

**Native and Immigrant Entrepreneurship. Lessons for Local Liabilities in Globalization from the Prato Case Study, Guercini, S., Dei Ottati, G., Baldassar, L., Johanson, G. (Eds.).**

This book adopts a multidisciplinary approach to the issue of liabilities of native and immigrant entrepreneurship in local contexts. The volume discusses the idea that in today's global economy, belonging to global networks is increasingly more important than being members of the dominant group in the national market. In addition, the phenomenon of globalization not only creates "bridges" between distant places but also changes the face of businesses and socioeconomic systems at the local level. These aspects affect social and business networks and are strongly linked to the study of business communities settled in different territories.

The theoretical underpinning of the book is the concept of liability, borrowed from the literature of management and international business, that concerns the difficulties that must be addressed by those in contexts other than their own national one (liability of foreignness), and the difficulties that must be addressed by those who are external to the most effective and important (social and business) international networks, distinguishing outsiders from insider actors (liability of outsidership). The book draws on such concepts and introduces the theme of "local liabilities", its

antecedents and its consequences. Local liabilities may emerge when two (or more) separate communities (of persons and firms) exist in the same place. The local liabilities are associated with costs, competitiveness losses, and missed business opportunities. Generally, the greater the separation between the communities, the greater the local liabilities. The focus on local liabilities affords a unique perspective on the nature of globalization. Given the increasing diversity of global migration flows and worker mobility, we believe that this book addresses a key issue for the corporate actors and for the policy makers at local, national and global levels.

The focus of the book is on the case of Chinese migrants and the Italian industrial district of Prato. In this specific context, the Chinese community has a perceptible impact on total output or gross domestic product. The Chinese community generates significant transfers abroad, while stimulating consumption and affecting the real estate and industrial markets. We believe that Prato provides an excellent case to understand the relationships between various levels of the economy and society, and that it offers a prime example of current forms of globalization.

The focus on local liabilities affords an original perspective on the nature of globalization and highlights salient aspects of native and immigrant entrepreneurship. Immigrant entrepreneurs can experience a liability of outsidership

from local networks, yet may be insiders to the global networks that are dominant in specific industries and markets. Conversely, native entrepreneurs can experience a relative outsidership from the new global networks dominated by immigrant entrepreneurs. However, distinguishing native entrepreneurship from migrant entrepreneurship does not automatically imply different business models or entrepreneurial profiles. The characteristics of the native companies can differ from, as well as be similar to, those of the migrant businesses, as can the profiles of the entrepreneurs belonging to each group.

The book provides a rich and insightful content that clarifies what constitutes the local liabilities experienced in a local context by two different communities of people and businesses. The theme of local liabilities, its antecedents and its consequences, is clearly transdisciplinary. Simultaneously, this work represents academic advances around a central idea, focused on a paradox in the relationship between native entrepreneurship and migrant entrepreneurship: a paradox generated by the contrast between the two terms. On the one hand, strong liabilities are evident for both the people and the businesses of migrant communities in their relationship with the native-born Italian population. On the other hand, there are concurrent clear signs of significant business and growth opportunities for all (both native and migrant) firms,

as well as of more general socio-economic and human development. The authors examine these opportunities and challenges from various perspectives, as experts of different disciplines, including management, economics, sociology, and anthropology. Certainly, the relationship between native and immigrant entrepreneurship is challenging. The relationship is associated both with local liabilities and with great opportunities.

This book comprises 12 chapters, including introduction and final remarks. In the first chapter, the editors discuss some central ideas (liabilities, separation, outsidership, and integration opportunities). The following three chapters examine some of the central issues that shape the Chinese community in Italy, and the specific case of Prato. These chapters provide useful data for the interpretation of the phenomenon at an economic and sociological level, switching from Barberis and Violante's national frame, to Biasi and Rosignoli's focus on the local economy, and finally to Becucci's ethnographic study of the immigrant business community active in the manufacture of clothing in Prato.

Paciocco and Baldassar and Johanson, Beghelli and Fladrich provide two different sociological perspectives of separation between immigrant Chinese and native Italians. The chapters focus, respectively, on the friendship networks and the associations of the new generation of (school age) immi-

grants, and on the use and impact of mobile communication technologies (smartphones) on the relationship networks. Both chapters explore the practices and processes that facilitate intra-ethnic versus inter-ethnic communication and exchange, from local and transnational perspectives.

The subsequent chapters examine managerial and international business issues. Guercini and Milanesi deal with the liabilities of foreignness and of outsidership in the international business literature, and their local implications. Lazzeretti and Capone examine the results of a survey on the demographics of the population of failed firms in Prato. Zhang and Zhang and Ong and Freeman explore the relational and business issues of Chinese migrant entrepreneurship. They address the role of *guanxi* (the Chinese network of interpersonal relationships) on the sustainability, importance, and evolution of migrant entrepreneurship, as well as on the development of new competences and relationships with native entrepreneurship.

Finally, the last chapter (authored by the editors) takes stock of the relationship between native and immigrant entrepreneurship from the studies presented in the book. The chapter considers what is actually happening in practice, as well as the aspirations and hopes for future developments. Achieving improved outcomes for both migrant and native communities requires the active participation

by the business community and by political actors. We need such participation to challenge the paradox inherent in the local liabilities, and to address successfully a common challenge faced by many places experiencing globalization.

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