# Classification of "Migrant Entrepreneurs" According to the Relationship with the Local Community

Osamu Nakajima \*, Takaaki Hosoda †

# Abstract

In this article, I tried to categorize the concept of "migrant entrepreneur," which has various meanings, to clarify its characteristics, corresponding to the relationship with the local community and the type of business.

*Keywords:* migrant entrepreneurs, local community, rural and mountain areas, decisionmaking process, strangers

# **1** Introduction

The purpose of this study is to classify the concept of "migrant entrepreneurs," which is not always used unambiguously by researchers, government organizations, and regions, based on the relationship between the perspective of the migrant, the "local community within the scope of the basic local government (Morioka, 2008:35)" of the destination, and the type of business or industry they start, and characteristics of migrant entrepreneurs. The purpose of this study is to redefine the "characteristics" of migrant entrepreneurs. Specifically, we attempted to redefine the concept of "migrant entrepreneur," which has multiple meanings in terms of the situation, region, and type of business of each migrant entrepreneur, by reconfirming the importance of the words "migrant" and "entrepreneur," and classifying them based on their relationship with the local community.

Behind this study are recent social trends in Japanese society. For example, in a survey conducted by the Forestry Agency on 3,200 men and women in their 20s to 50s, 24.4% expressed the desire to move to rural villages, and 71.9% of these respondents would consider moving to rural areas if telework was possible (Forest Service Industry Promotion Joint Enterprise, 2020:1). Furthermore, in a web-based survey by the Cabinet Secretariat to ascertain attitudes and behaviors toward living outside the Tokyo area, 20.8% (342 respondents) of the 1,648 people interested in emigrating said they would like to start their own business or become sole proprietors (Cabinet Secretariat, 2020:51). There are some These surveys indicate that more and more people are interested in immigration and entrepreneurship and are seeking new places to live. However, it is also pointed out that there is a great deal of anxiety about "how to get a job" and "how to adjust to life" in the area to which they are moving (Cabinet Secretariat, 2020:53). On the other hand, it has been pointed out that entrepreneurs, apart from the inherent qualities necessary to start a business, the social-relational capital gained through socializing with friends and acquaintances is different from the social-relational capital needed to make a profit (Matsuda et al., 2013:14). These "migrant entrepreneurs" who start a business in the place they migrate to

<sup>\*</sup> Maebashi Institute of Technology, Maebashi City, Japan

<sup>&</sup>lt;sup>†</sup> Advanced Institute of Industrial Technology, Tokyo, Japan

are required not only to live in the local community but also to build new social relationships that accompany their entrepreneurial activities. On the other hand, they may be perceived as "strangers" by existing residents. Still, in the case of small businesses with less than 20 employees (Article 2, Paragraph 5 of the Small and Medium Enterprise Basic Law) that engage in craft production for specific consumers, it has been pointed out that they have the potential to revitalize the local community and create new value (Sasaki et al. 2019:146-147).

Most of the previous studies have interpreted and used the concept of "migrant entrepreneurs" in general as "those who migrate and start their businesses" (Sasaki and Fukui, 2019:147). What it means by "migrant entrepreneur" is diverse, including entrepreneurs moving to a specific region and then permanently settling there (Sakai et al., 2020:14) or moving to an agricultural or mountainous region and starting a business (Tsuchiya, 2020:1) in the practice of child-rearing, slow life, second life, etc. It will be necessary to redefine migrant entrepreneurs to clarify the characteristics of migrant entrepreneurs, which are based on these relationships with local communities.

## 2 "Migrant Entrepreneurs" in Prior Studies

#### 2.1 Search for previous research cases

Google Scholar is used to search for previous studies. Synonyms sorted by the literature referring to "migrant entrepreneurs." The search was repeated until new synonyms were found, and when no new synonyms could be found, the search was considered "saturated" and terminated.

#### 2.2 Survey Results

The number of hits retrieved by Google Scholar for "migrant entrepreneur" and similar terms "immigrant entrepreneur" and "immigrant founder" is as follows. (Accessed at 2023.04.17)

- migrant entrepreneurs: 19
- immigrant entrepreneurs: 7
- immigrant founders: 10

The word "migrant entrepreneur" emerged in 2007, "immigrant entrepreneur" in 2020, and "immigrant founder" in 2019, indicating that the term has been the subject of relatively recent research in Japan. Next, Table 1 shows the classification of terms analogous to migrant entrepreneurs concerning previous studies.

	terminology	meaning	authority
1	migrant founders	There are five requirements for	
		migrant founders.	Kaori Kawamoto (2022), "Regional
		(1) The business has been	Potential Expanded by Migrant
		established for less than five	Founders and Local Residents: Analysis
1		years. (2) The distance from	of Questionnaire and Interviews to Both
		home to the office is less than	Sides," JFC Research Monthly, July
		one hour one way. (3) Be at	2022 No. 166, pp. 4-15.
		least 18 years old during	

#### Table 1: Classification of Migrant Entrepreneurs

		migration. (4) Established a business within three years before or after moving to the current living area from an area more than one hour away one way from the current business location. (5) The area to which the applicant is moving is rural, excluding the three major metropolitan areas and 20 ordinance-designated cities in Japan.	
2	immigrant	Have the intention to migrate to rural villages in the practice of child-rearing, slow life, second life, etc. And small business owners who have family or relatives in the area with entrepreneurial intentions.	Shinichiro Tsuchida (2020) "Progress Factors of Migrant Entrepreneurship in Higashikawa Town, Hokkaido: Focusing on Migrant Entrepreneurship of Restaurants," Journal of Geographical Society, 95(1), pp. 1-12.
3	entrepreneur	A new relationship between migrants and residents through entrepreneurship: "Marwari" succession. Migration = permanent migration.	Fumi Sakai, Junya Tatemi, and Shinichi Tsutsui (2020) "Actual Conditions of Support for Migration and Entrepreneurship in Agricultural and Mountain Villages: A Case Study of Tanba City, Hyogo Prefecture," E- journal GEO, pp. 14-28.
4	migrant entrepreneur	People who immigrate and start their businesses	Yuji Sasaki and Junichi Fukui (2019) "A Study on the Factors Affecting the Transition of Migrant Entrepreneurs and Migrants in Small Municipalities in Hokkaido: A Case Study of Higashikawa Town, Hokkaido, Japan," JIAA Academic Abstracts 2019, 07, pp. 147-148.

# **3** Meaning of Migrant Entrepreneur from Dictionary Description

### 3.1 Confirmation of the meaning of "migration."

Check the meaning of "migration" by referring to several dictionary entries.

• To move to another land or country. The movement or settlement of a tribe, ethnic group, etc., from one ground to another to pioneer, conquer, etc. (Source: Kojien, 6th edition, 2008, Iwanami Shoten)

- To move to a foreign land. To move to a foreign country, especially for pioneering or commercial activities. (Source: "Meikyo Japanese Dictionary, Second Edition" (2010) Daishukan Shoten)
- Migration is the process of changing one's place of residence. Migration can broadly be classified into three categories. (1) Leaving one's previous residence to seek a new one and make a permanent home, i.e., moving from a rural village to a city or from one's home country to a foreign country. (2) To temporarily change one's place of residence, i.e., to make a second house and go on a summer vacation and live there for a certain period. (iii) A change of residence is irregular or inconsistent; one does not have a permanent residence but changes one's place from place to place. (Source: International Encyclopedia Britannica, 2011, Britannica Japan)

From the descriptions in these three dictionaries, it is clear that the Kojien and Meikyo Japanese Dictionary are almost identical. Still, the International Encyclopedia Britannica classifies "emigration = changing place of residence" into three different contents. Furthermore, a reference to several English-Japanese dictionaries confirms the following descriptions.

- [Move to [elsewhere]. Move to Hokkaido. [Emigration [to a foreign country]; immigration [from a foreign country]. Migration [of people or animals] (repeated migration or movement of groups). (Source: "Progressive Japanese-English Dictionary, 3rd Edition" (2002) Shogakukan)
- migrate: a person migrates from [...] to [...]; moves (repeatedly) between [...]. migrant: migratory bird; migrant (seasonal) worker. Migrant: migrant (seasonal) worker. In Australia, pejorative migration: Emigration, relocation; (of birds or fish) migration. [Collectively, a group of migrants, a migratory flock.
- Immigrate: (a foreigner) "from ... to ..." (as a permanent residence). Immigrant: (an immigrant or emigrant from a foreign country) for permanent residence. Immigration: to enter [immigrate, emigrate] (to make [cause to]).
- Emigrate: to leave. Emigrant: to emigrate to a foreign country; emigrant: immigrant to a foreign country emigration: settlement: Emigration (to another country, etc.). Emigration: Emigration (to another country, etc.). (Source: "Genius English-Japanese Dictionary, 4th Edition" (2006) Daishukan Shoten)

The following is a discussion of the subtle differences in meaning expressed by the following four words.

- Move: move a spatial movement unrelated to locality or boundedness.
- Migrate: temporarily. To proceed, emigrate: to drive across some "boundary" (e.g., a border).
- im-migrate coming in the direction from the destination location
- e-migrate: to go out: advice from the source location

### 3.2 Identification of the meaning of "entrepreneur."

This section will review the importance of the term "entrepreneur."

- A person who starts a business. entrepreneur [France] ( Source: Kojien, 6th ed. (2008) Iwanami Shoten, )
- To create a new business. (Source: "Meikyo Japanese Dictionary, Second Edition" (2010) Daishukan Shoten)
- entrepreneur (Source: Britannica International Encyclopedia, 2011, Britannica Japan)
- AN ENTREPRENEUR (Source: "Progressive Japanese-English Medium Dictionary, 3rd Edition" (2002) Shogakukan )
- Entrepreneur, contractor. Entertainer. (Source: "Genius English Japanese Dictionary, 4th Edition," (2006) Daishukan Shoten)

The above shows that entrepreneur originates from the French word "entrepreneur. The Innovation Platform for The University of Tokyo (IPC) explains that "entrepreneur" is a combination of the prefix "entre," meaning "between" in English, and the noun "preneur," meaning "taker" in English.

The literal translation is "one who acts as a go-between," meaning a middleman, contractor, or trader.

### 3.3 Meaning of "migrant entrepreneur."

From 2.1 and 2.2 above, the meaning of the term "migrant entrepreneur" may be understood as follows. A "migrant entrepreneur" is "a person who moves from one place to another (migration) and starts a new business at the same time" and may either settle for a certain period and operate a business in that place and then move to another location or settle permanently.

Based on this general understanding, the matter to consider is the relationship between the place chosen for migration and the new business to start. In other words, in the original meaning of the word "entrepreneur" as "a person who acts as an intermediary between people and things," it is possible to classify the types of "migrant entrepreneurs" by examining how the elements of "people and things" in a broad sense and the area chosen as the destination of migration mediated. Types of "migrant entrepreneurs" can be classified.

# 4 Migrant Entrepreneurs and Their Relationship with the Local Community

The "migrant entrepreneurs" categorized in the previous section have portable professional skills and move to a particular region to run their businesses. However, their relationships with the communities they move to are diverse and complex.

One example is data from an interview survey conducted by the author in Higashikawa Town, Hokkaido, Japan, with migrant entrepreneurs who are craftsmen in the furniture and equipment manufacturing industry (Nakajima, 2023:26-28). From this data, the factors held

by each of the stakeholders in the local community, i.e., migrant entrepreneurs, residents, and local government officials, were extracted by contrasting "what they have/what they want" and are shown in "Table 2.

		-
	What you have	What we look for
migrant	Craft skills, knowledge of furniture	Land, Ideal Town, Urban Atmosphere,
entrepreneur	making, customers, connections outside	Trees and Forests, Tools, Machinery,
-	the community, workforce, youth vitality,	Materials, Users not Wholesalers,
(Migrant residents)	headcount as a population, prevent	Human Connection, Succession, Villa in
residents)	overpopulation, outside eyes	Tokyo.
residents	Face-to-face community, large town	Labor force, agricultural leaders, youth,
(Permanent	neighborhoods (hospitals and other	readiness to live in the community,
residents)	facilities), local industry, materials	understanding of the original residents,
residents)	(especially for work), depopulation	employment
	Migration policy, MIC subsidies, local information, land, government money, tax revenue from hometowns, public relations, event know-how, promotion	Population, taxes, the happiness of town
		residents, Coexistence of migrants and
local		residents, development of the town,
		attractions that can communicate
government official		externally, event exhibitors, business
		establishments that can earn money,
(Town Hall)		hometown tax donors, related
		population, sustainability, children,
		external recognition

Table 2: What Stakeholders in the Community "Have and Want"

Depending on the type of business you start, the strength of your relationship with local resources can be considered as follows.

- Very strong (almost essential): Primary industries such as agriculture, forestry, and fishing. For businesses mainly target natural resources.
- Strong: Secondary production industry (processing industry), where the region already has relevant production infrastructure and traditions.
- Weak: Tertiary industry (service industry). Businesses that do not depend on a specific location, such as the information industry.

## **5** Considerations

In the case of the author's interview in Higashikawa Town, the local resources that the community possesses include "Daisetsuzan, national forests, water, air, and food, adequate sparsity, welcoming atmosphere, and photographic culture. And what distinctions can be made between settling and migrating? How do the types of livelihoods differ between migratory and sedentary livelihoods? If the ideas mentioned above about qualities such as being rational in decision-making are included (Hosoda, 2020:67), a matrix item of classification (Table 3) was created

Table 5. Wattix tients of classification				
About	Where do you come from? (Is your first place of residence urban or rural?)			
"Migration"	Where to go? (Will you move to a city or a rural village?)			
	Why was this immigration destination chosen?			
About	Is the industry new or continuing?			
"Entrepreneurship"	What is the size of the business, individual, or organization?			
Littlepreneurship	Did you receive any assistance in starting your business?			
About	What is the duration of the post-emigration period?			
"Continuity"	How often do you migrate?			
Continuity	Is there a successor?			

based on the requirements involved in decision-making.

Table 3: Matrix items of classification

# 6 Conclusion

Based on the original meaning of "migrant" as "a person who moves from one place to another," we made a distinction between "immigrant: coming from another place" and "emigrant: leaving for another place," according to subject and place.

Based on this premise, we examined the relationship between the two from the perspective of "migrant subject = migrant" and "migrated subject = local community.

And "Entrepreneur" refers to "a person who starts a new business" and, as the original meaning of the word suggests, is a mediator between people and between people and things. In other words, a "migrant entrepreneur" can be redefined as "a person who moves from one place to another, starts a new business, and operates as a mediator in the area where they carried.

The reasons, motivations, and types of businesses that migrant entrepreneurs migrate to are diverse, and they do not always migrate to areas that meet their desires. Under these circumstances, it would be significant for regional revitalization to gain generalized knowledge on the mechanisms of deciding where to settle and fostering and sustaining livelihoods by clarifying the factors that are important in the activities of migrant entrepreneurs.

In the future, if this research makes it possible to categorize the relationship between the attributes and preferences of migrants and the characteristics of the regions to which they migrate, it could provide meaningful insight for entrepreneurs as newcomers to the local communities they migrate.

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