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Muslim Entrepreneurship in Ireland

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MUSLIM ENTREPRENEURSHIP IN IRELAND

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 InterTradeIreland



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by

Thomas M. Cooney, Jennifer Manning, Amr Arisha and Peter Smyth

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Embassy of the United States of America

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FOREWORD

The background to this report lies in the Presidential Summit on Entrepreneurship which was held in Washington, DC on April 26th and 27th 2010. The Summit followed through on a commitment made by President Obama during his visit to Cairo in 2009 that the U.S. would host a Summit on Entrepreneurship to identify how the US government can deepen ties between business leaders, foundations, and entrepreneurs in the United States and in Muslim communities. Indeed, the event represented an exciting opportunity to highlight and support business and social entrepreneurship in Muslim-majority countries and in Muslim communities around the world. Through the Summit, the United States was seeking both to join existing efforts and to inspire new efforts to promote collaborative entrepreneurship and innovation.

Based upon this initiative, the US Embassy in Ireland hosted a successful meeting of representatives from the local Muslim, business and academic communities to explore what actions could be taken locally to support the philosophy proposed by President Obama. From this meeting came a decision to host a conference on Muslim Entrepreneurship in Ireland which had an array of expert speakers from Ireland, UK and USA, and was attended by over 150 delegates. The conference also garnered much national media attention which offered the opportunity to highlight the very positive contribution that the Muslim community makes to the economic and social development in Ireland, and how their role can be further enhanced with support from agencies such as the US Embassy. The initiative also involved a nationwide survey of Muslim entrepreneurs and a series of workshops in mosques in the five major cities on the island of Ireland. The results of this work are detailed in the report that follows.

In conclusion, I wish to congratulate all of those people involved in the initiative in Ireland, particularly the members of the Conference Committee which was co-chaired by Karyn Posner-Mullen from the US Embassy and Dr Thomas Cooney from the Dublin Institute of Technology. I would also like to thank the Muslim community, and particularly its leaders in the Islamic Cultural Centre of Ireland, for their wonderful collaboration and support throughout this initiative. In recent times, the island of Ireland has frequently shown what can be achieved through mutual trust and by offering hands of friendship, and this initiative can now be added to those examples. It is my fervent hope that this light that has been shone can act as a beacon of hope for other countries across the globe.

Daniel M. Rooney
Ambassador

ACKNOWLEDGEMENTS

This report is the outcome of a large body of work undertaken by a dedicated body of people over the course of a year. The initiative was based upon the Entrepreneurship Summit hosted by President Barack Obama in April 2010 in Washington D.C. (USA). This Summit sought to reach out to Muslim communities across the globe through the economic and social benefits that entrepreneurship offers. To support the actions of the Summit, the U.S. Embassy in Ireland invited a small gathering of experts and business-people from diverse backgrounds to attend a viewing of the President's speech and to discuss what possibilities might exist for supporting the entrepreneurial activities of the Muslim community in Ireland. This group highlighted three key actions that could be taken: (1) Host a conference on Muslim Entrepreneurship in Ireland, (2) Undertake detailed research on the current challenges facing Muslim entrepreneurs, and (3) Publish a report detailing the findings based upon the outcomes from the conference and primary research. To undertake and achieve these goals required the substantial commitment of many people and these people we would like to recognise and thank for their wonderful contribution to this work:

1. U.S. Embassy – Karyn Posner-Mullen (who acted as Co-Chair to the Muslim Entrepreneurship Committee and who dedicated an enormous amount of her time to ensuring that the goals were achieved to the highest possible standards), Ambassador Daniel Rooney, Deputy Chief of Mission John Hennessey-Niland, Christopher Rendo, Christy Doherty, John Murphy, Margot Collins and the staff in the Public Affairs Office,
2. Islamic Cultural Centre of Ireland – Sk. Hussein Halawa (Head of Imams in Ireland and Secretary General of Muslim European Association), Dr. Nooh Al-Kaddo (Chief Executive of ICCI), Ahmed Hamawandy and Ali Selim.
3. Mosques - Ahmed Hamawandy, Shaheen Ahmed, Mannan Mia Manan, Khalil Alkaddo, Qes Hussain, Hamid Abbas, Ghamrassan Moulay-Slimane, Redha Laidi, Mustapha Gerada, Karim Moussaoui, Mahmoud Shaladan, Mohammed Aslam, Muhammad Al Qaryooti, Ibrahim McGrath, and Yaqub Abdullah.
4. Muslim Entrepreneurship Committee – Shahzad Ahmed, Mubarak Habib, Manan Hameed, Abdul Haseeb, Noreen Keegan-Kavanagh, Chinedu Onyejelem, Mahbub Kabir and finally Hyat Syed of Kohinoor Food Ltd who sponsored and supplied the lunches at the conference.
5. Dublin Institute of Technology – the co-authors of the report are representatives of DIT but others involved in the initiative that must be thanked for their support include President Brian Norton, Director of the College of Business Paul O'Sullivan, Osa Godwin Osaghae, Mahbub Kabir, Melda Slattery and Aidan Walsh.

6. Speakers at the Conference (October 6th 2010) - Tayyibah Taylor, Michael Johnson, Farhana Shakir, Zahed Amanullah, Richard Murphy, Dr Mazhar Bari, John Kearns, Gary Palin and Sean Coughlan.
7. InterTradeIreland – Eoin Magennis and his colleagues at InterTradeIreland who immediately recognised the value of this all-island study and have financially supported the publication of this report.

There are quite possibly others whom we have forgotten to mention for their help and for that we truly apologise. However, we do recognise that while the final report features our names, the work could not have been completed without the support of all of those people highlighted above and to whom we are extremely grateful. It has been our ambition that the report would accurately reflect the quality of the work undertaken by all of these people and that it is an outcome of which they are proud to have played a role.

With sincerest thanks,

Thomas M. Cooney, Jennifer Manning, Amr Arisha and Peter Smyth

EXECUTIVE SUMMARY

The research findings presented in this report represent the first major attempt to map Muslim entrepreneurial activity in Ireland. The following are the key highlights from the report that follows:

- Entrepreneurship and small businesses have been designated as engines of growth, not only for creating employment, but also in the development of economies across the globe.
- Ethnic participation in terms of self-employment and ethnic entrepreneurship is increasingly seen as a powerful economic force and a contributor to solving structural labour market imbalances in many western economies.
- Structural barriers to ethnic entrepreneurship include social exclusion and discrimination, poor access to markets, and high unemployment.
- Cultural barriers to ethnic entrepreneurship include specific values, skills, and cultural features including internal solidarity and loyalty, flexibility, personal motivation, strong work ethics, informal network contacts with people from the same ethnic group, and flexible financing arrangements.
- Structural and cultural factors identify that ethnic entrepreneurs are more likely to be 'pushed' into entrepreneurship rather than 'pulled' into entrepreneurship, as economic and social circumstances pushes them towards self-employment.
- The principal challenges facing ethnic entrepreneurs in establishing and running their businesses in the host marketplace include access to capital, mainstream network connections, over-dependence on ethnic business network, exclusive focus on ethnic customers, concentration on marginal economic success, lack of managerial experience and formal business training, lack of familiarity with institutional and legal environment, spatial concentration of ethnic enterprises in urban environments, and societal hostility.
- Given that a religion provides its adherents with a set of principles by which to live, it is reasonable to argue that believers will be strongly influenced in their economic activity by the religion in which they have faith. However, the area of Islam and entrepreneurship is relatively under researched, with the majority of studies on religion and entrepreneurship focusing the relationship between the Protestant religion and enterprise.
- Previous research in the area of Islam and entrepreneurship identify that the Muslim community in a non-Islamic society has a great propensity for entrepreneurship, compared to the indigenous population. This can be explained through the Islamic work ethic which argues that engagement in economic activity is an obligation and work is thus the source of independence, as the Qur'an speaks in favour of free trade and legitimate profit.

- Islamic codes of conduct reflect many elements required of an entrepreneur, including to prevent laziness (entrepreneurship requires hard work), to eradicate fear (risk taking is necessary), to search for legitimate ventures, to avoid forbidden sources of income and property, to grow and develop capital and profit, and to diversify business ventures.
- Previous research identifies that Muslim entrepreneurs have the following characteristics: high need for achievement and independence, desire to be their 'own boss', strong desire to provide a better life for themselves and their families through financial independence and high tolerance for ambiguity.
- Islamic Sha'riah law has strict guidelines and it follows the Muslim principles of selflessness. Therefore Islamic banking activities must be practiced in a way that abides by the Shari'ah and it is practiced through the development of Islamic economics. Islamic banking differs from conventional banking which pays or charges interest according to market forces as Islamic banking is interest-free as it prohibits Riba (usury or interest).
- In theory, female entrepreneurship in Islamic cultures is encouraged. Despite this, there are still lower levels of female entrepreneurship in Islamic countries and communities. Furthermore, female entrepreneurs who demonstrate a commitment to Islam by wearing the hijab are more likely to gain access to business networks.
- The level of entrepreneurial activity in Ireland is growing; the most recent statistics available reveal that Ireland is now in the upper tier of OECD countries for rates of entrepreneurial activity. And Ireland is seventh highest of twenty-two OECD countries in its level of 'early entrepreneurship.
- Foreign nationals currently constitute approximately 11% of the Irish population and therefore promoting entrepreneurial activity from within an ethnic population that is new to Ireland is consonant with the overarching national prerogative of ensuring greater economic self-reliance through indigenous business activity.
- The profile of ethnic businesses in Ireland identify that they are small in scale, young in age, concentrated in the locally traded services sectors and operating at the margins of the mainstream economic environment.
- The significant increase in the size of the Muslim community in Ireland has created a need to consider the opportunity to support Muslim entrepreneurs who can demonstrate a robust business case for their business idea.
- The history and participation of the Muslim community in Ireland is a relatively contemporary phenomenon since their presence in the country has gone undocumented until recent times.
- The most recent CSO census (2006) identifies that Muslims constitute 31,799 people (0.676% of the population of Ireland), with 6% of the Muslim population represented by Irish

ethnicity, with the remaining Muslims in Ireland being comprised of immigrants and students.

- The Muslim community in Ireland is not homogenous as there is extreme diversity in terms of nationality and ethnicity amongst the Muslim population. There are now over 40 nationalities currently represented in the Muslim community, the vast majority of these being Sunni Muslims, with less than 2,000 Shia Muslims in Ireland
- Muslims are now the third largest religious group in the State, behind Catholics and Church of Ireland (incl. Protestant), with the number of persons who stated that their religion up by nearly 70% compared between the 2002 and 2006 CSO census.
- The largest percentage of the Muslim population in Ireland is 'Asian', while the second largest cohort is 'African', the next largest cohort of Muslims identify their ethnicity as Irish. The highest concentration of Muslims is in the Leinster area, with over half of all Muslims in Ireland living in Dublin.
- The Muslim population in Ireland is quite a young population which supports the notion that many members of the Muslim community were born in Ireland of immigrant parents. According to the CSO (2006), the largest age group is the 25-44 year olds which contains nearly half of all Muslims in Ireland. The gender split is skewed towards males as 59.53% of the Muslim population are male, while 40.47 % of the Muslim population in Ireland are female.
- The number of Muslims attaining a level of degree or higher is 37.91% while the level in the general Irish population attaining a level of degree or higher is only 16.94%. A very high proportion of the Muslim community are still in education.
- The data from the 2006 CSO census indicates that the Muslim population generally has quite a high socio-economic status in Ireland.
- Unlike many European countries where the majority of Muslims come from former colonies (or Germany where the Muslim population is made up of Turks who immigrated under post-war labour schemes), Ireland's Muslims are less tied to the country's historical baggage. Most came to Ireland for educational or professional reasons and decided to stay, often marrying Irish citizens.
- The Muslim community in Ireland is well organised with a number of mosques, two Muslim schools established under the Department of Education and Science and many societies.
- Two research objectives dictated the scope of this study. The first objective was to determine the extent of business ownership among the Muslim population in Ireland. While the second objective involved a detailed mapping of Muslim entrepreneurial activity in Ireland in 2010. This was undertaken by reference to the characteristics of Muslim businesses and their owners, the challenges facing Muslim business owners in Ireland, the issues involved in

financing their Muslim businesses (with particular reference to Sha'riah law finance), and their interactions with the Irish business environment.

- The findings for this report were developed using a survey-based methodology. The main survey was then supplemented by a series of focus groups conducted with the Muslim Community in Dublin, Cork and Belfast. The focus group participants were given the opportunity to review and comment on the initial findings of the survey.
- The gender composition of respondents is greatly skewed towards male, although there is a larger population of Muslim males in Ireland than females, the gender profile of respondents highlights that the vast majority of Muslims operating in business or as entrepreneurs are male. Furthermore, as the largest majority of Muslims in Ireland are aged between the ages 25 – 44, naturally this age cluster is going to produce the largest amount of entrepreneurs. Two thirds of the entrepreneurs in the survey come from this age cohort.
- The study noted that 39% of Muslims of the survey respondents are owners or part-owners of a business but the survey methodology was skewed in favour of business-owners and so this figure is not representative of the general Muslim population.
- Muslim business characteristics: 44% of Muslim owned businesses are sole ownership entities. This high rate of sole ownership is an initial indication that Muslim owned businesses in Ireland are small in size. 40% of Muslim owned businesses in Ireland are in operation for five years or more, with the remaining 60% in business for less than five years. The spread of age of the Muslim owned businesses suggests a progressive development of economic activity in the community. The majority of Muslim owned businesses (88%) are micro businesses employing 10 or less full time equivalent employees. Muslim owned businesses operate across a broad range of industries, the four primary industries in which Muslim business operate are the restaurant/food sector, wholesale/retail, ITC and personal services. For 90% of Muslim owned businesses the Irish market is their primary market focus.
- Owner characteristics: Muslim business owners in Ireland are primarily educated males aged 25 – 44. The identification of a promising business opportunity is cited by the majority of Muslim entrepreneurs as the driving force behind the decision to establish a business (68%). As such, the majority of respondents can be described as opportunity driven entrepreneurs. Most Muslim business owners in Ireland identify the opportunity to apply full skills and talent as the main advantage to self-employment.
- Challenges facing Muslim entrepreneurs: The majority of Muslim entrepreneur respondents claimed that they had not experienced discrimination in the course of running their business. However, they identify that customers and landlords are the most likely to discriminate against them. Access to finance and obtaining support from government agencies are the biggest challenge facing Muslim entrepreneurs.

- Access to finance: 90% of respondents share the opinion that Sha'riah compliant finance should be introduced in Ireland, with a similar 92% of Muslim entrepreneurs believing that Sha'riah compliant finance would make access to finance easier for Muslim entrepreneurs in Ireland. The vast majority of respondents have not tried to obtain Sha'riah law finance from various financial sources in Ireland. The cohort of Muslim entrepreneurs who tried to secure Sha'riah compliant finance approached family / relatives or their banks / building Societies. The success rate in obtaining Sha'riah law finance is very low, with the most successful sources being business acquaintances and family/friends. Muslim entrepreneurs in Ireland are reluctant to approach mainstream financial institutions to obtain non-Sha'riah compliant finance with the vast majority of Muslim entrepreneurs financing their start-ups and functioning businesses with their personal savings.
- Business skills: The majority of Muslim Business owners had previous management experience and a significant minority had a Business Qualification. Close to two thirds of the respondents believe that they need additional training in Business Planning and Organisation, Financial Management, Marketing and Customer Relations. However, given this there is still an extremely low participation rate from the Muslim community across all organisations providing training to entrepreneurs in Ireland.
- Network Connections: Muslim Entrepreneurs make significant use of their community for most aspects of their business, primarily to make useful business contacts. The Muslim community also serves as a valuable source of customers and provides a useful source for recruiting staff for their business
- Business performance: The majority of businesses reported average growth and profitability, at 56% and 41% respectively. Furthermore, the majority of entrepreneurs from the Muslim community are optimistic for the future with plans to try and grow sales and profitability over the next two years through a combination of a broadening their offering and expanding their markets.
- Based on experience from engagement with other ethnic communities, the Muslim business community needs to make the first move in addressing the challenges faced by Muslim entrepreneurs in Ireland. There are various agencies and institutions that are willing and able to support the development of the Muslim business community in Ireland. However, the Muslim business community needs to take ownership and drive the process.

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Chapter 1 – Muslim Entrepreneurship

1.1 Introduction

Entrepreneurship is more than a means to create employment opportunities and improve economic measures; arguably it is a process of development with a great potential to contribute to the well-being of the community. This report addresses Muslim entrepreneurship on the island of Ireland and analyses the factors that might impede the initiation and growth of Muslim owned businesses.

The conventional interpretation of Islam is that it is intrinsically anti-modernisation and does not support entrepreneurship. However, this study indicates otherwise. Although there is a well developed corpus of knowledge concerning entrepreneurs in developed nations, relatively less is known about ethnic entrepreneurs and in particular Muslim entrepreneurs in developed economies. This study uses a combination of survey, interviews, and workshop methods to examine the difficulties posed by various socio-economic factors for Muslim entrepreneurs trying to conduct business in western countries with special reference to Ireland. The fact that Muslim entrepreneurs operate within an Islamic context (Islamic rules or Sha'riah) means that they are operating in a moral and supportive business environment. However, it can also place restrictions on business agility, especially when it comes to raising finance. Muslim entrepreneurs in Ireland embrace positive perceptions and attitudes regarding the role of Islamic values in promoting productivity through entrepreneurship. The report includes many stories of Muslim entrepreneurs who managed to overcome all cultural, economic, and social issues to successfully develop their businesses and create greater opportunities for work and integration.

This report attempts to show the synthesis between entrepreneurship and ethnic minority (i.e. Muslims in Ireland) that is unfolding where Islamic Sha'riah has not been outdone but is creatively transformed and integrated in order to achieve success in business. The many obstacles and barriers towards integration will also be discussed within the report.

1.2 Ethnic Entrepreneurship

Increasing the rate of entrepreneurship is an aspiration of every modern economy, and innovation is vital in driving many economies forward. In recent years, western economies have been encouraging entrepreneurship and trying to increase the number of entrepreneurs opening new ventures, as these entrepreneurs contribute to the general economy and create new job opportunities (Aviram, 2009). Small business growth has emerged as a global phenomenon, with new ventures forming at unparalleled rates and the entrepreneurial spirit infusing them reshaping

economies around the world. Entrepreneurship and small businesses have been designated as engines of growth, not only creating employment, but also in the development of economies across the globe (Gray et al, 2006). Several studies have highlighted that migration provides many benefits and contributes to economic growth and the creation of new jobs across Europe. The most prominent impact of migration from a socio-economic perspective is the increasing rate of self-employed immigrants in the labour market, leading to the new phenomenon of 'ethnic entrepreneurship'. Ethnic participation in terms of self-employment and ethnic entrepreneurship is increasingly seen as a powerful economic force and a contributor to solving structural labour market imbalances in many western economies (Baycan-Levent and Nijkamp, 2009).

Migration inflows from less developed to developed economies is resulting in more Western societies being increasingly constituted by a kaleidoscope of nationalities, ethnicities and cultures. Against this backdrop, increasing attention is being directed by state policy-makers and academics towards the economic and social activities of migrants and their varying roles in the labour markets of host countries. While migration is primarily associated with filling labour and skills shortages in the domestic labour market, there is a growing awareness of the important role that migrants play in the establishment of small business enterprises. International academic research has documented the prevalence of enterprise start-ups among ethnic minority groups and the contribution that such ethnic entrepreneurial activity can have on national economic growth. This ethnic entrepreneurial activity is now a contemporary feature in the economic and social fabric of many Western societies.

The main feature of economic restructuring in the last decade has been the marked shift from employment in large firms to self-employment or employment in small firms. As previously identified, this trend has been most pronounced among immigrants. European reports have addressed the opportunities for, and barriers to, ethnic entrepreneurship by identifying critical success or performance conditions from migrant entrepreneurs. These are identified as:

1. Structural Factors – Such as social exclusion and discrimination, poor access to markets, and high unemployment.
2. Cultural Factors – Such as specific values, skills, and cultural features including internal solidarity and loyalty, flexibility, personal motivation, strong work ethics, informal network contacts with people from the same ethnic group, and flexible financing arrangements (Baycan-Levent and Nijkamp, 2009; Baycan-Levent et al, 2006).

These factors identify that ethnic entrepreneurs are more likely to be 'pushed' into entrepreneurship rather than 'pulled' into entrepreneurship, as economic and social circumstances pushes them towards self-employment.

A review of the literature has heightened that the principal challenges facing ethnic entrepreneurs in establishing and running their businesses in the host marketplace include the following:

1. Access to Capital

Securing funding is the primary impediment to starting a new business or expanding an existing business for ethnic minorities (First Step Microfinance, 2006).

2. Mainstream Network Connections

Disconnect from the mainstream business environment is a significant impediment to the growth of many ethnic businesses.

3. Over-Dependence on Ethnic Business Network

For many ethnic entrepreneurs, their embeddedness in the economic and social milieu of their ethnic community takes precedence over interaction with the mainstream business environment. The ethnic community or the informal ethnic business network can provide entrepreneurs with a range of tangible and intangible support (Masural et al, 2002).

4. Exclusive Focus on Ethnic Customers

For most ethnic entrepreneurs their own ethnic communities serve as an initial focal point to which their business is orientated. However, an exclusive focus on the ethnic market imposes constraints on the potential for growth and diversification owing to a limited number of potential customers.

5. Concentration on Marginal Economic Success

Many of the challenges that ethnic minority business must contend with are inherent in the industry sector in which they operate. If not serving niche ethnic markets, ethnic entrepreneurs are predominantly in the local services sector of the urban economy performing relatively low value-added activities (Ram and Smallbone, 2003).

6. Lack of Managerial Experience and Formal Business Training

A lack of managerial experience and inadequate business skills are recognised as the principal reasons for the failure or sub-optimal performance of ethnic minority businesses (Ekanem and Wyer, 2007).

7. Lack of Familiarity with Institutional and Legal Environment

The various technical and legal stipulations associated with the establishment and management of an enterprise demand of entrepreneurs a certain level of awareness and knowledge of the business regulatory environment. Given their initial unfamiliarity with the economic, social, and governance structure of the host nation, it is to be expected that compliance with the legal and financial structures governing enterprise establishment in addition to sector specific regulations can prove onerous and challenging to ethnic entrepreneurs (Van Delft et al, 2000).

8. Spatial Concentration of Ethnic Enterprises in Urban Environments

A common feature of ethnic enterprises in developed economies is their spatial concentration in inner city urban areas. The location of ethnic enterprises in inner city

locations is reflective of the settlement pattern of ethnic minority groups entering a host country (Deakins and Freel 2006).

9. Societal Hostility

Hostility and a sense of wariness from persons and organisations within the mainstream business environment is another obstacle that ethnic entrepreneurs frequently find themselves negotiating. Negative stereotyping of particular ethnic groups will have inevitable consequences for aspiring entrepreneurs of the same ethnicity in their treatments by actors within the ingenious business environment (Phizacklea and Ram, 1996).

According to Cooney and Flynn (2008), one consequence of historical research exceptionalising ethnic entrepreneurship has been to create an impression that ethnic persons are confronted with business challenges qualitatively different from indigenous business owners. It is certainly true that ethnic persons often contend with suspicion and hostility from a range of business actors – customers, suppliers, financial institutions – that simply do not present themselves as issues for indigenous business owners. Equally true is that ethnic persons, at least initially, are less familiar with the Irish business environment, a finding which transpired over both the quantitative and qualitative components of their research study. However, across several categories of actors in the Irish business environment the majority of respondents to their survey did not report instances of discrimination. Addressing this issue to their focus group participants, there was a general consensus that discrimination did not impact on their business operations to any appreciable degree nor did aspiring entrepreneurs envisage discrimination from Irish business actors as a problem likely to stifle their entrepreneurial aspirations. Instances of wariness from suppliers and customers in respect of the credentials and capability of ethnic business persons were mentioned and did feature as a prominent challenge confronting ethnic entrepreneurs, but such wariness was believed to subside as ethnic entrepreneurs became more established and hence accepted in their line of business. This finding challenges the general tone of much research in this area regarding the widespread experience of discrimination by ethnic minorities.

1.3 Islam and Entrepreneurship

The notion of Islam and entrepreneurship remains relatively under-researched in the world of academic entrepreneurship literature, although a number of recent studies have begun to address the particular challenges faced by Muslim entrepreneurs. These studies have frequently addressed the issue of the difficulties in attaining finance under Sha'riah Law that would enable a person to fund a business start-up, while other researchers have sought to analyse the specific obstacles of

female entrepreneurship within the Islamic world. This section addresses some of the key themes within this literature.

1.3.1 Religion and Entrepreneurship

Although the area of ethnicity and entrepreneurship is extensively researched, the connection between religion and entrepreneurship has not yet been fully explored. Recent investigations into the relationship between religion and enterprise highlights that religion affects believers' entrepreneurial activity, influencing the decision to become an entrepreneur, enterprise management, and the entrepreneur's contact network. Given that a religion provides its adherents with a set of principles by which to live, it is reasonable to argue that believers will be strongly influenced in their economic activity by the religion in which they have faith. Indeed some researchers of management and business studies have clearly demonstrated the links between religion and economic activity (Sood and Nasu, 1995). Religion is also an important determinant in business networks, particularly for minority religious groups, as access to professional advice and services through religious or ethnic network is of vital importance to an ethnic entrepreneur. Here, the network reinforces the behavioural norms of the faith, and also provides a primary source of contact for the entrepreneur (Drakopoulou and Seaman, 1998).

The primary research into the subject matter of religion and entrepreneurship has been Weber's work regarding the Protestant religion and its connections to entrepreneurship. Weber argued that Protestantism was inextricably linked to entrepreneurialism, highlighting that the Protestant religion is the embodiment of labour, thrift, duty, integrity, hard-work and self-sufficiency which reflected its entrepreneurial spirit (Drakopoulou and Seaman, 1998). Indeed Weber claimed that it was the work ethic of sixteenth century Calvinists that catalysed capitalism. Although he did not claim that they are the sole reason, he did argue that it was their traditions and beliefs that made them so successful in business. He argued that no other religion possesses the same work ethic as Protestantism. He compared Islam, Hinduism and Buddhism, and he believed that no other religion had the same positive attitude towards work. Until recently, it would seem that Weber's views have gone unchallenged. However, Carswell and Rolland (2007) refute Weber's theory that Protestantism was the only religion to have beliefs and traditions that encourage a positive work ethic. Cockerham (1995) is cited in Carswell and Rolland (2007) discussing Weber's thoughts on the protestant religion.

“. . . to waste time is . . . the first and, in principle, the worst of all sins. The span of life is infinitely short and precious if one is to 'make sure' of one's election (heaven). To lose time through sociability, 'idle talk' extravagance, even through taking more sleep than is necessary for health (six to at eight hours at most) is considered worthy of total moral condemnation. (Benjamin) Franklin's remark that 'Time is Money' is not yet found, but the proposition is true,

so to speak, in a spiritual sense: it is infinitely valuable, since every hour lost is taken away from work in the service of God's glory"(Cockerham 1995: 490).

This identifies how Weber addressed the protestant religion, and clearly believes that these qualities and teachings are not possessed in any other religion. However, Carswell et al (2007) argued that Weber has overstated the relationship between capitalism and Protestantism, and understated other religions propensity to succeed in enterprise.

Basu and Altinay (2002) also discussed Weber's views on Protestantism. They stated that Weber felt that other religions lacked the qualities that Protestantism has, namely: "*... emphasised individualism, achievement motivation, legitimisation of entrepreneurial vocations, rationality, asceticism, and self-reliance*" (Basu and Altinay 2002:5). Research conducted by Basu and Altinay (2002) in London between 1996 and 2000 on religion and entrepreneurship disproves Weber's theory. Their research required a sample of seven different ethnic minority immigrant groups: Indians, East African, Asians, Bangladeshis, Pakistanis, Turkish and Turkish Cypriots. All the respondents were entrepreneurs. The seven groups were then examined under five different measures of culture:

1. The country of previous residence of the immigrant
2. Religion
3. Language
4. Attitude to education
5. Family tradition in business

Of the seven groups, the majority of the respondents were Muslim; consequently the results of this research are very relevant to this topic. The Turkish, Turkish Cypriots, Pakistani and Bangladeshi groups were all Muslim. Basu and Altinay (2002) found from their research that the rate of entrepreneurship for the Pakistani and Bangladeshi entrepreneurs was 19 percent, while for the Turkish and Turkish Cypriots the rate of entrepreneurship was 20 percent. These statistics identify that the Muslim community has a great propensity for entrepreneurship, compared to the white indigenous population which had a rate of entrepreneurship of 12 percent. This greatly contradicted Weber's theory that only Protestants have the value system for enterprise.

1.3.2 Entrepreneurial Characteristics in Islam

Vargas-Hernandez and Noruzi (2010) explained that entrepreneurship is a part of Islamic culture and Islam warmly invites all Muslims to be entrepreneurs. They argued that is it not only Western capitalist systems that embrace entrepreneurship, and quote Deng Xiaoping in 1978 saying "*it doesn't matter what colour a cat is, as long as it catches mice*" (Vargas-Hernandez and Noruzi 2010: 120). Kriger and Seng (2005) argue that for Muslims economic life is seen as a means to a

spiritual ends, where prosperity means the living of a virtuous life. Islam views extrinsic aspects of work positively, and the Islamic work ethic argues that engagement in economic activity is an obligation. Work is thus the source of independence and the means to achieve a fulfilled life. The Qur'an speaks in favour of free trade and legitimate profit so long as it is consistent with Islamic ethics and does not exploit others (Yousef, 2000; Ludwig, 2001). Islamic teachings also suggest a positive relationship between Islam and intrinsic work values. Yousef (2000:777) explains that *"work is considered to be a source of independence and a means of fostering personal growth, self-respect, satisfaction and self-fulfilment"*.

Vargas-Hernandez and Noruzi (2010) explained that Islamic entrepreneurship dictates that the individual must first be a religious person, then a practitioner (religious person that also practices what she/he learns). The concept of entrepreneurship in Islam is also based on cooperation, generosity and benevolence. At the same time Islam strongly prohibits monopoly, exploitation, fraud or usurious transactions. Thus, every entrepreneur should always preserve good deeds and avoid evil by being honest, fair and accurate in every transaction (Ismail, 2006).

"Islam is a complete way of life. There is no separation between business and religion. Islam has its own entrepreneurship culture and guiding principles based on Al-Quran and Hadith to guide business operations...The person must be first a Muslim, then an entrepreneur" (Vargas-Hernandez and Noruzi 2010: 125).

The most important Muslim entrepreneurial ethics were identified by Vargas-Hernandez and Noruzi (2010) as including the following:

1. To prevent laziness – entrepreneurship requires hard work
2. To eradicate fear – risk taking is necessary
3. To search for legitimate ventures
4. To avoid forbidden sources of income and property
5. To show gratitude and thankfulness of whatever has been acquired
6. To grow and develop capital and profit
7. To diversify business ventures
8. To avoid greediness

Gray et al (2006) explained that in Islam an entrepreneur is thought to be one who works hard and possesses expertise and management skills. Among the most important teaching of Islam for establishing justice and eliminating exploitation in business transactions is the prohibition of all sources of unjustified enrichment. From their study of Moroccan entrepreneurs Gray et al (2006) identified Muslim entrepreneurs as having the following characteristics:

1. High need for achievement and independence
Moroccan Muslim entrepreneurs have a strong desire to solve problems, gain satisfaction from achieving that they have pre-set and to surpass competitors.

2. Desire to be their 'own boss'

These entrepreneurs tend to do everything themselves and are reluctant to delegate power to their employees.

3. Strong desire to provide a better life for themselves and their families through financial independence

4. High tolerance for ambiguity

Meanwhile Farid (2007) found from his research on Egyptian Muslim entrepreneurs that:

"within this culture...religion is found to be a major force shaping personal and managerial values, including attitudes towards status / wealth, contribution to society, family relationship, personal fulfilment, professional fulfilment, and economic and job security".

Farid (2007) explained that Islam is encouraging of enterprise. From his research of Egyptian and American entrepreneurs he makes a strong comparison between Muslim entrepreneurs and Protestant entrepreneurs in terms of work ethic. Farid (2007) highlights that both religions have qualities of industriousness and ethics; these criticise laziness and encourage a work and home life balance. Similar to findings from Gray et al (2006), Farid (2007) identified freedom, independence and achievement as characteristics of Muslim entrepreneurs. Farid (2007: 434) cited Vogel and Hayes (1998) who stated: *"Asked "what form of gain is best", the Prophet answered "A mans work with his hands and every legitimate sale"*". In Muslim countries, enterprise has not been hindered by religion. There is much evidence of a healthy growth of entrepreneurship in these countries, despite poor economic conditions and the difficulty of a prohibition on income through interest.

1.3.3 Islamic Banking System

Sha'riah law finance (Islamic Finance), as it is commonly called, has the same purpose as conventional banking except that it operates in accordance with the rules of Shari'ah, known as *Fiqh al-Muamalat* (Islamic rules for business transactions). Islamic banking activities must be practiced in a way that abides by the Shari'ah and it is practiced through the development of Islamic economics. Islamic banking differs from conventional banking which pays or charges interest according to market forces. Islamic banking is interest-free as it prohibits Riba (usury or interest) (Farid, 2007). Farid (2007) explains that Islamic banking pays the investor profit sharing dividends and fixes repayment rates for borrowers. Islamic banking is also based on the concept of partnership. Banking under Islamic law accepts the time value of money and allows the financing of business and profits from capital investments only in the context of shared management of the venture and/or sharing in profit, risks and losses. Businesses with purposes that go against the creed of Islam, such as gambling and liquor production, are not allowed. Furthermore, Islamic banking is based on trade and hard assets, not speculation, and should always deal with people fairly.

Islamic Sha'riah law has strict guidelines. It follows the Muslim principles of selflessness and therefore forbids making money from money by charging interest; this is deemed as usury and is consequently not permitted. Sha'riah Law's terms include strict limits on insurance, as well as other restrictions on financial services and trading. Meanwhile Islamic equity funds are a growing industry and their assets are estimated to be €3.5 billion worldwide. It should additionally be noted that Islamic finance products are not just for Muslims as approximately two percent of the Islamic Bank of Britain's customer base are not Muslim and did not choose the bank for religious reasons. Islamic banks will not invest in firms involved with gambling, alcohol, tobacco or pornography, and so this can be attractive to people who have ethical conflicts with these industries.

In Islamic law, there are a number of profit and risk sharing arrangements used in financing businesses:

1. Musharakah (from an Arabic word for cooperation or partnership)

Money lenders and investors can share as active partners by providing capital and labour. Under a Musharakah plan a person buy the property jointly with the finance provider. Over time that person can buy out the finance provider. So, if a person puts down 10 percent of the purchase price, the bank will buy the remaining 90 percent. The person can pay the bank monthly rent on the share they do not own, as well as buying more shares in the property with each monthly payment, with a view to owning the property outright at the end of the term. The more shares a person owns, the less rent one pays, and the cost of a share in the property is based on the property's original cost price, not its market value.

2. Mudarabah

Money lenders and investor are non-active partners. The Mudabaha creates an opportunity to issue stock (Mudabaha funds) to be owed by non-active partners as shareholders. A mudaraba is a finance plan that involves the bank or investor becoming partners with the person receiving the finance. It is similar to the musharaka plan, except that in the mudaraba, the financier is the only one who offers the money upfront. Thus at the beginning of the partnership the financier would own 100 percent of the investment, and a person pays them back the money in instalments and buys a share in the investment at the same time. Eventually, the person is given full ownership.

3. Murabaha (from an Arabic word meaning profit)

Commonly known as cost-plus financing or sale with mark-ups, this is when the moneylender/investor acts as one commissioning a purchase of specific items or assets required by a venture, and then sells it back to the venture with a mark-up. In a Murabaha plan, the bank will buy the property a person wants, then immediately sell it on to them for a profit. The person then pays fixed monthly repayments on the higher price, but with no interest to pay back to the bank. So the bank might buy a property that costs €200,000 and

sell it on to a customer for €250,000; the customer then pays that sum back over a fixed term.

4. Ijara (from an Arabic word meaning lease or hire)

This is when a moneylender/investor buys capital assets required by a venture then acts as a leaser of that asset, with the venture owning an option to buy. Ownership of the asset remains with the leaser until the purchase option is exercised. Therefore, an Ijara is a lease-to-own plan: the bank purchases the property a person might want. It then leases the property to that person. At the end of the lease the bank transfers ownership of the property to the person.

In its strict interpretation, classic Islamic law requires that every loan, regardless of size or purpose, to be free of interest. The principal justification for this ban is that it is stated in the Qur'an. Interest (Riba), as argued by Islamic law, allows the lender to earn a return without giving the borrower appropriate counter-value; as such, it generates unjustified enrichment. Kuran (2005) explains that if a creditor of a destitute debtor were to insist on the principal's return, s/he would be failing to show compassion to a brother in his (or her) time of need; were s/he to insist on profiting from the deal by collecting interest, that person would also be guilty of morally unjustified enrichment. Thus, Islamic banking limits borrowers' exposure to risk. Frazier and Ewing (2009) highlight that the primary characteristics of modern Islamic banking are the prohibition of Riba, the collection of interest on loans, and the mandate of contributions of Zakat, a percentage of wealth distributed to the poor and for furthering certain Islamic teaching and public works. However, Kuran (2005) argues that the adverse consequence of the Islamic interest ban, in the long run, results in impoverished public discourses which have clouded individuals understanding of the time value of money, delaying the development of a capitalist mentality, and consequently, entrepreneurialism.

In the UK the selling of Islamic banking products came under the Financial Services Authority's regulation in 2007, and consequently buyers get the same protection as if they have taken out a conventional mortgage. All Islamic finance providers in the UK use the Libor index as the benchmark for rental payments. Some provisions have been made in a new finance bill in Ireland, and as a result it is expected that finance products that adhere to Sha'riah Law compliant financial products will be available to members of the Muslim community in Ireland in the near future. The bill also extends the tax treatment applicable to conventional finance transactions to Sha'riah compliant transactions. Islamic banking is not completely alien to Irish banks. In 2004, Bristol & West, one of the leading mortgage providers in the UK and part of the Bank of Ireland Group, launched the Alburaq Islamic home finance facility. Furthermore, Dr Faheem Bukhatwa, a member of Irish Islamic Investments, worked on the implementation of this system for Ireland. He said that it was similar to the Sha'riah-compliant products offered by financial institutions in the UK. Dr Faheem Bukhatwa organised a conference some years ago for the Irish banks with the objective to try and encourage

Irish banks to introduce these products to Ireland but the progress since then has been disappointing.

According to a review by BBC news in June 2005, British banks began offering Sha'riah law products in the UK by introducing products such as current accounts, mortgages and personal loans into high street banks, making these banking services accessible to the general Islamic population. In the UK, the banking sector was hoping to attract business from the two million Muslims that live in the country. This is a previously untapped market due to prior products being non-compliant with Sha'riah law. However, there is some aversion to such action being taken in favour of Islam and Sha'riah Law. There are interest groups that are very opposed to Sha'riah Law being implemented in western society, even in the banking sector. For example, to Morley (2008) claims that Sha'riah law finance is being used to overthrow the US government:

“Sharia law is the religio-political-legal code that political Islam seeks to impose worldwide. With regard to banking, it bans the payment and collection of interest (a principle taught in the Bible), restricts what type of companies investors can be involved with (meaning no pork or alcohol handlers, etc.) and, in some cases, is blatantly used for the express purpose of working toward overthrowing the U.S. Constitution and government in favour of Islamic rule.”

However, such views are a small minority of the general population, and most countries welcome this form of banking. The availability of Islamic banking is a vital ingredient in the success of a Muslim owned enterprise. Securing capital can be a major problem for immigrant entrepreneurs. Sha'riah compliant financial products are available in predominantly Muslim countries, and not often as available in western countries.

An article written for the Islamic Cultural Centre of Ireland (2010a) highlights the difficulties Muslims can face in securing finance in a western country. In an interview with 'Mr. A', the article explains his difficulties as an entrepreneur in establishing his business in the Irish market:

“He came to Ireland in 1996 as a single man endeavouring to accomplish economic success. He started as a kitchen porter. As he was inclined to lead a more stable life, he got married in 1997. Since his coming to Ireland he had a business idea (i.e. bakery café). As he had no money and he did not want to take a loan from any Irish bank as it meant to violate Islamic teachings, he had to work for long hours. In 1998 using his little savings, he managed to open a small bakery cafe. He and his Irish wife continued their hard work. He baked at night and his wife did all the paper work. In addition, during the business hours he was the shop keeper. In 2001 they opened their second bakery cafe and in 2003 they opened their third which is the biggest bakery cafe in Camden St.”

Although Mr A was able to make his business successful without third party financial support, having access to financial support would undoubtedly have made his journey much easier.

There is evidence which identifies that some immigrant Muslims have no problems with securing finance. Basu and Altinay (2002) found in their research that the Bangladeshi and Turkish Cypriot respondents used loans from banks much more than any other respondents. They suggest that a lack of family loans could be the reason, as well as large start-up costs (£21,000 and £50,000 respectively). In fact, from their sample, 45% of Muslim respondents went to banks for start-up loans, whereas only 39% of non-Muslims took this route. This contradicts a lot of literature which contend that Muslims are reluctant to use traditional bank services due to the nature of their products being against Islamic teachings. Speculation has suggested that perhaps these Muslims are not as devout as other Muslims, or maybe they understand that they must make this sacrifice for the financial benefit of their families.

Islamic financial products are about emphasising risk-sharing. Dhumale and Sapcanin (1999) state that Islamic finance could be supportive, and even promote enterprise, particularly to the less wealthy who may have a financial barrier in establishing their business. Feasible businesses could be rejected by other banks because of lack of collateral, so a profit sharing finance model could give these entrepreneurs an opportunity to establish their own business.

1.3.4 Female Entrepreneurs in Islam

It is thought that women in Islam are repressed and discouraged from working outside the home. However, the truth is quite the opposite. The Qur'an states that men and women are in fact equal. They are also allowed to work outside of the home if it is necessary. As a result, in theory, female entrepreneurship in Islamic cultures is encouraged. Despite this, there are still lower levels of female entrepreneurship in Islamic countries. Gray et al (2006) explain that traditionally the role of women in Islamic society is circumscribed; they are not welcomed in public and their place is in the home or private domain. They found from their research that the educational level achieved by Muslim women is much lower than that of Muslim men, and consequently results in limited opportunities for women in Islamic societies. Women also have limited access to financing when they want to establish their own business due to gender discrimination and lack of collateral. Gray and Finley-Hervey (2005) found that in professional services in Islamic societies women's presence is still low but growing.

McIntosh and Islam (2010) state figures from the World Bank Country Enterprise Survey (2003-2006) regarding the occurrence of female business ownership-North America (31%), Europe and Central Asia (24%), East Asia (20%), Latin America (20%) and Middle Eastern and North African countries (MENA) countries (13%). MENA countries are largely Muslim, so this figure is representative of Muslim female entrepreneurs. McIntosh and Islam (2010), citing Kavossi (2000) and Pipes (2004), explains that Muslim women are dependent on men in the workplace. The Qur'an

establishes women rights, responsibilities and restrictions that are distinct from non-Muslim cultures. For example, the principle qiwama, states patriarchal responsibility towards women along with their support and protection. This means that workplaces are segregated by gender and in traditional cultures women require the permission of a male family member to work outside the home (Kavossi 2000). The principle wasta sets out the prevalence of male networks and states that men must assist women in gaining entry to these networks. As a result, women rely on men for access to business networks (Pipes 2004).

McIntosh and Islam (2010) set out several hypotheses to discover more about Female Muslim entrepreneurship. The results are as follows:

1. Female entrepreneurs who demonstrate a commitment to Islam by wearing the hijab are more likely to gain access to business networks.
2. Female entrepreneurs with a supportive family are more likely to gain access to business networks.
3. Female entrepreneurs with higher human capital are more likely to engage in a non-traditional business than women with lower human capital.
4. Female entrepreneurs in non-traditional business are more likely to have above average growth aspirations than women in traditional business.
5. Female entrepreneurs with high levels of human capital are more likely to secure funding from Islamic banks.

The research concludes that there were some similarities with women's experiences in the developed world. The sample female Muslim entrepreneurs were more likely to enter into traditional businesses, but those with greater human capital, entered into non-traditional areas. Yet, social capital did not have any weight on whether they entered a non-traditional business. In the North American and Western European environment, being better connected opened greater prospects for women in technology concentrated industries. Islamic tradition plays an important role in women's lives. Those who wore the hijab had more access to business networks. Furthermore, women with families encouraging their businesses also had better access to networks. These findings are important as there are a limited amount of studies on female entrepreneurship in Islamic cultures. Further to these findings, Basu and Altinay (2002) found from their research that Muslim women are underrepresented in entrepreneurship not because of a conservative attitude towards women working outside the home. They cite Badawi (2000) explaining that there is a reading in the Qur'an which shows that there is no rule that prevents women from looking for employment. This may elucidate that the main reason for the lack of female involvement in business is custom rather than religious limitations.

1.4 Muslim Entrepreneurship in Ireland

Researchers' interest in ethnic entrepreneurship has been piqued by studies indicating that particular ethnic groups are recorded as having disproportionately high rates of business ownership relative to the indigenous population. An array of theoretical perspectives - sometimes contradictory, sometimes complementary - have been advanced to unpick the antecedents of ethnic entrepreneurial activity and shed light on the experiences of immigrants in the sphere of business ownership. This section of the report looks at the work that has already been undertaken on the topic of Muslim Entrepreneurship in Ireland and what can be learned from this prior work.

1.4.1 Entrepreneurship in Ireland

The level of entrepreneurial activity in Ireland is growing. The most recent statistics available from the Global Entrepreneurship Monitor (2010) reveal that Ireland is now in the upper tier of OECD countries for rates of entrepreneurial activity. The level of 'early entrepreneurship' in Ireland, defined in terms of the number of persons attempting to start up their own business, in addition to the number of persons who have established a business since 2003, rates Ireland seventh highest of twenty-two OECD countries. In the case of 'established entrepreneurs', defined as owners of enterprises in operation pre-2003, Ireland ranks fifth of twenty-two OECD countries. Ireland's relatively high standing in the OECD entrepreneurship ranking is reflective of an institutional climate that actively seeks to encourage and reward entrepreneurial activity.

At the microeconomic level the encouragement of entrepreneurial start-ups and the promotion of greater levels of entrepreneurship among established enterprises has become a key area of interest to Irish policy-makers. In the same way that a concerted long-term strategy was pursued to attract foreign direct investment (FDI) to Ireland, the movement on several policy fronts towards an entrepreneurial society and an economy underpinned by enterprising individuals and indigenous firms is gaining momentum (Forfas, 2007). Forfas has articulated an entrepreneurial vision for Ireland becoming a world-class environment in which to start and grow a business. This entrepreneurial vision is driven by an economic competitiveness imperative, with particular emphasis placed on fostering high-potential start-ups (HPSU) competing internationally in high-value added economic sectors. Typical of most developed countries, the vast majority of Irish entrepreneurs (97%) are categorised as small, employing 50 persons or less. It is from within this small enterprise population that the Irish economy will increasingly come to rely upon when competing in internationally traded services, high-end manufacturing, and research & development activities (Small Business Forum, 2006). In essence, small and medium sized enterprises (SME) will play an indispensable role in the future competitiveness of the Irish economy.

1.4.2 Ethnic Entrepreneurship in Ireland

The unprecedented demographic change that Ireland has undergone in recent years has made ethnic entrepreneurial activity now an area of policy interest. As foreign nationals currently constitute approximately 11% of the Irish population, it is to be expected that their presence will increasingly come to be felt in terms of enterprise ownership. The pattern of immigration settlement in other developed economies is one in which foreign nationals are, on a whole, as likely as indigenous nationals to pursue business opportunities as a means of self-employment. Certainly Ireland has been for many years an attractive economic and social climate for foreign nationals to establish a business. Entrepreneurial endeavours are actively encouraged in both policy and practice, with entrepreneurship inextricably linked to the prevailing market-based economic philosophy. Promoting entrepreneurial activity from within an ethnic population that is new to Ireland is therefore consonant with the overarching national prerogative of ensuring greater economic self-reliance through indigenous business activity.

Baycan-Levent and Nijkamp (2009) produced a study on characteristics of migrant entrepreneurship in Europe. The following details their findings in Ireland:

1. Foreign-born migrants in the labour force: 10%,
2. Participation rate in employment: national 68.8% and foreign nationals 64.8%,
3. Employment population ratio (in percentage terms): national 65.7% and foreign nationals 60.4%,
4. 13% of foreign nationals employed in the hospitality industry (highest rate of foreign nationals in industry sector),
5. Increase in employment (1994 – 2004): total 577,000 with 109,000 foreign nationals,
6. 9.2% of foreign born in total self-employment,
7. 7.2% self-employment in total foreign born employment.

Consequently, immigrants represent a large and growing share of the labour force in Ireland, particularly in the service sector. As a result, their socio-economic progress is significant, but not sufficient enough to reduce disparities (Baycan-Levent and Nijkamp, 2009).

One of the most comprehensive investigations into ethnic entrepreneurship in Ireland was undertaken by Cooney and Flynn (2008) who found from a nationwide survey of 1,108 foreign nationals resident in Ireland that 12.6% claim ownership or part ownership of a business. A profile of ethnic businesses that are small in scale, young in age, concentrated in the locally traded services sectors and operating at the margins of the mainstream economic environment emerges from this mapping of ethnic entrepreneurship in Ireland. The study found that approximately 65% of ethnic businesses in Ireland have an annual turnover of less than €50,000 which makes it very difficult for

the business to be sustainable in the long-term. The following are the other main findings from the study:

- Sole ownership is the predominant form of legal ownership for ethnic businesses (52%) followed by limited company (31%) and partnership (17%),
- 75% of ethnic businesses are in operation for two years or less
- The four main sectors in which ethnic businesses compete are ICT, wholesale/retail, restaurant and consulting,
- 94% of ethnic businesses employ 5 or less full-time staff. Also, 94% of ethnic businesses employ 5 or less part-time staff,
- 65% of ethnic businesses generated 50,000 euro or less in sales revenue in the last 12 months,
- For 75% of ethnic businesses the Irish market is their primary market focus,
- 40% of ethnic businesses have no customers outside the Irish market while the remaining 60% have varying levels of customers outside the Irish market,
- A minority of ethnic businesses import products from their country of origin (46.8%), export products to their country of origin (27.6%) or provide services in their country of origin (34.2%).

Cooney and Flynn found in the course of focus group discussions the previously undocumented role of what can be labelled 'ethnic fixers'. It was discovered that aspiring ethnic entrepreneurs sought help from and were dependent on business advice and consulting services operated by their co-ethnics, particularly in the formative stage of their business venture. Essentially, 'ethnic fixers' operate at the interface of the mainstream Irish business environment and the ethnic communities of which they are a part. Such 'ethnic fixers', believed to be present in all the main ethnic community groups in Ireland, could act as conduits between the ethnic business community at large and the enterprise support apparatus of the Irish state.

The research undertaken by Cooney and Flynn (2008) determined that the extent of business ownership among foreign nationals ordinarily resident in Ireland at 12.6% which is broadly comparable to ethnic business ownership rates in Britain, Canada and the Netherlands. Previous to the undertaking of this study anecdotal evidence was suggestive of a significant increase in the absolute number of ethnic businesses in Ireland. The determination that this survey makes on the rate of ethnic business ownership of 12.6% bears out the prevalence of recently arrived foreign nationals gravitating towards self-employment and business ownership as a means of earning a living. As with the extent of ethnic business ownership, the character of ethnic business in Ireland is strikingly similar to the character of ethnic business in Britain, the Netherlands, the United States,

Canada and Australia. Ethnic businesses in Ireland are definable by their small size, their young age, the concentration in the locally traded services sectors, the low staff numbers and their lack of intention to significantly grow their business over the medium term. A certain level of export activity is discernible, although taking as its predominant form the importation of specialised products from foreign markets. Predominantly male, with a young age profile and high educational attainment encapsulates the personal profile of ethnic entrepreneurs surveyed over the course of this research. In almost 80% of cases, the previous status of ethnic entrepreneurs was as employees, with most current ethnic business owners not having any prior business ownership experience. Also of interest is the finding that opportunities to apply one's skills and talents is perceived to be the overriding aim and advantage of setting out on the road to owning and managing a business. Discrimination from a wide variety of actors within the Irish business environment did not transpire as a significant problem for those surveyed. However, overcoming unfamiliarity with the Irish business environment and gaining a greater level of trust with Irish suppliers, customers and assorted business actors were identified as among the primary challenges facing ethnic business people in Ireland. As with all small business owners, securing finance was also cited as a challenge confronting them. A high dependence on self-financing the initial start-up was reported, with almost half of all ethnic entrepreneurs financing or part financing the start-up of their business. In respect of their business skills, almost three of every four surveyed ethnic entrepreneurs reported previous managerial experience with almost half claiming to have obtained a qualification in business management. Up to this point there appears to be relatively low engagement by ethnic entrepreneurs with agencies offering enterprise training and assistance. Relatedly, only a fraction of those surveyed are members of an Irish business organisation. Finally, it can be inferred from the findings that a moderate level of embeddedness in their particular ethnic communities characterises ethnic entrepreneurs at this moment in time. This work allowed later researchers to build a clear profile of ethnic entrepreneurs in Ireland from which future studies could build.

1.4.3 Muslim Entrepreneurship in Ireland

Ireland has rapidly become a multicultural and multiracial society. This has resulted in the creation of various religious and ethnic communities in Ireland. Unfortunately, there is an exceptionally limited amount of research on Muslim entrepreneurship in Ireland. The only research into this area has been by the Islamic Cultural Centre of Ireland (ICCI). The ICCI (2010a) produced an article containing, primarily anecdotal, evidence regarding Irish Muslims activity in entrepreneurship. The Muslim community in Ireland is represented in a vast array of occupations; for example, there is estimated to be about 4,000 medical doctors, with entrepreneurs primarily operating in ethnic restaurants, meat industry and Halal food. However, the majority of these Muslim businessmen had

no access to Sha'riah law compliant banking facilities when establishing their businesses in Ireland. This is a serious obstacle confronting a devout Muslim person in the establishment of an enterprise. Many Muslims have been deterred by this, but two Muslim entrepreneurs, detailed below, were able to find alternative options. As previously mentioned, 'Mr. A' used his personal savings to establish his bakeries. 'Mr. B' came to Ireland for security reasons and was a successful educated man in the country from where he fled. He had to leave without organising anything and without a plan. Since his qualifications were not E.U. accredited, he could not find a job in his field of expertise. He had to leave his career behind in his home country and consider another career path. He spent several years working hard to establish his business. He contacted a number of friends and family members living outside Ireland, these international connections became his business partners and funded his business idea. He is now a successful Muslim entrepreneur in Ireland. The article the ICCI produced questions Irish financial institutions for not making Islamic banking services available:

"The Islamic banking products are not so complicated that banks choose to sacrifice customers and not to facilitate them. It is not only a loss of funds but also a loss of talents. All that Muslims are requesting is a product that does not involve usury."

The article by ICCI is one of the very few commentaries that have been written about Muslim entrepreneurs in Ireland and clearly demonstrates the need for this particular study into Muslim entrepreneurship in Ireland.

1.5 Conclusion

Ethnic entrepreneurship success or failure is identified subject to performance conditions from migrant entrepreneurs. Structural Factors (i.e. social exclusion and discrimination, poor access to markets, and high unemployment) and Cultural Factors (i.e. specific values, skills, and cultural features, flexibility, strong work ethics, and informal network contacts) show that ethnic entrepreneurs are more likely to be 'pushed' into entrepreneurship rather than 'pulled' into entrepreneurship, as economic and social circumstances push them towards self-employment. According to the literature, the various challenges facing ethnic entrepreneurs when it comes to business development include: Access to Capital, Mainstream Network Connections, Over-Dependence on an Ethnic Business Network, Exclusive Focus on Ethnic Customers, Concentration on Marginal Economic Success, Lack of Managerial Experience and Formal Business Training, Lack of Familiarity with Institutional and Legal Environment, Spatial Concentration of Ethnic Enterprises in Urban Environments, and Societal Hostility. Although the area of ethnicity and entrepreneurship is extensively researched, the connection between religion and entrepreneurship has not yet been fully explored. Recent investigations into the relationship between religion and enterprise highlights that

religion affects believers' entrepreneurial activity, influencing the decision to become an entrepreneur, enterprise management, and the entrepreneur's contact network.

Islam views extrinsic aspects of work positively, and the Islamic work ethic argues that engagement in economic activity is an obligation. Entrepreneurship is a part of the Islamic culture and Islam warmly invites all Muslims to be entrepreneurs no matter where they live. The concept of entrepreneurship in Islam is based on co-operation, generosity and benevolence. At the same time Islam extremely prohibits monopoly, exploitation, fraud or usurious transactions. Islamic finance (Sha'riah) controls the rules of how business is conducted in terms of lending and borrowing. There are a number of models for business partnership which are based on sharing profit, risk taking and buy and sell concepts. It is worth mentioning that despite all the conjectures which claim that Muslim women have been repressed and discouraged from working, the truth is quite the opposite. The Qur'an states that men and women are in fact equal. Indeed a number of reports and statistics have shown a significant percent of Muslim entrepreneurs are female. The research concludes also that there were some similarities with women's experiences in the developed world. The sample female Muslim entrepreneurs were more likely to enter into traditional businesses, but those with greater human capital, entered into non-traditional areas.

It is worth highlighting that Islamic equity funds are a growing industry and that their assets are estimated to be €3.5 billion worldwide. The availability of Islamic banking has become an essential ingredient in the success formula for Muslim entrepreneurship as securing capital can be a major problem for immigrant entrepreneurs. Sha'riah compliant financial products are available in predominantly Muslim countries, and not often as available in western countries. In the UK the selling of Islamic banking products came under the Financial Services Authority's regulation in 2007, consequently buyers get the same protection as if they have taken out a conventional mortgage. In 2004, the Irish Islamic Investments Association attempted unsuccessfully to introduce the Islamic banking system to Irish banks in a conference organised to discuss the Islamic products and possibility of launching them in the Irish market.

The significant increase in the size of the Muslim community in Ireland has created a need to consider the opportunity to support Muslim entrepreneurs who can demonstrate a robust business case for their business ideas. Facilitating Islamic Banking products could be a key enabler for the Muslim entrepreneur in the start-up or expansion of their business. The Islamic Cultural Centre of Ireland has prepared a feasibility study for the introduction of the Islamic financial system. The study has shown the potential of the products amongst both the Muslim and non-Muslim communities. This potential opportunity is particularly relevant in today's Irish banking environment.

Chapter 2 - Muslims in Ireland

2.1 Introduction

The history and participation of the Muslim community in Ireland is a relatively contemporary phenomenon since their presence in the country has gone undocumented until recent times. Indeed, according to research conducted by the Islamic Foundation of Ireland (2005) the first Muslims arrived in Ireland in the early 1950's. Before this time very little is known about the presence of Muslims in Ireland or the contribution that they might have made to Irish society. However, it is understood that people of the Muslim faith initially came to the country for education purposes, in particular, to study medicine at the Royal College of Surgeons in Dublin. The first Muslim students to arrive for this purpose were generally from the Republic of South Africa, and thereafter students began arriving from countries such as India, Malaysia and the Gulf states. In the 1970's a number of trainees in aircraft engineering came to Ireland from countries that included Algeria, Libya, Saudi Arabia and Malaysia. When a number of students decided to reside in Ireland for better job opportunities, concurrent with the arrival of Muslim businessmen and traders from the U.K., the first resident Muslim community in Ireland began to slowly evolve into the substantial and well-structured populace that now exists in Ireland.

While the more formal Muslim community in Ireland may have had its origins in the 1970s, it remained relatively small until more recent times. According to the Irish Central Statistics Office (1991) census for 1991, the number of Muslims in Ireland was 3,873. Since 1992 the number of Muslims has increased considerably with the arrival of Muslim refugees from Bosnia and Kosovo, soon followed by refugees from countries such as Somalia. But the growth in the size of the Muslim community was not solely the result of asylum seekers, as professionals and workers from various Islamic countries also began arriving in Ireland, thereby substantially increasing the population of the local Muslim community. The 2002 CSO census identified 19,147 Muslims in Ireland from a total population of 3,197,203 (approximately 0.598 percent of the population), while the 2006 CSO census identified 31,779 Muslims in Ireland from a population of 4,239,848 (approximately 0.767 percent of the population). It should be noted that of the most recent CSO figure, almost 6% of the Muslim population is represented by Irish ethnicity, with the remaining Muslims in Ireland being comprised of immigrants and students. While Ireland is currently receiving Muslim asylum seekers from countries such as Nigeria, Kenya, Libya, Iraq, Egypt and Algeria, the total number of Muslim asylum seekers in Ireland is currently estimated at just 3,500 approximately (including women and children) (Islam in Dublin 2002).

A perception held by some people within the indigenous population is that the Muslim community in Ireland is somewhat homogenous is quite incorrect as in reality there exists extreme

diversity in terms of nationality and ethnicity amongst the Muslim population. There are now over 40 nationalities currently represented in the Muslim community, the vast majority of these being Sunni Muslims, with less than 2,000 Shia Muslims in Ireland (NCCRI 2006). However, such diversity has not been a barrier to social integration as research conducted by the Irish Independent (2006) on Muslim attitudes in Ireland found that 73% of Irish Muslims believe that they are fully integrated into Irish society and 77% feel accepted in Ireland. The research also found that, in general, Muslims in Ireland have strong liberal opinions, although tradition remained hugely important to them. Certainly the Islamic Cultural Centre Ireland (2010b) believes that the process of integration of Irish Muslims is extremely important, and while continuing to preserve their Muslim identity, the majority of Muslims feel very much at home in Irish society.

2.2 Profile of the Muslim Population in Ireland

According to the CSO (2006), the number of persons who stated that their religion is Islam was 31,799 in April 2006, up by nearly 70% compared with 2002 and continuing the growth observed between 1991 and 2002. Muslims are now the third largest religious group in the State, behind Catholics and Church of Ireland (incl. Protestant). Just over 55% of Muslims were either Asian or African nationals with 30.7% having Irish nationality. However, as has been noted already, there is a significant diversity in the Muslim population in Ireland across a wide variety of ethnic groups and economic backgrounds. Profiling the different characteristics of the Muslim population will help to give the reader a better understanding of their contextual background within Irish society and the significance of their size within the overall population mix in the country.

The first group of statistics to consider is the breakdown of the Muslim population in Ireland by ethnicity. As can be seen in Table 2.1 below, the largest percentage of the Muslim population is 'Asian' with 33.51%, while the second largest cohort is 'African' with 21.74%. It is interesting to note that 9,761 people identified themselves as Irish citizens which can be compared to just 1,877 people that identified their ethnicity as Irish in a separate analysis. This statistic highlights that the majority of the Muslim community who are Irish citizens identify their ethnicity as other than Irish, which may reflect that either the person themselves or their parents were born outside of the country. At the time of the 2001 Census in Northern Ireland, there were 1,943 Muslims living in Northern Ireland, although the Belfast Islamic Centre claims that as of January 2009, this number had increased to over 4,000. The Muslims in Northern Ireland come from over 40 countries of origin, from Western Europe all the way through to the Far East.

Table 2.1: Population in Ireland by Religion

Nationality	Irish	Non-Irish	UK	Rest of EU	Rest of Europe	Africa	Asia	America	Other	Not Stated	Total
Total	3,706,683	419,733	112,548	163,227	24,425	35,326	46,952	21,124	16,131	45,597	4,172,013
Catholic	3,409,381	213,412	54,214	112,806	4,002	8,530	12,443	13,229	8,188	22,172	3,644,965
Church of Ireland (incl. Protestant)	86,990	31,197	22,511	3,388	412	2,467	648	722	1,049	761	118,948
Other Christian Religion	16,327	11,484	1,667	1,551	1,082	4,553	1,482	738	411	217	28,028
Presbyterian	13,628	7,741	3,621	990	263	1,649	259	549	410	127	21,496
Muslim (Islamic)	9,761	21,613	620	777	1,924	6,909	10,649	128	606	405	31,779
Orthodox	2,881	16,845	117	3,666	11,776	196	731	64	295	268	19,994
Methodist	5,077	5,612	2,053	293	52	2,330	407	281	196	79	10,768
Other Stated Religions	22,497	31,118	4,167	7,284	1,824	6,337	8,792	1,866	848	418	54,033

Source: www.cso.ie

In terms of geographical distribution, the highest concentration of Muslims is in the Leinster area (particularly Dublin), with 53.26% of all Muslims in Ireland living in Dublin. Only 14.89% of the Muslim population live in the 'Rest of Leinster'. Munster has the second highest Muslim Population, being home to 19.74% of the Muslims in Ireland. The third highest is Connacht, with 9.55% of the Muslim population living there. And last is Ulster, with only 2.55% of the Muslim population. This is most likely because of the amount of job and educational opportunities found in Dublin and cities such as Cork. A breakdown of religions was carried out on the Irish towns with more than 5000 people. Of all these towns – Cavan Town has the highest percentage of Muslims in Ireland – 3.2% of the population of Cavan Town stated they were Muslims. The Top 10 Irish towns for Muslims (over 5000 population) are as follows:

- Cavan 3.2%
- Killarney 2.95%
- Ballinasloe 2.32%
- Tralee 2.3%
- Ennis 2.03%
- Roscommon 1.87%
- Balbriggan 1.75%
- Portlaoise 1.67%
- Castlebar 1.62%
- Tullamore 1.6%

The Muslim population in Ireland is quite a young population which possibly supports the notion posed earlier that many members of the Muslim community were born in Ireland of immigrant parents. According to the CSO (2006), the largest age group is the 25-44 year olds at 44.24%, with the

second largest group being 0-14 year olds at 30.67%, and the third largest group being 15-24 year olds at 17.24%. Interestingly, there is a very small percentage of the Muslim population in Ireland above the age of 44 at 7.85 percent. The gender split is skewed towards males as 59.53% of the Muslim population are male, while 40.47 % of the Muslim population in Ireland are female. This is quite a leaning towards men compared to Ireland's figures generally which have an even balance with 50.03% of the general Irish population being male, and 49.97% of the general Irish population being female. As can be seen from Table 2.2, the number of Muslims attaining a level of degree or higher is 37.91% while the level in the general Irish population attaining a level of degree or higher is only 16.94%. A very high proportion of the Muslim community are still in education which could also be related to the previous discussion about the low age profile of the Muslim population in Ireland.

Table 2.2: Population of Ireland by Highest Level of Education Achieved

Education	Total	Total whose full-time education has ceased	Primary (incl. no formal education)	Lower secondary	Upper secondary	Third level - Non degree	Third level - Degree or higher	Not stated	Those whose full education has not ceased	Total at school, university, etc.	Other
Roman Catholic	2923504	2495913	483907	525502	713916	260086	422895	89607	427591	296831	130760
Church of Ireland (incl. Protestant)	103089	88317	12082	17894	23343	10871	19760	4367	14772	9021	5751
Muslim (Islamic)	22560	12650	1205	1447	2972	972	4796	1258	9910	4623	5287
Other Christian religion, n.e.s.	21670	16412	1374	2341	4597	2351	4971	778	5258	2676	2582
Presbyterian	19711	16787	2698	3058	4058	1968	4266	739	2924	1662	1262
Orthodox	16691	10433	591	819	3979	783	3471	790	6258	1353	4905
Methodist	10117	8313	711	1278	2095	1157	2620	452	1804	921	883
Other stated religions	47342	34337	2421	4214	9016	4325	12708	1653	13005	6075	6930
No religion	164330	127415	6159	14312	35732	17492	49658	4062	36915	21853	15062
Not stated	46385	39756	2937	2546	3790	1322	2630	26531	6629	4581	2048
Total	3375399	2850333	514085	573411	803498	301327	527775	130237	525066	349596	175470

Source: www.cso.ie

According to the 2006 census, apart from the group 'All others gainfully occupied and unknown', the largest socio-economic group is the 'higher professional' at 17.47% of the Muslim population. This is followed closely by 'non-manual workers' at 15.34%, while the third highest percentage is the 'employers and managers' at 8.54%. This data would indicate that the Muslim population generally has quite a high socio-economic status in Ireland. A subsequent analysis Occupational Profile of Non-Irish Nationals found that almost one third of Asians in the Irish labour force are classed in the Professional/Technical/Health occupational group. This is almost double the corresponding figure for Irish nationals and well above that of other non-Irish national groups also. African persons are represented in the Professional/Technical/Health and Services occupational groups to the same extent as Irish nationals but show a lower representation in the other main occupational groups relative to Irish and non-Irish nationals.

Table 2.3: Muslim Population in Ireland by Socio-Economic Status

	Total	Muslim	%	Males	Females
A. Employers and managers	650552	2780	8.54	1725	1055
B. Higher professional	245170	5683	17.47	3187	2496
C. Lower professional	451865	1519	4.67	811	708
D. Non-manual	818573	4991	15.34	3189	1802
E. Manual skilled	429779	1402	4.31	1002	400
F. Semi-skilled	355441	2175	6.68	1457	718
G. Unskilled	159904	529	1.63	354	175
H. Own account workers	180500	642	1.97	402	240
I. Farmers	166864	41	0.12	30	11
J. Agricultural workers	27407	64	0.20	48	16
Z. All others gainfully occupied and unknown	753793	12713	39.07	7167	5546
Total	4239848	32539	100	19372	13167

Source: www.cso.ie

The Principal Economic Status (PES) figures are further evidence of the strong employment status of Muslims in Ireland as seen in Table 2.4. Of the 22,560 eligible for labour, 45.11% are at work. The next top three rankings for PES are: students at 20.49%, persons looking after the home at 13.91%, and those who have lost their jobs at 10.99%. Other figures worth noting include the fact that of the 909 Muslims who are ‘employer or own account worker’, just 11.11% of these are women. Conversely, of those who are looking after home/family, 92.77% are women. It should be noted that these figures are from the 2006 Census and that much might have altered with the recent recession in Ireland.

Figure 2.4: Muslim Population of Ireland by Principal Economic Status

	Persons	Males	Females
Total aged 15 years and over	22560	14229	8331
Total at work	10177	8168	2009
Employer or own account worker	909	808	101
Employee	9216	7326	1890
Assisting relative	52	34	18
Looking for first regular job	812	515	297
Unemployed having lost or given up previous job	2480	1504	976
Student	4623	2956	1667
Looking after home/family	3138	227	2911
Retired	224	134	90
Unable to work due to permanent sickness or disability	549	359	190
Other	557	366	191

Source: www.cso.ie

According to an article in the Irish Times (2006), “unlike Britain and France, where the majority of Muslims come from former colonies such as Pakistan and Algeria, or Germany where the Muslim population is made up of Turks who immigrated under post-war labour schemes, Ireland's Muslims are less tied to the country's historical baggage. Most came here for educational or professional reasons and decided to stay, often marrying Irish citizens”. It is possibly for this reason that the dramatic increase in the number of Muslims now living in Ireland has happened so seamlessly, and it may also explain why the integration of the Muslim community with Irish society has not been the subject of disturbances and negative reactions similar to those that have occurred in other nations. The balance between retaining one’s own identity and integrating into native society is a difficult challenge for immigrant communities entering any foreign country but the manner in which the Muslim community in Ireland has built its network and co-ordinated its people has helped to give the community a positive voice when seeking to bridge any divisions that potentially awaited them.

2.3 Islamic Organisations in Ireland

In a document produced by NCCRI (2006), they stated that “the Muslim community in Ireland is well organised with a number of mosques, two Muslim schools established under the Department of Education and Science and many societies. The first Muslim organisation in Ireland, the Dublin Islamic Society was formed in 1959 by a group of Muslim students, which later became the Islamic Foundation of Ireland (IFI). Over the years the membership increased and many Muslims have become permanent residents. As a result of the increased numbers of the community, the Islamic Foundation of Ireland recognised the need for a permanent mosque and Islamic Centre. In 1983, the Mosque in the South Circular Road was established. The first purpose built mosque was built in Ballyhaunis, Co Mayo in 1986. In September 1996 the Islamic Cultural Centre of Ireland at Clonskeagh, Dublin 14 was opened. The Islamic Cultural Centre offers facilities for daily prayers and religious celebrations and for education and the general welfare of the community including a Muslim National School, a library, a mortuary, a shop and a restaurant. Other Islamic centres provide similar services. Both the Centres at South Circular Road and at Clonskeagh are Sunni mosques and are active in developing initiatives to break down barriers and encourage mutual understanding between Muslims and the Irish public. In 1998 the Ahul Bait Islamic Cultural Centre in Dublin was opened, which is representative of the Shia Muslim community in Ireland. There are also other bodies such as the Muslim Association of Ireland, Cork Muslim Society, the Galway Islamic Society, the Limerick Mosque, the Federation of Islamic Student Societies and Muslim organisations affiliated by nationality as well as individuals who are prominent in the Islamic community in Ireland. There are a number of Mosques in Ireland, some of which have many hundreds of people participating in

Friday prayers and others that attract only a small number of people". Quite interestingly, in 2003, the Islamic Cultural Centre and Foras na Gaeilge joined forces to translate the Koran into Irish for the first time.

The ICCI (2010) stated that the arrival of the first Muslims commenced a process of establishment and settlement among the Irish communities that involved integration, not assimilation. The first Muslim students that arrived in the 1950's began the process of establishing an Islamic community in Ireland. These students chose to live together in various locations throughout Dublin city centre, primarily in areas such as Rathmines, Harrington Street, Leeson Street and the South Circular Road. ICCI noted that a chronological summary of the development of Islamic organisations in Ireland following from these students is as follows:

1. 1955 – 1959: The formation of a formal Islamic Charity.
2. 1960 – 1965: Female students also formed an Islamic charity, called the Islamic Centre (not formally registered), their gatherings took place in Harrington Street and Leeson Street.
3. 1955 – 1965: Friday prayers took place in the rented flats at the above specified locations
4. 1965 – 1970: As the number of Muslim students rapidly increased (to approximately 300), a campaign by these students to raise funds for the development of a mosque in Dublin began in 1967/1968. These requests were made to the authorities in Kuwait, Libya, Saudi Arabia, Algeria, UAE, Jordan and all Islamic centres in the UK.
5. August 1970: The embassy of Saudi Arabia in the UK confirmed that upon receipt of bank account details and the formation of the Islamic Foundation, funds will be donated.
6. March 1971: The students formed an Islamic foundation named 'Dublin Islamic Society'.
7. 1972 – 1973: The Dublin Islamic Society in conjunction with the embassy of Saudi Arabia in the UK raised £18,300 and Harrington Street officially became the registered address of the society
8. August 1976: The society announced the official opening of the Harrington Street Mosque.
9. 1977 – 1983: Owing to the rapid increase in Muslims living and studying in Dublin, Harrington Street was not adequate enough to host Friday prayers. With donations secured from Qatar and Kuwaiti authorities, and private donations, the property on South Circular Road was purchased.
10. July 1990: The name of the Dublin Islamic Society was changed to the Islamic Foundation of Ireland.
11. 1990: The Muslim National School in Dublin was opened. It was the first Muslim school recognised and funded by the Irish Department of Education.

12. 1996: The Islamic Cultural Centre of Ireland was opened in Dublin, following donations from the Government of Dubai and UAE.

But the ICCI recognises that the development of the Islamic Foundation of Ireland and the purchase of the South Circular Road premises were not the only development in the Islamic community in Ireland during this period. Some other important dates and developments in the Islamic existence in Ireland include:

1. 1978: The Galway Islamic Society was established, and in 1982 a house was purchased and developed into a Mosque.
2. 1984: The Cork Muslim Society was established.
3. 1986: The Ballyhaunis Mosque in the West of Ireland was built.
4. 1994: A house was bought in the city of Cork to be used as a mosque for the Muslims of Cork.
5. 1994: A house was bought in Limerick to be used as a Mosque for the Muslims of the city.
6. 1998: The Ahul Bait Islamic Cultural Centre in Dublin was established, which is representative of the Shia Muslim community in Ireland.
7. 1999: A branch of the Islamic Foundation of Ireland was formed in Waterford.

As can be seen from this brief history of the Muslim community in Ireland, it is well organised and it has engendered a number of organisations throughout Ireland to assist Muslims in integrating into Irish society, as well as societies that help Muslims to maintain their heritage and tradition. A brief description regarding some of these organisations is detailed below:

Islamic Cultural Centre of Ireland (<http://islamireland.ie/>)

The Islamic Cultural Centre of Ireland was founded in 1996 and since then, it has become an important and well established centre for Muslims in Ireland. The mosque's construction and operation was sponsored by his Highness Sheikh Hamdan Bin Rashid Al Maktoum. The ICCI has many facilities for the Muslim community whereby they encourage the integration of Muslims into Ireland while keeping Islamic traditions alive. A communal fair is held in a large multi-purpose room twice a year. At this fair, there is much to buy, including Arabic books, literature and fiction covering, and handmade decorations from countries such as Syria. The fair also offers a large selection of Ladies Islamic clothing such as hijabs, jilbabs and Arabic abayas. The multipurpose hall is also available for hire. It caters for weddings, celebrations and various sporting occasions. During Ramadan, meals for breaking the fast are held there on a weekend basis. It is also used for Eid celebrations, exhibitions and receptions. The restaurant in the mosque serves Arab and Pakistani food. It is open to the general public, and is frequented by not only local Muslims, but by members of the general public also. The ICCI also has a seminar room to host various meetings. The ICCI has a shop, with a butcher

and a grocer that stocks Halal meat and other food products. Additionally, the ICCI has marriage facilities, and it conducts marriage ceremonies in the mosque. It also has a marriage counselling services and it facilitates Muslim funerals. Finally, the ICCI offers a translation service for official documents such as birth certificates, marriage certificates and academic documents, for a small fee.

The Islamic Foundation of Ireland (www.islaminireland.com)

This was the first organisation established in Ireland to assist and facilitate the Muslim community. The Islamic Foundation of Ireland (IFI) has undergone rapid change and development since its original establishment in 1959 as the Dublin Islamic Society. As the Islamic community in Dublin grew a new Mosque was established on the South Circular Road. This is currently the headquarters of the Islamic Foundation of Ireland. The IFI is very involved in preserving Muslim traditions and values in Ireland and it offers many services to the Muslim community. The IFI has a library containing literature about Islam available in English, Arabic and Urdu, including copies of the Qur'an. In 1988, a meeting took place with representatives from the Muslim community and the Department of Education regarding the viability of a school. The Department agreed to support the school, provided that there were at least 24 children over the age of four, and that the families would continue to encourage the school to grow. It would be run by the Muslim community through a board of management. The school opened in September 1990 with forty students. The official opening of the school was in April 1993. There have been many expansions to the school since then to accommodate the substantial demand for places, as well as the opening of a second primary school. The IFI also provide Iftar meals during Ramadan. They have a restaurant that is open all year round and is open to the public. The restaurant provides Halal food. There is also a shop on the premises that sells Halal food. The IFI is the certifying body of Halal food in Ireland, and only food certified by the IFI is considered Halal and permitted to be eaten by Muslims. The mosque is open to tours by the public. It is a 45 minute tour that is free, and includes a description of the mosque, as well as a talk about the main tenements of Islam.

The IFI also provides funeral services. In 1976 they purchased some land for the burial of Muslims, but this site is now full. The South Dublin County Council gave the IFI a small plot to bury their dead in Newcastle Cemetery in West Dublin. Additionally, the IFI provide undertaker services and these services include washing and shrouding the body, prayers in the mosque, and transportation to the graveyard. The IFI receives Zakat and Sadaqah (donations) from Muslims and distributes them on their behalf to the needy and poor Muslims in Ireland and abroad. None of the Zakat and Sadaqah money is used for the Islamic Centre itself, but for the people who are allowed to receive them according to the Shari'ah. They offer a translation service for official documents, such as birth certificates and marriage certificates. There is a guest room available for a short term lease.

It is available for a maximum of one week and is able to accommodate three people. It is intended for travellers and new arrivals into Ireland.

Cork Muslim Society (www.corkmosque.org)

The Cork Muslim Society was founded in 1984. They began by praying in a rented house, and in 1994 they purchased a house with the intention of building a mosque. However, there was a problem with the Cork County Council and permission was not granted to change the purpose of the dwelling. After complaints from neighbours, the mosque was closed in February 2001. Currently, the Muslim community in Cork are using a rented accommodation for prayers. They are hoping to purchase a site for a purpose built mosque. The Cork Mosque endeavours to serve the best interests of the Muslim community in Cork, as well as educating non-Muslims about the Islamic faith. To achieve this, the Cork Mosque has the following objectives.

- Spread the teachings of Islam to the Muslim community, in order to keep the traditions of the faith alive. The Islamic faith is more than a prayers, it is a way of life.
- Spread the teachings of Islam to non-Muslims in the community. The Cork mosque wishes to educate non-Muslims and create relationships in the general Irish community by encouraging integration.
- The Cork Mosque aspires to conduct social, cultural, religious and educational activities in Cork in the best tradition of Islam.

The Cork Muslim Society is an active group and offers a wide range of activities and services to its local members.

Galway Islamic Cultural Centre (www.gicc.ie)

It is thought that it was the mid-1970s when Muslims first started settling in Galway, mainly families settling down in a new home. A substantial effort was made to acquire a three bed house near where the Muslim community had settled to be utilised as a Mosque, and soon the Galway Islamic society was established. The society looked after the house and organised daily prayers and Friday prayers, and also organised the prayers during Ramadan. Unfortunately, there was a lack of continuity and organisation, and social, religious and cultural activities suffered a gradual decline and finally the mosque was closed. As the Muslim community began to grow in Galway the lack of a mosque became more evident and soon another group from the community came together to form a stronger society. They decided to register themselves with official government bodies and so the original Galway Islamic Society was dissolved and a new Galway Islamic Cultural Centre was established. GICC is the operating name of Western Islamic Cultural Centre (WICC), which is registered as a not-for-profit, non-political organisation that works for the religious and cultural well-being of the Muslim community in Galway. The primary objectives of GICC are to:

- Promote the role of Muslim community with its obligations towards the Irish society of which it is an essential component.
- Activate the role of Muslim women and youth in such a way that enhances the bond with their religion and Islamic identity.
- Offer comprehensive educational and behavioural formation to its members according to the GICC enlightened approach.
- Introduce Islam and its values to all sections of society, and adapt the Islamic culture in accordance with modern perspectives and distinctiveness of the European scene.
- Co-operate and co-ordinate with existing charitable organisations in Ireland to serve the noble causes of Islam and humanity.
- Strengthen fraternity amongst the Muslim community.
- Organise and patronise all the Muslim festivals according to Islamic calendar for Muslims, along with an open invitation for other citizens interested to get involved.
- Establish a school to provide religious, social and moral education for children. Moreover, organise Arabic language classes and encourage the use of this means of communication.
- Organise regular cultural activities, youth lectures, exhibitions, art festival that are open to all sectors of society.
- A place for prayer, accommodating the five daily prayers, Friday prayer at Westside Community Centre, Ramadan prayers and arrangement of meals at Fast breaking, and the Eid prayers, Eid celebration parties.
- Host matrimonial/marriage services and also assist in funeral and burial services in accordance to Islamic regulations.

The centre in Galway has become one the largest in the country due to the fact that there are now approximately 3,000 Muslims living in the greater Galway area.

Belfast Islamic Centre (www.belfastislamiccentre.org.uk)

The Belfast Islamic Centre was established in 1978 by a group of Muslims from the local community to provide a focus for all Muslims living in Northern Ireland. The centre operates for the benefit of all Muslims irrespective of their ethnic background, gender, country of origin or age. At present those who use the centre represent 42 nationalities. The Belfast Islamic Centre is the largest institution of the Muslim community in Northern Ireland and acts as both a place of worship and a community centre. In trying to address a very wide range of needs the centre inevitably finds it challenging to provide the necessary range of services to the Muslim community within a comparatively small facility and with modest staffing and financial resources.

FOSIS Ireland (www.fosis.org.uk)

Since its establishment in 1962 the Federation of Student Islamic Societies (FOSIS) is the organisation representing the British and Irish Muslim student body, with over 90,000 Muslims Students in 600 colleges and 150 Universities all united under one group. FOSIS seeks to bring these Muslim students together, to share experiences and to offer help and advice where appropriate, uniting Muslim Students to positively contribute to both Muslims and non-Muslims communities alike. *FOSIS believes that the Muslims should be doing more for the Muslim community than ensuring they have prayer halls and Halal food. They want to strive to achieve higher ambitions. Their core values are:*

- Islam as a way of life: Application of Islam in every aspect of lives.
- Ummah: Unify on a common purpose.
- Ikhlas: Sincerity in work.
- Ihsan: Strive for perfection in work.
- Shoorah: Consultation when deciding.

FOSIS believes that best way to achieve goals is through a collective effort, as opposed to advising individuals of how to make life easier for themselves. FOSIS also has a training programme to train its members to become a confident and effective Muslim.

Ahlul-Bayt Islamic Centre (<http://homepage.tinet.ie/~ahlulbyteassociation/>)

Ahlul-Bayt Islamic Centre, commonly known as Hussiania, is a purpose built national Irish Shi'a Muslim Islamic Centre. Its aims and objectives are to serve the social, cultural and spiritual needs of the entire Shi'a Muslim population of Ireland. There are about 1000 Shi'a Muslims working, studying and living in Ireland. The foundation of Hussiania was laid down some time during the 1970's by a few Shi'a Muslim medical students, who came to Dublin from the Middle Eastern countries to study at the Royal College of Surgeons, Dublin. These students hired a small house in the Portobello area of Dublin and then after a few years later when this place was not big enough to accommodate everyone, they moved to a bigger house in Rathgar. Gradually this place became known to other Shi'a Muslims living and working in Ireland. During the 1990's the local Irish Shi'a Muslim community decided to build a proper Shi'a Muslim Islamic Center. They tapped into their own resources and constructed a purpose built centre in the Milltown area of Dublin 14. Hussainia, the Ahlul-Bait Shi'a Islamic Center, was officially opened in September 1996. The centre is an active and thriving Islamic institution and is open every day for the afternoon and evening prayers (salaa). It also conducts Dua Kumayal (special supplication) on every Thursday after the evening prayers. The centre regularly holds lectures on various Islamic topics and issues on every Saturday from 8pm. These lectures are open to anyone who wishes to come along and are free of charge. The centre also

offers a Friday afternoon prayer, a recommended ritual throughout the Islamic world. It conducts special occasion ceremonies throughout the year.

While the work of these organisations has traditionally been carried out in an independent fashion, a new development in September 2006 saw the establishment of the Irish Council of Imams.

The aims of the Council include:

- Forming an authorised specialized Muslim official body to express the Islamic verdicts regarding issues occurring in the Irish Arena.
- Encouraging the positive integration of Muslims into Irish society.
- Embarking on social and educational programmes for Imams.
- Positive contribution toward solving social and family problems.
- Co-operation in relevant issues with concerned offices and organisations.
- Collaboration with people of other faiths via dialogue on commonalities.
- Endeavouring to reach Muslim consensus on Muslim occasions in Ireland.
- Spreading the spirit of the Islamic tolerance (NCCRI 2006).

The Council represents all 14 Imams in Ireland, of both the Sunni and Shia denominations. The chairman is Imam Hussein Halawa (Islamic Cultural Centre of Ireland), the deputy chairman is Imam Yahya Al-Hussein (Islamic Foundation of Ireland), and the general secretary is Ali Selim. The Council consists of representatives from mosques in Cork, Galway, Limerick, Waterford, Meath, and Dublin. This Council seeks to speak with one voice on behalf of the different mosques on the island of Ireland and it provides the Muslim community with a representative body that is clearly identifiable to the non-Muslim world.

2.4 Conclusion

While the relationship between the Muslim community and Irish society has been generally positive for Muslims, the NCCRI (2006) has stated that “there continues to be sporadic incidents related to racism/Islamophobia that continues to be experienced by the Islamic community in Ireland. Typical incidents of Islamophobia reported to the NCCRI relate to verbal abuse and other forms of harassment and disrespect rather than physical assaults or criminal damage. This can change at times of heightened global tensions. In particular, the NCCRI Racist Incident Reporting Procedure reported in 2001 that almost one fifth (20%) of all incidents recorded between May and October 2001, were directly related to September 11th. These incidents reported of physical assaults and verbal abuse against the Islamic community and also those perceived to be of middle-eastern or Asian origin, including visitors to Ireland, migrant workers and refugees and asylum seekers. The

NCCRI noted at the time that many of these incidents appeared to be isolated and uncoordinated and did not persist beyond 2-3 weeks beyond the attack. However they did give rise to concern, especially as some of the incidents involved serious assaults, abuse and destruction of property. Subsequent NCCRI reports have demonstrated isolated incidents of Islamophobia directed towards members of the Muslim community. In the aftermath of the bombings in London on 7 July 2004, in which there was at least two Irish casualties, Muslim organisations issued advice to the Muslim community in Ireland to be more wary in the coming days. It is to be welcomed that there were very few reported incidents related to Islamophobia in Ireland during this period compared with many other EU countries". These difficulties are less frequent than found with many other immigrant communities but with the rise of Islamophobia globally, Ireland needs to remain alert to the difficulties that could arise in future years.

A recent study by Pew Research (2011) highlighted that Ireland's Muslim population is forecast to treble over the next twenty years. They estimate that there are 43,000 Muslims in Ireland today and that there will be 125,000 in 2030. Their share of the total population will more than double, albeit from a lowly 0.9% to 2.2%. That will still be a long way from the 10.3% forecast for France for instance or the projection that there will be 5.5 million British Muslims by 2030, but it should reinforce the understanding that the Muslim population is a substantial and ever growing community within the Irish population. To ensure that the integration of Muslims into Irish society continues to develop in a harmonious fashion, there must be a continued willingness from all stakeholders to continue to engage in friendly dialogue. One area where mutual benefit can be found is through entrepreneurship as the enhancement of entrepreneurial activity within the Muslim community offers exciting opportunities for the growth of the Irish economy (which also brings social benefits). The next chapter profiles current entrepreneurial activity within the Muslim community and seeks to understand the principal challenges that Muslims currently face when starting or growing a business in Ireland.

Chapter 3 – Survey Research Findings

3.1 Introduction and Research Objectives

The preceding chapters have dealt with the concepts of ethnic and Muslim entrepreneurship, and detailed the Muslim population in Ireland. The primary objective of this report is to gain a greater understanding of the features and characteristics of entrepreneurship in the Muslim community in Ireland. Through the use of a survey-based methodology, a detailed investigation on the scope and nature of entrepreneurship and business activity in the Muslim community was undertaken. The primary role of the survey as the data collection tool is to draw accurate information from the respondents, which is obtained by asking the right questions of the right person. For comparative purposes this research is based on a previous study by Cooney and Foley (2008) entitled '*A Mapping of Ethnic Entrepreneurship in Ireland*'. This survey-based methodology has two primary objectives:

1. Determine the extent of business ownership among the Muslim population in Ireland;
2. Provide a detailed mapping of Entrepreneurship in the Muslim community in Ireland by undertaking a detailed investigation into the characteristics of Muslim owned businesses in Ireland, the challenges facing entrepreneurs from the Muslim community, and their interactions with the Irish business and institutional environment.

In surveying the target group of Muslims in Ireland, recourse was made to several research techniques. In the majority of cases respondents were surveyed online. The survey was available online in English, and circulated in Ethnic media and Islamic websites. The initial take-up rate was disappointing, and in order to encourage the target market to respond, additional elements to enhance the take-up rate were implemented, including translating the survey into Arabic and conducting face-to-face surveys in Dublin Mosques, carried out by Islamic staff and students of the Dublin Institute of Technology. From this process, a total of 151 surveys were fully completed. While the take-up rate is somewhat disappointing, the sample is still representative as it is slightly above the 90% confidence level. With an estimated 16,702 Muslims in Ireland between the ages of 25 and 64, the respondents represent 0.9% of the target population. Although an increase in the take-up rate would have increased the reliability of the research results, it does not undermine the validity of the findings presented.

The main survey was supplemented by a series of focus groups conducted with the Muslim Community in Dublin, Cork and Belfast. The focus group participants were given the opportunity to review and comment on the initial findings of the survey. Participants were asked to comment on: (i) the profile presented of businesses owned by the Muslim Community; (ii) the emerging picture of the typical entrepreneur in the Muslim Community; and (iii) the key issues facing entrepreneurs from

the Muslim Community. The feedback from the focus groups has been incorporated into the commentary on the findings of the survey presented in this chapter.

3.2 Description of Entrepreneurs from the Muslim Community in Ireland – Gender, Age and Education

On completion of the survey, an analysis of the demographic profile of all respondents was undertaken. This is necessary in order to create a profile of entrepreneurs from the Muslim community in Ireland. These results were then compared with the data of the 2006 Central Statistics Office (CSO) national census survey (reference Tables 3.1, 3.2 and 3.3 below).

Table 3.1: Gender Profile of Respondents versus Census 2006

Gender		
	Survey Respondents	CSO 2006
Male	87%	65%
Female	13%	35%
Total	100%	100%

The gender composition of respondents is greatly skewed towards male, although there is a larger population of Muslim males in Ireland than females, the gender profile of respondents highlights that the vast majority of Muslims operating in business or as entrepreneurs are male.

Table 3.2: Age Profile of Respondents versus Census 2006

Age		
	Survey Respondents	CSO 2006
25 – 44 years	80%	88%
45 – 64 years	20%	12%
Total	100%	100%

Fewer differences are observed in the age profile of respondents versus the age profile of Muslims recorded in the 2006 Census, compared to their gender representation. As the largest majority of Muslims in Ireland are aged between the ages 25 – 44, it is to be expected that this age cluster is going to produce the largest amount of entrepreneurs. Two thirds of the entrepreneurs in our survey come from this age cohort, with the remaining third coming from the older age cohort.

Table 3.3: Highest Educational Qualifications of Respondents versus Census 2006

Level of Education Achieved			
	Survey Respondents		CSO 2006*
	All Respondents	Business Owners	
Primary	1.1%	-	9.5%
Lower Secondary	2.2%	2.9%	11.4%
Upper Secondary	16.3%	20.6%	23.5%
3 rd Level – Non Degree	18.5%	32.4%	7.7%
3 rd Level – Degree	62%	44.1%	37.9%
Total	100%	100%	100%

*(Muslims, over 15 who are no longer in full time education)

The education profile of respondents varies significantly from the 2006 Census. Approximately 62% of respondents have obtained a third level degree, with a further 18.5% having obtained a non-degree third level qualification. The profile of business owners in our sample is more closely aligned with the overall population. However, there is a significant difference in the number of business owners with a non-degree third-level qualification (32.4%) compared to the overall Muslim population, 7.7%. Both the overall group of respondents and the business owners within the respondent group are, on average, better educated than the Muslim population in Ireland as a whole.

3.3 Geographic Distribution

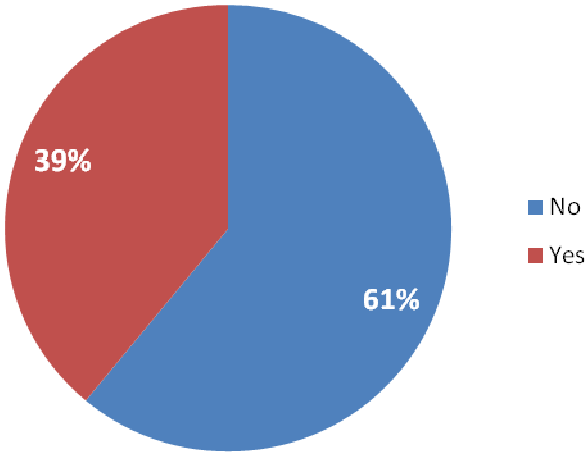
The results showed that 91% of Muslim businesses surveyed were located in Dublin; a high percentage was to be expected as 53% of Muslims living in Ireland are based in Dublin, according to the CSO 2006 census. The remaining businesses responding to the survey were located in the counties surrounding Dublin, namely Meath, Wicklow and Louth, with one business located in Fermanagh. While the survey respondents were predominantly based in Leinster the focus groups in Belfast and Cork still felt that the survey findings were largely representative of business activity in the Muslim Community.

3.4 Research Objective One: Extent of Muslim Business Ownership

The first objective of this research was to determine the rate of business ownership amongst Muslims living in Ireland. From the 151 Muslims that participated in this research, 39% claim to be

the owner or part-owner of a business in Ireland. An increase in the respondents willing to complete this survey would have increased the reliability of this result; however within a margin of error of +/- 7.9% it is possible that 39% of Muslims in Ireland are owners or part owners of a business.

Figure 3.1: Rate of Business Ownership among Muslims in Ireland 2010
Are you the owner or co-owner of a business?



It must be noted that the rate of business ownership among Muslims in Ireland indicated by the research is higher than what the 2006 Census would suggest. Of the 22,560 Muslims in Ireland over 15 Years of age, 909 people or 4% of Muslims in Ireland classified themselves as ‘own account workers or employers’. A further 8.54% of Muslims in Ireland classified themselves as employers and managers. If you

restrict the comparison to the Muslim male population (to reflect the 87% of respondents and all of the business owners in the sample are men), the age percentage of ‘own account workers or employers’ from the 2006 census more than doubles to 9.9%. Combining the percentage of Muslim males who classified themselves as ‘employers and managers’ (8.45%) with the age percentage of ‘own account workers or employers’ (9.9%), the percentage of Muslim business owners from the 2006 census increases to 18.44%, and as a result the 2006 census is more in line with the survey findings. It should also be highlighted that the survey methodology was skewed in favour of business-owners and so this figure is not representative of the general Muslim population. The remaining difference between the rate of Muslim business ownership determined in the 2006 Census compared to this research could be explained by the continuing increase in immigration inflows that Ireland has experienced since the 2006 Census was conducted, resulting in a greater pool of immigrants from which Muslim entrepreneurs might emerge. Furthermore, in the intervening years, more of the Muslims already living in Ireland may have embarked on a business venture. This explanation is supported by the findings that a large number of Muslim businesses have operated for no more than four years (reference section 3.5.1.2 below).

3.5 Research Objective Two: Mapping Entrepreneurship in the Muslim Community in Ireland

The second research objective was to map, in detail, the entrepreneurial activity in the Muslim Community in Ireland in 2010. Owners or part owners of businesses in Ireland were identified through the nationwide survey of Muslims in Ireland. Consequently, information was obtained and analysed with respect to the nature of their businesses, and their interaction with the Irish business environment. In detailing Muslim entrepreneurial activity in Ireland, particular attention was paid to seven areas:

1. Characteristics of Muslim Owned Businesses;
2. Owner Characteristics;
3. Challenges Facing Muslim Entrepreneurs;
4. Access to Finance;
5. Business Skills;
6. Network Connections;
7. Business Performance.

Each of these business characteristics are examined in detail in the forthcoming pages and will help to accurately profile Muslim entrepreneurs in Ireland.

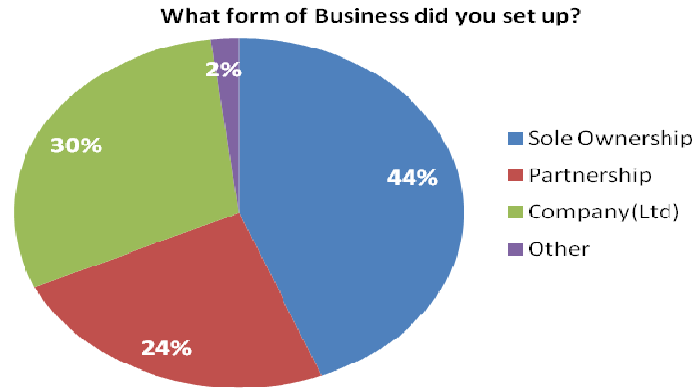
3.5.1 Business Characteristics

In order to provide an overall description of the characteristics of Muslim businesses, data pertaining to business ownership type, age range, geographic location, industry profile, size, market focus and international business activity were first analysed.

3.5.1.1 Form of Ownership

Figure 3.2 below identifies that 43.5% of Muslim owned businesses are sole ownership entities, with approximately 24% classified as partners and 30.5% being limited companies. The high rate of sole ownership is an initial indication that Muslim owned businesses in Ireland are small in size.

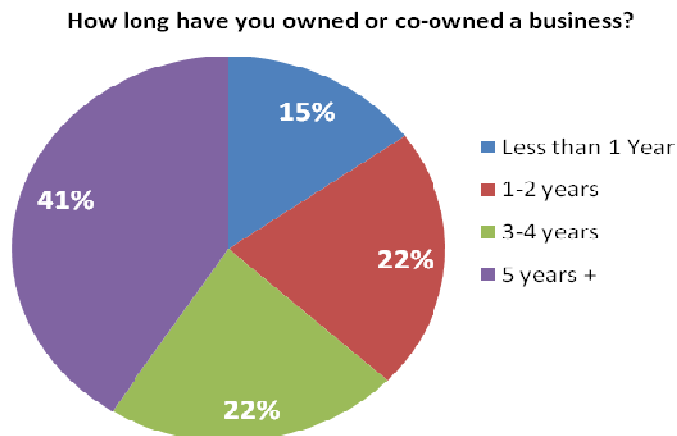
Figure 3.2: Form of Business Ownership



3.5.1.2 Age of Business (Including Employment and Turn-Over)

An analysis of the age profile of Muslim owned businesses highlights that a significant cohort of the businesses are well established with slightly more than 41% of businesses operating for five years or more, and a further 22% have been operating for three or more years, (Figure 3.3). Nearly 22% of the businesses are between one and two years old with the residual 15% of Muslim owned businesses operating for less than one year.

Figure 3.3: Age Profile of Muslim Businesses



The spread of age of the Muslim owned businesses suggests a progressive development of economic activity in the community. While the fact that more than 58% of the businesses are less than five years in operation highlights recent growth in company formation despite the down-turn in the economy.

An analysis of the number of people employed by Muslim owned businesses highlights that the majority of Muslim owned businesses (88%) are micro businesses employing 10 or less full time

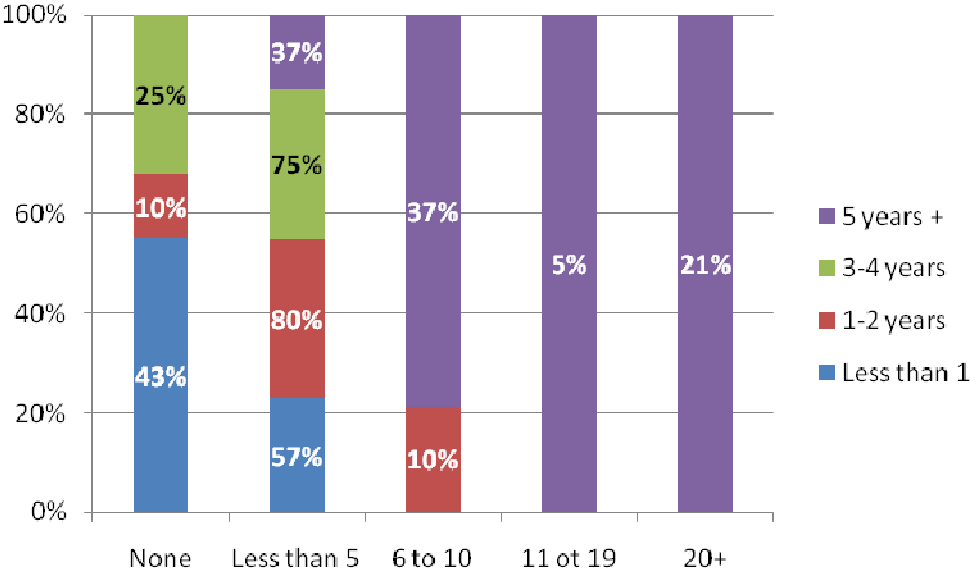
equivalent employees. The remaining businesses are classed as small businesses (reference Table 3.4).

Table 3.4: Number of Full Time versus Part Time Employees

% of Businesses	Number of Full time Employees →					
	None	Less than 5	6 to 10	11 to 19	20 +	Total
Number of Part Time Employees ↓						
None	14.0%	18.6%	-	-	2.3%	34.9%
Less than 5	-	34.9%	18.6%	2.3%	-	55.8%
6 to 10	-	2.3%	-	-	2.3%	4.7%
11 to 19	-	-	-	-	-	-
20 +	-	-	-	-	4.7%	4.7%
Total	14%	55.8%	18.6%	2.3%	9.3%	100.0%

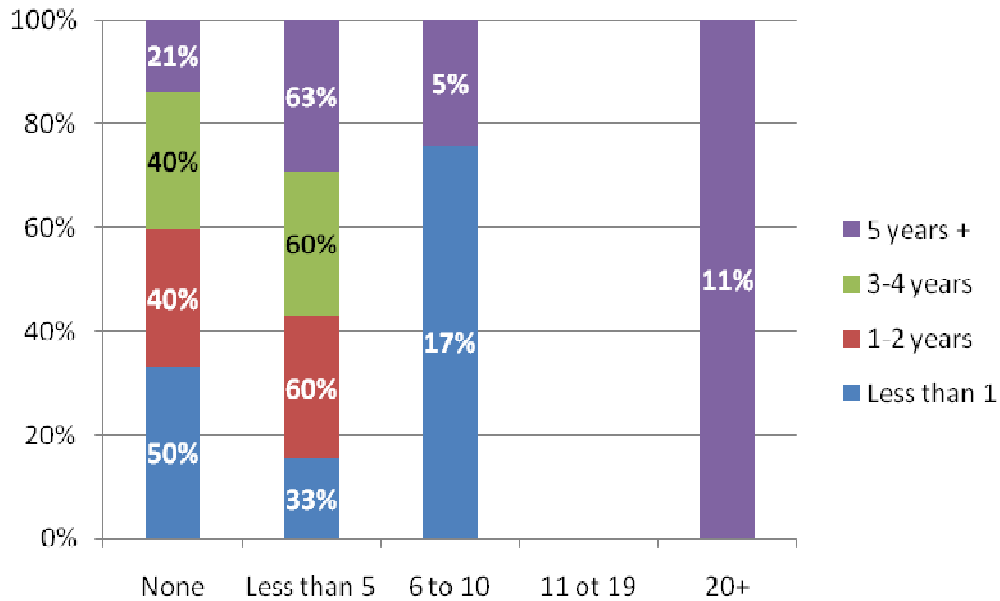
Comparing the age profile of Muslim owned businesses with the number of full and part-time workers the businesses employ (Figures 3.4 and 3.5) highlights that the older businesses account for the larger numbers of both full and part time employees.

Figure 3.4: Age of Business with Number of Full-Time Employees



This analysis emphasises the fact that majority of Muslim owned businesses are both very small and comparatively young.

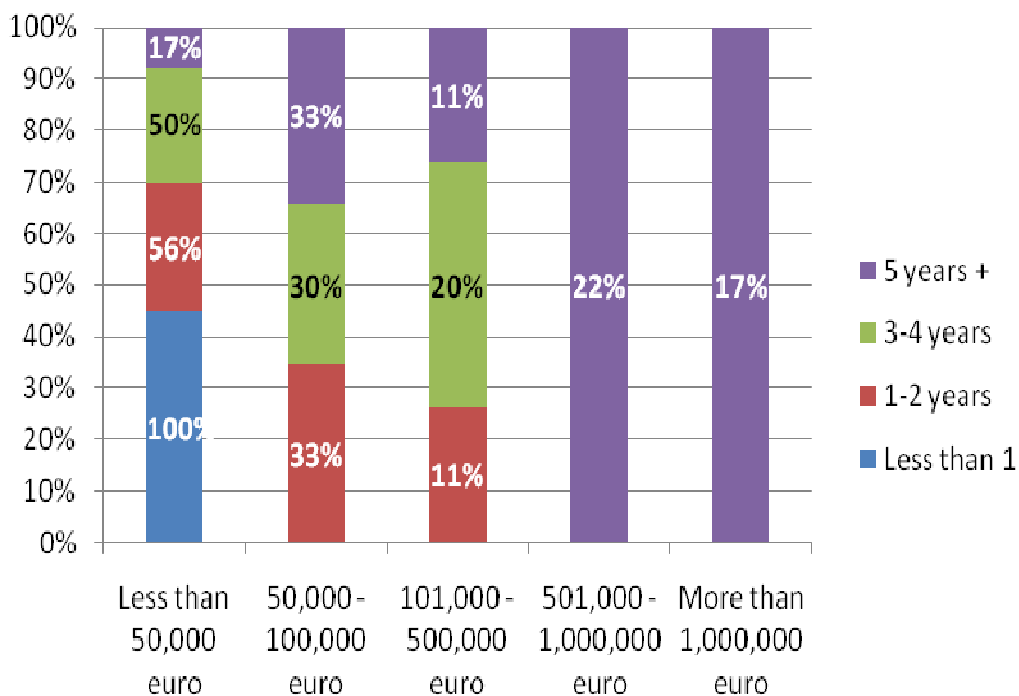
Figure 3.5: Age of Business with Number of Part-Time Employees



The analysis also shows that while some of the older businesses employ a larger number of people, nearly 75% of the businesses that have been operating for 5 years and more still employ 10 or less full-time equivalent people and would therefore still be classed as micro enterprises.

Comparing the turnover and age of Muslim owned businesses provides additional insight into the key characteristics of these businesses. Figure 3.6 shows that the older businesses generate a higher turnover, with 7% of Muslim owned businesses having a turnover of over one million euro and a further 9 % of these businesses turning-over between €501,000 and €1,000,000.

Figure 3.6: Age of Business with Sales Turnover for the Past Twelve Months

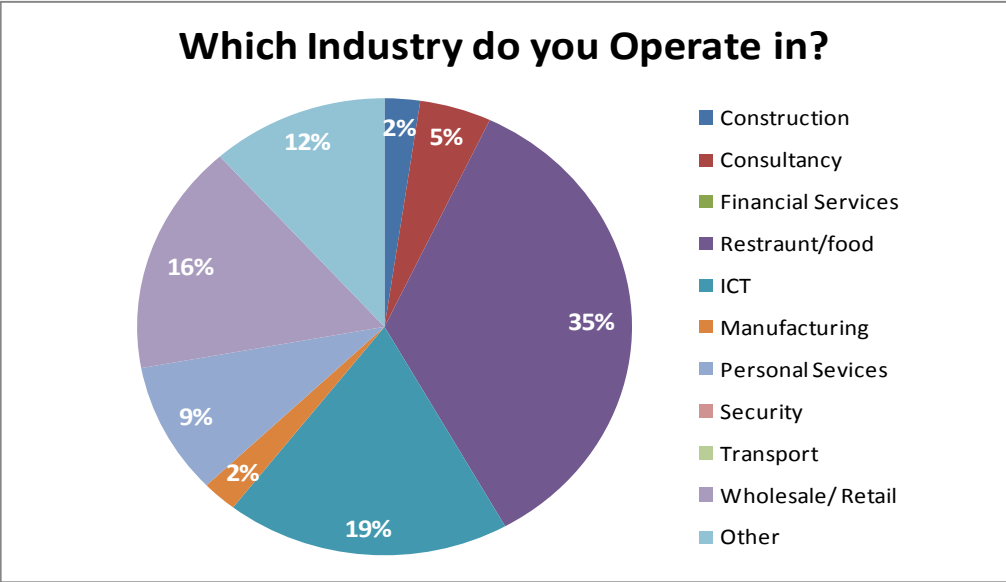


However, 21% of Muslim owned businesses operating for 5 years or more and 72% of all Muslim owned businesses turnover €100,000 per annum or less further emphasising the small scale of the typical Muslim owned business. The younger businesses in particular may be struggling with relatively low turnover. No business that has been operating for less than a year has been able to turn-over more than €50,000. The focus groups were somewhat sceptical about the lower levels of turnover claimed. However, the reported turnover is in line with the previous study of Ethnic Entrepreneurship (Cooney and Flynn, 2008).

3.5.1.3 Industry Profile and International Business Activity

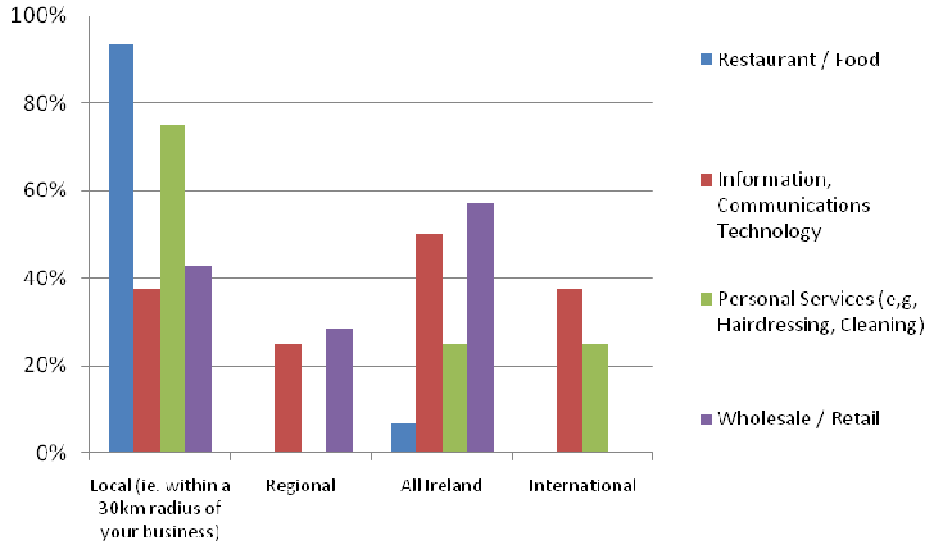
Muslim owned businesses operate across a broad range of industries (Figure 3.7). Of these 35% of Muslim owned businesses operate in the restaurant / food sector which is broadly in line with ethnic business ownership trends in other countries. The wholesale / retail and the information communication and technology sectors feature predominately, accounting for 19 and 16% of the sample respectively. Personal services accounts for a significant cohort of Muslim businesses at 9%, with consultancy, construction and manufacturing accounting for the remaining businesses. 12 % of respondents did not categorise their businesses in any of the industries identified, and specified that their businesses were varied from the travel industry, education and even the gardening / nursery industry.

Figure 3.7: Industry Profile



A comparison of the industry profile of Muslim owned businesses and the markets they serve provides a greater understanding into the customer base of in each industry and determining if Muslim businesses serve Irish, Muslim or international customers.

Figure 3.8: Industry Profile with Business Market Served



The key industries that Muslim businesses are operating in were chosen for this analysis; restaurant/food, ICT, wholesale/retail, and the personal services industries. Figure 3.8 above details the breakdown between industry and market served. Table 3.5 summarises the overall spread of markets served by Muslim owned businesses. The analysis highlights that Muslim owned businesses in Ireland predominantly serve their local or the domestic Irish market.

Table 3.5: Markets Served by Entrepreneurs in the Muslim Community

Market	Percentage of Organisations
Local (within 30km radius of business)	62.8%
Regional	14.0%
All Ireland	32.6%
International	11.6%

The survey found that 89% of all Muslim owned businesses only serve the Irish market. The figures highlighted that 93.3% of restaurant / food service industries and 75% of personal services businesses serving their local market (within a 30km of their business). Wholesale / retail (57%) and ICT (50%) industries primarily serve the entire Irish market, and only 37.5% of ICT and 25% of personal services businesses serve the international market.

Figure 3.9: Industry Profile versus Percentage of Customers in the International Market

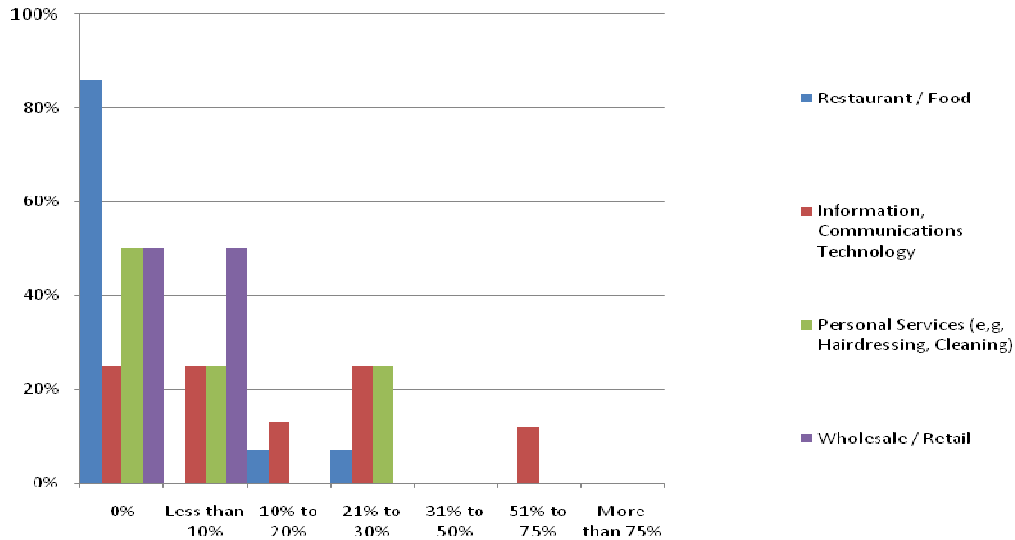


Figure 3.9 above shows respondents' estimates of the percentage of their customers located in the international market for businesses in the restaurant / food, ICT, wholesale / retail and personal services industries. The ICT industry is the most dependent on international customers, and as might be expected the restaurant / food service industry is the least dependent.

To gain a further understanding of the four key industries in which Muslim owned businesses in Ireland operate, an analysis of business activities conducted with the entrepreneur's country of origin (country of birth, if outside Ireland) was undertaken. Three questions were addressed: sourcing products from country of birth; exporting products to country of birth; and providing services to country of birth. The analysis highlighted that relatively few Muslim entrepreneurs in Ireland carry-out business with their country of origin, the majority of Muslim owned businesses in the wholesale / retail industries source some products from, and 50% of Muslim businesses in the ICT industry provide some services to their country of birth. However, generally economic activity is low between Ireland and their country of birth.

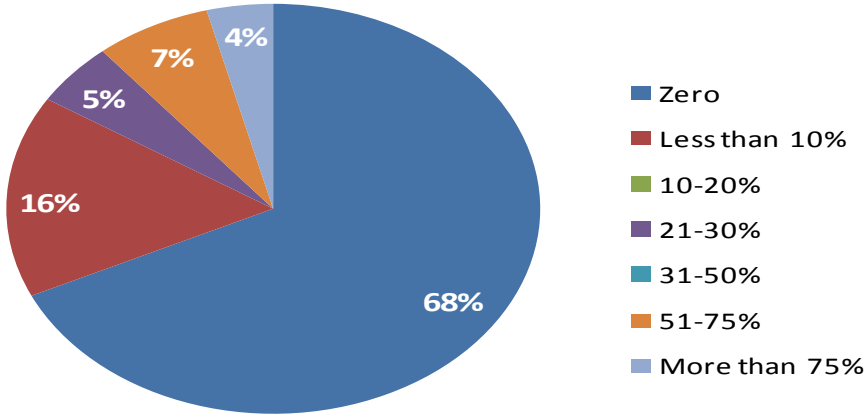
Table 3.6: Business Conducted with Country of Birth by Main Industry Types

		Restaurant / Food	ICT	Personal Services	Wholesale/ Retail	All Respondents
Source Products	Yes	14.3%	25.0%	-	75.0%	27.3%
	No	85.7%	75.0%	100.0%	25.0%	72.7%
Export Products	Yes	7.1%	12.5%	25.0%	-	7.3%
	No	92.9%	87.5%	75.0%	100.0%	92.7%
Provide Services to	Yes	7.1%	50.0%	-	-	17.1%
	No	92.9%	50.0%	100.0%	100.0%	82.9%

As a final gauge of international business activity respondents were asked to estimate the percentage of sales generated from their country of origin. Figure 3.10 below identifies that the level of sales by Muslim businesses in Ireland to their country of origin is relatively low. Over two-thirds of respondents, at 68%, report no sales to their country of birth. A further 16% of respondents attribute less than 10% of total sales to their country of origin. The remaining 16% of Muslim entrepreneurs report varying levels of sales to their country of birth, with 4% of respondents identifying that 75% of their overall sales are attributed to their country of birth. This low level of sales to country of birth is reflective of the predominant focus by Muslim businesses on the Irish market, whether local, regional, or all-Ireland.

Figure 3.10: Sales to Country of Birth

What Percentage of Your Sale were to Your Country of Birth



The survey produced a large array of detailed information which can be difficult to assimilate in a short time. Table 3.7 presents a summary of the main characteristics to enable the reader to clearly interpret the key findings for the analysis of the business characteristics.

Table 3.7: Summary of Muslim Business Characteristics

- Sole ownership is the predominant form of legal ownership for Muslim businesses (43.5%) followed by limited company (30.4%) and partnership (24%).
- Just over 40% of Muslim owned businesses have been in operation in the Irish market for over five years, with the majority, 59% in operation for less than five years.
- The four main sectors in which Muslim businesses compete are wholesale/retail, ICT, food/restaurant and personal services.
- 88% of Muslim owned businesses employ less than 10 full or part-time staff making them micro enterprises.
- 72% of Muslim owned businesses generated turnover below €100,000 in 2010 emphasising the relatively small scale of these businesses.
- For 90% of Muslim owned businesses the Irish market is their primary market focus.
- A minority of Muslim businesses import products from their country of origin (27%), export products to their country of origin (7%), or provide services in their country of origin (17%).

The report will now move from an analysis of the business characteristics to examining the owner characteristics that were identified through the survey.

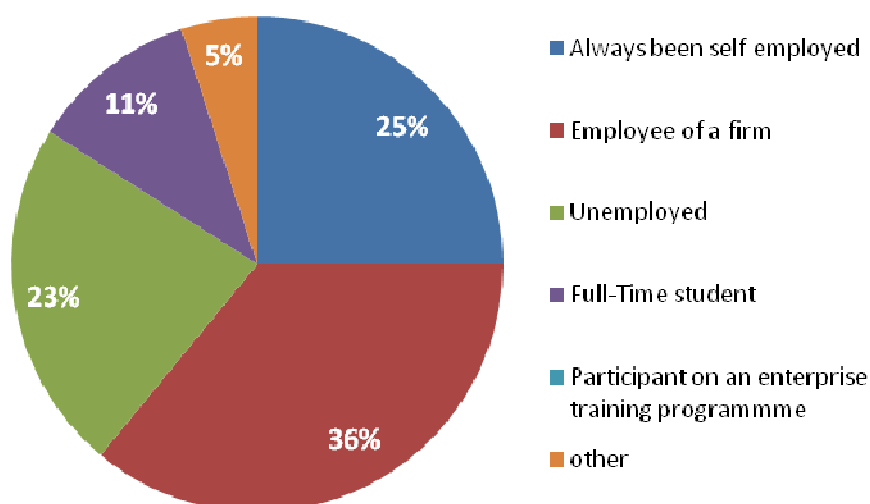
3.5.2 Owner Characteristics

This section details the characteristics of Muslim business owners surveyed in the course of this research. Respondents were questioned as to their status in Ireland prior to the establishment of their business, their previous experience of business ownership, the factors that drove them to pursue self employment, and the primary motivation for them for them to become a business owner. A profile of respondents in terms of gender, age, education and country of origin has also been compiled.

3.5.2.1 Status in Ireland Prior to Establishing a Business

The research shows that there is a reasonable spread across the status of entrepreneurs from the Muslim community before they established their business in Ireland; the largest cohort of respondents (accounting for 36% of business owners) was employed in another company before starting their own business. The next cohort representing a quarter (25%) of Muslim business owners have always been self-employed in Ireland. Another cohort representing just under a quarter of the businesses survey were unemployed, and a further 11 % were full-time students, (Figure 3.11).

Figure 3.11: Status Prior to Self-Employed Business Owner



3.5.2.2 Previous Business Ownership

28% of respondents previously owned a business in their country of origin (a listing of the sectors in which those who previously owned a business operated in is provided in Table 3.8). This means that close to three quarters (72%) of respondents were business novices upon establishing their businesses in Ireland. The survey analysis also shows that business owners with previous experience have set up their businesses in Ireland in the same or directly related sectors.

Table 3.8: Profile of the Sectors in which Previous Business Owners Competed in their Country of Origin

Textile	Restaurant
Retail	ICT
Services	Car Show Room

3.5.2.3 Drivers for Starting a Business

Much debate has occurred in academic studies on ethnic entrepreneurship (which in this case can be applied to entrepreneurship in the Muslim community in Ireland) as to the factors that drive people from ethnic minorities to initiate their own business venture. According to some contributors, ethnic entrepreneurs gravitate towards self-employment as a result of limited opportunities or career progression in the open labour market. In this sense, it is suggested that ethnic minorities are 'pushed' into self-employment. This thesis is countered by other contributors

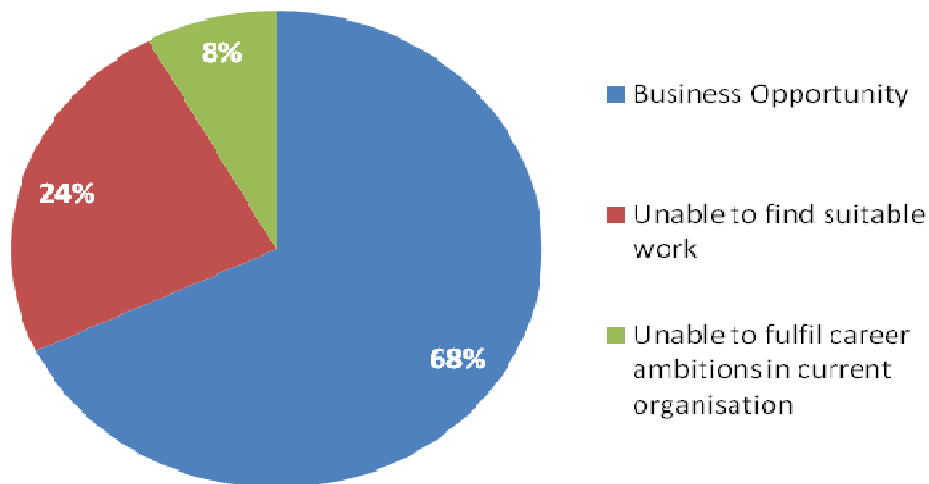
who assert that ethnic entrepreneurs are less pushed and more pulled to starting-up their own business through the identification of promising business opportunities.

In examining what factors drove Muslim entrepreneurs in Ireland to establish their own businesses, three options were presented to the survey respondents:

1. Business opportunity in the market;
2. Unable to find suitable work;
3. Unable to fulfil career ambitions as an employee.

The results from the question are presented in Figure 3.12 below. This analysis provides a basis for determining if Muslim entrepreneurship in Ireland is primarily opportunity driven or need driven. The identification of a promising business opportunity is cited by the majority of Muslim entrepreneurs as the driving force behind the decision to establish a business (68%). As such, the majority of respondents can be described as opportunity driven entrepreneurs. Difficulties in securing suitable employment and dissatisfaction with their employment situation are cited by the remaining respondents as factors that impelled them to self employment. Approximately 24% identified difficulties in locating suitable employment as the primary reason why they took the decision to start their own businesses, while only 7% identified limited or blocked opportunities to apply themselves to their previous work roles as the precise factor that pushed them toward establishing their own business.

Figure 3.12: Causal Factors of Muslim Business Start-Ups in Ireland

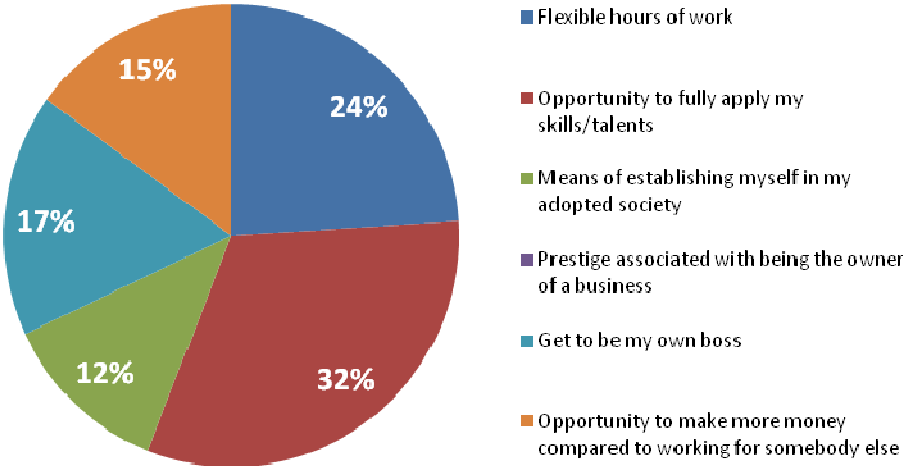


3.5.2.4 Main Advantages of Self-Employment

The survey respondents were asked what they considered to be the main advantages of owning their own businesses in order to gain an understanding of the motivations of Muslim entrepreneurs. This analysis also provides some insight into why particular people are likely to remain self-employed. The ethnic entrepreneur has traditionally been portrayed as being motivated solely by the desire for economic advancement driven by economic need with little or no support from their adopted country. However, contemporary research challenges that stereo-type and reveals that, similar to indigenous entrepreneurs, it is intrinsic factors that explain, for the most part, why ethnic entrepreneurs are drawn to and stay its self-employment.

The finding that Muslim entrepreneurs in Ireland are largely driven by opportunity is again reflected in the analysis of motivators for starting your own business. Just under a third of Business owners are motivated by the opportunity to apply their own skills and talents, a further 17% of respondents selected the opportunity to be their own boss, and 12% of respondents indicated that they saw starting their own business as a means of establishing themselves in their adopted society. The benefit of having control of their own working time was a key motivator for a further quarter of Muslim business owners.

Figure 3.13: Main Advantages of Self-Employment



The key finding was that less than 15% of Muslim business owners were motivated by making more money and none of the respondents considered any prestige associated with owning their own business to be important. The focus group participants were not surprised by these findings. They noted that the underlying philosophy of Islam is the advancement of society as a whole as opposed to the enrichment of the individual.

3.5.2.5 Personal Profile of Muslim Entrepreneurs

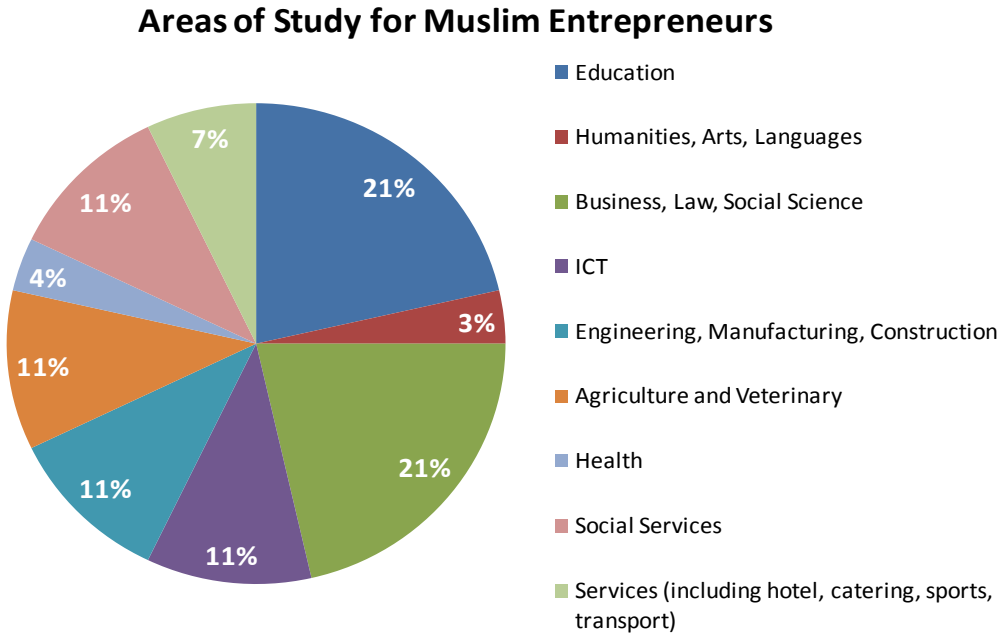
Muslim business owners in Ireland are predominately male (25% of business owners did not identify their gender and only one participant in the survey identified herself as a woman), relatively young in age, and with a relatively high level of educational attainment.

Table 3.9: Personal Profiles of Muslim Entrepreneurs

Gender		Age		Educational Attainment	
Male	95 %	25 – 44	66%	Third Level Non Degree	32%
Female	5 %	45 - 65	34%	Third Level (Degree or Higher (e.g. PhD))	44%

A detailed breakdown of the areas in which Muslim Entrepreneurs have secured third level qualifications is presented in Figure 3.14. Education and Business are the largest cohorts. However, Muslim entrepreneurs have a reasonable spread of qualifications across a number of disciplines. The more surprising finding is that there is little or no correlation between the qualifications obtained and the industry served. For example, none of the Computing Graduates are actually working in the ICT industry and most have found themselves working in food and retail.

Figure 3.14: Third-Level Qualifications of Muslim Entrepreneurs



The largest cohort of Muslim Entrepreneurs comes from Africa. However, there is a significant cohort of Irish born Muslim Entrepreneurs, as well as a smaller cohort of other Europeans.

The Middle East (from Palestine to Pakistan) account for the remaining Muslim Entrepreneurs in Ireland.

Table 3.10: Muslim Entrepreneurs by Origin

North Africa	Other African	Irish	Other European	Middle East
44%	3%	22%	9%	22%

3.5.3 Challenges Facing Muslim Entrepreneurs

This research also examined the challenges confronting ethnic entrepreneurs. Firstly, the respondents’ experience of discrimination from various economic actors is assessed. Secondly, the business challenges considered most pressing by respondents were identified.

3.5.3.1 Discrimination

Studies from across a range of immigrant host countries suggest that wariness and hostility from mainstream society is a problem frequently encountered by ethnic business people. This can assume various manifestations, ranging from difficulties gaining the trust of local customers or suppliers to securing finance from financial institutions or support from Government agencies.

The survey respondents were asked if they had experienced discrimination from the main actors within the Irish business environment. In the case of five out of the six categories of business actors listed in Table 3.11, the majority of Muslim entrepreneur respondents claimed that they had not experienced discrimination in the course of running their business. However, customers and landlords are the most likely to discriminate against Muslim Entrepreneurs. It is unclear whether Muslim entrepreneurs were discriminated against because they were Muslim or because of other factors (e.g. ethnic origin). However, the majority of respondents who experienced discrimination were from a North African or Middle Eastern ethnic origin.

Table 3.11: Experience of Business Discrimination in Ireland

Experienced Discrimination from...	Yes	No
Financial Institutions	13%	87%
Supplier	15%	85%
Customer	24%	76%
Competitor	11%	89%
Landlord	20%	80%
State Agency	13%	87%

However, the participants in the focus groups suggested that the incidence of discrimination was understated. Most had some experience of discrimination and they believe that the survey participants were being somewhat circumspect, preferring not to insult their host country.

3.5.3.2 Main Challenges Facing Muslim Entrepreneurs in Ireland

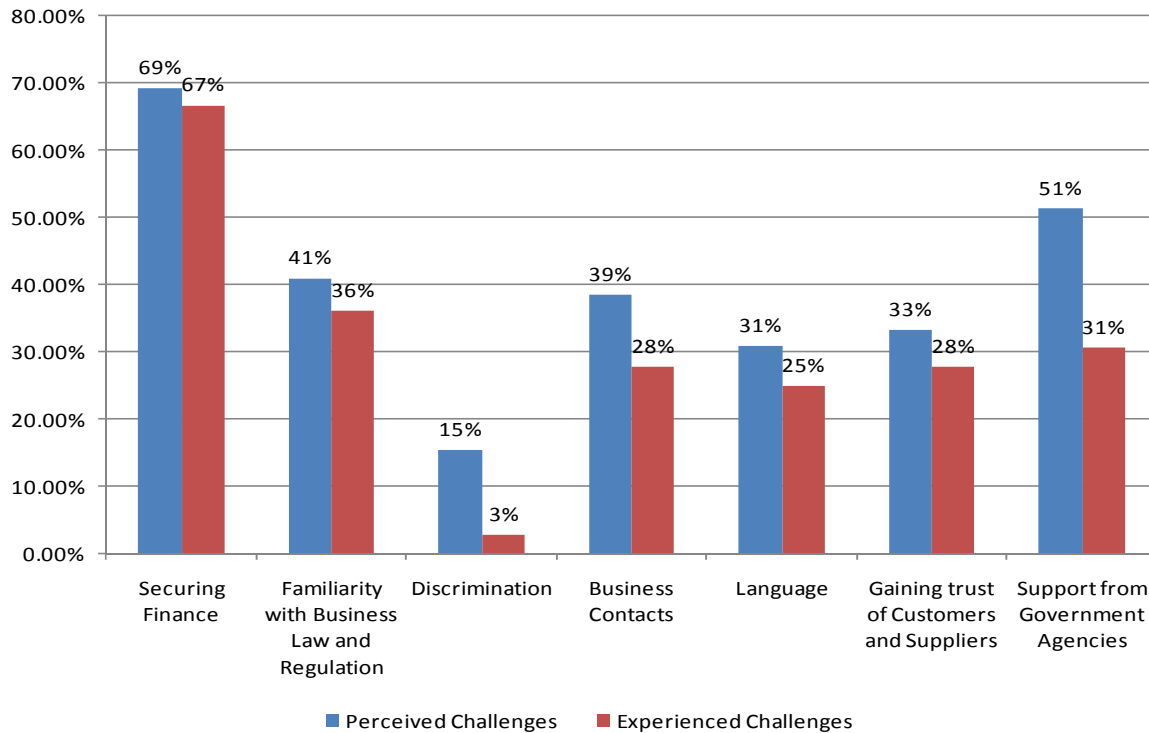
While all budding entrepreneurs experience challenges in the form of access to capital, access to business networks and an incomplete understanding of the industry in which they are aiming to compete, these challenges can be particularly acute in the case of entrepreneurs from ethnic minority backgrounds. There are also further challenges unique to business people from ethnic minorities relating to language, familiarity with the institutional and legal environment of the host country and discrimination.

In examining the challenges facing Muslim entrepreneurs in Ireland, respondents were requested to select: (i) the three main challenges they perceived to be affecting Muslim business owners; and (ii) the three main challenges that they personally experience in the course of operating their business in Ireland. As such, challenges as perceived by respondents as well as the challenges actually experienced by respondents are measured, reference Figure 3.15. Factors examined include:

- Securing finance;
- Lack of familiarity with Irish business law and Irish business regulations;
- Discrimination by Irish society;
- No business contacts;
- Language barriers;
- Gaining the trust and acceptance of Irish business suppliers and customers;
- Obtaining support from state enterprise agencies.

In general the Muslim Entrepreneurs perceived that their community experiences a higher level of challenges than they personally face. However, the relative severity of specific challenges experienced versus challenges perceived is similar. For example, access to finance is the biggest challenge actually experienced by Muslim Entrepreneurs and it is also perceived to be the biggest challenge facing the Muslim Business Community, while discrimination is perceived to be the lowest challenge and it is also the lowest issue personally experienced by respondents (notwithstanding the earlier comment about a reticence to report discrimination). It is worth noting that the divergence between experience of discrimination and one's perception of the issues facing the community as a whole, and the experience of issues gaining the support of government agencies and the perceived difficulty, show the greatest divergence. The focus groups noted that the same reticence in criticising their host country with respect to discrimination would apply to criticising the Government or Government Agencies.

Figure 3.15: Perceived versus Actual Challenges Facing Muslim Entrepreneurs in the Irish Market



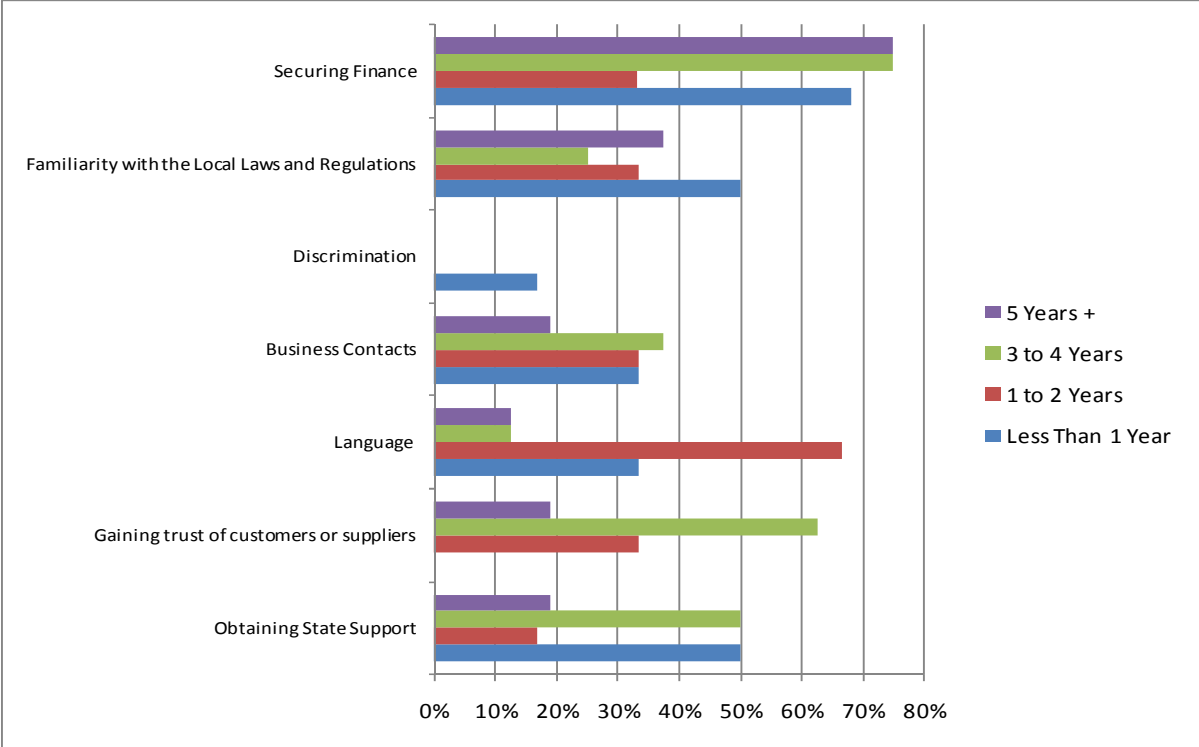
The findings show that securing finance is the main challenge, both perceived and personally experienced by Muslim entrepreneurs (reference section 3.4.4 for further analysis regarding access to finance). The other key challenges facing Muslim entrepreneurs are somewhat inter-related (understanding of local laws and regulations, building up business contacts, gaining trust of customers and suppliers and language) and broadly similar in severity. Weak language skills undermine the ability to build business contacts and research the legislative framework for your business. A lack of facility with language may also contribute to the difficulty of gaining trust as it will make it difficult to build beyond a transactional relationship with customers and suppliers.

These findings mirror a previous study conducted by Cooney and Flynn (2008) on ethnic entrepreneurship in Ireland. The report *A Mapping of Ethnic Entrepreneurship in Ireland* identified that the issues surrounding securing finance was the principal challenge facing ethnic entrepreneurs in Ireland (both perceived and actually experiences by ethnic entrepreneurs). Gaining the trust of Irish business actors and a general lack of familiarity with the workings of the Irish business environment were the next most cited challenges faced by ethnic entrepreneurs in Ireland. These findings highlight that the challenges Muslim entrepreneurs experience are reflective of the general challenges facing ethnic entrepreneurs in Ireland.

In order to further investigate the issues facing Muslim entrepreneurs in Ireland, the challenges experienced by Muslim entrepreneurs was analysed with the number of years the Muslim entrepreneur has owned their business. Securing finance from banks was cited by all Muslim businesses as the most pressing challenge. The majority of businesses in operation over five years in the Irish markets also identified securing finance as their main challenge. However, a significant

proportion of the older businesses still consider an understanding of the laws and regulations in the Irish market to be a concern. Muslim owned businesses in operation between 3 - 4 years also identify accessing finance as their major issue. However a significant number of these businesses continue to have issues gaining the trust of their customers or suppliers.

Figure 3.16: Challenges perceived by Muslim Entrepreneurs with the Age of the Business



Language seems to be the biggest issue for businesses between one and two years old. However, it is interesting to note that these businesses identify fewer challenges facing them than businesses operating for either less than one or more than three years. It is possible that these businesses have already secured finance and acquired their initial customer and supply base and that it is not until they reach a certain stage of maturity that they need to access further finance for growth and then experience the broader range of issues experienced as they started-up. The analysis of issues by age of business highlights a typical business cycle of initial growth, stabilisation and then further development and growth. The analysis would also suggest that the issues and challenges faced by ethnic businesses in general, and Muslim owned businesses in particular, do not necessarily lessen over time.

3.5.4 Access to Finance

As expected, access to finance is cited by Muslim entrepreneurs in this research as among the greatest challenges that they encounter in establishing and developing their business. This finding is consistent with international research on ethnic entrepreneurs which recognises the

difficulties that ethnic minority people are often confronted with in accessing finance from institutions. Consideration was given to this target group of Muslim entrepreneurs with regard to the specific issue of finance due to the strict Islamic rules governing finance. In order to create a more detailed understanding of Muslim entrepreneurs' experience of accessing and securing finance in Ireland, respondents were questioned as to: (i) their opinions on implementing Sha'riah compliant finance in Ireland; (ii) their experience of accessing Sha'riah finance in Ireland; (iii) their experience of accessing finance other than Sha'riah law finance; and (iv) how they obtained finance to establish their business.

3.5.4.1 Sha'riah Finance Law

To gauge Muslim entrepreneur's opinions on access to Sha'riah compliant finance, respondents were asked if they thought that Sha'riah Law compliant finance should be introduced in Ireland, and they were also asked if they believed that the availability of Sha'riah compliant finance would make it easier for Muslim business owners to access finance. The survey found that 90% of respondents share the opinion that Sha'riah compliant finance should be introduced in Ireland, with a similar 92% of Muslim entrepreneurs believing that Sha'riah compliant finance would make access to finance easier for Muslim entrepreneurs in Ireland.

3.5.4.2 Obtaining Sha'riah Law Finance

As Sha'riah compliant finance is not widely available from mainstream Irish financial institutions, respondents were asked, if and how, they obtained Sha'riah compliant finance from the following sources: (i) Bank or Building Society, (ii) Credit Union, (iii) Government Agency, (iv) Family / Relatives, and (v) Business Acquaintances.

Figure 3.17: Have you tried to access Sha'riah compliant finance from the following sources?

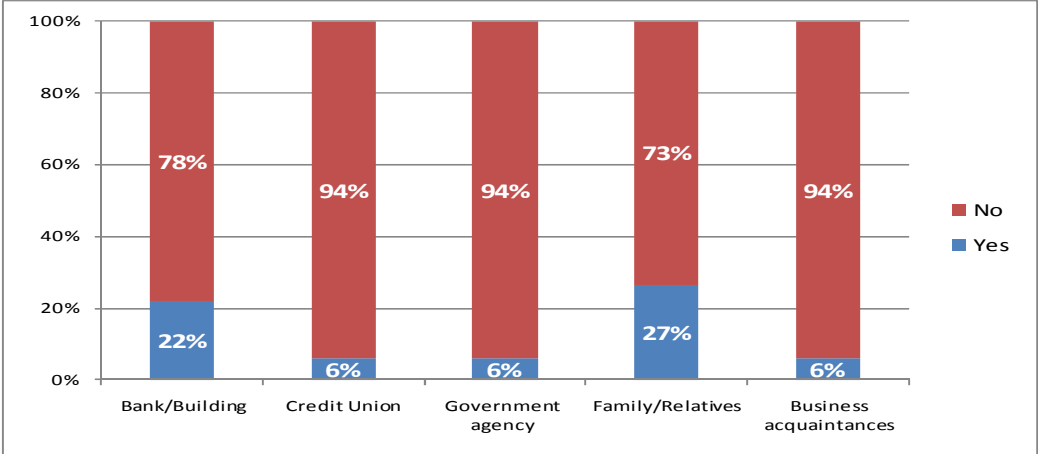


Figure 3.17 illustrates that the vast majority of respondents have not tried to obtain Sha’riah compliant finance from the sources noted above. The cohort of Muslim entrepreneurs who tried to secure Sha’riah compliant finance approached family / relatives or their banks / building Societies.

The respondents were also asked if they were successful in obtaining Sha’riah compliant finance from the sources the approached. Table 3.12 identifies that the most available sources of Sha’riah compliant finance are family and relatives or business acquaintances. The authors are not aware of any generally available Sha’riah compliant finance through Irish financial institutions and so are cautious about the reported success in accessing Sha’riah compliant finance as it may be a matter of interpretation. The Bank / Building Society finance could be seed capital and the credit union finance may be based on the interpretation of the reciprocal nature of member savings and loan grants as somewhat compliant with Sha’riah law. The interpretation of the government / agency finance as Sha’riah compliant may be based on the idea that County Enterprise Grants are unsecured, interest free, repayable grants. Without being able to discuss the responses with the individuals concerned, further investigation is not possible.

Table 3.12: Success Rate Obtaining Sha’riah Compliant Finance

Source Approach for Sha’riah Compliant Finance	% Of Respondents who Tried to access Sha’riah Complaint Finance	Success Rate
Bank / Building Society	22%	12.5%
Credit Union	6%	50%
Government Agency	6%	50%
Family / Relatives	27%	87.5%
Business Acquaintances	6%	100%

3.5.4.3 Obtaining Non-Sha’riah Law Finance

Given that Sha’riah law compliant finance is not widely available and accessible from Irish Financial Institutions; the study examined if Muslim entrepreneurs are (a) willing to obtain non-Sha’riah compliant finance to establish and fund their businesses and if so were they successful in obtaining finance from any of the same group of sources listed above i.e.: (i) Bank or Building Society, (ii) Credit Union, (iii) Government Agency, (iv) Family / Relatives, (v) Business Acquaintances. As illustrated in Table 3.13 the vast majority of Muslim entrepreneurs did not try to obtain Non Sha’riah compliant finance. For those who were willing to access finance on a non-Sha’riah compliant basis family and relatives or business acquaintances again prove to be a good source of finance. Muslim Entrepreneurs who approached banks were reasonably successful. However, the success rate is down on the previous study on Ethnic Entrepreneurs where the

reported success rate was close to 80%. This reflects the deterioration in the Irish Banks willingness and ability to lend to new / small businesses in the current financial crisis.

Table 3.13: Success Rate obtaining non-Sha’riah Law Compliant Finance

Sources Tried	% Of Respondents who Tried to access Sha’riah Complaint Finance	Success Rate
Bank / Building Society	16%	66%
Credit Union	3%	100%
Government Agency	14%	20%
Family / Relative	17%	100%
Business Acquaintance	6%	100%

This finding was echoed in the focus groups where participants reported major difficulties, not only accessing loan finance, but also accessing their own funds with limits placed on withdrawals at different stages. The low success rate in accessing finance from state agencies can be explained by the nature of the businesses involved. State agencies are restricted in their ability to finance businesses and cannot provide funds for small businesses operating in locally traded goods and services (i.e. the majority of Muslim owned businesses).

There are many factors contributing to both the lack of trying and successfully receiving non-Sha’riah finance funding. As identified in the literature, many Muslim entrepreneurs in non-Islamic countries are very reluctant to approach the mainstream financial institutions due to their inability or unwillingness to provide Sha’riah law compliant finance. This is very evident in the findings of this research, as the majority of Muslim entrepreneurs in Ireland did not want to break their strict Islamic code in order to secure finance. There are further factors contributing to the significantly small number of Muslim entrepreneurs that tried, but did not successfully receive the finance, and this is an issue that needs further investigation at a later date. Factors that may have contributed to this include, lack of a business plan, lack of capital to act as a guarantee or matching finance required by most investors, and perhaps, discrimination.

3.5.4.4 Start-Up Finance

In assessing the source of capital used by Muslim entrepreneurs to establish their own business in Ireland, personal savings emerge as the dominant factor, with 82.5% using their personal finances to establish their own businesses. This is reflective of the findings outlined above, as it becomes apparent that Muslim entrepreneurs in Ireland must be self-financing their business ventures, as there was little return from the sources identified and analysed above. A significant group of respondents supplemented personal savings with support from family, and a limited

number of respondents established their business with finances received from other sources as identified in the analysis above.

3.5.4.5 Bond Transfer

Budding entrepreneurs coming from outside the European Union are required to transfer at least €300,000 into Ireland as a consideration for the granting of a business permit. Of the respondents in this research, only 13% were affected by this stipulation. The remaining 87% of respondents did not transfer €300,000 to Ireland as part of the official process of registering their business. This is somewhat contradictory given that the majority of the Muslim Business owners (70%) identified themselves as non EEA nationals. It is possible that they qualified under alternative criteria such as:

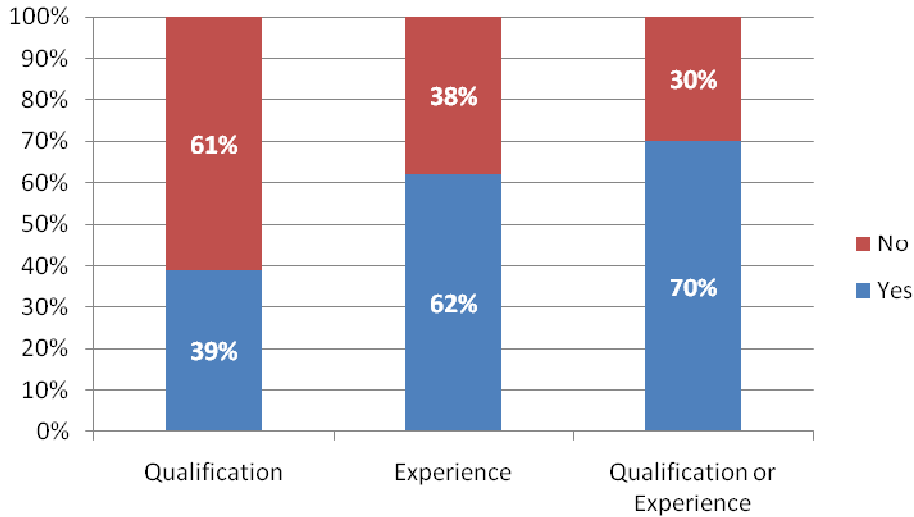
- As persons who have been granted refugee status.
- As a dependant relatives of EEA nationals exercising a valid right to reside in Ireland.
- As persons who have been granted permission to remain in the State on one of the following grounds:-
 - As the spouse of an Irish national.
 - Are the parent of an Irish born child (an Irish citizen).
 - Persons who have been granted temporary leave to remain in the State on humanitarian grounds, having been in the asylum process.

As the survey was conducted on the basis of anonymity, it is not possible to revert to the respondents to clarify this point.

3.5.5 Business Skills

The research also sought to assess the business skills of Muslim Business owners before they started their businesses. The majority of Muslim Business owners had previous management experience and a significant minority had a Business Qualification. Close to 70% had one or the other or both, that is, a business qualification and previous management experience. Neither a qualification in business management or previous managerial experience is found to predict sales turnover in ethnic or Muslim businesses. In other words, respondents who hold a professional business qualification or who have previous managerial experience do not, on average, report a higher level of turnover relative to respondents who do not hold a professional business qualification or do not have the benefit of previous managerial experience.

Figure 3.18: Business Qualifications and Previous Management Experience



It is worth noting that there is no correlation between the other qualifications that Muslim Business Owners hold and the industries in which they do business.

3.5.5.1 Business Skills Evaluation

Various academic studies identify that limited professional business skills among ethnic entrepreneurs can hinder the development of their business operations. Muslim Business Owners were asked whether they believed that they needed additional training in a number of business disciplines. Close to two thirds of the respondents believe that they need additional training in Business Planning and Organisation, Financial Management, Marketing and Customer Relations and about half believe that they need more training in People Management and Information Technology (Table 3.14). Respondents without a previous business qualification were twice as likely to want more training, while those with a previous qualification were split 50:50 between wanting and not wanting additional training.

Table 3.14: Evaluation of Business Skills

Skills Area	Yes	No
Business Planning & Organisation	61%	39%
Financial Management & Cost Control	65%	35%
Marketing	65%	35%
Customer Relations	61%	39%
Management of Employees	55%	45%
Information Technology	48%	52%

3.5.5.2 Business Training Programmes

Given the expressed interest in additional training noted above, it is important to examine the level of engagement of Muslim entrepreneurs with existing training programmes designed to enhance the potential of small business start-ups in Ireland. Respondents were asked whether they had participated on business training courses provided by a range of enterprise support bodies. The participation rates of Muslim entrepreneurs on training programmes provided by six different organisations are presented in Table 3.15. It is evident that there is a low participation rate from the Muslim community across all organisations providing training to entrepreneurs there. Business training courses provided by FAS and the Country & City Enterprise Board have the highest participation rates for Muslim entrepreneurs at 24% and 22% respectively.

Table 3.15: Participation in Business Training Programme

Training Provider	Percentage of Respondents	
	Yes	No
Country & City Enterprise Board	22%	78%
Local Partnership	9%	91%
FAS	24%	76%
Enterprise Ireland	6%	94%
Institute of Minority Enterprise	3%	97%

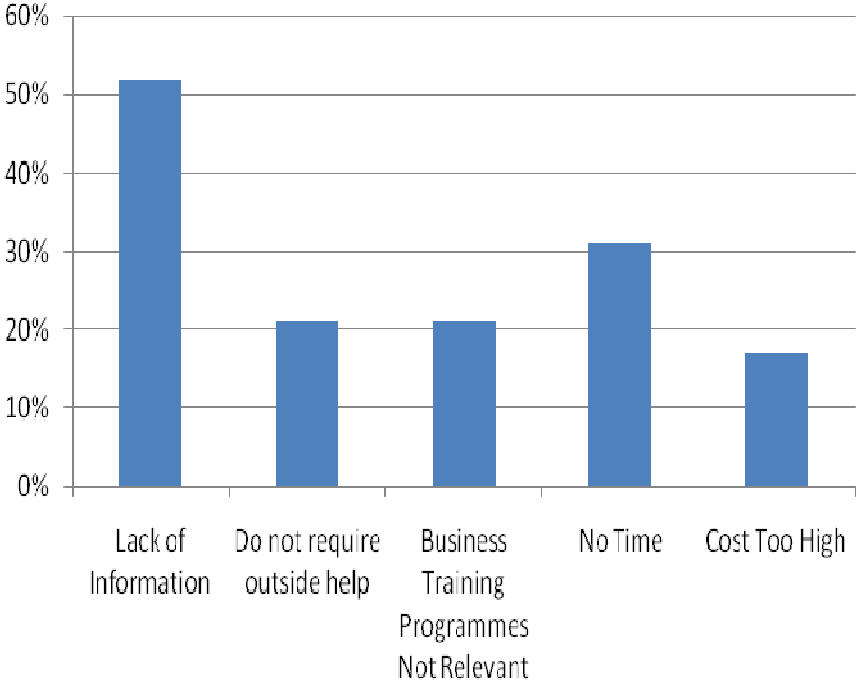
The respondents were also asked to explain why they had not undertaken a business training programme provided to establish a better understanding of the participation rates among Muslim entrepreneurs. The options for non-participation given to respondents were:

- No information regarding business training programmes in Ireland;
- Do not require outside assistance;
- Business training programmes are not relevant to the needs of the business;
- No time;
- Cost is too high.

52% of the respondents identified the lack of information regarding business training programmes in Ireland as their primary reason for not participating in them, thus militating against their participation on such courses. No time to undertake training programmes (31%) is identified as the second most common reason from not participating in the training programmes provided by the Irish state. In recent years customised training programmes for ethnic entrepreneurs have become widely available in Ireland. These bespoke training programmes are offered by mainstream enterprise agencies as well as by ethnic specific organisations. On this basis respondents were asked as to their

awareness of the availability of training programmes targeted toward aspiring ethnic entrepreneurs. 40% were familiar with the existence of such ethnic specific training programmes, while the majority (60%) did not know of the existence of such programmes.

Figure 3.19: Reasons for Not Participating on Business Training Programmes



The respondents who were aware of the existence of ethnic specific training programmes were then asked to identify where they had learned about them (Table 3.16).

Table 3.16: Sources of Information for Business Training Programmes

Source of Information	Percentage of Respondents
National Media	15%
Ethnic Media	15%
Ethnic Websites	10%
Ethnic Organisations	10%
College / University	10%
Personal Contacts	35%

Personal contacts were the main source of information about business training programmes targeted at ethnic entrepreneurs, with a reasonable spread across alternative channels.

Finally, Muslim entrepreneurs were asked if they would be interested in attending training programmes tailored to their distinct needs relative to indigenous Irish entrepreneurs.

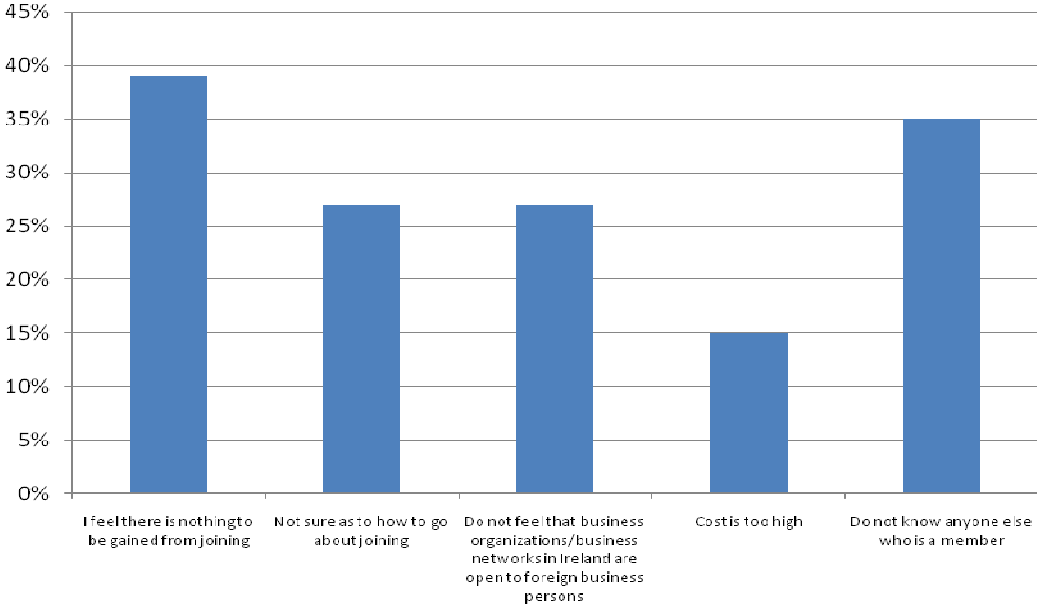
Approximately 72% of Muslim entrepreneurs expressed an interest in participating in such a bespoke training programme with in the next two years.

3.5.6 Network Connections

Given that a lack of business contacts has previously been identified as an issue facing ethnic entrepreneurs, Muslim entrepreneurs were asked a number of questions with respect to their membership of either Irish or Muslim small business networks. A small percentage of respondents hold a membership to an Irish business organisation / small business network (20%), meaning the vast majority of Muslim entrepreneurs (80%) have no official involvement in or contact with any Irish business representative organisation.

Respondents were also asked to indicate the reasons they felt that prevented them from joining professional business organisations in Ireland. Believing that there was nothing to be gained is the most frequently reason cited by Muslim entrepreneurs for not joining an Irish small business organisation / network (39%). Not knowing any other members (35%) is the second most common reason for non-membership.

Figure 3.20: Reasons for Not Joining an Irish Business Organisation



3.5.6.1 Embeddedness in Muslim Community

The ethnic community, in this case Muslims in a non-Islamic society, is identified throughout studies in ethnic entrepreneurship to be a vital source of both tangible and intangible business support. It is through their ‘embeddedness’ in the ethnic community that intending entrepreneurs

can obtain the resources that may initiate their business venture. The Muslim community can also sustain Muslim entrepreneurs through the provisions of staff, suppliers and customers. An assessment was therefore made of the extent to which Muslim entrepreneurs relied upon their Muslim community to support various aspects of their business.

Only 14% of respondents are members of a Muslim small business organisation or small business network which is an even lower participation rate than that for Irish small business organisations or networks. The focus group participants agreed with this finding citing difficulties getting their fellow Muslims to attend networking events. Other participants cited timing of events as an issue, the popularity of breakfast meetings was an issue for restaurant and small shop owners who either work until late night / early morning or who open their shops very early to capture the morning trade.

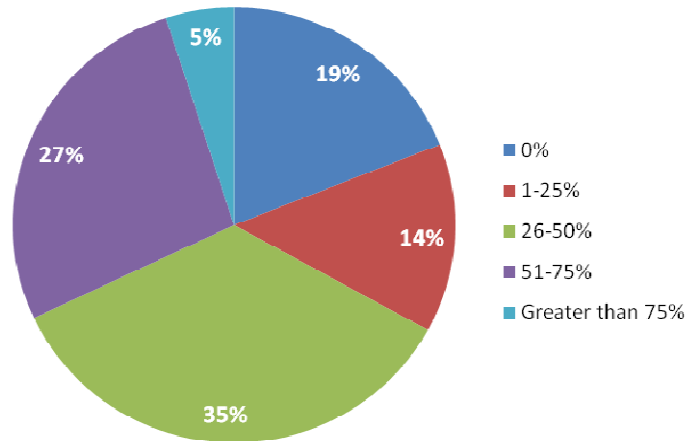
Respondents were also asked to identify how the Muslim community was useful to their business; the results of this analysis (Table 3.16) highlights that Muslim Entrepreneurs make significant use of their community for most aspects of their business. ‘Making useful business contacts’ was identified by a majority of Muslim entrepreneurs as a resource that they rely on most from the Muslim community. Respondents also acknowledged that the Muslim community serves as a valuable source of customers and provides a useful source for recruiting staff for their business.

Table 3.17 Use of Muslim Community Resources

Utilising the Muslim Community for...	Yes	No
Recruitment	67%	33%
Suppliers	57%	43%
Customers	67%	33%
Business Contacts	74%	26%
Obtaining Finance	39%	61%
Getting Business Advice	54%	46%

Muslim entrepreneurs were also asked to estimate the percentage of their customers that come from the Muslim community. As can be seen in Figure 3.21, the dependence on the Muslim community by Muslim business owners is quite varied, as 68% of Muslim entrepreneurs have less than half of their customers in the Muslim community. This results in only a small number of Muslim entrepreneurs (32%) that depend on the Muslim community for over half their customer base, with only 5% highly dependant on the Muslim community.

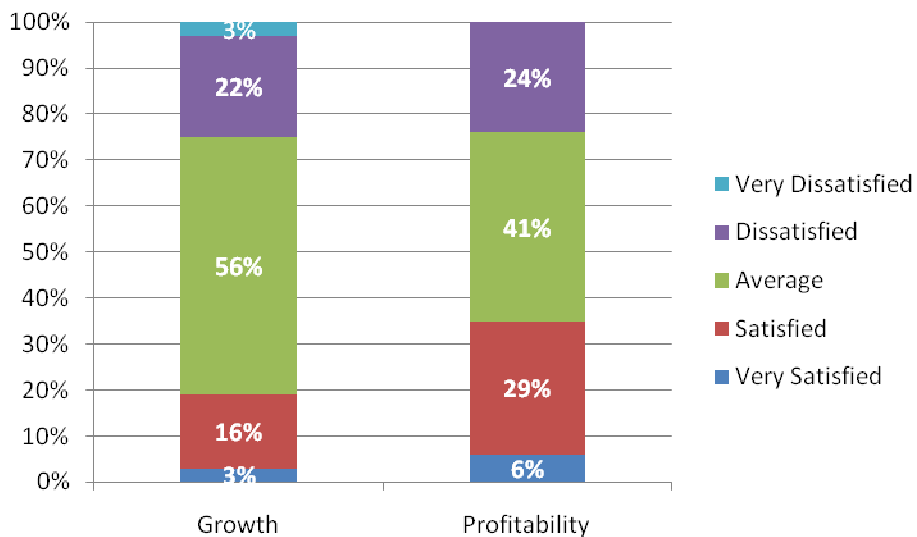
Figure 3.21: Muslim Customer Base



3.5.7 Business Performance

This final stage in the analysis of mapping Muslim entrepreneurship in Ireland provides an impression on the performance of Muslim businesses in Ireland. Respondents were asked to rate both their business growth and business profitability over the past two years. The majority of business report average growth and profitability (56% and 41% respectively). When combined with the respondents who are satisfied or very satisfied with their profitability and growth results, approximately three quarters of businesses are reasonably on target with their performance over the last two years. However, at least a quarter of Muslim owned businesses are struggling with growth and profitability.

Figure 3.22: Business Growth and Profitability



The survey participants were also asked about their expectations for business growth. Overall, respondents were positively disposed to growing their business over the next two years. Just over 70% of respondents expect to increase sales and profitability. Businesses are expecting to drive

growth and profitability through a combination of increasing their range of products and services and entering new markets. Approximately 40% of the business expect to increase the number of staff employed to support growth and close to 46% of participants expect to expand or move to new premises as they grow.

Table 3.18: Future Strategies for Business Growth

Growth Strategy	Percentage of Respondents intending to Undertake this Growth Strategy
Increase Sales	70 %
Increase profitability	72 %
Hire More Staff	43 %
Increase Product Range	63 %
Enter New Markets	57 %
Upgrade / Move to a New Premises	46 %

As with the business characteristics of the Muslim entrepreneurs, there is a need to briefly summarise the main findings regarding the owner characteristics and these are given in Table 3.19 below.

Table 3.19: Summary of Muslim Owner Characteristics

- 36% were employed before starting their business
- 28% previously owned a business
- 68% saw a business opportunity and related was the finding that 32% saw the opportunity to apply their skills
- There was little relationship between their qualifications and businesses
- Discrimination was not a big issue
- Securing finance was a significant challenge particularly as there were no Sha’riah law compliant financial products on the Irish market
- Business growth and profitability was expected to grow in the next two years

This section helps to provide a detailed picture of the Muslim business owner in Ireland and the information can be used to help the many different stakeholders involved in Muslim entrepreneurship, both inside and outside of the community to identify how appropriate supports can be provided to help the community to further enhance their entrepreneurial activity.

3.6 Conclusions

The picture of the typical Muslim owned business in Ireland that emerges from the research is a micro enterprise with relatively low turnover focused largely on the domestic market. The company draws on its own Muslim Community for a variety of resources (customers, suppliers, staff) but relies significantly on the founders own resources for funding. There is a small cohort of larger Muslim businesses with higher levels of turnover and profitability albeit that they would still only be classed as small businesses in our business classification system.

The majority of entrepreneurs from the Muslim community are optimistic for the future with plans to try and grow sales and profitability over the next two years through a combination of a broadening their offering and expanding their markets. In doing so they expect to hire more staff and or invest in their premises.

Access to finance is the key issue facing Muslim Entrepreneurs. There is an expressed preference for Sha'riah law compliant finance. However, experience in other markets where Sha'riah Law compliant finance is available suggests that the uptake would be lower than expected, particularly where the actual cost of Sha'riah Law compliant finance is more expensive than interest based alternatives.

Muslim entrepreneurs also experience difficulties building business contacts and gaining the trust of their indigenous Irish suppliers and customers. However, somewhat paradoxically they are also reluctant to engage with either Irish or Muslim network organisations. Muslim entrepreneurs find it difficult to understand the myriad of regulations and guidelines applicable to their businesses. While the State recognises that regulations and guidelines are onerous for micro and small businesses it still struggles to implement more enterprise friendly structures and frameworks. Again, the issues with understanding the laws and regulations applying to specific businesses are not unique to the Muslim and ethnic minority entrepreneurs, although language issues and lack of contacts can add to the Muslim entrepreneurs' difficulties.

Muslim entrepreneurs also find it difficult to gain the support of state agencies. Muslim business owners share these challenges with the broader ethnic community and indeed with most indigenous Irish small businesses. State agencies are focused on export orientated high potential start-ups and are essentially barred from supporting business focused on locally traded goods and services (i.e. the majority of Muslim and ethnic minority owned businesses).

As noted above, the majority of Muslim owned businesses are optimistic about the future. They are planning for growth and expect to increase the number of people employed by their businesses as they grow. There is a general awareness within the Muslim business community of the need for education and training to help grow their businesses and also a need to increase the level of business connectivity within the Muslim business community itself and with the Irish business

community in general. However, there is an underlying reticence to engage either through a lack of awareness or perceived lack of time.

Based on experience from engagement with other ethnic communities the Muslim business community needs to make the first move in addressing the challenges faced by Muslim entrepreneurs in Ireland. There are various agencies and institutions that are willing and able to support the development of the Muslim business community in Ireland. However, the Muslim business community needs to take ownership and drive the process forward.

CHAPTER FOUR – CONCLUSION

In recent decades, the migration inflows from less developed to developed first world countries are resulting in some Western societies increasingly becoming composed of a kaleidoscope of nationalities, ethnicities and cultures. It is to this backdrop that increasing scholarly attention is directed at the economic roles of immigrants in their newly adopted societies and their likely contribution to national economic growth. One facet to this debate is business creation from within immigrant communities. Prior scholarly studies have documented the disposition of certain immigrant groups to business ownership and the commonalities that immigrant entrepreneurship demonstrates in respect of its scale and scope across national contexts. As an addition to the domain of immigrant entrepreneurship, this research reports on the extent and nature of Muslim entrepreneurial activity in an Irish context.

Emerging from a long and troubled legacy of emigration resulting from economic stagnation, Ireland now plays host to migrants from across the world. This role reversal from a country synonymous with emigration to a magnet for economic migrants has opened up a wide ranging debate on the economic and social implications of Ireland's migration-induced demographic transformation. One strand of this immigration debate concerns the entrepreneurial activities of foreign nationals in Ireland. While immigration for Ireland is a relatively recent phenomenon, foreign nationals have quickly made their presence felt on the small business landscape. Increasingly it seems that Ireland's experience of immigration is evolving in a manner broadly similar to that of its European counterparts whose urban landscapes have also assumed a cosmopolitan flavour through the establishment of ethnic business enclaves.

Academic research is only beginning to grapple with the economic and social effects of immigration into Ireland. In particular, there remains a dearth of comprehensive studies on enterprise activity among the foreign national cohort of the population. Responding to this research gap, the aim of this research has been to address the small business ownership dimension of Muslim participation in the Irish economy. This research takes as its focus the twin objectives of determining the extent of business ownership among the Muslim community in Ireland and investigating the nature of businesses in which they are involved. As such, it represents a first attempt to map in a systematic fashion Muslim entrepreneurship in an Irish context. Through this mapping process commonalities and differences between ethnic entrepreneurship in an Irish context (Cooney and Flynn, 2008) and Muslim entrepreneurship can be identified.

The findings from this research confirm that business ownership is highly prevalent among Ireland's Muslim community as CSO data would suggest that the real figure is approximately 19%. The CSO figure would be broadly similar to average self-employment patterns for foreign born

persons recorded across the United States, Canada and most developed European countries. Census data from Britain and the United States have previously estimated ethnic business ownership to stand at 15.1% and 11.6% respectively, albeit with substantial variation in self-employment rates between ethnic groups (Barrett, Jones and McEvoy, 2003; Gap Min and Bozorgmehr, 2003).

As with the extent of ethnic business ownership, the nature of Muslim businesses in Ireland is strikingly similar to the character of ethnic business observed across other immigrant countries. Kloosterman and Rath (2003) concluded from a compendium of international studies on immigrant entrepreneurial activity encompassing Britain, Canada, the United States, Germany, France, The Netherlands and South Africa that the common denominator is one of concentration in lower-end retailing, wholesaling and restaurants/catering. This situation is replicated in an Irish context where Muslim businesses are definable by their small size (measured in terms of both sales turnover and full-time and part-time employment levels) and their concentration in the locally traded services sectors of retail, restaurants, and ICT. Moreover, Muslim businesses in Ireland show little in the way of international sales activity, with the majority having few customers outside of the Irish market. An examination of the relationship between the Muslim entrepreneurs and their country of origin showed that exports to their country of origin are not very common.

While the profile of Muslim business in Ireland must be set against their young age, findings in relation to their employment growth plans over the next five years indicates that growth-oriented strategies are somewhat on the radar of many Muslim business owners. However, the evidence tends towards the conclusion that Muslim business activity in Ireland will be clustered in the margins of the urban economy in sectors that have low barriers to entry, are labour intensive and provide little in the way of employment creation. This marginal position of Muslim business in urban economic environments is illustrated across other national contexts, such as Van Delft, Gorter and Nijkamp's (2000) portrait of ethnic entrepreneurial activity in The Netherlands. One notable feature of Muslim entrepreneurship in Ireland that was uncovered in this research is the strong presence of ICT firms. Although subsequent statistical analysis reveals that Muslim owned ICT firms have, at present, very low revenue levels, it nonetheless raises the possibility that future years could witness the creation of more growth-oriented, high value-added Muslim enterprises from within the ICT sector. If such a scenario were to be realised, it would represent a break from ethnic enterprise as it is generally understood. Indeed, the Ethnic Minority Business Forum (2005) report has already drawn attention to the evolving character of ethnic enterprise in Britain wherein second and third generation ethnic persons are competing in high value-added, knowledge intensive sectors of the economy.

Integral to extant research on ethnic entrepreneurship are attempts to unpick the causal factors impelling immigrants to business ownership. Historical treatment has tended to differentiate ethnic entrepreneurship, treating it as wholly discrete from small business ownership. Disadvantage

in the open labour market was invoked by Light (1979, 1984) as a key contributory factor to understanding the tendency of immigrants to gravitate to business ownership out of the desire for economic self-sufficiency. Idiosyncratic cultural traits and the manifestation of these traits in the form of ethnic group solidarity has been advanced by Bonacich and Modell (1980), among others, in rationalising why certain ethnic groups have a disproportionately high presence in business ownership across a variety of national contexts. More contemporary studies, particularly Jones and Ram (2007), have endeavoured to re-connect ethnic entrepreneurship to the more overarching domain of research on small business. The latter perspective finds resonance in the results of this research. It is clear that Muslim entrepreneurs in Ireland were a of 'pull' to self-employment in Ireland. Related to this is the finding that the opportunity to apply skills and talents is the significant motivating factor for Muslim entrepreneurs. In the majority of cases therefore, it would seem that Muslim entrepreneurs in Ireland embrace business ownership with similar convictions and aspirations to Irish entrepreneurs in general.

One consequence of historical research differentiating ethnic entrepreneurship has been to create an impression that ethnic persons are confronted with business challenges qualitatively different from indigenous business owners. It is certainly true that immigrants often contend with suspicion and hostility from a range of business actors – customers, suppliers, financial institutions – that simply do not present themselves as issues for indigenous business owners. Equally true is that immigrants, at least initially, are less familiar with the Irish business environment, a finding which transpired over both the quantitative and qualitative components of the research process. However, across several categories of actors in the Irish business environment the majority of respondents did not report instances of discrimination. Addressing this issue to focus group participants, there was a general consensus that discrimination did not impact on their business operations to any appreciable degree nor did aspiring Muslim entrepreneurs envisage discrimination from Irish business actors as a problem likely to stifle their entrepreneurial aspirations. Instances of wariness from suppliers and customers in respect of the credentials and capability of Muslim business persons were mentioned and did feature as a prominent challenge confronting Muslim entrepreneurs, but such wariness was believed to subside as Muslim entrepreneurs became more established and hence accepted in their line of business. This finding challenges the general tone of much research in this area as regards the damaging effects of discrimination on ethnic enterprises.

Unsurprisingly, securing finance emerged as the primary challenge facing Muslim business owners, an obstacle in which they share a common challenge with all small business owners. Research undertaken by Enterprise Ireland (2006) reported that almost 70% of Irish firms with ten or less employees experienced difficulties in raising finance/equity. A comprehensive study undertaken by Small et al (2003) in a British context found that no marked difference exists between immigrants as a whole and indigenous business persons in respect of their ability to obtain finance. What did

emerge from the aforementioned study were the differential experiences of the various ethnic groups in accessing finance. Business owners of African/Caribbean extraction were observed as experiencing problems in accessing business finance of a greater magnitude than other ethnic groups. However, for Muslim entrepreneurs in Ireland there is a particularly distinctive challenge over other ethnic groups due to their requirement to utilise Sha'riah law compliant financial products which are not available on the Irish financial market

Ethnic solidarity and the deployment of tangible and intangible supports for business owners across the ethnic social milieu are among the most potent themes in contemporary ethnic entrepreneurship research. A plethora of studies have documented how ethnic ties facilitate ethnic persons in their business activities, with supports ranging from finance to co-ethnic labour (e.g. Chotigeat et al, 1991; Fadahunsi, Smallbone and Supri, 2000; Iyer and Shapiro, 1999; Sequeira and Rashid, 2006; Teixeira, 2001). In this research, moderate levels of Muslim embeddedness are reported. Many of the respondents agreed that their ethnic community is useful to their business in initiating business contacts, in attracting customers and in recruiting employees. The tentative state of Muslim business activity in Ireland - most businesses are in operation for two years or less - may account for what can be described as loose ethnic ties. Additionally, it is necessary to countenance the idea that ethnic solidarity itself may be very much ethnic or culture specific. As such, ethnic networks constituting some form of competitive advantage may only be applicable to certain groups and this may or may not apply to the Muslim community in Ireland. Evidence of this has previously been offered by Teixeira (2001) on the markedly different levels of co-ethnic dependence between Portuguese entrepreneurs and Black entrepreneurs in Canada. Similarly, Small et al's (2003) investigation of financing issues among ethnic entrepreneurs in Britain contends that dependence on and utilisation of ethnic social bonds is very much culture or ethnic group specific.

The distinct political and economic environments which prevail across different national contexts can have a significant influencing impact on the entrepreneurial intentions of ethnic persons as well as on their future entrepreneurial behaviour (Kloosterman, 2000; Kloosterman, 2003). It is Kloosterman's contention that depending on the way in which the domestic labour market is structured and enterprise policy is oriented, ethnic persons may be more or less likely to pursue self-employment as a means of economic independence. While the impact of the Irish political and economic policy environment as it affects on the Muslim community was not systematically analysed, insights gleaned from the focus group participants suggest that the pro-enterprise culture of Ireland can have a catalytic effect on nascent entrepreneurial intentions. Their positive impression of the Irish business environment contrasted sharply with the impediments they associated with enterprise creation in their countries of origin. Arguably, it is to this backdrop of a perceived enterprise friendly environment that Muslim entrepreneurial activity has and continues to take root in Ireland.

The emergence of Muslim entrepreneurial activity is now an indelible feature of the Irish business landscape and it has brought to the fore questions on the precise role that the state and its relevant agencies can and should perform in this process. State intervention for the promotion of business activity among the new foreign national communities in Ireland requires a judicious balancing of the need to offer targeted assistance for business creation and business expansion without engineering what are perceived to be desirable social outcomes. While enterprise policy in Ireland directed towards ethnic entrepreneurs is still at a formative stage of development, it already demonstrates similarities to policies and programmes of other countries in offering bespoke enterprise training and assistance to aspiring and established ethnic entrepreneurs (e.g. Collins, 2003; Masurel, Nijkamp and Vindigni, 2004; Oc and Tiesdell, 1999). The findings of this research underline the requirement for a bespoke approach that could potentially coax Muslim business owners in from the margins of the economy, yielding benefits for both the Irish state and the entrepreneur. Relevant in this respect is the need to connect Muslim entrepreneurs to mainstream Irish business networks and to encourage greater engagement with providers of enterprise support and business training.

In line with reservations expressed by Blackburn and Ram (2006) on the limitation of business ownership as means of overcoming social exclusion for ethnic minorities, the authors also caution against viewing Muslim entrepreneurship as a panacea for the economic and social advancement of Ireland's growing Muslim population. As starkly illustrated by Hjerm (2004) study on the machinations of ethnic entrepreneurial activity in a Swedish context, the envisaged gains from small business ownership for ethnic people often prove completely illusory. This can have the effect of exacerbating rather than improving the economic and social standing of ethnic minority persons in their adopted country. In devising enterprise policy in Ireland and instituting enterprise support, an initial assessment needs to be made of the precise aims and rationale of promoting entrepreneurship among the Muslim community.

Finally, cognisance must also be made of the limitations of this study. Ideally, indigenous small business owners would have been simultaneously surveyed as a means of comparing and contrasting the characteristics of Muslim entrepreneurs in Ireland with indigenous entrepreneurs. Also, the small sample size did not allow for a greater number of statistical tests and analyses to be undertaken which would have added to the robustness of the findings. Finally, the research findings would have benefited from a higher response rate, perhaps permitting a wider sweep of ethnic entrepreneurial activity in Ireland. These limitations notwithstanding, the findings from this research offer a light on the extent and nature of Muslim entrepreneurship in Ireland and should contribute to the furtherance of scholarly inquiry into this particular field of entrepreneurship.

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