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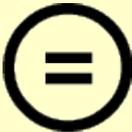
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**The Role of Enclave Economy in the Process of
Immigrant Integration in Host Society:
The Case of Ethnic Koreans from the Post-Soviet States
in the Republic of Korea**

집거지 경제가 이민자 사회통합에 미치는 영향:
대한민국에 체류하는 고려인 동포의 사례로

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**The Role of Enclave Economy in the Process of Immigrant
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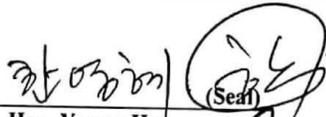
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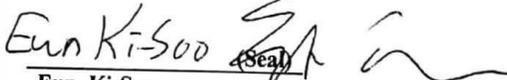
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ABSTRACT

The Impact of the Enclave Economy on the Immigrant Integration

in Host Society:

The Case of Ethnic Koreans from the Post-Soviet States

in the Republic of Korea

The collapse of the Soviet Union opened new paths for ethnic Koreans living in the new independent countries. As a result of political and socio-economic instability of the early post-Soviet era, forming sentiments led to migrations between the post-Soviet states, and, less often, to other destinations.

On the other hand, globalization processes, as well as economic growth turned South Korea from one of the Asia's donors of labor resources to a massive importer of foreign labor. The introduction of policies aimed at attracting overseas Koreans resulted in an increase in immigrant population, which, in turn, leads to widening of a spectrum of spheres in which immigrants are involved, including entrepreneurship. In the process of managing their own businesses immigrants use social networks, which can be observed in many countries, but the case of ethnic Koreans in the Republic of Korea is unique in a sense that the ethnic aspect here plays a very important role. The ethnicity of this particular group of immigrants is the same as one of the population of the host society. However, they are still separated from the majority due to several factors, such as cultural background, language, and socio-economic indicators.

The purpose of this research is to analyze the impact of enclave economy in the process of immigrant integration using the example of ethnic firms owned by ethnic Koreans from the post-Soviet states and concentrated in Ansan and commercial districts in Dongdaemun (Seoul, South Korea). Using structural functionalism and the enclave economy theory, this study analyzes the implications of involvement into enclave economy through ethnic entrepreneurship and its impact on immigrant adaptation and integration and analysis of immigrants' personal experiences through qualitative approach using in-depth biographical interviews with the actors involved.

This study is expected to contribute to existing research on the process of immigrant integration and the role of ethnic entrepreneurship in this process. Immigrant integration is a complicated phenomenon which involves different factors that influence this process, and easing the process of adaptation for young overseas Koreans through employment and involvement into entrepreneurship might help both with improving demographic situation and boosting the economy of the state.

Keywords: immigrant integration, return migration, koryoin, ethnic entrepreneurship

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Introduction

Any change of place of residence inevitably entails the need to adapt to new natural, economic, social, and sometimes ethno-cultural conditions - both in biological (acclimatization) and socio-psychological aspects. In many cases, it is quite painful and does not always end successfully.

The need for adaptation arises when individuals, or entire groups of people, find themselves in a different social environment, with a different culture and social organization, when not only the space of social life, where they occupied a certain position, were endowed with a certain status and fulfilled certain social roles, but also the physical space of life changes for them. The conditions of economic and political existence are also becoming different.

The globalization processes, as well as the economic growth turned South Korea from one of the Asia's donors of labor resources to a massive importer of foreign labor. During the 1970s and 1980s, the number of Korean citizens abroad grew rapidly, counting for 800,000 in 1980 in the United States, and for almost two million in 1990 in China. Since the early 1980s, due to the rapid economic growth of South Korea and change in demographic situation in the country, labor migration of Koreans began to decline (Kwon, 1997).

During the 1990s, in connection to a labor shortage in certain industries, South Korea started turning into the country importing labor. The number of foreigners residing permanently or continuously (over 180 days) in South Korea has been steadily increasing in the past two decades. The population growth included different categories of people: foreign spouses, migrant workers, students, and illegal immigrants. The influx of foreigners originated mainly from China, the former Soviet states, Mongolia, Vietnam, Southeast Asia, etc. According to the statistics, the number of foreigners staying in the country legally exceeded 2 million as of 26 July 2017. Thus, the foreigners are now more than two percent of the population. If we look at the statistics by nationality, then, out of the whole number of foreigners, 50% (1 million) are Chinese citizens, of which 627,004 are ethnic Koreans. Vietnamese form the second largest group (149,384), Thai are in the third place (100,860) (Korea Immigration Service, 2017).

In 1997, to attract overseas Koreans, the government of South Korea adopted a policy towards repatriates by founding the Overseas Koreans Foundation, an agency that works closely with the Ministry of Foreign Affairs. In 2005, a diaspora engagement program towards the CIS countries was added, creating a legal and financial network to support overseas Koreans. Later, in 2007, in order to attract more foreign labor among overseas Koreans, the government issued a new type of working visas (H-2)

particularly for ethnic Koreans from China and a number of post-Soviet states.

Thus, now, the integration of immigrants in the Republic of Korea is one of the urgent problems, the special significance of which is due to the fact that among the immigrants migrating to the territory of the state, a significant proportion consists of ethnic Koreans. A fairly large proportion of ethnic Koreans arriving from China and the countries of the former USSR is settling in Seoul and neighboring cities. The scale, forms and directions of migration flows create a number of complex economic, social, political and psychological problems.

It is quite obvious that mass migration and displacement of large masses of the population into the conditions that are new to them may cause long periods of inadaptability and disorganization. Impossibility of instant adaptation to new conditions entails many negative consequences.

To study the process of integration of immigrants, it would be correct to approach this phenomenon as a process that takes place on two levels - institutional and personal at the same time. Two of these levels of research do not coincide in their content, but have not only the difference, but also the unity, in relation to personality. On a personal level, integration can be considered as a link between a person and general biological and socio-psychological processes that are formed in the process of

people's life activity. As for the institutional level, here it reflects the moments connected with the state's need for self-preservation, livelihood, and development of the individual and society, expressed in policies and laws.

Discussions about immigrant integration usually refer to at least three different points: assimilation, cultural adaptation of migrants, or their structural adaptation to the new environment (FitzGerald, 2015). In my research, I understand integration of migrants as the latter case, where integration means the degree of involvement in the life of the host country and situation when the immigrants do not differ from the majority of the local population in the social and economic indicators. In general, in this paper, the integration of immigrants will be approached on the personal level through social adaptation - as a strategy aimed at optimizing the relationship between a person and the environment, and including assessment of the situation and correcting both human behavior and the state of its environment on its basis. The main way to perform this activity is to accept the norms and values of the new social environment (groups, organizations, territorial communities to which the person belongs) by the individual, the existing forms of social interaction (formal and informal ties, family relations, etc.). It is revealed through categories of social norms, values, personal and public interests, social functions.

At the initial stage of social adaptation, an immigrant, interacting with the

social environment, receives a 'culture shock' (Ward et al. 2005). The natural reaction to this would be to seek to change the environment (to fit his already existing ideas about the norms and rules of social behavior). Often, this cannot be fully done, because the existing social environment also seeks to maintain the stability of social norms and rules of behavior, and, in addition, it consists of individuals who have already adopted these norms and are not going to radically change them. In other cases, the immigrant passively perceives all the norms and rules of behavior of the social group in which the individual now exists. To do this, you need to completely reconsider your views and beliefs, which is quite difficult, and start living according to the norms and rules established in the given society and the nearest social environment.

The structure of the process by which I understand integration includes: information support (including awareness of one's own rights in the host country), provision of employment, communication with the representatives of the host society.

As a general criterion for assessing the level of integration at the present stage, there can be such indicator as the degree of people's satisfaction with the conditions and quality of a new life. This takes into account not only material, but also moral aspects.

As the estimated indicators, this study will use finding a permanent source of

income, the existence of future plans related to the present residence, involvement in various aspects of communication with the local population, satisfaction with the living conditions in the new place.

At the same time, external and internal factors can be distinguished among the factors influencing the integration of immigrants. External factors can be called factors relating to the receiving region, while internal ones are indicative of the immigrants themselves.

The first include such indicators as the need for labor, the availability of a housing stock, the development of infrastructure, climate, the magnitude of the cultural distance between the receiving and sending society. The second includes sex, age, education, immigrant's qualifications, his financial status, the level of integration into the foreign culture environment, the features of the psychological status, etc. Of no less importance are whether it was forced migration and its circumstances.

In the case of ethnic Koreans, resettlement in a new place and integration into Korean society are correlated with very complicated and contradictory circumstances, which implies the adjustment of life plans. As one of the interviewees stated, "Korea is regarded by them as their motherland." However, because of the differences in the environment in which they grew up, they are often absolutely separated from the

Korean statehood, the complexities of the economic, cultural, political spheres.

Given this specificity, ethnic entrepreneurship often turns out to be one of the strategies for the adaptation of immigrants, just like social networks, suggesting ways of a milder infusion into society through employment in a familiar language environment and with less stress from sudden entry into someone else's environment.

Several studies found that the informal social institutions play a crucial role in the development of immigrant entrepreneurship. Observations show how newly arrived immigrants rely on support of relatives, sometimes work for free to members of the community, and then receive financial support to start their own business. Such model of ethnic economy is defined in the literature as the “enclave economy” (Wilson and Portes, 1980; Portes and Manning, 1986).

In a broad sense, enclaves are viewed as a set of compactly residing representatives of one ethnic group and their socio-economic interactions in the territory of another dominant ethnic group. On the second, narrower understanding, the enclave economy is a collection of companies belonging to a certain ethnic minority and while being situated in certain compact areas, as well as socio-economic interactions of this group on the territory of a dominant ethnic group.

In the process of managing their own businesses, immigrants continue to use

social networks, which can be observed in many countries, but the case of ethnic Koreans in South Korea is unique in a sense that the ethnic aspect here plays a very important role. The ethnicity of this particular group of immigrants is the same as one of the population of the host society. However, they are still separated from the majority due to several factors, such as cultural background, language, and socio-economic indicators.

In this study, the specificity of the integration of ethnic Koreans from countries of the former USSR (hereinafter “*Koryoin*” – the name for this group that is most frequently used in the academic literature) in the Republic of Korea will be examined through the role of the enclave economy (in particular, ethnic entrepreneurship) in the process, through a number of aspects of this process, which will be discussed in this paper, namely, historical, legal, socioeconomic, sociocultural and socio-psychological.

Chapter 1. Theoretical Framework and Literature

Review

1. The Concept of Immigrant Integration

The boundary between the “indigenous population” and “immigrants” seems obvious only at first glance. Firstly, many of those who are considered to be indigenous to a particular country, strictly speaking, are not indigenous. Either they themselves, or their immediate ancestors, once arrived (immigrated) here. Secondly, there are quite a few people whom no one will think of as immigrants, although they should be attributed to this category on a formal basis. According to the definition adopted by the International Organization for Migration (IOM), (a long-term) immigrant is a citizen of one state who has been living in the territory of another state for at least a year, “so that the country of destination effectively becomes his or her new country of usual residence”¹.

But at what point does a person, who is an immigrant from a formal point of view, cease to be so in the eyes of the people surrounding him in his new homeland? What should he do to stop being perceived as a stranger? Is there a set of properties,

¹ International Organization for Migration: Glossary on Migration (2011)
http://www.iomvienna.at/sites/default/files/IML_1_EN.pdf

the possession of which is sufficient to be considered integrated?

As it was pointed out in an earlier part, the discussions about immigrant integration usually refer to at least three different points. First, assimilation. Secondly, integration can mean a cultural adaptation of migrants to an environment that is new for them. Thirdly, the integration of migrants can mean their structural adaptation to a new environment, namely, such a degree of inclusion in the life of the host country, when they practically do not differ from the majority of the local population in terms of objective socio-economic indicators (FitzGerald, 2015).

It is noteworthy that in the public and academic life of the United States, instead of the word "integration", usually the word "assimilation" is used. Until recently, American politicians and scientists generally did not use the term "integration". It entered into their circulation only under the influence of European discussions.

The ease with which in America they talk about the assimilation of migrants is explained simply. In the American context, assimilation does not imply rejection of the ethnic or religious identity of those who assimilate. Alba and Nee (1997) explain it as means functional involvement of migrants and their descendants in four main spheres of society: employment, welfare, housing and education. In other words, assimilation in its American sense is the absorption of a new population, together with the cultural

diversity that this population brings.

This tradition of usage is strikingly different from Europe, where the term “assimilation” has a trail of negative connotations. Favell (2003) explained the preference that Europe gives to the term “integration” as the result of the European historical heritage. Unlike the United States, where the nation was built on a territorial basis, the nations in Europe were formed on an ethno-cultural basis. Integration of a particular political entity into cultural integrity took place through the “nationalization” of minorities.

Therefore, Europeans think of national integration through the prism of institutions and structures that are able to unite a diverse population, to turn it into a cultural unity. Accordingly, the integration of migrants is imagined as a continuation of the same process.

Joppke and Morawska (2003) reviewed how the concept of integration acquired many meanings. Integration means incorporation, an inclusion in society, and its absence is an exception from society. But the inclusion and exclusion of migrants is not something absolute. Immigrants can be included and excluded at the same time. Being excluded in one quality, they are included in the other. It all depends on which system (or which field) we are talking about. As integral individuals, migrants are

excluded, but as agents of this or that system they are included.

Thinking in this perspective, we stop viewing migrants as an entity. We start talking not about migrants in general, but about individuals and groups with certain positions and indicators (education, income, employment, political participation, etc.). In other words, we begin to compare not two substances - society, on the one hand, and immigrants - on the other, but more specific and more measurable values.

2. Immigrant Integration and Immigrant Adaptation

Considering the problems of immigrant integration of ethnic migrants and adaptation as an initial stage of this process, it should be noted that the very concept of social adaptation entered sociology under the influence of representatives of the structural functionalist school. According to Spencer, social adaptation appears as a set of adaptation reactions to the change in conditions and factors of the vital activity of individuals. From Durkheim's point of view, social adaptation is the correspondence of the individual's inner content to the norms of morality available in society. Weber defined social adaptation as a rational, socially oriented behavior of the individual. The most detailed problems of social adaptation in society were considered by Parsons and Merton.

Therefore, the social meaning of the immigrant adaptation through ethnic entrepreneurship should be regarded as an element of labor socialization, an entry into a new society through labor activity, which flows from the basic theoretical postulate of structural functionalism that stability and equilibrium of the social system are ensured entirely through social adaptation, that is, through the mechanism of activities and interactions with the system. The process of labor socialization is given a certain model, defined as an adaptation strategy.

3. Ethnic Entrepreneurship as an Adaptation Strategy

In the context of immigrant integration, the process of social adaptation usually begins with a general shock, then unfolds as a mobilization of the adaptive potential that is realized in adaptation strategies. Social adaptation covers all spheres of activity at the same time: value-oriented, normative, social, labor, etc.

Adaptive opportunities are characterized by the adaptive potential, which is represented by the set of adaptive resources: the higher the adaptation potential, the easier the process of social adaptation.

Waldinger et al. (1990) consistently considered ethnic strategies and suggested the construction of an interactive model of the development of ethnic entrepreneurship (Figure 1).

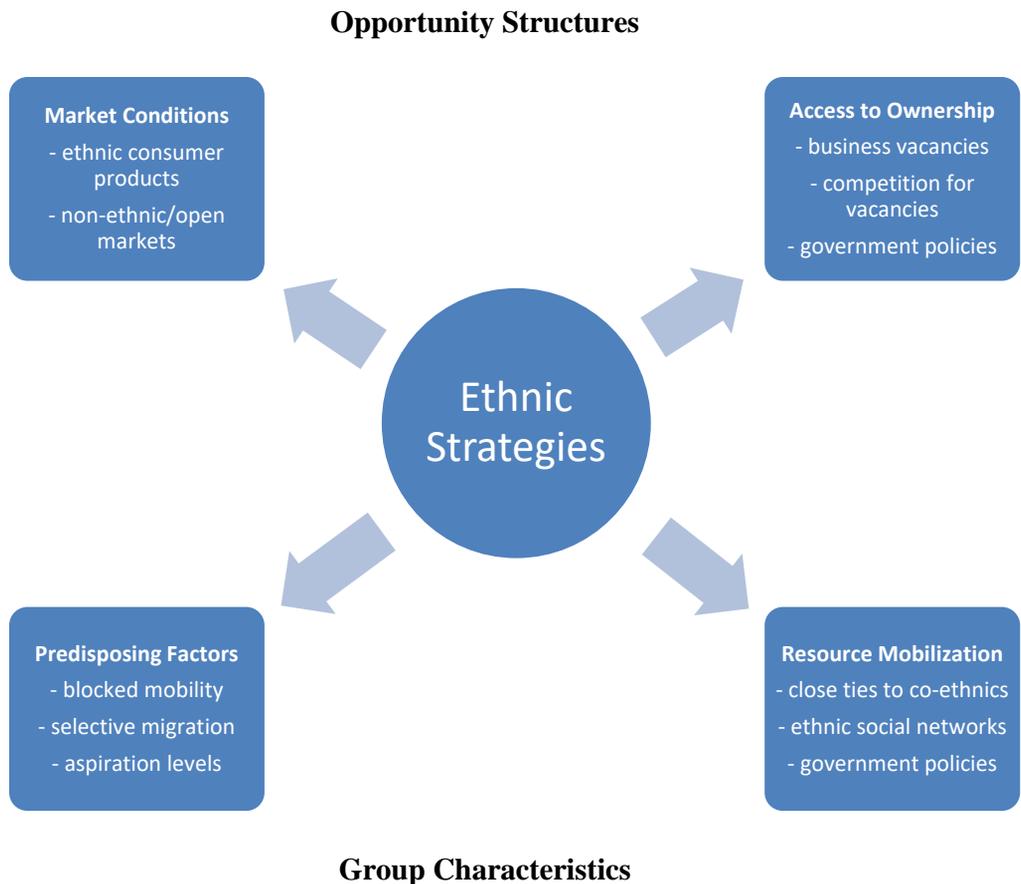


Figure 1. An Interactive Model of Ethnic Business Development (Waldinger, Aldrich, and Ward, 1990)

In accordance with this model, the ethnic strategies are affected by the opportunities offered to potential owners of ethnic business. These opportunities include market conditions, access to property and group characteristics, including predetermining factors and resource mobilization. An important issue here is access to

business, which is often dependent on public policy and is controlled by representatives of the local population.

Despite the great adaptive potential of migrant minorities, there are serious obstacles to its implementation: existing practices contribute more to the social isolation of migrants than their integration.

Zhou (2007) and Sahin et al. (2007), among other researchers, pointed to the forced nature of ethnic entrepreneurship, some define it as a total development of the territory for its own economic structures and the interests of individual ethnic minorities. There is also a prejudice on the part of state authorities and local government in relation to representatives of immigrant groups. In the private sector, according to the prevailing opinion, the discrimination in the process of employment is less common, pushing immigrants into particular spheres of economic activities.

Waldinger et al. (1990) viewed the blocking of mobility as a powerful incentive to immigrant entrepreneurial activity. The limited availability of types of work and income opportunities pushes immigrants to the development of business skills. There are also psychological factors explaining the preference of immigrants towards small business (in sociological studies the owner of a small enterprise is often described as an anachronistic type, striving for autonomy and independence). The social origin of

immigrants also influences how they assess their chances of progress: they have a more positive opinion about working in lower positions compared to the local population.

Thus, entrepreneurship fulfill the role of alternative channels of social mobility for foreign migrants, they become compelled for them, since the local labor market and other spheres of employment are more difficult to have access to.

4. The Concept of Enclave Economy

In the scientific literature, the research interest in the study of ethnic entrepreneurship and enclave economy has increased, and works on this topic were published by many authors (Light and Bonacich, 1988, Waldinger, Aldrich and Ward, 1990).

Ethnic entrepreneur, as a part of enclave economy, in such literature is defined as an entrepreneur who hires employees among his coethnics, such as, in our case, ethnic Koreans from the post-Soviet states. One of the important aspects of ethnic entrepreneurship is how entrepreneurs find the capital and labor resources to manage their own business (Granovetter, 1995), which will be explained later in this chapter, as well as in the empirical evidence.

Camarota (2000) concluded that in general immigrants do not have a significant

impact on the level of entrepreneurship in the country. On the other hand, Fairlie and Meyer (2000) still detect the presence of the negative effect of immigrant entrepreneurship, pointing out the fact that self-employment of immigrants displaces self-employment of the local population.

At the same time, studies by Wilson and Portes (1980) and Portes and Manning (1986) found that, rather than market mechanisms, the informal social institutions play a crucial role in the development of immigrant entrepreneurship. Observations show how newly arrived immigrants rely on support of relatives, sometimes work for free to members of the community, and then receive financial support to start their own business. Such model of ethnic economy is defined in the literature as the “enclave economy”. A number of economic concepts are based on the assumption that immigrants, when they fall into a rather special situation and are in a losing position of the minority, at the same time, have at their disposal the additional resources, such as belonging to a particular group of compatriots, sharing ethnic, or language “sameness” with them. While examining identity issues in the context of Arab community in London, Nagel (2002) viewed this shared identity and belonging as a support system for immigrants. The use of such resources allows migrants not only to settle in a new place, but also to effectively integrate into the economic life of the host country.

Representatives of immigrant groups have the opportunity to unite on the basis of common origin and organize a joint business. Ethnic entrepreneurs create so-called ethnic social networks as part of the social structure of families, neighbors, friends and acquaintances. Getting into a new environment for themselves, migrants begin to actively create social migrant networks and increase their social capital, which will help them find housing, work, transfer their experience, arrange children in schools, use medical services and other social opportunities.

Migrants trust each other not only because they belong to a common group. Rather, trust, based on a shared identity, helps to form group-based social networks, reduces the possible temporary, economic and psychological costs associated with mistrust and caution, which are the attendant factors of behavior at the earlier stages of immigrant adaptation. However, before gaining such trust in the economic environment, ethnic entrepreneurs intensify and actualize their existing networks so that they can become social capital. It is interesting that the initial shortage of social capital pushes migrants towards a more active development of social networks and the creation of new connections, which ultimately serves as a social and economic advantage.

Recognition of each other as part of the same group is determined by both sides depending on the circumstances. The basis for building such a solidarity can be

language, kinship, common friends, religion, etc. In other words, people recognize those who are part of the network as close. Thus, ethnic enterprises are created on the basis of ethnic support networks in their community. The economic activity of these enterprises fits into wider networks of immigrant group relations in the community.

Ethnic migrants create sufficiently strong communities, which are an environment that provides support to the newly arrived, trains and transfers experience and skills. After a time, during which the necessary beginner capital is accumulated, the language is mastered and the assessment of the economic space is made, the immigrant opens himself to the new opportunities. Thus, yesterday's migrants in the new place of residence acquire the necessary qualifications and profession, that is in demand in this labor market. At the same time, ethnic entrepreneurs, having achieved success in business, do not stop there and go further up the social ladder, many of them occupying a strong position in business.

5. Immigrant Integration in South Korea

The problems of immigrant integration in Korea were discussed in a number of works over the course of the last two decades, focusing mostly on issues of labor migration and its economic impact, as well as on history and legal aspect of immigration. Lee (2009) in his work on the evolution of Korean foreign labor policies

offers to observe the issue of integration through the societal proximity hypothesis, implying that through introducing new conditions for immigrants (such as H-2 visa for ethnic Koreans from China and CIS countries), as well as launching programs for social integration, but limiting it to language education, and the absence of immigration settlement policies, the government's tendency to the politics of "societal (in)security" is evident. The main issue here presents itself in the target groups of the integration programs, that are limited to international marriages and the applicants for naturalization, despite labor migrants being addressed as one of the most vulnerable groups of immigrants. Lim (2010) in his work on multiculturalism in Korea addressed the process of turning from almost complete exclusion of non-Koreans from Korean society to a gradual transformation of understanding of the concept of Korean identity and belongingness, which, to a certain extent, led to the expansion of foreign labor rights through legal and institutional changes, however, while in this process, Lim notes, foreign workers' status is assumed to be temporary, the concept of identity is being affected through continuous inflow of immigrants. As Lim notes, social activism and the emergence of NGOs, the initiatives from the immigrants themselves influenced the expansion of their rights, such as the changes in the EPS and qualifications for F-2 visa. Kong (2010) in his study on immigration in Korea notes that the character of Korean immigration policies does not address cultural diversity as a basis, rather showing tendencies to be ethnic-based and needs-based, implying the bias towards

international marriages and ethnic Koreans, as well as a number of programs for importing low-skilled foreign labor in the process of development of immigration policies. Kong points out the decrease in the wage gap between foreign and local low-skilled workers, as well as the right to vote in local elections for permanent residents among the positive outcomes of the gradual process of integrating immigrants.

There is a number of studies conducted in English focused on integration of *Koryoins* that haven't been mentioned in this part, however, they focus mostly on the issue of identity and belonging, as well as the cultural aspect of integration, rather than the adaptation strategies and economic activities as its representation. German Kim, in a number of publications, both in English and Russian, examined the Korean diaspora in the CIS countries, primarily in Russia, Kazakhstan and Uzbekistan. In his recent publication, Kim (2017) approached the topic of return migration vs. repatriation, assessing repatriation as a type of international migration, analyzing the cases of the overseas Koreans arriving to the Republic of Korea. He argues that, despite the adoption of a special law on repatriation for all overseas Koreans becoming a needed measure, its development and implementation in the foreseeable future is unlikely. Another point is that the level and scale of immigration of Korean repatriates among other groups of immigrants will continue rising.

Studies on integration of return migrants were carried also by Tsuda (2003) and Savoskul (2006). Tsuda in his work on Japanese Brazilian in Japan concludes that the process of immigrant adaptation in this case resolved in a separation of this group into two entities that regard each other with animosity: those who resist integration, emphasizing their uniqueness and distinction; and those who accommodated and embraced the affiliation with the local society. Savoskul analyzed level of integration of Russian German return migrants in Germany through their interactions within the community, as well as their attitudes and understanding of German values and environment. The main tendency among the attitudes is attributed to the lack of initial reliable information about the destination, therefore a portion of initially positive expectations turn into negative views on the local society and the country in general. Another important point involves the correlation between length of stay and attitudes towards Germany, as it was concluded that the immigrants who arrived to Germany less than 15 years ago have mostly positive perceptions about the country, while recent immigrants who met difficulties in the process of initial adaptation expressed mostly negative opinions. While these two cases are not exactly similar to Koryoin immigrants, such observations may help in examining the case.

Chapter 2. Research Methodology

As it was described in an earlier part, in the process of managing their own businesses immigrants continue to use social networks, which can be observed in many countries, but the case of ethnic Koreans in South Korea is unique in a sense that the ethnic aspect here plays a very important role. The ethnicity of this particular group of immigrants is the same as one of the population of the host society. However, they are still separated from the majority due to several factors, such as cultural background, language, and socio-economic indicators.

Thus, this research will try to address how ethnic entrepreneurship influences the integration of this group of immigrants using the case of ethnic businesses in Ansan, as well as in Dongdaemun (Seoul). The enclaves are usually seen negatively by the government officials, as they seem to create an image of a separate community that does not need to integrate, as it is self-sufficient in its core. However, this research is willing to prove that the enclave economy positively influences immigrant integration in host society due to its unique structure and informal functions that are exceeding the traditional way of viewing a business entity using qualitative approach through biographical method and in-depth interviews with different actors involved and a review of the legal aspect of *Koryoin* migration flows.

Traditionally, migration studies are based on a macro analysis of the migration policies of the state, migration legislation, political and social structures involved in the migration process. Migrants themselves, their fate and life history remains outside of the scope of research. The biographical method in the study of migration has a wide potential for studying the process of integrating migrants in a new society, for analyzing the field of intercultural interaction. An immigrant, as the bearer of primary information, by the history of his life, reveals the patterns of his daily life for the researcher, gives an opportunity to look at the process of migration “from within”. It becomes possible to build patterns of behavior of migrants in a new social environment on the basis of individual histories of migrants, their correlation and comparisons.

In the process of integration, the degree of willingness of the actors involved in this process, the willingness to make contact is of paramount importance. In the process of immigrant integration, in addition to the strategy of the migrant himself, the degree of willingness of the host country to be involved into this process is important. Interaction of migrants with the host population occurs on the everyday life level, and expectations about each other in the subjects of integration are formed on the same level.

The empirical basis of the research consists of the data obtained on the basis of qualitative methods. The main method was in-depth biographical interview with

immigrants. 18 in-depth interviews with immigrants holding F-4 visas were held in the area of Dongdaemun (Seoul) and Ansan, Korea (September 2016 - August 2017). The choice of respondents was carried out in accordance with the main characteristics of them being *Koryoin* entrepreneurs, or being employed by *Koryoin* entrepreneurs. The respondents were gathered using the snowball sampling method to avoid . The sample size threshold was set to reach an even representation of interviewees in three categories – entrepreneurs, employees, and former employees. According to Guest et al. (2006), sample size within 12 interviewees shows, for the most part, full data saturation. After finishing collecting the data, 6 out of 18 interviews were excluded from the analysis on the basis of interviewees not fitting the initial parameters set for the interviewees, as it was discovered after analyzing the data. In case of one interviewee, it was discovered that they served as a manager and didn't own the business, in case of three employees it was discovered that their employers were not *Koryoin*, but local Korean employers. Two interviews were removed from the analysis due to discrepancies in the data collected.

Table 1. List of interviews

Case no.	Length of stay	Gender	Age	Sending country	Education *	Employment status	Monthly income	Area**
1	4 years	Female	20s	Russia	Undergrad.	Regular worker	2,000,000 - 3,000,000	1
2	2 years	Female	20s	Russia	Undergrad.	***	***	2
3 *** *	7 years	Female	20s	Kazakhstan	Undergrad. (K)	Regular worker	2,000,000 - 3,000,000	1
4	11 years	Male	40s	Uzbekistan	Undergrad.	Employer	3,000,000 – 4,000,000	2
5	8 years	Female	30s	Uzbekistan	Undergrad.	Regular worker	2,000,000 - 3,000,000	2
6	3 years	Female	30s	Russia	Undergrad.	Employer	3,000,000 - 4,000,000	1
7	4 years	Female	60s	Russia	Undergrad.	Regular worker	***	1
8	17 years	Female	50s	Uzbekistan	Undergrad.	Employer	2,000,000 - 3,000,000	1
9 *** *	7 years	Male	20s	Kazakhstan	Undergrad. (K)	Regular worker	2,000,000 - 3,000,000	1
10 *** *	11 years	Female	30s	Uzbekistan	Undergrad.	Regular worker	2,000,000 - 3,000,000	1
11	10 years	Male	30s	Uzbekistan	Incomplete undergrad.	Regular worker	3,000,000 – 4,000,000	2
12	Under 1 year	Male	20s	Russia	Undergrad.	Regular worker	3,000,000 – 4,000,000	2

In the Table 1, “*” refers to the education received by the respondents. When received in Korea, it is indicated as “(K)”. “**” refers to the area in which an interview was conducted – “1” for Dongdaemun, and “2” for Ansan. “***” refers to the information that respondents chose not to disclose. “*****” refers to the respondents that were previously employed by *Koryoin* entrepreneurs, but are now working in a local company.

The respondents are referred to with the case numbers, as indicated in the table 1. Case 1 is a female from Russia who works in sales. Case 2 is a female from Russia who also works in sales, but decided not to disclose her employment status. Case 3 is a female from Kazakhstan who came to Korea to study, she was previously employed by a *Koryoin* entrepreneur as a part-time worker, but after graduating from a university in Korea decided to find a job in a local company. Case 4 is a male from Uzbekistan who now owns a business, but previously worked for local employers; all of his employees are immigrants. Case 5 is a female from Uzbekistan who has been living continuously in Korea for 8 years and works in sales. Case 6 is a female from Russia who became an owner of her mother’s business after the latter, case 7, invited her to Korea and became an employee. Case 8 is a female entrepreneur from Uzbekistan, she previously worked in several local companies before deciding to open her own business. Case 9 is a male from Kazakhstan who first came to study the language, but

later decided to receive a university degree in Korea, and started working in a local company after graduation. While being a student, he worked part-time for a *Koryoin* entrepreneur. Case 10 is a female from Uzbekistan who came to Korea after receiving a degree in her country of birth, and has since worked in multiple companies, including those owned by *Koryoin* employers, but for the last 5 years she only worked in local companies. Case 11 is a male from Uzbekistan who first came to Korea under the trainee system, but changed the visa after two years to start working in a local company, and later moved to a company owned by a *Koryoin* entrepreneur. Case 12 is a young man from Russia who came to Korea immediately after graduating from the university.

There is no data on the number of companies owned by *Koryoins* in Korea. When questioned about the reason for the lack of such information, the Global Center referred to the fact that after obtaining the license to open the company through the district office, all of the firms are recognized as Korean.

However, we may assume that the highest amount of the companies owned by *Koryoins* is located in such areas as Seoul (Dongdaemun) and Ansan. The percentage of foreign population in Ansan, for example, is very high, amounting for 9.99% in 2013, compared to 2.33% for South Korea overall (Kim 2015). After completing preliminary research to choose the areas of field study through monitoring ads and catalogues of companies in the internet communities, in the Global Center, as well as

visiting the possible areas, it was concluded that Ansan and Dongdaemun are the most proper areas to carry a field study for the chosen topic.

Chapter 3. Changing Patterns of Migration of Ethnic Koreans from Post-Soviet States

1. Ethnic Politics in the USSR and post-Soviet States

The history of Korean population of Central Asia dates back to the Russian Empire, they were first officially mentioned in the population census in 1897 among the nations living on the territory of modern Kazakhstan, Uzbekistan and Kyrgyzstan (Wishnick, 2005), but the first migration occurred in the 1860s (Kim 2013). The next important date will be in 1937 when Korean population of the Russian Far East was forcefully relocated to Kazakhstan and Uzbekistan due to Stalinist repressions. We may say that the past of Koreans in Central Asia cannot be discussed without linking it to three major events that occurred in the region: the end of the Russian Empire, the emergence and fall of the Soviet Union, and the formation of independent states in the post-Soviet space.

For the first period, it is important to note that the main reasons to move to the Russian Far East are defined by the historiographers of Korean diaspora as Japanese expansionism and economic difficulties. Formal recognition of this ethnic group in the country dates back to the 1860s, when the local officials started encouraging Korean

immigrants to take active part in the development of agriculture, while the imperial government's overall attitude to Koreans was contradictory (Kim 2013). It is also noted in the studies on historiography of Koreans in the Russian Far East that they were active participants in the revolutionary events in Primorye and other regions of the Far East and Siberia, and contributed to the broad partisan movement in these regions (Lankov 2002).

For the second period, since the beginning of the establishment of Soviet power, the state national policy was first implemented in 1917-1924. Initially, for political reasons, Soviet leaders rejected the past approach to the minority peoples of the Empire that dictated "russification". In their strive for power, the Bolsheviks sought to portray difference from the nationalist Whites in this respect. In 1917 they issued a declaration guaranteeing the right of the peoples of Russia to self-determination - including secession, if they so wished - and the promise of the abolition of all national privileges and restrictions, which, to some extent, helped them guarantee the retention of power.

For some time, in the 1920s, this attitude continued to prevail in the official politics. The Party Congress in 1923 issued a resolution declaring that the most urgent task of the party was the struggle against Great-Russian chauvinism in its own ranks. The loyalty of minorities to Soviet power was to be achieved through this resolution,

as the use of national languages was encouraged: they were the carriers for the transfer of socialist ideas. Measures of this kind were urgently needed, as only a little more than a half of people in the country at that time were Russian². The Bolsheviks had no experience of national construction of the state, thus they faced a number of problems, the aforementioned solution of which had both positive and negative sides.

This period is significant for Korean diaspora in regards to the national policies of the Far Eastern Republic, which was a formally independent state of the Far East in 1920-1922. Originally, the Korean population of this republic (mostly the new immigrants) was involved in the work of the All-Korean Council, however, the Soviet government didn't express their trust in this organization, and in 1920 it was dissolved, with another organization – Union of Korea – emerging in Moscow (Kolarz 1954). However, it is noted that this government-led organization was involved only in the lives of Koreans living the central parts of the country, while the diaspora in the Far East was mainly dealt with by the Communist Party itself through its Far East branch.

Later, the abolition of the Far East Republic in 1922 initiated the mass arrests of non-communist leaders and activists of national movements, which affected the leaders of the Korean diaspora as well, who could no longer hope for autonomy and

² Demoskop Weekly (in Russian)
http://www.demoscope.ru/weekly/ssp/ussr_nac_26.php

self-determination of Koreans, as the guarantor for such aspiration was the Constitution of the republic, which was no longer active. Some researchers assume that it was the time when the question of the deportation of all Koreans from the region was first raised (Kim 2013), especially given the purge of 1923, when about 750 out of 1000 Korean members of the Party were expelled (Kolarz 1954). The rise of national self-awareness and ethnic mobilization of the Korean people seriously alarmed the Soviet government.

At the beginning of 1930s, Stalin gradually began to promote Russian nationalism and the Russian national symbols in the official politics. He was afraid of the development of national ideas and the growth of national feelings among non-Russian peoples, which could become the basis for separatist or collaborative movements during wartime. The suppression of these movements was carried out by the repressions of 1937-1938. The duality of the policy of the Soviet state towards ethnic communities continued to be applied to the Korean diaspora even after deportation to Central Asia and Kazakhstan. Thus, the Korean diaspora became the first victim of repressions that were carried out for political reasons and by ethnic characteristics.

Among the people forcibly deported in 1937-1938, the number of Koreans amounted for 170 thousand (Kim 2013). As a result of the repressions of 1937, almost all Korean immigrants were forcibly relocated from the Russian Far East, where they

mostly lived, to the territories of the Soviet Central Asian republics. Only in the early 1950s they were allowed to move. The re-emigration of Koreans mainly took place within the territories to which they originally migrated – the territory of the Far East and other areas of the Soviet Union.

As for the third and final period, it is important to note that after the collapse of the Soviet Union, numerous discussions emerged in regards of the repressions of the Soviet era. The law “On the Rehabilitation of Repressed Peoples”, adopted in April 1991, proclaimed general recognition of the repressed peoples’ right to restore the territorial integrity that existed prior to the forced measures being carried out, to restore the national-state entities that existed before their abolition, and to compensate for damage caused by the state. Rehabilitation was supposed to provide for the return of peoples to places of traditional residence in the territory of the Russian Federation. Later, in 1993, it was updated with the special resolution of the Supreme Council of the Russian Federation “On the rehabilitation of Russian Koreans.”

2. Ethnic Return Migration to South Korea

After the collapse of the Soviet Union ethnic Koreans faced a dilemma that was strongly associated with their identity and that dilemma was, in some ways, very common for many nations of the former USSR, but on the other hand, very specific for

Koreans in particular. One of the main problems was the end of the homogeneousness of the Korean community with the end of a shared citizenship. Now they were separated state-by-state. However, this homogeneousness was also indicated by such factors as Russian being the common language, common cultural and media institutions, common national and ethnic identity. Soviet nationals were first identified as “Soviet people”, and their ethnic identity came only in second place (Khan, 1998). Thus, compared to the current status as an “ethnic minority”, Soviet Koreans were more equal in terms of self-identification among other citizens.

Another issue associated with the collapse of the Soviet system lies in the field of national strategies of the newly formed independent states. Different states adopted different approaches in dealing with ethnic minorities, and, while always having been citizens, some ethnic groups became sort of immigrants in sovereign states, as opposed to the ethnic majority. As a result of political and socio-economic instability of the early post-Soviet era, forming sentiments led to migrations between the post-Soviet states, and, less often, to Europe and the U.S. After the situation started stabilizing, migration flows slowed down, but it is still very sensitive to changes in the socio-economic sphere.

On the other hand, globalization processes, as well as the economic growth turned South Korea from one of the Asia’s donors of labor resources to a massive

importer of foreign labor. During the 1970s and 1980s, the number of Korean citizens abroad grew rapidly, counting for 800,000 in 1980 in the United States, and for almost two millions in 1990 in China. Since the early 1980s, due to the rapid economic growth of South Korea and change in demographic situation in the country, labor migration of Koreans began to decline (Kwon, 1997).

During the 1990s, in connection to a labor shortage in certain industries, South Korea started turning into the country importing labor. The number of foreigners residing permanently or continuously (over 180 days) in South Korea has been steadily increasing in the past two decades.

In 1997, to attract overseas Koreans, the government of South Korea adopted a policy towards repatriates by founding the Overseas Koreans Foundation, an agency that works closely with the Ministry of Foreign Affairs. In 2005, a diaspora engagement program towards the CIS countries was added, creating a legal and financial network to support overseas Koreans. Later, in 2007, in order to attract more foreign labor among overseas Koreans, the government issued a new type of working visas (H-2) particularly for ethnic Koreans from China and a number of post-Soviet states.

Chapter 4. The Impact of Co-Ethnic Entrepreneurship on Immigrant Integration

1. Co-Ethnic Firms in Seoul and Ansan as part of Enclave

Economy

The legal rights of ethnic Koreans who came to the Republic of Korea on visas for Overseas Koreans are regulated by a number of laws on the social security of citizens of the country, including the “Act on the Immigration and Legal Status of Overseas Koreans” from 1999 and amendments, which was created to ensure the legal status of overseas Koreans, as well as their entry and departure; Article 17 of the “Act on the Treatment of Foreigners in Korea”, which guarantees entry, stay or economic activities to those who had Korean nationality, or their linear descendants; the “Immigration Control Law”, the “Support for Multicultural Families Act”, “National Law and Health Insurance”, “Law on Compulsory Primary and Secondary Education”, “National Law on Pension Insurance”, “Employment Law”, etc. (Kim 2012) Thus, the Republic of Korea has a complex system of legal support for returnees, equal in rights to the citizens of the country and fixed by a lot of laws that fall under the jurisdiction of different ministries and state bodies. This creates a certain complexity in terms of opening their own business for immigrants who do not know the Korean language and

who do not know the rules or procedures for drafting the proper documents.

In general, there are two ways for a foreign individual to introduce a business into the country:

1) Through creation of a local legal entity, such as private enterprise or corporation.

2) Through opening of a branch of a foreign company.

The first option is controlled by the “Foreign Investment Promotion Act”, as well as the trade law and regulations. If a foreigner is going to create a legal entity that can be registered as a company with foreign investment, the smallest amount of investment should be 100 million won. The second option is regulated by the “Foreign Exchange Transactions Act”. In this case there is no limit on the amount of investment³.

From 2012 an individual businessman ceased to be recognized as a foreign investor. Consequently, a foreign natural or legal person who decided to obtain an investment visa must create a legal entity (except for the cases covered by the OASIS program). However, foreigners who have visas F-2 – Long-Term Resident, F-4 –

³ InvestKorea
<http://www.investkorea.org/en/foreigner/corporation.do>

Overseas Korean, F-5 – Foreign Permanent Resident, and F-6 – Foreign Spouse can register as an individual entrepreneur, while foreign investment is not required.

Among enclaves economies that can be observed in the Seoul metropolitan areas, it is important to mention Chinese (Doksan-dong, Guro-dong, Daerim-dong, Gasan-dong, Seoul; Wongok-dong, Ansan), Joseonjok (Doksan-dong, Guro-dong, Daerim-dong, Gasan-dong, Seoul; Wongok-dong, Ansan), Vietnamese (Seongdong-gu, Seoul), Mongolian (Gwanghee-dong, Jung-gu, Seoul), Filipino (Hyehwa-dong, Jongro-gu, Seoul), Koryoin (Dongdaemun, Gwanghee-dong, Jung-gu, Seoul; Danwon-gu, Ansan), Russian (Dongdaemun, Gwanghee-dong, Jung-gu, Seoul), Taiwanese (Myeong-dong, Jung-gu, Seoul) enclaves among others. French and Japanese communities are regarded as ethnic communities without ethnic business (Seol, 2011), thus we cannot consider them enclave economies.

According to Lee (2014), Chinese enclaves developed due to the neglect and social marginalization of an ethnic group. In Seoul, Lee recognizes two enclaves: one of the older generation of Chinese immigrants residing mostly in Yeonnam-dong, regarded as ‘Little Chinatown’ and represented by businessmen and students, and the second group consisting of Joseonjok – Korean-Chinese – representing a new generation of immigrants, mostly consisting of working class. In case of Yeonnam-dong, the formation of ‘Little Chinatown’ wasn’t natural in part, as it was proposed by

the city government twice to attract Chinese tourists to boost local economy, however, both times the plan failed after meeting the opposition from the locals, afraid that the district will simply become a residential area for Chinese community due to the lack of idea to increase commercial use of the land in the proposed plans.

In case of Joseon-jok community in Garibong, the formation of an enclave in this area wasn't initiated by the government, it started after 1992, and as of 2014, foreign population accounted for almost 80% of this area's population⁴. The firms owned by Korean-Chinese are vastly present on the streets of Garibong and include phone stores, travel agencies and similar small businesses. This area is being set for redevelopment plans, as it is negatively viewed by the local population on the basis of differences in socio-economic indicators, cultural background, and stereotypes (Lee, 2014).

One of the largest representations of foreign population can be found in Wongok district in Ansan with around 35,000 immigrants living and working in the area. Ethnic business in Wongok includes mostly restaurants and stores (Seol, 2011).

Another example of a small scaled enclave economy is 'Little Mongolia', or Mongol Town in Gwanghee district in Seoul. The ten stories building hosts a number

⁴ The Hankyoreh
http://www.hani.co.kr/arti/society/society_general/645971.html

of Mongolian firms, as well as restaurants, stores, travel agencies and cargo companies, demonstrating variety of businesses that can be found in a typical example of an enclave economy.

In this research, I am focusing on the representatives of an enclave economy of ethnic Koreans from the post-Soviet states in Seoul and Ansan.

As holders of the F-4 visas, ethnic Koreans are equal to locals in terms of opening their own business, as well as in hiring employees. Thus, compared to the other categories of immigrants, this process is much easier, as long as they are fully informed about the law and tax system. However, this process might become difficult due to the language barrier.

To confirm whether the mechanisms described in works on enclave economy theory applied in this case, the interviewed entrepreneurs were asked a set of questions regarding launching and managing the business. When asked about the registration of the business and how they gathered the resources and managed the whole process, the answers of the interviewed employers were different.

“In general, I did everything by myself. Observed while working, saved the money, found information. I asked some people about starting a business, but for the most part I did everything by myself. In Uzbekistan

I had a stall, so I knew how some things work, but here it is different.”

(Case 8, female, 50s)

“The store was opened by my mother. Of course, not just by herself, she knew a head of an enterprise. First she made my mother general manager of one of her stores, but later they had a quarrel, my mother wanted to leave, so not to lose her that person helped her open this store. We sell their products.” (Case 6, female, 30s)

In Case 4, similar to Case 8, the interviewee described the process of opening his company as a result of observations. He worked for Korean companies prior to opening his own business, and found his first employees in a Korean company as well. He also mostly relied on his own observations, but, as opposed to Case 8, he relied on his Korean acquaintances for information support.

Chapter 5. Life Experiences of Koryoins Working in the Co-Ethnic Firms

1. General view of the respondents on their own level of integration.

General perceptions of their own scale of integration in the receiving country was quite different among the interviewees, it is also quite subjective, just as the concept itself, but some general tendencies and patterns could be discovered, mostly depending on the length of stay in Korea, language abilities, and plans for the future.

“I feel comfortable living here, I have stable income and my kids are going to school, there is no point in returning when I have comfort here. I have been learning the language for many years, I don’t feel as an alien.” (Case 11, male, 30s)

“I don’t like them, because they don’t like us. They don’t like us here, it doesn’t feel like home, I will save the money and open my own business in Russia. My daughter is also there. [...] I don’t want to learn the language.” (Case 6, female, 30s)

“I live like any other Korean office worker, there is no much

difference between them and myself.” (Case 3, female, 20s)

These three excerpts represent three major reactions that could be found among the interviewees. Most of the interviewees mentioned language, plans to stay in Korea or return to the countries of birth, general attitude of the locals towards *Koryoins*. When asked whether their interactions with the locals increased over time, most of the respondents answered positively, with little relation to the length of stay in the country.

2. Working in the Russian-speaking community.

To assess the impact of working in the companies owned by *Koryoin* entrepreneurs, it was important to examine first the preconditions of migration, such as push and pull factor, as well as the prior knowledge about the country itself, its law system and language. We can divide the respondents into three groups on the basis of the reason to move:

1. Economic migrants.
2. Students.
3. Family members.

The first group is the biggest, as 7 respondents admitted that finding a job was the main reason to come to Korea.

“It was 90s, of course there was no chance I could find a job after graduating, so I just finished my degree without any enthusiasm and applied to a program.” (Case 4, male, 40s)

“My hometown is very small and with my degree it seemed impossible [to find a job]. I have relatives here, that’s why I thought it could be a good idea.” (Case 12, male, 20s)

“I had a job, but the money was laughable. [...] I could see some of the people I knew found jobs here and decided to come.” (Case 2, female, 20s)

Most of the interviewees named relatives or acquaintances who moved to Korea as the primary source of information about immigration, visas for Overseas Koreans, while pointing out that the official resources, such as the website of the Immigration Service, or embassies, are mostly confusing and do not provide accurate information prior to arriving to Korea. Another source of information named by the majority of interviewees that arrived in late 2010s was the internet, message boards and SNS in particular.

“I asked around on forums, most of my questions were already asked by other people. Also, my mother helped, she arrived a year earlier

than me.” (Case 6, female 30s)

“My relative’s acquaintance applied for the contract visa, I asked them about the program and applied.” (Case 10, male, 30s)

“It was difficult to understand what they asked for [on the website], I just looked around the internet-communities and asked people, it is easier to understand.” (Case 1, female, 20s)

Language ability was recognized by the majority of respondents as the main barrier to integrate into the society. Those who received a degree in Korea learned the language prior to the beginning of studies. However, for other respondents it was and still is the main difficulty.

“We had a [language] training session at the factory when we first arrived, but it was mostly safety instructions, I had to learn most frequently used phrases while working.” (Case 10, male, 30s)

“I knew a bit of the language before coming here, but when I actually arrived, it was hard, I found the language courses and started learning it.” (Case 8, female, 50s)

The language barrier was named as the main problem when finding a job, thus

for many of the respondents it was important to either learn it very fast (to adapt themselves), or find a job where it wasn't crucial (to adapt the system). Thus, working with other Russian-speaking immigrants became a way to avoid this barrier. In the process of employment immigrant network, once again, was named as the main source of information. Most of the respondents named relatives and SNS as the main sources of finding information about employment.

“At first I was just visiting factories in the area, but almost immediately my relatives found me a place in a Russian team.” (Case 12, male, 20s)

Interviewee 12 admitted that he felt “lucky” going from no perspectives in his hometown to a job with a steady income. He attends language classes in a local community center and is planning to find a job with his degree in Law when he can speak Korean fluently.

“I saw a post in a [Facebook] community and contacted them, there are many cases like that.” (Case 2, female, 20s)

“My mother offered to hand in her business to me, because she no longer wanted to be in charge.” (Case 6, female, 30s)

As we can see, informal social interactions play an important role in

accommodating newly arriving immigrants and helping them adapt on the earlier stages. Similar patterns are observed in the mechanisms of recruiting employees adopted by the employers.

“Originally, when I was opening my business, I already had a team from the previous company. So, naturally, when I registered I took them in. Now I find people here and there. Mostly through recommendations, among relatives, sometimes through forums, websites.” (Case 4, male, 40s)

Interviewee 6 mentioned unpaid help from family members. In cases 1 and 2, interviewees also mentioned occasionally helping friends with odd jobs, as well as recommending their own friends for positions. They expressed that it was an easier way to find a job in the earlier stages, when language barrier stops them from finding work outside of the community.

Another issue that was named by three interviewees included unfair treatment of the candidates by the local employers.

“If they see a “*Korean Korean*” and us and who do you think they will hire? They don’t want problems.” (Case 5, female, 30s)

As they believe, there is a certain attitude towards *Koryoins* among the locals,

thus, to avoid such treatment, they chose to work for *Koryoin* employers.

To compare the cases, three interviewees working in local companies were chosen. All three have previous experience with working for *Koryoin* employers.

“It was temporary, after receiving a diploma I could try any company, why search there. I wish to attend graduate school later.” (Case 3, female, 20s)

“I am receiving graduate degree and planning to apply to more prestigious companies after I graduate. There is not much choice among the community, there is no reason.” (Case 9, male, 20s)

“I tried many places when I first arrived to Korea, but now I can choose, I have good qualifications and experience.” (Case 10, female, 30s)

As we can see, in all three cases the issues of language and income arise as the main factors of moving to a local company. As they believe, working in a local company implies stability and probability of future career development, as well as social and financial security. Prestige was also named as one of the factors, which might be attributed to the issue of the attitudes towards *Koryoins* as well. Interviewees 3 and 9 also admitted they don't see difference between them and the locals, a degree from

Korean university attributing to their “sameness”. Interviewee 10 avoided mentioning integration pointing out that most of her friends are foreigners.

3. Access to information.

The general tendency among the interviewees indicated that rather than the official sources of information or local media, they prefer to receive information through peers, relatives, acquaintances, and internet communities. The majority of interviewees stated that they are not informed about the laws and acquire information about it when in need.

“No, I don’t know in general, but when something happens I just look it up in the internet or ask my colleagues, or friends. [...] I witnessed cases when our people were treated unfairly in some situations.” (Case 11, male, 30s)

“I have an accountant, she deals with my taxes, other than that... I remember when someone was gathering signatures for the H-2 implementation, then we were reading up about it.” (Case 8, female, 50s)

The issue of unfair treatment that was mentioned in the first excerpt, was also pointed out by two other interviewees, bringing up the issue of transparency. The close-knit character of the community where people mostly know or heard about each other,

guarantees transparency of these companies. We may assume that it is less likely that the employers will do any illicit practices against workers, as they can ask other workers about the issue. The atmosphere in these companies is less formal, as opposed to the local companies, the employees are also able to gather information for the future career development. In this case, and this is one of the main points of this discussion, ethnic entrepreneurship works as a network, or a first step to further develop career paths in Korea.

4. Interactions with locals vs. using services provided by the community.

In some cases, interviewees admitted that in the early stages of stay in Korea they tended to use services provided by the Russian-speaking community, such as restaurants, stores, tourist agencies. However, over time the use of such services and local equivalents became mostly even.

“With my limited Korean, I know how to order food and how to ask about things I want to buy. I use it sometimes, but not for groceries. We use cargo companies’ services though.” (Case 6, female, 30s)

“At first I went to Dongdaemun on weekends, but now it doesn’t matter.” (Case 11, male, 30s)

“It’s equal, I think. I do use tourist agencies, though, sometimes they have cheaper deals.” (Case 8, female, 50s)

General tendency shows lack of insularity, the interviewees expressed no willingness to limit themselves by interacting only within the immigrant community, even in case of interviewee 6 who previously expressed her displeasure with the attitudes of the locals that she experienced. The employers also expressed no strong bias in choosing partner companies, such as dealers, shipping companies, distributors, etc.

5. Expectations and attitudes towards the local society.

The general tendency among the interviewees that worked for *Koryoin* employers indicated that the level of integration is high among the majority of the respondents, based on the factors, such as openness to permanent settlement, willingness to improve living conditions, plans for career development, openness to social interactions with the local society, willingness to express and recognize personal and public interests, carry out social functions.

“I am integrated just fine. I am feeling comfortable here. [...] The conditions for us here are well already, I don’t know what could be improved. [...] To earn good money, one has to work well. If they don’t

like it here, why would they stay then.” (Case 8, female, 50s)

“I think, one thing that is stopping them [other overseas Koreans from integrating] is how locals see us. There is prejudice. Also, they aren’t willing to help.” (Case 2, female, 20s)

“I’m waiting for the right moment. There are some options, maybe I will apply to a Korean company later this year.” (Case 1, female, 20s)

Interviewee 4 expressed that, in his opinion, working in a Russian-speaking team has both advantages and disadvantages. On the one hand, it provides less stress for the employee. On the other hand, the employee has less motivations to learn the language, as there is no immediate need. To prove this point, when asked to compare their experiences to working in a local company, interviewees 3 and 10 expressed that stress is one of the only factors that could turn them to a company with a Russian-speaking team, if similar economic stimulus is provided. While the argument about motivations is definitely legitimate, as such conditions do not tend to provide stimulus to leave the comfort zone, on the other hand, working under pressure, especially with limited understanding of the language and customs at earlier stages of adaptation, may cause growing animosity towards the local society. The observed correlation between

the length of stay and the attitudes towards the host society deems not representative due to the limited scope of this study.

Conclusion

So why is it important to take into account ethnic entrepreneurship when discussing the process of immigrant integration? This study attempted to assess the impact of the enclave economy (specifically co-ethnic entrepreneurship and employment) on the process of immigrant integration through examining the case of the overseas Koreans from the former Soviet states in South Korean.

First of all, we note that, in general, minority groups, especially those who migrated to the country from other states, are substantially limited in their capabilities. Usually, they have a poor or extremely poor knowledge of the state language of the host country, they may have problems with registration and citizenship, the insufficient level of education or the lack of recognition of diplomas acquired in their native countries. This set of problems practically blocks migrants from the possibility of self-realization in several spheres of activity, such as public service, law enforcement, work in structures of education, culture, health.

Despite overseas Koreans having a special type of registration which offers wider range of options for settlement and employment, as it was expressed by a number of interviewees, some domestic employers from among the locals carry discriminatory

practices in employment, where immigrants may not be recruited, even if they generally meet the requirements of the company. There can be many motives for this decision - from the personal dislike of the enterprise managers or personnel officers to certain groups of immigrants to the uncertainty about the real ability of representatives of immigrant groups to fulfill professional duties, coping with the tasks assigned to them.

The last factor is really significant, given the actual differences in the level of language proficiency and the general working culture in different countries. In fact, it was expressed by the interviewees with experience of working in local companies that it was difficult for them to get used to the working conditions and stressful environment.

Considering that not all employers are ready to deal with immigrant workers, representatives of immigrant groups create their own business structures, enterprises and firms, become individual entrepreneurs. Thus, entrepreneurial activity is for them, first of all, a means of survival in an alien and, often, not always friendly environment. In this case, trust based on shared identity helps to form new social networks – immigrant networks – and reduces the possible temporary economic and psychological costs associated with the adaptation in the receiving society.

The specific nature of the internal organization of ethnic business structures relies on the active use of informal social structures and land relations as one of the tools of effective management. First, business is a source of funds, some of which is spent by entrepreneurs not in their own interests, but on the support of fellow immigrants, the cultural activities of the diaspora, the resolution of emerging problems with migration services and law enforcement agencies. In fact, among the respondents, two interviewees are involved in social movements and NGOs. Successful business contributes to the growth of the prestige of a particular group in the society, which allows its representatives to integrate into the power structures in the foreseeable future and enter the civil service.

Secondly, the existence of its own business structures allows the immigrant communities to more efficiently employ the arriving newcomers. Such mechanisms contribute to the constant growth of their well-being, on the one hand, and places the newcomers in the non-stressful environment where they can build plans for the future career development. Thus, such type of employment can be considered as a stepping stone for the immigrants.

Stalker (1994), who examined the ethnic entrepreneurship of Turkish migrants in Germany, notes that most Turkish businessmen have family businesses, since the main motivation for doing business is often to provide jobs for young family members

who would otherwise be unemployed. Employment in commercial structures belonging to fellow countrymen allows recently migrated representatives of the diaspora to adapt more quickly and less painfully to new social conditions, and in the long term - to use possible channels of social mobility within the ethnic business, improving their property status and acquiring a certain social status.

However, it is necessary to take into account the negative aspects of the presence of business structures organized on the basis of ethnicity. After all, the very form of their organization contributes to the preservation of kinship in the social sphere, which entails the archaization of social relations. Secondly, the presence of a microenvironment in which a representative of an immigrant group feels “at home” allows him not to think about the need to increase his professional education, of additional study of the state language, and expansion of the circle of communication among the local population.

Despite this study’s advocacy for the positive approach to enclave economy, such an approach entails the danger of subsequent fragmentation of society, especially in megacities. Consequently, the co-ethnic entrepreneurial activities as a source of legitimization in the host society should not be overlooked.

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국문 초록

The Role of Enclave Economy in the Process of Immigrant Integration in Host Society: The Case of Ethnic Koreans from the Post-Soviet States in the Republic of Korea

집거지 경제가 이민자 사회통합에 미치는 영향: 대한민국에 체류하는 고려인 동포의 사례로

소련 붕괴는 여러 독립국가 설립에 결론하여 수 많은 고려인들을 위해서 새 길을 열었다. 포스트소비에트 시기 초에 경제적 및 사회적 불안정성으로 형성되었던 정서 때문에 구소련 국가 간, 혹은 구소련 국가도 아닌 방향으로 인구이동이 증가했다.

다른 한편으로는, 예전에 아시아의 인력 공급처이었던 대한민국은 세계화 및 경제성장 과정을 걸쳐 이민 인력 수요처가 되었다. 해외 동포 대상으로 임했던 이민 정책 덕분에 이민이 증가한 동시에 이민자의 활동영역이 창업까지 넓어진 것이다. 사업을 운영하는 이민자들은 사회 네트워크를 활발하게 사용하는 것으로 이미 알려져 있는데, 고려인 동포의 경우 민족적인 측면이 예외로 중요하다. 고려인 집단의 민족이 주류 사회의 민족과 동일함에도 불구하고, 본 집단은 주류 사회에서 문화적 배경, 언어, 사회경제적 지위 등 변수로 인해 고립되어 있다.

본 연구의 목적은 집거지 경제가 주류 사회통합에 미치는 영향을 분석하는 목적이며, 본 연구에서 서울 안산과 동대문 지역에 집단으로 거주하고 있는 고려인 동포 사업가를 분석 대상으로 삼았다. 연구는 구조 기능주의 및 집거지 경제 이론, 또는 심층 인터뷰를 통한 질적 분석을 이용하여 창업 활동이 이민자 사회통합에 미치는 영향 및 그의 결과를 분석한다.

본 연구는 이민자 사회 통합과 소수민족 창업의 역할에 대한 존재하고 있는 연구에 기여할 예정이다. 이민자의 사회통합은 복잡한

현상이어서, 그 프로세스를 좌우하는 조건이 적지 않다. 하지만, 젊은 고려인 동포의 취업 및 창업은 이 통합 과정을 단순화시킬 뿐만 아니라, 대한민국의 인구와 경제 상황을 개선할 수 있다.

주요어: 이민자 사회통합, 귀환동포, 고려인, 소수민족 창업

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