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Chinese Entrepreneurship in Portugal: Traditional Ethnic Strategies?

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Abstracts - Although immigrant entrepreneurial activities have always been present in Europe, three historical circumstances rendered them more visible in recent decades. The increase in immigration flows and the concentration of immigrants in urban contexts stimulated the creation of a different type of demand associated with immigrant communities. Also the economic growth and expansion of several markets during the 1950s and 1960s produced a decline in native small and medium enterprises, leaving opportunities for immigrants in certain traditional sectors. Finally, the oil crisis in 1973/74 had substantial impacts in terms of the increase in immigrant unemployment. Within this framework immigrants found in entrepreneurship an alternative to economic integration in European societies. They were therefore responsible for the increase in rates of entrepreneurship between 1970 and 1980 (Light and Rosenstein 1995: 12-13, Waldinger et al. 1990: 80).

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I. INTRODUCTION

Although immigrant entrepreneurial activities have always been present in Europe, three historical circumstances rendered them more visible in recent decades. The increase in immigration flows and the concentration of immigrants in urban contexts stimulated the creation of a different type of demand associated with immigrant communities. Also the economic growth and expansion of several markets during the 1950s and 1960s produced a decline in native small and medium enterprises, leaving opportunities for immigrants in certain traditional sectors. Finally, the oil crisis in 1973/74 had substantial impacts in terms of the increase in immigrant unemployment. Within this framework immigrants found in entrepreneurship an alternative to economic integration in European societies. They were therefore responsible for the increase in rates of entrepreneurship between 1970 and 1980 (Light and Rosenstein 1995: 12-13, Waldinger et al. 1990: 80).

Furthermore the present change in consumer preferences, linked to globalisation, leads some scholars to believe that favourable conditions exist for the continuing growth of immigrant entrepreneurial strategies (Mars and Ward 1984, Boissevain 1984, Sassen 1991). As a result, today it is unthinkable to imagine cosmopolitan cities such as London, Amsterdam, Paris or Lisbon without immigrant entrepreneurs.

In Portugal, as in other receiving countries, during recent decades immigrants achieved higher entrepreneurial rates than natives. However, a deeper analysis of official data makes it clear that not all immigrant groups have the same propensity to become entrepreneurs. The Chinese stand out in this respect, with the highest rates of entrepreneurship in Portugal, although their migration is relatively recent, dating back only to the 1990s. Which factors then explain the Chinese community's disproportionate entrepreneurial rates? Do the Chinese have particular resources that make them more entrepreneurial than the natives and other immigrant groups? Does the Portuguese context hamper specific opportunities or constraints to their economic integration in the labour market? Or do we find similar entrepreneurial strategies among other Chinese entrepreneurs residing in different receiving societies? Why did Chinese entrepreneurship grow at

such an exceptional rate in the late 1990s in Portugal?

In seeking an answer to these questions, this article aims to scrutinise Chinese entrepreneurial strategies in Portugal and explain these exceptional rates in comparison to other immigrant entrepreneurs. This assessment will be provided through the analysis of data collected in a survey of 309 Chinese entrepreneurs residing in Portugal.ⁱ

II. IMMIGRANT ENTREPRENEURSHIP LITERATURE REVIEW

Immigrant entrepreneurship has been incorporated in academic research since the 1970s. This reflects in itself the growth and economic impact of immigrant entrepreneurial activities in different host contexts.

Several arguments have emerged to explain why certain immigrant groups are more entrepreneurial than others. The main contributions emphasise two explanatory dimensions. One dimension takes into account the characteristics of the immigrant community and another highlights the influences of the host context, including economic, social and institutional spheres.

The first explanatory dimension, developed essentially in the United States of America, is founded on the idea that entrepreneurial behaviour is a consequence of specific cultural motivations and of solidarity within the community. In this context the importance of certain family and ethnic resources was emphasised (Light and Gold 2000). Some researchers even found evidence of immigrant entrepreneurial communities who built closed and protected markets – *ethnic enclaves* – where immigrants were guaranteed higher incomes than they would attain in the open economy (Wilson and Portes, 1980, Portes and Manning, 1986, Portes and Stepick, 1993).

However, evidence from other research conducted has indicated that analyses based purely on cultural attributes and ethnic resources are responsible for the stereotyping of different immigrant groups. Furthermore, differences in entrepreneurial rates among identical ethnic groups in diverse countries and cities confirm the necessity of finding other explanatory variables (Oliveira 2007: 62).

Bearing in mind some of the criticisms aimed at the former explanatory models, new arguments have appeared that take into account the influence of both the opportunities and the constraints of the host contexts in the immigrants' definition of entrepreneurial

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strategies. Several researchers have highlighted the phenomenon of entrepreneurial behaviour as a reaction by immigrants to discrimination or unemployment in the receiving country's labour market, or even to obstacles to accessing opportunities for upward social mobility (Ward and Jenkins, 1984, Aldrich and Waldinger, 1990, Sassen 1995, Jones et al 2000). Furthermore, the policies of the host context (including the banking system and regulatory and institutional frameworks) can also imply different opportunities or constraints that affect immigrants' options in the host labour market. In other words, immigrants can only become entrepreneurs if they have the opportunity to do so.

The study of immigrant entrepreneurship all over the world has shown that these explanatory dimensions are not mutually exclusive. Immigrant entrepreneurial strategies are the result of the combination of several factors and not only the result of ethnic resources (Waldinger et al. 1990, Kloosterman and Rath 2001, Oliveira 2007).

In this context, several models have been developed, taking into account both the influence of the opportunity structures of the host societies and of the immigrant community's resources. The interactive model of Waldinger, Aldrich and Ward (1990) was the first effort at a multidimensional approach. The authors argued that group characteristics should be considered in their interaction with an opportunity structure. Therefore immigrant entrepreneurship was explained in accordance with the relationship between supply and demand, that is, what customers wanted to buy and what immigrants could provide.

Later, Kloosterman and Rath (2001), in a critical overview of research on immigrant entrepreneurship, provided an even more wide-ranging explanation with the *mixed embeddedness* hypothesis. The authors suggested that immigrant entrepreneurship is a much more complex field than analyses of supply and demand indicate, stressing that the opportunities on the demand side have to be accessible for aspiring entrepreneurs.

Even though Kloosterman and Rath recognised that immigrants' embeddedness in cultural, social, economic and political spheres is quite complex and can be relatively diverse, they did not take into account that immigrants do not necessarily mix all spheres in which they are embedded to define entrepreneurial strategies (Oliveira 2007:63). On the other hand, not all immigrants have access to the same resources and opportunities in defining their entrepreneurial activity (Oliveira 2005).

Therefore the definition of an entrepreneurial strategy is a creative process that can include different economic strategies, depending on the combination of resources and opportunities chosen. Immigrants do not necessarily bring together or capitalise on all spheres of their embeddedness (cultural, social, economic and

political) in setting up an entrepreneurial activity, but only those that guarantee better outcomes for their economic purposes.

Taking all of this into account, the analysis that will be undertaken in this article is based on the heuristic model created in previous research undertaken in Portugal. This summarises the most relevant explanatory elements - and their relationships with each other - in the definition of immigrant entrepreneurial strategies in host contexts (Oliveira 2005, Oliveira 2007). The model follows other attempts to show that there are no random factors in immigrant entrepreneurship and aims to reflect the resourceful dealings that immigrants establish within the context of their personal resources, social networks and structural opportunities, with the aim of defining entrepreneurial tactics (see figure 1).

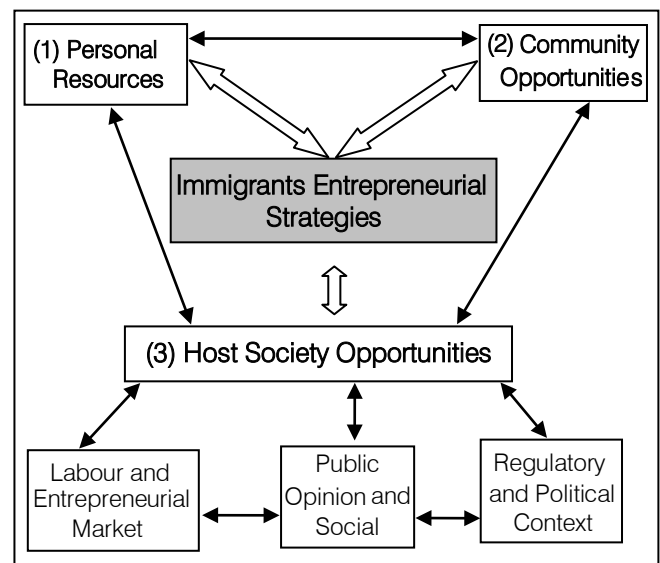


Figure 1 : The main components of entrepreneurshipⁱ

Viewed within this model, immigrant entrepreneurs are not seen as passive, but as actors who react to the opportunities and constraints with which they are confronted during the process of business creation. Furthermore, bearing in mind that opportunities are not necessarily obvious or transparent to all actors, nor are they available to all individuals or ethnic groups, these theoretical hypotheses consider that immigrant entrepreneurial strategies are a result of negotiation, adaptation, imagination and even reproduction of entrepreneurial options already pursued by others.

The application of this heuristic model to immigrant entrepreneurs in Portugal (Oliveira 2005) highlighted the fact that immigrant entrepreneurial strategies emerge from an inventive and lively interaction of three different components:

- 1) The individual with his or her *personal resources*. These personal resources include predisposing factors to entrepreneurship such as savings, education, entrepreneurial and work experience,

age, legal status in the receiving country, language skills, migratory experience and ambitions.

- 2) The immigrant community, that is, the social networks in which immigrants are embedded and their resources. The importance of *ethnic resources* to immigrant entrepreneurship has been highlighted by several authors.ⁱⁱⁱ These resources include financial support, labour,
- 3) Consumers, suppliers and advice based on the community's entrepreneurial experience.
- 4) The host society, including both the labour market, the policy and the regulatory framework and public opinion. In other words, this component emphasises the *opportunity structure* that immigrants find in the receiving country. To do well in business, immigrants have to find openings in the entrepreneurial market, no constraints in the receiving country's regulatory regime and no negative public opinion, especially if their business is dependent on native customers.

The absence of opportunities in either one or two of these components does not necessarily mean that immigrants will not develop an entrepreneurial strategy, since they can also rely on only one strong source of resources. However, the lack of certain key resources can affect the levels of profit or success of the business. As will be shown in further detail, this is particularly true of Chinese entrepreneurs in Portugal, who belong to a group with a prior history of entrepreneurship and strong ethnic resources. Nevertheless they have been significantly affected by the Portuguese opportunity structure at certain periods of time. It is important to take into account that resources and opportunities that immigrants have access to the definition of entrepreneurial strategies are not necessarily constant in time or space. The change of a policy or a certain incident that generates negative or positive public opinion on immigration - or about a certain ethnic group -, for example, can define clear alterations in the opportunity structure for immigrant entrepreneurship.

In sum, the interaction and flow of resources between these three components is the vibrant core of the explanation as to why some immigrants develop entrepreneurial activities and others are not able to do so in certain spatial contexts and through time (Oliveira 2004a).

III. CHINESE ENTREPRENEURIAL OPPORTUNITIES AND RESOURCES IN PORTUGAL

Historical relations between Portugal and China date back to the sixteenth century, when Macao was colonised and gradually occupied by the Portuguese.

Nevertheless, the presence of Chinese immigrants in Portugal only became noticeable during the twentieth century, and they mainly hailed from

Zhejiang Province, namely from Qingtian and Wenzhou (Oliveira 2002:229, Oliveira and Costa 2008: 254).

The increase in Chinese immigrants was particularly intense during the 1990s, when two extraordinary regularisation processes took place in Portugal (one in 1992/93 and another in 1996). In 1985 there were 785 Chinese immigrants officially registered in Portugal, while in 1995 that figure grew to 2,202, reaching 9,695 in 2006. Close to 71% of the Chinese entrepreneurs surveyed declared that they had arrived in Portugal during the 1990s (see table 1).

Table 1 : Decade of arrival of Chinese entrepreneurs in Portugal

Decade of arrival to Portugal	Chinese Entrepreneurs	
	N	%
1960s	3	1.0
1970s	9	3.0
1980s	76	25.1
1990s and after	215	71.0
Total	303	100

Source : Oliveira (2005 : 77).

Note : 6 entrepreneurs declined to answer this question

The framework that justified the Chinese flow during the 1990s highlights very well the influence of the opportunity structure of Portugal on Chinese entrepreneurial strategies in the country. The fact is that some of these Chinese migrants did not intend to come and invest in Portugal, but merely to acquire a legal status within Europe (Oliveira 2003). A significant number of the Chinese people surveyed declared that they had come from another European country, and that they had eventually stayed when they discovered the lack of competition in their business sectors in Portugal (see table 2).

Table 2 : Migratory Experiences of Chinese Entrepreneurs

Countries of passage	Chinese Entrepreneurs	
	N	%
Directly from China to Portugal	177	57.3
Through European countries	116	37.5
Spain	48	15.5
France	20	6.5
The Netherlands	15	4.9
Germany	8	2.6
Through non-European countries	16	5.2
Total	309	100

Source : Oliveira (2005 : 86)

The arrival of the Chinese, and the Asians in general, contributed to the diversification of both the nationalities and the occupations of immigrants in Portugal. Immigration in the country until the 1980s was essentially dominated by Africans from former

Portuguese colonies, who entered the low-skilled sectors of the labour market, mainly in construction and cleaning. Hence the Chinese immigrants not only defined alternative forms of immigrant economic integration in the Portuguese labour market, by revealing an aptitude for entrepreneurship and self-employment, but also defined new economic niches for immigrants, for example, retail and ethnic restaurants. As a result, gradually during the past decades, the Chinese have become the immigrant group with the highest rates of entrepreneurship in Portugal (see table 3).

Table 3 : Entrepreneurship Rates¹ among immigrants between 1981 and 2001

Nationality	Rate of Entrepreneurship 1981	Rate of Entrepreneurship 1991	Rate of Entrepreneurship 2001
Europeans	12.0	13.3	9.9
Africans	1.1	3.4	6.7
Americans	5.1	8.8	13.6
Asians	9.8	21.3	19.1
Chinese	22.2	24.1	36.0
Indians	7.9	17.6	7.6
Pakistanis	1.7	30.7	6.3
TOTAL	3.2	6.2	9.8
Foreigners	5.1	7.7	10.2
Portuguese	3.1	6.2	9.8

Source : Census, Portuguese National Institute for Statistics

In this context, what explains the growth of Chinese entrepreneurial rates in Portugal from 1981 to 2001? And what explains the exceptional entrepreneurial rates of Chinese immigrants in comparison to the other immigrant groups?

As discussed above, in order to understand the patterns of entrepreneurial strategies, different explanatory components should be considered, and not only ethnic or community resources. Nevertheless, the influence of the Portuguese opportunity structure and community resources will be emphasised as the most relevant explanatory dimensions to Chinese entrepreneurship in Portugal.

IV. THE OPPORTUNITY STRUCTURE FOR CHINESE ENTREPRENEURS IN PORTUGAL

Similarly to other Southern European countries, Portugal only started experiencing immigration in the end of the 1970s and beginning of the 1980s, after the end of the dictatorial regime. The first immigration act dates back only to 1981, when Portugal was in a transition period, preparing for accession to the

European Economic Community. In reference to the particularities of Portugal, several researchers have also proven the existence of a relatively large informal economy and a fragile welfare state (Baganha et al. 1999). Others contend that Portugal as a host context for immigrants represents a strong market and a weak state (Peixoto, 2002).

With respect to entrepreneurship, Portuguese policies do not construct explicit or formal barriers to immigrant investment. The law recognises equal rights for national and foreign citizens with legal residence in Portugal. However, certain laws had indirect effects on immigrant entrepreneurship.

Two examples of the previous Portuguese regulatory framework highlight very well how the host context can inhibit or impose constraints on the formal entrepreneurial activities of immigrants. The first was a consequence of the previous labour law. Until 1998, enterprises with more than five workers (even counting unpaid workers) were obliged to employ 90% Portuguese workers. Considering that a significant number of immigrant entrepreneurial strategies are based on employing co-ethnic workers, this imposed a clear constraint. The disappearance of that requirement in 1998, with the change in the law, is one of the explanations for the growth of entrepreneurial rates among Chinese from 1991 to 2001 (see table 3). As will be shown below, Chinese entrepreneurial strategies in Portugal are almost totally based on the employment of co-ethnic workers.

The second example is linked to the immigration act that was in force until 2007. According to the previous law only immigrants with an authorisation of residence or with a special work visa for self-employment could create a (formal) business in Portugal. Those who had other statuses would have to wait from three to five years before they were able to commence a legal entrepreneurial strategy. A limitation was also foreseen in the previous law: immigrants who had any status other than an authorisation of residence or a special work visa for self-employment, and who paid social security contributions, could benefit from unemployment payments but could not create their own job through entrepreneurship.

These impediments stimulated a certain level of informal entrepreneurship among Chinese immigrants in Portugal. Some of the Chinese entrepreneurs interviewed declared that although they were the person responsible for all of the business activities, a co-ethnic whom they trusted gave the name to the business because they were not entitled to do so.

Other obstacles are linked to the private sector. In Portugal immigrants have serious difficulties in accessing capital other than co-ethnic resources or savings. Only very few immigrant entrepreneurs have access to bank loans. As a consequence, the majority of foreigners to whom bank loans were refused are

¹ The entrepreneurship rate corresponds to the number of employers per 100 active workers.

strictly dependent on community support, savings, micro-credit schemes, or loans from banks in their country of origin. These constraints reduce the range of immigrant entrepreneurial options. Apparently this is not seen as a constraint by the majority of Chinese entrepreneurs. Only 14 Chinese entrepreneurs (out of 309) declared that constraints in accessing bank loans were among the most relevant difficulties in the definition of entrepreneurial strategies in Portugal.^{iv}

As discussed above, immigrants mobilise and take advantage of the most relevant resources and opportunities in the different spheres that they are embedded in. It is clear that in the Chinese case, potential entrepreneurs are able to evade this particular constraint in the Portuguese opportunity structure through capitalisation on community resources. Similar to what has been observed in other receiving countries^v, Chinese entrepreneurs in Portugal mainly mobilised economic support from relatives (66.3%). Some of those entrepreneurs also had complementary financial support from friends and other members of the Chinese community settled in Portugal (44%). Of the 309 Chinese entrepreneurs interviewed only 10% had access to bank loans from Portuguese banks (Oliveira 2005: 126).

Among the most relevant difficulties in the definition of an entrepreneurial strategy in Portugal, the Chinese entrepreneurs interviewed identified lack of knowledge and of understanding of Portuguese laws (64.9%), and lack of clients (38.2%).

These two main difficulties reflect the vulnerabilities of Chinese entrepreneurial strategies in Portugal. Lack of knowledge of Portuguese laws has led, indirectly, to informality and disrespect for certain rules among some Chinese entrepreneurs. The media has reported that labour inspections in Chinese restaurants highlighted the existence, in some cases, of certain illegalities in relation to health and safety regulations. In 2006, in particular, the Portuguese State undertook several inspections, which degenerated into a negative campaign by the media about Chinese restaurants. This affected the demand for those restaurants^{vi} and the Chinese community declared that they had been the target of discrimination. As a consequence the Commission Against Discrimination (CICDR) of Portugal made several public statements about the illegality and stigmatisation associated with these actions by the labour inspection targeting only Chinese.^{vii}

This example underlines very well how public opinion about these entrepreneurs has important impacts in terms of their entrepreneurial success, particularly in view of the fact that the majority of Chinese businesses in Portugal are dependent upon native clients (see table 4).^{viii}

Table 4 : Chinese Entrepreneurs' clients

Origin of the Clients	Chinese Entrepreneurs	
	N	%
Co-ethnics	6	1.9
Portuguese	200	64.7
Other immigrant nationalities	3	1.0
Co-ethnics and Portuguese	9	2.9
Co-ethnics and other immigrant nationalities	1	0.3
Other immigrant nationalities and Portuguese	3	1.0
Diverse clientele	87	28.2
Total	309	100

Source : Oliveira (2005 :117).

The host context can also have other important consequences for the characteristics of Chinese entrepreneurial strategies. Similarly to other European societies and contrary to what was observed in North America and Southeast Asia, Chinese immigrants in Portugal are dispersed around the country, mainly in urban areas (Oliveira 2002: 230). Furthermore, unlike what happens elsewhere in the world, the Chinese in Portugal have thus far not formed *Chinatowns*. This does not necessarily mean, however, that they did not want to do so. In a particular area of Lisbon – Mouraria - Chinese entrepreneurs, acknowledging a commercial potential, have been lobbying for the change of the neighbourhood's identity into a Chinatown. However, as has been shown above, it is not only the motivation of the immigrants that make them succeed, they also need to be able to do so. The opportunity structure of the local context played a key role in this case. A conflict arose as the Municipal Council did not authorise the identity change of the area, arguing that the neighbourhood was part of the city's heritage (Oliveira 2008).

This section mainly sought to highlight how Portugal – as an opportunity structure for immigrant entrepreneurship – has affected Chinese entrepreneurial strategies during recent years. However, because other explanatory components can make the difference in terms of business success, a deeper analysis of the Chinese community's resources is crucial in explaining why this group has the highest entrepreneurial rates in Portugal.

V. ETHNIC RESOURCES OF CHINESE IMMIGRANTS IN PORTUGAL

Ethnic resources vary from country to country and with time. The migratory experiences and the situation of each immigrant population in the receiving country frame the resources that immigrants can mobilise in their community. As outlined above, ethnic resources can be crucial for the definition of an entrepreneurial strategy (Waldinger et al 1990, Light and Gold 2000).

In the Chinese case in Portugal the resources sourced in the community proved to be the key element in entrepreneurial behaviour (Oliveira 2005, Oliveira 2007). The first crucial resource provided by the Chinese community is labour. Family workers play a fundamental role: only 22.8% of the Chinese entrepreneurs interviewed do not employ family workers (see table 5). In comparison with other immigrant entrepreneurs in Portugal, Chinese entrepreneurs are also exceptional in terms of unpaid family workers: 16.2% of these entrepreneurs declared that they did not pay a salary to relatives who work in their businesses (Oliveira 2005: 132).

Table 5 : Number of Family Workers in the Chinese Businesses

Number of Family Workers	Chinese Entrepreneurs	
	N	%
0	70	22.8
1	51	16.6
2	96	31.3
3	42	13.7
4 or more	48	15.6
Total	307	100

Source : Oliveira (2005 : 131).

Note : 2 entrepreneurs declined to answer to this question.

Moreover, as observed in other countries^{ix}, co-ethnic workers are vital to Chinese businesses. Chinese entrepreneurs in Portugal prefer to contract co-ethnic workers - only 22.7% declared that they preferred to contract non co-ethnic workers. The social networks that these entrepreneurs mobilise support them with a workforce who accepts longer working days and lower salaries. The Chinese entrepreneurs interviewed justified their choice because they trust co-ethnics more and because it is easier to communicate in their native language.

The same social networks also provide relevant information and strategic knowledge for entrepreneurial strategies. The majority of Chinese entrepreneurs (70.6%) meet their suppliers through informal contacts within the community (see table 6).

Table 6 : How the Chinese entrepreneur met his or her supplier

How the entrepreneur met the suppliers	Chinese Entrepreneurs	
	N	%
Through relatives, friends and community members	218	70.6
Through publicity, Chambers of Commerce	39	12.6
Mixing formal and informal contacts	38	12.3
Do not remember	14	4.5
Total	309	100

Source : Oliveira (2005 :138).

The same entrepreneurs also confirmed that privileged contacts with the community were crucial for the definition of their entrepreneurial strategy in Portugal:

71.8% declared that they had contacts with co-ethnic entrepreneurs in the same business sector. Most also declared that the co-ethnic community guaranteed access to their first job in Portugal (69.9%), and 50.8% had actually arrived to the country already contracted by a co-ethnic entrepreneur (Oliveira 2005: 135).

The professional experience acquired in co-ethnic enterprises was also an important resource for some of the entrepreneurs in defining their own strategy, because it provided the necessary information about Portugal for them to make a safer investment.

However, these same privileged relations of solidarity and trust that characterise Chinese entrepreneurship in Portugal can also result in conflicts. As Waldinger et al (1990: 146) stressed, competition between co-ethnics is quite common among entrepreneurs with similar entrepreneurial experiences and social mobility plan

Table 7 : Origin of the Chinese Entrepreneurs' Competitors

Origin of the Competitors	Chinese Entrepreneurs	
	N	%
Without competitors	21	6.8
Co-ethnics	223	72.2
Portuguese	21	6.8
Other immigrant nationalities	5	1.6
Co-ethnics and Portuguese	25	8.1
Co-ethnics and other immigrant nationalities	9	2.9
Other immigrant nationalities and Portuguese	1	0.3
Diverse competitors	4	1.3
Total	309	100

Source : Oliveira (2005 :122).

As observed in table 7, the majority of the Chinese entrepreneurs interviewed declared that the most relevant competitors for their business were co-ethnics (72.2%). The formation of an ethnic business niche by Chinese immigrants, within the retail and ethnic catering sectors, also explains the competition within the community.

The analysis of the proliferation of immigrant entrepreneurial strategies, however, is not complete if does not take into account the individual competences and the personal resources of the individual. As Light and Gold (2000: 83) reinforce, ethnic resources are not accessible to all members of a community. The capacity to mobilise ethnic resources is not homogeneous for all the community members. In other words, other factors can affect the mobilisation of ethnic resources.

VI. CHINESE ENTREPRENEURS' PERSONAL RESOURCES

Different immigrant nationalities has been characterised as having special cultural and psychological qualities that make them more inclined to entrepreneurship or even to develop successful entrepreneurial strategies. Asians are very often

described as more ambitious, hard-working people who tend to risk more, while Africans have difficulties in giving up work as an employee (Portes and Zhou 1999: 165). Due to the risk of resorting to stereotypes, it is difficult to prove that it is cultural characteristics that explain the different propensities of immigrant groups towards entrepreneurship. The data that have been collected in Portugal make it clear that other factors explain the higher inclination of certain immigrants to develop a business. Among these factors are personal resources. Asked about the three main reasons that prompted them to become an entrepreneur in Portugal, Chinese immigrants identified mainly personal motivations, such as “because I wanted to be independent” (34.6%); and “because I wanted a better life” (48.9%).

Table 8 : Motivations to become an entrepreneur in Portugal

Motivations to become an entrepreneur	Chinese Entrepreneurs	
	N	%
Family pressure	78	25.2
I wanted to become independent	107	34.6
I saw that others were successful	43	13.9
I knew the business sector very well	64	20.7
Because I felt some discrimination in the labour market	1	0.3
Because I had some capital available to invest	13	4.2
Because I wanted a better life	151	48.9
For reasons of prestige	8	2.6
I did not find work	0	0
It happened by coincidence	7	2.3

Source : Oliveira (2005 : 141).

In addition, some entrepreneurs also referred to the reason “because I knew the business sector very well” (20.7%). In other words, professional experiences proved to have a positive influence on entrepreneurial initiative, particularly in the choice of a certain business sector. Chinese immigrants first work in co-ethnic businesses before defining their own entrepreneurial strategy. This is usually in the same sector where they worked before, mainly in ethnic restaurants or retail activities. This professional experience also set the entrepreneurial networks that are crucial for the business (e.g. information about suppliers, labour, suppliers of credit). As Waldinger et al (1990:140) suggest, immigrants' entrepreneurial investments become safer due to the experience and knowledge acquired in the labour market. The majority of these entrepreneurs had one or two employers (62.8%) before creating their own business. A fewer number of employers before creating a business does not necessarily mean less time working as an employee (Oliveira 2005: 142). In the research undertaken in Portugal, Chinese entrepreneurs proved to be the immigrant group most likely to create a business later on in life – at an average age of 31, while on average immigrant entrepreneurs started at the age of 25 (Oliveira 2005 : 143).

Table 9 : Qualifications of Chinese Entrepreneurs

Qualifications	Chinese Entrepreneurs	
	N	%
No schooling	1	0.3
Primary School	56	18.1
Middle School	42	13.6
High School	181	58.6
University level	29	9.4
Total	309	100

Source : Oliveira (2005 : 144).

The qualifications of the entrepreneurs were also analysed as an entrepreneurial resource of the Chinese people interviewed. However, as Portes and Zhou (1999: 152) also verified in the United States, qualifications prove not to be a determinant for immigrant entrepreneurial behaviour. The majority of the Chinese interviewed had only a high school qualification (59%) – see table 9. It is important to contextualise these results with the fact that immigrants invest mainly in sectors where no special qualification is needed.

VII. CHINESE ENTREPRENEURS IN PORTUGAL : TRADITIONAL ETHNIC ENTREPRENEURIAL STRATEGIES?

Bearing in mind the heuristic model of immigrant entrepreneurial strategies developed before, it is clear that it is not cultural reasons that make some immigrants more entrepreneurial than others (Oliveira 2007). The research undertaken in Portugal highlights the fact that the resources and the opportunities mobilised by immigrants in the different spheres that they are embedded in – including the host society, the community and the individual - explain the main differences in entrepreneurial behaviour (Oliveira 2005). Hence, immigrant entrepreneurial strategies are neither uniform nor constant, but vary by group and through time and space in a constant process of adaptation and negotiation.

As highlighted by the results of the interview process, Chinese entrepreneurs mobilise different opportunities and resources in the definition of their strategies in Portugal and to overcome the main obstacles that they face in the Portuguese opportunity structure. In other words, it is important to acknowledge that Chinese entrepreneurial behaviour in Portugal cannot be understood solely through the analysis of ethnic resources.

In fact, constraints, difficulties and lack of opportunities experienced in the Portuguese host society in the definition of entrepreneurial strategies – namely previous impediments in the legal framework, lack of knowledge of Portuguese laws, difficulties in understanding the Portuguese language, episodes of negative public opinion - explain Chinese choices and,

as a consequence, clarify the dependence on community resources for their economic integration in Portugal. The analysis undertaken shows that certain key entrepreneurial resources sourced in privileged social networks explain Chinese entrepreneurial success in Portugal - for example, access to labour, financial support, entrepreneurial advice, and links to suppliers - and the higher entrepreneurial rates among Chinese people in comparison to other immigrant groups. Do Chinese entrepreneurs therefore define ethnic strategies in Portugal? The ideal type of ethnic strategy essentially mobilises opportunities and resources from a certain ethnic group. Networks of solidarity and reciprocity inherent to the ethnic group can provide the immigrant with cultural, financial, human, political and social resources. Hence the Chinese entrepreneurs analysed here constitute the group who best illustrate this strategy in Portugal.

However, these ethnic strategies do have certain specificities in Portugal. Contrary to what was observed in other host societies^x, ethnic populations did not constitute a consumer market that encouraged the growth of a Chinese entrepreneurial class in the country. As examined above, the majority of Chinese entrepreneurs in Portugal target a market of Portuguese consumers. This tendency may be related to the investment sector of these entrepreneurs, but it could also be a temporary pattern given the recent settlement and small size of the Chinese population in Portugal. Also, in contrast to what has been observed in other research studies, the majority of Chinese immigrants in Portugal give personal reasons for their decision to become an entrepreneur, not making reference to the necessities of the community.

In conclusion, this article highlights the multiple factors that explain immigrant entrepreneurship and makes it clear that Chinese entrepreneurial strategies are not homogeneous all over the world. If one takes into account, on the one hand, the diversity of characteristics and resources of Chinese communities in different countries and the particularities of the opportunity structures of host societies, and, on the other hand, that the definition of an entrepreneurial strategy is a creative process that results from an individual's ability to gather resources in a given space and period of time, this conclusion is not surprising.

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