IFN Working Paper No. 1544, 2025

Understanding Immigrant Self-Employment in Sweden: Insights from the Literature

Mats Hammarstedt

Research Institute of Industrial Economics
P.O. Box 55665
SE-102 15 Stockholm, Sweden
info@ifn.se
www.ifn.se

Understanding immigrant self-employment in Sweden: Insights from the literature

Mats Hammarstedt

Linnaeus University and Research Institute of Industrial Economics

mats.hammarstedt@lnu.se

Abstract

We present results from research on different dimensions of immigrant self-employment in Sweden. There are variations in self-employment rates between different groups of immigrants and the native population. Self-employment rates have increased markedly among certain groups of immigrants since the 1990s. Immigrants from certain countries in the Middle East are over-represented in self-employment, while self-employment rates among immigrants from countries in Africa are relatively low. Immigrants from countries outside Europe are often self-employed in branches with low entry barriers. Exit rates from self-employment are generally higher and earnings are lower among self-employed non-European immigrants than among self-employed natives and European immigrants. Research regarding explanations for why immigrants opt for self-employment is presented. Results indicate that immigrants are pushed into self-employment due to low earnings in wage-employment. As regards the effects of ethnic enclaves, networks and traditions from their home countries, the results are inconclusive. Family traditions and parental role models increase self-employment propensities more for immigrants than for natives. Non-European immigrants report that they encounter other difficulties and obstacles in their business activities than natives and European immigrants. They consider lack of access to financial capital and discrimination from banks, customers, and suppliers as obstacles for successful self-employment. Finally, results show that immigrants who are successful in their business activities may play an important role for labor market integration since they create employment opportunities also for other immigrants.

JEL: J15, J24, L26

Keywords: Self-employment, Immigrants, Sweden

The author is thankful for comments from Ali M Ahmed and for financial support from *Jan Wallanders och Tom Hedelius Stiftelse,* project P16-0192 and P23-0186.

1. Introduction

Self-employment among immigrants has gained increased interest among researchers as well as among policymakers in several countries during recent decades.[1] Sweden is no exception. The fact that the size of the foreign-born population in Sweden has more than doubled since the turn of the Millenium implies that about 20 per cent of the total population, or over two million individuals, residing in Sweden today are born outside the country.

The problems with the integration of immigrants on the Swedish labor market are well documented. High rates of unemployment and low employment rates are found especially among immigrants originating from countries in the Middle East or Africa.[2] Against this background, self-employment has been viewed as an alternative and a route on to the labor market for immigrants. Since immigrants who are successful in their self-employment activities may also create employment opportunities for other immigrants, great hopes are often set on the fact that self-employment among the foreign born will be an efficient way to reduce unemployment and to improve the labor market situation for immigrants.

Differences in self-employment rates between immigrants and natives, as well as explanations for why immigrants opt for self-employment have been presented in the literature. Examples of such explanations include disadvantages on the labor market and low earnings in wage-employment, the existence of ethnic enclaves and networks, self-employment traditions from the home country, as well as family traditions.[3] Research regarding immigrant self-employment in Sweden has paid attention to such explanations and been conducted with the help of data from different sources. Several studies have used population data from public registers. Besides this, surveys targeted at self-employed immigrants as well as experimental methods have been used as well.

The aim of this paper is to gain an increased understanding of immigrant self-employment in Sweden by presenting insights from the existing literature. We start the paper with a presentation of the foreign-born population residing in Sweden today. After that, we present an overview of different dimensions of self-employment among immigrants. We present research on self-employment rates as well as on entry and exit rates into and out of self-employment for different immigrant groups. Furthermore, we also present background characteristics for those

[1] See e.g. Borjas (1986), Clark & Drinkwater (2000), Constant & Zimmermann (2006), Lofstrom (2002), Fairlie & Robb (2007), Robb & Fairlie (2009).
[2] See e.g. Ek et al (2024).
[3] See e.g. Borjas (1986), Yuengert (1995), Fairlie & Meyer (1996) and Fairlie & Robb (2007).

who are self-employed, as well as information about which branches of business they are active in.

After that, we turn our attention to possible explanations and mechanisms underlying differences in self-employment rates across immigrant groups and natives. We research results on what difficulties and obstacles self-employed immigrants encounter in their business activities. Finally, we will present results on self-employment performance among immigrants and on the extent to which self-employed immigrants create employment opportunities also for others than themselves.

2. The foreign-born population in Sweden

The foreign-born population in Sweden has increased substantially during the last twenty-five years. At the turn of the Millenium, about 1 million individuals, or slightly more than 10 per cent of Sweden's total population, were born outside the country. In the year 2026, more than 2.2 million individuals, or over 20 per cent of the total population in Sweden, were born abroad.

Table 1 highlights the change in the composition of the foreign-born population by region of birth during the last twenty-five years. During these years, immigration from countries outside Europe has accounted for most of the immigration to Sweden. The inflow of immigrants reached historically high levels during the years 2015 and 2016. Immigration in these years was, to a large part, made up of refugees and their relatives. This immigration consisted mainly of immigrants from the Middle East (e.g., Syria and Iraq), other parts of Asia (e.g., Afghanistan), and Africa (e.g., Somalia).

Table 1. The foreign-born population in Sweden in per cent, by region of birth 2000 to 2024

Region of birth	2000	2010	2015	2020	2024
Nordics	27.9	19.0	14.7	11.1	9.8
Other Europe	36.9	36.2	34.8	32.7	32.6
Africa	5.4	8.3	10.7	11.6	11.7
Asia	21.9	29.2	33.2	38.5	39.4
Other World	7.9	7.3	6.7	6.2	6.5
Total	100	100	100	100	100

Source: Statistics Sweden

During the 2020s, refugee immigration from countries outside Europe tapered off. However, refugee migration from Ukraine has increased instead. Besides this, the number of labor force

migrants has increased during the 2020s. Many of these labor migrants originate from countries outside Europe (e.g., Thailand, India).

Table 2 presents the foreign-born population in Sweden in 2024 divided by country of birth. Immigrants from Syria constitute the largest group of foreign-born in Sweden. Around 9 per cent of the foreign-born population, or almost 200,000 individuals, originate from Syria. Further, almost 7 per cent of the foreign-born population, or more than 140,000 individuals, were born in Iraq, and 4 per cent, or nearly 90,000 individuals, were born in Iran.

Table 2. The foreign-born population in Sweden divided by the twenty most common countries of birth in 2024

Country	Number of individuals	Share of the foreign-born population	Country	Number of individuals	Share of the foreign-born population
Syria	196,152	0.089	Germany	57,873	0.026
Iraq	143,160	0.065	Turkey	57,388	0.026
Finland	125,904	0.057	Eritrea	49,704	0.023
Poland	100,062	0.045	Thailand	45,882	0.021
Iran	87,115	0.040	Ukraine	41,767	0.019
Afghanistan	68,164	0.031	Norway	39,370	0.018
Somalia	66,846	0.030	China	38,976	0.018
Former Yugoslavia	59,692	0.027	Denmark	37,203	0.017
Bosnia Hercegovina	59,333	0.027	Romania	36,870	0.017
India	59,290	0.027	United Kingdom	33,143	0.015
	Number of individuals	Share of total population			
Foreign born	2 200,238	0.208			
Natives	8 387,472	0.792			
Total population	10 587,710	1.000			

Source: Statistics Sweden

As regards immigrants from Europe, Finland is still the dominating group. However, a large share of immigrants from Finland is relatively old and no longer active on the labor market. About 100,000 individuals, or between 4 and 5 per cent of the foreign-born population, originate from Poland, and nearly 60,000 individuals, or between 2 and 3 per cent of the foreign-born population, originate from former Yugoslavia, Turkey, and Germany, respectively.

Somalia and Eritrea are the dominating countries among immigrants from Africa. About 67,000 individuals originate from Somalia. This corresponds to 3 per cent of the foreign-born population. Almost 50,000 individuals, or over 2 per cent of the foreign-born population, have their background in Eritrea.

3. Trends in immigrant self-employment

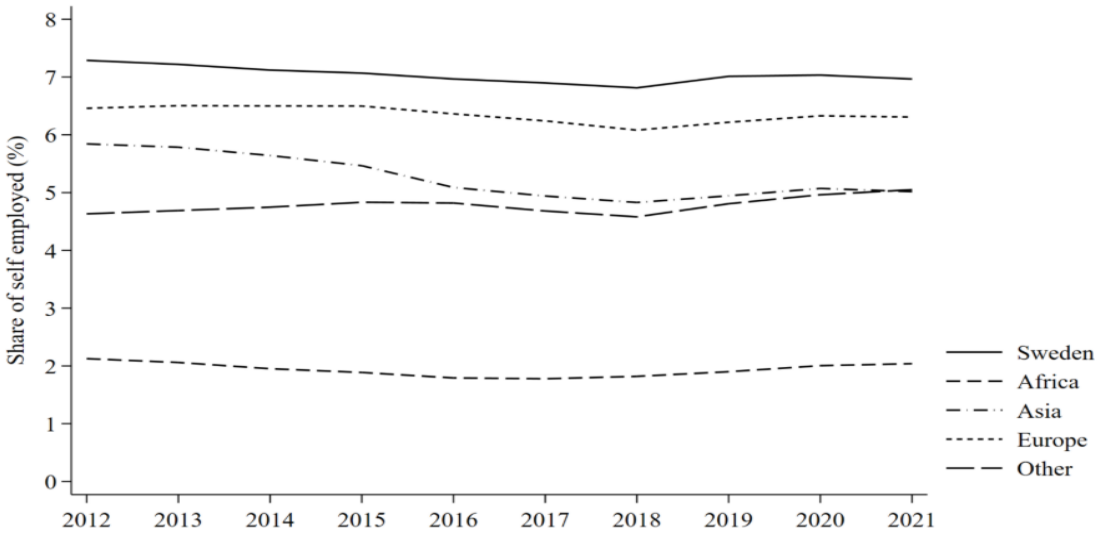
In Sweden, a person can start a business using different corporate forms. Two such forms are incorporated firms and unincorporated firms. An important difference between the corporation forms is the extent to which the owner is personally liable for the firm's finances. In an incorporated firm, the owner's personal liability is limited to the share capital. In contrast, in an unincorporated firm, at least one of the owners is personally liable for the firm's finances. This means that it is possible to invest in the incorporated firm without risking personal finances, and in that sense, the incorporated firm is typically regarded as a less risky way to start and run a business. However, starting an incorporated firm requires a contribution of capital at a regulated minimum level, while starting an unincorporated firm has no such requirements.

Research regarding immigrant self-employment in Sweden has focused on incorporated as well as on unincorporated firms. Different definitions and classifications of self-employment have been used in the literature. In this article, we will not delve deep into the differences between different corporation forms or different definitions of self-employment. Anyone who is interested in this is referred directly to the studies presented instead.

3.1 Self-employment propensities, entry and exit rates

Figure 1 highlights how self-employment rates have evolved from 2012 to 2021 across different immigrant groups and natives. In Figure 1, an individual is classified as self-employed if his/her income from self-employment is the largest source of annual income and exceeds 1000 SEK in the current year. Both incorporated and unincorporated firms are included in the figure. The self-employment rate in each group is measured as the number of self-employed individuals in the age span 20 to 64 years of age in relation to the total population in the age span 20 to 64 years of age in the group each year.

Figure 1: Share of self-employed individuals active in incorporated or unincorporated firms in relation to the total population among different immigrant groups and natives (20 to 64 years of age) 2012-2021.



Self-employment rates are found to be somewhat higher among natives than among the foreign-born. About 7 per cent of the individuals born in Sweden were self-employed during the period, while the share amounted to between 6 and 7 per cent among individuals born in European countries, and between 5 and 6 per cent among individuals born in Asian countries. As regards immigrants from African countries, the share was lower and amounted to about 2 per cent of the population.

However, these figures hide variations within the groups. Studies have paid attention to variations in self-employment rates within groups of immigrants from different regions. A study by Hammarstedt (2001) documented variations in self-employment rates among immigrants with different lengths of residence in Sweden. Self-employment propensities were found to be low in the first years after arrival but increased after about five years spent in Sweden. When the immigrants have spent between ten and fifteen years in Sweden the increase in the probability of being self-employed decreases.

Large variations in self-employment rates between immigrants from different Asian countries were documented by Andersson & Hammarstedt (2011a). They studied self-employment among immigrants who were active in unincorporated firms during the period 1993 to 2007. One result was that the share of self-employed individuals among immigrants from countries in the Middle East increased substantially during this period. Table 3 presents results from the

study and reveals that self-employment rates about doubled within some of the immigrant groups from the Middle East during the period 1993 to 2007. This was the case for males as well as for females, although self-employment rates among males were considerably higher than among females. Thus, even though Figure 1 shows that self-employment rates on average are higher among natives than among Asian immigrants, certain immigrant groups from the Middle East are over-represented in self-employment in comparison to natives in Sweden.

Table 3. Share of self-employed individuals active in incorporated or unincorporated firms in relation to the total population among different non-European immigrant groups and natives 1993-2007 (20 to 64 years of age).

	Iran	Iraq	Syria	Lebanon	Turkey	Ethiopia	Natives
Males							
1993	0.045	0.024	0.104	0.077	0.177	0.007	0.037
1995	0.063	0.031	0.138	0.098	0.188	0.011	0.038
2000	0.106	0.056	0.182	0.142	0.203	0.025	0.039
2005	0.102	0.077	0.185	0.153	0.188	0.025	0.040
2007	0.100	0.067	0.183	0.147	0.182	0.030	0.041
Females							
1993	0.015	0.010	0.019	0.019	0.028	0.001	0.017
1995	0.017	0.009	0.025	0.024	0.030	0.003	0.018
2000	0.037	0.016	0.042	0.047	0.044	0.007	0.021
2005	0.040	0.021	0.055	0.058	0.050	0.009	0.025
2007	0.041	0.020	0.057	0.057	0.049	0.008	0.026

Source: Andersson & Hammarstedt (2011a).

Turning again to the period 2012 to 2021, Hammarstedt & Skedinger (2025) focused on the prevalence as well as on the dynamics of self-employment in the age group 20 to 55 years of age. Table 4 shows that the share of self-employed individuals in unincorporated firms amounted to 3.7 per cent among immigrants from Asia and to 1.4 per cent among immigrants from Africa. Among natives, this share amounted to 3 per cent. As regards incorporated firms, this share amounted to 1.4 per cent among immigrants from Asia and 0.3 per cent among immigrants from Africa. Among natives, the share of self-employed individuals in incorporated firms amounted to 3.3 per cent during the period between 2012 and 2021.

Table 4 also presents the dynamics of self-employment, i.e., entry and exit rates into and from self-employment. The share of individuals who entered self-employment in unincorporated firms was about 0.3 percentage points higher for Asian immigrants than for natives during the period, while it was about 0.2 percentage points lower in incorporated firms. For African immigrants, the share who entered self-employment was lower than for natives as regards both corporation forms.

However, there may be variations across the business cycle in this respect. Such variations have been documented by Miao (2020), who used longitudinal data for the period 1996 to 2007 and concluded that Middle Eastern immigrants were more likely than natives and other immigrants to enter self-employment during economic downturns, i.e., when the local unemployment rate increased.

Table 4. Share of self-employment, entry into self-employment, and exit from self-employment in unincorporated and incorporated firms among immigrants from Asia, Africa, and natives 2012-2021 (20 to 55 years of age).

	Asia	Africa	Natives
Self-employed in unincorporated firm	0.037	0.014	0.030
Self-employed in incorporated firm	0.013	0.004	0.033
Entry, unincorporated firm	0.009	0.004	0.006
Entry, incorporated firm	0.003	0.001	0.005
Exit, unincorporated firm	0.159	0.182	0.144
Exit, incorporated firm	0.134	0.146	0.095

Source: Hammarstedt & Skedinger (2025).

Both Asian and African immigrants had higher exit rates from self-employment than natives during the period 2012 to 2021. Table 4 shows that this is the case for both corporation forms. The fact that non-European immigrants have higher exit rates from self-employment has been observed in other studies as well. Andersson Joona (2010) studied self-employed immigrants during the period 1998 to 2002 and found that non-European immigrants had higher exit rates from self-employment than natives as well as than immigrants from European countries. Furthermore, non-European immigrants were more likely than others to become unemployed after exiting self-employment.

Similar results are found in a more recent study by Aldén et al. (2022). The authors found that among individuals who became self-employed during the period 2002 to 2006, about 40 per cent of the natives remained self-employed after ten years. The share among European immigrants was somewhat lower. The corresponding share among non-European immigrants was about 25 per cent. Thus, research underlines the fact that non-European immigrants have higher exit rates from self-employment than both natives and immigrants from European countries.

3.2 Background characteristics and branches of business

It is a fact that especially immigrants from non-European countries have lower educational attainment and are more often than natives self-employed in businesses with low entry barriers. This is highlighted in Table 5. The table stems from Aldén et al. (2022) and presents information about individuals who became self-employed during the period 2002 to 2006 and remained self-employed for at least ten years.[4] Incorporated as well as unincorporated firms were included in the study.

Table 5. Characteristics among individuals who became self-employed between 2002 and 2006 and remained self-employed for at least ten years (20 to 64 years of age).

Characteristics at the year of self-employment entry	Non-European immigrants	European immigrants	Natives
Age	38.7	42.2	40.4
Males	0.801	0.653	0.730
Primary school	0.284	0.139	0.142
High school	0.436	0.463	0.555
College	0.280	0.398	0.303
Married	0.708	0.598	0.471
Children in the household	1.43	0.98	1.01
Incorporated firm	0.136	0.348	0.519
Low barrier industry	0.434	0.220	0.179

Source: Aldén et al (2022).

Besides having lower educational attainment, it emerges that self-employed non-European immigrants were younger than self-employed natives and self-employed immigrants from European countries. Furthermore, non-European immigrants were more often self-employed in unincorporated firms than others. In Aldén et al. (2022), about 14 per cent of the non-European immigrants were self-employed in an incorporated firm, while this share amounted to over 50 per cent among natives. As regards entry barriers, about 43 per cent of the non-European immigrants were self-employed in low-barrier branches, while only about 18 per cent of the natives and 22 per cent of the European immigrants were self-employed in such branches.[5]

Table 6 pays further attention to non-European immigrants. The table stems from Hammarstedt & Skedinger (2025) and shows in which branches of business immigrants from countries in Africa and Asia were active as self-employed during the period 2012 to 2021. Unincorporated

[4] The fact that self-employed immigrants from non-European countries have relatively low educational attainment were shown also in a study by Hammarstedt (2004).
[5] The branches with low entry barriers are mainly composed of personal services, transportation and retail.

as well as incorporated firms are included in Table 6. A large share of the immigrants from Africa, around 25 per cent of those who are self-employed, were active in the transport sector. Around 16 per cent of the immigrants from this region were self-employed in the retail sector. Turning to immigrants from Asia, Table 5 shows that around 25 per cent of the self-employed were active in the hotel and restaurant sector, while about 21 per cent were active in the retail sector.

Table 6. Share of self-employed individuals divided after branches of business among immigrants from Asia, Africa, and natives divided after branch of business 2012-2021 (20 to 55 years of age).

Branches of business	Region of birth		
	Asia	Africa	Natives
Agriculture, forestry and fisheries	0.004	0.005	0.087
Manufacturing and extraction, energy and environment	0.020	0.018	0.062
Construction	0.033	0.039	0.163
Retail	0.212	0.163	0.121
Transport	0.086	0.248	0.035
Hotel and restaurants	0.245	0.082	0.025
Information and communication	0.032	0.040	0.079
Financial activities, business services	0.097	0.187	0.230
Personal and cultural services	0.181	0.100	0.123
Other/ no data	0.089	0.117	0.075

Source: Hammarstedt & Skedinger (2025).

Thus, the figures in Table 6 underline the fact that immigrants from countries in Africa and Asia are often self-employed in the retail and service sectors, i.e., in branches with relatively low entry barriers.

4. Possible explanations for differences in self-employment rates between immigrants and natives

Possible explanations for why immigrants opt for self-employment and for differences in self-employment rates between immigrants and natives have been presented and tested empirically in the literature. In this section, we will present evidence on how earnings differentials between the self-employment and wage-employment sectors, ethnic enclaves and networks, self-

employment traditions from the immigrants' home countries, and family traditions affect immigrant self-employment propensities in the Swedish context.

4.1 Earnings differentials between self-employment and wage-employment

One way to test the extent to which immigrants are self-employed because of higher earnings in self-employment than in wage-employment is to estimate their predicted earnings in self-employment and wage-employment, respectively, and elucidate how this predicted earnings differential affects their self-employment propensities.

Such analysis is based upon the presumption that an individual chooses to work in the sector which yields the highest earnings and has been conducted in different countries. Two examples are Fairlie & Meyer (1996), who found that the predicted differential between self-employment and wage-employment earnings had a positive impact on immigrant self-employment propensities in the US, and Clark & Drinkwater (2000), who arrived at the same results for immigrants in the UK. One possible interpretation of this result is that immigrants are pushed into self-employment by relatively low earnings in wage-employment and that immigrant self-employment propensities will decrease if obstacles such as discrimination in the wage-employment sector decrease.

A similar test was conducted in Sweden by Hammarstedt (2006), using cross-sectional data for the year 1999. Immigrants from non-European countries were found to have considerably lower earnings than immigrants from European countries in self-employment as well as in wage-employment. As regards the predicted earnings differential, the results showed a positive and statistically significant effect on self-employment propensities. Thus, an increase in wage-employment earnings for immigrants will reduce immigrant self-employment propensities. The result indicates that immigrants in Sweden, to at least some extent, are pushed into self-employment by difficulties such as low earnings and discrimination in the wage-employment sector. We may therefore expect self-employment rates among immigrants from countries outside Europe to decrease if the labor market conditions for non-European immigrants improve.

4.2 Ethnic enclaves and networks

Immigrant self-employment propensities may also be affected by the existence of ethnic enclaves and access to networks of self-employed co-ethnics. Ethnic enclaves may create opportunities for immigrants to become self-employed, since immigrants from a certain group

are assumed to have a comparative advantage in serving the needs of customers from their own ethnic group, due to factors such as better knowledge of the preferences and the language of customers.[6]

Ethnic networks are believed to provide immigrants with information about markets and institutional conditions and may also help immigrants who are self-employed, or who opt for self-employment, to get access to financial capital.[7]

Results from research regarding ethnic enclaves, networks, and self-employment propensities among immigrants in different countries point in different directions. In the US, Borjas (1986) found that ethnic enclaves enhanced the propensity for immigrants to be self-employed, while no such evidence was found by Yuengert (1995). Le (2000) found a positive effect of ethnic enclaves on immigrant self-employment propensities in Australia, while Damm (2009) found no effect for Denmark. In the UK, Clark and Drinkwater (2002, 2010) found no support for the hypothesis that ethnic enclaves enhance self-employment propensities among immigrants.

As regards the presence of ethnic networks, results are similarly inconclusive. Min (1988) found that ethnic networks enhance immigrant self-employment propensities in the US. On the other hand, Munshi (2003) showed that networks help immigrants in the US to become employed in low-wage jobs in labor-intensive sectors rather than to become self-employed.

A number of studies have analyzed how the existence of ethnic enclaves and networks influences immigrant self-employment propensities in the Swedish context. The studies, summarized in Table 7, have focused on different groups of immigrants and adopted different definitions of ethnic enclaves and ethnic networks, and the results are to some extent inconclusive.

Andersson & Hammarstedt (2015) focused on immigrants from Iran, Iraq, Lebanon, and Syria in the year 2007. The results showed that the presence of ethnic enclaves increases the propensity for self-employment among the groups observed, while ethnic networks were found to be an obstacle for self-employment. The authors explained the latter with the fact that more self-employed immigrants from their own group increases competition in the local market.

Using longitudinal data for the period 2003 to 2010, Tavassoli & Trippl (2019) studied immigrants from different regions and found no effect of ethnic enclaves on immigrant self-

[6] See e.g. Kinzer & Sagarin (1950), Light (1972).
[7] See Light (1972), Aldrich & Waldinger (1990).

employment propensities. However, being a resident in an area with a large share of self-employed immigrants had a positive impact on self-employment propensities.

Table 7. Studies focusing on ethnic enclaves, ethnic networks and self-employment in Sweden

Authors	Groups included	Point of time for observation	Results	
			Enclave effect	Network effect
Andersson & Hammarstedt (2015)	Iran, Iraq, Lebanon, Syria, Turkey with different point of time for immigration	2007	Positive	Negative
Tavassoli & Trippl (2019)	Immigrants from different regions	2003-2010	Zero	Positive
Wixe (2020)	Immigrants from different regions	2013	Long-term positive effect	
Andersson (2021)	Refugees who were given a residence permit in Sweden in 1990 or 1991	1990-1996	Zero or negative	Positive
Andersson, Larsson & Öner (2021)	Middle Eastern immigrants with different point of time for immigration	2011-2012	Negative	Positive
Klaesson & Öner (2021)	European immigrants and immigrants from the Middle East with different point of time for immigration	2005	Mixed Negative for immigrants from Balkan and the Middle East	

Andersson (2021) focused on refugee immigrants, mainly from the Middle East, Africa, and Eastern Europe, who were given a residence permit in Sweden in the years 1990 or 1991. The focus was on the propensity of entering self-employment during the first five years after arrival in Sweden. The study made use of a settlement policy that was in place in Sweden between 1985 and 1994 which implied that after arrival asylum seekers were placed by governmental

agencies all over Sweden. Thus, the refugees observed in the study were not allowed to choose their place of residence in Sweden. In the study, the enclave was found to have no, or sometimes a negative, effect on self-employment propensities, while the network, i.e., skills and resources within the enclave, was positively related to entry into self-employment among the refugees.

Andersson et al. (2021) focus on Middle Eastern immigrants' propensity to become self-employed in the years 2011 and 2012. The results showed that the enclave had a negative impact on the propensity to become self-employed for unemployed immigrants from the Middle East. However, networks, measured as the share of co-ethnics who were business owners, had a positive effect on this propensity. Klaesson & Öner (2021) studied Middle Eastern immigrants as well as immigrants from Europe in the year 2005. The results were mixed, but the effect of the enclave on self-employment propensities was found to be negative for immigrants from the Balkans and the Middle East.

Wixe (2020) studied the long-term effects of residing in an ethnic enclave on entering self-employment later in life for youths. She found that growing up with a large share of self-employed neighbors increases the probability that an individual will enter self-employment as an adult. Thus, the enclave may enhance self-employment propensities for youths in the long run.

Against the background of the results presented, we can conclude that Swedish research regarding ethnic enclaves, networks, and self-employment among immigrants points in somewhat different directions. Some studies point towards the fact that living in an ethnic enclave has a negative effect on self-employment propensities, while other studies find no, or sometimes positive effects. It is worth mentioning that the ethnic enclave may affect self-employment propensity differently in the short and the long run. The results regarding how ethnic networks affect self-employment propensities are inconclusive as well.

The fact that studies in this area point in different directions is in line with research from other countries, and there are several possible reasons why different studies end up with different results. The studies mentioned are conducted at different points in time and focus on different groups of immigrants. Furthermore, different studies make use of different definitions of ethnic enclaves and ethnic networks. In the ideal case, one would like to determine the geographical boundaries of enclaves and observe different types of networks and use them as measures. However, such information is not available for researchers. It is also worth underlining that self-selection may affect the results since immigrants may move in to, or out from, certain

geographical areas. Furthermore, they are also active in creating different types of networks themselves.

4.3 Traditions from the home country

Another possible explanation for why certain immigrant groups may be over-represented in self-employment stems from traditions from their home countries. This hypothesis has been tested empirically, but the results regarding the relationship between immigrant self-employment rates in their destination country and their country of origin point in somewhat different directions. In the US, Yuengert (1995) found that immigrant self-employment rates were positively associated with self-employment rates in their home countries. A positive relationship, and thus support for the hypothesis, was also found in Akee et al (2013), while no relationship between immigrant self-employment rates in the US and self-employment rates in their countries of origin was found in Fairlie & Meyer (1996).

In Sweden, this relationship has been tested empirically, with somewhat inconclusive results. Hammarstedt & Shukur (2009) tested the extent to which home country self-employment rates were correlated with immigrant self-employment propensities with the help of data for the year 1999. Self-employment rates from the immigrants' countries of origin for different years were obtained from the International Labor Organization (ILO). No support for the hypothesis was found when the estimations were conducted with the help of OLS-regressions. However, support for the hypothesis was found for immigrants from countries with high self-employment rates when a quantile regression approach was used. Certain groups of immigrants, such as immigrants from e.g., Turkey and Syria, have relatively high self-employment rates in Sweden. Among immigrants from such countries, self-employment rates in Sweden seem to be positively correlated with self-employment rates in their country of origin.

In a more recent study, Tibajev (2019) made use of data from 2010 and 2012 and had access to information about the individual-level experience of self-employment prior to migration. The author found no support for the hypothesis that immigrants from countries with large self-employment sectors were more likely to be self-employed in Sweden when home country self-employment rates were calculated at the country level. However, a connection between the propensity of being self-employed before and after migration, and thus support for the hypothesis that self-employment propensities are affected by traditions from the home country, was found when the study was conducted with the help of data with information about self-employment experience from the home country at the individual level.

4.4 Family traditions

Family traditions in self-employment can act through various channels, and empirical studies regarding intergenerational links in self-employment have been conducted in different countries. In the US, Fairlie (1999) and Hout & Rosen (2000) demonstrate that having a self-employed father increases self-employment propensities and that the strength of the intergenerational transmission varies across different ethnic groups.

Table 8. Share who has parents with self-employment background among second-generation self-employed in 2007 grouped by country of origin (20-64 years of age).

Origin	Self-employed father	Self-employed mother	Self-employed father and mother	Self-employed father but not mother	Self-employed mother but not father
Males					
Immigrants	0.169	0.052	0.033	0.136	0.019
Natives	0.056	0.024	0.014	0.042	0.010
Nordic countries	0.116	0.042	0.027	0.089	0.015
Western Europe	0.122	0.061	0.035	0.087	0.026
Eastern Europe	0.065	0.054	0.016	0.049	0.038
Southern Europe	0.155	0.067	0.051	0.105	0.016
Non-European countries	0.356	0.058	0.037	0.291	0.021
Females					
Immigrants	0.162	0.086	0.047	0.115	0.039
Natives	0.041	0.030	0.013	0.028	0.017
Nordic countries	0.088	0.052	0.017	0.071	0.034
Western Europe	0.115	0.051	0.051	0.064	0.000
Eastern Europe	0.095	0.095	0.040	0.055	0.056
Southern Europe	0.190	0.127	0.083	0.107	0.044
Non-European countries	0.360	0.120	0.075	0.285	0.045

Source: Andersson & Hammarstedt (2011b)

Results from Sweden, such as those of Andersson & Hammarstedt (2010, 2011b), indicate that immigrants tend to transfer self-employment traditions to their ancestors. Andersson & Hammarstedt (2010) studied intergenerational transmissions among three generations of male immigrants. The first generation was born abroad. They were observed in Sweden in the year 1960. Their children were born in Sweden and observed in the year 1980, and their grandchildren were born in Sweden was observed in the year 2003. Andersson & Hammarstedt found a link in immigrant self-employment propensities across the generations observed. Having a self-employed father, as well as having a self-employed grandfather, had a positive effect on self-employment propensities for the grandchildren of immigrants. As regards natives, having a self-employed father increased self-employed propensities while having a self-employed grandfather did not.

Andersson & Hammarstedt (2011b) focused on two generations and highlighted gender differences as well. Foreign-born individuals were observed in the year 1990 and their children who were born in Sweden were observed in the year 2007. The results are highlighted in Table 8. According to the authors, the father was found to be a stronger role model in the self-employment decision among male children of immigrants than among male children of natives. Among male children of immigrants who were self-employed, almost 17 per cent had a self-employed father and about 5 per cent had a self-employed mother. Among self-employed male children of natives, about 6 per cent had a self-employed father and less than 3 per cent had a self-employed mother. The intergenerational link was found to be stronger among immigrants from non-European countries than among immigrants from European countries.

Among self-employed female children of immigrants, around 16 per cent had a self-employed father, whereas about 8 per cent had a self-employed mother. The shares among children of natives were about 4 and 3 per cent, respectively. Mothers were found to be a strong role model, especially among daughters of females from southern Europe and daughters of females from countries outside Europe.

Besides this, the results in Andersson & Hammarstedt (2011b) revealed that male children of immigrants tend to become self-employed in the same branch of business as their father, while female children of immigrants with self-employed parents are over-represented in self-employment but not necessarily in the same branch of business as the parents.

5. Do immigrants encounter other problems than natives in their self-employment activities?

The extent to which self-employed immigrants encounter certain problems and are discriminated against in different contexts has also been highlighted. Aldén & Hammarstedt (2016) conducted a survey targeted to individuals who were active as self-employed in corporate firms in the retail, trade, and service sector. A questionnaire was sent out in 2013. Almost 8,000 self-employed immigrants and natives were approached with questions regarding their business activities. The focus was, among other things, on the obstacles and problems that the self-employed report that they encounter in their firms. Some of the results from the survey are presented in Table 9.

Table 9. Share of self-employed individuals who report a problem as serious or very serious in the survey, by region of origin.

	Region of birth		
Problems facing the firm	Non-European countries	Europe	Natives
Access to financial capital	0.36	0.28	0.20
Laws and regulations	0.32	0.26	0.28
Payroll taxes	0.44	0.31	0.23
Access to workers	0.24	0.18	0.11
Perceived discrimination by:			
Customers	0.13	0.06	0.02
Suppliers	0.08	0.04	0.04
Banks	0.21	0.14	0.10

Source: Aldén & Hammarstedt (2016).

Non-European immigrants considered access to financial capital a more serious impediment to their self-employment activities than did natives and European immigrants. Around 36 per cent of the non-European immigrants considered access to financial capital as a serious impediment to their firms, while the corresponding figure among natives was 20 per cent.

Furthermore, self-employed non-European immigrants report more discrimination by banks, suppliers, and customers than natives and immigrants from European countries. Around 21 per cent of the non-European immigrants reported that they had been discriminated against by banks, while the corresponding figure among natives was 10 per cent. As regards discrimination by customers and suppliers and customers, 13 and 8 per cent of non-European immigrants report such discrimination. Among natives, the corresponding figures amount to 2 and 4 per cent. It is worth underlining that it is self-perceived discrimination that is reported.

The respondents were also approached with questions regarding the extent to which they had applied for a bank loan during the last three years and whether the loan application had been approved or not. They were also asked about what interest rate they had been charged on the loan. Self-employed non-European immigrants were more likely than natives to have an application of a bank loan denied and they were also charged higher interest rates on their bank loans than natives. Against the background of the results presented, Aldén & Hammarstedt conclude that discrimination in the credit market is an obstacle for immigrants from countries outside Europe in their business activities.

The extent to which self-employed immigrants are discriminated against by customers has been tested empirically by Ahmed & Hammarstedt (2020). In a web-based experiment conducted in 2018, students were asked whether they thought it was a good idea that a food truck was established on a university campus by an owner with an Arabic-sounding name. The students were also asked about their willingness to pay for a typical meal from the food truck. The results revealed that participants were slightly more positive about a food truck opening by a male with an Arabic-sounding name than by one with a Swedish-sounding name. No differences were found as regards the participants' willingness to pay. Thus, no customer discrimination against food truck owners with Arabic-sounding names were documented in the experiment.

6. Immigrant self-employment performance

In a few studies, attention has been paid to self-employment performance. One performance measure is self-employment earnings. Hammarstedt (2001) made use of cross-sectional data for the year 1990 and documented low self-employment earnings among immigrants from countries in Africa and Asia. Andersson Joona (2009) analyzed the earnings gap between immigrants and natives with the help of data for the period 1998 to 2002 and found similar results. Self-employed immigrants had significantly lower average earnings than natives during the period observed, and the earnings were lower for non-European than for European immigrants. Andersson Joona (2009) also documented variations in the immigrant-native earnings gap across the earnings distribution. The documented earnings gap was smaller at the top of the distribution than at the bottom.

Neuman (2021) studied different measures of performance among self-employed immigrants during the period 1998 to 2007 and paid attention to how performance in self-employment was related to self-employment experience. Both male and female immigrants had lower self-employment earnings than natives during the period. Furthermore, profits were found to be

lower in firms owned by immigrants than in firms owned by natives. However, turnover was found to be higher in firms owned by immigrants than in firms owned by natives. As regards the effect of self-employment experience, Neuman (2021) concluded that such experience increases earnings, profits as well as turnover for immigrants as well as for natives.

The fact that self-employed immigrants, and especially non-European immigrants, are at an earnings disadvantage in comparison to natives was also documented by Aldén et al. (2022). The study focused on long-term self-employment in the sense that it included immigrants and natives who entered self-employment during the years 2002 to 2006 and remained self-employed for at least ten years.

Table 10 highlights the fact that non-European immigrants were at a disadvantage both regarding average labor and capital earnings during the ten years that were observed. This was the case for individuals active in incorporated as well as in unincorporated firms. Following the self-employed individuals over the ten years, the results revealed that the gap in immigrant-native labor earnings seemed to converge over the years, whereas the immigrant-native gap in capital earnings grew stronger as time passed.

Table 10. Average yearly labor and capital earnings (SEK) for immigrants and natives who entered self-employment during the period 2002 to 2006 and were self-employed for ten years (2016 price level).*)

	Incorporated firm owners			Unincorporated firm owners		
	Non-European countries	Europe	Natives	Non-European countries	Europe	Natives
Labor earnings (SEK)	357,000	403,000	418,000	193,000	217,000	242,000
Capital earnings (SEK)	86,200	90,300	109,000	5,720	44,100	25,500

Source: Aldén et al. (2002). *) 1 Euro is about 11 SEK in November 2025.

The results in a more recent study by Hammarstedt & Skedinger (2025) confirm the picture. Self-employed immigrants from countries in Asia and Africa have lower earnings than self-employed natives in incorporated as well as in unincorporated firms. A new insight provided by Hammarstedt & Skedinger was that switching organizational form is not associated with catching up on self-employment earnings for self-employed immigrants in comparison to self-employed natives.

7. Do self-employed immigrants create employment for others?

The extent to which self-employed immigrants create employment also for others has been analyzed by e.g. Hammarstedt & Miao (2020) and Neuman (2021). Hammarstedt & Miao (2020) conducted an analysis of the employees of self-employed immigrants with unincorporated firms in Sweden using employer-employee data for the year 2014. Some of the main results are presented in Table 10.

Self-employed immigrants from non-European countries were more likely than self-employed natives to have employees in their businesses. Non-European immigrants were also the most likely to employ immigrants in their firms. Among male self-employed immigrants originating from the Middle East, with at least one employee in their firm, about 66 per cent had at least one immigrant employee and almost 64 per cent had at least one non-European immigrant employee. The figures were somewhat higher for male self-employed immigrants from other Asian countries and somewhat lower for male self-employed immigrants from African countries. The figure was considerably lower for male natives and amounted to 18 per cent as well as somewhat less than 6 per cent.

The pattern looks about the same for self-employed female immigrants from countries outside Europe. It is also worth noting that both male and female self-employed immigrants from countries outside Europe are more likely than natives to employ non-European immigrants with a recent year of arrival or with low educational attainment.

Table 11. Share of unincorporated firms with employees and share of firms with different types of employees among firms with at least one employee in 2014.

	Middle East	Other Asia	Africa	Natives
Males				
Share with employee	0.473	0.340	0.334	0.132
At least one immigrant employee	0.661	0.683	0.538	0.184
At least one non-European immigrant employee	0.635	0.664	0.513	0.057
At least one recently arrived non-European immigrant employee	0.320	0.386	0.240	0.018
At least one recently arrived non-European immigrant employee with nine-years compulsory schooling or less	0.163	0.138	0.075	0.007
Females				
Share with employee	0.327	0.261	0.282	0.087
At least one immigrant employee	0.586	0.580	0.494	0.120
At least one non-European immigrant employee	0.562	0.566	0.422	0.057
At least one recently arrived non-European immigrant employee	0.295	0.373	0.265	0.019
At least one recently arrived non-European immigrant employee with nine-years compulsory schooling or less	0.136	0.154	0.145	0.007

Source: Hammarstedt & Miao (2020).

The results in Neuman (2021) point in the same direction. Neuman (2021) made use of panel data for the period 1998 to 2007 and included incorporated as well unincorporated firms in the analysis. The results showed that upon self-employment entry, immigrants were more likely than natives to have employees in their firms. This was the case for males as well as for females. As self-employment experience increases, the likelihood of having employees increases at a similar magnitude for immigrants and natives. However, on the contrary to Hammarstedt & Miao (2020), the study by Neuman (2021) paid no attention to the ethnic background of the employees.

8. Conclusions and discussion

Self-employment may play an important role in the labor market integration of immigrants. Immigrants who are successful in their self-employment activities may create employment not only for themselves, but also for other immigrants. In Sweden, differences in self-employment rates, as well as in exit rates from self-employment and in self-employment performance have been documented between immigrants and natives.

The most prominent differences consistently emerge between non-European immigrants and natives. Self-employment rates are relatively high among immigrants originating from certain non-European countries, such as countries in the Middle East. As regards exits rates from self-employment, such rates are higher among self-employed immigrants from countries outside Europe than among natives and among immigrants from European countries. Besides this, earnings from self-employment are lower among non-European immigrants than among natives and European immigrants. Profits are also lower in firms owned by non-European immigrants than in firms owned by natives and firms owned by European immigrants.

In line with this, non-European immigrants also report that they encounter other difficulties and obstacles than natives and European immigrants in their self-employment activities. Immigrants originating from countries outside Europe report that they consider discrimination by banks, customers, and suppliers as obstacles in their business activities to a higher degree than self-employed natives and self-employed European immigrants.

Research suggests that immigrants in Sweden are pushed into self-employment by low earnings in the wage-employment sector, and we have good reasons to believe that the relatively high self-employment rates among immigrants from certain non-European countries are explained by difficulties in entering the labor market in wage-employment. We may therefore expect self-employment among immigrants from countries outside Europe to decrease if the labor-market integration of immigrants in Sweden is improved.

As regards other explanations for why immigrants in Sweden opt for self-employment, such as the existence of ethnic enclaves and networks and traditions from the home countries, the results are somewhat inconclusive. However, family traditions seem to play a more important role for self-employment propensities among immigrants than among natives.

As stated, successful self-employed immigrants may contribute to labor market integration by creating employment opportunities also for other immigrants than for themselves. Here,

research results indicate that self-employed non-European immigrants play a role in the labor market integration process since they are those who are the most likely to employ other non-European immigrants in their firms. Furthermore, self-employed non-Europeans are also the most likely to employ immigrants from countries outside Europe with a recent year of arrival or with low educational attainment in their firms.

A fact that is worth special attention is that immigrants from countries outside Europe often are self-employed in branches with low entry barriers. Self-employed immigrants originating from countries in Asia or Africa are often active in the retail sector, the transportation sector, or the hotel and restaurant sector. This raises the question of how a higher proportion of self-employed immigrants in these sectors has affected self-employment among natives in these sectors. Knowledge regarding the existence of displacement effects on natives from immigrant self-employment is lacking in Sweden.[8] This is an area for future research.

More research is also needed in other areas. We certainly need to know more about the extent to which self-employed immigrants in Sweden contribute to innovations and patents. We also need more knowledge regarding the extent to which firms owned by immigrants contribute to exports. Research shows that trading with a foreign country increases the demand for immigrant labor from that country for firms.[9] Furthermore, having immigrant employees in a firm increases exports.[10] However, less is known about firms owned by immigrants in these respects.

To sum up, research regarding immigrant self-employment in Sweden has increased substantially during the last decades. Despite this, more knowledge is certainly needed in different areas. Since self-employment often is promoted as a route on to the labor market for immigrants, we need to learn more about how it affects factors such as native self-employment propensities as well as factors such as innovations and exports to get a more complete picture of how self-employed immigrants contribute to the economy.

[8] Fairlie & Meyer (2003) provide evidence that immigrant self-employment may negatively affect native self-employment in the US.
[9] See e.g. Lodefalk et al. (2022).
[10] See e.g. Hatzigeorgiou & Lodefalk (2014, 2016).

References

Ahmed, A. & Hammarstedt, M. (2020) "Customer discrimination in the fast food market: a web-based experiment on a Swedish university campus", *Migration Letters*, 17, 813–824.

Akee, R., Jaeger, D.A. & Tatsiramos, K. (2013) "The persistence of self-employment across borders: new evidence of legal immigrants to the United States", *Economics Bulletin*, 33, 126–137.

Aldén, L., Bastani, S., Hammarstedt, M. & Miao, C. (2022) "Immigrant-native differences in long-term self-employment", *Small Business Economics*, 58, 1661–1697.

Aldén, L. & Hammarstedt, M. (2016) "Discrimination in the credit market? Access to financial capital among self-employed immigrants", *Kyklos*, 69, 3–31.

Aldrich, H.E. & Waldinger, R. (1990) "Ethnicity and Entrepreneurship", *Annual Review of Sociology*, 16, 111–135.

Andersson, H. (2021) "Ethnic enclaves, self-employment, and the economic performance of refugees: Evidence from a Swedish dispersal policy", *International Migration Review*, 55, 58–83.

Andersson, L. & Hammarstedt, M. (2010) "Intergenerational transmissions in immigrant self-employment: Evidence from three generations", *Small Business Economics*, 34, 261–276.

Andersson, L. & Hammarstedt, M. (2011a) "Invandrares egenföretagande – trender, branscher, storlek och resultat", *Ekonomisk Debatt*, 39, 31–39.

Andersson, L. & Hammarstedt, M. (2011b) "Transmission of self-employment across immigrant generations: The importance of ethnic background and gender", *Review of Economics of the Household*, 9, 555–577.

Andersson, M, Larsson, J.P. & Öner, Ö. (2021) "Ethnic enclaves and self-employment among Middle Eastern immigrants in Sweden: ethnic capital or enclave size, *Regional Science*, 55, 590–604.

Andersson Joona, P. (2009) "The native-immigrant income gap among the self-employed in Sweden", *International Migration*, 49, 118–142.

Andersson Joona, P. (2010) "Exits from self-employment: Is there a native-immigrant difference in Sweden", *International Migration Review*, 44, 539–559.

Borjas, G.J. (1986) "The self-employment experience of immigrants", *Journal of Human Resources*, 21, 487–506.

Clark, K. & Drinkwater, S. (2000) "Pushed out or pulled in? Self-employment among ethnic minorities in England and Wales", *Labour Economics*, 7, 603–628.

Clark, K. & Drinkwater, S. (2002) "Enclaves, neighbourhood effects and employment outcomes: ethnic minorities in England and Wales", *Journal of Population Economics*, 15, 5–29.

Clark, K. & Drinkwater, S. (2010) "Patterns of ethnic self-employment in time and space: Evidence from British Census microdata", *Small Business Economics*, 34, 323–338.

Constant, A. & Zimmermann, K.F. (2006) “The making of entrepreneurs in Germany: are immigrants and natives alike”, *Small Business Economics*, 26, 279–300.

Damm, A. (2009) “Ethnic enclaves and immigrant labor market outcomes: Quasi-experimental evidence”, *Journal of Labor Economics*, 27, 281–314.

Ek, S., Hammarstedt, M. & Skedinger, P. (2024) “Low-skilled jobs, language proficiency and job opportunities for refugees: An experimental study”, *Scandinavian Journal of Economics*, 126, 355–386.

Fairlie, R.W. (1999) “The absence of the African-American owned businesses: An analysis of the dynamics of self-employment”, *Journal of Labor Economics*, 17, 80–108.

Fairlie, R.W & Meyer, B.D. (1996) “Ethnic and racial self-employment differences and possible explanations”, *Journal of Human Resources*, 31, 757–793.

Fairlie, R.W. & Meyer, B.D. (2003) “The effect of immigration on native self-employment”, *Journal of Labor Economics*, 21, 619–650.

Fairlie, R.W. & Robb, A.M (2007) “Why are black-owned businesses less successful than white-owned businesses? The role of families, inheritances and business human capital”, *Journal of Labor Economics*, 25, 289–323.

Hammarstedt, M. (2001) “Immigrant self-employment in Sweden – its variation and some possible determinants”, *Entrepreneurship and Regional Development*, 13, 147–161.

Hammarstedt, M. (2004) “Self-employment among immigrants in Sweden – an analysis of intragroup differences”, *Small Business Economics*, 23, 115–126.

Hammarstedt, M. (2006) “The predicted earnings differential and immigrant self-employment in Sweden”, *Applied Economics*, 38, 619–630.

Hammarstedt, M. & Miao, C. (2020) “Self-employed immigrants and their employees: evidence from Swedish employer-employee data”, *Review of Economics of the Household*, 18, 35–68.

Hammarstedt, M. & Shukur, G. (2009) “Testing the home-country self-employment hypothesis on immigrants in Sweden”, *Applied Economics Letters*, 16, 745–748.

Hammarstedt, M. & Skedinger, P. (2025) “Immigrant self-employment in turbulent times”, *Small Business Economics*, 65, 1023–1046.

Hatzigeorgiou, A. & Lodefalk, M. (2014) “Trade, migration and integration – evidence and policy implications”, *The World Economy*, 38, 2013–2048.

Hatzigeorgiou, A. & Lodefalk, M. (2016) “Migrants’ influence on firm-level exports” *Journal of Industry, Competition and Trade*, 16, 477–497.

Hout, M. & Rosen, H. (2000) “Self-employment, family background, and race”, *Journal of Human Resources*, 35, 670–691.

Kinzer, R.H. & Sagarin, E. (1950) *The Negro in American Business: The Conflict between Separatism and Integation*, Greenberg, New York.

Klaesson, J. & Öner, Ö. (2021) “Ethnic enclaves and segregation – self-employment and employment patterns among forced migrants”, *Small Business Economics*, 56, 985–1006.

Le, A.T. (2000) “The determinants of immigrant self-employment in Australia”, *International Migration Review*, 34, 183–214.

Light, I. (1972) *Ethnic Enterprise in America*, University of California Press, Berkeley, CA.

Lodefalk, M., Sjöholm, F. & Tang, A. (2022) “International trade and labour market integration of immigrants”, *The World Economy*, 45, 1650–1689.

Lofstrom, M. (2002) “Labor market assimilation and the self-employment decision of immigrant entrepreneurs”, *Journal of Population Economics*, 15, 83–114.

Min, P.G. (1988) *Ethnic Business Enterprise: Korean Small Business in Atlanta*, Center for Migration Studies, New York.

Miao, C. (2020) “Immigrant self-employment and local unemployment in Sweden”, *Manchester School*, 88, 464–488.

Munshi, K. (2003) “Networks in the modern economy: Mexican migrants in the US labor market”, *Quarterly Journal of Economics*, 118, 549–599.

Neuman, E. (2021) “Performance and job creation among self-employed immigrants and natives in Sweden”, *Small Business Economics*, 56, 403–425.

Robb, A.M. & Fairlie, R.W. (2009) “Determinants of business success: An examination of Asian-owned businesses in the USA”, *Journal of Population Economics*, 22, 827–858.

Tavassoli, S. & Trippl, M. (2019) “The impact of ethnic communities on immigrant entrepreneurship: evidence from Sweden”, *Regional Studies*, 53, 67–79.

Tibajev, A. (2019) “Linking self-employment before and after migration: Migrant selection and human capital”, *Sociological Science*, 6, 609–634.

Wixe, S. (2020) “Long-term neighborhood effects on immigrant self-employment”, *Urban Studies*, 77, 2733–2753.

Yuengert, A.M. (1995) “Testing hypotheses of immigrant self-employment”, *Journal of Human Resources*, 30, 194–204.