The Agency of Immigrant Entrepreneurs
Biographies of the Self-Employed in Ethnic and Occupational Niches of the Urban Labor Market

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Through an analysis of interview data and biographies of entrepreneurship, we demonstrate in this article the diverse paths to immigrant self-employment across a range of immigrant populations. We address the utilization of ethnic and occupational niches for establishing businesses and the resources that immigrant entrepreneurs draw upon as they move into self-employment. By drawing on the concept of biographical embeddedness and by emphasizing the agency of individual actors and their motivational and experiential resources, this article moves the analysis of immigrant entrepreneurs beyond the “disadvantage hypothesis” that has characterized much of the previous work on this subject.

Research on immigrant entrepreneurs in the United States dates back to the 1970s with the publication of Ivan Light’s Ethnic Enterprise in America (1972) and Edna Bonacich’s (1973) formulation of “middleman minorities.” However, twenty years subsequent to these publications Light and Bhachu were still claiming that entrepreneurship was a “neglected but potent influence upon the economic and social integration of immigrants” (1993:13). They argued, in particular, that the role of immigrant networks in building business had been overlooked, as had the impact of entrepreneurship on the volume of immigration. Several essays assembled in their book advanced the discussion of immigrant entrepreneurship, as have numerous articles published in the ensuing decade (for example, Light and Roach 1996; Logan, Alba, and Stults 2003; Raijiman and Tienda 2000, 2003; Zhou 2004). In this literature, largely produced by sociologists, debates about why immigrants become self-employed and where they are located in urban labor markets—in what kinds of businesses—have been central.

Bun and Hui (1995:523) suggest that two theoretical models predominate in explanations of why immigrants turn to entrepreneurship. One is a cultural model that emphasizes “imported or transplanted culture in terms of values and beliefs that are being retrieved, invoked, produced and reproduced to start or to maintain ethnic business.” Related to this model is a body of literature that draws attention to ethnic resources, including rotating credit associations, a co-ethnic labor force, and an enclave economy, as factors that facilitate self-employment (Borjas 1986; Marger and Hoffman 1992; Min and Bozorgmehr 2000; Yoon 1991). The second model is structural, emphasizing the constraints and opportunities available to immigrants. This model suggests on the one hand that immigrants are pushed to self-employment as a result of discrimination that blocks other alternatives, or as a result of limited language skills that make it more difficult to enter the mainstream labor market. Min and Bozorgmehr (2003) formulate this as the “disadvantage hypothesis” (see also Bonacich 1993; Kim 1981; Mata and Pendakur 1999;
Tsukashima 1991). On the other hand, opportunities are to be found in the structure of the local economy and the ethnic composition of urban areas. “Multiethnic urban areas create particular opportunities for small businesses to compete: first by forming fragmented patterns of demand that reduce economies of scale in serving the local population; and second, by offering large niches that serve central city minority slums that attract neither mainstream firms nor the native middle-class population” (Razin 1993:101; see also Yoon 1991). Beyond these opportunity niches in low income neighborhoods, scholars have also noted that immigrants can call on ethnic resources (social networks among other things) to concentrate in particular entrepreneurial activities. Waldinger (1994, 1996, 2001) refers to this as an “ethnic niche.” We prefer to think about ethnic-niche businesses as those that are largely focused on serving a co-immigrant or co-ethnic minority population and to use the term “occupational niche” to describe those industries where a particular immigrant group is overrepresented or concentrated. Ethnic resources can also be used to move into these occupational niches. Finally, in addition to the ethnic resources used to build a successful ethnic- or occupational-niche business, consideration has also been given to the importance of class resources, education, and money that can be mustered (Light 1984). Indeed, Yoon (1991) has suggested that while ethnic resources are important at the initial stage of business development, at a more advanced stage, class resources become more significant.

While both cultural and structural factors are important to an explanation of why immigrants turn to self-employment, as anthropologists we find that there is insufficient emphasis placed on individual agency and decision-making in these models. Bun and Hui (1995:527) address the issue of agency in broad terms by situating it on the “optimistic” side of the theoretical debates on entrepreneurship. “We have two contrasting images of ethnic entrepreneurship: one of human emancipation and possibility, the other of social entrapment and impossibility.” More recently, anthropologists Robert Kloosterman and Jan Rath (2001, 2003) have introduced the concept of “mixed embeddedness” as a way to bring structure and agency together in the study of immigrant entrepreneurs. “The mixed-embeddedness approach is intended to take into account the characteristics of the supply of immigrant entrepreneurs, the shape of the opportunity structure, and the institutions mediating between aspiring entrepreneurs and concrete openings to start a business in order to analyse immigrant entrepreneurship in different national contexts” (Kloosterman and Rath 2003: 9). But, as Kontos (2003:188) observes, Kloosterman and Rath (see also Rath 2000) have often placed greater emphasis on the “institutional and legal context of ethnic entrepreneurship, especially in European welfare societies.” She argues that this approach should be supplemented by “the processual and dynamic perspective of the biographical embeddedness of entrepreneurial activity.” Kontos expands our understanding of the resources that entrepreneurs can draw on by suggesting that such factors as motivation and experience be considered. She writes:

Starting a business is a process of requiring a great deal of self-awareness and conscious work on the self. To become self-employed means that the individual departs from the established model of the “normal” work relationship of salaried work and enters a work field in which he/she is not only responsible for the creative and conscious development of new, everyday routines, but also takes on the burden of responsibility for the maintenance of the job itself (Kontos 2003:190).

In this article, we pursue this concept of biographical embeddedness. We draw on several biographies of entrepreneurship to demonstrate (a) the active decision-making and agency of immigrants who choose to go into business for themselves; (b) the resources (biographical as well as ethnic and class) they draw upon to execute their decisions; and
IMMIGRANT ENTREPRENEURS

(c) the diverse paths to and experiences of self-employment across a range of immigrant populations, and in both ethnic and occupational niches. By focusing on these biographies we can better understand the optative aspects of self-employment as part of an intentional career and creative trajectory.

The research for this article was part of a much larger multidisciplinary project on new immigration into the Dallas–Fort Worth (DFW) metropolitan area. In one segment of this larger project, we interviewed 54 entrepreneurs using non-random convenience/opportunity sampling. Since the larger project was looking at five populations—Mexicans, Salvadorans, Indians, Vietnamese, and Nigerians, entrepreneurs from these populations were oversampled. Table 1 provides the breakdown by national origin of the research population. The larger study involved interviews using a different instrument with 600 individual immigrants across the five groups mentioned above. Some of these interviews also captured individuals who were self-employed. However, the material discussed here derives largely from the entrepreneur interviews. While we interviewed several female entrepreneurs, in this paper we draw solely on the biographies of male entrepreneurs. Although our emphasis is on individuals and agency in entrepreneurship, we set the following cases in the context of all the entrepreneurs who were participants in the study so that we can address the interplay of resources as well as the structural contexts within which individual decisions can and are being made.

**TABLE 1**

<table>
<thead>
<tr>
<th>National Origin</th>
<th>N</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Indian</td>
<td>9</td>
<td>16.7</td>
</tr>
<tr>
<td>Mexican</td>
<td>6</td>
<td>11.1</td>
</tr>
<tr>
<td>Nigerian</td>
<td>11</td>
<td>20.4</td>
</tr>
<tr>
<td>Salvadoran</td>
<td>11</td>
<td>20.4</td>
</tr>
<tr>
<td>Vietnamese</td>
<td>7</td>
<td>13.0</td>
</tr>
<tr>
<td>Zambian (Indian heritage)</td>
<td>2</td>
<td>3.7</td>
</tr>
<tr>
<td>Pakistani</td>
<td>3</td>
<td>5.6</td>
</tr>
<tr>
<td>Other</td>
<td>5</td>
<td>9.3</td>
</tr>
<tr>
<td>Total</td>
<td>54</td>
<td>100</td>
</tr>
</tbody>
</table>

**ENTREPRENEURS IN ETHNIC NICHES**

**Alex: A Nigerian Insurance Agent**

Alex was born in Nigeria in 1958; his father sold lumber and automobiles and his mother was a food trader. At the age of 24, with a moderate knowledge of English, Alex came to the United States to pursue his education. In 1982 he enrolled at the University of North Texas and completed his degree in banking and finance. After his graduation, Alex worked for a brief time at a bank in the DFW area before deciding to return to school to pursue a degree in pharmacy. After graduating with this second degree, Alex began working the evening shifts at several different hospitals in the area for the next few years until one day a friend of his suggested that there was opportunity to be found in the insurance business.

For two years Alex split his time between evenings at the hospital and selling insurance on the side. Alex was making very little money from his hospital job and, owing to start-up costs and the time needed to learn the basics of the insurance business, no money at all from his side venture. While Alex was trained in pharmacy and had only part-time
experience in the insurance business, his desire to be his own boss and open up more free
time in his life led him to quit his job at the hospital and start selling insurance full-time.

Alex sells a variety of insurance policies, ranging from automobile to health to
commercial insurance. The formalities of starting up the business were not particularly
difficult for Alex. “Anyone with a high school education can pass the test,” was the
comment he made about getting his insurance license. But he did observe that the second
steps were much more challenging. In order to fully establish the business and obtain the
necessary permits, Alex had to defer buying the house that he had been hoping to purchase
for his wife and children. Additionally, despite his hopes of more free time to spend with
his family, Alex found himself working long nights. Perhaps in part due to the wide variety
of businesses with which he had to familiarize himself, and the fact that he had very little
experience and no formal training in the industry, the few customers that Alex was able to
find were often very impatient with him.

While the business has picked up (by 2002 his gross receipts outpaced his expenses
by more than $100,000), things remain difficult for Alex as he continues to balance various
problems, such as the rising employment and insurance costs he encounters and his lack
of free time to spend with his family (he still works 60–65 hours per week). Alex currently
has two employees—his wife and a relative of hers from Nigeria. He explains that having
his wife and another Nigerian working at his business is beneficial, particularly during
this early phase, because they are people he knows he can trust. As the business grows,
however, Alex hopes to branch out from his family and co-ethnics and find a Spanish-
speaking employee who can help further expand his business beyond his current customer
base (60% white, 30% African-American, and 10% other). While he must keep abreast of
state guidelines, Alex states that they “are very simple; you just have to pay attention.”

Like Alex, the majority of the entrepreneurs who were interviewed for this study came
to the U.S. in their early twenties and went to school and/or worked for an average of 12
years before they had accumulated enough capital (economic and social) to start their own
businesses. As with all other Nigerian migrants in this study, and the majority of those from
an Indian background, Alex came to the United States with some knowledge of the English
language. His language skills allowed him to overcome one of the primary structural
constraints to success in the mainstream U.S. economy that deters many immigrants from
furthering their education or finding professional employment. For example, all of the
Salvadoran entrepreneurs rated their knowledge of English prior to arrival as either “poor”
or “none,” whereas, like Alex, 10 of the 11 Nigerians rated their English language skills
prior to arrival as excellent or very good. Table 2 presents the self-reported language-skill
data for all respondents, differentiating between skills at arrival (A) and skills at the time
of the interview (B).

Another structural constraint is the access to the kind of financing necessary to start a
business. Alex began his business using personal savings from working various jobs over
the course of a decade or more. While a small number of entrepreneurs interviewed for
this study either supplemented their personal savings with other financial sources (such as
money from friends, kin, or bank loans) or relied on these other sources entirely, using only
personal savings to launch the business was the most common way that the entrepreneurs
in this study began. Immigrant entrepreneurs who are highly motivated to become self-
employed often draw on this individual resource (see, for example, Tseng 1995), although
in her study of Latinos in Boston, Levitt (1995) found that two-thirds of business owners
started their enterprises with loans from family and friends—that is, “ethnic resources.”

Alex, of course, relies on family and ethnic resources to help run his business, and he
has had to make sacrifices to keep it afloat. He has drawn less on experiential resources (he
was trained for another line of work) than on motivational resources to make his business
**TABLE 2**
Self-Rated English Language Ability of Immigrants

<table>
<thead>
<tr>
<th>Ethnicity</th>
<th>Excellent</th>
<th>Very Good</th>
<th>Moderate</th>
<th>Poor</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>N</td>
<td>%</td>
<td>N</td>
<td>%</td>
<td>N</td>
</tr>
<tr>
<td>Hispanic</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>1.9</td>
<td>0</td>
</tr>
<tr>
<td>South Asian</td>
<td>4</td>
<td>7.4</td>
<td>7</td>
<td>13</td>
<td>0</td>
</tr>
<tr>
<td>Nigerian</td>
<td>4</td>
<td>7.4</td>
<td>6</td>
<td>11.1</td>
<td>1</td>
</tr>
<tr>
<td>Vietnamese</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Other</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Total</td>
<td>8</td>
<td>14.8</td>
<td>14</td>
<td>25.9</td>
<td>2</td>
</tr>
</tbody>
</table>

**TABLE 3**
Did You Use Any of the Following Financial Resources to Start Your Business?

<table>
<thead>
<tr>
<th>Resource</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Savings</td>
<td>48</td>
<td>6</td>
</tr>
<tr>
<td>Loans from Kin</td>
<td>19</td>
<td>35</td>
</tr>
<tr>
<td>Bank Loans</td>
<td>12</td>
<td>42</td>
</tr>
</tbody>
</table>

work. The following case further elaborates on the motivational resources that immigrants muster, even when faced with greater structural constraints and professional devaluation than Alex.

**Jorge: A Salvadoran Hair Salon Operator**

Born in El Salvador in 1963, Jorge left his country in 1983 to escape the civil war. He had been studying law, but after his father was shot by guerillas he had no choice but to leave. He entered the United States illegally in 1983, settling for a time in Los Angeles and later moving to Washington, DC. In 1986 he learned about an amnesty program for agricultural workers. Jorge moved to the Dallas area, where his sister Maria had been living since 1980, and took a brief job as an agricultural laborer in order to become a legal resident. Once he had his (immigration) papers, he found employment in a series of manual jobs.

By 1998, Jorge was employed at a factory making turbines for airplanes and had saved $35,000. He was able to save such a large sum by living in a house with twelve other people for several years and keeping his personal expenses to a minimum. With this money and $15,000 from a Mexican partner he had met, he started a beauty salon/barber shop in a heavily Hispanic area of Dallas. Jorge explained that he was not (and is still not)
particularly interested in this type of business, but his father had been a barber and he
therefore had experience in it. Additionally, Jorge felt that this type of business, particularly
in the Hispanic community, was a good opportunity to make money and improve his
standard of living.

As Jorge, his wife, and his partner began setting up, the most immediate difficulties
they faced were finding customers and reliable employees. While the three of them worked
diligently to establish themselves in the community, Jorge continued to work at the turbine
factory for the next year and a half in order to ease the financial difficulties. Once they had
established a steady customer base in the community, the business began making money
and Jorge was able to quit his factory job to devote his full attention to the salon. After only
four years in business, Jorge and his partners had opened two more salons in the area and
were bringing in around $300,000 in net profit each year. In ten years Jorge hopes to have
expanded to another 11 locations around the DFW area and keep them in his family once
he retires. Further, Jorge plans to keep the businesses in the Hispanic community, because
he believes that Hispanics, and Salvadorans in particular, seek out other Hispanic-owned
businesses to frequent.

Unlike Alex, who came to the U.S. with some knowledge of English and was able to
pursue a university degree, Jorge was constrained by several structural factors that devalued
the education he already possessed. As Zhou (2004) has noted, this type of devaluation is
common for many immigrants, and the case of Jorge, who was a fourth-year law student
in his native El Salvador, further supports this point. Perhaps because of their limited
linguistic ability and illegal status upon arrival, most of the Latin American immigrant
entrepreneurs in this study drew on their life experience resources by choosing businesses
with which they were already familiar as a result of prior employment. Jaime, a Mexican
entrepreneur, said that he had previously worked as a handyman at an apartment complex
and one of his duties was to maintain lawns. This is how he acquired the skills for his
own lawn maintenance business. Hector, who owns a wrecker service, said he had always
worked as a driver. Mentioning that in 1962 he drove to Louisiana to pick up an eighteen-
wheeler, he said, “Driving is all I know.” This contrasts with Nigerian and Indian immigrant
entrepreneurs, who are often willing (or able) to take more calculated risks in starting
businesses in which they had no prior experience. A Nigerian in the bulk mailing business
said that when he bought the business the previous owner agreed to work with him for three
months to show him the ropes. Almost as many participants in this study had no experience
in their area of business (48% of 54) as those who did, and slightly more participants knew
no one who had been successful in their area of business prior to pursuing it (52% of 54).
There is, in short, variation in the degree of biographical experiential resources that those
who enter self-employment bring to their entrepreneurial endeavor.

What links migrants like Jorge with those like Alex, however, are the motivational
resources; that is, the strong inner drive to be one’s own boss. But like Alex and Jorge,
most of the entrepreneurs we interviewed began in the United States as wage employees
(72% of 54) and gradually moved into self-employment—suggesting a career trajectory
to entrepreneurship that has been relatively unexplored in the literature on immigrant
entrepreneurs. Table 4 illustrates this trajectory toward self-employment. The majority
of respondents then added that when they decided to open their own business it was the
desire to “work for oneself” that was paramount. A migrant from Mexico who owns a loan
application service captured the sense of adventure that this entails by noting that owning
one’s own business was something that was not for everyone, but only “for people who
like to take risks and are not afraid to lose it all.” This comment points to the agency of
immigrants who move to self-employment—albeit an agency developed in the context of
disadvantages confronted in the broader labor market that are associated with immigrant
status, insufficient English language proficiency, and an education that does not carry the same value as it might in the country of origin.

<table>
<thead>
<tr>
<th>First Job in U.S.</th>
<th>Second Job in U.S.</th>
<th>Third Job in U.S.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wage Labor</td>
<td>72.2</td>
<td>44.4</td>
</tr>
<tr>
<td>Professional</td>
<td>13.0</td>
<td>18.5</td>
</tr>
<tr>
<td>Self-Employed</td>
<td>3.7</td>
<td>24.1</td>
</tr>
<tr>
<td>Family Business</td>
<td>3.7</td>
<td>1.9</td>
</tr>
<tr>
<td>Student</td>
<td>7.4</td>
<td>9.3</td>
</tr>
<tr>
<td>Not Applicable/No Response</td>
<td>0.0</td>
<td>1.9</td>
</tr>
<tr>
<td>Total (N)</td>
<td>54</td>
<td>54</td>
</tr>
</tbody>
</table>

The ethnic and linguistic makeup of Jorge’s businesses illuminates other differences among immigrant entrepreneurs. Like Jorge, 10 of the 11 Salvadorans in this study stated that the majority of their customers were of their own national and/or ethnic origin and that Spanish was the primary language spoken at the businesses on a daily basis. Fifty-two percent of the entire sample of 54 said their customers were mostly of their own national origin. Much of this difference depends on whether the business caters to an ethnic market or not. While many of the Nigerian and South Asian (Indians, Pakistanis, Indian heritage from Africa) business owners did market themselves to co-ethnics like Jorge, 92% (23 of 25) from these two groups combined stated that English was their language of daily business. Their businesses also exhibit less ethnic segregation than those of Salvadorans. This discrepancy is partly due to the wide variety of languages and dialects spoken by Nigerians and Indians (the English language is what they share), but it also reflects their higher educational levels by comparison with the Salvadorans and Mexicans, who are also often restricted by their undocumented status. A similar difference emerges in the aspirations that these entrepreneurs have for their own children. Mexican and Salvadoran entrepreneurs often want their children to continue in the same business. Nigerian and Indian entrepreneurs are doubtful (“I want my children to pursue their own dreams”) or totally opposed. This lends support to Raijman and Tienda’s (2000) observations that while some groups, such as Koreans, are quite explicit in not wanting their children to follow the same employment path, others, including many Hispanics, view self-employment as an avenue for mobility for their children.

Mohammed: A Bollywood Video Store Owner

Born in Pakistan in 1949 to a textile businessman and homemaker (both of Indian descent), Mohammed came to the United States in 1971 on a student visa. He studied at a community college in Texas for six months before moving to Florida, where one of his friends lived. After a short stay in Miami, where he worked part-time at a restaurant and continued to study, Mohammed was awarded a scholarship to study electronics at Oklahoma State University.
Shortly after his graduation from OSU, Mohammed found employment at a newly established electronics firm in Dallas. Mohammed worked at this firm for 10 years, eventually moving into a management position. He was able to save a large sum of money, which allowed him to purchase his own business in the mid-1980s. A friend told him about a motel in West Texas that was for sale. Although Mohammed was now married with a young child and had no experience in the motel business, he “figured that if I had made it this far, I could certainly learn to run a motel.”

Although the motel business was good during the oil-boom of the 1980s, Mohammed missed Dallas and after 2 years he sold the motel and acquired another motel in Dallas. He sold this motel in 1991 and parlayed the money he had made from it into several apartment complexes. He hired a management company to run the apartments and soon became bored. “I did not want to watch TV all day.”

During the time he owned the apartment complexes, Mohammed had been frequenting an Indian video store, which was located in an Indian shopping center in Dallas. He had always been interested in movies and music, and he felt that the video store was a perfect business to combine this interest with his growing business expertise. In 1992 he bought the store, using personal savings and bank loans. Mohammed quickly set out with an aggressive business strategy and ethnic marketing campaign to make the business profitable. Within a few years, he had built a customer base that included South Asians from as far away as Louisiana and Arkansas.

Currently, Mohammed’s video store, which he claims is the largest of its type in the United States, is very profitable. In recent years, however, satellite television has become a major competitor, as there are five Indian stations that run many of the movies that he rents. One of the advantages he has, which has helped him from losing too much business, is that “they [satellite stations] do not have the latest thing, which I can get.” Thus, despite a slight downturn in business, Mohammed remains guardedly optimistic when noting that “There are always challenges. Movie theaters were challenged by the home video business” and were able to survive. Although Mohammed saw another downturn in his business after 9/11 (because a lot of his customers were “on H1B visas and [had] to go elsewhere”), he says that he would recommend the business to someone else, because “it is a lot of fun; after all, it is the entertainment industry.” But he does not want his children to go into this line of work. Rather, he hopes that “they will get a better education and do something different.”

The case of Mohammed echoes the experiences and approaches taken by Alex and Jorge and further illustrates both the motivation for independence and the active agency that leads to self-employment. Mohammed is a prime example of the South Asian migrants who were interviewed for this study, as he was able to obtain a degree from an American university and work a well-paying professional job before starting his own business. Like Jorge, Mohammed relies on his co-ethnics to sustain his business in the United States and, as if to reflect Kloosterman and Rath’s (2003) observations about building an entrepreneurial niche based on cultural expertise, he converted his knowledge of Bollywood movies into a successful business enterprise. Twenty percent of the entrepreneurs in this study were like Mohammed—they chose the business they were in out of personal interest, although market opportunity was an equally important deciding factor. Whereas Jorge has partners, Alex and Mohammed own their businesses themselves. In fact, owning the business oneself was true of more than 50% of the entrepreneurs we interviewed.

To summarize, the three cases discussed so far illustrate the importance to immigrant entrepreneurship of individual agency, motivational and experiential resources, and, in one case, cultural expertise. They also demonstrate the wide variety of ethnic-niche entrepreneurial activities that engage immigrants, some of them drawing on co-ethnics for
their customer base and others reaching out to a broader minority population. Mohammed’s enterprise offers the clearest example of a co-ethnic market business—the majority of his customers being South Asians. Jorge’s market is Hispanic—as a Salvadoran he must reach out to the Mexican community to be successful. Alex wants to broaden his base, but it is significant that 30% of his current customers are African-American—an important ethnic market for many African-origin entrepreneurs.

ENTREPRENEURS IN OCCUPATIONAL NICHEs

As important as ethnic niches are the occupational niches that particular immigrant (ethnic) groups come to dominate. Few scholars have explored precisely how this happens or why there is often variation from one urban context to the next with regard to what groups dominate what occupational niches. However, one recent study of Koreans and Mexicans in Chicago (Raijman and Tienda 2003) does shed some light on this issue. These authors pose the question of why certain ethnic groups are better able to mobilize themselves for business ownership in particular occupational niches (Koreans) while others (Mexicans) are not. Specifically, the authors argue that “the ability of certain ethnic groups to create a self-sustaining entrepreneurial class lies in the development and vitality of two key mechanisms—ethnic vertical integration and resource mobilization through ethnic ties” (Raijman and Tienda 2003:798). Building on this notion, the final two biographies suggest how particular individuals, drawing on the range of resources we have been discussing so far, moved into two occupational niches in the DFW area.

Dinesh: A Motel Owner

Dinesh was born in Gujarat in northern India in 1950. His father owned a restaurant in his home city, and from the age of ten Dinesh worked for his father. Dinesh arrived in New York City in 1980, sponsored by a brother-in-law who worked for IBM. His wife and five-year-old son accompanied him. Dinesh had a degree in mechanical engineering, and his first job in the United States, which he found after an eight-week search through the classified ads in the newspaper, was with an engineering firm in New Jersey. It was an entry-level job, but he took it to improve his English and build his resume. Eventually he took another engineering position with a company in Philadelphia—at three times the salary. He remained in Philadelphia for three years and then returned to New York City to work for a company that was in the nuclear power business. By that time his wife was working at a sewing company in New Jersey, and then their daughter was born. In 1986 his company sent him to Comanche Peak, a nuclear plant near Fort Worth.

After two years his company lost the contract at the plant and he was laid off. He got a position with another company but was again laid off in 1993. The company offered him three-month jobs in different places within the company. He chose not to do that. By this time he had saved up enough money to do what he always wanted to do—buy his own business. He thought that working for himself would be more secure. “There is a lot of job turnover in the United States, and even though people say there is no age discrimination, there is.” Although being his own boss and having more security were the primary motivators for turning to self-employment, Dinesh also talked about the “dirty politics” in big companies that turned him off. “There are people who network to get ahead and those who actually do the real work.”

He and his wife wanted to stay in the DFW area because their children were happy in their school. He focused on the motel business because he knew others who were in it who said it was a relatively easy operation. He prepared by working for two months with a friend who was already in the business. He found a motel close to Dallas (previously
owned by another Indian), and for a year his son commuted back to the Fort Worth area to go to school because he was in his last year of high school. For two years his family lived in the motel to save money. Then they bought a house in the vicinity. His daughter made the greatest sacrifice during those two years because none of her friends wanted to come to the motel to play. She was so happy to move to a house.

Dinesh talked about the motel business as a good opportunity to build up equity because you actually own the property rather than lease it. He used his personal savings for the down payment and then took out a loan for the rest. He said you had to be willing to make sacrifices, work long hours, live through the seasonal downturns, and be able to supervise workers. “This business require management skills most of all. There is a good fit in this sector between the willingness of Indian immigrants to work and the availability of opportunity.” Although Dinesh only has this one property, he knows other Indians who own as many as eleven.

Dinesh said that his greatest challenges were with his employees—finding dependable employees. He has had to learn some Spanish because that is the language of several of his employees. He finds most of his employees through word of mouth or from walk-ins. Finally, Dinesh says that he is at the motel seven days a week for approximately 12 hours a day. Regarding the future of his business, Dinesh comments: “My son saw me working hard, working these long hours, and he did not want to do that. People who are born in India and come here are willing to work these long hours, but the second generation is much less willing. They are young so they do not worry about the insecurity like I did.” As a result, Dinesh plans to sell the motel when he retires.

Indian motel/hotel owners, like Mohammed before he started his video business and Dinesh, are one example of an occupational niche, nationally and locally, which single immigrant populations come to dominate. In fact, it has been estimated that as many as 60% of mid-sized motel and hotel properties in the United States are owned by individuals of Indian descent. One Indian community leader in the DFW area noted that many of these motel owners are Gujaratis. “They are very tight-knit and help one another. They will appear somewhere and find other Gujaratis and have a letter of introduction that opens doors. . . . The hotels started with people who came out of Africa with a lot of money to invest. They saw the potential in motels. This could be a family business with low overhead.” Another community leader said that when Indians first entered this niche they started with the more run-down or cheaper facilities, such as Motel 6, but gradually they have moved into bigger chains, such as Days Inn and Comfort Inn. Indian hotel owners have used their businesses as a way to bring in family members and provide them with jobs as they increase the number of properties they own—thereby linking business to immigration and to kinship networks. Some will loan money to other family members interest-free to get them started, relying on the fact that their kinsmen are trustworthy and will work as hard as they did. One of our informants suggested that you could look at the entire phenomenon as a business corporation built on community and kinship links.

Dinesh drew on these ethnic resources to establish his own footing in the motel business, but he called upon his own financial and motivational resources to make it work and to endure the sacrifices that it entailed. It costs money to enter the motel business, and Indians who pursue this line of business either have help from their families when they start out or, as in Dinesh’s case, they have moved into it later in life, using their own savings. Dinesh suggested that employees are among his greatest day-to-day challenge. This response was identified by just under 15% of the 54 entrepreneurs interviewed for this research, who also pointed to customer base and market stability as important issues. Like most immigrant entrepreneurs in the United States, Dinesh puts in a long working day. Indeed, 44% of the 54 entrepreneurs said they work seven days a week or put in
more than 60 hours a week at work (Table 5). The time factor alone is indicative of the strength of motivational resources that self-employment demands, as well as the “burden of responsibility” dimension mentioned by Kontos (2003).

Other ethnic groups without the kind of social and/or economic capital that was available to someone like Dinesh have turned instead to lower-cost sectors for which start-up costs are minimal. One such sector is the nail salon business. Just as Indians across the United States dominate the hotel/motel industry, one estimate puts the nationwide percentage of manicurists who are of Vietnamese heritage at between 40% and 50% (U. S. Environmental Protection Agency 2005). To some extent the Vietnamese have revolutionized (if not contributed to the growth of) the nail salon business by offering discount services that women (and men) across all social classes and all ages can afford. They have entered this occupational niche because it requires very little cash down, because one can be successful without fluent English, and because it offers the opportunity to start small (as an independent contractor) and eventually graduate to owning one’s own salon. They learn about the opportunity through word of mouth within the Vietnamese community in cities across the United States. Although it is Vietnamese women who dominate this sector, some Vietnamese couples are in the nail salon business together. Hiep and his wife are one such couple.

**Hiep: A Nail Salon Operator**

Hiep was born in Vietnam in 1954. His father was a farmer and his mother was a housewife. He first arrived in the United States in 1980 and lived in Orange County, Texas, near Beaumont, and found work as a ranchhand earning $5 per day. In 1984, when he had saved up enough money, he bought a bus ticket to California. He said he was looking for “a place with a Vietnamese community and with people who could speak Vietnamese.” He lived in San Jose for seven years, studied to be an electrical technician, was hired to work at Bay Valley Tech in San Jose, met his wife and started a family. He moved back to Texas (to Arlington, in the DFW area) in 1992 because once he had started a family, living in California became too expensive.

His wife had trained as a manicurist in California, and when they first arrived she was the one who found work initially. Eventually they decided to open their own salon. Although they knew of other Vietnamese who owned salons, they did not know them personally. They found a space for rent and used personal savings to open the business. Later he took some loans. “Vietnamese people don’t get loans. It is the custom. If they own, they own everything. If you want more, then you go to the bank. But you have to look like an American.” Hiep commented that the cost varies depending on whether you start from scratch or buy a salon with the equipment and customer base already in place. For $10,000 you can get started, he said. “You lease an old space, remodel it, and set up three or four nail stations. After you get a customer base, you can sell it for $25,000 profit because you are selling the customers as well.” When they started, building a customer base was the greatest challenge.

**TABLE 5**

<table>
<thead>
<tr>
<th>Typical Work Week</th>
<th>N</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>1–2 Days/Week (0–25 hours)</td>
<td>1</td>
<td>1.8</td>
</tr>
<tr>
<td>3–4 Days/Week (26–45 hours)</td>
<td>3</td>
<td>5.6</td>
</tr>
<tr>
<td>5–6 Days/Week (46–60 hours)</td>
<td>17</td>
<td>31.5</td>
</tr>
<tr>
<td>7 Days/Week (over 60 hours)</td>
<td>24</td>
<td>44.4</td>
</tr>
<tr>
<td>Unknown</td>
<td>4</td>
<td>7.4</td>
</tr>
<tr>
<td>Not Asked</td>
<td>5</td>
<td>9.3</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>54</td>
<td>100</td>
</tr>
</tbody>
</table>
Hiep said that since 1992 he and his wife have bought and sold 22 salons, selling always to other Vietnamese families. At the time of the interview they owned one salon in Plano, a suburb north of Dallas. In addition to his wife they have one other Vietnamese employee, and they net between $25,000 and $50,000 a year. The bulk of their clients are Americans and thus knowing some English is essential, but you do not have to know a lot. The important phrases are: “curved or square” and “what color.” Many of the customers are drop-ins. Hiep is concerned about the chemicals in his business, and his children do not want to work in the nail salon business after he and his wife retire.

The competitive market poses major, long-term challenges for the expansion of Hiep’s business. One-fifth of 54 entrepreneurs in this research gave a similar response to the question of broader challenges that they face. Other issues of concern to them were market stability and how to maintain quality and standards. Although Hiep and his wife have bought and sold a number of salons during the decade or more that they have been in the nail salon business, when they began they opened a new salon. More than three-quarters of the entrepreneurs we interviewed started their own business, whereas a fifth bought the business from someone else (Table 6). This is another important measure of the high level of motivational and experiential resources, as well as creative agency, that are brought to bear in developing a business and making it successful. In Hiep’s case, his wife brought the experiential resources and he has developed the business acumen.

### TABLE 6

<table>
<thead>
<tr>
<th>How Was the Business Acquired?</th>
<th>N</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bought the Business</td>
<td>11</td>
<td>20.4</td>
</tr>
<tr>
<td>Started the Business</td>
<td>42</td>
<td>77.8</td>
</tr>
<tr>
<td>Family Business</td>
<td>1</td>
<td>1.8</td>
</tr>
<tr>
<td>Total</td>
<td>54</td>
<td>100</td>
</tr>
</tbody>
</table>

**CONCLUSION**

Immigrant entrepreneurship has emerged in recent years as an important topic of research. Scholars have frequently noted that the rate of self-employment among immigrants is higher than that for the native-born, and that immigrant entrepreneurs have made significant contributions to the revival of small businesses in the major immigrant-receiving cities of the United States, Europe, Canada, and Australia (Kloosterman and Rath 2003). Indeed, their impact on the urban landscape and on urban economies has made them a highly visible ethnic category.

In an effort to move away from the “disadvantage” and other structural hypotheses as sole explanations for this high rate of self-employment among immigrant entrepreneurs, we have focused here on the agency that is revealed in a series of biographical narratives. These biographies demonstrate immigrants who take control of their lives and who muster not only the ethnic and class resources that are often identified in the literature, but also the experiential and motivational resources necessary to realizing a goal of self-employment. This interplay of resources was perhaps most clearly articulated by one Mexican entrepreneur who worked for a maintenance company before turning to self-employment. He said that although he had a good-paying job, there was no room for upward mobility in the organization and he had reached the highest point he could reach. This is what motivated him to look for something better elsewhere. But working for this company gave him the opportunity to gain experience in the building maintenance business and to generate a long list of contacts that proved instrumental when he got his own business underway.

Across the range of interviews that were part of this research, individual effort, using one’s own personal resources, and the ability to seize opportunities were emphasized by
A Nigerian entrepreneur characterized the United States as a place where you can “be whatever you want to be and whatever God wants you to be. You are able to follow your ambitions as long as you do not commit a crime.” A Salvadoran respondent simply stated that it was the opportunity that made them immigrants in the first place, while a Mexican said the United States allows you “to do whatever you want.” Although such comments suggest the absence of full awareness of the structural constraints that some individuals in the United States confront, they also reflect the significance of individual ambition in the lives of immigrant entrepreneurs. Indeed, when asked about discrimination, respondents were sanguine. One Mexican said that although he had faced discrimination throughout his life, the more he succeeds in business and the more he matures, the less he feels it. A Nigerian respondent suggested that racism is everywhere but it can be overcome. He said he looked at the positive rather than the negative aspects of society, one being the opportunity to own his own business in the first place. “This motivates me in spite of the discrimination here.” Above all else it was the desire to “be one’s own boss” that moved these individuals, at one moment in their life course, toward self-employment. The narratives presented here demonstrate a process of planning and conscious decision-making. Mohammed’s comment—“if I had made it this far I could certainly learn to run a motel”—exemplifies these characteristics of immigrant entrepreneurship and reflects the individualistic and risk-taking attitude expressed by most of the entrepreneurs in this study. In conclusion, then, our research highlights the generally neglected dimension of biographical embeddedness (Kontos 2003) in the study of immigrant entrepreneurship. Individual characteristics (motivation, experience, creativity, and sacrifice) are as important as group characteristics. Of broader theoretical importance is an analytical model that brings both structure and agency into play, not only to explain why emigration happens in the first place, but also how newcomers construct their lives in a new country. Immigrants actively accommodate constraints and take advantage of opportunities such as those offered in the ethnic and occupational niches of the labor market.

Self-employment clearly provides an important avenue for the social and economic incorporation of immigrants. What remains to be explored is its contribution to other forms of incorporation. To what extent and at what point, for example, do entrepreneurs like those we have described here become civic leaders in their respective local communities and hence contribute to the development of these communities? Although this was not a systematic focus of our research, our work led us to Joe Chow, an immigrant from Taiwan and the owner of a popular restaurant in Addison, an inner suburb of Dallas. Mr. Chow was recently elected to a second term as mayor of Addison. It also led us to the owner of Skypass Travel, an immigrant from India, who annually serves as a major sponsor for India Nite, a community event in the DFW area that brings thousands of Indian immigrants together in late January to celebrate Indian Republic Day. Similarly, the owner of a well-known Salvadoran restaurant has made the facility available for charity events to raise money for a Salvadoran man in need of a kidney transplant and for earthquake victims, while another Salvadoran, who has been in the United States since 1982 and who owns a freight service business with his brother, not only serves on a municipal zoning committee but has also founded a small organization (Salvadoreños Democratas de America) that offers help to fellow Salvadorans and tries to foster political engagement. All these entrepreneurs moved into these activities after their businesses were well established and because their businesses had given them a degree of visibility both within their own communities and sometimes in relation to the “mainstream.” These activities represent the next stage in the biographical life course of some immigrant entrepreneurs and require further investigation if we are to arrive at a complete understanding of the impact of these entrepreneurs on the social, economic, and political life of the communities in which they have settled.
1. The project “Immigrants, Rights, and Incorporation in a Suburban Metropolis” was supported by the Cultural Anthropology Program of the National Science Foundation (NSF/BCS 0003938). Other investigators involved in the project were James F. Hollifield, Dennis Cordell, and Manuel Garcia y Griego. All names used in this paper are pseudonyms. Any opinions, findings, and conclusions or recommendations expressed in this paper are those of the authors and do not necessarily reflect the views of the National Science Foundation. We thank the three JAR reviewers for their constructive criticism and suggestions.

2. Twenty-eight of the 53 respondents (the question was not asked of one respondent) stated that the majority of their customers were of their own national and/or ethnic origin, 17 identified “Americans” (whites) as the majority, and 8 stated that there was no majority.

REFERENCES CITED


