This paper addresses the question of ethnic entrepreneurship in relation to religious identity and multiculturalism in civil society and proposes a spotlight on Turkish entrepreneurs in Romania, as a relevant example of the benefits of increasing cultural diversity and opportunities to learn from different cultures and traditions. It aims at empirically investigating whether the distinct ethnic features of Turkish entrepreneurs, especially their religion, influence their business performance in Romania and their integration in the host country’s civil society. The information for this case study has been collected through in-depth interviews with top representatives of Turkish-Tartar minority associations in Romania and of Turkish Businessman Association (TIAD), and combined with statistical data from various sources. Several characteristics have been considered in our research, with a focus on business performance, religion and civil society. So far ethnic entrepreneurship issue has been approached in Romanian scientific research only indirectly or partially. Our paper singles out this issue and opens the door for further interdisciplinary research and dialogue.

1. Introduction. Why Turkish entrepreneurs?

Talking about ethnic and religious diversity within a country and about multiculturalism in our time is not new. According to the 2004 Human Development Report, most of the world’s countries experience a significant degree of cultural diversity: the homogeneity of religion, nationality and culture are nowadays the exception rather than the rule (Figure 1). People with different linguistic traditions, religions, and so on, live together in the same area. Consequently, peaceful co-existence of all people, regardless of their faith, culture or nationality, is today one of the biggest concerns of humankind.

As a recognition of the ever-increasing cultural diversity and of importance of reducing communication gaps between religions, cultures
and nations, the European Commission has proposed that 2008 should be the ‘European Year of Intercultural Dialogue’. Cultural diversity in Europe is considered to be a unique advantage for economic and social development when combined with variety in cultural heritage. Better knowledge of other cultures is seen as a necessary first step for any particular culture’s acceptance and fruitful cooperation.

![Number of countries by share of ethnic or religious groups, 2003](http://hdr.undp.org/en/media/hdr04_complete.pdf)

**Figure 1.** Ethnic and religious diversity in the world  

Two issues are of major interest in this context: (1) the contribution of ethnic minorities living in various countries to the economic prosperity and cultural diversity of those countries and (2) the integration of ethnic minority communities in the host country’s civil society. These issues generate opportunities, as well as tensions and risks for the host country.

In the last decades, a specific response to these issues has been ethnic entrepreneurship. This is particularly relevant in relation to the ethnic entrepreneurs’ contribution to reducing social exclusion and raising the living standards of groups that can often be among the disadvantaged in the wider society. Ethnic entrepreneurs, with their job creation potential, bring about management styles which reflect their cultural background as well as opportunities for the development of local economies, thus increasing economic and cultural diversity and reducing, inter alia, the structural unemployment problems of some ethnic groups. However,
research studies on motivation and critical success conditions for ethnic entrepreneurs demonstrate that performance conditions vary across ethnic groups. These studies also emphasize the role of education, informal social networks and traditional cultural attitudes in shaping entrepreneurial spirit and practice. Moreover, they highlight the impact of the quality of action by civil society on the entrepreneurs’ results and, more specifically, on ethnic entrepreneurs’ integration in the host economy and society. According to the definition provided by Civil Society International, “civil society refers essentially to the so-called "intermediary institutions" such as professional associations, religious groups, labour unions, citizen advocacy organisations that give voice to various sectors of society and enrich public participation in democracies”, thus stressing the influence of the associations representing ethnic and religion-based minorities and professional organisations upon the success of ethnic entrepreneurs. In addition, the Centre for Civil Society of London School of Economics addresses civil society as an “arena of uncoerced collective action around shared interests, purposes and values” that suggests the role of the above-mentioned associations in a fruitful integration in the host country as well.

Based on these overall considerations our study proposes a spotlight on Turkish entrepreneurs in Romania, as a success story which can provide meaningful lessons in the current international context. Our research has intended to explore the benefits of increasing cultural diversity in Romania and the opportunities to learn from different cultures and traditions. More specifically, considering the case of Turkish entrepreneurs who migrated in Romania, we have considered the challenges faced not only in developing successful economic businesses, but also in the construction of a cultural identity in the new social environment. The acknowledgement that the way we think of and respond to religion is one of the most critical elements to a balanced life has determined us to include religious aspects into our research. Our choice of the Turkish community for this research is based on several reasons:

1. In most countries, the predominant religion is either Christianity or Islam, the two largest religions in the world. Our study seeks to provide answers to how the differences in religious background of Turkish entrepreneurs would influence their economic and social contacts with the population of the host country. We also examine how important religious differences are in today’s Romania.

2. There is a long history of Romanian and Turkish relationships and Turkish entrepreneurs were among the first to come and develop business in Romania in the early 1990s. At that time Romania already had an important Turkish community in Dobrogea, which served as a bridge between the two countries.

3. Turkish entrepreneurs have had a significant contribution to the success of transition to a market economy, as well as to economic recovery, in post-1989 Romania. A very important aspect of this is their support to
creating an entrepreneurial culture in Romania, based on their successful integration in the Romanian economy whilst preserving their cultural identity and respecting the basic values of Romanian society.

(4) Affiliation to ethnic and professional associations, as forms of networking, has far-reaching consequences not only for the rates of business creation, survival and growth, but also for smooth integration into civil society. These associations’ contribution to informing (about the market, the legal and institutional framework of business), supporting, counseling, teaching, etc. entails a higher visibility of this category of businessmen. Turkish entrepreneurs prove a very good understanding of the importance of professional associations and of combining their efforts in order to have a greater impact on the market. At the same time, their co-operation with various associations representing the Turkish minority, as well as with other organisations in Romanian civil society has produced synergic effects in the economic and socio-cultural environment.

(5) Opposite to some other countries of Islamic faith, Turkey is considered to be open to modernity and globalism and also a state promoting tolerant relationships among religions and nations. This country is also a candidate to the European Union. Despite these strengths there are some fears of a move towards fundamental Islamism, e.g. the recent debates on Turkey’s parliament vote on lifting the ban on women wearing headscarves in universities. There seems to be a growing rift between Islamists and secularists over the future of Turkey.

Starting from the early 1990s, the phenomenon of immigration, mainly for economic and political reasons, contributed to an increase in multiculturalism in Romania. For a country such as Romania, which did not experience large scale immigration in the past, it has become important to prepare for the challenges brought about by immigration and to anticipate possible tensions based on ethnicity and religion. Taking into account Romania’s previous experience of ethnically and religiously diverse regions like Dobrogea, we consider that Romania can offer a genuinely sustainable model of multicultural co-existence. At the same time, Turkish entrepreneurs offer a model of ethnic entrepreneurship able to increase opportunities for a more entrepreneurial Romania, combined with a model of successful integration of ethnic groups into our civil society.

This paper proposes an empirical investigation of the distinctive features of Turkish entrepreneurs and, especially, of their religion’s influence upon their business performance in Romania. Hence in the first section we propose a review of the main current approaches to ethnic entrepreneurship and highlight definitions, concepts and research foci employed in this field. In discussing the meanings of such terms as “ethnic”, “immigrant,” “minority”, we point out that in accordance with the research focus of our paper we will use the term “ethnic entrepreneurship” to refer to ethnic minority entrepreneurs, including immigrants. We also discuss the structural and cultural factors that form
the basis of ethnic entrepreneurship, its socio-economic benefits and key success conditions. The research angles and investigation tools used in the international literature devoted to this subject are reviewed as well.

The second section addresses the complex relationship between enterprise, ethnicity and culture, pointing out a particular case of preserving cultural and (especially) religious identity, namely that of entrepreneur groups whose religious background is significantly different when compared to the host country’s dominant religion. From this perspective our paper supports the new methodological approaches in religious studies, emphasizing Idel’s recommendation for “methodological eclectism”. In the framework outlined by Idel we have expressed our opinion with regard to the most suitable religious approaches when the issue of ethnic entrepreneurship is addressed in terms of integration as well as preservation of cultural and religious identity.

Thirdly, the case of Turkish entrepreneurs acting in the EU countries (the so-called Euro-Turks), where Turkish communities are more and more numerous and visible and expose their distinctive features in the civil society of the host country, is proposed as a relevant example and analysed in a separate section. Our paper discusses three major groupings of Euro-Turks emerging in the migration process (bridging, breaching and assimilated groups) and their distinctive features in civil society, as revealed by comparative research studies carried out in Western Europe, especially between German-Turks and French-Turks.

The fourth section consists of a case study on Turkish entrepreneurs in Romania, which is especially relevant today, as Romania itself has become a member of the European Union. The information for this case study has been collected through in-depth interviews with top representatives of Turkish-Tartar minority associations acting in our civil society and of Turkish Businessman Association (TIAD), combined with statistical data from various sources. Different characteristics have been considered in our research, with a focus on business performance and religion. As already stated in other studies, we have found that Turks value their integration in the economy and civil society of host countries, and pose no threat to the social and political system of these countries.

2. Approaches to ethnic entrepreneurship: concepts, definitions, research foci

In general terms, entrepreneurship refers to the process of starting new organisations, particularly new businesses, or to revitalising mature organisations as a result of identifying, evaluating, seizing an opportunity in the market and bringing together those resources required for success.

Modern growth theory, which can be said to have started with Schumpeter’s work, stresses the role of entrepreneur (or businessman), considering that the quality of his performance determines whether
capital would grow rapidly or slowly and whether this growth would involve innovation and change. Most definitions relate entrepreneurship to risk taking, addressing this concept as the ability to make an informed decision and to take responsibility for the consequences of action resulting from that decision.

In the past decades, an unprecedented dynamics in the functioning, organisation and location of business firms, associated with the trend towards a multicultural society observed especially in urban areas, have created “the seedbed conditions for new entrepreneurial activities, which find their origins in the specific socio-cultural habits of an ethnic segment of population”. These activities are usually approached in terms of ethnic entrepreneurship, which is reflected by “an increasing participation rate of ethnic minorities in the labour market and, in parallel to this trend, a significant increase in the number of ethnic minority-owned businesses”.

The roots of ethnic entrepreneurship can be found in a variety of structural and cultural factors. The structural factors refer to the rapidly rising inflow of foreign migrants, economic constraints in the host country, poor access to market, and high unemployment, whereas the cultural ones concentrate on specific values, skills, social relationships rooted in kinship ties (“embeddedness”), cultural features including internal solidarity and loyalty, flexibility, personal motivation, work ethics, networks within the same ethnic group, flexible financing arrangements, etc. From a synthetic perspective, the interaction model proposed by Aldrich and Waldinger states that opportunity structures (such as market conditions, access to entrepreneurship), predispositional factors (such as aspiration levels, language deficiency, migration motives) and source mobilisation (such as ethnic social networks, cultural and religious commitment) are decisive factors for creating successful entrepreneurial strategies.

In the literature devoted to ethnic or migrant entrepreneurship, various concepts and categories are employed, reflecting the broad coverage of this term. In this context, Basu reveals that terms like “ethnic entrepreneurship”, “immigrant entrepreneurship” and “minority entrepreneurship” are frequently used, in an interchangeable manner. Nevertheless, the author agrees with Chaganti and Greene in that there are subtle differences between these terms.

Thus, in speaking about ethnic entrepreneurship, “ethnic” may refer to “a set of connections and regular patterns of interaction among people sharing common national background and migration experiences”.

Immigrant entrepreneurs represent recent arrivals in a country. They often start a business as a means of economic survival, based on their individual connection with former migrants or non-migrants of a common origin.

Minority entrepreneurs are business owners who do not belong to the majority population. Accordingly, a minority entrepreneur “may not be
an immigrant and may not share strong sense of group solidarity within an ethnic group, in terms of shared history, religion or language"25. In addition, “an ethnic entrepreneur may or may not be an immigrant, but is likely to belong to a minority community”26.

Considering the research focus of our article and in keeping with Basu’s definition, we will use the term of ethnic entrepreneurship as referring to ethnic minority entrepreneurs, immigrants included.

As regards the area covered by ethnic minority businesses, in the beginning these businesses aim to serve mainly the needs of the ethnic community they belong to. Then, gradually, their market area may expand towards a broader coverage, and they tend to become a significant part of the local economy27. In this respect a distinction should be made between internal orientation, when entrepreneurs produce for their own ethnic niches and external orientation, when they cover a wider market. The latter is closely related to the so-called “break-out strategy” in ethnic entrepreneurship, and can be defined as “a strategy to get away from the situation in which own ethnic groups dominate such factors as capital, clients and employees”28. Such a strategy should aim at crucial changes in products, people, place, promotion and price. Higher skills, diversified communication channels and access to government policy support measures are envisaged as key success factors.

The socio-economic benefits of ethnic entrepreneurship, especially the urban one, with a predominantly external orientation, consists of social bonds in a cultural network, which create flexible ways to attract personnel and capital, the potential of organising businesses at the interface of two cultures, namely the own culture and the host country’s culture (e.g. restaurants, travel agencies, etc.), and the capacity to generate market niches for specific cultural goods (e.g. music, food), where “ethnic goods” become sometimes “normal goods” (e.g. Italian pizza, Turkish kebab, Chinese food)29. But, perhaps the most prominent advantage of ethnic entrepreneurship is its contribution to reducing social exclusion and raising living standards in groups that can often be among the most disadvantaged in society. Moreover, when ethnic minorities and ethnic entrepreneurs concentrate in particular localities, they can influence the development of local economies as a whole and the standard of living within them30.

Given the diversity of issues entailed by ethnic entrepreneurship, a multitude of research approaches, multi- and interdisciplinary in nature, are usually employed. These approaches can combine investigation tools specific to sociology, organisational behaviour, management, economics, geography, demography, etc. So far empirical research has been based to a higher extent on survey questionnaires and in-depth interviews, rather than solid statistical modelling31. However, the findings have brought about useful and interesting information about motivation and orientation, barriers and success factors, labour and capital conditions, customer relationships, gender and generation differences, culture and religion-based differences,
integration in host society, the importance of social networks\textsuperscript{32}, and traditional attitudes in shaping entrepreneurial spirit and practice.

3. Ethnic entrepreneurship viz. integration, cultural and religious diversity

Ethnic minority businesses display a wide diversity, based on differences between generations within the same ethnic group. Their experience also varies among different countries, depending on the particular social, economic and political context experienced by particular ethnic minorities. This diversity is reflected by the type of business activity chosen by the members of different ethnic groups and in the strategies they use to mobilise resources\textsuperscript{33}. Usually, they rely on both co-ethnic and non-co-ethnic resources and various studies reveal that it is the combination of these two sets of resources which enables businesses to survive\textsuperscript{34}.

The interrelationships between enterprise, ethnicity and culture are numerous and they present distinctive features depending on the category of ethnic entrepreneur belongs to. Thus, entrepreneurs representing ethnic minorities with a long history in the country they live in seem mainly concerned with preserving their cultural and religious identity, at the same time developing the necessary skills and cultural competencies to handle the co-operation with the majority population (in both economy and civil society) and the complexity created by the culturally mixed context\textsuperscript{35}. For entrepreneurs of recent immigration waves these issues are amplified by the specific challenges pertaining to integration into the host society.

In general terms, for an immigrant the integration consists in the knowledge of the language spoken in the host country (reading, writing skills), the access to the educational system and to the labour market within the respective country, the opportunity of increasing professional mobility by participating in a higher level of education and professional qualification, equity in front of the law, cultural and religious freedom, respect towards the laws and traditions of the country he/she lives in. At the same time, for the host society integration of the migrants presupposes tolerance and openness, the consent of welcoming immigrants, understanding the advantages and challenges of a multicultural society, providing unrestricted access to information related to the advantages of integration, tolerance and intercultural dialogue, respecting and understanding the status, tradition and culture of immigrants, as well as respect towards immigrants’ rights\textsuperscript{36}. Beside the assistance and integration support offered by state institutions and migration-oriented national and international non-governmental organisations, in some cases labour and business oriented immigrant communities set up their own associations (e.g. The Association of the Turkish Businessmen, the Federation of the Chinese
Businessmen in Romania) and they also get involved in the organisation of schools, special services, newspaper editing, cultural activities to preserve their identity.

A particular case in terms of preserving cultural and, especially, religious identity is that of minority entrepreneur groups whose religious background is significantly different when compared with the host country’s dominant religion. A relevant example is that of Turkish entrepreneurs acting in the EU countries (the so-called Euro-Turks). Their Muslim religious background requires further efforts for successful integration, so as to reduce rejection and to increase knowledge about them among the majority population of each country. Such attitude could contribute to the creation and enhancement (inside the Turkish minority entrepreneurs and Turkish minority communities in general) of a “sense of belonging”, with positive effects in mid and long run for a fruitful cultural diversity.

From sociological and religious viewpoint the new methodological approaches in religious studies support the recommendation for the so-called “methodological eclectism”, which distinguishes among various categories of approaches. While we agree with Marc Blogh’s idea that “in history the true realism is to know that human reality is multiple”, we also share Idel’s viewpoint that “a monolithic vision upon the religious phenomenon” cannot be used. In our opinion, when the issue of ethnic entrepreneurship is addressed in terms of integration as well as cultural and religious identity preservation, the most suitable religious approaches seem to be (in the framework described by Idel’s methodological eclectism) the historical approach, accompanied by the comparative approach, the cognitive approach and perspectivism. These angles are reflected in the case study proposed by our paper in the next sections.

4. A spotlight on Turkish entrepreneurs: quantitative and qualitative aspects

As derived from previous considerations, the question of the integration of ethnic entrepreneurs as well as of preserving their cultural identity in the host society is central in the debates about the factors of success for ethnic entrepreneurship. However, in recent years another issue (at least of similar importance) is increasingly addressed in the same register. It refers to the contribution that ethnic entrepreneurship can bring within the efforts for promoting cultural diversity and religious tolerance in a global, networking society, in quest of the eternal ideals of peace and mutual understanding.

From this viewpoint the case of Turkish entrepreneurs in Romania, with their minority and professional associations acting in Romanian civil society, is a success story which can provide meaningful lessons in the current international context. The case of Turkish entrepreneurs in
Romania is preceded by an analysis of their place and role in EU countries, where Turkish minority communities are more and more numerous and visible.

4.1. Turkish entrepreneurs in the EU (Euro-Turks)

There was a population of over 3.7 million Turks in the EU in 2001, the present number rising to an estimated figure of 5.2 million according to a recently published book by Faruk Şen, director of the Turkey Research Centre Association – TAM. Romania and Bulgaria are also considered in this statistic, both having a minority population of Turkish descent. The largest part (68%) is living in Germany, followed by France and Netherlands (Table 1). Most of them have successfully integrated in the host society and a significant part is self-employed. The total number of Turkish entrepreneurs in the European Union has soared from 56,500 in 1996 to 82,300 in 2002 and to 124,500 in 2006, their investments also increasing from € 5.6 billion in 1996 to € 9.2 billion in 2002 and € 10.9 billion in 2006.

Table 1. Turkish population and Turkish entrepreneurs in the EU15

<table>
<thead>
<tr>
<th>Country</th>
<th>Population of Turkish origin in 2001 (thousand persons)</th>
<th>Number of Turkish entrepreneurs in 2002 (thousand persons)</th>
<th>% Contribution to GDP of Turkish people in 2001</th>
</tr>
</thead>
<tbody>
<tr>
<td>Austria</td>
<td>200</td>
<td>5.0</td>
<td>1.82</td>
</tr>
<tr>
<td>Belgium</td>
<td>110</td>
<td>2.3</td>
<td>0.72</td>
</tr>
<tr>
<td>Denmark</td>
<td>53</td>
<td>1.0</td>
<td>0.76</td>
</tr>
<tr>
<td>France</td>
<td>370</td>
<td>8.2</td>
<td>0.44</td>
</tr>
<tr>
<td>Germany</td>
<td>2,642</td>
<td>56.8</td>
<td>2.29</td>
</tr>
<tr>
<td>Netherlands</td>
<td>270</td>
<td>1.6</td>
<td>1.23</td>
</tr>
<tr>
<td>Sweden</td>
<td>37</td>
<td>6.0</td>
<td>0.32</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>70</td>
<td>0.9</td>
<td>...</td>
</tr>
<tr>
<td>Other EU</td>
<td>20</td>
<td>0.5</td>
<td>0.01</td>
</tr>
<tr>
<td>Total EU</td>
<td>3.772</td>
<td>82.3</td>
<td>0.78</td>
</tr>
</tbody>
</table>

Apart from a minority of Turkish descent which was already living in Bulgaria and Romania, the remaining population is mostly a result of immigration to EU countries since the beginning of the 1960s. Many of these immigrating Turks become entrepreneurs, mostly from the second generation. A large number of their businesses that average a yearly turnover of 462,000 Euro consist of family-owned and family-run businesses.

A comparative research of German-Turks and French-Turks found that there are three major groupings of Euro-Turks emerging in the migratory process.

• Bridging groups (40 %) consist mostly of people from the young generations, who managed to find a balance between homeland and ‘host’ land and are strongly affiliated to both.
• Breaching groups (40 %) feel more powerfully connected to the homeland.
• Assimilated groups (20 %) have successfully integrated in the host society and usually experience higher economic success.

Despite the differences between and within these groups, the research indicated that as a whole “Euro-Turks do not pose a threat to the political and social system of their countries of settlement, but rather have the willingness to incorporate themselves into the system”, at the same time contributing to “the redefinition of EU and Europeanness with their own social, political, cultural and economic identities”.

4.2. Turkish entrepreneurs in Romania. Statistical findings and interview results

So far the ethnic entrepreneurship issue has been only indirectly, partially considered in Romanian scientific research, mainly in relation with the impact of foreign direct investments, the integration of immigrants in Romanian society, the cultural and religious identity of ethnic minorities, etc. Therefore our paper proposes a spotlight on this subject, aiming to emphasize the contribution of Turkish entrepreneurs to the success of transition to the market economy as well as to the economic recovery in the post-1989 Romania. Quantitative considerations, focusing on socio-economic and religious aspects are accompanied by qualitative approaches which highlight the integration of Turkish entrepreneurs into the Romanian society and their open attitude towards cultural diversity and religious tolerance.

The significant Turkish population living in Romania (nearly 80,000 members, including immigrants) is not a homogenous group. Romanian Turkish people, all of Muslims religion, can be divided into two major groups, with several differences between them.
A. The old branch of the Turkish community comprises two minorities: Tartar and Turkish. All their members have Romanian citizenship and historical roots in Dobrogea region that dates back in the XIIIth century.

After 1990, both minorities founded distinct ethnic and cultural organisations, each of them represented by a deputy in the Romanian Parliament - Chamber of Deputies, namely the Democrat Union of Turkish-Muslim Tartars in Romania and the Turks’ Democratic Union in Romania. They primarily serve to maintain culture, religion and tradition.

Neither Tartar nor Turkish minorities’ members suffer from language barriers because they all speak Romanian along with their mother tongue and they are well integrated in Romanian civil society.

- “Conflicts, tensions among Turkish community or between this community and other ethnic minorities or between it and the Romanian majority are unknown to me” outlined during the in-depth interview Mr. Iusein Ibram, Deputy in the Romanian Parliament, representative of the Turks’ Democratic Union in Romania. This is a relevant sign that Turkish minority has accepted the host country’s culture and the lifestyle of the majority and viceversa.

- Another important feature of this historical component of the Turkish community, with the same background as the majority population, is that “it has a rather modest entrepreneurial education and training” agrees Mr. Iusein Ibram. It is reflected by the low number of established companies and their small size. Their entrepreneurial spirit tends to be enhanced by the new orientation towards the market economy and the examples of new comers from Turkey.

B. The new branch of the Turkish community consists of Turkish immigrants. This branch has developed since 1990 and has been encouraged by a favorable legal and institutional environment for the business sector. It is adding to the already existing minority of Turks and Tartars settled on Romanian territory. This pre-existent Turkish community may have acted as a factor of attraction, together with geographical proximity and the new business opportunities Romania had to offer.

These Turkish people, most of them entrepreneurs, have come from two different sources.

- The primary source was Turkey, the country that provided entrepreneurs in two waves:

  - The first wave, coming soon after 1990 (a few thousands), with modest capital started small ventures (e.g. bakeries, textile boutiques, etc.). The firms’ financing was based on rather informal sources, such as personal savings, loans from family and friends, home equity loans. They sent
positive feedback regarding the Romanian business environment, the civil society’s open attitude, the tolerance towards foreign entrepreneurs.

- The second, more consistent wave has followed after a few years, as a result of encouraging performance obtained by the first wave of entrepreneurs. These immigrant entrepreneurs, highly motivated, have had usually previous experience in venture field, more developed financial skills, power in dealing with people, which, combined with the Romanian market opportunities, have been key to their business success. As these entrepreneurs have got involved in a large variety of economic sectors (retail, wholesale, manufacturing, finance, services, etc.), they have brought about an important qualitative change in the Turkish entrepreneurship phenomenon in Romania.

The highest concentration of Turkish entrepreneurs can be noticed in Bucharest, the rest of them being widely spread mainly in urban areas (Constanta, Brasov, Pitesti, Craiova, Cluj, Timisoara, etc.). It is useful to underline that small Turkish companies were established all over the country (including the rural areas) as a sign of successful break-out strategies and also as a proof of high tolerance and acceptance on behalf of the Romanian population.

The two above mentioned groups refer differently to their country of origin. The “old” group of ethnic Turks has rather weak ties with Turkey, quite recently refreshed after 1990, whereas the “new” group has stronger links in order to keep open its members’ option for returning home. However, a growing number of the latter take on Romanian citizenship.

- The second source has become the EU Turkish entrepreneurs (so-called Euro-Turks), with residence in Holland, Luxembourg, Germany etc., having high financial potential and important managerial experience. They are joining the mentioned second wave usually for important projects, via establishing or buying major companies which require substantial capital.

As a result, Romania has become the largest recipient of Turkish direct investment in its region. According to the National Bank statement about foreign direct investments in Romania, on December 31st 2006 Turkish entrepreneurs were ranked 11th among the major investors in Romania. One year later (December 31st, 2007), Turkish direct investments in Romania reached around 593 million dollars, as 10,242 companies with Turkish capital were registered in Romania and Turkey became the 10th investor country in Romania. If Turkish investments made via EU countries are added, the total is around 1,5 billion dollars. The main fields of investment are banking, food and textile industries, electronics and road construction.

Among the most important companies investing in Romania are Nokta, Arcelik, and Kombassan, which are the main shareholders in companies such as Azomures, Arctic Gaiesti and Rulmentul Barlad-Erdemir, Dentaş, Finans Bank and Yaşar, alongside the Efes, the beer-producing arm of Turkish conglomerate the Anadolu Group and Pak
Holding (Pakmaya Group) involved in yeast production. FIBA Holding has a chain of supermarkets in Romania, under the Gima brand, and it is also active in the finance sector, with Finansbank, Finans Leasing and Finans Securities. Another well-known name is Anchor Group, one of the leaders on the local real estate market, who is involved in famous projects such as the Bucharest Mall Plaza Romania. There is also a growing interest in the banking and finance sector as well: Libra Bank, Garanti Bank International, Robank (purchased by Bayraktar Holding and British Balli Group) and others which have long been of great support to the Turkish expanding investments in Romania.

The early and powerful presence of Turkish entrepreneurs in the Romanian economy also generated a strong enhancement of bilateral commercial exchange. Since 1989 economic relationships between Romania and Turkey have displayed both diversity and sustained increase, their bilateral foreign trade exceeding 5 billion dollars in 2006 (Appendix 1) and reaching an estimated level of 6.7 billion dollars by the end of 2007.

This steady ascending trend, which grew particularly strong since 2002 (Figure 2), brought Turkey up to the fourth place among Romania’s trading partners, after Italy, Germany and France and, considering Romania’s growing attractiveness as an EU member, we may suppose it is going to keep at high levels in the future. At present, Romania and Turkey represent each other’s number one trading partner in the Balkans, while Turkey is Romania’s second trade partner in the Black Sea region, after the Russian Federation.

![Figure 2. Romania’s Foreign Trade with Turkey over 1990-2006](image)

**Source:** authors’ calculations; data from Romanian Statistical Yearbook, 2001, 2007. In order to ensure time-series comparability, the values
for 2001 to 2006 were converted from euros to dollars using the National Bank average annual exchange rates.

A strong contribution to this dynamism had the conclusion of bilateral agreements, such as the ones avoiding double taxation, the mutual protection of investments and, particularly, the Free Trade Agreement. During the recent official visit (March 2-4, 2008) of the Turkish President Abdullah Gül to Romania a number of agreements were concluded, including contracts on mutual protection and promotion of investments, cooperation programmes on culture and a maritime agreement. Cooperation in implementing strategic projects, mainly in the energy field, such as laying an undersea electric cable between Constanta and Istanbul and the Nabucco gas pipeline were also discussed.

According to the “Turkish Business in the Black Sea Economic Cooperation Region”52, another important area of cooperation is the tourism industry. The Ministries of Tourism of Turkey and Romania have already signed a memorandum of cooperation in this field.

Figure 3 illustrates the percentage distribution of the total Turkish entrepreneurs in Romania according to their economic sector of activity. The weight now lies in industry and trade (wholesale and retail sale of food and non-food production), but construction also gets an important share and services are increasing (especially real estate investments and transactions, banking, business consultancy). This is an increase in diversity and also an important qualitative change from the early 1990s, when small food business and import and distribution prevailed. When the legal regulatory framework of investments was completed and the business climate was improved, larger firms began to show an interest in
Romania focusing mainly on the service and manufacturing sectors. These movements towards bigger and more diverse businesses are consistent with the trends noticed in other countries which experienced an increasing presence of Turkish entrepreneurs in their economies, such as Germany.

The Turkish entrepreneurs who came to Romania brought their families and their own social, political, economic and religious identities. For a better understanding of the relationships of Turkish entrepreneurs with the Romanian society we have to consider their different background. Table 2 gives us an idea about economic and social differences, while Table 3 and Figure 4 focus on characteristics of religious affiliation and practice.

Both countries experience moderate economic freedom, levels of Gross National Product and Human Development Index, which include them among the developing countries, Romania being slightly more advanced than Turkey with respect to all economic and social measures involved. What put Romania in a considerably better position are the inequality measures, all income inequality indicators being far smaller in Romania’s case, mainly due to its former communist regime which promoted egalitarianism.

### Table 2. Economic and social development measures for Romania and Turkey

<table>
<thead>
<tr>
<th>Measure</th>
<th>Romania</th>
<th>Turkey</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2008 Index of economic freedom</strong> (80-100 free, 70-79.9 mostly free, 60-69.9 moderately free, 50-59.9 mostly not free, 0-49.9 repressed)</td>
<td>61.5</td>
<td>60.8</td>
</tr>
<tr>
<td><strong>GDP per capita (PPP US$), 2005</strong> ***</td>
<td>9,060</td>
<td>8,407</td>
</tr>
<tr>
<td><strong>GDP per capita, annual growth rate (%), 1990-2005</strong> ***</td>
<td>1.6</td>
<td>…</td>
</tr>
<tr>
<td><strong>Consumer price index, average annual change in (%), 2005</strong> **</td>
<td>66.5</td>
<td>…</td>
</tr>
<tr>
<td><strong>Human development index value, 2005</strong> ***</td>
<td>0.813</td>
<td>0.775</td>
</tr>
<tr>
<td><strong>Life expectancy at birth, 2005 (years)</strong> ***</td>
<td>71.9</td>
<td>71.4</td>
</tr>
<tr>
<td><strong>Adult literacy rate (% aged 15 and older), 1995-2005</strong> ***</td>
<td>97.3</td>
<td>87.4</td>
</tr>
<tr>
<td><strong>Income inequality measures, 2003</strong> **</td>
<td>31</td>
<td>43.6</td>
</tr>
<tr>
<td>- Gini Index of Income Inequality (%) (min=0 - absolute equality; max=100% - absolute inequality)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Ratio of richest 10% to poorest 10%</td>
<td>7.5</td>
<td>16.8</td>
</tr>
<tr>
<td>- Ratio of richest 20% to poorest 20%</td>
<td>4.9</td>
<td>9.3</td>
</tr>
</tbody>
</table>
Turkish entrepreneurs have integrated themselves to an important extent into the host Romanian economy, contributing to the development of the country and benefiting from its dynamic market at the same time. Their presence has had a complex impact on the Romanian economic and social environment.

They contributed to a more diversified range of products supplied, raising competition and indirectly their quality. Nevertheless the experienced immigrant entrepreneurs provided role models for the local population where they settled their businesses. The relation that has been built up with Romania is also reflected by the fact that the customers of Turkish entrepreneurs are not just Turks but also Romanians, as an expression of applying break-out strategies on a large scale from the very beginning.

Beside investments as such, Turkish entrepreneurs also create an important number of jobs. They usually provide jobs not only for themselves and their families but also offer job opportunities to other people. The competitive pressure of the labour market forces Turkish entrepreneurs to have a professional management and better understanding of the market.

- “Turkish entrepreneurs do not practise any discrimination based on ethnic criteria while they hire their employees. In fact, more than 95% of the personnel does not belong to the Turkish community” mentioned Mr. Halit Öztürkmen, the President of the Turkish Businessmen Association. This open attitude offers the chance to strengthen communication and other forms of interaction with the majority population.
The integration of Turkish entrepreneurs in civil society is made smooth by complex networks of several professional associations, ethnic and religion-based organisations with strong connections at national and international levels.

- The Turkish Businessmen Association (TIAD), having more than 140 members, is one of the most dynamic organisations. It is involved in supporting the economic activities of its members in the “Romanian friendly environment” as stated by TIAD’s President. He also confirms that “definitely there are not specific obstacles for Turkish entrepreneurs in Romania. This is one of the main reasons they have chosen to do business here”. The fact that they do not feel discriminated in any way has a positive impact on the sense of belonging and, thus, on the integration process.

An intense cooperation was established between TIAD and the two leading minority organisations (the Democratic Union of Turkish-Muslims Tartars in Romania and the Turks’ Democratic Union in Romania) in order to support social, religious and cultural projects concerning the whole Turkish community. Several cultural events have been organised in close cooperation with other ethnic organisations and the Department for Inter-ethnic Relations, aiming to enhance unity, peace and stability among minorities.

- A pro-integration approach is displayed by important leaders of the Turkish community on the issue of its children’s education. “Our children follow Romanian schools in order to better integrate in Romanian society where they will live and work. To learn the Turkish language they attend special courses, usually at weekends” – underlined Mr. Gelil Eserghep, a Deputy of Tartar origin in the Romanian Parliament. And this happens even if in Romania minorities have the official right to open up under-graduate schools. The leaders of the Turkish community consider that in this way the younger generation is gaining from the socialisation and education in Romanian schools.

We have also tackled in our research the issue of the religious characteristics of Turks compared to the ones of the Romanian majority. As far as religion is concerned, both Romania and Turkey provide religious freedom by constitution, their governments respect the right to freedom of religion in practice and the relations are generally amicable between
Constantin, Goschin, Drăgușin

Ethnic Entrepreneurship as an Integrating Factor.

different religions. However, international studies indicate that a greater religious freedom exists in Romania. Even if they belong to different main religious denominations, Romania and Turkey generally show little differences with respect to people’s opinions on religious beliefs and practice (according to World Values Survey data, Table 3).

Table 3. Religious freedom and characteristics of religious affiliation and practice for Romania and Turkey

<table>
<thead>
<tr>
<th>Religious freedom index* 2000</th>
<th>Romania</th>
<th>Turkey</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1-3=Free; 4-5=Partly free; 6-7=Not free)</td>
<td>3</td>
<td>5</td>
</tr>
</tbody>
</table>

Religious beliefs and practice survey**:

- Persons who belong to a religious denomination (%) | 97.6 | 97.7 |
- Persons who believe in God (%) | 91.6 | 98.0 |
- Persons considering religion important (%) | 53.5 | 62.5 |
- Persons who attend religious services at least once a month (%) | 46.0 | 41.0 |
- Persons that pray outside of religious services (%) | 69.5 | 81.5 |
- Persons who get comfort and strength from religion (%) | 79.8 | 91.3 |
- Persons considering religion meets people's spiritual needs (%) | 78.0 | 79.9 |
- Persons considering religion give answers to moral problems (%) | 71.3 | 72.4 |
- Persons considering religion give answers to social problems (%) | 42.6 | 40.5 |
- Persons who believe that the church has influence on national politics (%) | 42.3 | 58.4 |
- Persons who believe that religious leaders should Not influence the govern (%) | 70.3 | 67.9 |


Religious Freedom is defined by the Centre for Religious Freedom as freedom from "persecution where the focus or the grounds are themselves religious - where a person's religion is a component of the persecution or discrimination they suffer". Countries are rated on a scale of 1 to 7, where 1 to 3 indicates freedom, 4 to 5 is partly free, and 6 to 7 is not free. A "Free" country is defined as a country whose citizens enjoy a high degree of religious freedom. "Partly free" countries are characterised by some restrictions on religious freedom, often in a context of
corruption, weak rule of law, ethnic strife or civil war. In a country classified as "Not free", religion is tightly controlled and basic religious freedom is denied. The numbers are ratings of the situation in countries, not of the conduct of their governments.


The World Values Survey is a global network of social scientists coordinated by the World Values Survey Association.

The largest differences concern the influence of the church on national politics, the number of persons that pray and the power of religion to bring comfort and strength to people, all significantly bigger for Turks.

According to the data of the Department for Inter-ethnic Relations of the Romanian Government, 96.95% of the 32,098 Turks and 98.77% of the 23,935 Tartars currently living in Romania are adherents to the Muslim religion.


- The Turks’ Muslim religious background is significantly different in cultural terms when compared with the majority’s Orthodox Christian religion in Romania. At the same time **Turkish Muslims are, in comparison with other Islamic people, more flexible and therefore more open and reform-**
oriented” says Mr. Gelil Eserghep, a Deputy of Tartar origin in the Romanian Parliament. “We are the ‘orthodox’ part of the Islamic religion” underlines Mr. Iusein Ibram, the representative of Turks’ Democrat Union in the Romanian Parliament.

- An undeniable proof in that sense is Turkish women’s involvement in business. “Approximately 20% of all Turkish companies in Romania are entirely or partially owned by women. Four of them are TIAD members” revealed Mr. Halit Öztürkmen, the President of TIAD.

Social and business relationships provide women entrepreneurs with information and easier access to resources, and shape expectations for new ventures and venture financing\textsuperscript{56}. Turkish women entrepreneurs also settle a good example of access to professional life, raising awareness among both Turkish and Romanian women.

- Another interesting aspect which regards the preservation of the minority group cohesion is the attitude towards ethics and moral principles. “Community members are very committed to the traditional moral and family values; family relationships are of crucial importance. There is also a high respect for the truth” says Mr. Gelil Eserghep. Through bi-national marriages, new family ties are formed. This life philosophy increases confidence not only inside the ethnic community but also in relationships with the business community and all components of civil society, facilitating integration and preserving identity as well.

Cultural and spiritual relations between Romania and Turkey have increased in time, based on the 1966 Agreement Regarding Scientific and Artistic Exchange. Following recent Turkish Government agreement, the Saint Parascheva Church in Istanbul was placed at the disposal of the Romanian Orthodox community by the Greek community. The handover took place in May 2004 and was attended by the Patriarchs Teoctist and Bartholomeos.

There are also governmental talks concerning a reciprocal exchange of land, in Bucharest and Istanbul, in order to support the project of a Romanian church in Istanbul and also the plan to build a Turkish mosque in Bucharest\textsuperscript{57}. This is a very good example of mutual understanding, inter-religious dialogue and tolerance in the current international context, in seeking of unity, peace and stability.
5. Concluding remarks

Romania, which displays an important ethnic minority-based cultural diversity, can offer a real and sustainable model of multicultural co-existence. The smooth integration of the Turkish community, of particular significance considering its different traditions and religious background, is a successful example. This minority has not encountered serious barriers in Romanian society as compared to other EU countries. Our paper has demonstrated the role played by the robust ethnic entrepreneurship of the Turkish minority, mirrored not only by the development of successful economic businesses, but also by the construction of a cultural identity in the host country. Turkish entrepreneurs have proved a very good understanding with regard to the importance of professional associations and the ways of combining their efforts in order to have a greater impact on the market. At the same time, their co-operation with various associations representing the Turkish minority as well as other organisations of Romanian civil society has lead to synergic effects in the economic and socio-cultural environment. In this respect, a distinctive feature of the Turkish community in Romania is represented by its combination between the “old branch”, mainly living in Dobrogea region, and the “new wave” of dynamic immigrants established in Romania since 1990. The former contributed to the smooth integration of the newcomers, while the latter offered their support to the preservation of the cultural and religious identity of the Turkish minority. Romania becomes increasingly attractive for the Turks settled for decades in Western Europe as well, and this can determine a growing share of Turkish capital as well as a higher quality of the entrepreneurial culture in the Romanian economy. As an overall finding, Turks value their integration in the host countries’ economy and civil society and pose no threat to the social and political system. However, considering that a series of centrifugal forces in the Muslim world as a whole feed fundamentalism, intolerance and violence, Turkish associations acting in the civil societies of the host countries should speak with a louder voice in favour of multiculturalism, inter-religious dialogue and tolerance, so as to reduce the threats that the Western world is confronting with. From a research viewpoint, all these phenomena can generate challenging niches of investigation in an interdisciplinary context.

Bibliography


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Foreign Economic Relations Board of Turkey (DEIK). http://www.romturkonline.com/.


Appendix 1. Romania’s Foreign Trade with Turkey

US dollars million

<table>
<thead>
<tr>
<th>Year</th>
<th>Exports</th>
<th>Imports</th>
</tr>
</thead>
<tbody>
<tr>
<td>1990</td>
<td>162</td>
<td>76</td>
</tr>
<tr>
<td>1991</td>
<td>153</td>
<td>133</td>
</tr>
<tr>
<td>1992</td>
<td>219</td>
<td>176</td>
</tr>
<tr>
<td>1993</td>
<td>277</td>
<td>147</td>
</tr>
<tr>
<td>1994</td>
<td>251</td>
<td>151</td>
</tr>
<tr>
<td>1995</td>
<td>348</td>
<td>251</td>
</tr>
<tr>
<td>1996</td>
<td>390</td>
<td>219</td>
</tr>
<tr>
<td>1997</td>
<td>354</td>
<td>213</td>
</tr>
<tr>
<td>1998</td>
<td>323</td>
<td>272</td>
</tr>
<tr>
<td>1999</td>
<td>468</td>
<td>237</td>
</tr>
<tr>
<td>2000</td>
<td>627</td>
<td>271</td>
</tr>
<tr>
<td>2001</td>
<td>451</td>
<td>377</td>
</tr>
<tr>
<td>2002</td>
<td>578</td>
<td>560</td>
</tr>
<tr>
<td>2003</td>
<td>903</td>
<td>922</td>
</tr>
<tr>
<td>2004</td>
<td>1644</td>
<td>1364</td>
</tr>
<tr>
<td>2005</td>
<td>2191</td>
<td>1969</td>
</tr>
</tbody>
</table>


In order to ensure time-series comparability, the values for 2001 to 2006 were converted from euro to dollars using the National Bank average annual exchange rates.

Acknowledgements. The authors gratefully acknowledge the valuable information provided (during the interviews conducted for the case study of this paper) by Mr. Halit Öztürkmen, President of the Turkish Businessmen Association (TIAD), Mr. Güven Güngör the Secretary General of TIAD, Mr. Abram Iusein, Deputy representing the Turkish Democratic Union in Romania in the Chamber of Deputies - Parliament of Romania, Mr. Gelil Eserghep, Deputy and member of the Democratic Union of Turkish – Muslims - Tartars in Romania, and other representatives of civil society’ organisations of the Turkish community in Romania.
Notes


4 In addition, a civil society organisation is defined as “any organisation whether formal or informal, that are not part of the apparatus of government, that do not distribute profits to their directors or operators, that are self-governing, and in which participation is a matter of free choice. Both member-serving and public-serving organisations are included. Embraced within this definition, therefore, are private, not-for-profit health providers, schools, advocacy groups, social service agencies, anti-poverty groups, development agencies, professional associations, community-based organisations, unions, religious bodies, recreation organisations, cultural institutions and many more.” See Johns Hopkins International Fellows in Philanthropy (statement of the Sixteenth Annual Conference, Nairobi, Kenya, July 2004), GuideStar International, http://www.guidestarinternational.org/whatiscs/ (accessed February 23, 2008).

5 The Centre for Civil Society of London School of Economics also points out that the institutional forms of civil society “are distinct from those of the state, family and market, though in practice, the boundaries between state, civil society, family and market are often complex, blurred and negotiated” as well as that “civil society commonly embraces a diversity of spaces, actors and institutional forms, varying in their degree of formality, autonomy and power”. See Centre for Civil Society, “What is Civil Society?”, London School of Economics, Centre for Civil Society, March, 2004, http://www.lse.ac.uk/collections/CCS/what_is_civil_society.htm (accessed February 25 2008).


8 For instance, Ayhan and Kentel.


See also Baycan-Levent et al., “Diversity in entrepreneurship: ethnic and female roles in urban economic life”, 1133-4.


Basu, 582.

See Basu, 582. There are also studies which bring about even a much deeper insight into the term of ethnic minority business, such as that of CEEDR. It demonstrates that even if the convention is to define an ethnic minority business on the basis of ethnicity of the main owner, the extent to which a firm displays distinctive behavioural attitudes is likely to vary according to the length of time...
that a particular ethnic group has been resident in the host country, the circumstances in which the migration occurred, the degree of ethnic solidarity or assimilation in the mainstream society (see C.E.E.D.R., “Young Entrepreneurs, Women Entrepreneurs, Co-Entrepreneurs and Ethnic Minority Entrepreneurs in the EU and Central and Eastern Europe”, Final Report to the European Commission, DG Enterprise, Centre for Enterprise and Economic Development Research (CEEDR), Middlesex University Business School, U.K., July 2000, 91, http://ec.europa.eu/enterprise/entrepreneurship/craft/craft-studies/entrepreneurs-young-women-minorities.htm).

27 Masurel et al., 239-40.
29 Masurel et al., 240.
30 C.E.E.D.R., 91.
31 Masurel et al., 250.
32 The social networks issue is closely related to that of social capital, regarded as “the sum of resources, actual or virtual, that accrue to an individual or a group by virtue of possessing a durable network of more or less institutionalized relationships of a mutual acquaintance and recognition” (Pierre Bourdieu and Loïc J.D. Wacquant, *An Invitation to Reflexive Sociology* (Chicago:University of Chicago Press, 1992): 119). In addition, Westlund notes that if the characteristics of a community do in fact facilitate entrepreneurship, then we speak of “entrepreneurship-facilitating social capital” (Hans Westlund, *Social Capital in the Knowledge Economy* (Berlin, Heidelberg: Springer-Verlag, 2006), 66).
33 C.E.E.D.R., 92.
35 For addressing this identity pattern the concept of “cosmopolitanism” is proposed in some papers. For example, the German-Turkish businesspeople are considered to display a kind of cosmopolitanism that is characterized by its non-elite, practical and half-conscious dimensions (see Pecoud, 1-2).
37 Constantin et al., 53.
39 This subject is currently a very sensitive one, considering the Islam-West conflict, the exclusive identity discourse, the tension caused by the supranationality and transnationality of Islamic immigration, as a basis of Islamophobia that is extending throughout the West (see, for example, Yolanda Aixela Cabre, “Muslims in Spain. The Case of Maghrebis in Alicante”, *Journal for the Study of Religions and Ideologies*, 17 (Summer 2007): 84, http: www.jsri.ro/new/?download=6_cabre_17.pdf).
40 Idel, 5.
Quotation in French by Idel, p.17: “Le vrai réalisme en histoire c'est de savoir que la réalité est multiple“.

42 Idel, 11.

More specifically, the historical approach addresses religion, as any other human activity, as reflecting and being determined by the historic circumstances of an individual group; the comparative approach should aim to compare comprehensive structures existing in various religious forms, rather than to refer to parallel historical influences; the cognitive approach supports the need for religion to be incorporated in the study of human creativity, as one of the multiple human creations. Last but not the least, perspectivism can be employed for a better understanding of systems’ logic, so as to compare the substantially different ones and to learn from each other (Idel, 8-11).

44 Faruk Şen, Euro-Turks: the Presence of Turks in Europe and their Future (İstanbul: Günüzi Yayınlilik Publishing House, 2007), 27.


46 Ayhan and Kentel, 67.

47 Ayhan and Kentel, 67.

48 In the late 1980s the Turks living in Romania numbered about 41,000, mostly concentrated in the Dobrogea region.

49 The (old) Tartar minority is descending from the population that migrated from Turkish Empire via the Northern part of the Black Sea nearly 900 years ago. They are speaking the archaic Turkish language. According to the 2002 Census, the Tartar community amounted to 23,935 persons, representing a constant weight of 0.11% out of the total Romanian population. They are concentrated mainly in Constanta county (97.1%), the others living in Tulcea county and Bucharest. The (old) Turkish minority has Turkish border troupes coming from the South of the Black Sea (relocated in Dobrogea region) as ancestors; their presence was first dated back in 1264; this community counts 32,098 persons (also according to 2002 Census).


53 Tümbas, 6.

54 For example, TIAD is affiliated to the international network of Turkish businessmen associations.


57 At present there are 72 mosques in Romania.