraging resources drawn from the different social and relational spaces, in which the individuals are embedded. We go beyond classic migrant entrepreneurship literature on the significance of ethnic connections in entrepreneurship (Aldrich & Waldinger, 1990; Waldinger, 2005), by emphasizing the dynamic and transitional nature of the act of opportunity creation, building on evolving embeddedness and identity. Migrant entrepreneurs leverage resources from the dynamic networks in which they operate to bring knowledge and create opportunities within these markets (Bai et al., 2018). This can take the form of bringing an idea from another market into the host country (or back to the home country), building on transnational networks to source products, or spotting gaps in the other countries' market, etc. In other words, migrant entrepreneurs leverage specific entrepreneurial resources through their evolving position in networks. They develop the ability to spot unique opportunities and access specific niche markets both domestically and transnationally.

The liminal process of migrant entrepreneurship is neither teleological nor uni-dimensional, as multiple phases can occur simultaneously and iteratively. Migrant entrepreneurs rely on such liminal and transitional phases to create their opportunity and access the relevant markets domestically or transnationally. We argue that such theoretical proposition would also bring value to policy makers looking to benefit from transnational resources and networks brought by migrant entrepreneurs. These entrepreneurs contribute to the dynamics of the local entrepreneurial ecosystem but also, through their transnational networks and resources, are able to create more opportunities across borders and network boundaries.

5. References

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³ Please note that we do not infer causality but rather highlight co-occurring mechanisms

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