

# Immigrant entrepreneurship through the economic crisis in Italy

Benedetta Cassani, Cristina Giudici and Roberta Rizzi

**Abstract** In this work we analyse immigrant entrepreneurship in Italy using an integrated information system obtained from the Italian Business Register (ASIA) and from the Archives of the Chambers of Commerce for the period of time 2008-2010. The aim of the study is to provide a comprehensive picture of the phenomenon during the economic crisis in Italy. The statistical unit of our study is the individual, thus we start from a demographic approach and we discuss the role played by different sub-population of migrant entrepreneurs through the crisis, focusing on social and demographic issues.

## 1 Introduction

As recently pointed out in several editions of the International Migration Outlook (OECD, 2009 to 2011), immigrants have been heavily affected by the economic crisis in all OECD countries, but some social and demographic differences are emerging: the situation differs significantly according to country of origin, age and gender, economic sector and kind of employment (salaried employment or self-employment). From a gender perspective, during the economic downturn, when unemployment of migrant men increased markedly, migrant women often increased their participation in the labour market, and seemed to play an important role in compensating income losses of migrant men (OECD 2011). In the case of Italy, as in other European countries, women are often active in economic sectors which were not significantly affected by the crisis, and the employment gap between migrant men and women decreased. In addition,

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<sup>1</sup> Benedetta Cassani, Sapienza University of Rome; benedetta.cassani@uniroma1.it  
Cristina Giudici, Sapienza University of Rome; cristina.giudici@uniroma1.it  
Roberta Rizzi, ISTAT; rizzi@istat.it

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during the crisis, the employment gap between foreign-born and native-born women diminished as well. At the same time, immigrant entrepreneurship in Italy is growing consistently for both sexes and has shown a solid process of settlement in specific sectors. Nevertheless, the reduced exploitation of statistical information in this field adds to the difficulties to reach a clear overview of the phenomenon's dimension.

This study focuses on entrepreneurship, aiming to provide a comprehensive picture of the phenomenon during the economic crisis in Italy. The demographic characteristics and geographical distribution of immigrant entrepreneurs will be analysed on the basis of an integrated information system obtained from the Italian Business Register (ASIA) and from the Archives of the Chambers of Commerce for the period 2008-2010. We will discuss the role played by different sub-populations of migrant entrepreneurs through the economic crisis, focusing on social and demographic issues. In addition, we will analyse how entrepreneurship is affected by regional and local environments. The added value of our study is mainly related to the integration of the previously mentioned archives and the exploitation of the integrated microdata informative system through multidimensional methodologies.

## 2 Data and Methods

Entrepreneurship is a multifaceted concept that manifests itself in many different ways, no single definition has been generally agreed upon. According to the European Union Green Paper on Entrepreneurship *“Entrepreneurship is about people, their choices and actions in starting, taking over or running a business, or their involvement in a firm's strategic decision-making. Entrepreneurs are a heterogeneous group and come from all walks of life”*. In this context “immigrant entrepreneurship” also includes businesses that target non-ethnic clients and operate in the open economy. In other words, this form of entrepreneurship is characterized by the immigration experience (EU, 2003). From this point of view, the study refers to entrepreneurs who were not born in Italy, which do not necessarily coincide with foreign citizens.

### 2.1 Data

The use of administrative sources for statistical purposes represents an interesting answer to the need of providing a detailed framework of immigrant entrepreneurship during the economic crisis in Italy.

We refer to the Italian Business Register (ASIA) and to the Archives of the Chambers of Commerce for the period 2008-2010.

ASIA is the result of the integration of numerous administrative sources and represents the first example of a statistical product built, almost exclusively, on the basis of administrative sources. The latter are processed coherently with the concepts and definitions of the national statistical system as well as those of the European Union. ASIA supplies the universe of industrial and service companies active on the whole national territory, (updated on a yearly basis) with the possibility of knowing their location (at a municipal level), the number of workers (employed and self-employed), as well as their type of economic activity (fifth digit, the maximum detail required in the classification of economic activities). The Archives of the Chambers of Commerce

make it possible to expand knowledge of the entrepreneurial phenomenon through the analysis of the individual characteristics of entrepreneurs and of the associates in partnerships as well as those of individuals with offices in joint-stock companies. Moreover, these archives provide specific information concerning the term of offices and the shares of the company held by the associates.

The presence of the entrepreneur's fiscal code makes it possible to immediately read the social characteristics of the worker (in terms of gender, age, place of birth) in the same way that the presence of the enterprise's fiscal code gives the opportunity to read the peculiarities of the companies for which they are in some way responsible (in terms of economic activity sector, territorial location, occupational and financial size).

Table 1 shows the synoptic outline of the sources that we used for statistical purposes in order to analyze the phenomenon of foreign entrepreneurship in Italy.

**Table 1:** synoptic outline of the sources used to analyze foreign entrepreneurship in Italy

<i>Source</i>	<i>Universe of reference</i>	<i>Survey units</i>	<i>Analysis Units</i>	<i>Surveyed characteristics</i>
<i>Business Register (ASIA)</i>	<i>Individual businesses in the non -agricultural sector</i>	<i>Company</i>	<i>Individual Business</i>	<i>Fiscal code of the owner, economic activity sector, number of employees and self-employed workers, location, legal form, turnover</i>
<i>Chambers of Commerce – Archives of Business People</i>	<i>Physical Natural People with offices in the company (partnerships)</i>	<i>Company</i>	<i>Shareholder</i>	<i>Fiscal code of the individual with the office. Place of residence, office code, start and end date of the office. Fiscal code of the company, linked with ASIA.</i>
<i>Chambers of Commerce – Associate Archive</i>	<i>Shareholders of joint-stock companies</i>	<i>Company</i>	<i>Shareholder</i>	<i>Fiscal code of the shareholder,; shares or quotes owned, bound shares or quotes. Fiscal code of the company, linked with ASIA,</i>

## 2.2 *Methods*

The first step of our analysis is the integration of the Italian Business Register (ASIA) with the Archives of the Chambers of Commerce for the years 2008-2010 (Calzaroni, Rizzi, 2008). The presence of identification codes (company's fiscal code in ASIA, company's and worker's fiscal code in the Archives of the Chambers of Commerce) in the input sources is the prerequisite for building an integrated microdata informative system.

The second step concerns the demographic analysis of the integrated archive: we will discuss the evolution of demographic and economic structures of entrepreneurs, using both classical demographic tools and multivariate analysis. Spatial analysis methodologies will be performed in order to shed light on the links between demographic characteristics of entrepreneurs and the regional and local environment.

### 3 First results

The integrated microdata informative system (being completed for the entire period 2008-2010), provides information on about 6 million entrepreneurs in the year 2008. Five percent of them are born abroad (about 320,000 individuals), and 73% of these foreign entrepreneurs are born in extra EU countries. Table 2 summarizes the structure of the informative system according to the type of activity and the entrepreneur's country of origin: as we can expect, foreign born entrepreneurs, and particularly those born in extra-EU countries, are more represented among individual entrepreneurs.

**Table 2:** Entrepreneurship in Italy by type of activity and country of origin- Year 2008

	Born in Italy (I)	Born in EU Countries (C)	Born in extra EU Countries (E)	Total
<i>Individual businesses in the non - agricultural sector</i>	47,8	59,8	67,3	48,8
<i>Physical People with offices in the company</i>	23,2	17,8	16,8	22,9
<i>Individual shareholders of joint-stock companies</i>	29,0	22,4	16,0	28,4
<i>Total</i>	<i>100</i>	<i>100</i>	<i>100</i>	<i>100</i>

The demographic characteristics of extra EU entrepreneurs are generally not far from those of European or Italian ones, but they register the lowest percentage of women (respectively E 28%, C 36% and I 29%) and they are the youngest (the mean ages are 41, 42 and 47 respectively). A detailed analysis centered on the country of origin of entrepreneurs sheds light on a complex reality, that will be discussed during the conference: gender differences and similarities in terms of business characteristics, geographical distribution and demographic aspects will be stressed using a Multiple Correspondence Analysis

### References

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