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Intersecting Global and Local: Spatial Analysis of Ethnicities of Asian Businesses in the Minneapolis-Saint Paul Metro Area

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Intersecting Global and Local: Spatial Analysis of Ethnicities of Asian Businesses in the Minneapolis-St. Paul Metro Area

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April 13, 2006
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ABSTRACT

The changing nature of immigration to the United States and changes in the morphology of American cities challenge traditional theories of ethnic entrepreneurship as a means of success in assimilating into American society. This study, based on data of over 800 businesses in the Minneapolis-St. Paul area, finds that specific Asian ethnic groups demonstrate distinctive patterns, which often do not conform to traditional theories of ethnic entrepreneurship. Instead, other concepts, such as heterolocalism and transnationalism, add to the discussion concerning a new role for modern ethnic entrepreneurs. This new role must examine ethnic businesses as localities of transnationalism in a global context.
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INTRODUCTION

Seismic shifts in the world in which we live seem to be everyday occurrences. In a world of continuous change, the information age, post-industrial society, era of globalization, and a global economy all shape our lives. Explicating how these complex concepts are implemented on the daily landscape can be a difficult endeavor. As more people are able to move with increasing freedom over greater stretches of the earth, traditional models of immigration and ideas of how immigrants achieve success in a foreign culture are challenged and altered. These factors combine to modify both the way in which immigrants enter American society and the places where migrants locate. Shifts in the nature of immigrant business must be examined in the light of these global forces.

Fondue served at Chinese restaurants and English-style fish and chips at Vietnamese establishments may not signify a seismic shift in culture, but provide examples of how Asian businesses in the Twin Cities adapt to local demand. Ethnic businesses serve as instantly recognizable elements of the landscape, passing information between local and global scales. Streetside businesses, such as the ones included in this study, can provide functions to the ethnic community as well as educating majority populations about other cultures and peoples. Locational analysis of Asian businesses by ethnic group and by stage of the ethnic entrepreneurs model reveals shortcomings to the geographical model of ethnic entrepreneurship in light of current trends in immigration and settlement across the Twin Cities metro area. Analysis suggests a new role for ethnic business in a global age.
Do Asian businesses in the Twin Cities fit the ethnic entrepreneurs model? Underlying this straightforward research question are several elements to be discussed throughout the paper. What is an Asian business and how is it identified? What are trends in immigration that have led to the patterns visible on the landscape today? How can the ethnic entrepreneurs model be updated and adapted to reflect modern trends of immigration in a transnational setting?

This study examines how Minnesota is a special case study for this analysis before delving into traditional theory of ethnic business location. Shortcomings to the ethnic entrepreneurs model are presented with a discussion of other models and current trends in immigration and geographical thought. Finally, methodology of the study and results according to the ethnic entrepreneurs model and by Asian ethnic group are offered.
WHY STUDY ASIANS IN MINNESOTA?

Most Americans do not think of Minneapolis-St. Paul as a center for Asian immigration. The Twin Cities do not have the same concentration of Asian immigrants present in larger gateway cities such as Los Angeles, San Francisco or New York City. Asian immigration to Minnesota is distinct from other metropolitan areas of the United States. Unique immigrant histories have generated distinctive distributions of Asian ethnic groups. These two factors, a distinctive demographic make-up and spatial dispersion due to the region’s immigrant history, make the Twin Cities Metro Area a fascinating area of study.

The Immigration and Nationality Act of 1965 continues to have a large impact upon immigration to the United States. The Act, which vastly changed the face of immigration to the United States, allowed U.S. citizens and permanent residents to sponsor spouses, children, and siblings under the “family reunification” program. It also gave priority to professionals of exceptional ability and permitted the entrance of political refugees. Due to post-World War II changes in the global economy, immigrants from Europe dropped while immigration from Asia exploded. Prior to 1965, Europe and Canada generated 90 percent of immigrants to the United States. Between 1968 and 1993, Asians comprised 34 percent of immigrants with Latinos making up another 47 percent (The Immigration Flood, 1997). Though Minnesota is not a major destination for Asian immigration, its recent trends in immigration are reflective of wider patterns across the nation.

The U.S. Census 2000 revealed Minnesota to have a remarkable diversity of minority groups. No minority group dominates Minnesota’s statistics; Minnesota is a
“little-of-everything state” (Peterson, 2001). The Twin Cities are the only metropolitan region in the United States where Chinese are not the largest Asian ethnic group (U.S. Census Bureau, 2004). Although Chinese constitute 23 percent of the nation’s Asian population, Chinese in Minnesota comprise only 11 percent of the Asian population (U.S. Census Bureau, 2004). Minnesota’s Asians are concentrated in the Minneapolis-St. Paul Metro Area (40,870 in St. Paul and 28,170 in Minneapolis) and are overwhelmingly of Southeast Asian origin (Asian and Pacific Islander, Minnesota Profile, 2000). Hmong and Vietnamese both outrank the number of Chinese. Hmong living in Minnesota are the second largest concentration in the nation, second only to California. Though the majority of the Asian population in Minnesota is of Southeast Asian descent, Asian Indians are one of the fastest growing Asian ethnic groups in Minnesota.

![Minnesota's Asian Ethnic Groups](image)

Figure 1. Source: U.S. Census 2000 (SF 1).
The state’s spectacular rate of growth is rapidly changing the immigrant composition of Minneapolis-St. Paul. Since 1990, Asians in Minnesota have more than doubled, growing between 81 and 116 percent, depending upon the variable used to measure the population (U.S. Census Bureau, 2004). Since 1982, Asian immigrants account for 83,000, or 45 percent, of all immigration to the state. Southeast Asians dominate the Asian cohort (64%). Since 2000, immigration from India and Pakistan constitutes 25 percent of Asian immigration to Minnesota (Minnesota State Demographic Center).

Figure 2. Source: Minnesota State Demographic Center, 2006.
Studies of Asian immigration usually focus on enclaves located in major gateway cities. Minneapolis-St. Paul has no Chinatown, Little Tokyo, or Little Saigon. The only neighborhood of the Twin Cities to be ethnically branded Asian is University Avenue West of St. Paul. This strip lacks marketing as an ethnic neighborhood (Bonner, 1999), and serves mostly traditional forms of enclave goods and services. Despite a lack of a strong, central Asian neighborhood, Asian businesses have burgeoned along with the growing Asian population. The Economic Census (1997) reported 4,661 Asian Pacific Islander-owned businesses for the Minneapolis St. Paul Metropolitan Statistical Area. Where are these businesses located? What kinds of goods and services are being offered? How are business locations explained by geographical theory? Before delving into results of the study, a background in relevant geographical thought must be established.
THEORY REVIEW

The Ethnic Entrepreneurs Model

Immigration has always shaped the United States. Most every American can tell his or her story of arriving in the U.S. and learning to cope with challenges of adapting to a foreign culture. The nation has been molded from stories of Puritans seeking religious freedom, pioneers cultivating the frontier, and refugees from famine and war. Immigrants face daunting odds leaving their home countries for a new and unfamiliar culture and society. In a land where change is constant, the processes through which immigrants are able to succeed in a new society have long fascinated scholars.

Over time, the buzzwords used to describe processes by which immigrants adapt to American culture have been altered. The melting pot, assimilation, cultural pluralism, multiculturalism, and, most recently, transnationalism, attempt to capture the complexity of the identities and experiences of immigrants and minorities in the U.S. Population geographers add to this dialogue through research on immigrant residential settlement patterns as indicators of integration into society. Economic and urban geographers have devoted considerable time to understanding the ethnic economy, ethnic enclave economy, and middleman minority. These models equate economic advancement with success and access to the wider community for disadvantaged immigrant groups. Traditionally, geographers study ethnic business as a means for immigrant and minority groups to assimilate into wider culture.

It is important to note the difference between ethnic and immigrant entrepreneurship. Where immigrant entrepreneurs refers only to recently migrated groups, the term ethnic entrepreneurs refers to both immigrant groups and minority
populations. Waldinger, Aldrich, Ward, et al (1990) define the term as, “the process through which immigrant and minority populations enter into small business, often as a means of upward economic mobility as a result of the disadvantages which can occur from relocating to an unfamiliar country” (p. 16). The model presumes that economic advancement and integration are linked; an economically successful ethnic business is a measurement of integration into society (Kaplan, 1998). Ethnic Entrepreneurship is used to describe a wide-ranging degree of economic functions for diverse sets of minority and immigrant groups.

Immigrants and minorities are faced with barriers into traditional forms of employment through lack of education and professional training, unfamiliarity with local language, and general lack of understanding of local culture. Entering into small business allows ethnic entrepreneurs to exploit unique comparative advantages and resources. Kaplan (1998) notes, “For those without appropriate professional credentials, business ownership can be a ticket into the middle class” (p. 491). Both attributes of the group itself, as well as attributes of the local business and labor supply, will determine rates of ownership.

The degree to which an ethnic group enjoys certain networks and advantages can influence rates of entrance into ethnic entrepreneurship. First, ethnic entrepreneurs often specialize in goods and services targeted at co-ethnics. This specialized knowledge gives businesses a reliable customer base (Aldrich, 1984). Ethnic businesses cater to a niche where the ethnic entrepreneur has an advantage in understanding and providing ethnic consumer products (Waldinger, 1990). The group’s ability to mobilize resources via communal bonds of loyalty and mutual aid is another factor. Kinship networks and
business associations aid in gathering capital and resources. Abilities to recruit labor and the existence of a cheap and accessible labor pool are determinants for success of business ownership (Aldrich, 1984).

Attributes of local business and labor supply also play key roles in rates of ethnic entrepreneurship. Local labor market health determines the demand for low-skill labor; a niche often filled by newly arrived immigrants. Where there is demand for immigrant labor, it is often an easier choice to be paid a wage working for someone else, rather than taking the risk of opening a business (Kaplan, 1998). According to models of ecological succession, minority and immigrant groups are likely to enter declining and blighted areas of inner cities where non-ethnic businesses may be shuttering their doors. A group’s access to ownership is reliant upon the presence of high numbers of vacancies, areas that are not in demand by the native population (Waldinger, 1990). Ethnic entrepreneurship is based upon a group’s ability to exploit available resources, access to ownership, market conditions, and an ability to mobilize resources. These elements vary depending upon ethnic group and time.

**Spatial Components of the Ethnic Entrepreneurs Model**

Spatial patterns associated with ethnic entrepreneurship are generally broken into three distinct phases: the ethnic enclave, middleman minority, and economic assimilation. Each business phase entails movement outward as ethnic populations assimilate into wider culture and provide services to an increasingly broad clientele.

An ethnic enclave is a clustering of ethnic businesses, both in space and economic functions, which serve surrounding populations of the same ethnic group. The overlap of business and residential populations occurs for several reasons and has distinct benefits
for the group. As mentioned above, locations of ethnic enclaves are often determined by ecological succession. “The centrifugal forces of the American city have since emptied many of these older “urban villages,” but even as attachment to the old neighborhood has waned, a new set of immigrant groups has arrived” (Waldinger, 1990, p. 107). In these neighborhoods, rent is not high, so large amounts of capital are not needed for business start-up. Ethnic entrepreneurs start small, in areas where credentials are not needed, where family labor and hard work are rewarded, and often in areas underserved by large chain stores (Kaplan, 1998). Though ethnic businesses tend to cluster in areas deemed undesirable by majority populations, scholars argue that spatial clustering can benefit ethnic business.

The literature describing the ethnic enclave model posits four main arguments as to the benefits accrued by business concentration. These benefits are neatly outlined in David Kaplan’s (1998), “The Spatial Structure of Urban Ethnic Economies.” Spatial concentration in an ethnic community serves as an incubator for small businesses, providing a protected market, guaranteed clientele and proximity to labor supply. Kaplan further argues that the proximity also facilitates linkages between suppliers and customers. In turn, agglomeration economies increase the market for ethnic goods. This increase in demand allows for specialization as more businesses open their doors. Lastly, the economic and cultural focus promotes the area to the population as a whole.

Studies of Asian enclaves usually focus on the Chinatowns, Koreatowns, Little Tokyos, and Little Saigons of cities on the West Coast. Due to lack of ethnic concentration, the Twin Cities do not have a traditional Asian enclave. University
Avenue West in St. Paul has the highest concentration of Asian business and residential functions present in the Twin Cities.

One of the most important factors in business clustering is the development of an export platform, which allows ethnic firms to branch out into the larger market. Waldinger (1990) points out that the ethnic market is limited by its own size and buying power, which acts as another factor in pushing ethnic businesses out of the enclave (p. 23). Additionally, while some functions of ethnic business require the proximity of the ethnic community as a customer base, Kaplan (1998) argues that restaurants are an exception because of their need to market to other groups (p. 496). The development of an export platform, constriction within the enclave, and sometimes business function itself can lead to the development of middleman minority ethnic entrepreneurs.

Middleman minority entrepreneurs are distinguished from ethnic enclave counterparts by increased spatial dispersion as well as a “function as a seller of goods and services to the general population rather than to an exclusively minority market” (Aldrich, 1984, p. 19). This business phase assumes a close correlation between customer residence and business location.

“Doing business outside the ethnic community alters the distribution of ethnic businesses, because ethnic firms must now locate where their customers live. As businesses spread out across a wider territory, ethnic owners tend to follow – especially in those lines where the business demands long hours or personal attention” (Waldinger, 1990, p. 120).

At this stage, residential relocation does not occur. Middleman minority firms seek out clientele who are not as readily accessible from within the enclave. While business patterns relative to the ethnic enclave are dispersed, Waldinger (1990) notes that, “their pursuit of market opportunities frequently takes them into areas different from those of
the majority population” (p. 121). This usually results in middleman minority firms serving other ethnic groups.

Similar spatial patterns of business dispersion are also replicated for the final phase of ethnic entrepreneurs, economic assimilation. Businesses in this stage find firms offering mainstream goods and services to a majority population (Waldinger, 1990). It can be expected that, while middleman minority businesses may locate in more marginalized areas, economically assimilated businesses can be located in a broader spatial range of more affluent areas. This stage includes, “a complementarity between the spatial and occupational dimensions of ethnic assimilations: As ethnic minorities take on the residential pattern of the host society, they become more similar to the “others” among whom they live” (Waldinger, 1990, p. 127).

This model is presented as a sequence of phases, one to follow another. As the literature of assimilation presents, immigrant groups will move from spatially clustered to more dispersed as they gain a foothold in society. The model of ethnic entrepreneurs follows the same logic with regard to patterns of business dispersion. Market forces change how businesses locate. Kaplan (1998) summarizes,

“Because successful ethnic economies continue to attract more businesses, expand existing businesses, and develop more linkages, they will inevitably alter the nature of their market, employment and spatial demands. At this point, ethnic businesses will begin to serve the nonethnic population and spatial dispersal will result.” (p. 497)

These patterns and sequence through phases will differ based on ethnic group, the group’s history, circumstances of migration, education levels, and the place to which they have migrated.

Though this model is widely researched and studied, recent changes in trends of immigration, new patterns of residential spatial dispersion of newly arrived immigrant
groups, and the changing nature of accessibility, especially regarding home and work spatial disparity, all point to shortcomings in the model.

**Adapting the Model: Critiques of and Additions to the Ethnic Entrepreneurs Model**

Recent scholarship points to changes in the nature of immigration and morphology of the modern American city that call into question the applicability of the model. Theories of assimilation and its spatial components, born out of the Chicago School in the early 20th century, are under revision. The melting pot, cultural pluralism, and multiculturalism are examples of the evolution in terms used to describe processes by which immigrant and minority groups become successful and integrated into American society. Assimilation, and its ethnic entrepreneurs counterpart, is the only term to have a distinct spatial model. Contemporary geographers are updating the model.

The Ethnic Entrepreneurs model presumes a “direct connection between cultural, economic, and spatial assimilation” (Allen, 1996). Underlying assumptions of the model hold that immigrants often arrive at an educational and linguistic detriment. The model also assumes that immigrants have very little familiarity with the culture into which they are immigrating. Recent research finds that some immigrant groups arrive with high levels of cultural and economic assimilation. It then follows that spatial patterns will also be altered.

**Alterations to Patterns of Immigration**

As the nature of immigration changes, theory must attempt to keep pace. The Immigration and Nationality Act of 1965 dramatically altered the face of immigrants to the U.S. In 2003, Asians comprised 34.7 percent of all immigrants to the U.S (U.S Department of Homeland Security, 2004). While the law gave preference for family
reunification and refugees, skilled professionals are highly preferred. The 2003 Yearbook of Immigration Statistics Immigrants from the Department of Homeland Security stipulates (2004):

“The employment-based preferences consist of 5 categories: priority workers; professionals with advanced degrees or aliens of exceptional ability; skilled workers, professionals (without advanced degrees), and needed unskilled workers; special immigrants (e.g., ministers, religious workers, and employees of the U.S. government abroad); and employment creation immigrants or “investors” (p. 17).

The professionalization of Asian immigrants, studied by Wilawan Kanjanapan (1995) from 1988 to 1990 reports Asian immigrants to be 77,827, or 51.51 percent, of all immigrating professionals (p. 15). Heavily clustered in health professions, engineering, mathematics and computer sciences, Kanjanapan (1995) found that engineers tend to come from Taiwan or India and health professionals from the Philippines.

Both push and pull factors influence the migration of highly educated Asians. Immigrants leave developing countries in search of opportunities in higher education, which in turn lead to more extensive employment opportunities. These patterns of education produce an international labor market whose members generally speak English and share similar values, a process which weakens social and cultural barriers previously faced by immigrants (Kanjanapan, 1995). Thus, many Asian immigrants are arriving in the United States with high levels of human capital. Zelinsky (2001) adds that human and, sometimes, financial capital can allow a new immigrant greater economic access to life in their new country. The immigration of professionals alters the economic assimilation assumption of the Ethnic Entrepreneurs model that business ownership will provide a means of economic success.

As new waves of immigrants arrive with a high degree of economic assimilation, or at least a better ability to secure traditional employment, cultural assimilation is also
accelerated relative to the experience of the waves of 19th century European immigrants upon whom the assimilationist model is based. Technology spreads American media and mass culture throughout the world, in turn altering the nature of immigrant expectations. New Americans now arrive with more English speaking abilities and increased familiarity with American culture than their European precursors (Zelinsky, 2001). Thus, both cultural and economic assimilation have been altered by technology and the times. The shifting morphology of American cities also serves to modify spatial patterns of newly arrived immigrants.

**Heterolocalism**


Heterolocalism describes “community without propinquity” in which a recently immigrated group adopts a dispersed residential pattern, but is able to maintain community ties via telecommunications and transportation technologies present at the start of the 21st century. The original argument, taken from Zelinsky (2001) and Hardwick (2005), is crafted from six attributes:

- There is immediate or prompt spatial dispersion of heterolocal immigrants within the host country.
- Residence and workplace are usually widely separated, and, frequently, there is also a lack of spatial overlap between residence on one hand and shopping districts and sites of social activity on the other.
- Despite the absence of spatial propinquity, strong ethnic community ties are maintained via telecommunications, visits, and other methods at the metropolitan, regional, national, and even international scale.
• Heterolocalism is a time-dependent phenomenon. Although we can detect some partial manifestations in earlier periods, its full development is conceivable only under the socioeconomic and technological conditions established in the late twentieth century.
• As is the case with other models, heterolocalism can exist in both metropolitan and nonmetropolitan settings.
• In contrast to other models, heterolocalism has implications for sociospatial behavior at the transnational, even global, scale.

It is important to note that not all immigrant groups exhibit heterolocal trends. For the purposes of this study, Asian Indians and Japanese are the most heterolocal immigrant groups.

Zelinsky’s discussion of the separation between work and home and distinction between shopping and home are noteworthy for a lack of scholarship on the subject. He (2001) describes,

“It is likely that field investigation will confirm a similar disjuncture between home and places of worship, ethnic shopping areas, and sites of social activity. Indispensable to the social vitality of the widely dispersed ethnic group is the maintenance of a convenient meeting place whose specific address is of minor importance” (p. 138).

Studies citing heterolocalism generally focus on residential patterns, networks of ethnicity, and demographic patterns (Price, 2005; Hardwick, 2005; Newbold, 2002; Newbold, 2004). The concept that social interaction often takes place away from home is contrary to ideas of the “neighborhood effect,” where close distances are necessary for the transfer of information, culture, and ideas (Lanegran, 1969). Heterolocal interactions do not necessarily take distance into account for maintaining community ties. Though a basic principle of geography is disregarded, places of social interaction are still important to a group. What is the nature of social interaction for heterolocal groups? How do these communities use local businesses and religious institutions to maintain community ties? It appears that little, if any, research has been conducted on the topic.
The ‘Ethnoburb’ and a New Role for Ethnic Business

Scholarship concerning modern business patterns of recent immigrants has focused on the suburban developments of shopping malls and the “ethnoburb.” The term, coined by Wei Li in 1998, describes suburban ethnic economies in the San Gabriel Valley of California. The ethnoburb is, “suburban ethnic clusters of residential areas and business districts in large metropolitan areas, especially in those “global cities.” Ethnoburbs are multietnic communities in which one ethnic minority group has a significant concentration, but does not necessarily comprise a majority” (Li, 1998, p. 504). The ethnoburb is a result of the global economic and political shifts; they are entwined in global flows of investment.

Li (1998) cites three new trends that occur due to changing political and economic shifts at many different scales:

1. Not all dispersed ethnic businesses are “middleman minority” types.
2. Ethnic businesses not only play their traditional and marginalized role, but are also increasingly integrated into the mainstream economy.
3. New ethnic businesses may start in new areas and lead to ethnic neighborhood development, instead of being a result of ethnic residential concentrations (Monterey Park, California) (p. 503-504).

The Twin Cities lack many of the factors which contribute to ethnoburb development, but the theoretical underpinnings advance thought on a new role for ethnic business. The emergence of ethnic business from a marginalized to mainstream economy is an effect of several different modern forces.


Traditional assertions that ethnic entrepreneurs enter into ethnic business as a means of integrating into the mainstream economy need to be examined in a global
context. Ethnic businesses mark the landscape as localities where local and global intersect. The cultures portrayed in these restaurants, supermarkets, and specialty stores teach local populations about foreign cultures and serve a variety of functions for local ethnic groups. Ethnic business plays a major role in shaping local ethnic culture as localities where global networks can be tapped. Transnationalism and Asianization, two popular concepts, require further investigation.

Transnationalism

Transnationalism is a popular buzzword among academics. Linked to cosmopolitanism and heterolocalism, the term recognizes the “multiple ties and interactions linking people or institutions across the borders of nation-states” (Vertovec as quoted in Jackson, 2004). Transnationalism, like heterolocalism, results from technological advances allowing migrants to travel with ease and speed around the world, facilitating the globalization of capital and geopolitical change, and expanding social networks (Guarnizo, 1998). Scholars focus on the ambiguities in identity created by transnational networks. Zelinsky (2001) notes,

“Most important, and consistent with heterolocalism at the national level, there are signs of sustained ambiguity, of dual allegiances that may continue indefinitely rather than of absorption into the host society as mandated by the dynamics of the assimilation model” (p. 150).

While the term, its application, and usage are debated in the academic world, it is useful here to describe the infiltration of global flows into local practices (Grewal and Kaplan in Jackson 2004) and the nuances of ethnic identity.

Asianization

While transnationalism acknowledges the complex networks in which immigrants exist, Asianization describes the processes by which Asian influences have
penetrated American culture. As economic linkages between the U.S. and Asia intensify, cultural ties are also shared. Literature on the subject is an often entertaining overview of the success of Japanese and Chinese cinema, the popularity of manga (comic books) and anime (animated cartoons), the expansion of Buddhists in America, American fascination with acupuncture and traditional Chinese medicine, high enrollments in martial arts classes, and, of course, the tremendous popularity of Asian foods and the rise of fusion food.

The Rise of Ethnicity

Both transnationalism and Asianization indicate a change in local and global culture. Zelinsky (2001) terms the phenomenon the “Rise of Ethnicity” pointing to an ethnic group’s ability to better preserve its collective culture than in the past. He argues that the Great Depression may have been a large enough shift in political, social, and cultural ideology to spur an interest in folklore and increase in regionalism. World War II directly following further spurred the transformation. Zelinsky details changes in a group’s ability to preserve and speak language from the original country, prominence of ethnic religious institutions, popularity of non-Anglo music, social practices, dress and bodily adornment, rise of minority actors in film and television, rise of ethnic food, as well as many other elements, as heralding the rise of Ethnicity.

Donna Gabaccia (1998) describes the rise of ethnic food in American popular culture in her book *We Are What We Eat*, which examines how migration and changes in the production and marketing of food illuminate American identities. She points to the yuppie as a driving force for popularizing ethnic foods. “Educated, well-traveled, and enjoying a higher income than most hippies had as young people in the early 1970s,
yuppies in the 1980s searched more often for authentic and exotic, than healthy, ethnic food” (Gabaccia, 1998, p. 215). This demand, coupled with new waves of immigrants and their culinary expertise created a culture in which, “ordinary Americans today are much more eager than in 1900 to entertain themselves with the culinary gifts of new immigrants. They also continue to explore and to modify the cuisines of older ethnic groups” (Gabaccia, 1998, p. 203). She further argues that the popularity of fusion food as a high-end chef-driven movement combining cuisines of many different cultures began as a cosmopolitan fad before eventually entering the mass market. Yuppie culture is certainly not the only influential factor in the rise of ethnic food, but helps to explain the scale at which ethnic food is generated today.

Though the food industry is often the most visible ethnic impact upon the landscape, Asianization has had other important ramifications. Cohen (2002) argues, “Increased contact with Asia has begun to change American values and the ways in which Americans think” (p. 82). Discussions of race and Asian American identity are shaped by transnational flows of Asianization. “Steadily, Asian-American culture is becoming Asian/American culture – defined less by the local experiences of immigrants and their offspring than by the churn of global capitalism and the transnational feedback loop of style and aesthetics” (Liu, 1997, ¶11). Asianization and transnationalism change how immigrants and their offspring identify. According to Liu (1997), “pigmentation is becoming an unreliable indicator of privileged knowledge. In the case of Asian America, at least, culture is breaking loose from the moorings of race” (¶12).

The rise of ethnicity complicates questions of identity on local, national and global scales. Gabaccia offers yuppie culture as an impetus for the rise of ethnic food;
Zelinsky points to the upheaval of the Great Depression and World War II as driving forces for a change in how ethnicity is understood and valued. Zelinsky (2001) asserts, “who can deny that we now live in an era when “ethnics” strive to make themselves heard, seen, and appreciated in all kinds of ways, and that they may be succeeding” (p. 86). Has the age of ethnicity arrived in Minnesota? Study results vary by ethnic group, but overall findings show Asians in Minnesota to be on the rise.
METHODOLOGY

Data

Patterns of ethnic entrepreneurship are difficult to study and map for several reasons. The definition of ethnic entrepreneur can prove more difficult to determine in the field. Is a Chinese owner of a McDonald’s an ethnic entrepreneur? Scholars tend to use business ownership as the means for identifying ethnic businesses. Despite this clear-cut definition, a lack of reliable, affordable and easily accessible sources makes it difficult to mine for relevant information. Questions of identity are also raised and are not easily quantifiable. Despite these qualifications, fieldwork was conducted from June through July 2005 with the goal of locating and mapping Asian businesses in the Minneapolis-St. Paul Metropolitan Area. In addition to fieldwork, data from the Census 2000 and the Minnesota State Demographic Center were also employed.

To gain a comprehensive picture of Asian businesses, an initial inquiry of Asian businesses was conducted through twincities.citysearch.com. The online index was searched using keywords such as “Asian,” “Japanese,” “Cambodian,” “Hmong,” and other ethnic groups. Online findings identified 698 businesses in 65 different cities around the metro area. Of the total businesses, 192 were located in St. Paul and 212 in Minneapolis. Issues of reliability and accuracy prompted further fieldwork.

Fieldwork

Using fieldwork to define an Asian business was not a simple task. Businesses included in the study generally reflect some kind of Asian culture clue on store signage. The most common attribute used was the presence of one or more Asian languages on store signs. Artwork and goods sold by the business were also factors. It is important to
note, that this definition of an Asian business also includes a high number of corporate businesses that are unlikely to be owned by an Asian entrepreneur. The best example of this is the Big Bowl restaurant chain, which is owned by a corporation in Chicago, but serves Asian themed cuisine. These corporate restaurants raise the question of how Asianization is impacting questions of ethnic entrepreneurship.

Due to the nature of small business on commercial corridors of Minneapolis and St. Paul and constraints on time and resources, inner-city areas were heavily field checked. Fieldwork was primarily conducted along commercial corridors to better capture small businesses unlikely to advertise in an online resource. Limited field checks were conducted in suburban areas due to lack of time and resources. General findings indicated that data collected from online resources in suburban areas were able to capture more of the Asian businesses than online data for Minneapolis and St. Paul. This is likely due to the need for suburban businesses to advertise in order to attract sufficient clientele, higher rates of turnover in central city areas, and size of businesses.

The goal of fieldwork was to capture four characteristics of Asian businesses: store condition, store size, order of goods sold and stage of business. Store condition and size were judged relative to other businesses included in the survey on a “poor,” “fair,” “good,” designation. Order of goods was classified as “low,” “medium,” “high” according to goods and services offered. Low order businesses included some supermarkets and video rental stores. Most medium order functions are restaurants. Examples of high order are alternative medicine or social services. Most important to this study, stage of the assimilationist Ethnic Entrepreneurs model was also collected.
According to the assimilationist model, Ethnic Enclave businesses are classified as stage one or stage two. Stage one businesses offer a narrow range of goods, which are focused on culturally specific goods. There are no stage one businesses included in the survey due to the range of goods and services offered in the enclaves of the Twin Cities. All enclave businesses included in the study are stage two, which offer a wider range of goods and sell predominantly to fellow ethnic populations. Of the 812 businesses included in the study, 338 were field checked. Of the businesses field checked, 104 were recorded as stage two.

Middleman minority, or stage three, businesses are more spatially dispersed than enclave businesses, but tend not to locate in areas in demand for majority population commercial functions. As such, it is likely that many of these businesses were missed in field checking. Some businesses along commercial corridors, which are predominantly stage two businesses, are classified as stage three due to larger size, better condition, or observed populations served. This study included 114 businesses classified as middleman minority.

The Economic Assimilation phase is divided into two stages of businesses, stage four and stage five. While both stage four and stage five businesses serve majority populations, stage four businesses offer a unique, culturally diverse experience to varied populations. Tibetan gift shops are an example of this type of business. For these groups, the business does not cater to the ethnic group’s needs, but is responding to demand in the majority population. Stage five businesses offer experiences that are catered entirely to the majority population. The best example of a stage five business are the LeeAnn Chin restaurants, which are no longer owned by an ethnic entrepreneur, but
now have annual sales of $15 million (Walkup, 2005).  

As these businesses do not correlate with residential patterns, business dispersion can be wide and difficult to map.

**GIS and Census 2000**

Upon completion of fieldwork, all 812 businesses were geocoded into ArcGIS 9.1. These points were mapped against Census 2000 residential data for “Asian Alone or in Any Combination” across the Twin Cities. Geocoded businesses are represented as points. In some cases multiple businesses at one location have led to points lying directly atop one another. Due to issues of aggregation and privacy, Minneapolis and St. Paul were mapped at the tract level, while the Seven County Metro Area was mapped by county subdivision.

Changes in Census 2000 allowed respondents, for the first time, to check more than one racial category, allowing multiple Asian ethnicities to be recorded. Therefore, categories “In Combination” tend to produce slightly higher numbers than categories marked “Alone.” In a metropolitan area such as the Twin Cities, where populations of Asian ethnicities are not significantly concentrated, the “In Combination” numbers allow greater comparison of small populations. Further, due to privacy concerns and lack of clustered Asian populations, breakdown by ethnic group is difficult to map at the Census Tract aggregation. At the tract level, only Hmong show mappable patterns (see Map 12). Asian Indians demonstrate interesting residential patterns in the second-ring suburbs of the metro area at the county subdivision aggregation (see Map 14).

After overlaying business patterns on residential areas, enclaves could be assigned. Enclave tracts are defined as those having greater than or equal to 20 percent

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1 The chain’s website claims, “LeeAnn Chin revolutionized Asian cooking in the 1980s by creating a cuisine for the rest of us - people who loved Asian flavors but wanted it healthier, fresher - and easier to order!” (LeeAnn Chin Asian To Go).
“Asian Alone or in Any Combination” population in addition to more than five Asian businesses. County subdivision Asian enclaves denote nine or greater Asian businesses in addition to a minimum five percent “Asian Alone or in Any Combination” residential population. Enclave designations were then mapped against attributes collected in fieldwork.

**Data Limitations**

While this study provides a survey of Asian businesses in the Twin Cities Metro Area, it is not comprehensive and the data have many limitations. These limitations result from issues of quantifying identity and mapping the professional Asian immigrant. The retail/streetside bias of the survey underrepresents professional, manufacturing, and industrial functions. Issues of defining ethnicity, function and ethnic business lead to a discussion of the findings and goals of the project.

Due to the nature of fieldwork, businesses surveyed are overwhelmingly retail and streetside in function. Heavy bias toward restaurants, specialty stores, and supermarkets does not reflect the likely presence of larger manufacturing and industrial businesses, which may be Asian owned. The study also does not reflect the actual presence of professional services, such as lawyers, doctors, social services, business services, etc. This is not a study of Asian owned businesses in the Twin Cities, it is a compilation of businesses, mostly retail, that are marketed as Asian.
Other biases in the data result from defining ethnicity and function of the business. As many scholars have discussed, ethnicity does not divide along clean lines, issues of identity are invariably involved. As the majority of the fieldwork was based off of representations of ethnicity as marketed on store signage, the study may not accurately reflect store ownership. A lack of familiarity with Southeast Asian languages also likely led to inaccuracies. Further, where ethnicity does not follow national borders, business identification becomes further complicated. Specifically, distinguishing between Lao and Hmong businesses based solely on signage posed several issues of identity. What cultural factors would cause an entrepreneur to market his or her business as Lao, Vietnamese, or Chinese rather than Hmong? Since Hmong populations span all three countries, it can be difficult to determine underlying cultural affiliations.
Figure 5. Source: personal fieldwork.

Figure 6. Source: personal fieldwork.

Figure 7. Source: personal fieldwork.
Defining business function illustrates an important point about the community function performed by an ethnic business. The term ‘supermarket’ covers many different functions often housed in the same building. Supermarkets may simply be grocery stores, but many also rent out videos, have restaurant functions, sell ethnic clothing and jewelry, and generally provide a gathering place for community members. Multi-function stores are highly visible in lower stages of business development, mostly in enclave areas.

Though data limitations preclude this study from serving as an authoritative examination of Asian ethnic businesses, it does serve as a survey of representations of Asian ethnicities upon the landscape of the Twin Cities. While unique in character, the survey does call into questions of defining ‘Asian’ itself. Martial arts schools, yoga centers, and chiropractors were not included in the study. Though many businesses have Asian roots, the wider community has adapted their practice. Therefore, where does ethnic entrepreneurship end and how does marketing of ethnic identity alter the landscape? Is it simply a question of target clientele or do wider forces of globalization create these spaces of transnationalism?
Map 1. Minneapolis and Saint Paul, Asian Businesses
Map 2. Total Asian Businesses, City-Suburb Comparison
DISCUSSION OF FINDINGS

Studies of ethnic business provide fascinating insight into immigrant adaptation to a host country and highlight cultural trends that affect migration. Though the data gathered for this project are not exhaustive, interesting patterns and trends emerge. Examination of business patterns by stage of ethnic entrepreneurship illuminates issues with the model regarding proximity of business functions to residential concentrations. Stages are numbered one through five, as taught by Professor David Lanegran (2003). However, an analysis of business patterns by Asian ethnicity provides the most interesting results regarding applicability of the ethnic entrepreneurs model and models of heterolocalism.

Examination by Ethnic Entrepreneurs Stage

Examinining patterns of stage two (ethnic enclave) businesses reveals clustering in specific areas of Minneapolis and St. Paul (Map 3). As expected, the Southeast Asian enclaves along University Avenue West, Payne Avenue and East Seventh Street of St. Paul bear both high numbers of Asian businesses and high levels of Asian residents. While the enclave is predominantly Southeast Asian, Hmong populations are the only group to be sufficiently concentrated as to reflect Census data aggregations (Map 12). Stage two businesses in Minneapolis cluster on Nicollet Avenue, or Eat Street. Vietnamese businesses dominate this cluster. Eat Street is marketed as a “diverse restaurant district” serving a varied clientele in its location just south of downtown and the convention center (Singh, 2005). Asian residential populations, as normally expected in ethnic enclave settings, do not surround Eat Street. Asian residents instead cluster in North Minneapolis. This pattern refers back to academic debates concerning proximity
of business and residential locations. Due to changes in intra-urban transportation and accessibility, do ethnic enclaves necessitate spatially proximate residential and business functions?
Middleman minority, stage three, businesses are further dispersed than ethnic enclave businesses (Map 4). Along heavily stage two commercial corridors, such as University Avenue West, the larger, better condition stores are generally stage 3. Central Avenue Northeast in Minneapolis also appears as a business center for Middle Eastern and Asian Indian populations.

Businesses in stages four and five appear in very different areas on the map. Grand Avenue in St. Paul has exotic Afghan and Nepali restaurants, upscale Japanese restaurants, Tibetan specialty stores, and alternative medicine offices. The Uptown area at the intersection of Lake Street and Hennepin Avenue in Minneapolis is a popular place for shopping and entertainment. High-end Asian restaurants, including fusion food, are present in the area. The downtowns of both St. Paul and Minneapolis house many fast food lunch counters for daytime business populations. Both downtowns have high-end restaurants for an evening crowd. The Ethnic Entrepreneurs model is useful for examining commercial corridors and centers in Minneapolis and St. Paul. Patterns by ethnicity are described in both Minneapolis-St. Paul and the wider metropolitan area.
Map 4. Asian Businesses, Middleman Minority (Stage 3)

Asian Businesses: Middleman Minority (Stage 3)

Percent Asian Alone or in Any Combination, by Census Tract

- 0.00
- 0.01 - 15.01
- 15.02 - 24.74
- 24.75 - 36.75
- 36.76 - 62.49
- No Data

Cartographer: Emiko Guthe  April 2006
Source Data: US Census 2000, The Lawrence Group, ESRI, and personal fieldwork
Map 5. Asian Businesses: Economic Assimilation (Stages 4 & 5)
Examination by Ethnicity

Examining business patterns by Asian ethnicity reveals historic spatial trends in the metro area while also reflecting current stories of immigration. In each ethnic group’s story, pull factors generated by the Twin Cities’ unique history of non-exclusion, strength of social services in aiding newly arrived immigrants, and higher education appeal is evident. The Twin Cities lack any major segregated Asian neighborhood. How has the welcoming reputation of the Minneapolis-St. Paul area influenced modern landscapes of ethnic business? The role of social service groups in providing newly arrived immigrants and refugees with the means to survive in a foreign society is well documented. The draw of institutions of higher learning is also a major factor.

This section will examine Minnesota’s largest Asian ethnic groups in turn. East Asian (Chinese, Korean, and Japanese), Southeast Asian (Hmong-Lao, Vietnamese, and Thai), and finally South Asians (Asian Indian and Pakistani) demonstrate varying degrees of fit to the ethnic entrepreneurs model. Trends of business patterns by ethnic group find that refugee, low skill, immigrant groups tend to fit the ethnic entrepreneurs model better than more affluent groups, some of which demonstrate more heterolocal spatial dispersion.
Ethnic Comparison:
Business and Population Percent

<table>
<thead>
<tr>
<th>Ethnicity</th>
<th>Business%</th>
<th>Population%</th>
</tr>
</thead>
<tbody>
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<td>35</td>
</tr>
<tr>
<td>Vietnamese</td>
<td>10</td>
<td>5</td>
</tr>
<tr>
<td>Hmong-Lao</td>
<td>5</td>
<td>3</td>
</tr>
<tr>
<td>Thai</td>
<td>20</td>
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</tr>
<tr>
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<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Other</td>
<td>5</td>
<td>3</td>
</tr>
</tbody>
</table>

Figure 8. Source: Minnesota State Demographic Center, 2006.

*East Asian*

As the railroad, timber, and milling industries spurred the growth of the Twin Cities in the late 1800s, Asian immigrants were drawn to the area. Chinese fled racial and labor conflicts on the West Coast. Early Japanese immigrants were drawn by jobs offered by the railroad. World War II marked a huge rise in East Asian populations. The 1950s saw increasing numbers of Korean students. East Asian groups formed the backbone of Asian populations in the state until the 1970s.
Map 6. Chinese Businesses, City-Suburb Comparison
Chinese (Map 6)

Chinese businesses demonstrate the most dispersed, ubiquitous patterns of any Asian ethnicity in the Twin Cities Metro. Chinese populations make up only 11.2 percent of the state’s population, but 43 percent of businesses in this study are Chinese. This heavy overrepresentation is likely due to historic patterns of migration combined with current immigration as well as the general popularity of Chinese food and culture.

Entrepreneurship was an early means of success for Chinese in the Twin Cities. In the Minnesota Historical Society’s comprehensive review of the state’s ethnic populations, They Chose Minnesota (1981), it is reported that Chinese populations of mostly single men fleeing the racial violence and labor conflict of the 1870s and 1880s on the West Coast became small business owners upon their arrival in Minnesota. The Chinese specialized in laundry services, though the population only numbered 400 by 1910 (Mason, 1981, p. 531). During World War II, the presence of the War Department’s Military Intelligence Service Language School at Camp Savage and later Fort Snelling spiked the Chinese population.

Mason (1981) reports on the patterns of Chinese businesses, generally located in downtowns of cities. Though no Chinatown existed in the Twin Cities, they were situated close enough to provide mutual assistance and provide the social and material needs of the immigrants. St. Paul businesses clustered from St. Peter Street to Sibley between 3rd and 7th streets. Minneapolis businesses were clustered in the Gateway from 1st Ave North to 8th Ave South between 1st and 3rd Streets. They Chose Minnesota (1981) chronicles the development of leadership from a merchant class in the Chinese population of the Twin Cities. This Chinese leadership differed from that of the cities of the West
Coast, where hierarchies of family name associations often aided exclusion of Chinese from majority populations. In the Twin Cities, leadership was based upon Western values of wealth and property measures, causing leadership to often direct its energies toward increasing interaction with majority communities. Historically, Chinese businesses fit the ethnic entrepreneurs model. Mason (1981) records,

“Chinese immigrants had originated laundries as well as restaurants and other ethnic institutions on the West Coast in order to survive in an alien environment. These small business enterprises, which were the principal means of livelihood for Chinese in Minnesota, required little capital investment, did not compete with white labor, and provided employment for newcomers” (p. 532).

Based on the history of Chinese populations in the region, high levels of economic assimilation would be expected.

Current and recent levels of immigration from China have also contributed to the business presence of the Chinese. In 2004, immigration from the People’s Republic of China and Hong Kong totaled 498 people, or 4.3 percent, of Asian immigration to Minnesota (Minnesota State Demographic Center, 2006). Though immigration from China has increased, it is unlikely that the huge presence of Chinese businesses is solely the product of Chinese immigrants. Due to processes of Asianization, Chinese food is likely the most recognizable Asian cuisine. The ubiquitous Chinese buffet, which seems to appear in every suburban strip mall, serves a hybridized version of Asian food, but is undoubtedly popular. Are ethnic entrepreneurs other than Chinese opening Chinese businesses to capitalize upon American notions of Asian food? This study lacks the data on business ownership, which would allow a comparison of ethnic representation to owner ethnicity.
Nepali/Tibetan (Map7)

In 1990, when Congress opened one thousand visas to Tibetans and Minnesota was named a resettlement site, the state’s Tibetan population surged from 2 to 160 (Hughes, 2001). Minnesota is now home to the second-largest concentration of Tibetans in the country (second to New York) (A World in Two Cities, 2006). Though only nine Tibetan/Nepali businesses were recorded on this study, the composition is notable for the dominance of specialty jewelry, gift, and art stores. Businesses tend to be located in successful, affluent locations such as Grand Avenue in St. Paul, Uptown (Hennepin and Lake) in Minneapolis, and Edina.

This population is unlike any of the other ethnic groups discussed. Though the concentration is significant in terms of Tibetan diaspora, the group only numbers between nine hundred and one thousand (A World in Two Cities, 2006). The highly politicized nature of the Tibetan diaspora, and its popularity among certain majority culture groups, has given Tibetan entrepreneurs an immediate export platform. With the concentration of Tibetans and popularity of Tibetan ethnic goods, it would be expected that more Tibetan businesses would be present in the Twin Cities. Cultural and religious considerations may be factors in why Tibetan businesses are not more prevalent. Another consideration is how Tibetan entrepreneurs obtain their ethnic goods. Do import considerations limit the number of businesses able to obtain authentic goods?
Japanese (Map 8)

Japanese in Minnesota, like Chinese, have a long history, but differ greatly from Chinese populations due to a lack of substantial recent immigration from Japan. Japanese display almost equal percentages of business and Asian residential presence, approximately 4% (Figure 8). Historic patterns of Japanese settlement and trends in metro growth help explain Japanese business dispersion in the region.

Until the 1970s, the Japanese were the largest Asian ethnicity in Minnesota. Early migrants were lured from the West Coast by the promise of jobs on the railroad. The population remained small until World War II when Japanese Americans were interned in government camps. The War Relocation Authority (WRA), the group responsible for the logistics of the internment, was charged with relocating internees to other parts of the country. Minnesota’s strong social services, the Military Intelligence Service Language School, and the presence of institutions of higher learning which were welcoming to Japanese Americans, all proved to be critical factors in a burgeoning Japanese population (Mason, 1981). The Military Intelligence Service Language School served to train young Japanese American men in Japanese linguistics with the intention of serving as translators on the Pacific front. Concentrations of Japanese wives, siblings and other family members burgeoned around the school.

Due to the location of the WRA office, Lutheran Hostel, and US Employment Service, all located in Minneapolis, Japanese population growth was heavily skewed toward Minneapolis and the western metro. As Mason (1981) notes, Japanese presence in the western metro, the fastest growing, affluent sector of the region, was not of small consequence.
“By 1970 Japanese Americans, while still concentrated in the Twin Cities metropolitan area, had dispersed into suburban communities. The residential preference for Minneapolis persisted, with the western and southern suburbs showing the greatest increase. The presence of persons of Japanese descent in high-income suburbs testified to both the comfortable economic position of many Japanese Americans and to the virtual disappearance of housing discrimination against affluent Japanese Americans” (p. 566).

This pattern is still visible upon the landscape today as Japanese businesses, devoid of significant new immigration (only 874 new Japanese immigrants to Minnesota have emigrated since 1982 (Minnesota State Demographic Center, 2006)), show visible presence in the west metro. Interestingly, Japanese cuisine is often associated with more upscale, affluent clientele, another factor that may be drawing Japanese restaurants to western suburbs. However, due to extensive amounts of time Japanese have been present in the U.S., it is likely that most Japanese Americans are engaged in more professional occupations. As with Chinese businesses, the question of ownership may show that other ethnic groups, or mainstream business owners, are capitalizing upon the popularity of sushi and are opening their own Japanese enterprises.
Map 9. Korean Businesses, City-Suburb Comparison

Korean Businesses
City-Suburb Comparison

Cartographer: Emiko Guthe, April 2006
Source Data: US Census 2000, twincities.citysearch.com, The Lawrence Group, ESRI, and personal fieldwork

NOTE: Due to Census privacy thresholds, individual Asian ethnic group populations by Census Tract in Minneapolis/Saint Paul can not be disclosed.
Korean (Map 9)

Koreans are unlike other East Asian groups both in terms of migration and business patterns. Though over 8,000 Koreans are recorded to have immigrated to Minnesota since 1982 (Minnesota State Demographic Center, 2006), Korean businesses are not common; only twenty Korean businesses are recorded across the metro area. The unique nature of Korean immigration contributes to a business pattern unlike any other immigrant group.

The first wave of Koreans arrived in Minnesota post Korean War (1950-1953) as students, war brides and adoptees (Mason, 1981, p. 572). While the experience of Koreans on the West Coast focused on farm labor, Koreans in the Twin Cities tended to be intellectuals, using Macalester College as a center from which to initiate a small-scale immigration through letters home urging emigration to Minnesota (Mason, 1981). The immigration of 229 faculty from Seoul National University between 1954 and 1962 served as a major boost to the early Korean immigrant population (Mason, 1981). Associations, both student and religious, form the backbone of Korean society in the Twin Cities and help maintain Korean culture.

In 1981, the Korean population consisted of servicemen’s wives, adopted children, students, professionals and blue-collar workers. Blue-collar were either immigrants who had received education in Korea but could not find comparable employment in the US or relatives of servicemen’s wives who emigrated as blue-collar workers (Mason, 1981). In recent history, adoption has been the biggest cause for growth of the Korean population. Minnesota has one of the largest populations of Korean
adoptees in the nation. Student organization, religious networks, and adoption practices have all created a unique population in the area.

Koreatown in the Twin Cities is located on Snelling Avenue in St. Paul. The seven businesses are all low order: supermarket, restaurants, a billiard hall, video rental, and beauty salon. Six religious institutions are included in the study, making Koreans the only ethnic group to have their ethnicity actively marketed for religious services. Social services and restaurants are the only other functions recorded as Korean. These patterns are likely due to the nature of Korean immigration. Korean adoptees are less likely to start a Korean supermarket or restaurant than other immigrants. Further, questions of identity, how parents of a child from Korea might fill out a Census questionnaire, may underestimate population numbers. The intellectual, student oriented history of the population also skews the population away from opening retail businesses.

**Southeast Asian**

The predominance of Southeast Asians in the Twin Cities distinguishes the area from all other metropolitan areas of the United States, where Chinese dominate. Southeast Asian refugees have created distinctive landscapes in the metro area since they were relocated to Minneapolis-St. Paul in the 1970s. Though different Southeast Asian ethnic groups demonstrate different patterns, refugee groups tend to follow an outward progression from enclave locations.

Largely as an effect of the American withdrawal from Indochina, by 1976 St. Paul boasted a cluster of Hmong, “boat people” from Vietnam, and ethnic Chinese. In 1975, the Indochinese Migration and Refugee Assistance Act provided funding for resettlement from refugee camps in Southeast Asia run by the UN High Commissioner that were
established due to large numbers of refugees fleeing Vietnam for Malaysia, Indonesia, and Thailand. In order to cope with influxes to Minnesota, local government contracted with Lutheran Social Service, Catholic Charities, Church World Service to facilitate incorporation of Southeast Asian refugees (Mason, 1981). Of these groups, Vietnamese, Hmong-Lao, and Cambodians were the most significant. Though most of the refugee camps were closed by 1992, in December 2003, the U.S. State Department approved the resettlement of 15,000 Hmong refugees to the United States. According to the Hmong Cultural and Resource Center of St. Paul, as of February 1, 2005 more than 3,000 Hmong from this camp now reside in Minnesota (Lee, 2005). Significant immigration from Southeast Asia continues. In 2004, 148 (1.2%) immigrants were born in Laos, 219 (1.9%) in Cambodia, and 503 (4.2%) in Vietnam (Minnesota State Demographic Center, 2006).

Due to high numbers of current immigration as well as the presence of more established community members, Southeast Asian businesses are concentrated in Minneapolis and St. Paul. Very few Southeast Asian businesses are present in the suburbs. University Avenue West in St. Paul is generally recognized as “Asian Main Street” or “Asian Avenue” (Bonner, 1999). The strip, located just west of the state capitol, is home to a wide variety of supermarkets, restaurants, travel agencies, clothing shops, financial services, etc. The area of Nicollet Avenue known as “Eat Street” also bears significant Southeast Asian businesses. Though these two corridors serve as enclave centers, when examined by individual ethnic group, nuances to the pattern emerge.
It is important to note that the complexity of Southeast Asian ethnicities do not always correspond with national borders. These intricacies, combined with the fact that many Southeast Asian businesses are targeted to co-ethnic populations and thus do not provide very accessible signage if not literate in the language, may have led to discrepancies in identifying ethnicity of the business. Hmong and Lao businesses are considered together due to intricacies of ethnicity, which cannot be determined from a store sign. It is also possible that more Cambodian businesses (Map 7) are present in the Twin Cities, but may have been confused with other Southeast Asian businesses.
Map 10. Vietnamese Businesses, City-Suburb Comparison
Vietnamese (Map 10)

Numbers of immigrants from Vietnam since 1982 (over 15,000) are second only to the number of immigrants from Laos (over 17,000) (Minnesota State Demographic Center, 2006). Vietnamese immigration is complicated by the presence of multiple ethnic groups within the nation’s borders and the history of refugee migration. Though not every immigrant recorded as Vietnamese necessarily identifies his or herself as such, the population in the Twin Cities is now home to both second-generation immigrants whose parents migrated directly after the end of the Vietnam War as well as current immigrants. Most Vietnamese entered the country as refugees, thus often without high levels of capital, education or training.

The Vietnamese American Chamber of Commerce in the Twin Cities touts Vietnamese initiative in creating “the Twin Cities most diverse commercial corridors” along Eat Street (Nicollet Avenue) and University Avenue (Vietnamese Chamber of Commerce). Of the 86 Vietnamese businesses included in this study, 18 are located along University Avenue and 37 along Nicollet Avenue. Vietnamese businesses are concentrated in Minneapolis, with a visible presence in several first and second ring suburbs.

Vietnamese business concentration along Eat Street grew according to the traditional ethnic entrepreneur model. Eat Street, the area of Nicollet Avenue from Grant to Lake, is a quintessential example of a successfully ethnically branded area. Though the street is known for its diversity of ethnic businesses, Vietnamese establishments dominate the Asian businesses of the area. Justin Jacobson (2006) describes the growth of Vietnamese businesses along the strip, “In 1985 there was one Aisan owned business
in that stretch (A Chau), by 1990, eleven, by 1993, twenty-one and by 1999 there were thirty-one” (p. 63). In interviews conducted with Vietnamese business owners along Eat Street, Jacobson (2006) finds that low rents due to outmigration were a major factor in the establishment of ethnic businesses along Nicollet.

A fascinating twist accompanies the traditional ethnic enclave story. Due to the physical barrier of a Kmart at the intersection of Nicollet Avenue and Lake Street, through traffic is curtailed. While this posed as a deterrent for many prospective businesses, Vietnamese businesses followed a different pattern. Jacobson (2006) describes,

“For Asian groceries, though, customers from drive-by traffic was not really a part of the business plan. These businesses were the epitomes of “destination” businesses – places that people know about and sought out. For the Vietnamese community in the Twin Cities, going to Nicollet Avenue was at least a weekly pilgrimage. . . Thus, the restrictions to traffic on Nicollet that were a problem for so many businesses helped to keep rental costs low, and were beneficial to Asian groceries and out-of-the-ordinary restaurants that benefitted from cheap rents and did not care about the problems with traffic flow” (p. 48).

Traditional ethnic enclave theory does not normally count a lack of traffic flow as a factor in business incubation. Since the first Vietnamese immigrants arrived in Minnesota in the late 1970s, the ethnic entrepreneur model would predict growth from the enclave.

Vietnamese who migrated in the 1970s are more likely to have higher socioeconomic and educational status, but still have access to a supply of co-ethnic labor in North Minneapolis and St. Paul. Vietnamese entrepreneurs may live in large homes in the suburbs but own several businesses on Nicollet Avenue. This study lacks further research on how upper levels of the ethnic entrepreneurs model apply to Vietnamese in suburban areas.
A factor to consider in the development of stage four and stage five businesses is the group’s ability to market to majority culture, or the degree to which ethnic goods have been incorporated into mainstream culture. Vietnamese restaurants would be an interesting study due to the relative popularity of the cuisine and reputation for cheap and fast food enjoyed by Vietnamese restaurant owners.
Map 11. Hmong-Lao Businesses, City-Suburb Comparison

Hmong-Lao Businesses
City-Suburb Comparison

- Hmong-Lao Business

Asian Alone or in Any Combination, County Subdivision Percent Population

- 0.00
- 0.01 - 3.14
- 3.15 - 4.68
- 4.69 - 7.18
- 7.18 - 16.04

NOTE: Due to Census privacy thresholds, individual Asian ethnic group populations by Census Tract in Minneapolis/Saint Paul can not be disclosed.

Cartographer: Emiko Guthe. April 2006
Source Data: US Census 2000, twincities.citysearch.com, The Lawrence Group, ESRI, and personal fieldwork
Hmong-Lao (Maps 11 & 12)

Though the U.S. Census 2000 named Minnesota home to approximately 41,800 Hmong, community estimates put the actual number between 60-70,000 in Minnesota (Lee, 2005). Of this population, almost 25,000 live in St. Paul. The distinction between Hmong and Lao follows ethnic lines that cross several Southeast Asian borders.

Hmong, also known as Miao or Meo, traditionally live in the mountains of Laos, Vietnam, China, Thailand, and Burma. After the Vietnam War, many Hmong fled Lao persecution for assisting American troops and were placed in refugee camps. Since 1976 these camps have been emptied, creating a Hmong diaspora in France, Australia, French Guyana, Canada, and the United States (Lee, 2005). Within the U.S., the second largest concentration of Hmong is found in Minnesota (second to California). Lowland Lao traditionally live along the banks of the Mekong River in agricultural areas. Though the two groups are different ethnicities, business patterns are studied in conjunction.

The enclave of University Avenue, Rice Street, Payne Avenue, and East 7th Street is home to both high numbers of Hmong residences and businesses. Of the 77 businesses identified as Hmong or Lao, 52 are located in St. Paul, with 31 of those 52 in the enclave (University Avenue, Payne Avenue, East 7th Street, Rice Street). Unlike Vietnamese, Hmong businesses exhibit a very limited presence in only the first ring suburbs.

Hmong and Vietnamese are further distinguished demographically. National poverty levels for Hmong are the highest for any Asian ethnic group at 37.8 percent whereas the comparable Vietnamese statistic is 16.0 percent (U.S. Census Bureau, 2004). Since 1989, Hmong poverty levels have fallen from about 70 percent (Lee, 2005), marking huge strides for Hmong populations.
Both Hmong and American cultural values explain these patterns. Traditional Hmong society is based around the clan, providing social and political organization. Clans provide their members with legal, mediation, and economic assistance. Due to this heavy reliance upon mutual assistance, as well as marriage practices in which a wife moves in with her husband and in-laws, family structure does not allow for the same type of migration to the suburbs upon assimilation that is common among other ethnic groups.

In addition, American mass culture is unfamiliar with Hmong culture. Media often seems confused by Hmong marriage, and funeral practices. Hmong cuisine has yet to enter a wide appeal for majority populations. Hmong and Lao businesses appear to serve mostly co-ethnics, having yet to develop a successful export platform.
Thai (Map 13)

Though Thai immigrants are historically part of the Southeast Asian immigrant group, the population exhibits some major differences. Recent immigration from Thailand to Minnesota has slowed to only 82 in 2004 (0.7% of Asian immigration to the state) (Minnesota State Demographic Center, 2006). Thai in Minnesota comprise only 0.9% of the Asian population, but 7% of the businesses included in this study are Thai (Figure 8).

Businesses recorded as Thai were more likely to be listed in combination with another ethnic group (Thai/Vietnamese, Thai/Lao) than any other ethnic group. Business patterns are well dispersed throughout first and second ring suburbs, show minor clustering along Eat Street and downtown Minneapolis, and are present in upscale areas of Grand Avenue in St. Paul and in Uptown of Minneapolis. Of the total 66 Thai businesses, only 11 are another function besides a restaurant.

These trends illustrate two major considerations: Thai food is very popular with majority populations and Southeast Asian history may positively influence the number of Thai restaurants opened. Locations of Thai businesses show that they are found in areas accessible to more than just the ethnic group, a group that is not very numerous. In addition, many refugee camps, where significant numbers of Minnesota’s Asian population spent a great deal of time, were located in Thailand.

This study lacks qualitative data describing the impact of extended residence in Thailand. However, it is possible that a Hmong, or other Asian entrepreneur who spent considerable time in Thailand, knows that Americans are unfamiliar with Hmong cuisine,
but that Americans have an appetite for Thai food, and could choose to open a Thai restaurant.
Map 14: Asian Indian Businesses and Populations

Asian Indian Businesses and Populations

Percent Asian Indian Alone or In Any Combination, by County Subdivision

- Asian Indian Business

0.00
0.01 - 0.72
0.73 - 1.23
1.24 - 1.54
2.92

NOTE: Due to Census privacy thresholds, individual Asian ethnic group populations by Census Tract in Minneapolis/Saint Paul can not be disclosed.

Cartographer: Emiko Guthe
Source Data: US Census 2000, twwincities.citysearch.com, The Lawrence Group, ESRI, and personal fieldwork
South Asian

Asian Indian and Pakistani (Map 14)

The Asian Indian population is the fastest growing Asian ethnic group in Minnesota. In 2004 alone, 825 (7.1%) of Asian immigrants to Minnesota were born in India and Pakistan (Minnesota State Demographic Center, 2006). This number is down from 8% in 2003. A local resident marveled at the growth over the last 25 years, noting that 25 years ago Asian Indian goods had to be mail ordered from Chicago (Sukhatme, 20 March 2006). Today, Asian Indian entrepreneurs provide a range of goods and services across the metro area. Asian Indian businesses are difficult to discern from Pakistani and are sometimes included together.

Unlike other dominant groups, which tend to be Southeast Asian, Asian Indians demonstrate very different residential and business patterns. Scholars have noted the unique heterolocal and transnational patterns exhibited by Asian Indians. Many Asian Indian migrants arrive in the U.S. bearing academic credentials and high socioeconomic status, factors which change patterns of assimilation and location (Zelinsky, 2001).

Residential data from 2000 shows Asian Indians locating in second-ring suburbs of the cities. Businesses appear to not have any direct correlation with residential patterns. There is no reason to believe that Asian Indian populations in Minnesota differ greatly from those populations throughout the U.S. The managerial, professional nature of the population lends itself to working for large corporations. With the changing morphology of corporate headquarters, more professionals find themselves commuting within suburbs rather than a traditional suburb to inner-city commute.
Heterolocal thought recognizes that though these communities may not be spatially proximate, community is maintained via modern technologies. Though technology assists in community ties, heterolocalism also suggests that social space is divorced from the home. Where are the places and spaces for Asian Indian populations to build community ties? Ethnic business still serves these populations as a means of generating community ties; supermarkets and restaurants still serve as meeting places and spaces of a common culture. However, the traditional outward growth from an enclave is missed, as the immigrant group is able to skip many stages of assimilation. Though not included in fieldwork, religious temples form the main focus of the community. The locations of these temples are indicative of the dispersed nature of Asian Indians. Hindu temples, Muslim mosques, and Sikh temples are located in Maple Grove, Brooklyn Center, Brooklyn Park, Eagan, Hopkins, and Fridley (India Association of Minnesota). Asian Indian businesses in Minneapolis tend to locate along Central Ave Northeast.

Due to the professional nature of Asian Indian immigrants, it is important to note that many of the group’s businesses are likely to not have been recorded in fieldwork. Community sources have noted that the owner of a large number of Burger King restaurants in the Twin Cities is an Asian Indian entrepreneur. In addition, the owner of the Foshay Tower in Minneapolis is Asian Indian (Sukhatme, 20 March 2006). These entrepreneurs are not investing in ethnic cultural goods, but rather in mainstream icons.

Asian Indian populations in Minnesota are prime examples of heterolocal patterns. The group has seen significant and recent increase. Demand for Asian Indian technological skills, generally in computer industries, places this population closer to
corporate jobs located in suburbs. High socioeconomic status, education level, and, generally, a strong command of English, enables Asian Indians to skip enclave patterns.

**Overview**

The history of Asian immigration to Minnesota is highly varied dependent upon ethnic group. Business patterns tend to reflect these differences. Chinese, one of the first Asian ethnic groups to arrive in Minnesota shows highly dispersed business patterns due to historic and current migration as well as high levels of popularity of Chinese food. Japanese businesses reflect historic immigration, mostly due to internment during World War II, but lack current immigrants. The appeal to affluent, cosmopolitan tastes that characterizes Japanese restaurants is reflected in location. Korean population has a backbone of student organization, religious institutions and a high number of adoptees. Businesses tend to reflect this religious proclivity or date from immigration in the 1950s.

Southeast Asian businesses demonstrate the most clustering in enclave areas. With the exception of Thai, Southeast Asian businesses dominate Minneapolis and St. Paul, but lack a major presence in the greater metro area. Hmong-Lao businesses are concentrated in St. Paul’s enclave while Vietnamese businesses cluster on Nicollet Avenue in Minneapolis. Thai businesses are dispersed throughout the metro area, possibly due to the popularity of Thai cuisine in majority culture.

Asian Indian businesses are the most heterolocal in nature. High levels of current immigration at a high educational and socioeconomic level allow Asian Indians to locate in non-traditional locations. Asian businesses in the Twin Cities are widely dispersed throughout suburban and inner city areas.
FURTHER STUDY

Qualitative research concerning the emerging role of ethnic businesses would shed light on important questions of transnational space. Processes of cultural exchange examining how ethnic entrepreneurs change the culture in which they live would provide a new angle on how the process of Asianization is affected by the actions of minority business owners. Conversely, how do ethnic entrepreneurs benefit from processes of Asianization? Do restaurant owners consider the popularity of the cuisine advertised when opening a business? Are business owners benefiting from an American infatuation with Asian culture?

A greater understanding of each business’ clientele would provide revealing information regarding both co-ethnics and wider mass culture. How do business location and specialization of goods affect the demographic nature of clients drawn to the business? Another case study would examine the Korean businesses on Snelling Avenue, which this study shows to be unique to the area. Do Korean populations travel further to shop at the supermarkets or do they shop at other Asian grocery stores?

Traditional ethnic entrepreneurs theory focuses on the economic benefit gained by business owners. However, ethnic businesses can provide a backbone of social space for co-ethnics. Heterolocal thought recognizes that social space for heterolocal groups often occurs away from the home. It follows that restaurants and supermarkets oriented toward heterolocal populations provide spaces for social interaction. How do these community functions change based on business dispersion patterns? Do heterolocal and enclave oriented groups differ in terms of frequency of visit? Do different groups demonstrate
varied patterns of using shopping as a social function based upon the cultures from which they migrated?

Another area of study would focus on business ownership in an attempt to discover areas where other ethnic groups, or non-Asian owners, are running Asian businesses. There is a blurring of delineation between what is and what is not an ethnic business. Are Japanese restaurants still owned by Japanese owners or are corporate or other Asian ethnic groups capitalizing upon the popularity and affluence associated with Japanese cuisine?

How do patterns of ethnic business correlate with processes of gentrification? Often, it is the small, unique businesses that make a gentrified neighborhood so appealing and distinct from its bland suburban counterpart. This seems to point to ethnic businesses as an important factor in gentrification. If ethnic businesses play a major role in corridor success, who is success defined for? Corridors generally understood as successful are really marketed to mass culture rather than to ethnic populations.
CONCLUSIONS

There is much to learn about Asian business in the Twin Cities. This study provides a detailed examination of Asian ethnic groups and corresponding business patterns throughout the metro area. Research shows that individual ethnic groups demonstrate very different residential and business patterns, which do not appear to be time dependent. Groups that arrived as refugees are more likely to demonstrate traditional stages of the ethnic entrepreneurs model. Other groups, namely Asian Indians, demonstrate heterolocal patterns of residential dispersion throughout the metropolitan area and no corresponding business patterns. All of these patterns can be explained by combinations of the group’s history in the Twin Cities, recent trends in migration, and histories in the region from which they migrated. Research into the social and community functions provided by these businesses will provide insight into the transnational characters of each ethnic group’s community.

Patterns examined in this study are the manifestations of seismic shifts in our globalizing world. Trends in immigration, which are producing a dichotomy of low-skill or high-skill migrants, influence the shape and nature of the modern metropolitan area. Fifteen years ago, a study of Asians in Minnesota would have been nigh impossible to complete. Today, over eight hundred Asian businesses are visible upon the landscape. This is a sizeable change over a short amount of time, reflecting the furious rate of change in which we all live.
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