



Ethnic Entrepreneurship

in Athens

Anja van Heelsum

Not yet approved by the city



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Foreword

This report is written as a result of the Eurofound project "Cities for Local Integration Policy" (CLIP), which started in 2006. Athens is one of the 28 European cities that cooperate in exchanging information on their Integration Policies and in this case policies on ethnic entrepreneurship. The project aims at collecting and analysing innovative policies and their successful implementation at the local level, supporting the exchange of experience between cities and encouraging a learning process within the network of cities, addressing the role of social partners, NGO's, companies and voluntary associations in supporting successful integration policies, providing objective assessment of current practice and initiatives and discussing their transferability, communicating good practices to other cities in Europe and developing guidelines to help cities to cope more effectively with the challenge of integrating migrants, supporting the further development of a European integration policy by communicating the policy relevant experiences and outputs of the network to: European organisations of cities and local regional authorities, the European and national organisations of social partners, the Council of Europe and the various institutions of the European Union.

The CLIP network is also cooperation between cities and research institutes. Six research institutes in Bamberg, Amsterdam, Vienna, Turino, Wroclaw and Swansea are taking care of the publications of the CLIP project. As a researcher of the Institute for Migration and Ethnic Studies (IMES) of the University of Athens, I am responsible for this report on Breda. Together with our contact persons of the municipality Toula Tranaka of the Immigrant Service Department/ Intercultural Centre of the City of Athens and Vice Mayor Alexia Evert Alverti, and the executive secretary Konstantina Giannouli and social workers Kaliopi Karra of the Intercultural Centre, we gathered the necessary data on Athens for this report. Many officials and other parties who work on immigrants or entrepreneurship have been interviewed, as the list at the end of the report shows. They have provided us with information for this report. We thank the representatives of Shop Authorization Directorate, the Financial Control Section, the Hellenic Manpower Work Service, the General Secretariat for Youth, the Network of Young Entrepreneurs (Esygne), the labour union GSEE, Pireaus Bank, the Guarantee Fund for SMS's and Western Union for coming to the Mayors office and talking to us. But also several entrepreneurs have been willing to provide us with information, the Ethiopian owners of Mercato Shop, Meskel Restaurant and Peacock Bar, the Pakistani owner of 'Gold Group', the Bangladeshi owner of Internet Café, the Albanian owner of Kiritsis Ship Repair and the Egyptian owner of restaurant Oscar di Pasta. And finally we thank the Manoulis Pratnakis, researcher at IMES, Martin Baldwin-Edwards, researcher at the Mediterranean Migration Observatory at Panteion University in Athens for their extensive input and Alexander Zavos, former director of the now shut IMEPO for adding to the understanding of the political complications. I want to thank all those who have cooperated in giving information and particularly Toula Tranaka coordinating the search of data.

Furthermore we thank Martin Baldwin-Edwards, Manoulis Pratnakis and Patrycja Matusz, for their comments on the first draft of this report. The author remains completely responsible for the content of this report and the copyright of the report remains with Eurofound.

Anja van Heelsum
28 July 2010, Amsterdam

1 Introduction

The fourth module of the CLIP project is about ethnic entrepreneurship and explores the development of ethnic entrepreneurship and reviews the role of policy interventions in that process. It is motivated by the desire of municipal, national and European governments and third sector institutions to create an environment conducive to setting up and developing small and medium sized enterprises in general and ethnic businesses in particular.

Following the 'mixed embeddedness' logic, as has been explained in by Rath (2009), it is posited that various components of urban economy interact to produce a complex but also dynamic ecological system, dramatically affecting the political economy of cities and, in so doing, entrepreneurial opportunities. The study therefore focuses on the emergence of ethnic entrepreneurs in the sectors and cities involved and the role of governmental and non-governmental regulation in it. The basic research questions are:

A. What are the *characteristics of the urban economy* and which openings have emerged in a number of cities since 1980? How has the political economy of these cities evolved? More specifically, what has been the development of the Small and Medium Enterprise (SME) sector in general in terms of numbers of businesses, volume of workforce, value of sales, variety of products, and market segmentation, and what has been

i) the spatial distribution, ii) the distribution over the various sectors of the urban economy, and iii) the ethnic, gender and age composition?

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

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

Part of the information is gathered with a questionnaire that was filled in by the representative of the city, using information from colleagues in the administration. More information was found through websites and publications. Since a lot of data on the above questions were not available, additional qualitative information was gathered during interviews.

2 Background information of the ethnic composition of Greece and the city of Athens

2.1 Greece

For many centuries, Greece was one of the foremost emigration countries in Europe. It was considered until the mid 1980s to be a traditional migrant-sending country. It also used to be a mere transit country for migrants and refugees who intended to settle in other European receiving countries. During the last 18 years, Greece has become, within a short period of time a receiving country of migrants. Migration accompanied the collapse of East European socialism in 1989, torn by civil conflict and poverty, and Greek society experienced a sudden wave of new people and cultures. Within a short time, Greece's migrant population grew up and has now come to account 10% of the population. In 2008 the GNI per capita in Greece is \$28,650, while it was only \$3,840 for its neighbour Albania and \$5,490 for Bulgaria (World Bank, 2008).¹ Reasons for influx were various: the geographical position of Greece, the fact that it was the only EU member State in the Balkan area, the consequences of the fall of the Berlin Wall which had an impact on neighbouring countries as well as on geographically remote ones.

Table 1: Contribution of natural increase and migration flows to the population growth in Greece (Censuses 1961–2001)

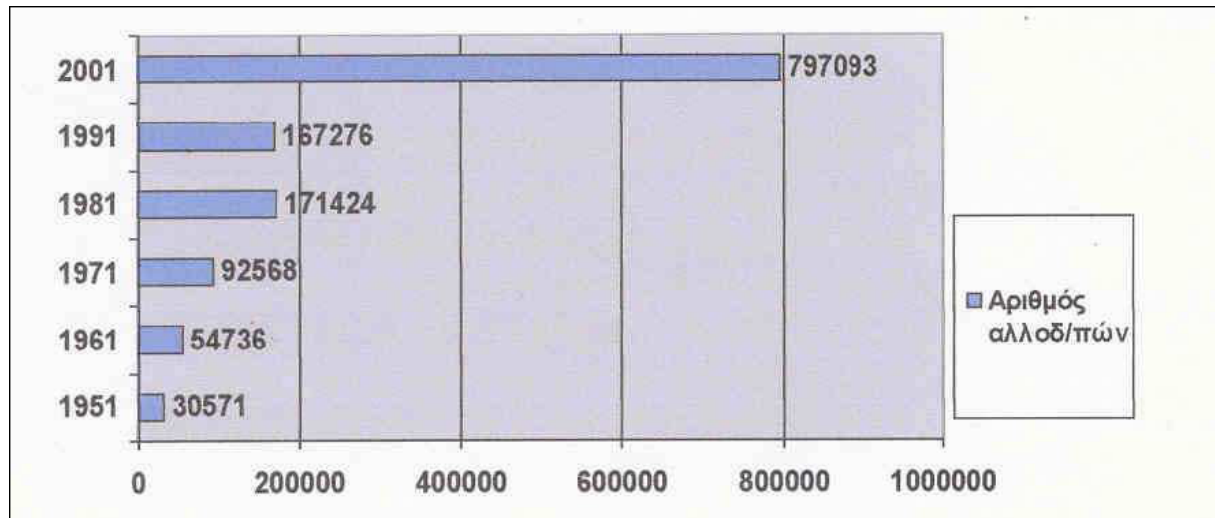
Decades	Net population growth	Natural increase (births)	Migration flow
1961–1970	380,088	839,425	-459,337
1971–1980	971,776	637,368	334,408
1981–1990	519,483	272,441	247,042
1991–2000	679,871	21,617	658,254

Source: Parsonoglu (2008) (country report Greece on <http://www.oss.inti.acidi.gov.pt>)

Besides its history of a migrant sending country, Greece had a history of protecting its cultural identity and avoiding foreign influence. The country was completely unprepared for large immigration flows and both legal facilities and policies for the integration of immigrants were absent. Greeks feel that the integration of different ethnic groups has to take place in a much shorter period of time than in other European countries, where – according to them – the transition happened gradually over the course (of) several decades. Actually there is a lot of similarity with the situation 40 years earlier when West European countries were unprepared for the influx of guest labourers and post colonial immigrants. In 1997, Greece began to treat its immigrants in a concerted manner, starting with legislation to legalize the status of people who had come to the country in search of a better life. Until the first legalization programme, immigrants had no way of obtaining legal status and lived vulnerable to every kind of extortion. Three successive legalization procedures, in 1998, 2001 and 2005, gave them the first possibilities to obtain basic rights.

¹ See the country pages for Greece, Albania and Bulgaria on http://news.bbc.co.uk/2/hi/country_profiles/default.stm

Figure 1: Number of foreign citizens in Greece (censuses 1951–2001)



Source: Parsonoglu (2008) (country report Greece on <http://www.oss.inti.acidi.gov.pt>)

Though the migrants who are present in Greece today come from more than 120 different countries, the bulk of migrants came from the Balkans. According to the last Greek Census in 2001, 58% of the approximately 797,093 foreigners residing in Greece were Albanians. Bulgarians formed the second largest foreign community with 5% of the total, followed by Georgians and Romanians, each of which accounted for 3% of the foreign population. Many migrants originate from Eastern Europe (Russian Federation, Ukraine, and Poland), Asia (Pakistan, Bangladesh, India and Philippines), the Middle East (Iraq) and Africa (Egypt, Syria, and Nigeria).

-- Statistics

It is important to remark that Greek statistics reports on foreign nationals, therefore the data in this report nearly always refer to them. A problem in many statistics is that the *Homogeneis* -, i.e. immigrants who somehow have Greek ancestry and are therefore treated as Greeks- and asylum seekers are left out. The *Homogeneis* have a similar status to *Aussiedler* in Germany and Jews in Israel. Most of the *Homogeneis* come from neighbouring countries like Albania, Turkey, Ukraine and Russia. They includes according to Balwin-Edwards & Apostolatu (2008): (a) Greek communities in the Balkans, Eastern Mediterranean and the Black Sea regions, (b) Greek minorities in Turkey, Albania and on a smaller scale, Bulgaria after the population exchanges of 1923. These are the “non-liberated” Greeks of the “lost motherlands” who found themselves outside Greece, (c) Greek immigrant communities in the USA, Australia and Germany, results of the 20th century labour emigration, (d) Greek communities of the former Soviet Republics, comprising Greek and Russian-speaking people from the Black Sea region, and (e) Political refugees who left for Eastern and Central Europe during the civil war. The communities of Pontian Greeks in the former Soviet Union, inhabiting the northern and eastern shores of the Black

Sea since the Byzantine era, were forcibly displaced eastward under communist rule, and were to be found in many Soviet republics –, mainly in Georgia, Russia and Kazakhstan (Katsavounidou & Kourti).²

The gender composition of the migrant population differs remarkably per nationality. While some immigrant nationalities are mainly composed of men (i.e. Bangladesh, Pakistan, India), others have relatively a lot of women, who work in services and care (i.e. Ukraine, Russian Federation).

The rights of immigrants differ considerably per group. Immigrants from EU member states, and the '*Homogeneis*' have easy access to social and civil rights, whereas asylum seekers and people from non EU countries have more problems to obtain and renew residence permits.

For many years, statistical data concerning migrants in Greece were not systematically gathered, or not available for research (Baldwin-Edwards 2008). We also noticed strange categorisations (counting asylum seekers as illegal) and differences between data from the same year that were difficult to understand; thus it is hard to draw comparisons in time. In the 1980s foreigners constituted 2.5% of the country's total population. The best source of data is actually the last census of 2001 which includes the homogeneous, but it is of course 9 years ago. According to the 2001 census, foreigners constituted 7% of the total population of the country nine years ago ('*Homogeneis*' are counted based on their nationality); other sources estimate that this percentage reaches 10% by now.

Table 2: Immigrant population in Greece in 2001 and 2007

Country of Origin	Census 2001		Valid Permits October 2007	
	Number	Percentage	Number	Percentage
Albania	438,036	57.5	303,225	63.0
Bulgaria	35,104	4.6	27,181	5.6
Georgia	22,875	3.0	12,990	2.7
Romania	21,994	2.9	15,884	3.3
USA	18,140	2.4	-	-
Russia	17,535	2.3	10,704	2.2
Cyprus	17,426	2.3	-	-
Ukraine	13,616	1.8	19,005	3.9
UK	13,196	1.7	-	-
Poland	12,831	1.7	-	-
Pakistan	11,130	1.5	12,126	2.5
OTHER	68,385	9.0	32,782	6.8
Total Migrants	761,813	100	481,501	100
Total Population	10,964,020			

Source: Triantafyllidou & Marouf (2009).

² For more information on the '*homogeneis*' from the former SU, see: Katsavounidou & Kourti (2008) and from Ukraine see article by Kaurinkoski (2008).

Table 2 shows data from the census and from the Ministry of Interior. The problematic data situation becomes directly clear in this table, since it looks like the number of Albanians has gone down between 2001 and 2007. This is of course not the case, and caused by the fact that Albanian '*Homogeneis*' are in the census counted as Albanians, but not in the residence permit data, since '*Homogeneis*' don't need residence permits.

Anyhow, dealing with the data we have, table 2 shows over 50% of its immigrants are Albanian. Greece is the only EU country with a single nationality of migrants exceeding 50% of the total of foreigners in the country. The vast majority of migrants (83%) to Greece originate from former socialist countries of Eastern Europe or from certain countries of the former Soviet Union in the Caucasus and Central Asia. The source countries sending significant numbers of migrants to Greece are quite diverse. Many migrants originate from Central and Eastern Europe (Bulgaria, Romania, Moldova, Russia, Poland, and Ukraine), Asia (the Philippines, India), the Middle East (Iraq, Syria) and Africa (Egypt, Nigeria, and Zaire). Figure 2– the spatial distribution of immigrants – shows that the largest cluster of migrants is found in the municipality of Athens with about 20% of the total population. Thessaloniki has the second–largest density of immigrant population, with foreigners comprising 7% of the local population. Approximately 80% of migrants to Greece are people in the working age, as compared to the corresponding figure of 68% for the Greek population. In terms of education there is the tendency towards an incremental increase in the number of foreign pupils (Papademetriou & Cavounidis, 2006).

Figure 2. Non EU nationals as percentage of the total Greek population



Source: Baldwin-Edwards (2004)

-- Types of residence permit, employment and education

The overview of the types of granted residence permits in 2007 shows that the main motives for immigration are: dependent (salaried) employment and family reunification (see table 3)³. When moving to Greece, salaried employment gives easiest access to a residence permit. To get this kind of residence permit one needs to show a contract (except for agricultural employees, construction workers, private nurses and domestic workers).

Table 3: Overview of the types of residence permits in Greece (15.10.2007, given out this year)

Type of residence permit	Total	%
Indefinite duration	5	0%
Independent permit for members of third country national's family	5,884	1.2%
Long-term	1	0.0%
Seasonal employment	5,342	1.1%
Salaried employment	283,332	58.8%
Independent economic activity	1,454	0.3%
Other employment	438	0.1%
Employment - company executives	1,447	0.3%
Researchers	35	0.0%
Other	1,888	0.4%
Members of EU citizen's family	6,608	1.4%
Members of EU citizen's family - spouse	45,337	9.4%
Members of Third country national's family	123,790	25.7%
Regularisation according to Law 3386, article 91, paragraph 11	505	0.1%
Regularisation according to Law 3536, article 18, paragraph 4	650	0.1%
Regularisation according to Common Ministerial Decision 11702	529	0.1%
Studies	3,994	0.8%
Studies - other categories	262	0.1%
Grand Total	481,501	100.0%

Source : Parsonoglu (2008) country report Greece on <http://www.oss.inti.acidi.gov.pt>. Table is based on the data of the Ministry of Interior Affairs.

The next table (4) gives the economic activity per sector of immigrants based on the most recent data (2006) from the Labour and Manpower Study (EED) carried out by the National Statistical Service of ESYE (no recording has referred to the professional allocation of immigrants in Greece on the basis of ISCO 88 system). It is estimated that foreigners work in more than 60 sections of the Greek economy. According to the officials of Athens, this fact demonstrates the degree of penetration of migrants into the Greek economy.

³ Note that asylum seekers and refugees are left out of the table.

Table 4 Economic activity per sector: immigrants (non nationals) in 2006 (Greece)

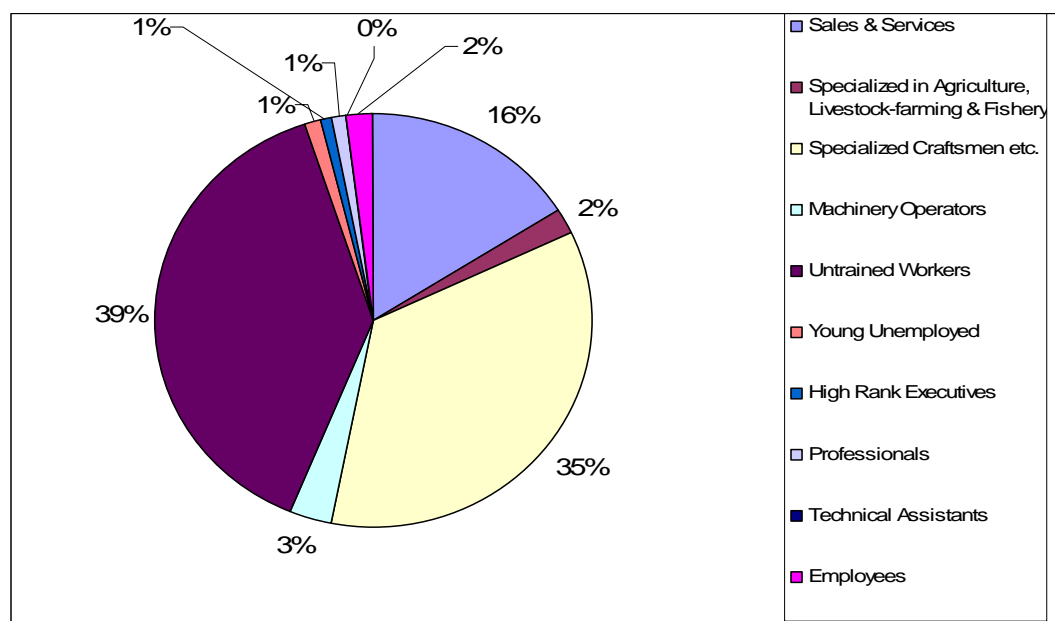
Sector	Men	Women
A. Agriculture, stock-raising, hunting and forestry	7.8	5.9
B. Fishing	0.1	*
C. Mines and quarries	0.4	*
D. Processing industries	17.9	8.7
E. Provision of power etc.	0.4	*
F. Constructions	49.2	0.9
G. Wholesale and retail trade, vehicles	8.8	7.1
H. Hotels and restaurants	7.2	16.2
I. Transports, storage and communications	2.5	0.6
J. Intermediary financial organisations	*	0.7
K. Real estate management	2.3	5.2
L. Public administration and defense etc.	0.6	0.0
M. Education	0.4	1.8
N. Health and social care	0.5	3.5
O. Other service rendering activities	1.0	2.9
P. Private households	0.9	46.5
R. Extraterritorial organisations and bodies	*	0.2
	100%	100%

Source: EED by NSSG, 2nd quarter, Processed by INE/GSEE-ADEDY. On:
<http://www.eurofound.europa.eu/ewco/studies/tn0807038s/gr0807039q.htm>

As table 4 shows, the largest sectors where male immigrants work are construction (49%) and industry (18%), while women work predominantly in households (47%) and hotels/restaurants (16%). Many Albanians work the construction sector especially as a result of the preparations for the 2004 Olympic Games. Additionally, foreign workers in the housekeeping sector outnumber Greek workers.

Figure 3 shows some more detail on the kind of jobs immigrants have found in Greece. The categorisation seems a mixture of sectors (we find agriculture, employees), levels (high ranking verses untrained) and more detailed job descriptions (like machine operators) and age (young unemployed). But it gives an impression of the types of jobs, one can encounter among immigrants.

Figure 3: Types of jobs of immigrant on the Greek labour market



Source: Triandafyllidou & Marouf (2009)

The largest category in figure 3 are 'untrained workers' (dark purple – 39%) and 'specialized craftsmen' (broken white – 35%). Another considerable section is sales and services (lilac 16%). The other sections are very small (machine operators 3%, employees 2%, high rank executives 1%). As we have seen already the Albanians are very often specialised craftsmen. The number of immigrants who work in agriculture is going down in the last 10 years

The educational characteristics of immigrants – if they are merged into one category – is similar to the educational characteristics of Greeks: they are not higher or lower educated as Greeks as Baldwin-Edwards (2008: p. 34) shows based on the census data. But there are specific nationalities that are relatively high educated (like those coming from the former Soviet Union, Egypt, the EU and the USA) and who are relatively low educated (like Pakistani, Indians, Bangladeshi and Iraqi). The largest group, Albanians, shows similarities to Greeks.

– Irregular migrants

As mentioned, residence permits are most easily obtained by immigrants of non EU countries, when they can show an official labour contract⁴. The permit is for a short period, and has to be renewed every one, two or five years. This means that legalised individuals regularly fall back to illegality. The fact that immigration flows occurred in a rather non-regulated way explains the large numbers of illegal migrants residing in Greece only partly. Also here we find surprising data. According to the Department of Social Integration of the Ministry of Interior, the total number of residence permit holders in 2004 was 672,584 and on 15 October 2007: 481,501 while in the census of 2001 there were already 761,813 migrants, so one would expect the number of residence permit holders to go

⁴ The requirements for the different types of resident permits are listed in English on the website of the City of Athens <http://www.cityofathens.gr/en/node/7526>

up.⁵ A few factors add to high counts of irregular migrants like: a) many immigrants' resident permits are half way the long renewal process, b) even after more than 10 years of residence, migrant don't receive a permanent status, and when a non EU citizen cannot support himself anymore, he and his wife and children loses their residence permit⁶, c) asylum seekers can ask for a pink card at the Tavros police station in Athens (valid for 6 months), those that wanted to ask for asylum but didn't reach the front of the cue, and processed and refused refugees that cannot be returned to their country of origin are all counted as irregular migrants, d) children of immigrant on turning 18 become automatically 'irregular' within two years unless they study or find an independent job and get an independent staying permit.

Irregular immigration is an issue that was often discussed in the interviews in Athens, probably due to media and policy attention for the arrival of boats on Greek shores, the general public tends to exaggerate the size of this influx. Baldwin-Edwards (2010) shows that the number of irregular entrees – counted with apprehensions at the border – is actually going down since 2007, and the largest inflow comes from Albania (37%) and not via the Turkish sea (26% comes through sea). In 2008 half of the apprehensions at the borders were of Albanians, while the 'usual refugee producing countries' account for 18% Afghani's, 13% Iraqi's and 6% Somali's (Baldwin-Edwards 2010). Because of the way of counting the irregular, it is not reasonable to compare the figures with those of other European countries, where children of immigrants who become 18 and asylum seekers are not considered irregular.

-- Children

As the data on foreign children in schools show, the amount of children of immigrants in Greek schools is fast increasing. According to official data from the Institute for the Greek Diaspora Education and Intercultural Studies (IPODE), which is the competent authority affiliated to the Ministry of Education for consulting and monitoring multicultural/ intercultural education, children without Greek citizenship constituted in 2004 8.3% of the total school population.⁷

Table 5: Number of pupils in primary and secondary schools (2002–2004) and the increase of foreign students

Academic Year	Greek	Foreigner	% of total	Total
2002–2003	1,332,611	96,899	7.3	1,460,464
2003–2004	1,312,313	109,130	8.3	1,449,112
Rate of change 2002–2004	-1,52%	+12.62%		-0.78%

Source: Parsanoglou (2008)

⁵ Though Greece is also a transfer country and a number of migrants have left Greece for Western Europe, it is still improbable that the figure went down.

⁶ It is first based on the amount of work hours that one has saved and after that is finished one can buy the 'social security stamps' (with saved capital, if this is not finished).

⁷ IPODE uses the nationality of the mother as a proxy for the nationality of the child and records all ethnic Greeks as Greek citizens, while most of these cannot speak Greek.

This number keeps rising very fast on all levels of the education system as table 5 shows for 2002–2004. On the one hand this is due to the “second generation” – children of migrants born in Greece. On the other hand the number of residence permits granted to family members indicates that there is a continuously increasing of the youth population with migrant background residing in the country. Both types of children have a dependent residence permit, which ends when they become 18. Finally, an element which completes the migration picture in Greece is the fact that migrants, particularly the largest group, Albanians, affirm their desire to stay for an indefinite time in the country and are willing to integrate into the country’s society. This shakes the traditional model of migration to Greece, where migrants were temporary residents attempting to raise a certain amount of capital and ultimately intended to return to their country of origin.

2.2 Athens

Athens is the largest city and the capital of Greece and of the Region of Attica, with a population of 745,514 with a metropolitan population of 3,7 million (population including the suburbs) according to the Census of 2001 (unfortunately there are no up to date data).⁸ The Region of Attica constitutes of the Prefecture of Athens, Piraeus, Western and Eastern Attica, it is the geographical and political centre of Greece (figure 4). Attica was first settled in the Neolithic period and has dominated the stage of civilization ever since. Today almost one third of the Greek population lives in Attica, granting the region of Attica the leading role in Modern Greek life.

Figure 4: Athens within the Region of Attica



Source: http://www.travel-greece.org/athens_attica

⁸ Note that Greek families tend to move back to their grandparents villages for voting and during the census, in order to maximize the subsidy from the central state for rural areas. This means there is a considerable undercount of the number of Greeks in Athens.

A centre of cultural activity since Classic antiquity, the birthplace of tragedy and philosophy, democracy and athletics, the city of Athens has given birth to the greatest minds of the antiquity. Since the establishment of the Greek state, Athens has become the most important centre for national economic development as well as being the capital of national interests.

The gradual accumulation of people is both due to the large number of Greek refugees from Asia Minor (1922) settling there as well as to internal migration, resulted in urbanization, rural depopulation and centralism in the greater Athens area. Athens metropolitan area, which includes the city of Athens and 124 municipalities, is the most populated in the country. As table 6 shows, the percentage of people that live in the capital compared to the rest of Greece is increasing every year.

Table 6 Population of the metropolitan area of Athens compared to population of Greece

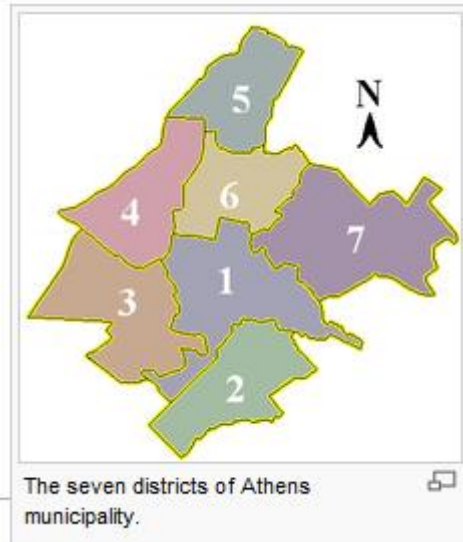
	POPULATION OF GREECE	POPULATION OF ATHENS	% POPULATION WHO LIVE IN ATHENS
1848	987.000	32.000	3.1
1861	1.097.000	50.000	4.5
1870	1.436.000	59.000	4.1
1879	1.654.000	90.000	5.4
1889	2.187.000	149.000	6.8
1896	2.434.000	180.000	7.3
1907	2.632.000	250.000	9.4
1920	5.032.000	453.000	9.0
1928	6.205.000	802.000	12.9
1940	7.335.000	1.124.000	15.3
1951	7.633.000	1.379.000	18.1
1961	8.388.000	1.853.000	22.1
1971	8.768.000	2.540.000	29.0
1981	9.740.000	3.027.000	31.1
1991	10.260.000	3.073.000	30.0
2001	10.934.097	3.758.000	34,4

Source: CLIP questionnaire

The City of Athens is composed of 7 self administrative City Districts Councils (see figure 5). Each City District is responsible for the management of all local matters and citizens may seek assistance from their City District Council. The Mayor of the Municipality of Athens is assisted by 10 Deputy Mayors. The number of Deputy Mayors in each municipality is determined by the size of the population. In larger municipalities such as the City of Athens, the number of Deputy Mayors is equivalent to the number of city districts (7) and may, by decision of the City Council, be increased by 3.

The Deputy Mayors are majority councillors appointed by the Mayor; that means that all Deputy Mayors are at the time of the city visit from the centre right New Democracy Party (*Néa Dēmokratía or ND*).⁹ This is the party that was in power on national level until 2009 led by Prime Minister Karamanlis. Since autumn 2009 the national government is led by George Papandreou of the PASOK, the Panhellenic Socialist Movement. Athens is preparing for local elections in November 2010.

Figure 5: The seven districts of the Athens municipality



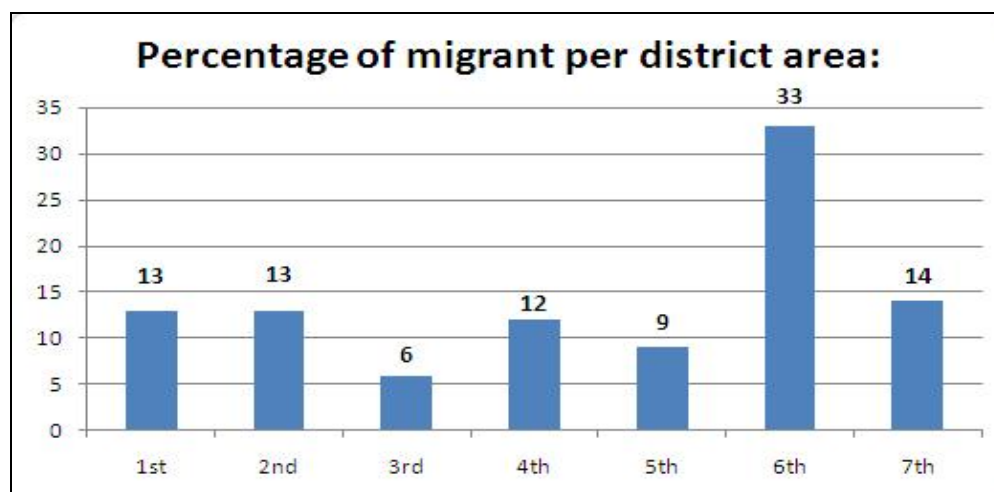
Source: http://en.wikipedia.org/wiki/File:Athens_dimotiko_diamesisma.PNG

While the percentage of people living in the metropolitan area of Athens was increasing in the last 100 years, the share of the native population in the city area is declining in the last 20 years according to the censuses. In 1981, the number of inhabitants was 886,737, in 1991 816,556 and in 2001 745,514. This has two causes: the native population is aging fast, and the birth rate is low, and secondly Greeks move to the more comfortable and less polluted municipalities just outside the city borders. The amount of empty houses in the city centre is considerable and immigrants are filling in the empty places.

Looking at the city as a whole, extreme ethnic segregation cannot be found. As figure 6 shows, the highest density of immigrants is with 33% in the 6th district which is also known as the traditional poor and unpopular district. On neighbourhood level, there are some clear concentrations of certain ethnic groups (e.g. in the 1st, 2nd, 6th, 7th district). However, such concentrations do not represent a typical segregated area known from some other Western European cities. On neighbourhood and street level there are higher concentrations, and certain streets and squares are known as Pakistani, African or Filipino.

⁹ More information http://en.wikipedia.org/wiki/New_Democracy_%28Greece%29

Figure 6: Percentage of migrants (foreign nationals) per district of Athens



Source: Intercultural Centre City of Athens

In 2008 more than 140,000 migrants are living and working in Athens. The Immigrants' Services Department's data constitute the source of information for the characteristics of the city of Athens' immigrants. According to the Immigrants' Services Department, in 2008: 67,211 migrants have applied for a residence permit (either a new permit or a renewal). So, in accordance with this data (see table 7): 51.43% were from Albania, 6.1% from Ukraine, 5.4% from the Philippines, 5.0% from Egypt and with less percentage, nationalities from Europe, Asia and Africa. Women make up 46% of the total immigrant population. The immigrants in Athens come from 122 different countries. Table 7 shows the numbers of immigrants in 2006, note that the % of Albanians is going up.

Table 7: Immigrant population of the City of Athens by citizenship and gender (2006)

COUNTRY	MALE	FEMALE	TOTAL	% OF TOTAL
ALBANIA	22,604	16,772	39,376	41.5
ROMANIA	4,389	2,840	7,229	7.6
BULGARIA	1,997	4,805	6,802	7.2
UKRAINE	1,347	3,990	5,337	5.6
PHILIPPINES	1,141	2,866	4,007	4.2
MOLDAVIA	1,354	2,253	3,607	3.8
EGYPT	2,857	748	3,605	3.8
BANGLADESH	3,379	214	3,593	3.8
GEORGIA	838	2,456	3,294	3.5
SYRIA	2,300	673	2,973	3.1
PAKISTAN	2,521	79	2,600	2.7
NIGERIA	1,337	763	2,100	2.2
CHINA	923	609	1,532	1.6

SUB-TOTAL	46,987	39,068	86,055	90.6
OTHER COUNTRIES	4,297	4,572	8,869	9.4
TOTAL	51,284	43,640	94,924	100.0

Source: Immigrants' Services Department, Municipality of Athens, 2006

While some nationalities are mainly composed of men, others are mainly composed of women. As in the whole of Greece, the most important immigrant group in Athens is from Albania, and 55.6% of them are men. The Albanian population is quite young: 21.3% are less than 14 years old, 36.5% are between 15 and 29 years old and 28.8% are in the age between 30 and 44. In the case of Albanians the most common household form is the family. Men constitute more than a half of total foreign population in some cases like Indian, Pakistani and Bangladeshi migrants more than 90%. In contrast, women constitute 76% of the migrants from the Philippines, there are also over representations among ex-Soviet Union immigrants, Romanians and Bulgarians.

There are important differences concerning women's family status according to their nationality. Specifically, Albanian women are mostly married, more than women from the Balkans and from the former Soviet Union, who are less frequently married and more frequently divorced or separated. On the other hand most of the Pakistani and Bangladeshi men are not married. Characteristically, mixed marriage is a common phenomenon among foreign women and 1 out of 10 women in total married a husband of a different nationality than her own. Marriages with Greek men occupy the first place and the differences according to the country of nationality are evident. Maximal frequencies in marriages with Greek men can be observed among women from the former Soviet Union. That both are mainly Orthodox may be the reason.

Considering the educational level of all migrant women, the Research Centre for Gender Equality states that they have a rather high educational level, as 19.1% of them have completed the 9 year obligatory education, 48.5% the high school while 26.5% passed more than 13 years of school education. The majority of women with higher education hold a degree in Pedagogical Studies, on Health Science Studies or degrees in Economical and Social Science Studies.

For the description of separate ethnic groups, we refer to the CLIP city report for the fourth module by Szabo & Fassmann (2009). One can find a description of the following nationalities: Albanians, Pakistani/Bangladeshi, Filipino's, Egyptians, and Georgians/Ukrainians.

3. The urban economy in general

In this chapter we describe Athens urban economy, at least to the extent we managed to get data on Athens. If data on the city of Athens were not available, we fall back on data of the Metropolitan region of Athens, and often even to national figures.

3.1 Historical development of urban economy

After World War II, the Greek economy saw a large inflow of foreign capital and development was one of its main features. During this period emphasis was placed on key infrastructure projects both in the agricultural as well as in the industrial and tertiary sectors. In the industrial sector, textile companies, food industries, wood, leather, paper, clothing industries and chemical and construction companies ranked first. Up until 1970, the primary sector (agriculture, stock-raising, fishing) played a major role in the Greek economy. Since 1974, the agricultural population has decreased significantly (by approximately 5%) and the country began to gradually shift its focus from being agricultural, to secondary sector and to industrial production.

During the 1950s and 60s, apart from large public investments in key infrastructure projects that supported the development of Greek industry, large-scale investment programs were implemented in industrial sectors. In the area of Elefsina, just outside Athens, heavy industry grew, namely oil-refineries, the steel industry producing reinforced concrete for construction, two large shipyards and a cement factory. This new industrial zone supported industries that had grown up at the beginning of the 20th century in the centre of Athens (small industry, gas factory, etc) and in Piraeus (chemical fertilizer complex). Despite the attempts to boost investments in industry through development law incentives, over time there was a swing in investments from heavy industry (e.g. chemical industries) towards a lighter form of industry (e.g. the food and drink industry). This trend was particularly noticeable during the 1980s and 90s, when de-industrialization reached its peak.

Table 8 shows – that since 1951, an increase in the tertiary sector (services, public sector, and banking) can be observed in the Greek economy at the expense of the primary and secondary sector.

Table 8 Employment by Economic Sector 1951–2001

	1951	1961	1971	1981	1991	2001
Primary Sector	1,357,586	1,927,960	1,221,756	970,402	666,833	591,669
Secondary Sector	517,699	642,166	825,892	1,008,668	849,993	892,187
Tertiary Sector	722,225	838,489	982,920	1,337,188	1,838,158	2,401,168
Not stated	62,571	14,816	112,472	72,260	201,451	217,065
Total	2,660,081	3,423,431	3,143,040	3,388,518	3,556,435	4,102,089

Source: National Statistics Office, ESYE, Census

A large proportion of the increase in the tertiary sector in Greece is due to the rapid growth of the public sector as well as to tourism. Where nearly half of the Greeks worked on small farms in the

primary sector in 1951, producing their own tomatoes, feta and olives, this type of family business is currently a financially problematic endeavour, and many of the small farms can only survive with illegal employees – by the way as everywhere in Europe. The secondary sector (industry) actually grew between 1951 and 1981, but then diminished again in 1991 and 2001, and the fact that Greece doesn't have a lot of industrial products to export is currently considered one of the causes of its problematic financial situation. In 2001 49.2% of the export was manufactured products, and 21 % food products.¹⁰

Table 9 shows the more recent development from 2000 to 2008 of the sectors that loose jobs and that generate jobs. It shows – again – that the loss of jobs in the traditional agriculture/livestock sector is proceeding at a fast rate. The largest job loss is in the agricultural/livestock sector.

Table 9: Sectors with the largest numbers of new and lost jobs, all country 2000 – 2008

Sectors generating jobs		Sectors losing jobs	
Sector	numbers	Sector	numbers
Construction	88,419	Agriculture – Livestock	-194,371
Retail	87,993	Manufacture of wearing & Fur	-36,472
Public Administration, Defence & Social Security	80,869	Insurance and pension funds	-14,651
Other Business Activities	80,185	Food industry & Beverages	-6,672
Training	72,182	Manufacture of tobacco products	-5,005
Hotels – Restaurants	52,697	Animal Skin Treatment	-3,525
Health & Social Care	45,822	Wood Industry	-3,228
Wholesale Trade	35,809	Refined petroleum products	-2,242
Other service activities	25,272	Air Transport	-2,055
Real estate	21,493	Manufacture of medical instruments	-1,980
Total	590,741	Total	-270,201

Source: INE E GESEE, Report of the Greek Economy, 2009

The inflow of European products like industrially produced Dutch feta and Spanish olive oil make it impossible for the small traditional farms to compete. Added to this lack of competitiveness, the aging of the population adds to the discontinuance of traditional farms. The few young people in Greece are not interested to become farmer. The list of sectors with job loss shows that the Greek industry has not developed competitively in Europe. The sectors that showed growth were firstly construction, in which a lot of Albanians established businesses and found work. Secondly the retail sector (shops) is growing. Thirdly there is still growth in the tourist sector. Hotels and restaurants are still growing. And as already noted fourthly the public administration was still growing in the beginning of 2010. The growth

¹⁰ <http://www.athensinfoguide.com/businessgreekeconomy.htm>

of the public administration is at the time of the city visit, considered exaggerated and is considered another important cause of the financial crisis. Compared to for instance the UK the number of public officers in Greece is about one third more, though the population is much smaller. Greece always believed in state controlled agencies, and tried to halt privatization of services. Even the cleaners of the metro are public servants, whereas this kind of service is in other countries privatized. The system in which public servants are hired for life, makes it attractive to work for the administration.

Table 10 shows that there are a few promising types of enterprises within the service sector. Recycling, real estate, rental equipment, computers, financial intermediaries, research and development, and other service and business activities are typical growth sectors for modern 21st century West European city. As we also saw in the CLIP case study on Amsterdam, the development of these new business services is probably the most important promise for economic growth. Greece is in a fast transition process from a traditional agricultural to a modern service directed economy.

Table 10: Sectors with the highest growth rates and declining employment all country 2000 – 2008

Sectors with the highest rates of employment growth		Sectors with high rates of employment reduction	
Sector	number	Sector	number
Recycling	1057,6	Manufacture of tobacco products	-60,1
Real estate	1056,5	Manufacture of office machinery	-53,6
Extra-territorial Organizations & Institutions	519,1	Insurance and pension funds	-49,4
Rental equipment, personal use	201,6	Manufacture of wearing and fur	-45,6
Computers	138,0	Manufacture of medical equipment	-32,9
Associated with financial intermediaries	124,4	Animal Skin Treatment	-30,9
Other service activities	66,5	Metal or mining	-28,5
Research & Development	61,9	Refined petroleum products	-28,3
Other business activities	45,3	Agriculture – Livestock	-28,0
Private households employing staff	39,5	Construction vehicles	-25,0

Source: INE GSEE, Report of the Greek Economy, 2009

The most current figures for 2009 are show that agriculture makes up 3.4% of the GDP; industry: 20.8% of and services: 75.8% (GDP is a 2009 estimate). The percentage of jobs in agriculture is much higher that the percentage of GDP, which means it is not producing cost effective. Another problem is – according to Wikipedia – that Greece had the EU's second lowest Index of Economic Freedom (after

Poland) in 2009, ranking 81st in the world.¹¹ The country suffers from high levels of political and economic corruption and low global competitiveness relative to its EU partners.

Unfortunately we have obtained only national data, and we have not managed to find this kind of figures for the city of Athens.

3.2 Main industries and services

Based on interviews we can estimate that one of the largest employers of Athens is the national and local administration. Secondly there is an enormous number of service providers and a large section of retail trade. Tourism (museums, hotels, restaurants and bars) and transport (the airport, metro, trains, taxi's and transport of goods) also provides a considerable part of the local production figures.

On the territory of the city of Athens itself there is not a lot of industry: we find industry in the neighbouring municipalities of the Metropolitan region of Athens. The neighbouring municipality of Piraeus is important because of its harbour and the related activities like shipbuilding and transport. The harbour is one of the most important economic activities in the region.

Important changes are expected this year in the number of employees of the national and local administration, since diminishing the number of officials was part of the agreement with the EU and IMF package, which was agreed on April 27 2010 (during the city visit). It is not yet clear whether this will be arranged by privatisation of services or by diminishing the number of staff per service. As in most big European cities business services (computer, financial intermediaries, and legal support) are growing.

3.3 Size and characteristics of the workforce

Mr Stelios Zachariou of the Hellenic Statistical Authority, probably the best informed expert on this terrain, informed us that information on the size of the workforce is not available for Athens, but only for Athens' metropolitan area, since the Work Force Survey does not provide data per municipality. He was so helpful to send us the following data. The population of Athens metropolitan area (see table 11) in the working age (15–65) consists of 2,309,500 individuals, of whom 1,574,000 (68.2%) make up the labour force. Of the total work force in Greece about 11.3% was unemployed according the Hellenic Statistical Authority's press release in January 2010. The unemployment rate in Athens is lower with 10.4 % than in Greece as a whole, which has been is a rather stable phenomenon during the previous years. According to mr. Zachariou, this is caused by the concentration of a large part of tertiary sector and specially the largest part of public sector in this area. As become clear in table 11, based on the same data, the unemployment of Greeks and immigrants is more or less the same.

¹¹ <http://www.heritage.org/Index/Ranking.aspx>

Table 11 Population of the metropolitan region of Athens aged 15–65 years old by labour status and nationality. Reference period: 4th quarter of 2009

	Total	Greek Nationals	Foreign nationals
Total	2,351,417	2,057,125	294,292
Labour force	1,601,786	1,371,286	230,501
Employed	1,441,467	1,233,929	207,538
Unemployed	160,319	137,356	22,963
Percentages of unemployed persons as to the total of labour force	10%	10%	10%
Non labour force	749,631	685,840	63,791

Source: Hellenic Statistical Authority, Labour Force Survey 2009

We have no further data on the characteristics of the workforce of Athens in terms of age, gender, education. So we can only assume that these figures are rather similar to the population data of immigrants in Greece, as shown in table 12. The table shows that non nationals (1st generation immigrants) are more often low educated (54%) than nationals or 2nd generation (both 45%). Non nationals (1st generation immigrants) are also less often (11%) high educated than nationals and 2nd generation (18.6%). This information has fewer details than the data we cited earlier of Baldwin–Edwards (2008), who showed that certain ethnic groups, like former Soviet citizens, Egyptians and EU/US citizens are generally higher educated, while Pakistani, Bangladeshi, Indians and Iraqi are lower educated than Greeks. The largest ethnic group Albanians are very similar to Greeks.

Table 12 Educational level of Greek nationals, non nationals, and migrants descendants in the working age (15–74 years old) (national data)

	Nationals, with at least one parent born in Greece		Nationals both parents born abroad (2 nd generation)		Non Nationals (1 st generation)		Did not answer	
	n	%	n	%	n	%	n	%
Primary	3,359,405	44.6%	51,079	44.5	291,913	54.0	71,376	51.1
Secondary	2,770,451	36.8%	42,258	36.8	187,672	34.7	44,622	32.0
Tertiary	1,402,991	18.6%	21,402	18.7	60,760	11.2	23,656	16.9

*Source: Press Release of the Hellenic Statistical Authority, August 2009*¹²

¹² The press release was found on

http://www.statistics.gr/portal/page/portal/ESYE/BUCKET/A0102/PressReleases/A0102_SJO13_DT_AH_00_2008_01_F_EN.pdf

3.4 Formal access to entrepreneurships and rules and permits

As the representative of the Shop Authorisation Directory of the city of Athens explained to us, businesses do not only need the basic business permit, but also a permit from the fire brigade, if they sell food a permit from the service of protection of customers (hygiene), a terrace permit, safety permit, etcetera. Generally the procedure is as follows:

- One finds a building and signs a rent contract; makes it ready for inspection.
- One starts to gather the papers from the city of Athens, planning department
- VAT number and registration at the tax office
- The necessary permits are gathered, like fire brigade checks the building, hygiene service some to check on cleanliness, terrace permit for opening a terrace, etc.
- One comes back with all the permits to the city of Athens, and gets the papers stamped.

In general shops, not selling food, are the easiest to open, since the least permits are required. A permit for a small shop (8 m²) costs €185, while the staying permit costs €90 – €150. For restaurants and nightclubs most permits are required. A permit for a large nightclub costs €840. Brothels are legal, and require a hygiene permit. For kiosks a slightly different system applies, because the permits are given out to war victims and handicapped, but they are often rented out to migrants. For street sellers on open markets the market permit applies, which is for unclear reasons not given to people from outside the EU. The number of people applying for an open market permit is enormous, and only 25% of the request is adjudicated, selected by lottery.

But during recent years, the legislative framework concerning independent economic activity carried out by foreigners has become more restrictive.

- Law 1975/1991 constituted the first legislative step in immigration policy. Article 13 states that any foreigner who wishes to obtain a residence permit to carry out independent economic activity needs to have a relevant pre-approval from the Greek consulate in his country of origin. The permit is valid for one year and may be renewed each year for five years.
- In Law 2910/2001, the legislator for the first time imposes conditions on granting a visa to those intending to carry out independent economic activity. Article 25 permits the entry of a foreigner into the country to carry out independent economic activity provided that he/she has sufficient resources for this activity and provided this activity contributes to the development of national economy. In addition, the application must be accompanied by the following documents:
 - a) Economic-technical study, including the amount and type of the investment and the sources of financing.
 - b) Tax Clearance Certificate of the interested party from the country of origin.
 - c) Criminal Record Certificate
 - c) Details of the interested party's professional and technical training concerning the specific economic activity.
- Law 3386/2005 retains all the previous conditions for granting a visa and residence permit for carrying out independent economic activity. The basic difference lies in the fact that the foreigner is required to prove the existence of sufficient financial resources, to the

amount of €60,000. The money must be deposited in an account in the applicant's name in a recognized banking institution.

- Furthermore Law 3377/2005 grants the right to obtain an itinerant trader's (peddlers) permit to natural persons, permanent residents of Greece, who are either Greek citizens, or nationals of another member state in the EU, or Northern Epirots of Greek descent and repatriated Greeks from the former USSR ('*Homogeineus*'). This law essentially prohibits the issue of an itinerant trader's permit to nationals of third countries.

Due to the restrictions in the current legislative framework, the number of applications for Residence Permits for Independent Economic Activity submitted to the Directorate from the beginning of the year up to the end of October 2008 is limited and amounts to 220. Table 13 shows which nationalities asked for residence permits for independent economic activity.

Table 13 Number of applications for a permit for independent economic activity per nationality from January to October 2008

NATIONALITY	NO. OF APPLICATIONS	%
ALBANIA	66	30,0%
CHINA	49	22,3%
BANGLADESH	25	11,4%
SYRIA	20	9,1%
PAKISTAN	10	4,5%
NIGERIA	13	5,9
ARAB COUNTRIES (MOROCCO, EGYPT, IRAQ, IRAN, JORDAN, LEBANON)	16	7,3
STATES OF THE FORMER USSR (RUSSIA, UKRAINE, ARMENIA)	14	6,4
OTHERS	7	3,1
TOTAL	220	

Not surprising we see that that the largest immigrant group, Albanians, that has the highest number of applications in absolute terms. But the smaller Asian groups seem to be relatively entrepreneurial, particularly Chinese, Bangladeshi, Syrians and Pakistani.

One of the problems for someone who is already in Greece is that some papers need to be shown to get the business permit that you can only acquire after the start-up. For instance a staying permit is necessary to start when one is already in Greece. The majority of immigrants first take a dependent work contract and try to set up the business before their staying permit expires, and after the business

is running, they ask for the staying permit for independent economic activity.¹³ But then, the '60,000 euro rule' applies for any non EU citizen who wants to start a business, and this is now one of the most discussed problems among our respondents. We heard several strategies to avoid the rule, like finding a companion with Greek or EU nationality, opening a branch of an already established business, and borrowing the money for one day and then giving it back.

3.5 Development of small and medium sized businesses (SMEs)

Greece has traditionally a lot of small businesses and farms. Audretsch et al (2009) estimated the total numbers of SME's for several European countries in their overview for the EU, but unfortunately the estimates for Greece are missing, so we have no comparative data. Hatziprokopiou (2008) shows, based on the Labour Force Survey 2007, that 22.2% of Greek nationals in 2007 were self employed in Greece, while 8.7% is employer, and 6.5% a family assistant, adding up to a total of 37.4% that has its own business or farm or is a family assistant. The remaining 62.6% is employed by others. Though this figure is probably higher in the country side than in Athens, we can say that entrepreneurship is a tradition in Greece, and particularly family business. Small businesses are diminishing in Greece as a whole, due to the diminishing number of traditional family businesses and farms. It seems probable that there is an opposite trend in Athens. As we have seen the sectors in which growth is taking place are the business service sector and retail trade and this are typically sectors where we find SME's. Unfortunately we have no data to prove this assumption.

A phenomenon that we will discuss in further detail in chapter 4 is illegal street-selling. In the past farmers and fishermen in villages would sell their products cheaply in the street. Nowadays also watches, clothing, CD/DVD's are commonly sold in the street by Black Africans; it provides a cheap alternative for customers to buying in the expensive shops.

We have no information on the distribution of small and medium enterprises over the various sectors of the urban economy, nor about the spatial patterns. Based on the interviews and on information from the news, it has become quite clear to us that small and medium businesses are in a dangerous situation, due to the economic crisis. This will only get worse in the near future, since one of the measures of the 26 April 2010 agreement with the EU-IMF is to increase the VAT from 21% to 23%, while the indirect taxes – including those on alcohol, fuel and cigarettes – will see a 10% rise (BBC News, 5 May 2010¹⁴). Particularly the fuel prices are a serious worry to the public. The increase of the VAT will not only mean that businesses will have to set higher prices for their products, but also that there is less space for consumer spending. It is quite sure that part of the current businesses will not survive in the near future.

The BBC reports that there will also be a clamp-down on tax evasion – widely regarded as a big problem in Greece – and on untaxed illegal construction. Tax-evasion alone is estimated to cost the Greek government at least 20 billion euros a year. From the interviews we can conclude that it is generally believed by Greeks that richer and bigger firms are more capable to avoid taxes and that smaller enterprises are the ones that are actually paying most of the tax. That the main tax evasion

¹³ The main route to a legal (or semi-legal) status in general has been via regularizations, after having worked in dependent labour, as Baldwin-Edwards (2009) shows.

¹⁴ <http://news.bbc.co.uk/2/hi/business/10099143.stm>

seems to involve professionals and large companies whereas small businesses and the self-employed are overtaxed and also suffer more with the costs of corrupt officials in the state (as a percentage of their income) is confirmed by Greek researchers. It seems improbable that no small enterprises take part in these tax evading habits, but the chance that the elite of larger firms knows the right people to hide this may be higher.

4. Ethnic entrepreneurs: position and problems

In this chapter the position and problems of ethnic entrepreneurship are described and the main characteristics of their business operations are analysed. Taking the abovementioned dynamics of the national permit system and the urban economy as a starting point, we see how the emergence of ethnic entrepreneurship fits into this picture. Both the barriers will be treated that ethnic entrepreneurs encounter, and their competitive advantages.

4.1 Numbers and development of ethnic entrepreneurship

The business activity of immigrants in Greece has not been thoroughly studied and analyzed with the result that its true size, its quantitative and qualitative characteristics are unknown. A relevant survey which was taking place beginning 2010 is the one of the Hellenic Migration Policy Institute IMEPO entitled 'Immigration and Entrepreneurship in Greece', but he have not received data, and IMEPO was closed down on allegations of financial abuse just after the field visit.

We also found articles by Lazaridis & Koumadraki (2003) and Hatziprokopiou (2008) on Greece as a whole, by Labrianidis, L. & P. Hatziprokopiou (2010) on Thessaloniki and a paper by Kolios (2004) on Athens.

The IMEPO study quotes from three sources of general data on ethnic entrepreneurship, which we have also received in the CLIP questionnaire, and which together give a rather complete picture of the development. The three sources were:

- 1) Labour Force Survey by the National Statistical Service of Greece (ESYE) – which provides national data;
- 2) Registry of the Trade and Industry Fund of Greece (TEVE) – which provides national data;
- 3) And the Registry of the Athens Chamber of Commerce and Industry (EBEA) – which is great because it provides data on Athens.

Ad 1) Labour Force Survey organised by the National Statistical Service of Greece (ESYE)

Data from the 2nd quarter of 2006 from the Labour Force Survey show that the percentage of self-employment among natives is at almost the same level as that of nationals from the other member-states in the EU-15. On the other hand, the percentage of self-employment among the other population groups (EU-10, Third Countries) seems to significantly fall short of the afore-mentioned. One can conclude from this that self-employment is much more widespread among Greek citizens and the nationals of other member-states in the EU-15 in relation to other categories of foreigners in the country. Where 61.9% of the Greek nationals work as employees in dependent labour, this percentage is 90.9% among third country nationals. That third country national have a lot of problems to establish a business has to do with the staying permit system, as we will shown below.

Table 14: Employees & percentage of employees in Greece according to population group and position in the profession for the 2nd quarter 2006

Population groups	Self-employed with staff	Self-employed without staff	employees	Helpers in family businesses	Total
Greek nationals	358,237 8.6%	943,306 22.7%	2574,924 61.9%	286,549 6.9%	4163,016 100%
EE nationals (15)	1,426 12.0%	2,315 19.5%	6,719 56.7%	1,387 11.7%	11,847 100%
Nationals from new EU countries (10)	457 3.8%	316 2.6%	10,803 89.8%	460 3.8%	12,036 100%
Third countries nationals	4,530 1.7%	16,843 6.3%	241,698 90.9%	2,846 1.1%	265,918 100%
Total	36,650 8.2%	962,79 21.6%	2834,244 63.6%	291,44 6.5%	4452,817 100%

Source: National Statistics Office, Labor Force Survey, 2nd trimester 2006

Ad 2) Registry of the Trade and Industry Fund of Greece (TEVE)

Our second source of data, the national Registry of Trade and Industry Fund, shows that in the 1st six months of 2005, the number of insured foreigners amounted to 13,725, with 8,620 (62.8%) men and 5,105 (37.2%) women (table 15). The overwhelming majority of foreigners who were insured with this Fund registered in 2001 and after; 2001 was the year of the first large regularisation of staying permits. More specifically, from 2001 to the first half of 2005, 12,017 new registrations were recorded or 87.5% of the total number of registrations in the Fund (1965–2005). Consequently during the last five years, the number of foreigners insured in the Fund rocketed, a fact which shows the development of independent economic activity by foreigners over the last few years in Greece.

Due to the lack of a system for coding the categories of economic activity among those insured in TEVE, it is unfortunately not possible to specify the economic sectors in which registered self-employed foreigners are active. However, according to estimations of senior officers in TEVE, the majority of insured foreigners are involved in independent economic activities in the form of service provision (constructions, technicians, cleaning services, etc). Of the few that are active in the sector of commercial enterprises, the majority are micro-enterprises concerned with retail trade and catering (cafeterias – bars, clothing and footwear).

As regards the nationality of the foreigners insured, the largest number of registered foreigners comes from Albania with 4,697 registrations. Self-employed Albanians in TEVE make up 34.2% of the total number of foreigners insured. This is followed by the United Kingdom with 860, Germany with 566, Cyprus with 529 and finally Bulgaria with 511 registrations. After this comes Italy with 449 registrations, Syria with 383, Rumania with 366, Nigeria with 334, Pakistan with 322 registrations and finally China with 234 (see Table 16).

Table 15: Foreigners insured in Trade and Industry Fund of Greece (TEVE) from 1965 onwards, during the first half of 2005 by gender and year of registration.

Year of registration	Number of foreign men	Number of foreign women	Total/ year
1965 – 1996	435	271	706
1997	68	46	114
1998	171	84	255
1999	157	100	257
2000	211	165	376
2001	1286	701	1987
2002	2277	1126	3403
2003	1846	1154	3000
2004	1558	1018	2576
1st trimester 2005	611	440	1051
Total	8620	5105	13725

Source: TEVE, Records Departments (2005)

Table 16: Foreign Insured Persons in TEVE during the first half of 2005 by nationality

Insured Persons' Countries	Total of Insured Persons	%
Albania	4697	34,2%
Bulgaria	511	3,7%
Germany	566	4,1%
United Kingdom	860	6,3%
Italy	449	3,3%
China	234	1,7%
Cyprus	529	3,9%
Nigeria	334	2,4%
Pakistan	322	2,3%
Rumania	366	2,7%
Syria	383	2,8%
Diverse	4474	32,6%
Total	13725	100,0%

Source: TEVE, Records Departments (2005)

The majority is relatively young. According to Table 17, the majority of foreigners insured in the Fund are between 26 and 45 years of age. More specifically, 9,944 of the 13,725 persons registered or 72.5% of the total number belong in this category. It is clear that most of the insured foreigners are at a productive age which coincides with the more general age picture of foreigners in Greece.

Table 17: Foreign Insured Persons in TEVE in Greece during the first six months of 2005 according to age group

Age	Number
15-20	45
21-25	653
26-30	2031
31-35	2923
36-40	2808
41-45	2182
46-50	1449
51-55	874
56-60	492
61-65	174
66 >	94
Total	13725

Source: TEVE, Records Departments (2005)

Ad 3) Register at the Athens Chamber of Commerce and Industry (EBEA)

The third source of data on ethnic entrepreneurs is on the city of Athens. All «commercial» and «industrial» enterprises located in the metropolitan area of Athens are obliged to register at the Athens Chamber of Commerce and Industry (EBEA). In August 2006 85,864 Individual Firms, General Partnerships (OE), or Limited Liability Companies (EPE) were registered on the registry at EBEA. Of these 4,073 enterprises (5%) were owned or co-owned by foreigners. In the case that in an enterprise has more than one owner with different nationalities, then separate registration is carried out for each nationality.

When we look at the nationality of owners or co-owners, we see that Albania is in first place with 615 registrations. During the Census of 2001, Albanian nationals made up 56% of the total number of foreign nationals. Therefore the strong presence of Albanian entrepreneurs is to be expected due to the high number of Albanians, but relatively they are not many compared to for instance Chinese. Chinese entrepreneurs follow with 598 registrations. Over recent years there has been a significant increase in the number of Chinese entrepreneurs active in Greece mainly in the commercial sector, a fact which seems to be reflected in the number of registrations in EBEA. The nationalities that follow concern countries either adjacent to Greece or located in the greater area of the Mediterranean. More specifically, there are 347 Cypriot entrepreneurs registered, 294 Turkish entrepreneurs, 244 Italian entrepreneurs, 211 entrepreneurs of Syrian nationality and 177 of Egyptian nationality. Finally, the top ten countries are made up by the United Kingdom with 145, while Pakistan follows with 143 and Bangladesh with 98 registrations (Table 18).

Table 18: Nationalities of foreign owners and co-owners of enterprises in Athens.

A/A	Nationality	Number/ nationality
1	Albania	615
2	China	598
3	Cyprus	347
4	Turkey	294
5	Italy	244
6	Syria	211
7	Egypt	177
8	United Kingdom	145
9	Pakistan	143
10	Bangladesh	98
11	Other countries	1,201
Total Non Greeks		4,073
Greeks		81,791

Source: EVEA, Development and Information System' department (2006)

According to Leontidou (1990) the traditional Mediterranean city evolved without class divisions by region, such that a street consisted of very rich, middle class and poor living alongside. The major division was vertical – that is, the rich lived at the tops of buildings and the poor in the basement and first floor. This has changed with the migration of rich Greeks to the suburbs, where they used mostly embezzled money and laundered it in land purchases and building. The result was to leave the elderly and poor in the centre, and rapid decay of the housing stock.

In recent years a 'multiethnic island' has been created in the city centre, according to the officials, in which many ethnic enterprises co-exist. These enterprises are all located in the historic city centre and in particular in the area surrounding the Varvakeio Market, the traditional commercial centre of the city. The central axis of this multiethnic island is Sofokleous Street. There is also a large accumulation of ethnic enterprises along the adjoining streets such as Evripidou, Menandrou, Geraniou, etc.

The only study that shows where ethnic entrepreneurs are established is the one by Kolios from 2003 on the centre of Athens. Figure 7 shows where the entrepreneurs had their shops in 2003, 7a by nationality, and 7b by type of shop. By now the amount has at least doubled, but probably tripled.

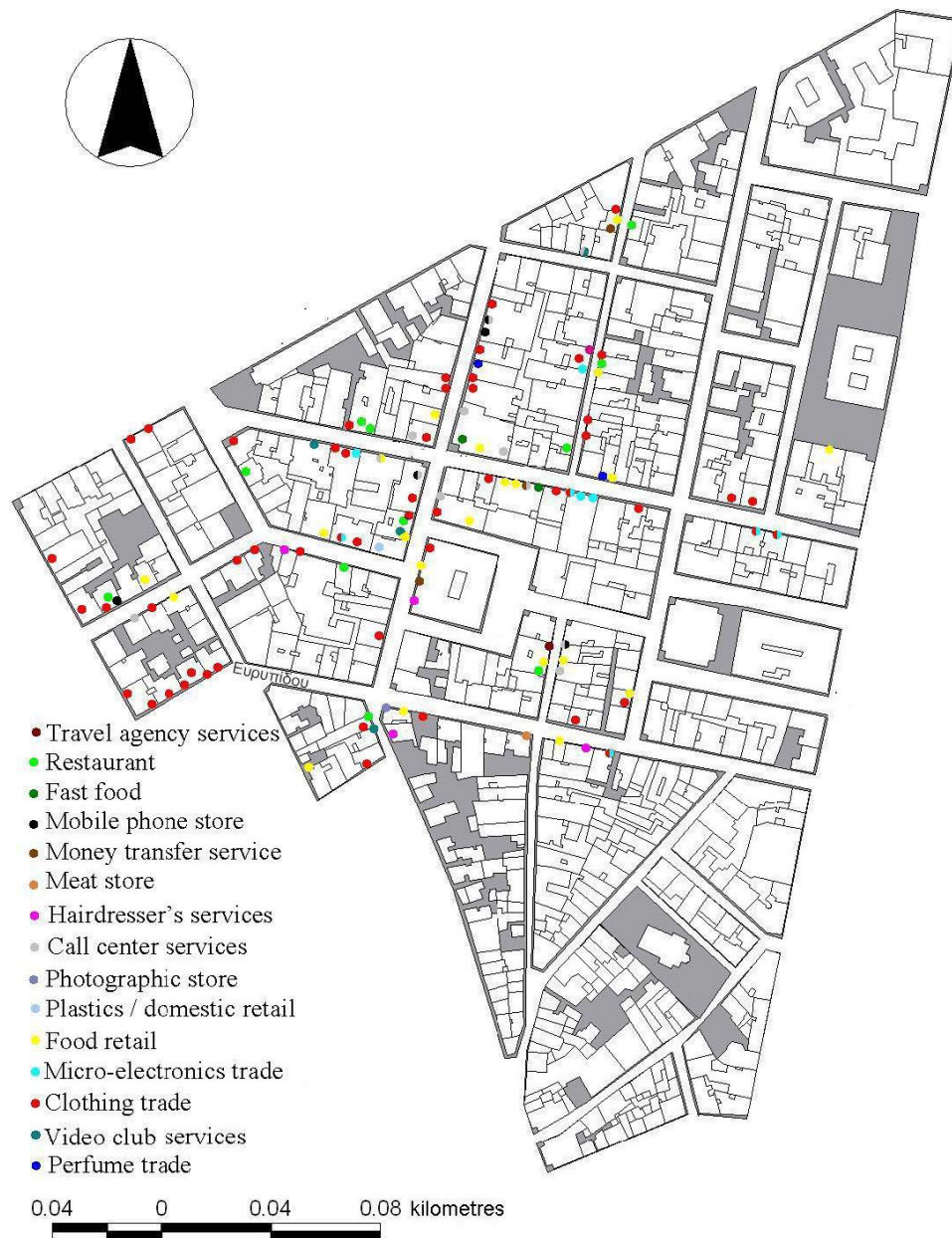
Figure 7a Shops of ethnic entrepreneurs in Central Athens (Omonoia) by nationality 2003



Source: Kolios 2003

Source: Kolios (2003)

Figure 7b Ethnic entrepreneurs in Central Athens (Omonoia) by type of shop 2003



Source: Kolios 2003

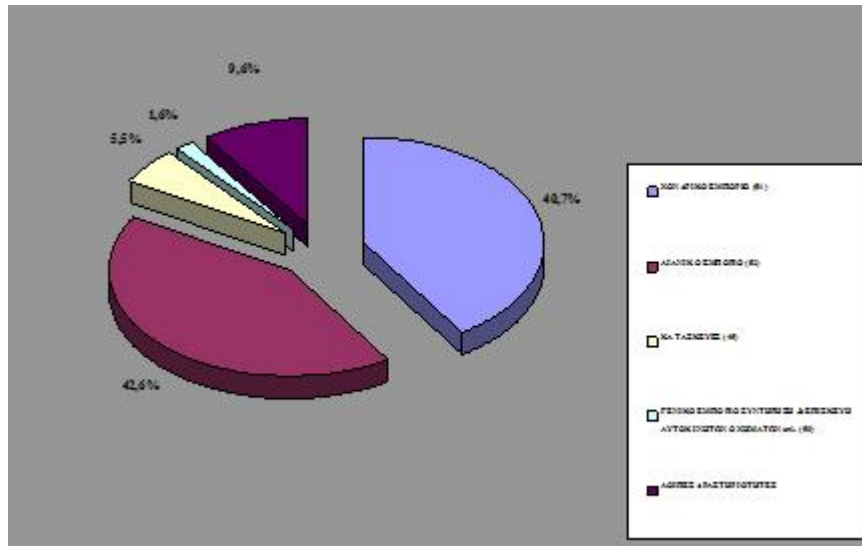
Source: Kolios (2003)

The majority of the foreign entrepreneurs in these districts are basically involved with commercial activities. More specifically, 75.2% of Cypriot entrepreneurs, 85.1% of Turks, 87.3% of Italians, 91.5% of Syrians, 85.3% of Egyptians, 76.5% of Britons, 89.5% of Pakistanis and 96.0% of Bangladeshis. On examining the sectors¹⁵ in which enterprises (individual, OE, EPE) involving foreign nationals as owners

¹⁵ The activities have been coded with the STAKOD method (Statistical Classification of Economic Activity Sectors), code no. 45 corresponds to constructions, code no. 50 corresponds to general trade,

or co-owners are active, it can be seen that 42.6% are concerned with retail trade, 40.7% with wholesale trade, 5.5% are active in construction work, while 1.9% are involved in the trade, maintenance and repair of cars and motor-bikes. Finally, 9.6% of enterprises are involved in other activities (Figure 8).

Figure 8: Basic categories of economic activity among enterprises (individual, General Partnerships and Limited Liability) in which foreigners are involved as owners or co-owners.

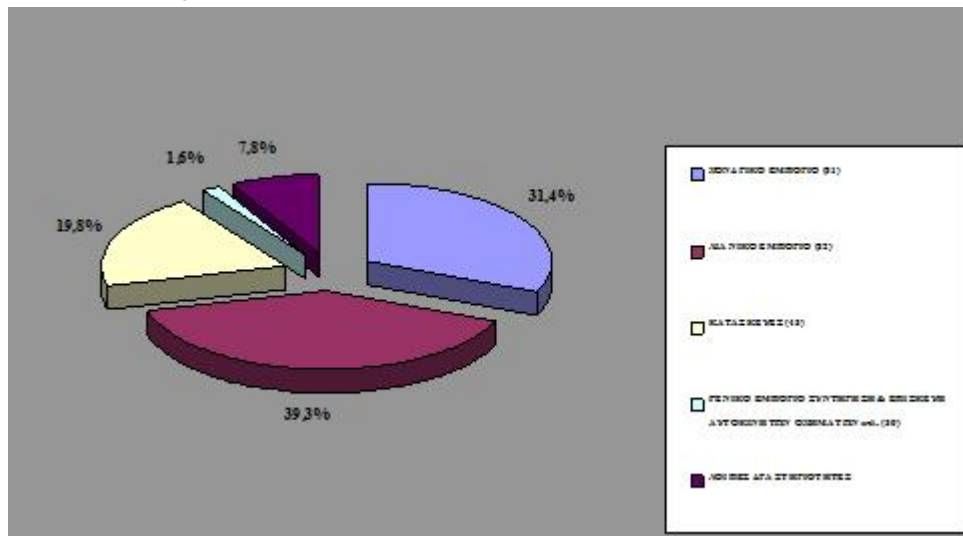


*Source: EVEA? * lilac=wholesale trade, dark red=commerce, yellowish=construction, light green =trade, dark pink=other activity,*

With regard to the activity of Albanian entrepreneurs within Athens, it seems that the majority of them are involved in commerce. More specifically 39.3% is involved in retail while 31.4% in wholesale trade. There are also a significant number of Albanian entrepreneurs involved in the construction sector, a percentage of 19.8%. As we saw earlier, Albanians outside the territory of the city of Athens are more involved in the construction sector. Finally, it must be pointed out that the presence of Albanian entrepreneurs in the construction sector is the most significant compared to other nationalities (Figure 9).

vehicle maintenance and repair, code no. 51 corresponds to wholesale trade, while finally, code no. 52 corresponds to retail trade.

Figure 9: Basic categories of economic activity among enterprises (individual, General Partnerships and Limited Liability) in which Albanians are involved as owners or co-owners.



Source: EVEA? * lilac=wholesale trade, dark red=commerce, yellowish=construction, light green =trade, dark pink=other activity

Concerning the ownership rates versus partner rates we have not received data. Before the 2001 legalisation there were nearly no owners and the amount increased fast after 2001. But since 2005 there seems to be a trend towards involving people with the right papers (Greek passports) in the start-up phase. Among the business people we talked to half of them started with a partner with a Greek or EU passport. The reason is the new law in 2005 that non EU citizen need to show €60,000 on their bank account to start a business, while this is not necessary for Greeks and EU passport holders (and 'homogeneis').

4.2 Reasons for entrepreneurship career

Why do immigrants choose to set up a shop? We get an indication from the work of Labriandis & Hatziprokopion (2010) who questioned 59 ethnic entrepreneurs in Tessaloniki, the second largest city in Greece. They interviewed 20 Chinese, 9 Nigerians, 15 migrants of Greek origin from Armenia, Georgia and Russia ('homogeneous') and 15 Albanians (note that this a rather specific group of countries). Not a single one was less than five years in Greece, most of them even more then 10 years. The answers to the question why they established their own business were as follows. As table 16 shows, the reason given most (45.8%) was financial, that means, they thought they would be able to make more money this way. A detailed explanation of abusive situation as wage labourer (having to work 60 hours a week and not getting paid) makes clear why people think they will earn more doing the same independently. The second reason was to be autonomous (20.3%), sometimes to get rid of abusive labour relations. The third reason was the inability to find other work (13.6%).

Table 19 Reasons for establishing a business

Stated reason	% (n=59)
Financial reasons	45.8
Autonomy	20.3
Inability to find work	13.6
Activity relates to previous studies	5.1
Active person	3.4
Enjoy hard work	3.4
Activity allows immigrants and Greeks to ?	3.4
Activity similar to previous employment	1.7
No answer	1.7

Source: Labriandis & Hatziprokopion (2010)

Our interviews show a few more reasons: a Pakistani business man told us that being a business man is inborn to Pakistani's, and he tried in other countries before he managed to do so in Greece. The Ethiopian shopkeeper told us that she wants to support her countrymen with the products they need for their cooking, and she thought she would have enough clients in the Ethiopian community.

Labriandis & Hatziprokopion (2010) come to four types of entrepreneurs: a) 'disadvantaged survival entrepreneurs', engaged in marginal activities, in which they previously worked as wage labourers or ethnic market niches, and who feel that alternative opportunities are blocked, b) 'integrating value entrepreneurs', more successful craftsmen, self employed in the sector in which they previously worked in dependent employment, c) 'ethnic entrepreneurs' who cater their co-ethnics and d) 'migrating entrepreneurs' for instance Chinese and Pakistanis, who migrate with clear entrepreneurial plans, for instance clothing, targeting at the wider economy.

We noted that there is much more potential among foreigners who would like to start their own business but who have problems to do so because of restrictions imposed by the existing legal framework. It is easier for Greek citizens or citizens of the European Union. Some remain partly or completely in the illegal sector, due to the problems they have to legalise their business. This is particularly true for potential market sellers, who remain illegal street sellers, because non Greeks (or EU citizens) have no right to apply for a market permit.

4.3 Market and competition

To what market do ethnic entrepreneurs cater? For an answer to this question we rely again on Labriandis & Hatziprokopion's (2010) interviews with ethnic entrepreneurs in Tessaaloniki. They found that 33.9% thought their specific service or the quality of their service would be the first reason for customers' to prefer their shop. The second reason (32.2%) was the cheap prices, the third reason (11.9%) that they were selling 'ethnic' products; while for 8.5% specialised service and 6.8% thought that customers like to talk in their own language.

Compared to Labriandis & Hatziprokopion, we probably interviewed less established businessmen and women. In our very small sample of seven business people interviewed, two of the entrepreneurs

established their business with the idea to attract their countrymen, three were serving the market of immigrants in general and two targeted mainly at Greeks. It seems that the starters are more directed to serving countrymen only, while they may slowly develop into serving all immigrants, and than to serving Greeks, depending on the area where they are established. The two companies that targeted mainly Greeks were not located in immigrant neighbourhoods, while the others all were. One of them was Albanian, and showed a much better knowledge of the local market.

It stroke us that the interviewees from organisations that support new entrepreneurs thought that serving your own countrymen is a good business strategy, and that it can provide enough customers to survive as a healthy business. Our interviewees of the organisations that support entrepreneurs in Amsterdam didn't find this a good strategy and discouraged only to serve your countrymen. We have not heard about any market research on the market potential of the new ethnic communities.

Lazarides & Kounandraki (2007: 79) speak of a racialised labour market, and that is probably a correct analysis.

Figure 10 Kemal Restaurant at Menandrou Street



Photo: Anja van Heelsum

A second important question is how immigrant business people outperform their competitors? This subject was also studied by Labriandis & Hatziprokopion (2010) who show that 33.9% of their

interviewees thought that their specific service or the quality of their service would be the first reason for customers' to prefer their shop. The second reason (32.2%) was the cheap prices, the third reason (11.9%) that they were selling 'ethnic' products; while for 8.5% specialised service and 6.8% thought that customers like to talk in their own language. The business strategy of serving your own countrymen seems widely accepted.

4.4 Workforce, employment conditions, labour relations and illegal and informal practices

Though we know the amount of helpers in a family business and the amount of self employed with staff (from section 4.1), we have no data on the number of people employed by ethnic entrepreneurs. It is a general assumption that ethnic entrepreneurs employ their countrymen. Labriandis & Hatziprokopion (2010) asked their respondents for reasons to employ co-nationals: 51.4% states that they trust co-nationals, 16.3% prefers family members and relatives, for 9.3% the language and communication is the main reason, and 14% states that a combination of trust, language and communication makes it easier to work with co-nationals. 7% says that their country man accepts a lower pay.

Are the working conditions any different in immigrant businesses? According to the stories that we heard, the employment conditions and labour relations seem to be better in ethnic enterprises than in Greek enterprises. In Greek enterprises there seems to be a lot of abuse and discrimination. The immigrant is often the lowest on the hierarchical ladder, and has to cope with unpleasant remarks, hard work and even abuse. The representative of the successful Albanian company, whom we interviewed, stressed that in his company everything is done within the law, because he has to be more careful than Greeks to protect his good name. He tries to avoid all forms of mistrust, both by police or control agencies as by potential clients. He reasons that his clients would withdraw immediately if they would see the police at this workshop, so he would never take that risk.

On the other hand there is no difference in the formal procedures, which are lacking in both Greek and immigrant entrepreneurs. Illegal and informal practices like tax evasion and not registering employees with the social insurance are widely present everywhere in Greece and probably most ethnic entrepreneurs follow the general pattern. We are quit sure that the relative inability of Greek authorities to control all tax evasion and contracts, has given the chance to both Greeks and immigrants to find lucrative business opportunities.

Figure 11 Albanian Boat Repair Workshop



Photo: Bardha Mance

4.5 Problems and barriers

In this section, we will discuss the problems and barriers that ethnic entrepreneurs encounter. We rely mostly on our own interviews. A general complaint of the entrepreneurs whom we have interviewed is about the *high tax rate* for employers and the high insurance costs they have to pay for employees. This is a complaint that we hear from both Greeks and immigrants. Entrepreneurs feel that the tax rates should be the same for everyone, and not higher for employers. According to the entrepreneurs it is nearly impossible to hire someone, and they point at competitors who hire people illegally. That hiring workers illegally was not in all cases immediately punished by the Greek authorities in the last 20 years, is considered by some very unfair.

The representative of Western Union explains that immigrants' shops are not always functioning stably. Because of all kinds of trouble, they may suddenly close down and open again, and it happens regularly that they don't even last for a year. These are not always healthy businesses: they have difficulty to pay the rent and move often. Western Union works with small shops in immigrant neighbourhoods as subagents, to provide their clients the possibility to transfer money fast to countries with slow or limited contact with Western Banks. 'Ethnic' shops make up 5% (about 50–60 shops) of the total network of subagents in Greece, but provide 27% of the money transfer of Western Union in Greece, so their share is relatively high. The main activity takes place towards African countries (Tanzania, Egypt, Nigeria, Ethiopia), Asia (India, Pakistan and the Philippines) and Eastern Europe (Russia, Poland, Bulgaria). So Western Union tries to find reliable and stable shopkeepers as agents, and has its control procedure before they sign a contract with them (a guarantee letter, there has to be €1500 on their bank account, checking for debts, and some discussion about the margin of

profit and their location in the neighbourhood). The Greek central bank then gives out the licence for 'financial institution'. For the entrepreneur the signboard of Western Union is an advertisement of reliability to his clients, beside the advantage that he gets a commission of the transfers.

--- *Banks and capital*

Another issue is that a lot of payment in Greece is still done in offices of cashers and not through (automatic) bank transfers. For instance most of the people in villages visit the electricity company's office to pay their bill. To open a bank account, one needs to show a Greek passport, or a valid staying permit.¹⁶ What happens if people loose their job and therefore loose their staying permit is not clear, but probably banks cannot check this every half a year. The number of people using internet banking is limited.

Actually Banks and Employers Associations seem more positively inclined about immigrant entrepreneurship than the Greek government and most Greeks in the street. Banks don't differentiate on the basis of nationality, and only look at credibility. They tend to see the possibilities that internationally operating companies have and are more open to think of international markets. The financial institutions, including 'Western Union' and the 'Credit Guarantee Fund' are more aware of the urgency for Greece to operate internationally and less scared of internationalisation than many other sectors of Greek society.

Pireus Bank, the largest bank in Greece since 1916 – bough in 1991 by an Economy Professor of the University from the Greek State – has branches in Egypt, Albania, Bulgaria, Romania, Ukraine, Serbia besides London and New York. It is not only because these markets opened up after the fall of communism. Their activity on the market of the home countries of some of the largest immigrant groups makes it easier for the immigrants to transfer money up and down to these countries. In the Albanian case, Pireus Bank is even more trusted by Albanian immigrants in Greece than the main Albanian bank, which is associated with the operations during the communist times (before 1990 in the case of Albania).

Basically all entrepreneurs can use a credit line, for working capital, without monthly instalments or taking up a loan with monthly instalments, to buy a premise and for investment, depending on their credibility. Pireus Bank is ahead in adapting rapidly to the changing situation in the neighbourhoods of Athens, than hires already some 20–25 employees from immigrant countries. Up to now mainly from Eastern Europe, but that may change also. Pireus has realised that immigrants provide a market, and that business people feel more at ease to talk about the details of their financial needs in their own language, to be sure that there are not mistakes.

The 'Credit Guarantee Fund' gives owners of small businesses the chance to borrow for a pre fixed interest rate of 4% (this is very cheap, since the Greek state borrows at 9%). This can be for starters, and for existing businesses. The entrepreneur goes to the bank, and if the bank approves the loan, but the businessman has no house or family property that can serve as a guarantee, the bank can apply for their client with the 'Credit Guarantee Fund'. This can apply to investment loans or working capital or a subsidy that can be used to pay taxes or to buy raw materials. The representative of the Guarantee

¹⁶ As in all cases the identity papers showing Greek descent (homogeneous) function as Greek passports.

Fund explains that currently some Albanians have started to use this possibility, but there is an unused potential among immigrants for business activity.

The business men and women that we have interviewed were all reluctant to borrowing from banks. If they would borrow, which some didn't like, they prefer to borrow from people they know. Only one out of seven had arranged a loan with a bank, but only after a crisis with a colleague who disappeared and left him with €38,000 of debt. There have been incidents reported in the newspapers of contracts with banks with bad conditions: when the excessive interest could not be paid, a writ was served and property taken away, and this added to the fear of banks among small business people.

The biggest financial barrier that ethnic entrepreneurs from non EU countries encounter is that since 2005, they need €60,000 on their account when they want to start a business (see Law 3386/2005 in section 4. 13). This requirement is something that all entrepreneurs talk about, and many find it discriminatory. The amount of money is disproportionately high for the kinds of businesses they want to start, and no bank of guarantee fund would find it creditworthy if they borrow that amount. Their yearly turnover would not even be half of it.

--- *Marketing and the search for customers*

Marketing of ethnic businesses seems to have specific problems in Athens, even though some businesses are quit successful. Albanians seem more successful than Africans. From our interviewees we got the impression that ethnic entrepreneurs in Athens do not as easily get Greek clients compared the rate in which ethnic entrepreneurs attract Dutch clients in Amsterdam. Greeks tend to think that Ethiopian restaurants or shops are for Africans and Indian restaurants and shops are for Indians. Even young people won't not easily try foreign food. Greeks seem not as acquainted with foreign food or curious about it as we see in the case of Amsterdam. This has surprised us, because many Greeks have lived abroad in the period that they worked as guest labourers in other European countries and the US, and many of their kids were born outside Greece. One of the reasons seems to be that they don't seem to travel abroad for holidays, until recently many couldn't afford this, but other simply prefer to go to the Greek islands. On the other hand Greek students are found everywhere in Europe, and more cosmopolitan, so when they return home there might be a better market for foreign food. On the other hand the ethnic entrepreneurs don't see to realise that they could attract a student clientele.

The Albanians we met explained that they try to hide their Albanian background, because showing it ignites discrimination among the Greeks, and their business is often targeted at Greek clients. This strategy is not an option for the South East Asians and Africans, who are easy to recognise.

A second marketing problem is that many of the ethnic businesses are in streets and areas that are unsafe or on the edge of become unsafe. *Menandrou* street, just north of the tourist centre *Monastiraki*, is an extreme example of a street, dominated by Asian shops, that has turned into a centre of junkies. Heroin seems to be sold in the street. Further north, the streets north of *Omonoia* (see figure 9) are recently becoming unsafe in the evening. *Omonoia* houses for instance Chinese wholesalers, and some of their clients are the street sellers.

Further north, the square *Platea Amerikis* in a neighbourhood where large numbers of Russians and Africans live, is crowded with unhealthy looking boys of many African nationalities, who seem to hang around to do unclear business. The Ethiopian shopkeeper at the square complains that the boys on the street discourage customers to get into her shop, and actually sell the same products cheaper, since

they don't have to pay tax or rent. The attitude of the police doesn't help, because they raid both the Africans outside, as well as the African shop, because they assume connections.

Figure 12 Africa Market, Ethiopian Shop



Photo: Anja van Heelsum

--- *Bureaucratic institutions*

It is a widely acknowledged fact that the Greek bureaucracy is slow and corrupt. This is also true for all the offices that deal with business licenses and the necessary permits. *Athens News* writes on 30 April 2010 about this phenomenon in relation to the economic crisis, quoting the Prime Minister George Papandreou (p.12): "We're cutting down on red tape and will reduce the steps it takes to start a new business from 38 days to one day, and from 15 steps to one. This will enable Greece to leap 97 places globally, in ratings, as a place to do business."

According to the business people we have talked to, 38 days is actually an extremely fast start, and probably only possible for Greeks. The fastest procedure we have heard was 3 months, but others waited 8 months, while they had to pay rent in the meanwhile, and couldn't open their shops or restaurants to earn the money back. That one has to pay some extra contributions to visiting officials – 'envelopes' as they are called – was mentioned by some of them, and that these 'envelopes' can speed up the procedures is also widely acknowledged.

We suspect that it is not always clear to immigrant business starters, which institutions are part of the authorities and which ones not. One lady told us she had paid altogether about 8000 euro to

institutions; this of course exceeds the actual permit prices considerably. It is possible that some self-invented intermediaries make money on arranging things for others, though this lady was not aware of that. In the Terrassa case study on ethnic entrepreneurship (Van Heelsum 2010) we talked to an administration office that arranges the permits for other immigrants, but we haven't heard such excessive prices.

4.6 Unions, networks and shopkeepers associations

Migrants are not well represented in workers unions, employers associations and networks of entrepreneurs. We will treat them subsequently.

- The workers trade unions, particularly the largest confederation, the 'Greek General Confederation of Labour' (G.S.E.E. has 450,000 members, in more than 20 federations) are active on the terrain of immigrant rights and permits, trying to improve the position of foreign workers.¹⁷ We have no estimate about the percentage of immigrant members.

This statement by our interviewee of the Labour Institute (INE) of G.S.E.E. on the Eurofound website, shows how the union looks at immigrants:

"The State has not taken substantial measures for the promotion of immigrants at the working places. Moreover, it generally acknowledged that the opportunity of undertaking relevant actions and initiatives in the framework of the European Year on Equal Opportunities (2007) was not taken advantage of. The main deficiency is about the lack of special measures for the essential promotion of diversity at the working place"¹⁸

GSEE has cooperated on one of the European EQUAL project, to fight discrimination. From the trade union, regularising the labour market is most important, and this includes equal rights for all to work, so long term staying permit. The problem is that there are no fair chances to jobs, payment and contracts for immigrants, and this may eventually lead to a collapse of the labour market, the hospitals, the administration and the educational system in the future. A strange trend in the last years is, partly caused by economic crisis, that firms require employees to become 'self employed', instead of giving them contracts, to avoid paying the insurance. This is even the case with the municipality and the university, and nearly all staffs hired in the last two years are officially 'self employed'. GSEE has contacts with the smaller employers unions and notes that the largest part of the enterprises in Greece actually employ less than 10 people, while this is fast increasing due to this 'self employed', that are actually working on contracts. But as the representative states:

"Theoretically, at operational level, the care for immigrants in connection with equal opportunity and discrimination fighting issues is facilitated. However, the fact that the overwhelming majority (97%) of businesses in our country are small and medium-sized

¹⁷ The member federations are listed here:

http://translate.google.com/translate?js=y&prev=_t&hl=nl&ie=UTF-8&layout=1&eotf=1&u=http%3A%2F%2Fwww.gsee.gr%2F&sl=el&tl=en

The other two unions, the 'Civil Servants' Confederation' (ADEDY 280,000 members), and the communist one, the 'All-Workers Militant Front' (PAME) are less interested in entrepreneurship.

¹⁸ <http://www.eurofound.europa.eu/ewco/studies/tn0807038s/gr0807039q.htm>

enterprises without any representation of workers therein, cancels in practice such a prospect. Small and medium sized enterprises have neither the knowledge nor are willing to undertake actions for the promotion of the equal treatment principle, especially when the private households are the employers (in agricultural and urban regions).”¹⁹

- The employers associations. We had the chance to talk to a representative of the ‘Greek Association of Young Entrepreneurs’, ESYNE, which has founded the ‘Academy of Entrepreneurship’. ESYNE is part of the Erasmus program exchanging young entrepreneurs in Europe, and is very interested in internationalisation, also towards other countries than the EU. The representative explains that Greek entrepreneurs are not eager to ask for patent if they have something they could sell abroad, they seem not aware or not interested, and Greece has only 15 patents a year, while other countries have 1000’s. But there is a tendency among young entrepreneurs to look further than Greece, and there is a terrible need to go for the international market, before Greece ends up as a consumer only.

The Academy of Entrepreneurship supports the development of entrepreneurial skills. It has 3000 members. Its members are sent through to the course of the OAED. They follow a five day seminar, in which a profile of the business is compared with an already existing one, one business plan is discussed on all its details and some case studies are carefully investigated. Though the Academy has no immigrant members yet, it is positively inclined to get them. The representatives are aware of the transnational contacts that immigrants already have and the opportunities that this gives.

- Networks. We have not found any networks of ethnic entrepreneurs except writers groups, but that doesn’t mean they don’t exist, particularly among Albanians. We found an enormous list of migrant associations on the website ‘Athens Guide’, they seems mostly organised as social, cultural and workers unions.²⁰

Summarising this chapter on the situation of the immigrant entrepreneurs, we can conclude that their numbers are growing, even in an extremely problematic situation. Entrepreneurs’ first priority are issues related to national laws, like the difficulties to obtain and keep a legal status as a self employed person and the requirement to have 60,000 euro on ones bank account. But they encounter some other problems also for instance the racialised market. Since the Greek population is aging, the younger labour force of the immigrants will soon be urgently needed. The municipality can support immigrants to get out of the marginalised position, in which they find themselves now.

¹⁹ <http://www.eurofound.europa.eu/ewco/studies/tn0807038s/gr0807039q.htm>

²⁰ <http://www.athensguide.com/practicalinfo/communityorganizations.htm>

5 City policies on entrepreneurship

Specific policies directly on ethnic entrepreneurship do nearly not exist in Athens, mainly because the migration phenomenon is new, and only the most urgent policies have been implemented, but also because some of the problems we discussed are not local but national responsibility. Therefore we will look for policy possibilities and opportunities by the city, and see where existing strategies can be improved. The issue that worries and concerns ethnic entrepreneurs most – the law about staying permits for independent economic activity – is the responsibility of the national government so not part of this chapter. We will first in 5.1 turn to the policies that Athens developed for small and medium sized businesses in general and in 5.2 to Athens integration policies and see where general economic policies could be combined with integration policies, to the advantage of ethnic entrepreneurs, often through cooperation between the institutions. After listing the actors (5.3) we will treat possible strategies for starters (5.4), existing entrepreneurs (5.5), neighbourhoods (5.6) and other policies (5.7). We will end with in section 5.8 with the possibilities for dialogue between entrepreneurs and policy makers.

5.1 Policies of the Economic and Labour Department on small and medium size businesses

Only limited economic steering seems to takes place on local level. There is a Deputy Mayor for Commercial Establishments, in charge of the ‘Shop Authorization Directorate’, that we described in section 3.4. Athens gives out businesses licences and market permits, since this is a local responsibility. The permit system doesn’t take the vulnerable position of migrants into account, and creating willingness to change the permit system may take some time.

Secondly there is the ‘Athens Tourism and Economic Development Company’ (ATEDCO) which was established in order to promote Athens as a dynamic European metropolis and attractive tourism and business destination. The main goals of ATEDCO are very much in favour of internationalisation and business activity, namely: ²¹

- the development of tourism and the promotion of Athens, in order to extend the tourist season and strengthen the local economy
- the establishment of a Convention Bureau and the planning of actions aimed at reinforcing and promoting Athens' image as a conference destination
- the creation of new job positions in existing or new enterprises
- the support and promotion of business activity
- the development of environmental protection activities

We haven’t noticed interest of ADEDCO in the immigrant issue, even though a lot of the staff in the tourist sector is of migrant origin, and the goals could be easily used for immigrants.

²¹ <http://www.cityofathens.gr/en/node/7505>

Stimulating businesses is the responsibility of the national Services for Labour and Work carried out by the national 'Greek Manpower Employment Organisation' (O.A.E.D.)²² Athens works together with OAED on policies on supporting starting small and medium enterprises, in cooperation with more national institutions. The Credit Guarantee Fund (see section 4.6 on problems and barriers) is one of these partners. The OAED has an active policy to stimulate and reinforce new entrepreneurs, which includes financial support for the first years and obliged coaching. At the time of the fieldwork (April 2010) there were two active programs to stimulate entrepreneurship, one meant for women (max €24,000), and one meant for scientists (€15,000). A problem with this program is that it's for Greeks, EU citizens and '*homogeneous*' only, though there is interest within OAED and there are already discussions to open it up for non EU immigrants, and the tendency about this is positive. In the past (5 years ago), there has been a program for immigrants, but we haven't heard what the success rates or conditions were. The application has to be submitted electronically, a procedure that favours higher educated people. They have to send in a business plan, which is judged on its innovativeness and on its viability by three persons. A controller visits the premise before the start, to see if it is suitable. It has not become clear how many applications are accepted per year, but we suspect that it will not be many.

5.2 Policies of the Immigrant Integration Department, and where the two meet

Athens integration policy is relatively new, but has been undertaken with great spirit. The city has a good website in English, which explains the basic ideas behind its views on immigrants and the services that are available.²³ The following paragraphs are quoted from the website and show the main ideas behind the policy. "The City of Athens has taken the initiative, adopting policies and implementing programs which reinforce social cohesion, support harmonious co-existence and promote the integration of migrants. Athens, like other cities in Greece and other European Union countries, is being called on to deal with an interesting paradox: although migration policies are decided on at the central government or EU level, ultimately local communities are being summoned to enforce integration policies on a small scale. Resources for the introduction of such policies are, in most cases, available to the central government, which decides on their allocation.

The City of Athens has accepted this challenge and adopted a framework of philosophy and action for the integration of migrants and their families who have chosen to live in Athens.

The framework is based on two principles:

- Migration is not a problem if it is correctly managed.
- In most cases, integration encompasses more than the social aspects (including elements such as equal opportunity, right to citizenship etc).

The City of Athens works in two ways:

- It attempts to approach the migrant on an individual basis but also through the community to which they belong.

²² The OAED has some explanation in English about their activities:

http://www.oaed.gr/Pages/SN_152.pg

²³ [http://www.cityofathens.gr/en/\[categorypath\]-53](http://www.cityofathens.gr/en/[categorypath]-53)

- It encourages migrant participation and representation via associations, non-government organisations and agencies with a wider scope. The City of Athens communicates with such institutions in an effort to learn of the problems migrants face and implement policies – within the limits of its jurisdiction – to rectify these.”

Athens vision on migrants according to the City’s website: “We are creating an Athens in which Greek society ties in harmoniously with migrant communities, a city where our children speak the same language, the language of understanding and common goals. We are transforming Athens into a global multicultural metropolis. We are developing initiatives that deal with diversity in such a way that it: promotes the idea of cohesion, with respect for the values and achievements which unite citizens regardless of their ethnicity and cultural contribution; guarantees equal rights for migrants in terms of participation in social, political and economic life; and ensures that all migrants also consider Athens to be their city so they can respect it and build their future here. We aim for the social integration of migrants based on respect for the law and fulfilment of their obligations to the city in which they live.”

The policy in the current stage covers the following fields:

- Social Policy, including information provision, meals for homeless and fighting domestic violence;
- Migrant Service Centre (see below);
- Educational Programmes, for free Greek language and computer skills;
- Intercultural Childcare Centres;
- Athens International Radio, with programs in many immigrant languages.²⁴

The work of the ‘Migrants Service Centre’ involves, a) Migrant Administrative Services Section (staying permits) b) Secretariat & Records Management Section c) Migrant Social Welfare Section. All together 85 staff members work in the immigration department, most of them in the permit section on the ground floor that gets about a 1000 customers daily. It is most problematic and destabilizing that only 14 of these 85 staff members are on permanent contracts and the rest cannot come back after July 2010. Since Athens tries to diminish the number of officials and the immigration department is relatively new,, this department may suffer from losing experienced staff and getting inexperienced staff from other departments. A few recent activities of the Migrants Social Welfare Section include:

- the publication of a Guide on Athens, which is till now Greek/Albanian, but more languages may follow
- a Greek language project for mothers and the children are taken care of
- the publication of a calendar with all the holidays of the different immigrant groups in Athens
- the setting up of a Migrants Advisory Council, to provide input to the vice mayor and the Council.

Immigrant Entrepreneurs

The Athens officials have described ethnic entrepreneurship in the CLIP questionnaire as follows:

“Ethnic Entrepreneurship is embodied in a number of enterprises and self-employed businesses, which belong to and are managed by the members of the ethnic group itself. It also concerns the employment of fellow countrymen as paid workers in these enterprises. Ethnic entrepreneurship

²⁴ <http://www.athina984.gr/files/livestream-airfm.aspx>

constitutes an alternative way of integrating immigrants, especially those who have been living in the country for a long time. Ethnic entrepreneurs constitute a part of entrepreneurship and contribute to the creation of jobs.”

The municipality considers the following three categories of ethnic entrepreneurship in Athens relevant:

a) Entrepreneurship that strongly promotes ethnic character by changing, transforming and modifying the relative ethnic homogeneity in the city’s urban landscape. This particular entrepreneurship is characterized by a circle of suppliers that are not part of the domestic economy, but part of trans-national networks: Chinese, Pakistanis, Bangladeshis, Indians, Egyptians, etc.

It mentions by the city officials that ‘a multiethnic island’ has been created in the city centre in which enterprises belonging to members of different ethnic groups coexist. The various ethnic populations living in the greater area constitute the customer base for the products and services in the multiethnic island. These enterprises have accumulated in the historic centre of the city and in particular in the area surrounding the Varvakeio Market, the traditional commercial centre of the city. Over recent years this area has begun to commercially fall into decline with the result that many commercial premises and stores are empty, conveying a feeling of decay. Gradually immigrants from various countries began to set up and house their own commercial enterprises. As a result of this business initiative, some streets in the historic centre of Athens are once again throbbing with commercial and social life. The main axis of this multiethnic island is Sofokleous Street. There is also a large accumulation of ethnic enterprises along the adjoining streets such as Evripidou, Menandrou, Geraniou, etc.

In relation to the various ethnic groups that are commercially active within the geographical outline of the island, the presence of Chinese entrepreneurs is the strongest and most obvious. Apart from the Chinese presence in the multiethnic island in the city, Pakistanis, Bangladeshis and to a lesser extent Indian entrepreneurs also seem to play a large part. These entrepreneurs are usually active in the service sector. More specifically, they run travel agencies, call centres, money transfer services, mobile telephony stores, etc.

b) Entrepreneurship that has been fully assimilated both into the urban landscape of the city, as well as into the existing business structures in the more general domestic urban economy. These enterprises tend to develop within the existing business structures in the urban economy: mainly Albanian entrepreneurs.

The enterprises are usually active in the wholesale and retail sector and in construction. A characteristic example of such an assimilative economy is the Albanian entrepreneurs active in Athens. According to data from the Athens Chamber of Commerce and Industry, the majority of enterprises operating in the greater area of Athens belong to Albanian entrepreneurs. These enterprises do not promote their ethnic origin, as they are not interested in advertising that they are different so as to attract more customers, whether their fellow countrymen or not. In most cases, the employers and employees in these enterprises are members of the same ethnic group, while in some cases some of them employ workers of other nationalities.

c) Outdoor trading and itinerant traders: this is one of the most visible forms of ethnic entrepreneurship in Athens and in Greece as a whole. Since the beginning of the 1990’s, immigrant itinerant traders took up work in certain central districts in Athens, as well as in

various tourist resorts around the country, selling products such as hand-made goods from their countries of origin, tax-free cigarettes, pirate CD's, imitations of famous brand names, etc. The reason why this particular form of ethnic entrepreneurship developed before all the others lies in the fact that outdoor trading needs minimal start-up capital and has zero operating costs.

Usually outdoor trading operates on a flexible basis, giving those active in this sector the chance to grasp other professional opportunities if they arise. One point that must be stressed is that usually such forms of trade (immigrant itinerant trading) are illegal and elude state control. The often illegal nature of immigrants' outdoor trading is one of its main features. A common sight on the streets of Athens is that of immigrant itinerant traders gathering up their 'wares' and fleeing simply at the sight of a policeman. Immigrant itinerant trading seems to have had an effect on the urban morphology of the city. For example, the large number of itinerant foreign traders peddling their wares in Monastiraki Square has changed the appearance of the area. Immigrant groups specialize in the sale of specific goods (imitations of famous brand products, such as leather bags, briefcases, sunglasses, etc). They are Africans, mainly Nigerians but also some Pakistanis.

So we conclude that though there are no policies to promote ethnic entrepreneurship directly, there is awareness of categories, there is a positive look at the issue and there is a tendency for cooperation between institutions and maybe it will be possible in the near future to include immigrants in the SME stimulation program of the OAED. The future will show to what extent what is now called a 'multi ethnic island' will remain an island.

5.3 Main actors, in- and outside the municipal

The main policy actors inside the municipality that could get involved in the policies that directly touch on ethnic entrepreneurs are the following ones:

- The 'Migrants Service Centre - social work section' of the Municipality of Athens.
- O.A.E.D., the national labour and work organisations, the 'Greek Manpower Employment Organisation'
- The 'Shop Authorization Directorate'.

The following non municipal institutions and cooperating partners are relevant for entrepreneurs, and can become more relevant in the future for ethnic entrepreneurs:

- Athens Chamber of Commerce and Industry (A.C.C.I. or in Greek E.B.E.A.) ²⁵
- The employers associations, particularly the 'Greek Association of Young Entrepreneurs', ESYNE, which has founded the 'Academy of Entrepreneurship' (see section 4.6)
- The workers trade unions, particularly the largest confederation, the 'Greek General Confederation of Labour' G.S.E.E.. (see section 4.6)
- Credit Guarantee Fund, an organisation that provides the guarantee for loans for SME's (via banks)
- Networks of ethnic entrepreneurs, if they exist (we haven't found them).

²⁵ <http://www.acci.gr/acci/ACCIPProfile/MissionGoals/tabid/72/language/en-US/Default.aspx>

5.4 Projects for Starters: start-up support, micro credit, and starting from welfare

As already explained in 5.1, the national 'Greek Manpower Employment Organisation' (O.A.E.D.)²⁶ has an active policy to stimulate and reinforce new entrepreneurs. This includes financial support for the first years and obliged coaching. Currently there are two programs active, one for women (max €24,000), and for scientists (€15,000). A problem with this program is that it's for Greeks, EU citizens and '*homogeneous*' only, though there are discussions to open it up for non EU immigrants, and the tendency about this is positive. In the past (5 years ago), there has been a program for immigrants, but we haven't heard what the success rates or conditions were. The application has to be made electronically, which gives advantage to higher educated people, and they have to send in a business plan, which is judged on its innovativeness and on its viability by three persons. A controller visits the premise before the start, to see if it is suitable. It has not become clear how many applications are accepted per year, but we suspect that it will not be many.

The 'Greek Association of Young Entrepreneurs', ESYNE, founded the 'Academy of Entrepreneurship'. ESYNE is part of the Erasmus program exchanging young entrepreneurs in Europe, and is very interested in internationalisation. The Academy of Entrepreneurship supports the development of entrepreneurial skills. It has 3000 members. Its members are sent through to the course of the OAED. They follow a five day seminar, in which a profile of the business is compared with an already existing one, one business plan is discussed on all its details and some case studies are carefully investigated. Though the Academy has no immigrant members yet, it is positively inclined to get them. The representatives are aware of the transnational contacts that immigrants already have and the opportunities that this gives.

5.5 Project for existing entrepreneurs, stimulation of professionalisation, business locations

Athens has organised already for the second year an ethnic entrepreneur's day, with speeches on ethnic business. This was considered a success. It is organised like a congress, but including food and music. One immigrant entrepreneur of the year prize is awarded, which was this year the Albanian boat repair firm 'Aris & Apostolis Kiritis OE' in Pireus.

Further policies to stimulate professionalisation of existing entrepreneurs do not exist. The only partner that is active is the Chamber of Commerce. On its website we find the following information "The Chamber represents, supports and promotes entrepreneurship, more specifically it helps small and medium-size enterprises (SMEs), so they can meet the requirements of the modern competitive environment." As far as we know there is no coordinated attempt to provide ethnic entrepreneurs with information on cheap business locations.

There are also no measure directed at improving the marketing strategies of ethnic entrepreneurs. To our opinion, it would be particularly important to help entrepreneurs to get away from the segmented markets they are currently in. The only course we have heard about was the general entrepreneurship course by the 'Greek Manpower Employment Organisation' (O.A.E.D.). The Employment Association 'Academy of Young Entrepreneurs' sends its members to this same course, mainly meant for starters.

²⁶ The OAED has some explanation in English about their activities:
http://www.oead.gr/Pages/SN_152.pg

Figure 14 Kamal Bags, Pakistani shop



Photo: Anja van Heelsum

5.6 Projects on Neighbourhoods

Athens could use zoning and neighbourhood policies much more than it is currently doing.

As we saw in section 4.6 ethnic shops experience marketing problems, because many of the ethnic businesses are in streets and areas that are unsafe or on the edge of become unsafe. We saw that *Menandrou* street, just north of the tourist centre *Monastiraki*, was an extreme example of a street, dominated by Asian shops, that has turned into a centre of junkies and heroin is sold in the street. Police seems to act toughly on the drugs sales and junkies in Menandrou Street, as we have witnessed, but seeing the amount of junkies, the situation in this street seems out of control. As also mentioned in 4.6, further north, the streets north of *Omonoia* are recently becoming unsafe in the evening and further north, the square *Platea Amerikis* in a neighbourhood where large numbers of Russians and Africans live, is crowded with unhealthy looking boys of many African nationalities, who seem to hang around to do unclear business. The Ethiopian shopkeeper at the square complains that the boys on the street discourage customers to get into her shop. An Ethiopian restaurant owner complains that his neighbourhood is slowly turning into a ghetto.

Unfortunately the neighbourhood approach is not yet a very developed policy strategy in Athens. It would be possible to use the example of other cities to improve streets and squares, and not limited to safety and control. This is not only a problem of concentrations of immigrants, as the famous examples of China Town and Little Italy in New York show. A complete approach on the micro level

could include safety, employment and the outlook of streets, squares, parks and buildings, and could employ ethnic business owners as partners in providing jobs, and keeping streets attractive.

As far as we know zoning plans in Athens are only applied by the Shop Authorisation Directory, that decides where businesses can be established. We asked the representative whether there are any restrictions and she replied that only in the case of sound nuisance, it occurred that new nightclubs have been stopped. For the rest there are no restrictions.

We have not managed to talk to the planning department. As far as we know there are no areas in Athens that are specifically assigned to shops. It is even possible to open a motorcycle repair workshop on the ground floor of an apartment building, one of our interviewees told us (see picture below after he renovated it and turned it into a modern restaurant).²⁷ We assume that larger noisy industrial activities cannot take place in town.

Figure 13 Restaurant Oscar di Pasta, run by Egyptian owner



Photo: Anja van Heelsum

The housing market in Athens is dominated by private owners, and this has some consequences for the possibility to establish businesses on the ground floors. Firstly the owners association of an apartment block can set rules, about the use of the block. One finds for instance rules about allowing dogs and birds. An often standard sentence in the agreement of the association is that the ground floor can be used for shops, but not sex shops or brothels. If the owner's association decides that they don't want bars, they change their agreement and they can stop bars. According to some interviewees

²⁷ The owner of Oscar di Pasta had to clean up the dirty leftovers of a motor cycle repair workshop and renovated this into a clean and modern restaurant.

it is most difficult to actually observe the laws on noise after 11 at night after disco's and nightclubs have been established. So owners associations try not to get them in their building.

Secondly there is quit a section of unused houses in Athens – according to Balwin–Edwards even 20% (2010). This is caused by monumental status, lack of money to improve buildings and disagreement between inheritors. In the middle of shopping streets, one finds decaying houses, in urgent need of renovation. Some of them are squatted. Athens can not buy these houses and there are also no housing corporations, so the situation doesn't get better.

5.7 Projects on other issues: improving tax paying, illegal street sellers and stimulating transnational economic connections.

An often mentioned issue in Athens is how to cope with tax evasion. In general the Greek state intends to get its fiscal house in order in the near future with the help of its European partners and the IMF (Athens News 1 May 2010). Ethnic entrepreneurs are not particularly targeted, because they are not particularly the ones that have dodged taxes and cut corners. In general there are plans to improve tax payment.

Figure 15 Bangladeshi Internet Cafe



Photo: Anja van Heelsum

A second issue on which measures seem necessary are the illegal street sellers – often African students or ex students and sometimes illegal Africans. This phenomenon has taken such large dimensions that it is difficult to walk in certain streets as for instance in front of the train station in Pireus. Within the administration there is a plan to establish a street market or flee market somewhere for this group,

and to execute the policy that street selling is forbidden in other street with more force. So a measure is proposed that could legalise their sales, without changing the general law that non Greeks/EU citizens/ *'homogeneous'* cannot apply for a market sales permit. Though an African market may become a tourist attraction, and may therefore not be bad, it would probably be easier and have a much larger effect to give out permits for non EU immigrants to sell on all markets in Athens. Unfortunately we are not sure to what extent all parts of the administration are ready for such a measure.

A third issue, of a completely different nature is internationalisation. Both the 'Athens Tourism and Economic Development Company' (ATEDCO) and the Athens Chamber of Commerce state on their website that they promote trade missions to and from foreign countries aiming to expand international economic relations, tourism and support and strengthen Greek companies' presence in international markets. Though we find several statements about stimulating international contacts, not many people have realised that immigrants already have a transnational network, and are already participating in transnational trade. During the city visit this awareness was actually raised among some of the open minded interviewees. The general frame of internationalisation can be further applied to the immigrant business owners.

5.8 Dialogue and ability to influence policymaking

The City of Athens has very recently established a Council of Migrants. This is not meant to communicate about ethnic entrepreneurship only, but it is a first step to set up communication between the different immigrant communities in Athens in the administration. The council started a few months ago and has fifteen representatives. The Migrants Council will use on floor in the Intercultural Centre, with office facilities. The representatives will be able to use this space for their meetings but also the whole week to give advice and to work there.

In the attempt to improve the dialogue with migrant communities, besides the Council of Migrants three more means of communication are used: a) using immigrant's newspapers, b) using the municipal radio station in 16 languages, including the ones of the main immigrant communities, but also English²⁸ and c) there are leaflets available at the office for the permits, since 300-1000 immigrants get to that office a day for renewal of their permits, this is the place to reach them and hand out information flyers.

The other social programs will also lead to more dialogue, but indirectly, like the Greek lessons at the kindergartens for mothers of migrant kids and the scouting activities for kids, the computer courses, the multicultural festivals, and the migrant entrepreneur's day.

For the communication between unions, employers and government there is a socio-economic council on national level, but this has nothing to do with immigrants.

²⁸ The author of this report gave an interview about CLIP for the Albanian program during the city visit

6 Conclusions and suggestions

Ethnic entrepreneurship of non EU citizens is developing at a fast rate in Athens, as is the usual consequence of the immigration of non EU citizens into the city. We expect a further increase of at least 50% of the number of ethnic businesses in the next ten years. Firstly because this is a usual phase after immigration, secondly because the Greek population is aging and Greek family business is closing down, and thirdly because there seem to be a lot of immigrants who are disappointed about their jobs as employees and prefer to work independently.

The city of Athens has only rather recently started to implement social policies on immigrants (after the last elections of 2006). Until then only the administrative office was expanded, where staying permits could be issued and renewed. This office currently receiving more than 1000 persons a day, due to the short time span of the permits and the constant need to renew them (exceptional in Europe, and unnecessarily complicated). The national government tends to focus on halting the immigration of non EU nationals, and doesn't send out a positive message, particularly paying a lot of attention to illegal immigration through the Turkish sea border.

But fortunately the city of Athens is not as negatively inclined towards its new citizens and has attention for the social consequences of immigration, as outlined in the two basic principles: a) migration is not a problem if it is correctly managed, and b) in most cases, integration encompasses more than the social aspects including elements such as equal opportunity, right to citizenship.²⁹ We have to bear in mind that politicians and administrative staff of the city of Athens are pushing this development against the current of the national message (immigration has to stop) and against the public opinion about immigrants ("immigrants take our jobs, immigrants should go back to their countries"). They are in a difficult situation and bump on all sides against individuals in power positions that are less informed about immigrant's rights and convinced of the general stereotypes on immigrants.

Added to this, the current economic and financial situation of the country is halting a positive development of the required new policies on immigrants, while Athens is already behind and needs to catch up with other European capitals. Budget cuts of 30% and staff cuts in the immigration service department are a serious problem (only 14 out of 85 staff members are permanent), and a warning is necessary that policies on immigrants urgently need to move ahead, to avoid serious social problems in the near future.

As most authors who studied Greece have already remarked, actually the first necessary steps to support immigrants economic activity is the improvement in their access to a better legal situation (Baldwin-Edwards & Apostolatou 2008, Voutira & Kokozilla 2008, Parsanoglou 2008, Kapsalis 2009). That people who have lived for 10 years in Greece, can still fall back to an irregular status, is contradictory to EU law, and halts general economic and social progress. That non EU citizens can only get a staying permit for independent economic activity if they can show €60,000 on their bank account

²⁹ Quoted from <http://www.cityofathens.gr/en/%5Bcategorypath%5D-53>

unnecessarily blocks economic activity forces people who try to acquire income into illegal operations. Having remarked that this situation evokes nearly impassable barriers, these laws are not a local but a national policy issue, so we it is not something the City of Athens can address.

The City of Athens has several possibilities to go ahead and to halt the social disruption that may occur if the living circumstances of a certain section of the population become too problematic. Actually there are a few good practices, which may pave the way in the future for further policy development:

- the recent establishment of a Migrants Council is a good practices in Athens, and it can and probably will be used to spread information to migrants associations, and towards entrepreneurs.
- bringing immigrant entrepreneurs together on migrant entrepreneur's days is also a good practice.
- the contacts that the representatives of the Intercultural Centre have established with other institutions like the OAED, the GCEE, the Chamber of Commerce, Pireus Banks. But this will start to bear fruits, if they get the chance to cooperate with them on a more constant basis.

We will now suggest possibilities to go ahead with the policies. We start with long term and larger measures, and end with some simple and cheap measures that may be easy to introduce with the current financial limitations:

- Whatever happens, it is necessary to prioritise immigrant integration within the city policies, to safeguard and stabilize the money and staff. There are too many officials working on permits due to the complicated procedures, and not enough people working on the actual integration.
- Launch a campaign to fight prejudice and to give out the message that Greeks and immigrants work together on improving Athens into a well connected city of the world, with international trade and international clients.
- Give out market permits also for non EU citizens who have lived in Greece for 2 years, to stop the illegal street selling. Or if this is not in the power of the Athens Council, the officials/politicians could try to influence the people who decide on this politically. Street selling is a problem and is becoming an irritation for Greek citizens and tourists, while if it is somehow turned into a flea market or general market phenomenon it can be of help to the economy.
- Fight the ghettoisation of certain immigrant neighbourhoods, by paying attention to the improvement of streets and squares, with the support of the shopkeepers. Streets get safer and more attractive with shops and terraces around because there are more people watching. Shopkeepers should be able to feel at ease with the police and they could mutually help each other.
- Set up support programs in cooperation with the Greek Manpower Work Service (O.A.E.D.) and the Chamber of Commerce to stimulate the local economy by supporting small entrepreneurs (including legal non-EU citizens). Entrepreneurs generate jobs, income and tax, so it's worth investing in them.
- Try to find European Funds for further research on the situation of for instance street sellers or survival mechanisms, because there is a terrible need for more information.

Smaller and cheaper measures:

- Connect existing networks and institutions, for instance the young entrepreneurs, the OAED, the Chamber of Commerce, Banks, Tax officers and the members of the Migrants Council. The activities that already take place, should be opened up for migrants, and the different institutions could

- Include immigrants in the SME stimulation program of the OAED, of course safeguarding open and fair selection procedures
- Information meetings at the office of the Migrants Council, to give immigrants access to the information they need
- Print information material in different languages for people who want to start a business, with the procedures, and the offices that they have to visit.

Interview partners

1. Toula Tranaka, director of the Intercultural Centre, within the Immigrant Service Department, City of Athens (CLIP contact person)
2. Alexia Evert Alverti, Vice Mayor (New Democratic Party) responsible for the Intercultural Centre, City of Athens
4. Konstantina Giannouli, social worker at the Intercultural Centre, Immigrant Service Department, City of Athens
5. Kali Karra, social worker at the Intercultural Centre – Immigrant Service Department, City of Athens
6. Stathis Stavrianidis, of the Support and Evaluation Unit (Finances) of the City of Athens
7. Efi Markou, Shop Authorization Directorate, City of Athens
8. Konstantinia Dolgyra, Greek Manpower Work Service (O.A.E.D.) national labour service, department of counselling, reinforcement of new entrepreneurs
9. Sofia Voulgaraki, public relations of the General Secretariat for Youth – Youth Entrepreneurship Support Struct. She came with her colleague, who works as advisor at their city centre office at Gazi.
10. Andreas Stefanidis, president of Esyne, the Greek Association of Young Entrepreneurs (employers Association), and of the Academy of Entrepreneurship
11. Alexander Zavos, President of the Hellenic Migration Policy Institute (IMEPO), a state funded research institute, established to advise the Greek Government on migration policy issues.
Apostolis Kapsalis, Institute of work (G.S.E.E. / I.N.E.) of the workers union, and law advisor
12. Alexandros Nikolopoulos, product officer small enterprises and professionals division, Piraeus Bank
13. Helen Spei, marketing manager at Western Union
14. Evangelia Stravinaki, marketing manager of the Credit Guarantee Fund for small and very small entrepreneurs
15. Bardha Mance, Albanian Journalist of the multi language Radio Athens – Albanian program, and representative in the Migrants Council for the Albanian community.
16. Hussain Sayed of the 'Gold Group Companies' and representative for the Pakistani community in the Migrants Council, appointment at 'Kamal Restaurant' (Pakistani) at Menandrou street

17. Apostolis Kiritis, of the boat repair firm 'Aris & Apostolis Kiritis OE' in Pireus, the father won the prize of immigrant business man of the year 2009 in Athens
18. Mengistu Mesereti, owner of 'Meskal Restaurant' (Ethiopian)
19. Betty, running 'Peacock Bar' (Ethiopian)
20. Owners of 'Merkato Shop' at Platea Amerikis (Ethiopian)
21. Rahman Mizanur, shopkeeper of an Internet Café/ Call centre at Ag. Meletiou
22. Ahmed Mohammed, owner of Pizzeria 'Oscar di Pasta' Chalepa St
23. Prof. Martin Baldwin-Edwards of the Mediterranean Migration Observatory (MMO), Institute for International Relations, Panteion University and ICMPD, Vienna
24. Manolis Pratsinakis, researchers at IMES (university of Amsterdam) on neighbourhoods of immigrants in Tessaloniki in Greece
25. Prof. Hans Vermeulen, emeritus professor of IMES (university of Amsterdam), specialist on migration in Greece, currently living in Greece.

For further reading: websites on Greece:

The City of Athens: <http://www.cityofathens.gr/en>

Migrants in Greece (by the Lambrakis Research Foundation) : <http://www.migrants.gr?la=5>

Mediterranean Migration Observatory (Pantheon University Athens): <http://www.mmo.gr/>

Hellenic Migration Policy Institute IMEPO: <http://www.imepo.gr>

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