

CULTURAL BARRIERS TO DEVELOPING MIGRANT ENTREPRENEURSHIP IN RUSSIA

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Abstract

The article is aimed at identifying the barriers to successful development of entrepreneurial activity of migrants from Central Asia in Russia. Conclusions made in the article are based on the results of the survey carried out among Ekaterinburg (the Sverdlovsk Region, Russia) citizens (N 485) by means of the standardized interviewing of migrants from Central Asia (N 231) in 2017; on the data of quality interviews with Ekaterinburg citizens (N 33) and with migrants of foreign ethnicities (N 19). In the article, the authors analyze the cultural barriers related to the stereotypes of perception, language differences, ethnical culture, different values, civilizational peculiarities of countries sending and receiving migrants. All of them are important for the success of migrant entrepreneurship under the conditions of a Russian big city. The authors prove that alongside with economic, political and legal barriers, such factors as the insufficient knowledge of the Russian language demonstrated by migrants, different cultural norms and values for migrants and local citizens, including the confessional difference, have a significant impact on the willingness and possibility of migrants to develop business in Russia.

Key words: migrants, Central Asia, cultural barriers, entrepreneurship, survey.

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Introduction

Annually more than 340 thousand people arrive in Russia to live and work from CIS countries. More than 2.5 thousand people arrive in the Sverdlovsk region, where the city of Ekaterinburg is located, from CIS every year. Migrants enter the territory of Russia looking for jobs, as well as having intentions to start their own business. In 2017, the share of small and medium-sized businesses in Russia made up 22%, although in other economically developed countries it reaches 40%. 15.9 million people in Russia are engaged in small and medium business. The most common barriers for doing business in Russia are the imperfection of the legal framework, bureaucratic obstacles, high taxes and the lack of initial

capital. The Russian government is trying to minimize the effect of these barriers. For instance, the Government of the Sverdlovsk region considers the creation of conditions to increase the competitiveness of the industrial, innovative and entrepreneurial potential of the regional economy as a priority of the social-economic policy. Migrants of foreign ethnicities from Central Asian countries make their own contribution into the development of ethnic entrepreneurship in the Urals. However, cultural barriers separating the representatives of the host and migrant communities may interfere with the success of the migrant business. Phobic social attitudes construct social reality when economic activity of foreign ethnic migrants is perceived as unacceptable (Chaban, 2006).

Literature review

Entrepreneurial activity of migrants in the territory of the host country as an object of study is associated with a number of difficulties typical for all countries. First of all – the lack of statistics. Migrant business, either fully or partially, is not documented, so financial turnovers, the number of employees, ways of attracting resources, and other factors cannot be accurately calculated. The majority of the scientific papers on this issue are based on the data from individual studies, which determines their narrow specification. Researchers recognize that this problem requires constant monitoring. This circumstance automatically leads to the fact that the theoretical basis for such studies is not sufficiently developed and leaves many questions open. However, the number of scientific papers on this topic is increasing.

The successful facts of running own business by migrants in European countries also attract the attention of researchers. Ethnic culture is considered by many scholars as a factor contributing to the development of migrant entrepreneurship, or determining the segment choice for businesses (Basu, 1998; Barrett & Vershinina, 2017; Rodgers, Vershinina & Williams, 2019). Main characteristics of the migrant's ethnic culture include nepotism, high working capacity, and a tendency toward certain types of businesses (for example, trading). Researchers highlight migrants' resistance to permanent difficulties, flexibility and mobility in case of failures (Chen & Liu, 2019), high working capacity, maintaining ties with their homeland and organization of transnational businesses as a result (Brzozowski, Cucculelli & Surdej, 2017) as their advantages in the conduct of business. There are studies focusing on the cultural aspect (Britvina & Shumilova, 2018), showing the difference in the implementation of business strategies among various ethnic groups and cultures, and the high importance of integration for their entrepreneurial success (Baltar & Icart, 2013). However, the interaction

of the cultures of the host and migrant communities as a factor limiting the development of ethnic business has not been sufficiently studied.

The condition of human capital in the countries of Central Asia is deteriorating, the quality of education, the level of knowledge of the Russian language, and vocational training decline. Over the past ten years, Russian researchers have noted an increase in the cultural distance between migrants from other ethnic groups and Russian people. According to the results of the surveys, more than 20% of migrants believe that their knowledge of Russian language is not enough for living in Russia. About one fifth of the migrants do not communicate in Russian, which increases the effect of cultural barriers for the development of ethnic entrepreneurship in Russia (Sinitsina, 2012).

Methodology

The article is aimed at identifying the barriers to successful development of entrepreneurial activity of migrants from Central Asia in Russia. The economical, political and legal barriers for the development of ethnic entrepreneurship were not included in the analysis. In the article, the authors analyze the cultural barriers related to the stereotypes of perception, language differences, ethnical culture, different values, civilizational peculiarities of countries sending and receiving migrants. All of them are important for the success of migrant entrepreneurship under the conditions of a Russian big city. Conclusions made in the article are based on the results of the survey carried out among Ekaterinburg (the Sverdlovsk Region, Russia) citizens (N 485) by means of the standardized interviewing of migrants from Central Asia (N 231) in 2017; on the data of quality interviews with Ekaterinburg citizens (N 33) and with migrants of foreign ethnicities (N 19). The authors used the following methods for analyzing information: descriptive method, correlation analysis, method of comparing two groups and analytical method of comparing texts of in-depth interviews.

Results

The formation of cultural barriers that prevent the development of ethnic entrepreneurship in Russia is associated both with the cultural characteristics of the migrants and with the stereotyped attitude of the receiving community. These cultural barriers increase the effect of economic, political and legal obstacles in business development. Our data shows that the main obstacle among various cultural barriers for business development is the lack of Russian language knowledge demonstrated by the migrants. Only 33.6% of working migrants show

good knowledge of the Russian language (they can not only communicate, but can also write and read in Russian). Poor knowledge of the Russian language reduces the adaptive capacity of entrants: only a third of working migrants (32.2%) believe that they are fully accustomed to life in Ekaterinburg. Only 16.2% of migrant workers were familiar with the laws of the country before moving to Russia. One third of working migrants (32.4%) admitted that they still know Russian laws poorly. Working migrants in the process of integration with the host community, which is the basis for business development, consider the adoption of cultural practices of Russia less important than the knowledge of the country laws: 72.5% and 92.3%, respectively. As a result, less than half of working migrants are ready or partially ready to change their daily cultural habits (46.9%). In addition, only a third of migrant workers agree that one should try not to differ from the residents of Ekaterinburg in style of clothing (31%). The level of education of migrants from Central Asian countries is also low: only 12.6% of them have higher and incomplete higher education. Only half of migrant workers have secondary and incomplete secondary education (47%). Thus, Central Asian migrants can only occupy low status job positions in the Russian labor market, and can be mainly engaged in low-skilled work, primarily in the construction, transport and trade sectors. Migrant workers do not have proper cultural background for developing business in Russia on their own. The analysis of in-depth interviews allows to see that those migrants who are trying to organize their small business in Russia do not understand why they have difficulties selling goods to local residents. For example, an Uzbek man started his tandoor (a special oven for baking) flat bread factory in Ekaterinburg.

“Did you sell to your people? — To my people, yes. — And to Russians? — And to Russians. But mostly Russians didn’t buy much, because... Well, I don’t know why. Russian shops bought little” (male, 52 y.o., Uzbekistan).

Using the example of media influence on the opinion of Ekaterinburg residents, we analyzed the existence of cultural barriers associated with the stereotypes of perception in the discrepancy of values, everyday ethnic and religious norms of host community members and migrants. We were able to capture the impact of information received from the media about foreign ethnic migrants on attitudes towards them by the inhabitants of Ekaterinburg. Mass media reproduces and reinforces negative stereotypes about migrants in the host community. To prove this fact, we divided all the Ekaterinburg residents who took part in the survey into two groups: the first one — those who know more positive information about migrants from Central Asia, the second — those who know more negative information about them. It turned

out that the nature of the available information substantially determines the attitude towards migrants. The group that has more positive information about migrants (“positivists”) makes up only 11.8% of the respondents, and the group that has more negative information (“negativists”) — 56.1% of the total number of respondents.

Table: “Positivists” and “Negativists”, comparison analysis of two groups of the Ekaterinburg citizens

Variable X	Value	Difference	X/Y1: positivists	X/Y2: negativists	Delta
Through what channels in Russia, Ekaterinburg do you mostly learn about the life of migrants from Central Asia?	TV Shows	-36.1	24.6	60.7	17.3
	Radio Streams	-12.0	5.3	17.3	10.5
	Personal contact with migrants	29.4	47.4	18.0	17.9
Are you familiar with the cultural peculiarities of the following national groups: Tajiks, Uzbeks, Kirghiz, Kazakhs, Turkmen?	Don't know anything about them	-20.5	52.6	73.2	18.6
Can you distinguish the languages of the following national groups: Tajiks, Uzbeks, Kirghiz, Kazakhs, Turkmen?	I do not distinguish the languages of these national groups	-24.9	59.6	84.6	17.4
Do you think that the fact that migrants have been living in Russia for several years gives us reason to stop considering them “strangers”?	Obviously, they are “strangers”, because they don't have Russian citizenship or look like Russians	-35.1	10.5	45.6	14.1
In your opinion, how culturally do migrants behave in our city?	Their cultural level of behavior is low	-36.6	3.5	40.1	10.8
Do you think it will be better for migrants and for us if entrants from Central Asian countries completely “dissolve” in the Russian culture?	Migrants can save their own culture	29.9	66.7	36.8	18.3
Are you personally ready to change under the influence of new cultural practices that migrants carry with them?	Absolutely not ready to change my cultural habits	-28.1	56.1	84.2	17.6
Which nationalities do you personally dislike?	There are no such nationalities, that I dislike	50.8	75.4	24.6	16.6
In business relations, in the first place, you are ready to interact with the migrant as:	As a business partner	27.4	42.1	14.7	17.4

What circumstances that may unite us with migrants may be essential for increasing the similarity between locals and newcomers?	Working together	36.1	59.6	23.5	18.2
	Living in Ekaterinburg	32.9	49.1	16.2	17.7
	Belonging to one social group	30.7	57.9	27.2	18.5

Source: author's own data. Value of the chi-square criterion: 66,742.

Ekaterinburg residents receive basic information about migrants primarily from media reports (more often television, than radio). “Negativists” are under stronger media influence than “positivists”. “Positivists” more often learn information about migrants as a result of personal contacts with them. Accordingly, the influence of the media on the formation of negative stereotypes in relation to migrants is extremely significant. Thus, the “negativists” rather more than the “positivists”, are not familiar with the culture and languages of migrants from Central Asian countries, and consider them to be strangers. “Negativists” claim that migrants behave are ill-mannered, they deny their right to save their own culture. The overwhelming majority of carriers of negative information about migrants are not ready to change their daily cultural habits for the sake of safe coexistence with migrants. As a result, the majority of the “positivists” are tolerant of other national groups, and the majority of the “negativists”, on the contrary, are intolerant. “Negativists” have prejudices; in business relations they are not ready to cooperate with migrants as partners. They believe that neither the fact of living in one city or cooperative work, nor belonging to one social group do not contribute to the growth of similarity between the locals and the migrants.

The analysis of the in-depth interviews showed that in the opinion of the residents of Ekaterinburg there are three main reasons for the cultural rejection of migrants from Central Asia, except for the poor knowledge of the Russian language, which are: the arrogant attitude of male migrants to women, their seeming uncleanliness and overcrowding, and also the demonstration of disrespect for Christianity (Orthodoxy):

“Well, some people do not show very good attitude towards women, yes, I don't like it. It seems that they respect both their elders and their parents, but they do not always respect their wives” (woman, 64 y.o., Ekaterinburg).

“But their floors are dirty, and their clothes too, and the way they look. They seem dirty, I mean their appearance. I would not want my child to communicate with them in the future, and now I do my best to interrupt this communication” (woman, 37 y.o., Ekaterinburg).

“Disrespect of our nation... Well, an important fact is religion. It is very important not to offend the feelings of our believers...” (woman, 30 y.o., Yekaterinburg).

Discussions

All-Russian polls show that Russian citizens speak in favor of accepting “quality” migrants (young, Russian-speaking and well-educated) who could effectively integrate into Russian society, who could work here (VCIOM, 2018). Such requests of Russians also extend to the requirements for foreign ethnic migrants with regard to their entrepreneurial activity in Russia. Developing the ways and means to enhance the understanding of the plans of the Russian government regarding the increase in the number of migrants of foreign ethnicities by the Russian citizens is a debatable issue. There are no attempts in the scientific literature to answer the question about how to solve the problem of cultural opposition of the local population and migrants.

Conclusion

Russians feel the cultural difference with foreign ethnic migrants from Central Asia, which prevents them from communicating and cooperating with newcomers in the development of small and medium-sized businesses. The study showed that Ekaterinburg residents have mostly negative stereotypes regarding migrants. This is an important barrier in the development of ethnic entrepreneurship at all levels of its legitimization. The programs aimed at minimizing cultural barriers to the integration of ethnic migrants and Russians should be strengthened. This will undoubtedly promote the development of ethnic entrepreneurship.

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