

International Immigration and Entrepreneurship in El Hierro (Canary Islands, Spain): Can Immigrant Businesses Drive Socio-Economic Dynamism?

This paper studies the dynamics of international immigration on El Hierro, a small island of 268.71 km², with its capital Valverde has a mere 1,700 residents. Specifically, it focuses on understanding the dynamics of international immigration and its prospects for fostering business creation. Over recent decades, the island has witnessed a surge in population attributed to the influx of international immigrants, constituting 30% of the island's population in 2022. Undoubtedly, this inflow has been pivotal in not only refraining depopulation but also reversing the migratory trend from negative to positive. This transformation owes itself to the return of former emigrants and their descendants from Venezuela and, to a lesser extent, Cuba which constituted approximately 20% of El Hierro's population in 2002. These immigrants found economic integration predominantly in the retail, restaurant, and tourism sectors, both as entrepreneurs and workers. Simultaneously, with 60% of its land reserved for environmental preservation, El Hierro has become an alluring destination for foreigners keen on active tourism, particularly Central and Western Europeans who have often established businesses (e.g. hiking, diving). In this regard, El Hierro boasts a labour market that facilitates the arrival of immigrant workers and entrepreneurs.

The objective of this paper is to scrutinize the economic and environmental impacts instigated by these international actors on the territory. In doing so, it explores the intricate process of labour integration for these international immigrants in an island context deemed a "winner" for successfully countering depopulation, establishing an environmental tourism identity, and attracting immigrants from diverse backgrounds. Furthermore, it examines whether companies initiated by immigrants could potentially foster a sustainable, endogenous local "development" model, thereby contributing to the retention of the younger population on the island. Methodologically, this study draws from fieldwork conducted on El Hierro from May to October 2023, involving 20 in-depth interviews with international immigrants and eight guided interviews with key informants. The underlying hypothesis is that international immigrants possess diverse forms of capital (economic, human, and social) capable of revitalizing El Hierro's labour market, which traditionally leans towards public employment. This immigrant group is potentially seen as a source of innovative perspectives concerning environmental and socioeconomic sustainability.