



News from the Fiscal Policy Institute

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New Report Shows Immigrant Entrepreneurs Help Boost Main Street Economic Vitality

New York, January 14, 2015 - A [new report](#) released today by [Americas Society/Council of the Americas \(AS/COA\)](#) and the [Fiscal Policy Institute](#) shows that immigrants play an outside role in Main Street businesses—grocery stores, restaurants, clothing stores, and other enterprises that are key to neighborhood growth and vitality. Nationwide, immigrants make up 28 percent of Main Street business owners, a level well beyond their share of the labor force or overall business ownership, which stand at 16 and 18 percent, respectively. This is the first time data is available on immigrant entrepreneurship, the bread and butter of local U.S. economies.

Using figures from the U.S. Census, the American Community Survey, and the Survey of Business Owners, the report [Bringing Vitality to Main Street: How Immigrant Small Businesses Help Local Economies Grow](#) finds that between 2000 and 2013, immigrants were responsible for all of the net growth in Main Street business nationally as well as in 31 of the 50 largest U.S. metropolitan areas. In 2013, Main Street immigrant business owners earned \$13 billion. Immigrant entrepreneurs make up 64 percent of all Main Street business owners in the Los Angeles metro area, 61 percent in metro San Jose, 56 percent in metro Washington, D.C., and 54 percent in metro Miami. The study includes all immigrants, documented and undocumented. While there are important distinctions among these groups, all of them include business owners in varying proportions.

Main Street businesses—the shops and services that are the backbone of neighborhoods across the country—play a critical role in creating attractive places to live and work, often making otherwise declining local areas more vibrant and more economically viable, and contributing to the local consumer base as well as to local and national tax bases. This report finds that immigrants own 53 percent of grocery stores, 45 percent of nail salons, 43 percent of liquor stores, 38 percent of restaurants, and 32 percent of both jewelry and clothing stores.

The study shows that immigrants also play an essential role in business growth overall. Between 2000 and 2013, immigrants accounted for 48 percent of overall growth of business ownership in the U.S.

"This report confirms and quantifies what we see in our daily lives: that immigrants are crucial to the economic vitality and success of cities around the country. More importantly, it shines a spotlight on cross-sector initiatives being implemented to remove barriers to immigrant entrepreneurship, which is a driver of economic growth at the local and national level," says AS/COA President and CEO Susan Segal.

"These are types of 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 entrepreneurs," says the author of the report, David Dyssegaard Kallick, Senior Fellow and Director of the Immigration Research Initiative at the Fiscal Policy Institute.

In addition to quantifying the role of immigrant entrepreneurs in the country's 50 largest metropolitan areas, the report takes an in-depth qualitative look at immigrant small business ownership, economic growth, and neighborhood revitalization in three specific geographical areas. In Philadelphia and Minneapolis–St. Paul, immigrant businesses have played a significant role in reversing decades of population decline and helped reestablish a commercial base for neighborhoods that needed an economic boost. In Nashville, which has seen continual population growth, immigrants helped transform neighborhoods and supported the economic revitalization enjoyed by the city as a whole.

While much of the immigration debate has focused on what can be done at the federal level, this report highlights best practices and guidelines to maximize the potential of immigrant small business owners in neighborhoods and cities, arguing that such policies should be seen as an integral part of the economic development programs for communities around the country.

[Download the report here.](#)

[Explore an interactive map](#) with data on immigrant population shares, immigrant earnings, and immigrant contributions to Main Street business growth for the 50 largest metro areas in the U.S.

Americas Society/Council of the Americas (AS/COA) unite opinion leaders to exchange ideas and create solutions to the challenges of the Americas today. Americas Society (AS), the recipient of a grant from the Rockefeller Brothers Fund to produce this research, was established by David Rockefeller in 1965 and is the premier forum dedicated to education, debate and dialogue in the Americas. Council of the Americas (COA), affiliate organization to AS, is the premier international business organization whose members share a common commitment to economic and social development, open markets, the rule of law, and democracy throughout the Western Hemisphere. Recognizing the link between U.S. immigration and overall hemispheric relations, AS/COA launched its Integration and Immigration Initiative in 2007 to draw on its public–private convening power to bring together key constituencies in new gateway

cities and to produce research on the link between changing demographics and economic competitiveness. Visit us at www.as-coa.org.

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***The Fiscal Policy Institute** (www.fiscalspolicy.org) is an independent, nonpartisan, non-profit research and education organization committed to improving public policies and private practices to better the economic and social conditions of all New Yorkers. Founded in 1991, FPI works to create a strong economy in which prosperity is broadly shared. FPI's Immigration Research Initiative examines the role of immigrants in the New York State economy and beyond. The Immigration Research Initiative receives core funding from the Carnegie Corporation of New York, the Ford Foundation and the Open Society Foundations for its role in the State Priorities Partnership (coordinated by the Center on Budget and Policy Priorities). Opinions expressed here do not necessarily reflect the views of the foundations that support this work.*