Ethnic entrepreneurship

Case study: Dublin, Ireland
Contents

About CLIP

1. Introduction
2. Profile of Dublin
3. The urban economy in general
4. Profiles of ethnic entrepreneurship
5. Policies, rules and regulations
6. Key challenges and lessons for CLIP

References

Interview partners
In 2006, the Congress of Local and Regional Authorities of the Council of Europe, the city of Stuttgart and the European Foundation for the Improvement of Living and Working Conditions (Eurofound) formed the ‘European network of cities for local integration policies’, henceforth known as CLIP.1 This network comprises a steering committee, a group of expert European research centres and a number of European cities. In the following two years, the cities of Vienna and Amsterdam joined the CLIP Steering Committee. The network is also supported by the Committee of the Regions (CoR) and the Council of European Municipalities and Regions (CEMR) and has formed a partnership with the European Network Against Racism (ENAR).

Through the medium of separate city reports (case studies) and workshops, the network enables local authorities to learn from each other and to deliver a more effective integration policy. The unique character of the CLIP network is that it organises a shared learning process between the participating cities and between the cities and a group of expert European research centres as well as between policymakers at local and European level.

The CLIP network currently brings together more than 30 large and medium-sized cities from all regions of Europe: Amsterdam (NL), Antwerp (BE), Arnsberg (DE), Athens (EL), Barcelona (ES), Bologna (IT), Breda (NL), Budapest (HU), Copenhagen (DK), Dublin (IE), Frankfurt (DE), Helsinki (FI), Istanbul (TR), Izmir (TR), Kirklees (UK), Liège (BE), Lisbon (PT), Luxembourg (LU), L’Hospitalet (ES), Malmö (SE), Mataró (ES), Newport (UK), Prague (CZ), Strasbourg (FR), Stuttgart (DE), Sundsvall (SE), Tallinn (EE), Terrassa (ES), Turin (IT), Turku (FI), Valencia (ES), Vienna (AT), Wolverhampton (UK), Wroclaw (PL), Zagreb (HR), Zeytinburnu (TR) and Zürich (CH).

The cities in the network are supported in their shared learning by a group of expert European research centres in:

- Bamberg, Germany (European Forum for Migration Studies, EFMS);
- Vienna (Institute for Urban and Regional Research, ISR);
- Amsterdam (Institute for Migration and Ethnic Studies, IMES);
- Turin (International and European Forum on Migration Research, FIERI);
- Wroclaw (Institute of International Studies);
- Swansea, Wales (Centre for Migration Policy Research, CMPR).

There are four research modules in total. The first module was on housing – segregation, access to, quality and affordability for migrants – which has been identified as a major issue impacting on migrants’ integration into their host society. The second module examined equality and diversity policies in relation to employment within city administrations and in the provision of services. The focus of the third module was intercultural policies and intergroup relations. This final module looks at ethnic entrepreneurship.

---

1 See also http://www.eurofound.europa.eu/areas/populationandsociety/clip.htm
Acknowledgements

Researchers from the Forum for International and European Studies on Immigration (FIERI) of Turin are responsible for this report on Dublin. Together with the contact person from the Municipality of Dublin, Gerry Folan (Office for Integration, Community and Enterprise – Dublin City Council), an enormous effort has been undertaken to find all the necessary data on ethnic entrepreneurship in this city. Many officials and other parties involved with immigrant entrepreneurs have been interviewed, as the list at the end of the report shows. They have provided the author with reports, statistics and comments on the concept version of this report. The author is particularly grateful to all those who have cooperated in giving information, and in particular to Gerry Folan for coordinating the field visit and for carefully filling out the Common Reporting Scheme, which is the main document that is the basis of this report.

The author is completely responsible for the content of this report and for any mistakes it may contain.

---

2 Interviews were carried out during a four-day field visit by the author.
This module of CLIP deals with ethnic entrepreneurship. It explores the development of ethnic entrepreneurship and
reviews the role of policy interventions in that process. It is motivated by the desire of municipal, national and European
governments and third sector institutions to create an environment conducive to setting up and developing small and
medium-sized enterprises in general and ethnic businesses in particular.

Various components of the urban economy interact to produce a complex but also dynamic ecological system,
dramatically affecting the political economy of cities and, in so doing, entrepreneurial opportunities. Following the
ethnic entrepreneurship concept paper lying behind this fourth module (Rath, 2009), this report focuses on the emergence
of ethnic entrepreneurs in the city of Dublin and the role of governmental and non-governmental regulation in it. The
basic research questions are:

A. What are the characteristics of the urban economy and which openings have emerged in the city since 1980? How
has the political economy of Dublin evolved? More specifically, what has been the development of the SME sector
in general in terms of numbers of businesses, volume of workforce, value of sales, variety of products and market
segmentation, and what has been a) the spatial distribution, b) the distribution over the various sectors of the urban
economy and c) the ethnic, gender and age composition?

B. What kind of profiles of ethnic entrepreneurship can be identified? How does the emergence of ethnic
entrepreneurship fit into the specific dynamics of the wider urban economy? Which general and specific barriers do
ethnic entrepreneurs encounter and what are their competitive advantages? What are the structural determinants of
the observed trends? What are the employment effects of ethnic business? How many and what quality of job have
been generated on the local labour market?

C. What state and non-state rules and regulations govern the SME sector in general and the ethnic SME sector in
particular at the national and local level and how have they shaped ethnic minorities’ self-employment trajectories?
How have policy debates and interventions on (ethnic) entrepreneurship influenced the emergence of entrepreneurial
opportunities – real or discursive – and further development of ethnic businesses? What policies can be found
supporting the access to employment for migrants in ethnic businesses?

This report provides an account of the state of affairs of the phenomenon of ethnic entrepreneurship in the city of Dublin.
The following section provides a brief overview of characteristics of the immigrant population in this city of recent
immigration. The third section deals with Dublin’s urban economy in general, giving details on its historical
development, main industries and services, size and characteristics of the workforce and processes of development of
small and medium-sized business, their spatial location and distribution.

Section 4 focuses more on the profiles of ethnic entrepreneurship in Dublin and describes the development, in
quantitative terms, of ethnic entrepreneurs as well as presenting some statistics about business closures and so on. We
will discuss problems and barriers that ethnic entrepreneurs encounter in Dublin with regard to financial situation,
general management, marketing, rules and regulations and bureaucracy.

Section 5, which constitutes the bulk of the study, concerns the municipality’s approach and policies towards ethnic
entrepreneurship. On the basis of the common reporting scheme and of the data collected during the field visit, we will
provide information on the institutional framework of SME policies in general and for ethnic entrepreneurship in
particular as well as on the main actors involved in this policy field at a national and local level. Some relevant policies
and best practice examples will be also reported. Finally, Section 6 provides some concluding remarks for this case study.
Immigration is a relatively recent economic and social phenomenon for Ireland, which now plays host to migrants from across the world. This role reversal from a country synonymous with emigration to a magnet for economic migrants has opened up a wide-ranging debate on the economic and social implications of Ireland’s migration-induced demographic transformation. In this section we will provide background information to the city but also to the country, as a lot of the information relates to the national level. In fact, most data sources in Dublin city are related to the national level. Because of the small size of the Irish nation and the concentration of immigrants in the Dublin city area, the data provided at the national level are also useful for the local level.

Data available from the Central Statistics Office of Ireland (CSO, December 2007) charts the reversal in migration flows experienced by Ireland over the last 10 to 15 years. In 1996 a modest net population gain from migration inflows of 8,000 persons was recorded. This trend of positive net migration gathered momentum throughout the later half of the 1990s, with the year 2000 experiencing a net migration inflow of 26,000 persons. Continuing on from this, the four-year period from 2000 to 2004 witnessed a steady rise in net migration inflow, reaching over 32,000 in 2004. Included among the growing number of immigrants were returning members of the Irish diaspora who, having previously left Ireland due to lack of employment opportunities, started to return to take advantage of the more propitious economic circumstances. In 2002, returning members of the Irish diaspora constituted approximately 40% of the total number of immigrants received by Ireland.

The year 2004 represents a watershed in Ireland’s experience of immigration. Together with Sweden and the UK, Ireland allowed unrestricted access to its labour market to persons from the 10 newly acceded EU states, which attracted in particular a considerable number of Polish, Lithuanian and Latvian citizens. By 2005, the total migrant inflow to Ireland stood at almost 85,000. This rose to over 107,000 in 2006 and 109,000 in 2007. It is estimated that half of all migrants to Ireland in 2006 and 2007 originated in the newly acceded EU states. Moreover, persons from these same states accounted for approximately 50% of labour force growth in Ireland as of 2008 (QNHS, June 2008).

In addition to the migration of labour from central and eastern Europe to Ireland, there is a discernible rise in migrants entering Ireland from countries outside the EU. A doubling in the number of both persons from the Asian continent and persons from the African continent is observable over the intercensal period 2001 to 2006. This encompasses persons entering the Irish state on work visas and student visas as well as those who were granted leave to remain in the state for humanitarian and political asylum reasons. In the most recent census figures available, collected in 2006, 11% of the population of Ireland are categorised as non-Irish nationals (see Table 1). This translates into 419,733 of the total population of Ireland of 4,172,013. However, 26.8% of the total are UK nationals, followed by another 10.2% who are EU15 nationals. Table 1 shows the top 10 foreign citizen nationalities and the main immigration countries to Ireland in 2006.

---

3 UK nationals are not included in 10.2% of EU15 nationals.
Unsurprisingly, as Ireland’s capital city, Dublin acted as a magnet for EU and non-EU immigrants. Some immigrant groups, particularly from the central and eastern European states dispersed throughout Ireland, ended up in the most unlikely and rural of Irish places. For Africans and Asians there is a strong tendency to cluster in Dublin and in some major urban centres outside Dublin. For example, approximately 60% of all Asians in Ireland are resident in Dublin city and county, as recorded in Census Ireland, 2006 (Central Statistics Office, 2006). Hence, in both breadth and depth, Dublin is the epicentre of multiracial Ireland.

From an administrative point of view, Dublin City Council (DCC) is one of four Dublin local authority areas of the Greater Dublin Area (GDA), which also includes the mid-east authorities of Wicklow, Meath and Kildare. The Greater Dublin Area is the unit that defines the city region. The administrative area of DCC has a population of 506,211 residents. Table 2 provides a breakdown of the city’s and region’s ethnic make-up as recorded in the 2006 census.

Prior to the 2006 census, limited statistical information was available to analyse migrant populations in Dublin. The 2006 census was the first to ask detailed questions on nationality and ethnicity.\(^4\) Table 2 points out the proportion of the main

---

4 This was also the main data source for the Dublin report of the third module of the CLIP project (see Crawly and Crimes, 2009). The next census was carried out in 2011.
foreign nationalities resident in Dublin city and in the GDA at the time of the census. There were almost 74,000 non-Irish nationals living in the Dublin city administrative area in 2006. This represents about 15% of the total population of the city (Central Statistics Office, 2007).

Table 3: Foreign residents by nationality, 2006

<table>
<thead>
<tr>
<th>Area</th>
<th>UK</th>
<th>Polish</th>
<th>Lithuanian</th>
<th>Other EU/25</th>
<th>Rest of world</th>
<th>Not stated</th>
<th>Total non-Irish population</th>
</tr>
</thead>
<tbody>
<tr>
<td>GDA (%)</td>
<td>2.0</td>
<td>1.6</td>
<td>0.7</td>
<td>2.4</td>
<td>5.2</td>
<td>1.4</td>
<td>11.9</td>
</tr>
<tr>
<td>Dublin city (%)</td>
<td>1.69</td>
<td>2.18</td>
<td>0.54</td>
<td>3.6</td>
<td>7.1</td>
<td>2.2</td>
<td>15</td>
</tr>
<tr>
<td>Ireland (%)</td>
<td>2.7</td>
<td>1.5</td>
<td>0.6</td>
<td>1.8</td>
<td>3.5</td>
<td>1.1</td>
<td>10.1</td>
</tr>
</tbody>
</table>

Source: Central Statistics Office 2006 census

The Dublin city area is divided into five administrative areas: Dublin Central, Dublin South East, Dublin South Central, Dublin North Central and Dublin North West. The census returns from 2006 demonstrate a wide variation in the population of non-Irish nationals living in different areas of the city (see also Crawly and Crimes, 2009). Within the areas of Dublin Central and Dublin South East, the proportion of non-Irish nationals is over 20% of the total population (Table 4).

Table 4: Non-Irish residents in the DCC area, 2006

<table>
<thead>
<tr>
<th>DCC administrative areas</th>
<th>Total non-Irish</th>
<th>% of total area population</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dublin Central</td>
<td>24,609</td>
<td>24.1</td>
</tr>
<tr>
<td>Dublin South East</td>
<td>20,777</td>
<td>22.7</td>
</tr>
<tr>
<td>Dublin South Central</td>
<td>14,744</td>
<td>13.9</td>
</tr>
<tr>
<td>Dublin North Central</td>
<td>10,056</td>
<td>7.7</td>
</tr>
<tr>
<td>Dublin North West</td>
<td>3,803</td>
<td>6.1</td>
</tr>
<tr>
<td>Total DCC</td>
<td>73,989</td>
<td>15.0</td>
</tr>
</tbody>
</table>

Source: Central Statistics Office (2007a)

Some interesting differences are immediately observable in the age profile of Irish nationals compared to non-Irish nationals. In all, non-Irish nationals are younger than their indigenous counterparts. The extent of this age differential varies across the non-Irish national groups. In the case of UK nationals there is little observable difference from Irish nationals. However, a young age profile is particularly pronounced in the case of EU10 nationals. Regarding gender, we can state that the gender split among non-Irish nationals resident in the state in 2006 is slightly skewed towards males. In 2006 there were 223,717 non-Irish national males present in the state, compared to the slightly lower figure of 196,016 females. Therefore, there are approximately 27,000 more non-Irish national males in Ireland than non-Irish national females. This gender gap among non-Irish nationals can be contrasted with 2002 census records which show that the ratio of non-Irish national males to non-Irish females was almost identical, at 112,593 males and 111,668 females.

The educational levels of immigrants acts as a gauge of the potential roles that immigrants can perform in host economies and, as such, their likely contribution to national economic development. The educational profile of non-Irish nationals ordinarily resident in Ireland in 2006 reveals a cohort of the population that has, on average, progressed to higher levels of education than the Irish population as a whole. In interpreting this result it is important to remember that the young age profile of immigrants invariably means that they will have higher levels of educational attainment relative to the Irish adult population as a whole. When comparisons are made between immigrant educational attainment and Irish persons in the 15 to 44 age bracket, the difference in levels of educational attainment are marginal.
Relative to the Irish population, all non-Irish national groups have a higher completion rate of lower secondary and upper secondary education. Just over 78% of Irish nationals have reached at least the level of lower secondary education. Looked at from another angle, 22% of Irish persons have a primary education only or no formal education at all. For all non-Irish national groups, the corresponding percentage in terms of lower secondary completion is over 90% in each case. At upper secondary level, 57% of Irish nationals have attained this standard at a minimum. Two-thirds of UK nationals have reached at least the level of upper secondary, while in other non-Irish national groups the figure ranges between 80% and 90% (Cooney and Flynn, 2008, p. 19).
The urban economy in general

Historical development of the urban economy: main industries and services

The economic landscape of Dublin has changed fast in the last few decades. The current global economic recession notwithstanding, Ireland has transformed itself from its unenviable former status as ‘the poor man of Europe’ to one of the richest nations of the OECD (as measured by GDP per capita). This economic transformation is embodied in the economic, social, cultural and multinational character of Dublin. Many areas that were derelict in the 1980s have been refashioned into economic and cultural hubs. Dublin’s premier cultural quarter – Temple Bar – is one of the obvious manifestations of this. Equally, the Docklands area of the city has been refashioned into the financial district of Dublin city as well as offering premier accommodation, a range of cultural amenities and a landmark infrastructure.

Dublin has been at the heart of Ireland’s economic transformation. Indeed, many would argue that there has been an over-concentration of economic growth in Dublin at the expense of the other regions of Ireland. Unlike Dublin and its suburban surrounds, the border, midlands and western regions (BMW) of Ireland have not developed to the same extent as Dublin. This is reflected in the fact that the BMW region attracts funding from various EU regional development schemes on account of the lack of industry and its retarded economic development relative to Dublin and the southern region of Ireland. The economic dominance of Dublin has had profound social implications for Ireland. Invariably, active members of the labour force have gravitated towards the city in search of gainful employment. This is particularly pronounced in the case of third-level graduates, with Dublin having a retention rate of 84% for employed graduates as well as employing more graduates than it produces (HEA, 2007). Human capital in Ireland, therefore, is disproportionately concentrated in Dublin. The fact that the two largest Irish universities, Trinity College and University College Dublin, are situated in the city centre, together with a third university (Dublin City University) and four institutes of technology, compounds the clustering of skilled young labour force members in Dublin.

Multinational corporate investment was integral to the economic transformation of Ireland in general and Dublin in particular. It is widely acknowledged by leading economists in Ireland that multinational corporations (MNCs) were a key driver of the Celtic Tiger era (1994 to 2000). MNCs involved in the IT sectors were especially crucial, accounting for the vast majority of Irish exports during this period. MNCs like Microsoft, Ericsson, Intel and Dell made an enormous contribution to Irish economic growth in the Celtic Tiger era. What is of importance for this study is that the preponderance of MNCs in the high-growth and high-value-added sectors of the global economy are located in and around Dublin city and county. Undoubtedly, Dublin received a disproportionate share of foreign direct investment during the years in which Ireland experienced rapid economic growth. That Dublin received the lion’s share has significant implications for the growth of its urban economy.

While MNCs initially viewed Ireland as a lower-cost location in which to access the common European market, the type of activity and investment evolved to more value-added functions. A young, English-speaking, relatively well-educated workforce was a much-heard refrain from US-based MNCs in justifying their decision to establish their operations in Ireland. As Irish economic growth continued at breakneck speed throughout the 1990s and operating costs rose sharply, the traditional manufacturing operations that many of the older MNCs undertook in their Irish operations became less and less viable. However, foreign direct investment was supplanted by more hi-tech MNC activity that utilised the skills of a ready supply of Irish third-level graduates. As traditional manufacturing steadily declined, new industries with high levels of innovation – software development, biotechnology, internationally traded services, pharmaceuticals – began to make their presence felt in and around the Dublin region. The presence of MNC behemoths such as Wyeth (biopharma), Google (software) and Allianz (financial services) in the Dublin catchment area, to name but a few, is indicative of the structural change that has occurred in the Irish economy in the last 15 years. Nowhere is economic structural change away from traditional manufacturing and towards high-value-added service sectors more pronounced than in Dublin city and county.
In line with most developed nations, Ireland has witnessed a structural change in its economy through the decline of traditional manufacturing and the increasing dominance of the service sector. A whole range of service-based economic activity emerged onto the economic playing field of Dublin. Much of this service activity was not of the same economic worth or magnitude of the financially traded service sector but still played a critical supporting role in the economy nonetheless. The proliferation of hotels, pubs, restaurants, cafés, sandwich bars, retail outlets, sports and fitness centres, personal grooming outlets and other service businesses epitomised the confidence and vibrancy of Dublin from the mid-1990s up to the recent economic recession.

Unfortunately, cheap credit and consumerism led to the creation of a property bubble. The effects of the bursting of the property bubble and the laying bare of the weaknesses within the Irish economy are now being felt in the public finances, unemployment statistics and consumer confidence. Since the autumn of 2008, Dublin’s economy is contending with far more challenging trading conditions.

One final distinguishing feature of the Dublin economy over the last number of years that must be mentioned is the Dublin skyline. Over the last decade, the Dublin skyline was dotted with cranes. These cranes symbolised the fact that a building boom was in full swing. The Irish banks funded this building boom under the misapprehension that property prices would continue to rise. This proved to be a very costly miscalculation. The international financial system fell into disarray, credit dried up, property prices collapsed and the cranes started to disappear from the Dublin skyline. The collapse of the property sector has dealt a blow to the economy of Dublin, given the thousands of labour force members directly or indirectly employed in the construction sector. The sharp contraction in the construction sector is significant for another reason: it was in construction that a significant number of immigrants, particularly from the EU accession states in 2004, initially obtained employment. Like Irish men who immigrated to Britain or the US several decades previously, it was the building sites that absorbed thousands of Polish, Lithuanian, Latvian, Czech and Russian men. The supply of labour that the EU10 accession states made available to the Irish construction sector was indispensable to the unprecedented rate of house completions and infrastructural projects undertaken. Some of these immigrant labourers have returned home.

In the last few years, concerted efforts have been made by policymakers, the business community, academics and aspiring entrepreneurs to stimulate greater levels of innovative business start-ups. Recently, Trinity College Dublin and University College Dublin joined forces in an attempt to synchronise their research endeavours and generate significantly more indigenous high-value-added start-ups in key growth sectors. The previous international success of campus-based spin-offs (e.g. Crème Software Ltd, Eblana Photonics Ltd) is evidence of the fact that such breakthroughs are possible. What is more, the stated aim of raising the standard of Irish start-ups and envisioning their success on the international stage is further evidence of a widely held desire and will to position Dublin in the upper tier of urban economies renowned for their dynamic and innovative economic base. Among the most recent ideas proffered in developing Dublin as a ‘smart economy’ is to link its internationally acclaimed arts and cultural heritage to the wider economy. This is borne of the idea that the creativity that underpins Dublin’s artistic and cultural milieu can be funnelled into economically rewarding and advantageous pursuits. One of Ireland’s leading international businessmen and financiers, Dermot Desmond, only recently mooted the concept of a ‘global university’ for culture and the arts that would exploit Ireland’s rich heritage. Furthermore, there is scope to meld modern technologies with the cultural and artistic resources of Dublin city. Of relevance here could be the utilisation of digital technologies in the visual arts and the establishment of Dublin as an international centre of excellence in the provision of English language instruction and English literature education. Networks of small to medium-sized enterprises (SME) in the creative sectors of the economy are already established in Dublin, with CreativeD, a Dublin City Enterprise Board-supported network for the creative industries, of particular note.
Size and characteristics of the workforce

The latest employment data available from the Central Statistics Office (Quarterly National Household Survey, Quarter 2, 2009) are detailed in Table 5. From April 2007 to June 2009, Dublin experienced a sharp contraction in employment. From having 616,000 employed persons in Dublin as of April 2007, the numbers in employment fell to 561,700 as recorded in June 2009. Thus, Dublin has approximately 54,300 fewer employed persons now than it did in April 2007. This is reflected in the substantial rise in the total number of persons registered as unemployed in the Dublin region, which went from 31,000 in April 2007 to 64,600 in June 2009. The corresponding unemployment rates for Dublin for these two time periods are 4.8% and 10.3% respectively. The total labour force of Dublin was 626,300 as at June 2009. This represents a drop of just over 20,000 persons at the same date in 2007, when the Dublin labour force stood at 647,000. The labour force participation rate of Dublin also evinces a slight decrease between April 2007 and June 2009, dropping from 65.4% to 64.1%.

Overall, these figures for the Dublin labour force certainly do not make for positive reading. The deteriorating situation at both national and international economic levels has taken its toll on the health of the Dublin labour market. The gathering momentum of the economic recession that has enveloped Ireland is all too clear in the falling numbers in employment and the rapidly rising rate of unemployment, which more than doubled in the 2007 to 2009 period. It is anticipated that unemployment will continue to rise in the future, albeit at a slower rate. Hence, the labour market of Dublin can be expected to suffer further loss of employment and lengthening social welfare queues for the foreseeable future. More recent data released by the Central Statistics Office shows that the standardised unemployment rate in November 2009 stood at 12.5% (Central Statistics Office, December 2009). The Irish government has also conceded that a haemorrhaging of jobs will continue into 2010. Put simply, things are set to get worse in employment terms for Dublin and the other regions of Ireland before they will start to get better.

However, Dublin has fared better than all other Irish regions in respect of the percentage rate of unemployed persons in the labour force. The 10.3% rate of unemployment in Dublin is below the Irish state average of 12%. While not having the highest labour force participation rate (this honour belongs to the mid-east region with 65.9%), Dublin is nonetheless above the state labour force participation rate average of 62.5% as at June 2009.

Table 5: Persons aged 15 years and over classified by ILO economic status – Dublin Source: CSO

<table>
<thead>
<tr>
<th></th>
<th>Employed</th>
<th>Unemployed</th>
<th>Total labour force</th>
<th>Unemployment rate</th>
<th>Labour force participation rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Apr–Jun 2007</td>
<td>616,000</td>
<td>31,000</td>
<td>647,000</td>
<td>4.8%</td>
<td>65.4%</td>
</tr>
<tr>
<td>Jan–Mar 2008</td>
<td>620,600</td>
<td>30,900</td>
<td>651,400</td>
<td>4.7%</td>
<td>65.4%</td>
</tr>
<tr>
<td>Apr–Jan 2008</td>
<td>616,900</td>
<td>32,700</td>
<td>649,700</td>
<td>5%</td>
<td>65.6%</td>
</tr>
<tr>
<td>Jul–Sept 2008</td>
<td>616,600</td>
<td>43,100</td>
<td>659,700</td>
<td>6.5%</td>
<td>66.5%</td>
</tr>
<tr>
<td>Oct–Dec 2008</td>
<td>593,400</td>
<td>43,800</td>
<td>637,200</td>
<td>6.9%</td>
<td>64.7%</td>
</tr>
<tr>
<td>Jan–Mar 2009</td>
<td>571,800</td>
<td>55,600</td>
<td>627,400</td>
<td>8.9%</td>
<td>64.1%</td>
</tr>
<tr>
<td>Apr–Jun 2009</td>
<td>561,700</td>
<td>64,600</td>
<td>626,300</td>
<td>10.3%</td>
<td>64.1%</td>
</tr>
</tbody>
</table>

Source: Cooney and Flynn (2008)

Approximately 30% of the Dublin population has a third-level qualification, with a far greater number of degree holders than non-degree holders among third-level qualification holders. This is higher than the national average for Ireland. Another 17.5% of the Dublin population have yet to complete their full-time education, with the majority of these persons classified as attending a school or university. In total, the Dublin population aged 15 and over as recorded in the 2006 census is relatively well educated.
Development of SMEs

Due to the small size of the Irish nation and the dominance of Dublin in the economic activity of the country, the national data can be read with a certain degree of confidence that it broadly reflects the economic development of Dublin city and county from 1995 to 2005. Between 1995 and 2005 it is estimated that the number of small firms in Ireland jumped from 160,000 to 250,000. Slightly over half of the private sector non-agricultural workforce is employed in small firms. The 250,000 small firms recorded at 2005 represent 98% of all business entities in Ireland, with approximately 30% of all small firms based in Dublin city and county.

According to the Small Firms Association president, interviewed during the field visit, the number of small industrial firms remained static between 2000 and 2005. In contrast, the number of small construction firms more than doubled. However, the property crash of 2008 has caused the closure of thousands of small construction firms since this data was compiled. The number of small wholesale and retail firms showed little change over 1995 to 2005. This could be due to consolidation in the wholesale/retail sector. Perhaps what is most remarkable is the expansion of the service sector between 1995 and 2005. The number of small financial services firms rose from 1,000 to 5,000. Likewise, the number of ‘business services’ firms went from 20,000 in 1995 to 34,000 in 2005. ‘Other services’ increased from 15,000 firms in 1995 to 24,000 in 2005.

Employment in small industrial firms showed a significant increase between 1995 and 2000. However, between 2000 and 2005, employment levels remained static at 108,000 persons. To be expected, total employment for small construction firms increased by a multiple of 2.5 (from 86,000 in 1995 to 213,000 in 2005). ‘Business services’ is also noticeable due to the steep rise in the number of persons it employed over the 1995 to 2005 period, from 43,000 to 92,000 (Cooney and Flynn, 2008, p. 30).

Sectoral and spatial distribution of SMEs

Table 6 shows an estimation of the percentage number of small enterprises by sector, in the period 1995–2005. As clearly emerges, the construction, transport and communication, business services and financial services are sectors have developed more in the last decades.

Table 6: Number of SMEs in Dublin, 1995–2005, per sector (%)

<table>
<thead>
<tr>
<th>Sector</th>
<th>2005</th>
<th>2000</th>
<th>1995</th>
</tr>
</thead>
<tbody>
<tr>
<td>Industry</td>
<td>9.0</td>
<td>10.1</td>
<td>10.2</td>
</tr>
<tr>
<td>Construction</td>
<td>25.2</td>
<td>24.2</td>
<td>17.0</td>
</tr>
<tr>
<td>Wholesale and retail</td>
<td>17.0</td>
<td>19.4</td>
<td>26.8</td>
</tr>
<tr>
<td>Transport and communication</td>
<td>10.9</td>
<td>8.6</td>
<td>7.4</td>
</tr>
<tr>
<td>Financial services</td>
<td>2.0</td>
<td>1.6</td>
<td>0.5</td>
</tr>
<tr>
<td>Business services</td>
<td>13.5</td>
<td>13.5</td>
<td>12.8</td>
</tr>
<tr>
<td>Education</td>
<td>2.1</td>
<td>1.7</td>
<td>1.8</td>
</tr>
<tr>
<td>Health</td>
<td>4.9</td>
<td>5.0</td>
<td>4.1</td>
</tr>
<tr>
<td>Other services</td>
<td>9.5</td>
<td>8.6</td>
<td>9.5</td>
</tr>
<tr>
<td>Total</td>
<td>100</td>
<td>100</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Central Statistics Office, 2006 census
Manufacturing in Dublin is concentrated in the city centre, but pockets of manufacturing also lie on the periphery of the city. In Figure 1, the red shading represents the clustering or concentration of manufacturing firms (the brighter the shade of red, the heavier the concentration). Designated industrial parks/zones are to found throughout the city, helping to explain the clustering of manufacturing. The docklands area also contains a concentration of manufacturing entities. Its proximity to Dublin Port has meant that this area (visible on the map as the two bright red zones split by a single black line jutting into the sea) was the traditional heavy industry and manufacturing zone for Dublin city.

Figure 1: Spatial distribution of the manufacturing sector in Dublin, 2006

The wholesale and retail trade is dispersed throughout the city, but with an expected clustering in the city centre. In Figure 2 this is represented by the brighter shade of blue. The dispersed nature of the wholesale and retail trade is symbolic of the population growth of Dublin, particularly west Dublin. Commerce is clearly following the emergence of new and/or expanding population districts in Dublin and retail businesses are increasingly found on the outskirts of the city as urban sprawl continues unabated. It should be noted that Dublin city is best described as built on ‘a human scale’, which has the effect of lowering its population density relative to other European capitals where high-rise living is the norm.

Figure 2: Spatial distribution of the wholesale and retail sector in Dublin, 2006
Firms operating in the banking and financial services sector, indicated by the dark green colour in Figure 3, are to be found almost exclusively in the city centre, with the Irish Financial Services Centre (IFSC) playing host to a great number of them. The IFSC was created by the Irish government in the 1980s, upon the advice of successful Irish financiers, as a means of creating a lucrative financial services sector for Dublin. This policy was an undoubted success, with the IFSC having gone from strength to strength over the last two decades. The banking and financial services sector contains subsidiaries of the titans of banking, investment and financial management, such as Bank of America and HSBC, the headquarters of multinational corporations and their finance divisions as well as smaller, indigenous firms involved in niche areas of wealth management, pension fund administration and stock trading.

Figure 3: Spatial distribution of the banking and financial sector in Dublin, 2006

Source: Cooney and Flynn (2008)

Recent changes

The impact of the current economic crisis is clear if we look at unemployment rates in the Dublin city area. This rate increased from about 4% in 2007 to 13% in January 2010 and about 20% of registered unemployed are non-national.\(^5\)

Generally speaking, the impact is particularly acute for small Irish businesses. Since 2009, small firms have witnessed market demand dry up and credit lines previously made available from their financial institution withdrawn or significantly curtailed. What is more, the Irish economy in general has been exposed as uncompetitive in comparison to many of its competitor trading nations. Operating costs (rents, energy, insurance, waste disposal) soared from 2000 onwards, which gradually eroded the competitiveness of small Irish firms aiming to compete in international markets. Labour costs rose sharply too, with Ireland having one of the highest minimum wage rates in the eurozone. A depreciating sterling currency has not helped Irish firms exporting into the British market. Moreover, the favourable euro–sterling exchange rate has sent thousands of Irish shoppers into Northern Ireland to avail of markedly cheaper food, beverage and electrical goods. Added to this is the fact that after years of splurging, Irish consumers are now assuming a more parsimonious attitude when it comes to purchasing behaviour.

\(^5\) Interview with Gerry Folan, Integration Office – Enterprise and Communication – Dublin City Council, carried out by the author on 22 March 2010.
Collectively, these factors have placed a severe strain on thousands of small indigenous firms, whether domestically or internationally focused. The Irish commercial courts have never been busier, with applications for companies to be placed in receivership and liquidation growing at an alarming rate.

Gina Quinn, president of Dublin City Chamber of Commerce, declared during an interview that the number of bankruptcies is growing faster. She doesn’t have data on the number of non-national bankruptcies, but it’s possible to estimate that the rate is the same for Irish and non-Irish entrepreneurs who are closing their activities.6

Small construction firms have felt the full force of the bursting of the property bubble. However, it can be argued that what is happening in the construction sector is a necessary correction to the Irish economy, which had become dangerously dependent on the cyclical construction sector. Through no fault of their own, small firms in other sectors of the economy with sound business models are also beginning to suffer, unfortunately. It is a concern for the Irish state that a rapid reversal in its economic fortunes since 2008 months will continue to starve small firms of the oxygen – finance, healthy consumer demand and stable economic conditions – that they need to survive.

---

6 Interview with Gina Quinn, Dublin Chamber of Commerce, carried out by the author on 23 March 2010.
Definition of ethnic entrepreneurship

‘Ethnic entrepreneurship’ is the term used to describe business creation and the pursuit of business opportunities by foreign nationals in Dublin or elsewhere in Ireland. In identifying the actual business entity of the ‘ethnic entrepreneur’, the term ‘ethnic business’ (as opposed to ethnic enterprise) is the generally accepted form. It is these terms that have most frequently featured in public discourse on the phenomenon under scrutiny.

In certain instances the terms ‘minority entrepreneurs’ or ‘ethnic minority entrepreneurs’ have been employed. However, the utilisation of ‘minority’ as an adjective in describing the phenomena is somewhat problematic. Juxtaposing ‘minority’ with ‘entrepreneur’ introduces demographic categories including but not exclusive of foreign national groups in Ireland. For example, ‘minority entrepreneurs’ could possibly connote physically disabled entrepreneurs, homosexual entrepreneurs, female entrepreneurs, socially disadvantaged Irish entrepreneurs, geriatric entrepreneurs, etc. Hence, ‘minority entrepreneurs’ as a descriptive epithet would muddy the waters, so to speak. As stated above, it is ‘ethnic entrepreneurs’ engaged in ‘ethnic entrepreneurial activity’ as a means of creating ‘ethnic businesses’ that captures Irish discourse on the phenomenon in question.

It is interesting to compare and contrast terminology used in relation to members of non-Irish communities engaged in business activity with the terminology used in relation to indigenous Irish men or women pursuing business opportunities. Ordinarily, the ‘entrepreneur’ label is reserved for those Irish persons who are engaged in a particularly innovative and novel business idea that involves a high level of risk. ‘Entrepreneur’ as applied to Irish business actors connotes business professionalism, business success, high growth and to a lesser extent, internationally oriented business activities. Those Irish persons whose business ideas or activities do not fall into this category, which is the majority of the aspiring business class, are generally referred to as ‘small business owners’ or ‘company owners’. On this basis we can offer a partial rationalisation of why the indigenous minority are more generous in extending the laudable characterisation of entrepreneur to foreigners than to members of the dominant ethnic group. This is particularly apposite in the case of Dublin/Ireland given the relative newness of significant immigration flows in comparison to other European counterparts for whom immigration is now a well-established social and demographic process. It should not be forgotten that Ireland is dealing with its first generation of immigrants, most of whom have only been there less than six years.

Some non-Irish national groups would not be perceived as falling within the ‘ethnic entrepreneur’ category. This situation occurs because certain groups of foreign nationals resident in Ireland are similar to the Irish population as a whole in social and cultural terms as well as having English as their mother tongue. Hence, English nationals, who comprised the largest non-Irish national group in the 2006 census along with American, Canadian, Australian nationals and other persons who have their origins in the ‘Anglosphere’ (of which Ireland is most certainly a part), tend not to be labelled as ‘ethnic entrepreneurs’ or even as ‘ethnics’ in a more overarching sense. Moreover, persons from countries with a comparable GDP/capita to Ireland, which includes most of the 15 pre-2004 EU states, are not perceived as ‘ethnic entrepreneurs’ in the same way as persons from the 2004 EU accession states or persons from Asia, Africa or the Middle East. The comparable state of their economies and democratic societies to Ireland means that they are not faced with anything fundamentally unfamiliar as regards engaging in business activity and negotiating Irish society in a more general sense. This leads us to suggest that the epithet of ‘ethnic entrepreneur’ connotes a certain level of disadvantage experienced by the aspiring businessperson in negotiating the business landscape in Dublin and Ireland in the form of poor English language skills, cultural barriers, socio-economic status and possible racial prejudice that are not experienced by all non-Irish business actors.
Development of ethnic entrepreneurship

Immigration is a relatively recent phenomenon in Irish history; it is only in recent years that Ireland has turned from an emigration country to an immigration destination. At first it was the returning Irish diaspora who left during the 1980s and early 1990s that swelled the immigration ranks. However, at the dawning of the new millennium it was increasingly non-Irish people who were becoming the dominant immigrant cohort. Thereafter, Ireland rapidly absorbed hundreds of thousands of immigrants from both within and outside of the EU. The enlargement of the EU marks a watershed in the direction of Irish society insofar as it precipitated unprecedented inflows of ‘work-hungry’ migrants into Ireland.

As evidence of this process, the Integration Office of Dublin City Council was created in 2008. Its establishment, and mission to properly respond to demographic, cultural and economic transformation, occurred only after the increased immigration flows.

Unlike the other EU states, Ireland’s system of ethnic entrepreneurs is still in its adolescence; academic research in the domain is only beginning to attract attention. Studies that have been conducted on ethnic entrepreneurial activity and its distinctive character in Ireland reveal the first insights into the ethnic business milieu in Dublin. Firstly, the percentage of foreign nationals that are categorised as an ‘employer/own account worker’ can be gleaned from the 2006 census. In the academic sphere, work by Cooney and Flynn (2008) and Pinkowski (2009) are among the only attempts at scholarly engagement with ethnic entrepreneurship in Dublin/Ireland, its interaction with the wider business, economic, social and institutional environment and its likely trajectory in the years ahead.

Census Ireland 2006 can be used as the first point of departure in assessing the extent of ethnic entrepreneurship in Ireland. It shows that 7.8% of foreign nationals living in Ireland as at 2006 can be categorised as ‘employer/own account worker’. The corresponding percentage for the Irish population is 17.5%. Among the non-Irish population cohort, significant variation is evident across the various ethnic groups in respect of persons classified as ‘employer/own account worker’. Nationals from the UK are represented to a degree comparable with the indigenous population. Conversely, among nationals from ‘old Europe’, ‘new Europe’ and outside Europe, the percentage of persons categorised as ‘employer/own account worker’ is substantially lower.

Subsequent to the publication of this census data, Cooney and Flynn (2008) found in their study on the economic activity of foreign nationals in Ireland that approximately 12.6% fall into the category of ‘employer/own account worker’. The discrepancy between the two findings might be explained by the two-year time gap between the completion of the national Irish census and Cooney and Flynn’s study. Between 2006 and 2008, Ireland continued to experience unprecedented migration inflows. Furthermore, immigrants who arrived previous to 2006 had more time in which to embark on the path of entrepreneurship at the time of the latter study being undertaken. Cooney and Flynn’s (2008) study sheds light on the character of ethnic entrepreneurship in Ireland. Although the research base for this study was Dublin and the ethnic entrepreneurs used for the focus group were all resident in Dublin, the survey element was conducted on a nationwide basis. This aside, the survey findings are indicative of the extent and nature of ethnic entrepreneurship in Dublin. These findings will now be subject to analysis in throwing light on the character of ethnic entrepreneurship in a Dublin city context.

Taken together, 49% of ethnic entrepreneurs in Ireland are from central or eastern Europe. Africans make up 28% of this figure, Asians 18%, with the remaining 5% from ‘Other’ nations. Ethnic business owners in Ireland are predominantly male, relatively young and have a relatively high level of educational attainment. The social sciences, business and law have the highest percentages of ethnic entrepreneurs who have secured a third-level qualification. The age profile of

---

7 This data includes UK nationals living in Ireland.
ethnically owned businesses demonstrates that the majority have only established themselves in the last few years. Exactly 75% of the ethnic business respondents have been in operation for no more than two years, 16% are recorded as being in operation for three to four years, while only 9% have been in operation for five years or more. This typifies the quite nascent state of Ireland as a heterogeneous, multiracial society (Cooney and Flynn, 2008).

**Sectoral and spatial distribution of ethnic enterprises**

Ethnic businesses are recorded as operating across a broad range of sectors. During the field visit it was not possible to collect official data about the sectoral and spatial distribution of ethnic entrepreneurs because an official register doesn’t exist. From interviewing Gina Quinn from the Dublin Chamber of Commerce, it emerged that the main sectors in which ethnic entrepreneurs operate are manufacturing and services. Many of them are important actors in the Dublin Chamber; for example, a leading Pakistani entrepreneur is an active member of the Dublin Chamber Council.8

Nevertheless, it is possible to consider some interesting points looking again at the Cooney and Flynn (2008) study on Irish ethnic entrepreneurship, which shows that the ICT sector contains the highest number of ethnic businesses (about 17.5% of the sample they considered). The restaurant/food and wholesale/retail sectors feature prominently, accounting for 15% and 16% of the sample respectively. Consultancy businesses account for a significant number of ethnic businesses (13.5%), as do transport service providers (10%). The remainder comprises businesses in the financial sector (7.5%), personal services (6%), manufacturing (6%), construction (5%), security (1%) and miscellaneous businesses (2.5%).

Ethnic entrepreneurs are dispersed throughout Ireland, with Dublin unsurprisingly accounting for approximately 45% of ethnic businesses. The geographic distribution of ethnic entrepreneurship is recorded in Figure 4.

Figure 4: Geographic distribution of ethnic entrepreneurship in Ireland

![Geographic distribution of ethnic entrepreneurship in Ireland](image)

Source: Cooney and Flynn (2008)

There is no specific area of Dublin where ethnic businesses are located, but Moore Street or Capel Street in the city centre are where it is possible to observe the greatest number of ethnic shops. In Moore Street, for example, there are a number of African shops, Chinese shops and a covered market owned by a Polish entrepreneur in which only ethnic entrepreneurs have settled their businesses. Although rent prices have increased a lot in recent years, this is the main area

---

8 Interview with Gina Quinn, Dublin Chamber of Commerce, conducted by the author on 23 March 2010.
where ethnic commerce is evident. According to Reginald Okoflek Inya, member of the New Communities Partnership, an NGO for ethnic entrepreneurs, starting a business in Moore Street is becoming harder and harder. Most Africans who have opened their own shops in that area generally close in three months because rent is higher than earnings.\(^9\) Thus, it is likely that most ethnic businesses will move on to other areas, away from Dublin city centre.

**Ownership of ethnic businesses**

Little data are available on businesses ownership because no public offices in the local administration are tasked with registering or collecting them. However, we can refer to some interviews carried out during the field visit. Among the small group of ethnic entrepreneurs interviewed (mainly shop owners), most declared themselves to be individual entrepreneurs. The number of partnerships is higher in the construction sector and sometimes in the food and restaurant sector. The relationships between two or more owners are often family relationships: two brothers or a father and son are generally the most common types of partnership observed.

The number of franchise businesses owned by ethnic entrepreneurs seems to be quite low. It is likely that the high start-up financial requirements are perceived as a barrier by the majority of ethnic entrepreneurs.

In addition, we can also consider Cooney and Flynn’s (2008) research. According to them, slightly over half of surveyed ethnic businesses (52%) operate in sole ownership mode. Almost one in three businesses (31%) is registered as a limited company, with the remaining 17% taking the form of a partnership business arrangement.

**Reasons for an entrepreneurship career**

There are many reasons for ethnic minorities to embark on the path to business ownership. Some immigrants decide to start a business as a consequence of limited opportunities for progression in the open labour market, and according to Carter et al (2003), for example, it is possible to identify six categories of motivation that individuals have for starting a business. The first category, ‘innovation’, involves reasons that describe an individual’s intention to accomplish something new. The second category, ‘independence’, describes an entrepreneur’s desire for freedom, control and flexibility in the use of their time. ‘Recognition’ describes a person’s intention to obtain status, approval and recognition from family, friends and from those in the community, while ‘roles’ describes an individual’s desire to follow family traditions or emulate the example of others. ‘Financial success’ involves reasons that describe an intention to earn more money and achieve financial security, and finally, ‘self-realisation’ describes reasons involved with pursuing self-directed goals.

‘By becoming self-employed, immigrants acquire roles quite different from those of immigrants who became workers and also different from those of other mainstream entrepreneurs. By starting their own businesses, immigrant entrepreneurs create their own jobs. This enables them to circumvent some of the barriers they may encounter in looking for a job’

(Kloosterman and Rath, 2003).

In an Irish context, it appears that the ‘identification of a promising business opportunity’ is the primary causal factor in ethnic entrepreneurship. Difficulties in securing suitable employment and dissatisfaction with their employment situation are other reasons given in Cooney and Flynn’s research. It can thus be asserted that for the most part, ethnic entrepreneurs are attracted to business ownership for positive as opposed to negative reasons.

---

\(^9\) Interview with Reginald Okoflek Inya, New Communities Partnership, conducted by the author on 24 March 2010.
Case study: Dublin, Ireland

‘The opportunity to apply skills and talents’ is perceived to be the main motivating factor for ethnic entrepreneurs in establishing their own business. Interestingly, this reason exceeds the number of those who cited the possibility of making more money as the most attractive feature of business ownership. ‘Getting to be my own boss’ emerges in the two Irish research studies as the third highest advantageous aspect to business ownership.

In analysing the factors that impel ethnic persons down the path to establishing their own business, two more points are of interest. Firstly, the majority of ethnic entrepreneurs in Ireland were employees before instigating their own business venture. Only a few had always owned a business from the outset. According to Cooney and Flynn (2008), 38% of ethnic entrepreneurs considered in their sample owned a business in their country of origin prior to coming to Ireland. This means that the remaining 62% of ethnic entrepreneurs were business novices.

Market and competition

The markets that ethnic entrepreneurs generally cater for depend on the sector the business is in. It is not feasible to consider all the possibilities for ethnic businesses in relation to the consumers and customers of their products. But in the construction sector, for example, it is clear that customers of a Polish construction enterprise will be both Irish and non-nationals and generally speaking, most ethnic enterprises in the service sectors have a mix of Irish and non-national markets.

However, there are some differences among ethnic groups. For example, during the field visit in Dublin we observed a number of different ethnic enterprises. African food shops in the Moore Street area that sell food but also provide some services (phone, hair extensions, newspapers) are quite strongly oriented to a co-ethnic market.

Other kinds of enterprises, like those in the communication sector or transport (taxi companies), have a more mixed market. A similar reflection can be pointed out for fruit and vegetable shops. In the Dublin city centre market of Moore Street, immigrants are generally the customers of immigrant-owned shops in the covered market, while Irish people usually buy fruit and vegetable in the open-air market, which is strongly owned by Irish people, especially Irish women.

In contrast, a Slovakian woman opened a cake and pastries shop some years ago in the city centre. Her business is developing faster and she has a strong mix Irish and non-national markets. In analysing the primary market focus of ethnic businesses in Ireland, the following was revealed in Cooney and Flynn’s (2008) survey: the local market is the predominant focus for ethnic businesses (33%), followed by the national market (26%), international markets (25%) and regional markets within Ireland (16%).

Workforce, employment conditions and labour relations

The Census Ireland 2006 data does not provide any insight into the relationship between nationality and occupation in each Irish region and county; it provides data for this relationship for the country as a whole. From the national data, it is nevertheless possible to extract information about the relationships between nationality and occupation in the Dublin urban economy (see Table 7).

Significant differences are evident across the defined ethnic groups relative to the Irish population. In the case of nationals from the UK, Americas and Australia/New Zealand, the occupational profile is generally in keeping with the occupational profile of the Irish population. For persons from the pre-2004 EU countries, there is a strong presence in the clerical/management/government and professional/technical/health occupational groups. The reverse is true for the 2004 EU accession state nationals and, to a lesser extent, persons from the ‘rest of Europe’ category. Their occupational profile is definable by its concentration in the manufacturing and construction sectors. Almost one-third of Asians in the
labour force are in the professional/technical/health occupational group. This is almost double the corresponding percentage for Irish nationals and for other foreign national groups. Africans are represented in the professional/technical/health and services groups to the same extent as Irish nationals but are underrepresented in the other occupational groups relative to both Irish and other non-Irish population groups.

Applying the above to the Dublin workforce, we would expect to find pre-2004 EU nationals characterised by their presence in the clerical/management/government and professional/technical/health groups; we would expect to find 2004 EU accession state nationals with a strong showing in the manufacturing, construction and service sectors of Dublin; we would likely find a high percentage of Asians in the professional/technical/health occupational group and in the services group and a disproportionately low percentage in most of the other sectors (i.e. construction, manufacturing, transport); and we would anticipate Africans being dispersed across a range of industries, with a disproportionately high number ‘looking for first-time employment’. The fact that such a concentration of 2004 EU accession state nationals is concentrated in manufacturing, construction and services is worthy of further comment. The construction sector in Dublin, as elsewhere in Ireland, has come to a shuddering halt. Hence, it would appear that men from these countries are most adversely affected by the economic downturn. Both immigration statistics and unemployment statistics are increasingly bearing this out.

Table 7: Occupational profile for Irish and non-Irish nationals

<table>
<thead>
<tr>
<th>Occupational group</th>
<th>1. Irish</th>
<th>2. UK</th>
<th>3. EU pre-2004 (excl. Ireland and UK)</th>
<th>4. EU10</th>
<th>5. Rest of Europe</th>
</tr>
</thead>
<tbody>
<tr>
<td>Farming/Fishing/Forestry</td>
<td>82,071</td>
<td>4.6%</td>
<td>989</td>
<td>1.6%</td>
<td>388</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>205,085</td>
<td>11.6%</td>
<td>6,111</td>
<td>10%</td>
<td>1,855</td>
</tr>
<tr>
<td>Construction</td>
<td>147,862</td>
<td>8.35%</td>
<td>5,554</td>
<td>9%</td>
<td>1,294</td>
</tr>
<tr>
<td>Clerical/Management/Govt</td>
<td>329,832</td>
<td>18.6%</td>
<td>10,914</td>
<td>17.8%</td>
<td>7,523</td>
</tr>
<tr>
<td>Communication/Transport</td>
<td>100,139</td>
<td>5.65%</td>
<td>3,346</td>
<td>5.45%</td>
<td>955</td>
</tr>
<tr>
<td>Sales/Commerce</td>
<td>248,094</td>
<td>14%</td>
<td>8,456</td>
<td>13.8%</td>
<td>4,533</td>
</tr>
<tr>
<td>Professional/Technical/Health</td>
<td>294,199</td>
<td>16.6%</td>
<td>11,969</td>
<td>19.5%</td>
<td>6,925</td>
</tr>
<tr>
<td>Services</td>
<td>178,161</td>
<td>10%</td>
<td>7,052</td>
<td>11.5%</td>
<td>4,327</td>
</tr>
<tr>
<td>Other</td>
<td>167,985</td>
<td>9.50%</td>
<td>6,378</td>
<td>10.4%</td>
<td>3,022</td>
</tr>
<tr>
<td>Looking for first regular job</td>
<td>17,233</td>
<td>1%</td>
<td>597</td>
<td>1%</td>
<td>549</td>
</tr>
<tr>
<td>Total in Labour force</td>
<td>1,770,661</td>
<td>100%</td>
<td>61,366</td>
<td>100%</td>
<td>31,571</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Farming/Fishing/Forestry</td>
<td>62</td>
<td>.3%</td>
<td>156</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>1,288</td>
<td>6.9%</td>
<td>1,359</td>
</tr>
<tr>
<td>Construction</td>
<td>444</td>
<td>2.4%</td>
<td>431</td>
</tr>
<tr>
<td>Clerical/Management/Govt</td>
<td>1,439</td>
<td>7.7%</td>
<td>1,128</td>
</tr>
<tr>
<td>Communication/Transport</td>
<td>633</td>
<td>3.4%</td>
<td>435</td>
</tr>
<tr>
<td>Sales/Commerce</td>
<td>1,645</td>
<td>8.8%</td>
<td>2,482</td>
</tr>
<tr>
<td>Professional/Technical/Health</td>
<td>2,955</td>
<td>15.8%</td>
<td>8,577</td>
</tr>
<tr>
<td>Services</td>
<td>2,732</td>
<td>14.6%</td>
<td>7,321</td>
</tr>
<tr>
<td>Other</td>
<td>5,399</td>
<td>29%</td>
<td>4,329</td>
</tr>
<tr>
<td>Looking for first regular job</td>
<td>2,074</td>
<td>11.1%</td>
<td>953</td>
</tr>
<tr>
<td>Total in Labour force</td>
<td>18,671</td>
<td>100%</td>
<td>27,171</td>
</tr>
</tbody>
</table>

Source: Irish Census 2006
It’s quite hard to give a complete description of employment conditions and labor relations in ethnic enterprises. No data are available, and not many actors involved in the field visit could help us to describe this issue. However, labor conditions are quite different in all sectors and a large diffusion of undeclared work can be supposed. This can happen in small enterprises like shops in particular despite public controls. Sometimes there are problems in family enterprises where the employees are part of the owner’s family. Sisters, brothers, sons and daughters (sometimes very young) could be employed with undefined labor conditions. Another big problem around this issue is represented by immigrant workers’ low rate of unionisation.

**Problems and barriers**

**General management**

In other CLIP cities, general management problems facing ethnic entrepreneurs can be related to experiences of discrimination. However, in an Irish context, discrimination does not appear to be a debilitating challenge confronting ethnic entrepreneurs. Ethnic entrepreneurs interviewed during the field visit had not experienced discrimination in the course of running their business.

Other challenges cited by ethnic entrepreneurs centre on securing finance, gaining the trust of Irish business actors and a general lack of familiarity with the workings of the Irish business environment. Cooney and Flynn’s study (2008) states that approximately 44% of the sample considered in their research have a formal qualification in business management. This leaves a majority with no formal qualification in business management. In respect of their level of managerial experience, 73% of ethnic entrepreneurs had experience in a managerial role prior to establishing their own business (see Figure 5).

Figure 5: Business qualifications and previous managerial experience

![Figure 5: Business qualifications and previous managerial experience](image)

Source: Cooney and Flynn (2008)

Ethnic entrepreneurs’ assessment of their business skills limitations or deficiencies is also illuminating. In the case of business planning and organisation, financial management, cost control and marketing, a majority are of the opinion that they need to enhance their skill sets in each of these areas. In the case of other skills areas (customer relations, management of employees and information technology), a (slight) majority are of the opinion that their existing skills and knowledge are adequate.

**Financial management**

Access to finance is the most pressing challenge for ethnic entrepreneurs in Ireland. This is consistent with international experience. In fact, in speaking with entrepreneurs during the field visit about the barriers in starting a business, it became apparent that access to finance and the availability of money is perhaps the biggest problem in every sector and for all ethnic groups. This problem is common to all entrepreneurs, both Irish and non-national.
The economic crisis that has affected Ireland has made the situation worse for many of them. The rates of closures and bankruptcies increased in 2010–2011. According to Patrick Maphoso, a Nigerian entrepreneur interviewed during the field visit, the turnover among ethnic shops in Moore Street is high: ‘Generally, African entrepreneurs take a shop in Moore Street, paying a three months fee in advance. But after three months most of them now are closing their businesses. The rents is increased so much that they can’t go on more.’

A commercial bank in Dublin (Allied Irish Banks, AIB) improved its policies for helping immigrants, and of course ethnic entrepreneurship. It employed native-speaking Polish and Chinese and organised a specific front office called ‘the Polish desk’. However, as reported by its director, John Kelly, the number of ethnic entrepreneurs looking for credit loans is quite low at the moment because of the economic crisis. There is a common distrust among some ethnic groups regarding their possible relations with commercial banks and financial institutions, although it is easier for foreigners to request credit today than 10 years ago. Chinese entrepreneurs are the ones demanding the least credit. AIB has a large number of Chinese customers, but most of them only use bank services for sending money back home (remittances).

Cooney and Flynn’s (2008) survey has some further interesting points. Banks and building societies are the main sources from which respondents sought to obtain financial backing for their business. The majority of respondents in their study had approached a bank or building society in the last two years with a view to securing some form of financial backing. Those that did seek out finance from a bank or building society claimed a high rate of success. For each of the other sources of finance (credit unions, state agency or government-funded scheme, family/friends and business acquaintances), only a minority of respondents made an approach to obtain financial backing. In the case of business acquaintances, only a few of the respondents attempted to secure funds from this source. With the exception of state agencies, the success rate of those business owners who attempted to secure financial assistance is, in Cooney and Flynn’s study, impressively high.

Marketing

During the field visit, not many problems or barriers that ethnic entrepreneurs encounter with regard to their search for customers were registered. On this issue, the institutions and main actors we interviewed reported that ethnic entrepreneurs are suffering the same drop in customers as all other entrepreneurs. This drop is highest in the commerce sector, especially for neighbourhood enterprises.

Of course, many of those businesses that address their offer to a specific ethnic market (like halal butchery or African food shops) are suffering more because of the small number of potential customers. However, other small enterprises in the food sector, such as a kebab shop, a couple of Lebanese and Egyptian restaurants and Chinese restaurants, said they had a good mix of customers and didn’t encounter any specific problems regarding finding them. The ethnic food sector, of course, is one of the best from a marketing perspective.

In Cooney and Flynn’s (2008) study, it was found that approximately 31% of ethnic businesses estimated that their customer base was made up of at least 50% of their co-ethnics. Embeddedness in the ethnic milieu, while beneficial in many respects (such as ready supply of customers, social support, etc.), can sometimes militate against ethnic businesses breaking into the mainstream business community. It has been shown in the aforementioned study that only a minority of ethnic entrepreneurs are members of an Irish business organisation. Membership of such organisations offers opportunities for networking, which is particularly relevant in the case of business-to-business sales and marketing leads, and for absorbing know-how in particular sectors and market segments. On this basis, problems for ethnic entrepreneurs in marketing their product or service are very much entwined with their tendency to be disconnected from the mainstream business milieu and the opportunities that can come through interaction therein.
**Rules, regulations, bureaucracy and intermediary institutions**

Problems or barriers that ethnic entrepreneurs may encounter regarding requirements, regulations and relations with bureaucratic institutions are not so different from problems that a national entrepreneur may encounter. The only two different points could be related to the language comprehension and something we can call the ‘bureaucratic culture’ of the origin country. On this last point, we can argue that standards on environmental regulation, labour rights and health and safety regulations within the EU countries could be quite different from those in developing countries. In each of these areas, Ireland exhibits the same stringency as other European Member States. If the ethnic entrepreneur comes from a region of the world in which some state regulation and enforcement of environmental regulation, labour rights and health and safety standards are weak or non-existent, then there may be a temptation to ignore or sidestep the legal framework that governs doing business in Ireland. Furthermore, depending on the country from which they originate, some ethnic entrepreneurs may exhibit distrust towards state bureaucracy in general.

Of course, another strong barrier could be language. For many ethnic entrepreneurs, especially those recently arriving in Ireland, comprehension of the English language could be a problem. Yet Nigerian and Polish immigrants, among others, have reported not having many problems with understanding rules and laws.

In spite of this argument, most of the institutional actors interviewed during the field visit said that Ireland may be the easiest European country for an immigrant to start a business in. However, this depends on the immigrant’s country of origin, as there is a distinction between European Economic Area (EEA) nationals and non-EEA nationals. EEA nationals are treated no differently than Irish nationals in respect of registering their business in Ireland. At present, non-EEA nationals who wish to come to Ireland to establish a business must first obtain ‘business permission’ from the Minister for Justice, Equality and Law Reform. Under this system, non-EEA nationals applying for business permission must create employment (other than their own) and show a personal investment of EUR300,000 or more. In addition, the proposed business must meet the following criteria: create employment for at least two EEA nationals for a new project or, at the very least, maintain employment in an existing business; and add to the commercial activity and competitiveness of Ireland. Furthermore, a detailed plan for the proposed business venture along with a declaration of the skills profile of the putative entrepreneur must also be furnished. Officially, the standards to be met for a non-EEA national to enter Ireland for the purposes of establishing a business venture are high. Indeed, some would argue that the requirements in place at the moment are prohibitive as regards attracting non-EEA nationals with definite business plans into Ireland.

In the case of Dublin specifically and Ireland generally, a number of categories of non-EEA nationals are exempt from the requirement to obtain business permission. While some international research has shown that ethnic entrepreneurs are sometimes found to be operating in the ‘grey’ economy (i.e. under the radar of the mainstream business and institutional–legal environment), no evidence is available in relation to this in an Irish context. Instances of foreign national business owners circumventing or blatantly breaching rules and regulations in the operation of a business could potentially be found in payment of the minimum wage (the minimum wage in Ireland, at EUR8.75 per hour, is among the highest in the EU). As the supply of labour now outstrips the demand for labour in Ireland, and with unemployment now hovering in and around 12%, the more unscrupulous employers, both of Irish and non-Irish extraction, will take advantage of this depressed labour market by paying their employees less than the minimum wage. Economic analysts have commented that with a backdrop of economic recession in Ireland, the ‘grey economy’ is likely to flourish as business owners and tradesmen seek to gain advantage in an ever shrinking and price-conscious market.

Unfamiliarity with the local and national legal institutional framework for business activity is, of course, another barrier for many ethnic entrepreneurs. An example of such a problem was found during the field visit while interviewing some ethnic entrepreneurs. Many of them related that they regularly sought help from business advice and consulting services.
often operated by their co-ethnics, particularly in the start-up phase. They could be friends or relatives or, more often, just people suggested from other co-ethnics who operate at the interface of the mainstream business environment and the ethnic community of which they are a part.
Overall strategy

Significant changes have been made in Dublin city in the last number of years towards promoting business ownership to interested foreign nationals. Ethnic entrepreneurship development plays a very important role in the overall strategy supporting the integration of migrants at the local level. It represents a key issue for the city administration, although no specific policies are being promoted only for ethnic entrepreneurs. This means that the city administration tends to consider ethnic entrepreneurship as being part of a more general entrepreneurship issue. The idea is not to underline any diversity or specificity of ethnic entrepreneurship and to consider migration as an ordinary phenomenon. Therefore, the main strategy aims to strengthen the idea of a single group of entrepreneurship policies for both natives and immigrants.

Forfás (Ireland’s national policy advisory body for enterprise and science) has articulated its vision of Ireland becoming a world-class environment in which to start and grow a business in its policy document, Towards developing an entrepreneurship policy for Ireland (Forfás, 2007). This entrepreneurial vision is driven by an economic imperative, with particular emphasis placed on fostering high-potential start-ups (HPSUs) capable of competing internationally in high-value-added sectors of the global economy. Enterprise Ireland is the state agency charged with providing advice and financial support to HPSU businesses and encouraging all forms of entrepreneurship.

One strand to the strengthening of Ireland’s entrepreneurial base is tapping sectors of the Irish economy often overlooked and neglected as sources of entrepreneurial initiatives. The Small Business Forum, in its report Small business is big business, honed in on female entrepreneurs and ethnic entrepreneurs as latent sources of business activity (Forfás, 2006). Forfás (2007) reiterated this same recommendation, stating that female entrepreneurs, returning members of the Irish diaspora and ethnic minorities represent a potentially valuable source of entrepreneurial ideas and endeavours. Therefore, in the interest of maximising Ireland’s potential to become a renowned enterprise economy, both business creation and self-employment as a career choice should be actively encouraged from all sectors of the Irish economy. Through the Office for International Relations and Research, Dublin City Council initiated the Creative Dublin Alliance, which is directed towards accomplishing the following ambitious objectives:

- creating a clear vision for the future of Dublin;
- building a region that is supportive of its people by encouraging innovation and enterprise;
- continuing to grow an internationally renowned higher education sector;
- encouraging an open, merit-based, tolerant and inclusive society;
- developing a high-quality communications and transportation infrastructure for the city.

Additionally, Dublin City Council has launched a free online search tool geared towards assisting local firms in finding out about sources of funding (grants, loans, venture capital, tax relief, etc.). Undoubtedly, greater urgency has been injected into enhancing and strengthening the economic base of Dublin since the economic downturn. It is reasoned that now more than ever, Dublin needs to hold its own on the international stage in both supporting existing business and attracting new business.

In line with the national prerogative of harnessing entrepreneurial intent and aspiration from all quarters of the population, Dublin City Council has sought to explicitly address the area of immigrant entrepreneurship. Research entitled Challenges and promise for immigrant entrepreneurs in Ireland (2009) has been carried out by Professor Jack Pinkowski on the environment for ethnic entrepreneurship in Dublin. This was the first Dublin-specific research into the state of affairs concerning immigrant entrepreneurs in Dublin and made recommendations for ensuring the city is...
positioned to both support and subsequently benefit from the entrepreneurial endeavours of recently arrived immigrants. Areas flagged by Pinkowski for improvement include:

- greater networking and cooperation from the Economic Development Unit of Dublin City Council with other agencies and universities in the interests of reaching a maximum of immigrant entrepreneurs;
- more astute targeting of enterprise support services to immigrant entrepreneurs (lack of awareness of the existing enterprise support infrastructure is a major problem);
- employing immigrants from the main foreign national communities in Ireland in the bureaucratic apparatus.

To date, Dublin City Council has dedicated some resources to encourage ethnic entrepreneurship. The dual goals of underpinning the competitiveness and vibrancy of the local urban economy while also ensuring that immigrants participate fully in the economic, social and cultural life of the city are driving this process.

At national policy level, a ‘whole of government’ approach is dedicated to the task of ensuring Ireland’s new communities are successfully integrated into Irish society. This is set out in the National Economic and Social Council’s Managing migration in Ireland: A social and economic analysis (2006). Clearly, the economic sphere is one of the key areas in making sure that immigrants have equal opportunities to realise their economic potential. To this end, business ownership is proactively promoted to immigrants as an opportunity for them to fully apply their skills, experience and business acumen should they desire this career route. On the basis of the above policy position from the Office of the Minister for Integration, local authorities must assume ownership over and take responsibility for integration at the city or county level. It is at this level that immigrants interact with Irish state services (e.g. employment support, enterprise support, housing, education, etc.). In this context, since 2007 Dublin City Council, through a designated Office for Integration, has been proactive in developing integration policy at city level that promotes and supports the integration of immigrant communities in the economic, social, political and cultural life of Dublin city.

**Objectives and dimension**

As previously stated, local policies aiming to promote ethnic entrepreneurship are part of wider policies focused on the promotion of general entrepreneurship in the city of Dublin. However, some of them include specific measures aimed at providing services or facilities to immigrants who want to start a business. Most of them are intended to facilitate formal access to all information needed to start or administrate the business (information provided in different languages, specific training programmes, counselling, etc.). No specific policies aimed at developing ethnic entrepreneurship were registered. Therefore, the dimension of such policies is quite big because they are addressed to all citizens, both national and foreigners. In other words, all the measures observed in the fieldwork are part of the local administration’s ordinary strategies to improve the urban economic development. Two common threads permeate local initiatives for ethnic entrepreneurship in Dublin city. The first is to offer the opportunity of economic independence through self-employment ownership to immigrants, which is underpinned with a social integration objective as well. The second thread focuses on the distinct challenges that immigrants encounter in establishing and growing a successful business in an unfamiliar environment.

Further clarification of the objectives of ethnic entrepreneurship programmes throughout Dublin is possible by reference to Equal Emerge. This is a development partnership comprised of partners from Cork, Dublin and Galway. Its aim is to ‘to develop methodologies for the development and expansion of Ethnic Minority businesses and to assist SMEs in overcoming business obstacles within the regulatory and cultural environment’. Funded by the European Social Fund and the Department of Trade, Enterprise and Employment of the Irish state, it has been to the fore over the last number of years in the breadth and professionalism of the services it makes available to aspiring and established ethnic
entrepreneurs. It enumerates the following objectives as part of its mandate to positively contribute to ethnic entrepreneurial activity in Ireland:

- to raise awareness of the barriers faced by ethnic businesses among mainstream support services and agencies;
- to develop a best practice model of training for ethnic businesses and to inform the target group on ways to develop their businesses and break out into mainstream markets;
- to improve the support infrastructure for ethnic businesses in the pilot areas and to develop a strategy for integrating ethnic entrepreneurs into mainstream business networks;
- to create open communication channels with mainstream financial institutions in order to improve the situation regarding access to finance for ethnic businesses;
- to inform policy in this area and contribute to achieving national and EU targets as set out in various agendas and to mainstream the successful outputs of the project.

Main actors

Main actors involved in such a policy are both public and private actors. Some of them are directly involved in the local administration.

Across the Dublin region, a range of enterprise boards, area-based partnerships, enterprise training centres and immigrant-oriented institutes (e.g. the Institute for Minority Entrepreneurship in the Dublin Institute of Technology) have all sought, in different ways and with varying degrees of success, to embrace the needs of foreign nationals and to assist them throughout the stages of business creation and consolidation. One enterprise centre that is also worthy of mention is BASE, situated in West Dublin (Blanchardstown). BASE offers enterprise training exclusively designed for ethnic entrepreneurs in conjunction with the Equal Emerge initiative. The Blanchardstown area has among the highest number of resident immigrants. As such, this is an example of a local enterprise body responding to the changing demographic profile of Dublin city and county.

Table 8 provides a list of organisations from which ethnic entrepreneurs invariably solicit help and advice. In addition, there are other immigrant-specific associations such as Equal Emerge and the Institute for Minority Entrepreneurship, Dublin Institute of Technology.

Table 8: Enterprise support agencies in the Greater Dublin region

<table>
<thead>
<tr>
<th>Institution</th>
<th>Support provided</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dublin City Enterprise Board</td>
<td>Start-up counselling; sales and selling; ideas generation; mentoring; networking; enterprise facilities</td>
</tr>
<tr>
<td>Dublin Business Innovation Centre</td>
<td>Developing a business idea; starting a business; expanding a business</td>
</tr>
<tr>
<td>Dublin Inner City Partnership</td>
<td>Pre-start enterprise support; new enterprise support</td>
</tr>
<tr>
<td>Tallaght Enterprise Centre (Partas)</td>
<td>Pre-start enterprise support; new business start-up; existing enterprise support</td>
</tr>
<tr>
<td>CPLN Area Partnership</td>
<td>Support and advice for small businesses; promoting enterprise awareness</td>
</tr>
</tbody>
</table>

Source: Cooney and Flynn, 2008
Targets

As previously mentioned, the majority of policies addressing entrepreneurship are focused on applicant entrepreneurs in general, both Irish and not. The choice made by the municipality to include the support for ethnic entrepreneurs in the wider scope of policies promoting local enterprises makes it difficult to distinguish the various beneficiaries of such measures.

Although the policies do not address a specific population group, it is possible to identify the target by the phase addressed by the policies adopted. The majority of measures, in fact, address the start-up phase of a business. Such policies include orientation and accompanying programmes, setting up front offices for information as well as legal and administrative advice, loan programmes and subsidised loans as well as training courses for would-be entrepreneurs. In addition, a small number of policies address businesses that have already been set up.

Similarly, no distinction is made between the diverse immigrant groups (e.g. Poles, Nigerians, Brazilians and Chinese). Immigration is not at such an advanced stage in Dublin or anywhere in Ireland that a targeted approach to enterprise promotion wherein only persons from one foreign national group are accommodated on a particular training programme is pursued. However, given the dominance of particular foreign national groups in Ireland, namely Poles, Lithuanians, Nigerians, Chinese, Romanians and, more recently, Brazilians, it is entirely conceivable that a highly targeted approach will be adopted by the relevant enterprise support providers in the near future, for example an enterprise start-up course solely for Polish nationals resident in Dublin. As ethnic entrepreneurs from the same nations begin to form networks and associations, it is likely that it will become easier to identify and engage with them as a collective body. Ethnic-specific associations are already starting to take shape, for example the Eastern European Business Forum and Conference organised by the Institute for Minority Entrepreneurship in 2008 in Dublin.

Institutions

From a national and local institutions point of view, the framework of actors relevant for businesses is rather complex and reflects the centralisation approach typical of a small country like Ireland. Most policies are decided at the national level. Local political power is quite low and Dublin’s mayor is a type of administrative chief, elected by the city council every year. State institutions relevant for ethnic entrepreneurs include the following.

- The Department of Enterprise, Trade and Employment has the task of implementing industrial development policies for the SME sector. Its main activity is to allow for and provide financial concessions to businesses with the aim of pursuing important industrial policy objectives. The department also manages the Social Fund for SMEs. The department website provides businesses with a single access point to all government information and services. It represents the definitive source of information on doing business in Ireland and is user friendly and easy to navigate. It provides information on company law (starting and closing a business), tax returns, employment law, planning regulations, grants and funding sources, tendering for government work, etc. It is an indispensable resource for all those not fully familiar with the workings of the legal and institutional environment for commerce in Ireland.

- The Office of the Minister for Integration develops, drives and coordinates integration policy across government departments. The minister’s functions include promoting the integration of legal immigrants into Irish society, establishing new structures for this purpose, managing the resettlement of refugees admitted as part of the United Nations Resettlement Programme and administering funding from national and EU sources to promote integration. The office website represents a one-stop shop for immigrants wishing to inform themselves of the functioning of the Irish state as it affects them.
Enterprise Ireland is charged with promoting and supporting indigenous firms in high-value-added sectors of the economy and competing in international markets. Enterprise Ireland has offices across the world (e.g. Europe, Russia, Japan), all with the aim of assisting indigenous Irish firms in penetrating foreign markets and securing foreign customers for their products.

The Economic Development Unit of Dublin City Council is charged with the economic development of Dublin city. However, of specific relevance to ethnic entrepreneurs are the informational resources that the Economic Development Unit has on offer for all persons with a vested interest in commerce in Dublin city.

FÁS is Ireland’s national training and employment authority. Its mandate is to enhance the skills and competencies of individuals and enterprises in order for Ireland to further develop as a competitive, inclusive, knowledge-based economy. It strives to do this through the provision of tailored training and employment programmes that suit everyone’s needs.

There are also many non-state institutions relevant to ethnic entrepreneurs:

- IBEC (Irish Business and Employers Confederation) is the national umbrella organisation for businesses and employers in Ireland. IBEC provides its membership base of over 7,500 organisations with knowledge, influence and connections. IBEC staff offer practical employer services (industrial relations advice, HR training, health and safety and management consulting) as well as the opportunity to network and lobby at an industry level through a web of over 60 business sector associations.

- The Small Firms Association claims to be the ‘voice of small business’ in Ireland, with over 8,000 member companies. It offers, among other things, advice to its members in the areas of pay, employment law, health and safety regulations, debt management, managing insurance and managing IT.

- The Irish Small and Medium Enterprise Association Ltd is the independent organisation for the Irish small and medium business sector, with over 8,500 members nationwide. It offers a comprehensive range of advisory services and publications, independent lobbying and representation, cost-saving schemes, training and development programmes and regional networking events designed to enhance the day-to-day running of members’ businesses. The tax-deductible membership is a cost-effective way for SME owner/managers to network with like-minded businesspeople and to be continually updated on issues that impact on their business.

- Chamber of Commerce (Dublin branch) – Dublin Chamber of Commerce is a private association representing the interests of businesses, both large and small, in Ireland’s capital. As the premier networking organisation in the city, the chamber offers significant opportunities for business promotion and networking with other members. The chamber provides a range of business services, including business training, visa and export documentation, international business opportunities and discounts for members on a range of business services.

- Dublin City Enterprise Board operates a successful network of business owners in Dublin. In Dublin city there are several networks to choose from: Dublin City Enterprise Network for Women, PLATO Dublin and the Dublin City Enterprise Network for Women are run by Dublin City Enterprise Board. PLATO and BRITE (Business Register Interoperability Throughout Europe ) are joint initiatives between the four Dublin city and county enterprise boards.
Finally, there are some ethnic-specific associations for ethnic entrepreneurs:

- **Equal Emerge/Emerge Skillnet**: The concept of Emerge Skillnet grew from the highly successful Emerge Equal project that ended in December 2007. Ethnic minority entrepreneurs face many problems when starting up or growing a business in Ireland. Many of these problems are, of course, the same for any entrepreneur, but some problems are specific to ethnic minority entrepreneurs or affect ethnic entrepreneurs more acutely. In general, ethnic businesses are very small and only seldom grow into larger firms. They also often rely almost exclusively on co-ethnic social networks when starting their businesses. These networks provide access to markets, customers, finance, advice and labour and thereby facilitate the start-up process for many ethnic entrepreneurs. The market reach can be limited in comparison to indigenous entrepreneurs, highlighting the need to develop networking skills among ethnic entrepreneurs. Ethnic entrepreneurs face obstacles in accessing mainstream markets due to differences in business culture and business language which would enable them to have a better understanding of the opportunities available.

- **Institute for Minority Entrepreneurship**: Its primary objective is to bring significant benefit to its target markets (of which immigrants are among the main one) by researching the needs of minority entrepreneurship groups, developing appropriate training programmes and materials and delivering these programmes in the most effective manner possible for each individual group.

### Access to and involvement in policymaking

During the field visit, very low rates of membership in the mainstream business representative organisations among ethnic entrepreneurs was observed. Cooney and Flynn (2008) reported that only 11% of respondents to their survey were members of an Irish business representative organisation. Similarly, Pinkowski (2009) observed that no more than 20% of immigrant entrepreneurs in Dublin were even aware of the supporting role that state and member-based organisations play in Ireland and how they could benefit from engagement with these organisations. To date, it would appear that most ethnic entrepreneurs in Dublin are disconnected from the mainstream business environment and are disinclined to seek out membership of mainstream business representative organisations. Again, the primary reason recorded in explaining this state of affairs is lack of knowledge and awareness of the existence of these organisations (Cooney and Flynn, 2008). That immigrant-specific networks exist may explain the reticence of ethnic entrepreneurs of joining mainstream business organisations. Furthermore, many ethnic entrepreneurs could well be embedded in nation-specific or religion-specific informal networks and as such have neither the need nor the desire at present to become members of mainstream business representative organisations. Finally, during the field visit it was observed that Polish entrepreneurs showed the strongest tendency to be members of mainstream business representative organisations. African entrepreneurs complain that, in their opinion, there would be a sort of racist preconception against non-European entrepreneurs.

### Formal access to entrepreneurship

Immigrants entering the Irish state from outside the EEA and who intend to establish a business must obtain ‘business permission’ from the Minister for Justice. Obtaining such permission is contingent on satisfying a set of quite demanding conditions, including the commitment of EUR300,000 to the business, the creation of employment for at least two EEA nationals, the possession of a comprehensive business plan and more conditions besides. Needless to say, only a small number of non-EEA persons start a business using this route. No business permissions were issued between 2005 and 2007. However, non-EEA nationals resident in Ireland for five years or more are permitted to establish their own business. Furthermore, the following categories of non-EEA persons living in Ireland are exempted from having to secure business permissions:

- persons who have been granted refugee status by the Minister for Justice, Equality and Law Reform;
dependant relatives of EEA nationals exercising a valid right to reside in Ireland;

persons who have been granted permission to remain in the state on one of the following grounds: persons with permission to remain as the spouse of an Irish national; persons with permission to remain in Ireland on the basis that they are the parent of an Irish-born child (an Irish citizen); and persons who have been granted temporary leave to remain in the state on humanitarian grounds, having been in the asylum process.

Based on the personal experiences of many non-EEA ethnic entrepreneurs, it appears entirely possible to disregard these restrictions and set up a business anyway. That is to say, once a non-EEA person is in Ireland, there does not seem to be any direct impediment to them setting up their own business. It is a point of debate as to whether the business permission system is relevant to what is happening on the ground in relation to ethnic entrepreneurship among non-EEA nationals. For EEA nationals, there are no restrictions on starting a business. This is important, as it is EEA nationals that form the majority of Dublin’s and Ireland’s immigrants. Undoubtedly, it is easier for EEA immigrants to consider business ownership in Ireland free of any concern over satisfying residency criteria and requiring visa extensions, etc. Whether this will translate into higher levels of entrepreneurial behaviour on the part of EEA immigrants, particularly Poles, Lithuanians, Latvians, Slovaks, Czechs and Romanians, remains to be seen.

Rules and regulations

Unlike other European countries that exercise a system of devolved regional or even local government, Ireland operates predominantly on a centralised governance model. Relative to the Irish national parliament (Dáil Éireann), local authorities’ discretion over strategic decision-making in the domains of economic development, social policy, environmental protection and governance is circumscribed. This is reflected in the fact that a system of a directly elected Dublin mayor with the remit to wield real executive power has yet to come into being. Other major European cities directly elect their mayor and in many cases the cities themselves have a certain degree of autonomy in the management of their economic, social and cultural development as best suits their particular circumstances. The implication of the Irish governance model is that rules and regulations as they impact businesses are fairly standardised across the land.

With regard to regulation, legal obligations for small businesses to comply with a raft of EU-derived laws, as well as Irish-specific and even local authority-specific rules and regulations, can prove burdensome for small businesses. In other words, regulatory compliance, if performed correctly and in accordance with the law, can prove financially burdensome for small businesses. In response to this situation, the Irish government now operates a system of regulatory impact analyses to determine the effects of new regulations on the functioning and competitiveness of Irish-based businesses. It should be noted that the preponderance of regulation for business has emanated from the EU over the last number of decades. In many cases, the Irish state has attempted to minimise the regulatory impact of EU-derived laws. For example, the Employee Information and Consultation Directive was transposed into Irish law in a way that minimised its regulatory impact on businesses.

Tax regulation

Ireland has one of the lowest corporate tax rates in the EU at just 12.5%. Only the central and eastern European states have lower corporate tax rates. Moreover, Ireland’s corporate tax system is widely credited with being comprehensible and predictable from a business planning perspective. While 12.5% is the legal rate, astute tax management means that for many firms, particularly multinationals, the effective rate of corporate tax is in the single digits. ‘Tax breaks’ are central to the Irish tax system and firms can substantially reduce their overall tax liability by availing of tax breaks in areas such as expenditure on research and development.
Minimum wage regulation
Currently, the legal minimum wage in Ireland is EUR8.75. This minimum wage condition limits the discretion of small businesses in respect of wage costs, particularly in times when the supply of labour outstrips demand for labour. Calls have been made by employer bodies for the government to consider lowering the Irish minimum wage in recognition of markedly changed economic circumstances to when it was raised to its present level. With the exceptions of employees under the age of 18 and employees on apprenticeship and training periods, all employees must receive the national minimum wage from their employer. In Dublin the base hourly rate has tended to be above EUR8.75 per hour on account of the higher cost of living relative to other regions of the country.

Employment regulation and work permits
Complying with the law in respect of the employment of foreign nationals from particular nations is another consideration for ethnic businesses. All persons from the 2004 EU accession states (Poland, Lithuania, Latvia, Czech Republic, Slovakia, etc.) have been granted the legal right to work in Ireland and are protected in the same way as Irish citizens with reference to employment rights. (In fact, under existing equality legislation, foreign nationals who believe they have been the victim of prejudicial treatment in the labour market on account of their race can seek recourse to the Employment Equality Authority.) However, nationals from Romania and Bulgaria, EU members since 2007, must still obtain work permits to legally work in Ireland. This restriction looks set to continue into the near future. Ethnic businesses need to be cognisant of this fact and be aware that employment of such nationals without the requisite permits is contrary to the law. The same situation applies in the case of ethnic employers with employees from outside the EEA. Employing such persons without them having the necessary permits to live and work in the state means that they could run foul of the Office of the Labour Inspectorate, which is responsible for policing the labour market in Ireland. In recent years the Office of the Labour Inspectorate has taken on native Polish and Russian speakers to work as part of its labour regulation enforcement team. Given the tendency for ethnic employers to recruit from within their own communities, issues surrounding the legal status of their employees, along with their employees’ legal rights to work in Ireland, are highly pertinent. The employment of non-EEA nationals is governed in Ireland by the Employment Permits Acts 2003 and 2006. From June 2009 changes have been enacted to the work permits system for non-EEA nationals. This has had the effect of curtailing the prospects of all but highly skilled non-EEA migrants.

Health and safety
All workplaces at all times and all employers irrespective of risks, size or operations are bound by the Safety, Health and Welfare at Work Act 2005. This establishes the main provisions for securing health and safety in all workplaces. The Act assigns responsibilities and duties to all parties involved in workplace health and safety. Employers who have the greatest influence on risk have the greatest range of duties to satisfy, but employees, designers, manufacturers and owner/occupiers also have duties under the Act. In addition to establishing new duties for workplace health and safety, the Act also provides for a maximum penalty of EUR3 million and/or up to two years in prison for breaches of health and safety legislation.

Environmental regulations
The local authorities and the Environmental Protection Agency (EPA) regulate the impact of small businesses on the environment. They are the principal regulators and enforcers for environmental protection. It is the former that is most relevant for small businesses, as the EPA is responsible for environmental protection at a more national level (e.g. supervising the activities of local authorities in terms of environmental protection, overseeing the European WEEE Directive in Ireland, issuing licences for waste and other industrial activities).
Case study: Dublin, Ireland

Zoning plans

It must be noted that in Dublin city there are no mono-ethnic city areas since business followed two independent patterns, although in some city areas there are dominant nationalities: the previous migration streams on the one hand and the city planning patterns on the other hand. The Capel Street and Moore Street areas represent the highest concentration of ethnic businesses in the city centre.

The Economic Development Unit of Dublin City Council is charged with drafting developments plans and strategies for the economic, social and cultural growth of Dublin and making planning decisions regarding commercial and residential development in the city. The locally elected members of the City Council approve the City Development Plan and zoning recommendations therein. The Dublin city development plan 2005–2011, which came into force in February 2005, proposes a sustainable and vibrant city in the context of the strategy for the development of a greater Dublin:

'It focuses on intensification of the core area and protects the future of Dublin City Centre as the heart and pulse of the Dublin Region. The Development Plan proposes a flexible framework to: draw together the many diverse regeneration initiatives taking place in different locations; nurture the development of a modern knowledge economy and work with its capacity to develop economic clusters in local areas; embrace the emergence of cultural clusters which are seen to be increasingly important in underpinning quality of life and developing depth in our international profile; foster a sense of place and develop community identity in the city core and suburbs.'

Furthermore, the development plan refers to the need to engender ‘a series of character areas geared to promote diversity’. The draft review of the development plan is currently in progress and will take account of the significant change in population in relation to the diversity of Dublin city’s 15% foreign national population.

Sectoral rules and regulations

Most of the institutional actors interviewed during the field visit declared that Ireland might be the easiest European country where an immigrant can start their own business. Ethnic entrepreneurs in Dublin gravitate to sectors where barriers to entry are low, such as food/catering, wholesale/retail, small-scale construction, consultancy, service provision (transport, cleaning, security) and personal services (hairdressing). Generally, one does not have to possess a recognised qualification to establish a business in any of the above areas. In the area of consultancy, for example, there is no regulation of the industry whatsoever. Anyone who fancies themselves as a consultant in whatever field (excepting non-medical) can establish a business on this basis. This is in contrast to what is required of any person wishing to establish a pharmacy business, legal practice, medical practice, dental practice, etc. In many of these areas, one has to have undertaken their studies and qualified in Ireland or other approved countries in order to be admitted onto the eligible Irish register of professionals in the particular field. Thus, ethnic entrepreneurs tend not to be associated with sectors that are regulated by professional bodies. In the case of the construction sector, it is only necessary to have passed a Safe Pass course, which consists of one to two days of instruction in the safety aspects of working on a building site. For the security industry, new regulations have been introduced in the last two years to licence all persons working in non-static security positions. This is designed to ensure that persons with certain criminal convictions are precluded from working in security positions. However, this is an issue that affects security personnel more than the establishment of a security business per se. For the other sectors (retail/wholesale, food/catering, personal services, general service provisions) there are no criteria governing who is or is not qualified to establish a business in any of these sectors. The standard regulations governing all employers – health and safety, labour law, environmental protection – apply to all firms once established.

One industry in Ireland in which large number of immigrants have been attracted to, particularly African immigrants, is the urban taxi market. The Irish taxi market was deregulated some years ago, allowing any person to purchase a taxi
licences for a fraction of the price of taxi licences under the old regulated system (presently, the cost of a taxi licence is EUR6,300). Since the deregulation of the taxi market, a very visible immigrant presence is operating in Dublin and in other urban areas across Ireland. Hence, the taxi market is undoubtedly one sector in which the removal of restrictions in purchasing taxi licences facilitated a significant inflow of immigrants into this sector of the urban economy. As an example, during the field visit we had the opportunity to interview Mr Olatunji Idowu, a Nigerian entrepreneur leading a communication enterprise and a small taxi company. Mr Idowu told us that most ethnic entrepreneurs in the taxi sector are from Africa and confirmed that the deregulation of the taxi market improved the immigrant presence in the sector.

**Business acumen**

Different measures have been adopted in the Dublin area to strengthen awareness and share information concerning the possibilities of setting up and managing a business. The majority of them focus on the business start-up and some are specifically addressed to foreign citizens. Some of these measures are carried out by organisations that are not directly bound to the city authorities, although the city is often involved in sponsoring or financing.

The network of enterprise support agencies throughout Dublin constitutes the primary means through which knowledge relating to entrepreneurial strategies and the machinations of routine business are transmitted. Enterprise support programmes, whether provided by the Dublin City Enterprise Board or local area partnerships, are aimed at providing aspiring business owners with immersion courses in the rudiments of doing business in Ireland. They are aimed not only at aspiring entrepreneurs, but also at those persons who have made the leap into business ownership and need to improve their skills in areas such as planning and business growth, financial management and marketing. As well as the majority of enterprise course offerings targeted at small business owners in general, some organisations, such as the Institute for Minority Entrepreneurship (IME), Equal Emerge and the BASE centre in Blanchardstown, all offer bespoke enterprise training programmes. This is in recognition of the fact that there are challenges that are unique to immigrants in starting up a business in Ireland and that such challenges are best addressed through an ethnic bespoke enterprise training format.

**Finance**

As far as ethnic entrepreneurship is concerned, access to credit and financing for setting up and maintaining a business is one of the most important issues as well as one of the most critical points when drawing up policies for entrepreneurs. In the current economic recession climate, where the SME sector is in decline and more and more businesses are closing down or going bankrupt, finances are an extremely delicate and critical question.

First-Step Microfinance is among the financial support agencies most relevant to ethnic entrepreneurs in Ireland. Among the 80 to 85 entrepreneur customers of First-Step Microfinance, about 60% are ethnic entrepreneurs. The objective of First-Step Microfinance is to provide microfinance loans (i.e. loans less than EUR25,000) to start-up or expanding SMEs for job creation or protection. Loans are targeted at people who have difficulty securing finance from traditional banking sources. First-Step Microfinance is willing to assist persons who have lost their job in the recession or are newly unemployed and wish to start a small business but have difficulty securing finance from traditional banking sources. Considering that credit has all but dried up in the mainstream economy, the main financial institutions in Ireland have been accused of starving small businesses of credit as they attempt to repair their damaged balance sheets. First-Step Microfinance is therefore of use to ethnic entrepreneurs now more than ever before. First-Step’s revolving loan funds are supported by the Social Finance Foundation, Enterprise Ireland through the EU Seed and Venture Capital Fund and private sector sponsorship. Among the clients of First-Step is Mustapha Aboubi. Originally from Algeria, Mustapha is now the proud owner of The Olive Tree, a Mayo-based restaurant that specialises in eastern Mediterranean food. As he says, ‘Six months after I opened the store I realised that I needed to expand. I approached the local authority for a grant and they put me in touch with First-Step. Having gone through all the relevant paperwork, they gave me a loan, which I used to renovate the shop and fit it with a small kitchen to comply with the health and safety authority specifications.’
Apart from First-Step Microfinance, the various city and county enterprise boards throughout Ireland offer seed funding to qualifying small indigenous businesses. However, First-Step is the only microfinance agency operating in Dublin city area. In the case of Dublin City Enterprise Board, financial assistance is available, but is restricted to manufacturing businesses or businesses with a potential to export their products or services.

**Business locations**

During the field visit we didn’t find any specific measures aiming to promote, support or assist (ethnic) entrepreneurs in selecting their business location.

**Access to employment with ethnic businesses**

The field visit did not show any measure that aims to support access to employment or apprenticeships for migrants in ethnic businesses. As already mentioned, Dublin’s administration has decided not to consider ethnic entrepreneurship as an ‘out of the ordinary’ phenomenon. The city’s overall strategy does not include any specific measures for supporting the employment of foreign-only staff in ethnic businesses, nor do the other institutions. On this point at least, part of a field visit interview with a Nigerian entrepreneur is interesting:

‘Polish people arrived everywhere ... they are in the business mainstream association and they are in all the institutions. You can find Polish employees not only in Polish shops but also in the banks, in the government offices ... everywhere. You know, they are European and white-skin people, not like Nigerians.’

**Marketing and training and management support**

At a formal level there seem to be no measures that aim at improving entrepreneurs’ marketing skills, both ethnic and local. The prominent idea is that a liberalistic market doesn’t support the marketing activity of each small entrepreneur with specific measures. However, two organisations – Equal Emerge and the Institute of Minority Entrepreneurship – are central to encouraging and giving sustenance to ethnic entrepreneurs in Dublin city. These two entities were singled out for attention because they offer bespoke enterprise training programmes and ongoing business support and networks for ethnic entrepreneurs, primarily focused on the Dublin area. The Emerge Skillnets programme offers heavily subsidised places on its training programmes, including its business English course. In the area of sales and marketing, ethnic entrepreneurs can partake of the following courses: Marketing Your Business on a Budget (one day) and Super Sales (one day). In the area of management and supervisory skills, the following modules can be taken: Team Building (one day), Leadership Skills (one day), Managing Stress in the Workplace (one day) and Effective Business Communication (one day). Under personal development skills, the courses include Networking Skills (half-day), Presentation Skills (half-day), Creative Thinking Skills (half-day) and Lead and Succeed Workshop. Finally, in the area of finance and accounting, Managing Your Business Costs (one day) and How to Get Paid (one day) are available. While not as extensive, as part of its training course portfolio the Institute of Minority Entrepreneurship has recently organised evening seminars lasting 1.5 hours on the topics of marketing, finance and the internet (as of November 2009). What is clear is that ethnic entrepreneurs in Dublin city have access to bespoke enterprise training programmes created with the unique challenges confronting them in the Irish business environment in mind. The two aforesaid organisations have made considerable efforts to engender greater awareness of business ownership among immigrant groups in Dublin as a viable career option and, what is more, they have in place a suite of programmes all designed to equip ethnic entrepreneurs with the necessary skills, knowledge and business professionalism for success.
Transnational economic connections

In spite of the young character of immigration in Dublin, some interesting ethnic business associations have emerged recently. These actors aim at facilitating transnational economic connections between Ireland and overseas markets. Presently, the emphasis is on identifying market opportunities for indigenous Irish SMEs in growth economies such as China, India, Russia, Poland and so on. These bilateral trade associations between Ireland and what are envisaged as key export markets for the future serve as conduits through which Irish SMEs will strike up relationships with prominent business actors and associations in the particular market and thereby gain a foothold in the market. The main drivers behind this process are the Irish Exporters Association and Enterprise Ireland. Another facet of these bilateral trade associations in the not too distant future could well be ethnic entrepreneurs acting as a medium between Ireland and their country of origin. Some of the most important associations interviewed during our field visit in Dublin are the Ireland-China Association (founded in 2000), the Ireland-Poland Business Association (founded in 1991), the Ireland-India Council (founded in 2002), the Nigerian-Irish Chamber of Commerce and the Ireland-Russia Business Association (founded in 2009).

Illegal and informal practices

New working permit regulations have been enacted in Ireland since June 2009 for non-EEA persons. This development was a direct policy response to the deteriorating state of the Irish labour market. As ethnic entrepreneurs are inclined to hire from within their own ethnic groups, such a change in the law governing the recruitment and retention of non-EEA nationals has the potential to impact on the recruitment decisions of ethnic entrepreneurs. Those who flout the labour laws of Ireland by employing their co-ethnics without having secured proper visas and work permits for them could well run foul of the relevant authorities, namely the Office of the Labour Inspectorate.

In respect of tax evasion and the failure to pay VAT, this has been, and continues to be, a problem for the Irish sector throughout a cross-section of the economy and society. Thus, it can be argued that the Irish oversight system as regards tax compliance has, historically at least, not been rigorous enough in enforcing the law and deterring tax evaders. However, a concerted attempt has been made in recent years to systematically identify tax evaders from all walks of life and to recover unpaid taxes and levy sizeable fines on persons guilty of tax evasion. This is the context and institutional environment in which any discussion of tax non-compliance among ethnic entrepreneurs must be situated. In times of economic recession it is to be anticipated that economic activity in the ‘grey economy’ or even the black economy will undergo a resurgence as labour force participants attempt to simultaneously minimise their tax exposure and generate extra business by performing ‘cash in hand’ activity for customers or service users. In reaction to this negative development, one can also expect that the Revenue Commissioners of Ireland and Customs and Excise will adopt a more proactive approach to ensure tax compliance and maximise receipts owing to the Exchequer.
Ireland’s ‘eco-system’ of ethnic entrepreneurs is still in its adolescence. It was only at the beginning of the new millennium that the number of non-Irish persons arriving from abroad began to increase. Thereafter, Ireland rapidly absorbed hundreds of thousands of immigrants from both within and outside of the EU. The enlargement of the EU marked a watershed in the direction of Irish society insofar as this enlargement precipitated unprecedented inflows of ‘work-hungry’ migrants into Ireland. Today, Ireland is a real mix of nationalities, but it is important not to forget that this mix is less than a decade old.

Ethnic entrepreneurs in Dublin are generally young; in fact, the majority have only established themselves in the last few years. Most of them come from eastern Europe, with others coming from Africa and Asia. They are predominantly male and have a relatively high level of educational attainment, with the social sciences, business and law categories containing the highest percentage of ethnic entrepreneurs who have secured a third-level qualification. The sectors in which they operate most are ICT, restaurant/food and wholesale/retail, transport services, the financial sector and personal services.

Despite its young character, ethnic entrepreneurship is no longer a ‘phenomenon’ in the Dublin city urban economy because many businesses are well settled and structured, many associations have been established and a strong relationship with the city council offices and with other institutions has been built.

One of the most relevant points that emerged during the field visit was the difficult period that ethnic businesses are experiencing in the current economic downturn. The strong economic crisis that affected Ireland has made the situation worse for many of them and the rates of closures and bankruptcies increased since 2008. Speaking with some ethnic entrepreneurs during the field visit about problems and barriers in starting up a business, it clearly emerged that access to finance and the availability of money is probably the biggest problem in every sector and for all ethnic groups.

Regarding the local administration strategy and policies, we can state that although ethnic entrepreneurship development plays an important role in supporting the integration of migrants, no specific policies are being promoted only for ethnic entrepreneurs. This means that the city administration tends to consider ethnic entrepreneurship as being part of a more general entrepreneurship issue. Therefore, the main strategy aims to strengthen the idea of a single group of entrepreneurship policies and recipients, both natives and immigrants.

Two common threads permeate local initiatives for ethnic entrepreneurship in Dublin city. The first is to offer the opportunity to immigrants for economic independence through self-employment ownership, which is underpinned with a social integration objective (i.e. facilitating social inclusion by broadening the economic horizons of immigrants). The second thread focuses on the distinct challenges that immigrants encounter in establishing and growing a successful business in an unfamiliar environment.

Despite these threads, one of the most important points we noted during the field visit was the lack of power that local authorities have in drawing up policies to support ethnic businesses. Unlike other European countries that exercise a system of devolved regional or even local government, Ireland operates predominantly on a centralised governance model. The implication of the Irish governance model is that most of the policies and budgets are decided on at a higher level than the city one.

However, most of the policies and measures we could observe in the field visit support ethnic business start-ups, help immigrants to evaluate their own business ideas and to apply for all the requirements as well as help in relation to one of the biggest problems, namely, access to finance.
Generally speaking, the small dimensions of the city, the change occurring in the urban economy and the young character of ethnic entrepreneurship seem to be the most relevant factors producing positive effects. In fact, a quite strong network of ethnic entrepreneur associations is emerging and an interesting relation between the local authorities and this network can be observed.

**Good practices**

Outlined below are some of the policies and programmes that can be reported as good practices in the Dublin case study.

- The *Dublin city development plan 2005–2011* represents a statement of intent of the part of those empowered to decide the future direction and development of Dublin city. The plan aims to embrace the emergence of ‘cultural clusters’ and ‘character areas’ oriented towards promoting diversity. As ethnic entrepreneurship is integral to the cultural diversity of Dublin, the recognition of how diverse cultural influences can inject vibrancy and a cosmopolitan feel into Dublin and renew parts of the city blighted by urban decay bodes well for ethnic economic zones in Dublin and for ethnic entrepreneurs more generally. Put simply, a place is envisioned for immigrants in the future development of Dublin city.

- Equal Emerge, with the support of EU Equal Community Initiative funding, has established a nationally coordinated and locally delivered training programme designed to address some of the specific needs of ethnic minority entrepreneurs. It is arguably the organisation most directly relevant to immigrants embarking on a business venture in Ireland. The board of the development partnership that underpins Equal Emerge consists of representatives of enterprise support agencies in Dublin, Cork and Galway, a representative from FÁS (the Irish state employment training agency) and the director of the Small Firms Association (Patricia Callan) along with prominent ethnic entrepreneurs (e.g. Chinedu Onyejelem of Ireland’s first multicultural newspaper, *Metro Éireann*) and ethnic academics working in Ireland. In previous sections, the extensive bespoke suite of courses it offers was described, as was its attempts to foster networks of ethnic entrepreneurs throughout Ireland. Certainly, Emerge Skillnets constitutes one of the most focused interventions for ethnic entrepreneurship in an Irish context.

- The *Guide to enterprise in Dublin city* represents a one-stop shop for both aspiring and established entrepreneurs interested in finding out more about doing business in Dublin. It offers advice on the rudiments of starting a business (e.g. business plans, marketing, import and export advice), finance for the business, networks of business owners across Dublin city, a comprehensive listing of enterprise space available and what type of business training programmes are on offer across the city. Unfortunately, the guide is only available in the English language (except for a general introduction in Polish, Chinese, Czech and Latvian).


Dublin City Enterprise Board, Dublin City Council (2008), *Guide to enterprise in Dublin city*, Dublin.


Forfás (2007), Towards Developing an Entrepreneurship Policy for Ireland, Dublin.


References

© European Foundation for the Improvement of Living and Working Conditions, 2012

National Economic and Social Council (2006), Managing migration in Ireland: A social and economic analysis, Dublin.


## Interview partners

<table>
<thead>
<tr>
<th>Name</th>
<th>Organisation</th>
<th>Function</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gerry Folan</td>
<td>Dublin City Council – Integration Office</td>
<td>Officer/CLIP contact person</td>
</tr>
<tr>
<td>Eric Byrne</td>
<td>Dublin City Council</td>
<td>Chair, City Development Board</td>
</tr>
<tr>
<td>Martin Kanavagh</td>
<td>Dublin City Council</td>
<td>Director, Community and Enterprise</td>
</tr>
<tr>
<td>Kieran Rose</td>
<td>Dublin City Council</td>
<td>Economic Development Department</td>
</tr>
<tr>
<td>Lorna Maxwell</td>
<td>Dublin City Council</td>
<td>Economic Development Department</td>
</tr>
<tr>
<td>Jamie Cudden</td>
<td>Dublin City Council</td>
<td>International Relations Research City Council</td>
</tr>
<tr>
<td>Peter Finnegan</td>
<td>Dublin City Council</td>
<td>International Relations Research City Council</td>
</tr>
<tr>
<td>Kevin O’Sullivan</td>
<td>Dublin City Council</td>
<td>Irish Naturalisation and Immigration Service</td>
</tr>
<tr>
<td>Greg Swift</td>
<td>CEO, City Enterprise Board</td>
<td>Officer</td>
</tr>
<tr>
<td>Lorna Coleman</td>
<td>First Step – Micro Finance</td>
<td>Officer</td>
</tr>
<tr>
<td>John Kearns</td>
<td>CEO, Partas (enterprise NGO)</td>
<td>Officer</td>
</tr>
<tr>
<td>John Kelly</td>
<td>AIB (Allied Irish Bank)</td>
<td>Director</td>
</tr>
<tr>
<td>Sergey Tarutin</td>
<td>Irish Business Association</td>
<td>Member and entrepreneur</td>
</tr>
<tr>
<td>James Wickam</td>
<td>Trinity College</td>
<td>Professor</td>
</tr>
<tr>
<td>Gina Quinn</td>
<td>Dublin Chamber of Commerce</td>
<td>Director</td>
</tr>
<tr>
<td>Thomas Cooney</td>
<td>Dublin Institute of Technology</td>
<td>Director of Institute for Minority Entrepreneurship</td>
</tr>
<tr>
<td>Victor Huang</td>
<td>UCD Smurfit Business School</td>
<td>Entrepreneur</td>
</tr>
<tr>
<td>Patricia Callan</td>
<td>Small Firms Association</td>
<td>Director</td>
</tr>
<tr>
<td>Paul O’Sullivan</td>
<td>Clann Credo Social Finance</td>
<td>Director</td>
</tr>
<tr>
<td>Chinedu Onyejelem</td>
<td>Metro Éireann newspaper</td>
<td>Editor and entrepreneur/media</td>
</tr>
<tr>
<td>David Joyce</td>
<td>Trade Union Association</td>
<td>Officer</td>
</tr>
<tr>
<td>Olatunji Idowu</td>
<td>Nigerian entrepreneur</td>
<td>Entrepreneur</td>
</tr>
<tr>
<td>Patrick Maphoso</td>
<td>Nigerian entrepreneur</td>
<td>Entrepreneur</td>
</tr>
<tr>
<td>Reynald Okoflek Tnya</td>
<td>Metro Éireann newspaper</td>
<td>Entrepreneur</td>
</tr>
</tbody>
</table>

---

Francesco Tarantino, FIERI, Turin