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Examining the challenges of migrant women entrepreneurs in the EU: Mind the gaps!

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Abstract

Despite growing evidence that immigrant entrepreneurship is male-dominated and the gender gap in entrepreneurship is widening, our understanding of the factors driving this disparity remains limited. Existing research primarily focuses on micro-level determinants such as individual characteristics and firm-specific factors, with insufficient systematic analysis of the macroeconomic influences shaping the gender gap in immigrant entrepreneurship. This paper addresses this gap by investigating the determinants of the gender gap in immigrant entrepreneurship within the European Union (EU) from 2006 to 2022, utilizing a comprehensive analysis of macroeconomic statistics. The study finds that while the overall share of immigrant entrepreneurs in the EU has nearly doubled over the past decade, significant disparities persist across member states. The analysis identifies key variables influencing the gender gap in immigrant entrepreneurship, including the unemployment rate of foreign-born females, regulatory framework, civil gender liberties, tertiary education, GDP per capita, and the gender pay gap.

Keywords: migrant women entrepreneurs; immigrant entrepreneurship; gender gap; multi-country study

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1. Introduction

Research on entrepreneurship among ethnic minorities and women has been extensive, addressing these groups separately despite their significant practical commonalities, particularly regarding challenges in enterprise participation and performance (Carter and Mwaura, 2015; De Vita, Mari, and Poggesi, 2014). For example, the reasons behind migrants opting for self-employment is a debated topic in academia. Some view it as a response to exclusion from local job markets (Ensign and Robinson, 2011), while others consider it a strategy for integration (Baycan-Levent, Nijkamp, and Sahin, 2009). Webster and Haandrikman (2022) note that in Europe, non-European migrants often face lower employment rates due to factors like labour market shifts, educational and skills mismatch, lack of native language proficiency, discrimination, and limited access to local networks. In some countries, such as Sweden, discrimination is a primary driver for immigrant self-employment (Hammarstedt, 2001; Joonas, 2011). Factors like education, age, family status, capital availability, and job-related characteristics may significantly explain self-employment variations among migrants (Carter and Mwaura, 2015).

Although research on Migrant Women Entrepreneurs (MWE) or self-employed migrant women is limited, existing studies reveal complex dynamics. De Vita et al. (2014) conducted a systematic literature review on women entrepreneurs in developing countries, showing that MWE face compounded challenges due to their dual identity as women and members of a national minority. Moreover, they face double and sometimes even multiple discrimination. Thus, despite all the policy efforts being undertaken, female immigrant entrepreneurs are still shown to be a vulnerable group. The panel data from 22 EU countries indicate that the empowerment of women in the host country contributes to the better integration of immigrant women and consequently increases their entrepreneurial activity (Gawel and Taikko, 2024).

Existing studies on MWE highlight diverse outcomes. Positively, migration and subsequent self-employment often lead to enhanced autonomy, economic independence (Parker, 2004), life satisfaction (Johansson Sevä, Vinberg, Nordenmark, and Strandh, 2016), and professional growth opportunities (Collins and Low, 2010). These benefits extend beyond economics, with many women reporting increased self-esteem and empowerment (Kapoor, 2009), and a sense of accomplishment (Benz and Frey, 2008). However, MWEs also face significant challenges, including gender and racial discrimination (Fernando, Almeida, and Dharmage, 2016), language barriers (Rametse, Moremong-Nganunu, Ding, and Arenius, 2018), limited access to financial resources and networks (Azmat and Fujimoto, 2016), and unfamiliarity with local business practices and legal requirements (Aman, Ahokangas, Elo, and Zhang, 2022). The dual burden of managing business and family responsibilities often disproportionately affects these women, complicating their entrepreneurial journey (Pugalia and Cetindamar, 2022). Additionally, existing research on MWEs is criticized for being methodologically underdeveloped and lacking cross-national samples (De Vita et al., 2014).

In the evolving global migration landscape, the experiences of self-employed migrant women represent a unique intersection of gender, labour, and migration studies. Academia's oversight in investigating the distinct experiences of MWEs is problematic, as it overlooks the specific socioeconomic, cultural, and regulatory challenges they face (Brieger and Gielnik, 2020). Micro-level determinants, such as individual characteristics of MWEs and firm-specific factors, are more often research foci, while there is a lack of systematic analysis of the macroeconomic influences shaping the gender gap in immigrant entrepreneurship. The intersectional challenges of gender, migration status, and entrepreneurial ventures thus demand a more nuanced understanding and targeted research. This paper addresses this gap by investigating the determinants of the gender gap in immigrant entrepreneurship within the European Union (EU) from 2006 to 2022. The determinants explored include economic, social, and institutional factors such as unemployment rate, regulatory environment quality, gender equality in civil liberties, educational attainment, and gender pay gap in the labour market in Europe.

The paper is structured as follows: After the introduction, Section 2 reviews existing theoretical and empirical research on the drivers and obstacles of MWE. Section 3 presents an empirical analysis of trends in women immigrant self-employment rates in EU member states and an analysis of selected determinants using an FE panel model for the 2006-2022 period. Section 4 discusses the results and Section 5 concludes the analysis.

2. Literature review: Migrant women entrepreneurs – the complexities of gender, ethnicity, and entrepreneurship

Over recent decades, there has been a growing scholarly focus on women's entrepreneurship, as evidenced by works from Ahl (2006), Gutiérrez, Fuentes, and Ariza (2014), Hughes, Jennings, Brush, Carter, and Welter (2012), and Rugina and Ahl (2023). Despite the increasing trend of self-employment and small business ownership among migrant women globally, the topic of migrant women entrepreneurs (MWEs) continues to be largely overlooked in mainstream entrepreneurship research (Carter et al., 2015). Azmat and Fujimoto (2016) argue that this oversight is due to the ethnic entrepreneurship studies often ignoring gender aspects, and female entrepreneurship literature neglecting ethnic dimensions. MWE is a complex phenomenon at the crossroads of 'gender', 'ethnicity', and the environment in which they operate (Amine and Staub, 2009). The literature on gender and entrepreneurship highlights the multifaceted ways in which gender influences entrepreneurial behaviour, opportunities, and challenges (Ahl, 2006; Ahl and Marlow, 2012; Forson, 2013; Muzaffar, 2023). These studies emphasize the gendered nature of entrepreneurial activities, shedding light on the impact of gender stereotypes, social constructions of gender, and gender bias on entrepreneurial intentions, behaviours, and outcomes. Brieger and Gielnik (2021, p. 1008) emphasise that despite the documented gender gap in immigrant entrepreneurship, "neither individual nor contextual factors influencing the gender gap in immigrant entrepreneurship have been systematically examined". In terms of the contextual factors, previous research on gender gap

in entrepreneurship reveals that cultural conditions affect the gender gap (Klyver, Nielsen, and Evald, 2013). A study by Klyver et al. (2013) finds that national-level gender equality is negatively associated with women's self-employment choices compared to men's, thereby widening the gender gap. Consequently, higher levels of national gender equality reduce women's self-employment choices more significantly than men's. Thébaud (2015) shows that supportive work-family institutions are associated with larger gender gaps in early-stage and established business ownership but smaller gender gaps among business owners regarding business size, growth aspirations, and the propensity to innovate or use new technology. It is also commonly believed worldwide that women should primarily be family caregivers and responsible for childcare, affecting women's experiences in entrepreneurship (de Bruin, Brush, and Welter 2006; Amine and Staub 2009; Kwok, 2020; Marlow and Swail 2014). Entrepreneurial activities are often associated with men, who are perceived as the primary earners of the family. However, an increasing number of studies are revealing the multifaceted nature of MWE and the persisting biases in their portrayal. Essers and Doorewaard (2010) highlighted the defiance of immigrant businesswomen against gendered and ethnic stereotypes, portraying them as active participants in entrepreneurship. This challenges the notion of immigrant women as passive and dependent. Kwok (2020) suggested that the portrayal of Asian migrant women in business as either silent supporters or independent entrepreneurs is incomplete, indicating a more nuanced understanding of their roles. Furthermore, the significance of privilege in understanding migrant self-employment has been highlighted, indicating that privilege plays a crucial role in the entrepreneurial endeavours of migrant women (Webster and Haandrikman, 2020). Additionally, there is growing evidence that MWEs suffer from a double disadvantage due to their status as both women and members of immigrant groups (De Vita et al., 2014; Azmat and Fujimoto, 2016; Surangi, 2022). Rajiman and Semyonov's (1997) investigation into immigrant women in the Israeli labour market introduces a third dimension concerning the country of origin. Their study finds that immigrant women from developing economies are particularly disadvantaged. Challenges such as adapting to the labour market or to different institutional contexts are common for all MWEs, but these are more pronounced for those from developing countries.

Despite differences in ethnicity, education levels, or networks, MWEs face common problems associated with access to funding, as well as a lack of resources required to integrate into the host country, such as language skills, qualifications, or social capital (de Bruin et al., 2006; Ozasir-Kacar and Essers, 2023). De Vita et al. (2014) demonstrated that women often emigrate primarily to accompany male family members, usually their husbands (Villares-Varela, 2017). Once in their new host country, the primary motivation for immigrant women to initiate their own businesses is the necessity to secure employment. The benefits of being self-employed for MWEs are evident, as they exert their agency to face institutional constraints by belonging to mainstream networks, targeting the mainstream market, becoming involved in philanthropic activities in the host country, and familiarizing themselves with local political issues to increase their integration into the host society (Salamanca and Alcaraz, 2022).

This need also arises from the desire to overcome the traditional obstacles they face, such as language barriers, financial limitations, and institutional challenges. Immigrant women who migrate to new countries with insufficient educational qualifications, skills, and poor proficiency in the local language face hindrances in the traditional job market. Even those with strong educational backgrounds and adequate professional credentials often face the under-appreciation and undervaluation of their skills and talents in host societies. Like native-born women, immigrant women may view their abilities and expertise pessimistically, demonstrate caution towards risks, and face greater obstacles in accessing resources for initiating and managing a business. Although this could diminish the probability of female immigrants embarking on entrepreneurial ventures, entrepreneurship emerges as a more viable alternative for them (Terjesen et al. 2016).

The literature also suggests that a supportive institutional environment positively impacts immigrant entrepreneurship, as unrestricted access to entrepreneurship should help mitigate issues like diminished self-confidence, fear of failure, and resource scarcity (Brieger and Gielnik, 2020). Desiderio (2014) notes that both immigrant-specific (e.g., improving the creditworthiness of immigrants or enhancing their language proficiency and business skills) and generic business support programs (e.g., grants for business start-ups) lead to higher rates of immigrant entrepreneurship. In a study of 218 former Soviet Union immigrant entrepreneurs in Israel, Heilbrunn and Kushnirovich (2008) found that those who faced more problems at business start-up were more likely to apply for and receive government support. In Canada, Kalu and Okafor (2020) observed that while support programs exist, those focusing on language or job searching skills are predominant, with almost no measures or services specifically designed to support the entrepreneurial endeavours of migrant women. They argue that this gap is partly due to the misconception that immigrant women primarily need basic settlement assistance, which overlooks their preferences and capabilities. Government policies in the host country can thus be instrumental in providing the necessary initial support, especially for women migrants (Heilbrunn and Kushnirovich, 2008; Kalu and Okafor, 2020). Brieger and Gielnik (2020) used multilevel mixed-effects logistic regression on a final sample of 11,471 immigrants in 51 countries and confirmed that in countries with more business-friendly regulations and a stronger commitment to the rule of law, the gender disparity in immigrant entrepreneurship is smaller, with this effect being more pronounced for immigrant women than men.

However, the question of whether gender equality bridges or buffers the entrepreneurship gender gap has been a subject of extensive research. Studies such as Rietveld and Patel (2022) have shown that gender inequality moderates the effect of gender on Total Early-Stage Entrepreneurial Activity (TEA), almost closing the gender gap in entrepreneurship in the most gender-equal countries. This suggests that gender equality can bridge the entrepreneurship gender gap by reducing the disparities that hinder women's entrepreneurial engagement. Additionally, Dean et al. (2017) argue that a postmodern feminist epistemology can destabilize the metanarrative of economic growth, thus opening up space for a more

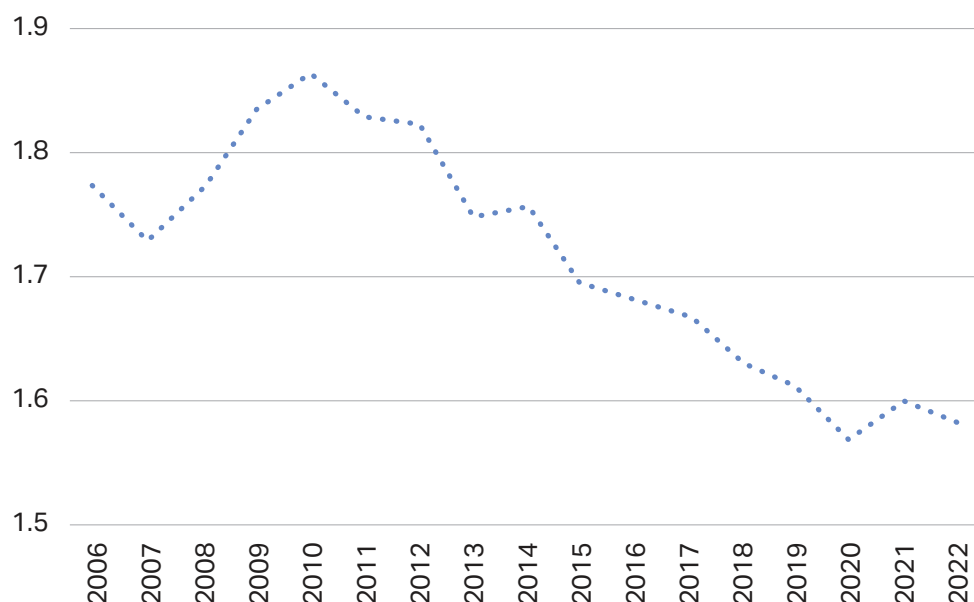
heterogeneous understanding of female entrepreneurship. This indicates that challenging traditional narratives and promoting gender equality can bridge the entrepreneurship gender gap by creating a more inclusive environment for female entrepreneurs. On the other hand, Vracheva and Stoyneva (2020) raise the question of whether gender equality bridges or buffers the entrepreneurship gender gap, suggesting that gender differences in entrepreneurship are not inherent but the result of opportunity differentials between men and women. This implies that gender equality may buffer the entrepreneurship gender gap by addressing these opportunity differentials and creating a more level playing field for both genders. Moreover, Afandi and Kermani (2014) empirically estimate the role of inequality in individual and country attributes between men and women in bridging the gender entrepreneurship gap, indicating that reducing inequality can bridge the gap. However, in developed economies, “national-level institutions for gender equality unintentionally lead to lower participation in self-employment among women than among men” (Klyver et al., 2013, p. 474). This is because policies intended to support women often overlook specific minority groups, such as self-employed women, rendering entrepreneurship a less appealing employment option. As women typically have lower rates of entrepreneurship than men, an increase in their proportion in the labour force leads to a decline in their overall rate of self-employment (Audretsch et al., 2002). One reason for this outcome is the difference in options available to women in developing versus developed countries. Women in developed nations often engage in entrepreneurship to pursue opportunities, while those in developing countries are driven by necessity (Brush and Cooper, 2012).

The literature review demonstrates that: 1) existing research on migrant women entrepreneurs (MWE) and immigrant entrepreneurship is “highly fragmented and contextual, with many case studies that are ungeneralizable” (Dabić et al., 2020, p. 25); 2) research on immigrant entrepreneurship remains largely focused on the supply side, reflecting the dominant neoliberal approach (Casson, 1995); 3) focus is given on micro-level determinants such as individual characteristics and firm-specific factors (Brieger and Gielnik, 2020; De Vita et al., 2014). However, there has been limited attention to how macroeconomic variables influence these dynamics. Our study fills this gap by providing a macro-level analysis incorporating factors such as the GDP per capita, the regulatory environment and the tertiary education (the share of female foreign-born with tertiary education). Understanding the macroeconomic determinants of the gender gap in migrant entrepreneurship can inform policymakers about the necessary structural changes to support MWEs. For instance, improving regulatory environments and access to education can enhance entrepreneurial outcomes. The extended timeframe (2006–2022) and the broad geographical scope (24 EU member states) allow us to analyse trends and changes over time, providing robust and generalizable findings – which has been a limitation so far with existing methods and designs.

Empirical analysis and discussion

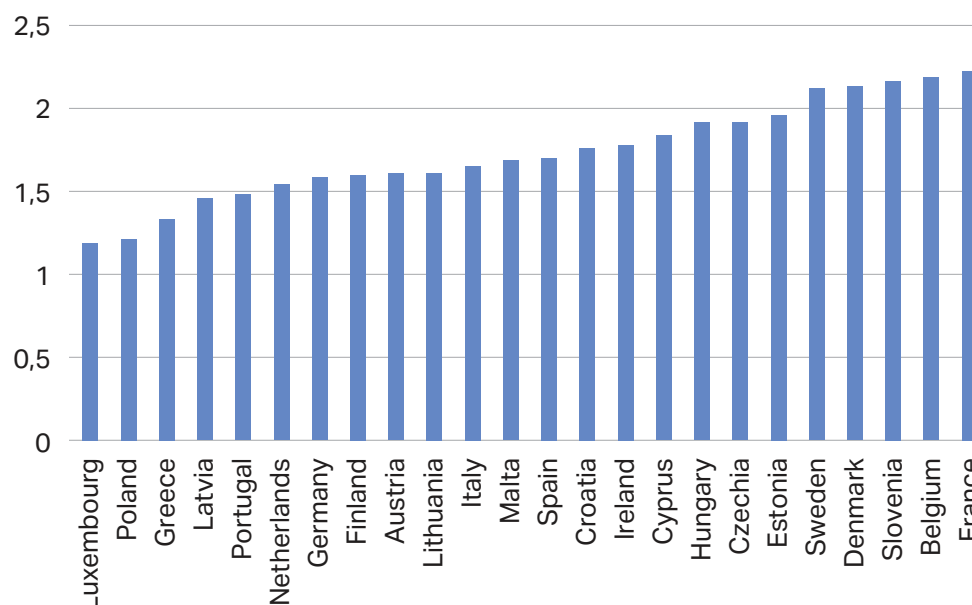
Following previous research, we use self-employment as a measure of entrepreneurship which, although not perfect, is the most appropriate for empirical analyses (see Parker, 2004). When it comes to general immigrant entrepreneurship in EU, the existing analyses show that the share of immigrants among the self-employed in the EU has nearly doubled over the past decade (OECD, 2023). Also, the data suggests that, relative to the native-born self-employed, the gender gap in self-employment among immigrants is closing at a faster rate. Figure 1 shows the calculated gender gap in immigrant entrepreneurship for the EU¹ average. This gap is calculated as the ratio of the self-employed men and women². We can see that the gap, although still above the value 1 (which would indicate parity), records a downward trend since the year 2010.

Figure 1. The gender gap in immigrant entrepreneurship



Source: Authors' calculation based on Eurostat data

However, there are notable differences and heterogeneity in this regard between individual member states (see Figure 2). We can see that the largest gender gap is found in France, Belgium, Slovenia, Denmark and Sweden, and the lowest in Luxembourg and Poland.

Figure 2. Gender gap (average for the 2006-2022 period, by member state)

Source: Authors' calculation based on Eurostat data

Immigrant entrepreneurs face various obstacles to business creation, some of which are unique relative to natives – such as language – and some which can be found as major obstacles to entrepreneurship in general, such as regulatory barriers, labour market outcomes, access to finance, institutions etc. (OECD/EC, 2023b). Therefore, in the following paragraphs, we examine the impact of different factors on the gender gap in migrant entrepreneurship using panel data analysis. The analysis is performed for 24 European Union countries in period between 2006–2022.

The model can be expressed as follows:

$$y_{i,t} = \alpha_i + \beta X_{i,t} + u_{i,t}$$

where the dependent variable is a gender gap in migrant entrepreneurship, and X_{it} is a set of independent variables included in the model (general entrepreneurial gender gap, unemployment rate of foreign-born females, regulatory framework, civil gender liberties, tertiary education of foreign-born females, GDP per capita, and gender pay gap). Due to the potential reverse causality between unemployment and self-employment variables, we use lagged unemployment as an instrument for the current gender gap. Past unemployment could directly affect the current gender gap due to lags in responses to economic shocks in the labour market.

We first estimated both fixed-effects and random-effects models, after which we performed the Hausmann test, which showed that fixed-effects are more appropriate (Prob>chi2 was smaller than 0.05). Further, since we have the problems of heteroskedasticity and serial correlation, we estimated the model with Driscoll and Kraay standard errors,

which are robust to heteroskedasticity, autocorrelation, and cross-sectional dependency (Hoechle, 2007, p. 285). As an additional robustness check, we re-estimated the model without the GDP per capita variable: the direction of effects as well as the significance of variables did not change.

Table 1 offers a detailed description of the data and variables used and data sources, and Table 2 presents the descriptive statistics.

Table 1. Description of variables used in the model

Variables	Description	Source
Gender gap_foreign	Ratio of male and female self-employed, foreign-born	Eurostat
Gender gap_general	Ratio of male and female self-employed, total	Eurostat
Unemployment	Unemployment rates (%), foreign-born females	Eurostat
Regulatory framework	Economic Freedom of the World, Regulation pillar (regulatory restraints that limit the freedom of exchange in credit, labour, and product markets), proxy for business environment quality (0-7, with an increase representing larger quality)	Economic Freedom of the World. The Fraser Institute
Civil gender liberties	Gender Equality in Respect for Civil Liberties: encompasses access to justice, private property rights, freedom of movement, and freedom from forced labour (0-4, with an increase representing higher equality)	V-Dem database (Coppedge et al., 2023)
Tertiary education	Share of females (foreign-born) with tertiary education	Eurostat
GDP per capita	Current prices (PPS) per capita	Eurostat
Gender pay gap	The difference between average gross hourly earnings of male paid employees and of female paid employees as a percentage of average gross hourly earnings of male paid employees.	Eurostat
Proportion of seats held by women in national parliaments (%)	The % of parliamentary seats held by women.	World Bank gender data portal

Source: Authors' compilation

Table 2. Descriptive Statistics

Variables	Obs	Mean	Std. Dev.	Min	Max
Dependent variable: Gender gap_foreign	388	1.767	.469	.704	3.658
Independent variables: Gender gap_general	408	1.88	.422	1.084	3.857
Unemployment	375	12.664	6.248	3	39
Regulatory framework	384	7.468	.603	5.553	8.615
Gender civil liberties	408	3.752	.198	2.912	3.939
Tertiary education	408	30.515	10.955	10.3	62.5
GDP p/c (PPP)	408	29347.376	12942.066	12046.2	90903.2
Gender pay gap	390	14.181	6.149	-.912	30.9
Proportion of seats held by women in national parliaments	408	27.52	10.413	8.696	47.278

Source: Authors' calculation

The results obtained are presented in Table 3. The results show that all variables, except regulatory environment quality and GDP per capita, are statistically significant.

Table 3. Results of the estimation

	Dependent variable: Gender gap_foreign born	Dependent variable: Gender gap_foreign born
VARIABLES	-without GDP p/c-	-without GDP p/c-
Gender gap_general	1.340*** (0.0992)	1.362*** (0.0996)
Unemployment rate	-0.149*** (0.0325)	-0.134*** (0.0379)
Regulatory framework	-0.147 (0.233)	-0.174 (0.239)
Civil gender liberties	0.620** (0.226)	0.482** (0.217)
Tertiary education	-0.192** (0.0796)	-0.235*** (0.0613)
Gender pay gap	-0.118** (0.0455)	-0.119** (0.0465)
GDP per capita	-0.123 (0.0845)	
Women share of seats in parliament	0.156** (0.0671)	0.149** (0.0690)
Constant	1.266 (0.754)	0.355 (0.570)
Observations	308	308
Number of groups Within R2	23 0.41	23 0.41

Note: Driscoll/Kraay standard errors in parentheses *** p<0.01, ** p<0.05, * p<0.1

Source: Authors' calculation

Precisely two variables related to the labour market outcomes and to the unemployment rate and gender pay gap are statistically significant, with a negative sign implying that the higher the unemployment rate and gender pay gap is, the lower the gender gap in ME. Further, the human capital variable, i.e. the share of the female foreign-born population with tertiary education, is also statistically significant, exacerbating a decrease in the gender gap. Although the GDP per capita variable has an expected sign, implying that a larger GDP per capita is connected to a lower gender entrepreneurial gap among immigrants, it is not statistically significant. When it comes to general gender equality in respect for civil liberties and political activity in terms of the share of seats held by women in parliament, the results imply that greater equality results in an increase in the gender gap.

3. Discussion

The empirical analysis has demonstrated that two variables related to the labour market outcomes and to the unemployment rate and gender pay gap are statistically significant with a negative sign. It implies that the higher the unemployment rate and gender pay gap, the lower the gender gap in MWE is. This is in line with previous theoretical and empirical research dealing with women entrepreneurship (such as Brieger & Gielnik, 2020; Gawel & Mroczek-Dabrowska, 2021). Furthermore, the human capital variable, i.e. the share of the female foreign-born population with tertiary education, is also statistically significant, exacerbating a decrease in the gender gap. When it comes to general gender equality with respect for civil liberties and political activity in terms of the representation of women in parliament, the results indicate that greater equality results in an increase in the gender gap. Although quite counterintuitive, this finding supports the research of Vacheva and Stoyneva (2020) and their entrepreneurship gender gap paradox, where in countries with more equal political/civil participation of women, fewer choose to become entrepreneurs. Part of the explanation (and a possible future research avenue) most likely lies in the distinction between opportunity- and necessity-based entrepreneurship and their prevalence. As already stated, self-employment of migrant women is often a way to survive in the labour market; i.e. it is necessity-driven. Necessity-driven entrepreneurial ventures are in general less successful than opportunity-driven ventures. In advanced societies, the share of opportunity-driven businesses is usually more favourable than in developing societies. Hence, their total contribution to the society in the long run is usually greater than the contribution of an initially-higher number of necessity-driven enterprises usually found in less-developed countries. In line with that, Brieger & Gielnik (2020) also demonstrated that the entrepreneurial journey is a primary employment strategy for (forced) female immigrants, yet the opposite for native female residents. Also, while indicating that the conventional model of success is relevant for opportunity migrant entrepreneurs, Chrysostome (2010) presented five driving forces for the necessity-driven immigrant entrepreneurs: ethnocultural factors, financial factors, managerial factors, psycho-behavioural factors, and institutional factors. Moreover, as a (forced) upgrade in their entrepreneurial trajectories, the resilience strategies of migrant (women) entrepreneurs

in times of (multiple) crises has been studied as a vital determinant of their performance (Muzykina, Aljanova, & Yousafzai, 2023; Polese et al., 2022; Šimić Banović, Škokić, Vučković, and Basarac Sertić, 2022). Those strategies mainly rely on social networks and embeddedness in the newly-adopted country (Brzozowski, Šimić Banović, and Alpeza, 2022; De Luca & Ambrosini, 2019; Solano, Schutjens, and Rath, 2022). Thus, the obtained results and accompanying discussion portray an interesting picture where solely economic factors are not crucial for women becoming entrepreneurs, especially migrant ones who are the main group researched in this paper.

There are some limitations related to our research which could be the basis for future additional research. The first one is related to the choice of self-employment rate as a measure for entrepreneurship; in the next steps, some other variables could be used as proxies, such as firm ownership, productive investments, or total early-stage entrepreneurial activity (TEA). Moreover, by using cross-sectional surveys like the European Social Survey or the Global Entrepreneurship Monitor, we plan to complement the findings obtained through the inclusion of personal (individual) factors such as the number of children or household composition, living conditions, etc.

4. Conclusion

Women account for 51% of immigrants in the EU and OECD, and although they have higher education levels than men, female immigrants have worse labour market outcomes: only 57% of them have a job relative to 73% of male immigrants and 65% of native-born women. Thus, measured by self-employment rates, entrepreneurship is frequently a way to avoid labour market marginalisation (OECD/EC, 2023). At the same time, migrant women entrepreneurs are faced with two major ‘duality’ challenges: first, their dual identity, also perceived as a double disadvantage, as women and members of national minority; and second, the dual burden of managing business and family duties unequally. Furthermore, the (ongoing) conflicts and crises further lengthen the list of challenges affecting (potential) female migrant entrepreneurs, as there is a rising feminization of migration flows. Despite its practical and policy relevance, this topic at the intersection of gender, migration, and entrepreneurship studies seems to be under-researched.

This paper explored the determinants of the gender gap in migrant entrepreneurship in a sample of 24 EU member states in the period between 2006–2022. We include a broad set of independent variables covering social, economic, and institutional issues – the general entrepreneurial gender gap, the unemployment rate of foreign-born females, the regulatory framework, civil gender liberties, national parliamentary seats held by women, tertiary education of foreign-born females, GDP per capita, and the gender pay gap. To our knowledge, this is the first such analysis on a group of migrant women entrepreneurs utilising aggregate macro data.

The key findings can be summarised as follows. First, the unemployment rate and gender pay gap are negatively related to the gender gap among migrant entrepreneurs. That

result provides additional empirical evidence to the existing research addressing gender gaps amongst MWE (such as Brieger & Gielnik, 2020; Gawel & Mroczek-Dabrowska, 2021) and reminds decision-makers of the important drivers of gender equality topics. Second, regarding the supportive conditions for MWE in terms of gender equality and access to opportunities in society, the results suggest that greater equality leads to an increase in the gender gap. This finding supports Vacheva and Stoyneva's (2020) entrepreneurship gender gap. Part of the explanation, and a possible future research avenue, most likely lies in the dominance of necessity-based entrepreneurship among MWE. Necessity-driven entrepreneurial ventures are usually less productive than opportunity-driven ventures. Finally, the findings provide a compelling picture reflecting the interaction of gender, migration, and entrepreneurship factors. Economic factors are shown not to be crucial for female migrant entrepreneurs. This finding provides additional input to studies pinpointing the importance of (female) migrant entrepreneurs' resilience (such as Muzykina, Aljanova, and Yousafzai, 2023; Polese et al., 2022; Šimić Banović, Škokić, Vučković, and Basarac Sertić, 2022) usually connected with social networks and embeddedness (Brzozowski, Šimić Banović, and Alpeza, 2022; De Luca and Ambrosini, 2019; Solano, Schutjens, and Rath, 2022) as well as the gender equality climate in the host country (Gawel and Taikko, 2024). All the previously-presented findings contribute to the growing discussion on this increasingly important topic and serve as valuable policy inputs that, considering all the findings, shall be treated in a holistic manner.

Endnotes

- 1 Bulgaria, Slovakia, and Romania are excluded due to the missing data.
- 2 We used data for the share of self-employed foreign-born men and women in the total labour force.

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