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IMMIGRANT ENTREPRENEURS PROSPER ON MAIN STREET

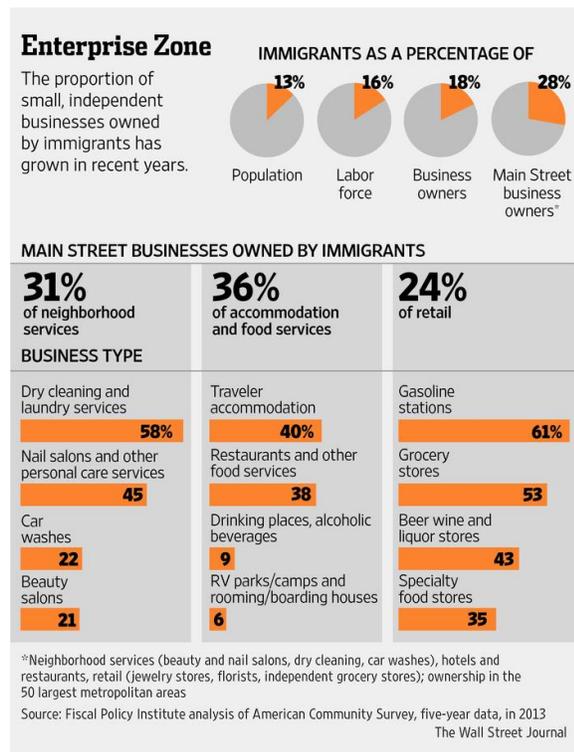
By Miriam Jordan
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When Angel Taveras was growing up in Providence, R.I., in the 1980s, his youth baseball team was sponsored by Alan Jewelry, a local business, which played against the likes of Washington Park Woodworking. These days, sponsors include La Gran Parada restaurant, Reyes Market and other immigrant-owned businesses that have flourished in the city since the 1990s.

"Without immigrants and their entrepreneurial spirit, Providence and Rhode Island would be worse off," said Mr. Taveras, who was mayor from 2011 until earlier this month and is himself the son of immigrants from the Dominican Republic.

In the U.S. from 2000 to 2013, including in 31 of the 50 largest metro areas, immigrants accounted for all the growth in so-called Main Street businesses, according to a new study based on analysis of census data. Such firms are grouped in three categories: lodging and food, retail and neighborhood services such as dry cleaning and beauty salons. Immigrants made up nearly one out of three owners of these small, independent businesses in 2013, said the report by the nonpartisan Fiscal Policy Institute. That year, immigrants were 13% of the U.S. population and 16% of its labor force.

"These are businesses that don't often get a lot of attention from economic development officials, and don't have huge profits. But they play a big role in neighborhood revitalization, and they can be an important economic step up for the entrepreneurs," said David Kallick, author of the report.



The number of such immigrant businesses grew in seven metropolitan areas, including Providence, Pittsburgh and Milwaukee, that otherwise saw an overall decline in such businesses, according to the study, which didn't distinguish between immigrants on the basis of legal status.

An influx of immigrants in recent years has helped reverse population declines in cities including New York, San Francisco and Kansas City, the report said.

Immigrant entrepreneurs often gain a foothold in the U.S. by starting businesses in blighted areas, which have already drawn foreign newcomers because of their low-cost housing. Typically, their mom-and-pop shops and eateries cater to fellow immigrants before attracting the wider population, and have helped revitalize parts of towns like Ottumwa, Iowa, and large cities such as Philadelphia and Nashville.

Immigrants are generally more likely than their U.S.-born counterparts to rely on savings and less likely to get a bank loan, according to the report, with 21% of immigrants in food and lodging getting a loan compared with 34% of U.S.-born entrepreneurs.

Asians account for nearly half of all immigrant Main Street business owners, with a big role in restaurants, dry cleaners and nail salons, the study said.

"States and cities that don't pay attention to the role of Main Street businesses are just leaving growth potential on the table," said Mr. Kallick.

While Congress is gridlocked on how, or whether, to revamp the country's immigration system, many cities, including Chicago, Detroit and Indianapolis, have unveiled their own efforts to lure both high- and low-skilled immigrants.

Last July, Cincinnati Mayor John Cranley created a task force to make the city "the most immigrant-friendly in the country," he said.

Among other efforts, the task force will suggest policies to attract immigrants and spur economic growth. The body will recommend ways to promote innovation and generate a local "brain gain," as well as raise Cincinnati's international profile to draw investors from countries such as China.

Due to roll out its recommendations in March, the task force is backed by a bipartisan coalition. Its members include the local chamber of commerce, labor unions and several nonprofits.

"It's the first time that we see a huge, broad coalition of interest groups coming together to work on a single cause," said Raj Chundur, co-chairman of the task force

"We want to use the power of ideas from immigrants to drive Cincinnati's prosperity," said Mr. Chundur.

In Providence, Latino immigrants originally found work in textile mills and jewelry manufacturing. Enterprising newcomers opened small stores and restaurants along Broad Street, once bustling with businesses started by European immigrants.

Since 1993, La Gran Parada, which serves Dominican food, has expanded from three to 89 tables, and from being run by the family to employing 16 people. "Whatever I had, I put

into the business," said owner Manuel Delgado, 50 years old, who was born in the Dominican Republic. It is his third year sponsoring a baseball team.