



SESSION 5

FEB. 17, 2022

Suburban migration: Interrogating the intersections of global migration and suburban transformation

Chair: Zhixi Zhuang, Ryerson University

**Suburbanization and migrant entrepreneurship in the U.S.,
Cathy Yang Liu, Georgia State University**

**Stuck in the suburbs? Socio-spatial exclusion of migrants in Shanghai,
Jie Shen, Fudan University**

**Housing new Canadians on the “edge of the suburbs” in Vancouver: A case
study of immigrant renters in Burnaby, Surrey, Richmond and Abbotsford,
Carlos Teixeira, University of British Columbia Okanagan**

**Ryerson
University**

**Canada Excellence
Research Chair in
Migration & Integration**

Suburbanization and Migrant Entrepreneurship in the U.S.

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The Urban Book Series

Cathy Yang Liu *Editor*

Immigrant Entrepreneurship in Cities

Global Perspectives

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Introduction

- Suburbanization of the minority and immigrant population in the U.S.;
- Minority-owned businesses and migrant entrepreneurship had substantial growth and play important role in economy;
- Evolving intrametropolitan spatial dynamics of these businesses over time across different MSAs?
- Specifically, the relative presence, performance and growth of these firms in central city versus suburban communities.
- Source: Liu and Jeong (forthcoming) Are minority owned businesses moving to Suburbs? Intrametropolitan spatial shifts and their causes, forthcoming, *Journal of Small Business & Entrepreneurship*

Literature Review

- General suburbanization of employment and population in the U.S.;
- Minority-owned businesses' traditional attachment to central cities (ethnic enclave, protected market);
- Suburbanization of minority and immigrant populations (“melting pot” suburbs, Hardwick 2008), forming “ethnoburbs” (Li 1998) and “globurbia” (Zhuang & Chen 2017);
- Single case studies, few studies on general trend across different MSAs (e.g. Oh 2008; Somashkhar 2018: “suburban ethnic economy”);
- Ethnic firms located in ethnic enclaves tend to be small, undercapitalized and less profitable than those operating in broader market (Aguilera, 2009)

Data and Methodology

- Data: 2007 and 2012 Survey of Business Owner (SBO); number of minority-owned businesses and performance indicators: number of firms, employees, sales and receipts and total annual payrolls; all firms and employer firms;
- A sample of 60 metropolitan statistical areas (represent over 50% of national businesses): central counties v.s. suburban counties in MSA
- Descriptive analysis and regression analysis:
 - DV: growth of the central county's share of MSA firms
 - IV: **demographic** - population share and growth;
economic structure - income ratio, industrial structure;
policy environment - government expenditure ratio, property tax ratio

Share and Growth of Businesses

		Sample MSAs				
		2007		2012		
Owners' race/ethnicity		Total	Share	Total	Share	Growth
All firms	Black-owned	1,361,213	9.9%	1,826,085	12.5%	34.2%
	Asian-owned	871,686	6.3%	1,112,294	7.6%	27.6%
	Hispanic-owned	1,340,597	9.7%	1,971,957	13.5%	47.1%
	White-owned	10,198,883	74.1%	9,750,788	66.5%	-1.4%
	All	13,772,379	100.0%	14,661,124	100.0%	6.5%
Employer firms	Black-owned	73,843	2.5%	76,734	2.6%	3.9%
	Asian-owned	220,054	7.4%	277,801	9.5%	26.2%
	Hispanic-owned	144,584	4.8%	171,011	5.8%	18.3%
	White-owned	2,549,014	85.3%	2,403,530	82.1%	-1.1%
	All	2,987,495	100.0%	2,929,076	100.0%	-2.0%

Regression Results

- Growth of minority-owned firms was positively related to the existing concentrations of minority populations, but not significantly related to growth of these populations;
- On economic structure: Hispanic firms grow faster in areas with higher incomes while black- and Hispanic-owned firms tend to decrease in areas with higher share of retail trade;
- Response to local fiscal policy (government expenditure, property tax) differs across groups, mixed results.

Conclusion and Discussion

- Minority-owned businesses had a strong presence in the suburbs but have grown faster in the central counties - hired about 20-23 percent total central area workforce and about 15-17 suburban workforce during this time; black-owned businesses least suburbanized;
- Business scales remain small and lag behind general businesses;
- The importance of co-ethnic population's presence in a community for the growth of their respective businesses;
- Policy implications and limitations.

Thank you!

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