Leveraging symbolic capital: The use of 'blat' networks across transnational spaces

1

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Abstract

This article contributes to debates on how social networks sustain migrants' entrepreneurial activities. Reporting on thirty-one interviews with Eastern European migrants in the UK, this article provides a critical lens on the tendency to assume that migrants have ready-made social networks within the host country embedded within co-ethnic communities. We extend this limited perspective by demonstrating how 'blat' social networks, which were formulated within the cultural and political contours of Soviet society are being transformed within the everyday lived experiences of Eastern European migrants working in the UK. Our findings highlight not only the monetarization of such networks but also the continuing embedded nature of trust existing within these networks, which cut across transnational spaces. We show how forms of social capital based around Russian language use and legacies of a shared Soviet past, are just as important as the role of 'co-ethnics' and 'co-migrants' in facilitating business development. In doing so, we present a more nuanced understanding of the role that symbolic capital plays in migrant entrepreneurial journeys and its multifaceted nature.

Introduction

This article contributes to academic debates on the role of social networks in sustaining migrants' entrepreneurial journeys. Across the globe, the practice of using personal connections to 'get ahead' and often to circumvent formal rules and regulations remains a common social practice; called wasta in the Arab world (Hutchings and Weir, 2006), guanxi in China (Chen et al., 2012; Luo, 2011), jeitinho in Brazil (Ardichvili et al., 2012), "pulling strings" in English speaking countries (Smith et al., 2012) and 'blat' in post-Soviet spaces (Ledeneva, 2009; 2013). The aim of this article is to contribute to the advancement of knowledge in this area by evaluating critically the use of blat, not in post-Soviet spaces, but across transnational spaces, exploring how Eastern European migrant entrepreneurs living in the UK, access, construct and maintain blat social networks using resources in their home countries as well as from operating in the UK. Extant literature presents blat networks as becoming monetarised with individuals increasingly using their blat networks to accrue economic capital within in post-Soviet spaces (Smith & Stenning, 2006). In this article however we explore the non-economic resources, which remain salient in the journeys of migrant entrepreneurs. To address this gap, this article addresses two core research questions: *What are the mechanisms that facilitate blat to function across transnational spaces? What are the conditions that enable blat networks to function in transnational spaces?*

To address these questions, we draw upon Bourdieu's 'forms of capital' approach (Bourdieu, 1986) to explore how migrant entrepreneurs in the UK have leveraged capital often in divergent ways, in order to set up and sustain businesses. Whilst extant literature has explained how migrant entrepreneurs mobilise different forms of capital (Baltar & Icart, 2013; Pluess, 2011; Vershinina et al., 2011) to further their business ventures, this article focuses on the under-explored form of symbolic capital understood as the prestige, status and positive reputation individuals possess in the eyes of others (Terjesen and Elam, 2009).

Whilst the importance of social networks within the experiences of migration has been well-documented (Castles and Miller, 2003; Faist and Ozveren, 2004), this article responds to calls to look beyond the tendency to see migrants as having 'ready-made' social networks and instead critically consider how migrant networks are formed in practice (Ryan & Mulholland, 2014; Ryan, 2007; Ryan et al. 2008). Using data generated between 2012-2014 from a qualitative study of Eastern European migrants in the UK, this article draws further attention to how migrants access, maintain and construct social networks in the host country (Ryan, 2011), focusing on the flow of resources not only within social networks within the UK, but crucially across transnational spaces between UK and Eastern Europe. Over the past decade, increasing numbers of 'new' migrants have arrived in the UK (Jones et al. 2014). This is explained by a rise in refugees and asylum seekers from war-torn countries (Edwards et al. 2016) migration from the new EU member-states (Ciupijus, 2011; Khattab and Fox. 2016) as well other European countries such as the former Soviet states of Ukraine, Russia, Belarus and Moldova. Despite the growth of 'new' migrant communities in the UK, forming part of the 'age of super-diversity' (Meissner & Vertovec, 2015; Vertovec, 2007; 2014), such groups have rarely figured in contemporary debates on self-employment and/or entrepreneurship, other than in a few notable studies (Barrett & Vershinina, 2017; Edwards et al. 2016; Ram et al, 2008).

Our findings demonstrate how 'blat' social networks, formulated within the

cultural and political contours of Soviet society, are being transformed by Eastern European migrants working in the UK. Our findings highlight not only the monetarization of such networks but also the continuing embedded and important nature of trust existing within these networks, which cut across transnational spaces. Moreover, our findings demonstrate how forms of social and cultural capital based around language use (Russian language) and legacies of a shared Soviet past, are just as important as the role of 'co-ethnics' in facilitating small business development. Moreover, this article highlights the significance of the under-researched notion of symbolic capital being leveraged across transnational work environments.

This article is structured as follows. The first section introduces literature on migrant and transnational forms of entrepreneurship and the role of migrant social networks, focussing on blat as a social practice. The second section presents the methodology used in this study. The third section outlines the findings of our empirical study and underscores the under-researched role of 'symbolic' capital in driving entrepreneurial practices. The article concludes by reflecting on the contributions and implications for theory and practice before identifying directions for further research.

Migrant and transnational forms of entrepreneurship

Migrant entrepreneurship literature has focused on the individual characteristics of entrepreneurs in terms of their social class, culture, ethnicity (Chaganti & Greene, 2002; Koning & Verver, 2013; Barrett & Vershinina, 2017) and various forms of capital, that they utilise to enable or constrain their entrepreneurial practice. Alternative explanations are based on more 'structuralist' readings of societal arrangements (Portes 1994), which involve migrant entrepreneurs relying on the social capital of their ethnic group (Drori et al. 2009) in the absence of any other relevant economic options.

One outcome of this recognition that both structure and agency are important has been the emergence of a mixed embeddedness approach (Kloosterman et al., 1999; 2010) to understand migrant forms of entrepreneurship (Ram et al. 2008; Vershinina et al., 2011), which takes into account the embeddedness of migrant entrepreneurs within co-ethnic networks and seeks to contextualize them within broader social, political and economic spaces within the host country (Ram et al, 2008). It focuses on the many difficulties that migrant entrepreneurs face in the host country (access to finance, access to training) as necessarily part of the social and political context of the host country (Ram et al. 2008). As such, the mixed embeddedness approach argues for the need to focus not only on ethnic strategies but also personal strategies within specific opportunity structures, markets and regulatory environments.

Social capital is often seen as a resource, enabling migrant entrepreneurs to access co-ethnic social networks in order to gain finance (Vershinina et al. 2011). However, Sepulveda et al. (2011) argue that the importance attributed to social capital as a means to facilitate migrant entrepreneurial business operations is over-stated. Related to this point, Ram et al. (2008) and Jones et al. (2014) have emphasized how social capital can have negative as well as positive effects on migrant populations. Within their study of Somalis in Leicester, Ram et al. (2008) found that the social capital, which these Somalis utilised within their business operations, was a two-way resource, on the one hand providing critical forms of economic capital to assist in the start-up of business ventures in the UK, while at the same time providing large amounts of monies back 'home' to family and friends in Somali also. An outcome of

this recognition of the continuing importance of the 'home country' in the lives of many migrant entrepreneurs has been a growing academic focus on the transnational economic practices of migrants (McKenzie & Menjivar, 2011; Walther, 2012; Wilding, 2006). It is to this literature, that the article now turns.

Studies on migrant and transnational entrepreneurship use a variety of different definitions to understand immigrant and ethnic forms of entrepreneurship (Brzozowski et al., 2017). For the purpose of this article, it is important to clarify the distinction between the country of origin, the newly formed host country and the relationships between the two. Firstly, ethnic entrepreneurs are active in their ethnic enclaves in their host societies and often rely on their co-ethnic customers (Koning & Verver, 2013). Secondly, transnational entrepreneurs, defined as 'social actors who generate networks, ideas, information, and practices for the purpose of seeking business opportunities or maintaining businesses within dual social fields' (Drori et al., 2009), benefit from being present simultaneously within dual business environments, the host and home societies. As Walther (2012) outlines, the transnational entrepreneur exploits his/her positionality within dual fields, exploiting the opportunities which entrepreneurs active in only one location do not have access to. As Vertovec (2001) states, 'the in-between position of many transnational migrants may be grasped as an advantageous strategy' (Vertovec, 2001, 118). Lastly, as Brzozowski et al. (2017) point out succinctly, there is a need to further differentiate transnational entrepreneurs, who operate between home and host countries, from transnational diaspora entrepreneurs who operate across multiple locations and crucially involve second and third generation migrants (Elo, 2016; Mayer et al., 2015; Riddle & Brinkerhoff, 2011).

Within this paper, we are focusing our attention on first generation transnational migrant entrepreneurs, who maintain links with their home countries across Eastern Europe, whilst operating businesses in the UK. Regarding links with the home country, literature has focused on how transnational migrant entrepreneurs take advantage of access to knowledge, capital and technology (Chen and Tan, 2009; Drori et al., 2009) and how networking across transnational spaces can positively impact on firm outcomes (Kariv et al., 2009). Moreover, Brzozowski et al. (2014) highlight the fact that many transnational migrant entrepreneurs maintain links with the home country, seeing it as a 'backup option' if their businesses in the new, host country fail to develop. In contrast, in this article our empirical findings point to alternative explanations. We now outline the key literature on social networks, which enables us to frame such alternative understandings.

Migrant social networks

Defining social capital, as 'a particular kind of resource available to an actor' which 'inheres in the social structure of relations between actors and among actors' (Coleman, 1988: 98), for migrant communities (Evergeti & Zontini, 2006), scholars have focused on the importance of family and friendship networks in assisting and maintaining migration processes (Heering et al., 2004; Kilkey & Merla, 2014). Rather than blindly seeing bonding social networks as 'largely as an unmitigated good' (Edwards, 2004), scholarly work has recognised the importance of dynamism across space and time within migrants' social networks (Ryan, 2007) and how social capital can have positive and negative impacts upon migration processes and experiences (Edwards, 2004; Ryan, 2011) in the host society. Kelly and Lusis (2006) point out the potential dangers for new migrants who only interact with co-ethnic migrants, with migrants lacking in contacts within the wider host society. The prevalence of such

closed social networks has also been aligned to the existence of negative social capital and emergence of ethnic enclaves detached from the wider host society (Crowley and Hickman, 2008). Within a UK context, there has been concern that ethnic minority businesses, located within ethnic enclaves remain concentrated in low-order sectors (Smallbone et al, 2010).

Such an appreciation of positive and negative types of social relationships, which may lead to different forms of resources accessible within particular social networks for migrants is clearly relevant. Indeed, such an acknowledgement of the dynamism within social networks demonstrates the importance of taking into account the social positioning of different actors within a specific social network. To this end, Granovetter (1973)'s theory of strong and weak ties seeks to differentiate the relative importance of ties within a given social network with strong ties being associated with friends and family members, holding similar views and access to resources. In contrast, weak ties are most effective when they enable the bridging of social distance. Developing this theory, Ryan (2011) argues, there is a need to differentiate between so-called 'horizontal' and 'vertical' weak ties. Although Granovetter did not focus attention on the processes of migrants seeking to develop businesses in a host country, nevertheless, the theory of 'strong' and 'weak' ties may be useful when seeking to examine the challenges that migrants face when seeking to access social networks in a host society. Brzozowski et al. (2017) offer a concise review of the importance of ties for transnational migrant entrepreneurs during the start-up phase and later stages of business activity. Whilst some studies (Katila & Wahlbeck, 2012; Patel & Terjesen, 2011) underline the importance of strong family ties in the start-up process, other studies either dismiss the importance to familial ties (Smans et al., 2014) whilst Mustaf & Chen (2010) argue that family ties are not only important in the start-up phase but also for the continued success of transnational migrant entrepreneurial business activities. In this article however, we seek to extend this reliance on strong ties, based in family networks to explain transnational migrant entrepreneurship. Instead, we focus attention on the under-researched role of weak ties. We now move on to examine the role of 'blat'.

The role of 'Blat'

The use of personal connections to 'get things done' and often to bypass formal rules and regulations is prevalent across many societies. Existing research outlines the use of 'jeitinho' in Brazil (Ardichvili et al., 2012), "pulling strings" in English speaking countries (Smith et al., 2012), guanxi in China, defined as "interpersonal linkages with the implication of a continued exchange of favours" (Michailova and Worm 2003, p. 510) and its important role within the everyday 'doing' within Chinese business organisations (Chen et al., 2012; Luo et al., 2011). Similarly, in the Arab world, wasta "involves social networks of interpersonal connections rooted in family and kinship ties and implicating the exercise of power, influence, and information sharing through social and politico-business networks" (Hutchings and Weir (2006, p. 143) has been found to play an important role in the everyday nature of business transactions (Hutchings and Weir, 2006). Aliyev (2017) highlights that despite the diversity and scope of informal practices across different countries, the main purpose of these forms of informal behaviour is similar, namely to circumvent formal rules and provide beneficiaries with selectively redistributed favours and services (Smith et al. (2012, p. 345).

During Soviet times, blat was the term commonly given to the use of personal

connections to circumvent and navigate the intricacies of getting by in the Soviet deficit economy (Ledeneva, 2009, 2013). As Ledeneva (2009) argues, blat networks "loosened up the rigid constraints of the political regime" (Ledeneva, 2009, p. 257) and allowed Soviet citizens an alternative way to negotiate goods and services at an everyday level, often avoiding the bureaucratic incompetencies of the decaying Soviet system of scarce resource allocation. As such, blat was viewed positively as a means of 'getting things done' and importantly had no obligation to provide any direct compensation for the assistance provided. Correspondingly, the ability to assist friends and have a strong 'blat' network represented an important symbol of prestige and societal status (Williams et al., 2013) representing an accumulation of symbolic capital.

Following the collapse of the Soviet system, whilst some studies have argued that blat has remained a social practice involving friendly assistance (Polese, 2008; Wanner, 2005), other studies argue that blat networks have become increasingly commodified with individuals using their blat networks to accumulate economic capital within the newly formed market-based societies (Smith & Stenning, 2006) with blat acquiring a more negative meaning. Whilst there is a clear assumption within the extant literature that the use of blat networks has been refashioned away from traditional forms of non-monetarised friendly assistance to an increasingly commodity-based understanding of personal connections, nevertheless, until now, this has not been placed under empirical scrutiny. To address this issue, this article examines how blat networks, involving non-economic as well as economic exchanges, function across transnational spaces with particular focus on the under-explored notion of symbolic capital. Before outlining the findings of our research study, we outline key methodological issues within the research study.

Methodological Approach

As Mallett and Wapshott (2015) identify, despite the current policy focus upon harnessing entrepreneurship as a primary means of fostering economic development and growth, there is a lack of in-depth empirical work on the everydayness of entrepreneuring. This is even more the case in relation to transnational migrant entrepreneurs. Responding to this, the article examines the everyday practices of Eastern European entrepreneurs operating in three UK cities. Between 2011 and 2014, thirty-one in-depth qualitative interviews lasting between an hour and ninety minutes were undertaken (totalling 2,308 minutes). These entrepreneurs held different nationalities (see details in Table 1). It is important to note that all the respondents were legally residing and working in the UK. For individuals from Latvia and Lithuania, they were EU citizens and hence were utilising their rights to live and work within the UK. For non-EU member state citizens within our study (Russians, Ukrainians, Belarusians and Moldovans), all individuals held UK visas allowing them to live and work in the UK. All these entrepreneurs had arrived in the UK between 2007 and 2012. These interviews formed part of a wider research project, examining transnational migrant entrepreneurs in the UK. The participants were aged between 25 and 55 years old, eighteen were men and thirteen were women.

Our sample of Eastern European entrepreneurs was developed using a variety of means, including contact with migrant groups, community organisations, and personal contacts across Eastern Europe and in the UK. Such a process of 'chain referral sampling' (Penrod et al. 2003) was useful in eliminating the risks of over-reliance on a narrow set of social contacts and has been used recently in other studies

of new migrant communities in the UK (Vershinina & Rodionova, 2011; Jones et al., 2014). The detailed demographic data about our respondents is presented in Table 1.

The interviews were semi-structured and recorded with each respondent's consent and transcribed verbatim. We undertook thematic analysis, coding the data to explore emergent themes. Interviews were conducted in a combination of English, Russian and Ukrainian languages by the lead researcher who is a native English-speaker but fluent in the Russian and Ukrainian languages. Transcripts were checked for accuracy by the second author, who also speaks these three languages. A constant comparative approach to data analysis was employed (Silverman, 2005), with descriptive themes iteratively emerging from the data. The themes were considered in relation to the existing literature, allowing the researchers to constantly reflect on links between data and literature. Such an approach has been used previously in academic studies of entrepreneurship in context (McKeever et al., 2014). Although Jack and Anderson (2002) assert that in-depth qualitative research can lack generalizability, in the context of this study it is appropriate to identify new insights about the practice of entrepreneurial migrants engaging in transnational entrepreneurship.

Insert Table 1 about here

Findings

We set out to examine the mechanisms, which facilitate blat networks to function in transnational spaces. We focus on migrant entrepreneurs who have set up businesses in the UK and we explore the entrepreneurial practices of our participants in an attempt to understand how they leverage and accrue their capital resources. The stories and everyday experiences of entrepreneurship unfolded in a variety of ways during the research process. One of the core narratives, which emerged from our data focuses on social capital, leveraged through family ties. This highlighted how social capital can facilitate migrant journeys to entrepreneurship. Yura, disappointed with labour market opportunities in Latvia had decided to take up the offer of some assistance in setting up a business in the UK.

> My friend and I have been working as plumbers here for a couple of years now. We started working cash-in-hand and set up business with help of some relatives of my mother. People got to know us slowly (INT: 3).

Prior to the help of his mother's friends (social capital), Yura had plumbing experience and a desire to develop a business in UK but did not possess the know how - 'the knowledgeability' - to begin the process. The use and enactment of the social capital acted as the trigger to kick-start his UK business. Such examples echo the findings of Light and Gold (2000) who argue that the transnational social ties of migrant families can play an important role in shaping ethnic economic arrangements.

However, whilst social capital embodied in family ties was prevalent in several interviews, social capital was also enacted from being members of wider social networks beyond family or ethnic ties. Ira, a Belarusian national, outlined how her entrepreneurial practices had developed over time after working in the UK as a hotel cleaner in a formal work environment:

'We all work as cleaners in a hotel. We wanted to earn more money and with some of the other girls, we set up a small hair-styling business. We put adverts on the Internet and in shop windows. The response has been good. There's a large Russian-speaking community here and Russians, Ukrainians and Kazakhs are now our clients' (INT: 6).

In this case, we see the process of how Ira's interaction with work colleagues in the formal work sphere had generated social capital, seeing an opportunity to mobilise the entrepreneurial practice, which was now complementing Ira's formal work employment (Williams 2011) and providing a business to develop through access to migrant networks, not tied together solely by ethnicity (Crowley and Hickman, 2008; Koning and Verver 2013; Ram et al., 2016), but through shared Russian language use and associated cultural values (Vershinina et al, 2011). Similarly, Antoliy (INT: 10), a joiner, highlighted how being a member of the Russian-speaking community in his city had provided him with more business opportunities than solely engaging with fellow Moldovans (I have several guys from Russia, Ukraine and Latvia who work with me. It is not important that they are not Moldovan. What is important is that they are *'nashi'* – 'one of us').

Such examples, whilst highlighting the importance of social capital as a catalyst to entrepreneurial practice, demonstrate that forms of capital in UK, the 'host country' are being accrued not solely through family ties (Light and Gold, 2000) or from within 'co-ethnic' networks (Ram et al. 2008), but through being *'nashi'* - a member of a wider Russian-speaking community with shared legacies of a Soviet past, which replicates findings from a previous study of Polish migrants operating in Leicester in the English Midlands (Vershinina et al., 2011). Beyond these examples, what became evident is that everyday interactions with people of different nationalities but of similar societal position (being a migrant in the UK host environment, shared language use) enabled these individuals to draw on and command resources in 'co-migrant' networks, beyond the simple contours of ethnicity and transfer them into transnational spaces.

Vertical and horizontal weak ties
A further prominent narrative emerged around the way in which migrants access and utilise social networks and types of ties at their disposal (Bourdieu, 1986; Ryan et al., 2008). Slava (INT: 4), a Ukrainian national, came to the UK several years ago. However, following the loss of his job as a hotel porter, he saw the potential use of his vehicle as a capital resource and started his unofficial taxi service:

> In Ukraine lots of people work as taxi-drivers. When I lost my job, I decided to use my mini-van as a taxi and courier service. I have lots of work now in the city…our people like to use me and they help me in other ways too (INT: 4).

Slava explained how whilst living in Ukraine, he had enlisted the help of his brother, who had lived in the UK for several years to gain him the necessary (forged) documents to enter the UK, highlighting how social capital enabled through active family networks (Vershinina et al., 2011) can facilitate entrepreneurial practices. However, Slava also described how when in the UK, his lack of English language

skills and his illegal status had forced him into engaging in informal entrepreneurial activities Moreover, Slava explained how being a member of the Ukrainian community was 'like a double-edged sword', stating that whilst 'our people are ready to help', this help often came with binding terms and conditions attached. Whilst earning a decent wage now, Slava bemoaned the fact that 'my English is not improving' and 'I cannot gain any new clients, I feel stuck here now' highlighting how he felt constrained within the Ukrainian community in the city. Slava's example highlights dangers of migrants maintaining solely 'horizontal' ties, which necessarily reinforce the marginalisation of migrant communities within the host society (Ram et al 2016). As Granovetter has noted: 'This pervasive use of strong ties by the poor and insecure is a response to economic pressures; they believe themselves to be without alternatives. . . . Individuals so encapsulated may then lose some of the advantages associated with the outreach of weak ties' (1983:213).

However, in contrast, several interviewees highlighted a desire to embed their business activities more widely in the UK. As well as leveraging social capital from within family ties or network ties, (co-migrant or otherwise), they had striven to learn how to get by and be successful in the UK. As Lukas outlines:

> I arrived from Vilnius five years ago and set up my electrician business. At first, I survived through word of mouth in the city. Soon, I realised that I needed to make the next step. I enrolled on a training course. It has been great. I've got a qualification from it, met some really useful people and all the while, my English has been getting better (INT 14).

Lukas outlined how his contacts within the Lithuanian community 'had been only useful for a while' thus highlighting the temporal nature of co-ethnic support networks and they are not a given. Lukas realised that in order to develop his business beyond the constraints of the ethnic enclave, he realised the importance of staying in touch with several of the other individuals on the training course who have 'helped me understand how business works here in the UK'. Similarly Katya (INT 5) and Lena (INT: 17) highlighted that with the passing of time, the focus of their businesses shifted from reliance on co-ethnic customers to an understanding of widening the business's scope. Both of these respondents had taken advice externally (a local women's enterprise association - Katya and an English colleague from her son's children's group – Lena), demonstrating the importance of weak ties driving their entrepreneurial pursuits.

Such examples involving the gaining of contacts within the indigenous population, outside of immediate strong-tie networks, highlight how vertical weak ties (Granovetter, 1973) can generate access to relevant and useful information to aid business development. Lena explained how speaking English on a more regular basis at external events meant that over time 'her confidence improved and she felt able to not just talk about her homeland but actually discuss business ideas and opportunities'. Svetlana (INT: 12) had previously worked as a therapist in Russia for many years, however described her disappointment initially that her qualifications had not been recognised in the UK. However, she explained that through the financial support of her British husband, she managed to enrol onto a training course where she not only managed to get the necessary qualifications to start her therapy business but also had met many individuals who had become her friends and had 'pointed her in the right directions' in terms of the market for therapists in the UK.

Beyond these examples the importance of weak ties became apparent within

the journeys of our respondents. Moreover, the positionality of our respondents maintaining dual access to ethnic economy and mainstream economy resources enabled their businesses to develop. In time, several respondents highlighted how ties exclusively based in co-ethnic migrant networks lose their potency and simultaneously are being replaced with newly accrued forms of capital.

Accumulation of transnationally embedded symbolic capital
Another central narrative relates to the transnational nature of social networks that Eastern European migrant entrepreneurs tap into, which is underpinned by accrued forms of symbolic capital. It is evident from our respondents' accounts that the growth of globalization, the advent of the Internet and Skype has enabled these migrants to maintain transnational ties through regular and affordable communication (Baldassar et al., 2016; Perkins & Neumeyer, 2013).

Several participants spoke about the notion of their 'positionality' of living and owning a business in the UK gave them 'respect' and '*avtoritet*' some new authority among my friends back home'. Anatoliy (INT:18) had arrived in the UK from Ukraine over ten years ago and had gradually developed a small car export business.

> People in Ukraine look at me differently now. Now they see a successful businessman, not in Ukraine where everything depends on who you know, but in UK, an advanced country. It's helped my car business in the UK. Customers see they'll get a quality product and I've built a good reputation.

Similar to Anatoliy, Nikolay (INT: 27) explained over the past few years, he had opened up a set of clothes shops in Moldova and had found that being known as a businessman with 'UK operations' meant that people 'looked up to him' and considered him as a 'serious businessman'. Nikolay stated how this had helped him get access to 'the right people' within business circles in Kishinev, who had assisted him in expanding his range of clothes shops across Moldova, which had meant that he could subsequently invest further into his business in the UK.

Whilst such examples highlight how 'respect' was gained in migrant's home countries, other interviewees demonstrated how similar forms of symbolic capital were accrued in the UK. An example is Vitaly (INT: 9) who has businesses not only in the UK, but also in Germany and Austria. Clearly demonstrating the importance of transnational connections (Vertovec, 2007). Vitaly leads a life, constantly using Skype and WhatsApp as means to keep his businesses across different national jurisdictions ticking over. In terms of his businesses in the UK, firstly he set up an informal migrant advice consultancy online, for the UK's Russian speaking population. Using his knowledge of the Russian language and his breadth of business experience from Germany and Austria, his business generates a steady form of income, which he uses to maintain his existence in the UK and also support his other businesses in Germany and Austria. In his own words, Vitaly highlights how 'people know who I am and what I can do for them' and this clearly gives Vitaly some prestige and respect within the Russian-speaking community in the UK. These examples indicate how the accrual of symbolic capital translates across transnational spaces and enables individuals to earn respect, claim credibility and legitimacy in both their country of origin, and also in the co-ethnic, co-migrant and wider host country communities. It is important to note that the relevance of '*avtoritet*' was only specific to the narratives of non-EU citizen respondents within our study. These

individuals have leveraged forms of accrued symbolic capital, in the eyes of family, friends and others back in their home countries, which facilitate their business operations in the UK and also back at home. This stands in contrast to EU citizens within our study for whom the intensity of accrual of symbolic capital is extensively lower as a result of their ability to live and work anywhere in the EU. As Katyr (INT: 26) states, 'Anyone can get on a bus and come to England'. Hence, tentatively our findings point out that blat, despite clear commonalities, can mean and be used in diverse ways by transnational migrant entrepreneurs.

Refashioning of blat networks

Lastly, what underpins the social capital and its transnational nature, the use of weak ties in developing businesses beyond the ethnic enclave and transnationally embedded symbolic capital which projects confidence for transnational migrant entrepreneurs, is their ability to harness blat networks in which they own and participate within. Within the study, it became apparent that individuals in possession of transnational social capital with links to key individuals in co-ethnic, co-migrant and wider communities are engaged in the accumulation and exchange of symbolic capital (so-called 'respect', 'credibility', 'legitimacy' and 'authority'). In doing so, they extend the reach of their transnational social networks and thus generate economic capital. Previous literature essentialises social capital as the primary engine for the creation of economic capital of migrant entrepreneurs. We posit that in our study, we see the significance of symbolic capital in fuelling entrepreneurial activities.

Vlad (INT: 20), a partner of a UK citizen, arranged documents for individuals wishing to work and live legally in the UK using Russian language web forums.

> I earn money through my contacts to sort out documents. There are lots of Russians/Ukrainians who need the correct documents to look legal. We have lots of 'legals' now from the Baltics - their documents become transferrable…for a price of course (INT: 20).

Vlad explained how within the Russian speaking community, he had gained 'respect' for 'getting people's documents sorted quickly and efficiently'. His 'reputation' had developed over the past years with new clients constantly contacting him online and through informal contacts to arrange documents for non-EU citizens from countries such as Moldova, Ukraine and Russia, who invariably had overstayed their visas. Vlad's leveraging of symbolic capital here though, in his words meant 'making the most of my contacts' and 'using my access to people' to work financially for himself. Vlad clearly saw his informal contacts as a means to aid his financial position, thus seeking to monetarise and commodify his existing blat networks (Ledeneva, 2009, 2013).

Nadya (INT: 30), who has her own cleaning business in the UK, explains the importance of her 'circle of friends' from back home in Minsk in Belarus. Nadya explains how since leaving university over ten years ago, the group have remained in close contact and 'look after each other'. Nadya highlights how she is 'proud' that she was able to help a friend set up a business in the UK last year and feels that she has gained some 'prestige' and respect in the local community. As a result of this, Nadya states 'people know who I am now and how I look after my family and friends back home and also have the resources and desire to aid my friend here also'. Faist and Ozveren (2004) differentiate between kinship networks, often involving deeply

embedded networks and more loose, diffuse and informal networks. Yet, the example of Nadya highlights the fact that impersonal ties, not based on kinship, maintained within transnational contexts, also have a strong capacity to impact upon entrepreneurial practices.

Ivan (INT: 21), originally from Moscow highlighted the importance of having not only relevant contacts but also 'respect' within the given community. Ivan had moved to the UK over six years ago and worked as a computer specialist. However, he had also set up a car-wash business and began to employ 'our people'. As a consequence, Ivan outlined how his reputation had grown in the city 'people know who I am and know that I am an honest businessman'. As a result, people constantly come back and recommend my services'. Such embedded networks involving '*svoi lyudi*' – one's own people – represent, contrary to extant literature, the continued importance attached to notions of trust, loyalty and obligation within blat networks across transnational spaces.

In contrast, returning to the example of Vitaly (INT: 9), he stands as an example of a *'tolkach'* – a Soviet term relating to 'fixers – blat experts' who were previously employed by Soviet enterprises to navigate the maze of Soviet bureaucracies and get things done relatively efficiently. Previously, Vitaly explains how he worked in the Soviet and post-Soviet periods as a procurement manager for a large enterprise in eastern Ukraine, which involved him 'knowing lots of useful people' and 'getting things done' without the fuss of bureaucratic procedures. Today, Vitaly highlights the importance of having '*svoikh ludyei*' (trusted individuals) working for each business across different countries. Vitaly outlines how within his network of contacts are friends 'who used to work and study together back in the Soviet days in Ukraine'. Vitaly highlights how 'we all aim to help each other out when someone asks for help' and that there is no expectation of help to be fully reciprocated. Such comments demonstrate the continuing importance of blat as a social practice, providing friendly assistance (Polese, 2008; Wanner, 2005) and no less important, the significance of trust, working across transnational spaces, binding and reinforcing the social network of individuals. Whilst blat relations emerged within the late Soviet period as a means and a tactic of individuals to navigate the intricacies of the Soviet deficit economy, today individuals use them to develop their entrepreneurial pursuits beyond the contours of post-Soviet spaces across transnational spaces.

Conclusions

In this article we set out to explore the mechanisms that facilitate Eastern European transnational migrant entrepreneurs to use blat networks across transnational spaces. To achieve this, we conducted thirty-one semi-structured interviews with entrepreneurs in the UK. In this article, we shed a critical eye on the tendency to see migrants as having 'ready-made' social networks (Ryan, 2007; 2011) and instead critically consider how migrant networks are formed in practice. While studies have recognised the possibility that different forms of capital can be transferred and transformed, there has existed an assumption that the nation-state is the clear unit of investigation without fully examining the possibilities for forms of capital to be leveraged and mobilized across transnational spaces, and the migrant experiences are multifaceted. Whilst much research on migrants' social networks focused on the importance of family, 'co-ethnic' and 'co-migrant' networks, our findings demonstrate that networks based around shared Russian language use and legacies of a shared Soviet past (being '*nashi*' – one of us) are just as or more important as the

role of 'co-ethnics' in driving entrepreneurial pursuits. Whilst the literature on transnational migrant entrepreneurship has focussed on the importance of strong, familial ties (Katila & Wahlbeck, 2012; Mustafa & Chen, 2010; Patel & Terjesen, 2011), this article elucidates how weak ties impact upon transnational migrant entrepreneurship. Our findings highlight the importance of differentiating between forms of 'weak ties', which are not all equal in value. Whilst horizontal ties can aid small business development, several interviewees highlighted the importance of looking beyond the immediate, co-ethnic networks and instead recognised the importance of developing 'vertical' ties, enacting social capital ties which allowed access to resources and forms of capital across the wider host society. This article uncovers potential avenues for future research. It would be fruitful to examine the dynamic nature of ties and whether such ties continue to accumulate or erode with time (Brzozowski et al., 2017) as current literature does not offer a coherent view on the relationship between the type of tie and its intensity over time in the context of transnational migrant entrepreneurship. Moreover, further studies could examine the potential role of sectors in understanding how ties influence transnational migrant entrepreneurship. Whilst in this study, we did not find any striking differences between the sectors respondents were engaged in, future studies could explore in more detail whether low-skilled services render different use of networks in contrast to more complex business operations.

Our findings highlight the significance of the under-researched notion of 'symbolic capital' being leveraged across transnational spaces. We demonstrate that the 'status' and 'prestige' of being a 'successful businessperson in the UK' with access to cheap finance in fact had a wholly positive impact on some entrepreneurial pursuits. Intriguingly, individuals from countries in the former Soviet Union, such as Ukraine and Moldova are able to leverage 'symbolic capital' as a result of the status bestowed in those countries for individuals who have managed to migrate to the UK. Some individuals accrue symbolic capital from within the co-ethnic community, some individuals accrue symbolic capital due to their co-migrant experiences (shared language use and shared historical values). Whilst for others, symbolic capital arises from the wider community in the UK host society.

Moreover, our findings demonstrate how 'blat' social networks, which previously were formulated within the cultural and political contours of Soviet society are being transformed within the everyday lived experiences of Eastern European migrants working in the UK. Our findings highlight not only how blat networks are being monetarized but also how such networks continue to rely on the importance of trusted individuals having access to sources of power and capital and how such processes operate across transnational spaces. Rather than the ability to maintain blat networks being viewed in a negative fashion (Ledeneva, 2013), we find that blat networks are viewed in a wholly positive light which facilitate not only themselves access to various forms of capital but also engender the accumulation of symbolic capital, which furthers migrants' business operations.

Hence this article makes the following contributions to the literature. We firstly highlight the shift amongst Eastern European transnational migrant entrepreneurs towards reliance on co-migrant rather than co-ethnic networks and the temporal nature of co-ethnic social capital in business development. Secondly, we elucidate the importance of horizontal weak ties in establishing business operations for transnational migrant entrepreneurs (ethnicity and shared language use) and correspondingly, the importance of vertical weak ties across wider streams of the host society and transnationally, enabling subsequent business growth. Thirdly, we

contribute a more nuanced understanding of the role that symbolic capital plays in transnational migrant entrepreneurial journeys and its multifaceted nature. Finally, we explain that blat networks continue to attach importance to notions of trust and loyalty despite the literature depicting them as increasingly being monetarised. Moreover, for the first time, we demonstrate the relevance of blat networks functioning across transnational spaces.

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