

Research Report

Empowerment through Business: South Asian Entrepreneurship in Hong Kong

Prepared by

**Community College of City University, Hong Kong
(Researcher: Dr. Kim KWOK)**

This project is sponsored by

**Funding Programme of Research Projects on Equal Opportunities 2013/14
Equal Opportunities Commission**

July 2015

Acknowledgements

We would like to acknowledge the following individuals and organizations for their kind support and contributions to this project.

Most special thanks go to our interviewees and informants in the Pakistani and Nepalese communities in Hong Kong for providing us with valuable information and sharing their life stories. Their stories and diverse voices have enriched our understanding of one significant dimension of the social integration process of South Asian ethnic minorities in this society.

Extended thanks go to staff members of the Services for Ethnic Minorities Team, HKSKL Lady MacLehose Centre, for their active coordination of interviews and participation in focus group discussion. Besides, assistance and encouragement from staff members of Christian Action, Yuen Long Town Hall and Yang Memorial Methodist Social Service shall be acknowledged. Special appreciation extends to Mr LO Kai Chung, Miss LEUNG Wing Ting, Miss LIMBU Urmilla, and Mr. MINHAS Rashad for their generous feedbacks and sharing of experiences during the whole process of this project.

We also thank Miss WAN Pui Ting, Miss LEUNG Mei Ting, Miss TAI Chau Ping and Miss WONG Siu Tong for their essential assistance as research helpers in coordinating research activities, conducting interviews, writing transcripts, sharing observations and participating in post-interview reflective discussions.

Finally, we express our greatest gratitude towards the Equal Opportunities Commission under its Funding Programme of Research Projects on Equal Opportunities 2013/14 for supporting this project financially.

Table of Contents

Executive Summary	1
Chapter 1 Introduction.....	5
1.1 Background.....	5
1.2 Integration and Inclusion of Migrants	5
1.3 Ethnic Economy	5
1.4 South Asian Migration and Ethnic Minorities in Hong Kong	6
1.5 Research Goals and Questions	7
1.6 Terminology.....	8
Chapter 2 Methodology	9
2.1 Interviewees	9
2.2 Data Collection and Analysis.....	10
2.3 Limitations of the Study	11
Chapter 3 Economic Upward Mobility and Marginality.....	12
3.1 Introduction.....	12
3.2 Successful Business.....	12
3.3 Stable Business	13
3.4 Survival Business	15
Chapter 4 Business Strategies	18
4.1 Introduction.....	18
4.2 Start-up Capital	18
4.3 Late Payment	19
4.4 Hiring Co-ethnic Workers	20
Chapter 5 Empowerment and Disempowerment	21
5.1 Introduction.....	21

5.2	Empowerment at Community Level	21
5.3	Empowerment and Disempowerment at Individual Level	22
5.4	Common Difficulties and Issues	24
Chapter 6	Mobilization of Resources	26
6.1	Introduction.....	26
6.2	Successful Business.....	27
6.3	Stable Business	28
6.4	Survival Business	29
Chapter 7	Recommendations and Conclusion	30
7.1	Recommendations	30
7.2	Conclusion	32
References	34
Appendix 1	Population, Median Monthly Income and Distribution of ethnic minority business of Ethnic Minority Groups in Hong Kong (2011).....	39
Appendix 2	Profile of Interviewees (IT) and Distribution of Business Categories	40
Appendix 3	Semi-Structured Interview Guide	42
Appendix 4	Summary of Research Activities	44
Appendix 5	Community Cultural Tour Walking Guides	45

Executive Summary

This research project was funded by the Equal Opportunities Commission under its Funding Programme of Research Projects on Equal Opportunities 2013/14. Informed by qualitative research methods, this exploratory study was undertaken in the period of April to December 2014. It covered: (i) 22 face-to-face interviews with individual Pakistani and Nepalese petit entrepreneurs; (ii) 8 key informant interviews with NGO workers and community leaders; (iii) 42 hours of field investigation (field visits and participant observations); and (iv) 1 focus group discussion with NGO workers.

Background

2. Today, over 450,000 non-Chinese people are living in Hong Kong, making up to about 6.4% of the total population (Census and Statistics Department, 2012). The entrepreneurial activities of these migrants such as running of restaurants and ethnic grocery stores do not only enrich the city ethnoscape with a multicultural touch, but also suggest some significant meanings for social integration of ethnic minorities in Hong Kong. Although numerous studies have been done on ethnic minorities concerning their overall life experiences and difficulties encountered, little has been known about how they access to, struggle and sustain in the world of business in Hong Kong (Hewison, 2004; Loper, 2004; Ku et al. 2004; Equal Opportunity Commission, 2009; Crabtree & Wong, 2012; Law & Lee, 2012; Erni & Leung 2014¹). Even less attention has been put on the linkage between structural barriers and the self-employment phenomenon of South Asian migrants in Hong Kong.

3. This study explores a less touched-upon dimension of South Asian social integration in Hong Kong, namely their experiences in the ethnic economy. It aims to enhance the overall awareness of policy makers and practitioners about the potential significance of ethnic economy in immigrants' social integration process in Hong Kong. It draws upon literature on immigrant integration and inclusion, ethnic economy, mixed embeddedness, social capital and cultural capital.

Summary of Findings

Economic upward mobility and marginality

4. While ethnic economy offers some South Asian petit entrepreneurs an opportunity for significant upward mobility in earnings, there are divergent experiences that constrain some others in marginalized socio-economic position. Three categories of ethnic minority business are identified: *successful*, *stable* and *survival*. *Successful* business owners enjoy progressive earning mobility through ethnic minority entrepreneurship. *Stable* businesses offer humble but stable income just sufficient for living. *Survival* ethnic minority entrepreneurs are stuck in highly

¹ Exception is noted that one chapter has been dedicated to some self-employment experiences of South Asian ethnic minorities in their book *Understanding South Asian Minorities in Hong Kong* (Erni & Leung, 2014).

competitive and precarious retailing niches. They lack sufficient capital and utilize intensively kin and co-ethnic labor for the struggle of survival.

Business strategies

5. Based on the concept of mixed embeddedness, some common business strategies shaped by the interaction of opportunity structure and ethno-cultural forces are identified:

- **Start-up capitals** are usually collected from family, kin members and friends without assistance from formal bank service. This may be attributed to the interplay of some institutional barriers and the existing internal characteristic and resources: racial discrimination perceived by South Asian people in Hong Kong, requirements of official documents from banks, coupled with religious consideration of Muslim families and strong mutual support among co-ethnic fellows.
- **Late payment practice** is very common. However, unpaid or unsettled bills are a source of suffering for some *stable* and *survival* business owners, whose earnings are just sufficient or marginal. Due to market competition and norm on in-group solidarity, interviewees would not consider giving up this practice, for they are afraid of losing customers and bad reputation from the community.
- **Staff are primarily co-ethnic workers.** Even some interviewees intend to employ people outside their respective ethnic community, they are encountered with difficulties including communication obstacles and perceived discrimination. On the other hand, co-ethnic workers are appreciated for having similar work ethos, and there is sufficient and convenient supply whenever they are needed.

Empowerment and disempowerment

6. At the community level, empowerment forces are apparently at work. Ethnic economy creates ethnic social space for networking and bonding, and at the same time has the potential to enhance local tourism and related social projects on racial harmony. At the individual level, ethnic economy is empowering in that it offers upward earning mobility, job opportunity, life improvement and social status enhancement, and ensures independence from the government welfare aid. These are seen as not only a process of enhancing self-efficacy as well as sense of control of a person's environment, but also the outcomes of empowerment.

7. At the same time, ethnic economy can be disempowering in that it creates marginal proprietors and sense of helplessness when personal and group resources fail to overcome structural barriers. There are some common difficulties and issues unfolded: language barriers, souring rentals, self-reliance mentality and the general belief that business people do not need help.

Mobilization of resources

8. Resources are divided into two categories: group and individual. The former includes bonding social capital and group cultural capital, whereas the latter encompasses bridging social capital, individual cultural capital and economic capital.

9. *Successful* entrepreneurs are endowed with richer personal class assets, namely bridging social capital and individual cultural capital. *Stable* entrepreneurs are weaker in personal cultural capital and bridging social capital, while *survival* entrepreneurs are the weakest in these aspects.

10. While all ethnic minority entrepreneurs rely on ethno-cultural group resources (i.e. bonding social capital and group cultural capital), it appears that entrepreneurs endowed with less individual class assets are more dependent on group resources in sustaining its business.

11. These findings prompts us not to overemphasize the ethno-cultural group resources behind ethnic economy, as individual class assets also play an important role in accounting for the success of ethnic minority business.

Conclusion and Recommendations

12. This study reveals that business trajectories of South Asian entrepreneurs are divergent, ranging from *successful* to *survival*, and empowering experiences to disempowering ones. Our findings suggest that business experiences and outcomes are contingent upon a variety of factors including structural context and personal class resources, not merely dependent on ethno-cultural group resources. This echoes the arguments put forward by mixed embeddedness.

13. Having said that, structural barriers such as blocked access to finance should be tackled, and tailor-made support measures should be taken in order to ensure equal opportunities for ethnic minority migrants in performing economic activities in Hong Kong. While ethnic economy is not a panacea for solving all problems of economic disadvantages, we assure its function in enhancing the social integration process of ethnic minorities in Hong Kong. We therefore call for more attention to be paid to South Asian ethnic economy from policy makers, practitioners and scholars, and recommend concrete steps for improvements.

Policy Level

Improve access to formal sources of finance

- **Address institutional barriers by directly reducing the institutional burden.** Public bodies (e.g. Hong Kong Monetary Authority and Equal Opportunity Commission) should tackle the issue of racial discrimination in banking services. Regulatory burden for obtaining bank loan such as requirement of bank and credit history can be reduced
- **Tailor public loan scheme and/or microcredit scheme for ethnic minority entrepreneurs** to particularly cater their financial needs. These schemes can be piloted at district level, and should be combined with sufficient business advice and coaching. Successful examples of such tailor-made microcredit schemes for migrant/ethnic minority populations in some European countries can be taken as references (OECD, 2014).
- **Incorporate ethnic minority populations into existing funding schemes**, such as Social Innovation and Entrepreneurship Development Fund, SME Funding Schemes and the newly announced Youth Development Fund (Cheung et al., 2015). Support services should be provided to promote these schemes to ethnic minority populations and to coach them in the application process.

Improve access to business advice and support

- Support service and business advice for ethnic minority populations should be provided to reduce barriers in business operation, and to enhance inclusion in the mainstream business schemes and services.
- This can be done by either setting up a specific section/service team in one of the existing establishments such as Support and Consultation Centre for SMEs (SUCCESS), or cooperating with non-governmental organizations at community level.

Community Service Level

Community-based business advice and support

- To be set up to fill the gap in support delivery to many difficult-to-reach ethnic migrants who lack information. This can be done through partnership of the government and NGOs at community level, and to work in conjunction with ethnic minority representatives in order to offer bridges to build trust.
- Support and advices should be made relevant to the ethnic minority communities. A successful example can be drawn as reference from the UK (OECD, 2014, p.127).

Community-based business training

- **Enhance entrepreneurial and language skills** of existing ethnic minority entrepreneurs and potential ones. These include not only planning and management skills such as business goal setting, finance management, book-keeping, strategic thinking and customer relations, but also personal language skills. To incorporate Cantonese and English language skill training (both written and oral communication) into business training programs, making it relevant and specific for business setting in Hong Kong.
- **Share good practice**, as there is a lack of knowledge on good practice, knowledge dissemination and experience sharing. These can be organized based on district or business sector.

Promotion of multicultural neighborhoods

- Appreciation of cultural diversity and enhancement of cross-cultural understanding could be better nurtured at the local neighborhood level, where ethnic shops exist and other ethnic activities take place.
- Promotion of multicultural neighborhood as places of leisure and consumption can benefit not only ethnic minority residents and their ethnic economy, local Chinese residents and their businesses, but also the overall image of Hong Kong as a multicultural society. Experiences in advanced immigration cities with Chinatown or Little Italy inspire us that ethnic neighborhoods could offer valuable resources of local and international tourism (e.g. Henderson, 2003; Rath, 2007; Yang, 2011).

Chapter 1 Introduction

1.1 Background

Today over 450,000 non-Chinese people are living in Hong Kong, making up to about 6.4% of the total population (Census and Statistics Department, 2012). While many of them are first generation migrants, some of them have longer history of migration, with origin in Hong Kong tracing back to the earlier colonial time. These migrants constitute together an interesting part of the Hong Kong urban landscape, not only through their different languages, religions and cultures, but also through their venturing into business. Restaurants, fast-food shops, grocery stores, hair salons, internet cafés and remittance banks are typical examples of small businesses run and operated by ethnic minorities to serve their own co-ethnics or the larger mainstream population. Depending on their living pattern, these business activities are either scattering around the territory or concentrated in particular areas, forming some enclave-like clusters in different localities. All these have become part and parcel of Hong Kong, for they do not merely enrich the city ethnoscapes with a multicultural touch, but also suggest significant meanings for integration of ethnic minority migrants in Hong Kong.

1.2 Integration and Inclusion of Migrants

Social integration refers to the inclusion of individuals in a social system in a sociological sense. Integration of migrants, a long-term course of becoming an accepted member of a new society, can be perceived as a special case of social integration (Bosswick & Heckmann, 2006). Its eventual goal is to acquire the same responsibilities, rights and opportunities as the mainstream population (Penninx, 2005; Huddleston et al., 2013).

Scholars suggest us to understand integration through various interdependent dimensions of life: legal/political, social, economic, cultural and religious (Bauboeck, 1994; Brubaker, 1989; Kymlicka, 1995; Penninx, 2005). According to Penninx (2005), socio-economic dimension is related to the social and economic rights of migrants. Do they have equal access to social facilities and benefits such as social housing and care facilities? Do they have equal rights in the job market, to use institutional assistance to find job and to be self-employed? For a migrant to achieve economic integration in a new society, there are usually two ways: by participating in the labour market as a dependent employee or being self-employed as entrepreneur. Therefore, endeavour in the ethnic economy is part of the integration process of ethnic minorities.

1.3 Ethnic Economy

In the age of migration (Castles, de Haag & Miller, 2014) many countries and cities have turned to be increasingly multi-ethnic through immigration. The study of ethnic economy has aroused much attention from scholars and policy makers, and become a significant concern (Light, 1972; Zhou, 1992; Ram & Jones, 1998; Collins, 2003; Kloosterman, 2010; Rahman & Lian, 2011; Huang et al, 2012; OECD, 2014). Ethnic economy can be understood as an umbrella term to denote “every enterprise that is either owned, or supervised, or staffed by racial/ethnic minority group members regardless of size, type, and locational clustering” (Zhou, 2004, p.1043).

In the literature of ethnic economy, there is a strong consensus that activities in ethnic economy create opportunities for upward mobility of ethnic group members that facilitate migrant integration (Waldinger, 1986; Zhou, 1992; Portes, 2010). One main argument lies in that it

creates job opportunities for the self-employed as well as for ethnic workers who would otherwise be excluded by mainstream labour markets (Light, 1972; Zhou, 1992; Portes & Shafter, 2007). Besides, it is asserted that ethnic economy offers an edge in income over other forms of employment, and role models can be set up through informal teaching among co-ethnic fellows in the ethnic economy (Light, 1972; Waldinger, 1986; Zhou, 1992; Portes, 2010; Zhou & Cho, 2010).

On the other hand, some scholars put forward the argument that many migrants are being pushed toward self-employment due to structural disadvantages in the mainstream society. While racial and religious discrimination can be the cause of disadvantages, lack of language skill and educational attainment can also be factors preventing migrants from acquiring a job that fits their ambitions and skills, leaving self-employment as the only option (Aldrich et al., 1984; Phizaclea & Ram, 1996; Chiang & Kuo 2000; Kogan 2011). Contrary to the social mobility assertion, scholars (Aldrich et al. 1984; Bonacich 1993) highlight the “other side of ethnic minority entrepreneurship”, criticising immigrant self-employment as a means of survival and disguised unemployment: it merely exchanges “the role of marginal worker for marginal proprietor” (Aldrich et al. 1984, p. 209) and rarely decreases social inequality.

In explaining immigrant economic activities, scholars propose the concept of *mixed embeddedness* (Kloosterman, Van der Leun, & Rath, 1999; Kloosterman, 2010). This underlines the interaction of structural and ethno-cultural factors. Structural environment of the country of settlement includes migration policies, market situation, labour market condition and business regulations, etc. They together form the *opportunity structure*, in which immigrant economic activities are embedded. These various factors in the opportunity structure can be constraining or/and facilitating for migrant business development. *Internal group resources* refer to co-ethnic based networks, mutual help, cohesiveness, cultural values and artefacts, which could be roughly classified as social capital and cultural capital (Bourdieu, 1986; Zhou, 1992; Putnam, 2000; Light & Gold, 2000).

How about the situation in Hong Kong? Do ethnic minorities in Hong Kong move into self-employment because it is the only option left for them? Does business venturing offer an opportunity for achieving economic goals and hence earning and social mobility, or is it merely for survival and a disguised unemployment? Does ethnic minority entrepreneurship represent a force for empowering or disempowering ethnic minorities in Hong Kong? These are questions to be explored in this study.

1.4 South Asian Migration and Ethnic Minorities in Hong Kong

In Hong Kong, ethnic minorities refer officially to persons of non-Chinese ethnic origin. Comparing to other immigration countries and cities, ethnic minority population in Hong Kong is relatively small, constituting only up to 6.4% of the total population in 2011. Indonesians, Filipinos, Indians, Pakistanis, and Nepalese make up the largest five ethnic groups in the total population (Census and Statistic Department, 2012).

South Asian people resided in Hong Kong already at the beginning of the British colonial rule in the 19th century. Many Indians were recruited by the colonial army and police forces, whereas some others were involved in commercial activities. Nepalese Gurkha soldiers were recruited to defend Hong Kong from the threat of Communist China after the independence of India. In the 1960s and 1970s, a significant amount of Indian and Pakistani people were attracted to come to Hong Kong to find business and employment opportunities in the booming trading,

manufacturing, security and construction industries (White, 1994; Sandhu, 2005; Law & Lee, 2012, Erni & Leung, 2014).

After the dissolution of the Gurkha army after 1997, many Nepalese families continued to stay, as their children born in Hong Kong before 1983 were allowed to attain Hong Kong residency. Around the time of the 1997 handover, a wave of network migration from India, Pakistan and Nepal to Hong Kong took place. Most of these new migrants came with family, kin or acquaintance networks to Hong Kong, becoming the next generation of the earlier migrants. These people constitute the main informant group and interviewees of this study.

Hong Kong claims to be a multicultural metropolitan with an “open, tolerant and pluralist society” (Information Services Department 2010, p.29). However, before the enactment of the Race Discrimination Ordinance (RDO), the government consistently denied that racial discrimination existed in Hong Kong (Law & Lee, 2012). Only after 2009 did the government start to be aware of its obligation to ensure ethnic minorities’ wellbeing and rights of integration, and hence tailored-made social services and measures focusing on educational support, language acquisition, employment services and community building have been carried out.

Despite all these, policy support and arrangements appear to be insufficient. Numerous studies have found that ethnic minorities in Hong Kong, primarily South Asian migrants, experienced or are still encountered by difficulties in employment (Frost, 2004; Hewison, 2004), in receiving quality education (Loper, 2004), and are confronted with social and racial discrimination (Ku et al. 2004; Equal Opportunities Commission, 2009; Crabtree & Wong, 2012; Law & Lee, 2012; Law & Lee, 2013; Erni & Leung, 2014). While many of these studies concern structural barriers such as discrimination, they neglect the linkage between the structural barriers and the self-employment phenomenon of South Asian migrants in Hong Kong. Besides, many incline to perceive ethnic minorities as victims. This implicitly denies their ability and possibility to tackle socioeconomic problems by themselves with their own accumulation and use of resources

1.5 Research Goals and Questions

In view of the above, this study explores a less touched upon dimension of South Asian integration in Hong Kong, namely their experiences in the ethnic economy – how they access to, struggle and sustain in the world of business in Hong Kong. Concrete research questions are:

1. Does business venturing offer an opportunity for achieving economic goals and hence earning mobility, or is it merely for survival and a disguised unemployment?
2. How has the South Asian ethnic economy been shaped by the opportunity structure and ethno-cultural forces?
3. What are the empowering and disempowering effects of South Asian ethnic economy in Hong Kong?
4. How do South Asian petit entrepreneurs make use of their individual and group resources for achieving business goals?

1.6 Terminology

Ethnic Minority

While Hong Kong government uses the term *ethnic minority* to refer to all “persons of non-Chinese ethnicity”, popular usage connects it specifically to South Asian migrants with a derogatory meaning.

This study employs the term *ethnic minority* to denote generally all non-Chinese people residing in Hong Kong, regardless of their migration history, colonial background, country of origin, race, class and social status. In this report, *ethnic minority* will be sometimes replaced by the term *migrant*, for all ethnic minorities in Hong Kong have a migration background.

Ethnic Economy and Immigrant Entrepreneurship

The use of “ethnic” in the literature of *ethnic economy* has been criticized for bearing the assumption of ethnic determination of business activities and implying distance from the hegemonic Western cultures (Pieterse, 2003; Pécoud, 2010). In principle, everyone belongs to an ethnic group no matter it is minority or majority. But in reality, white people are never seen as “ethnic”, although they may be migrants and foreigners in a country. Another commonly used term, *immigrant entrepreneurship*, underlines the migration background of the entrepreneurs - individuals who have newly immigrated (Rath, 2010).

Bearing in mind the above limitations and differences, this study employs both terms *ethnic economy* and *immigrant entrepreneurship* interchangeably to generally denote all economic activities surrounding and connecting South Asian people. This is because both ethnicity and migration background play a role in ethnic economic activities.

Chapter 2 Methodology

This is a small-scale exploratory study carried out in the period of April-December 2014. It is informed by qualitative research paradigm and has adopted the constructivist approach (Lincoln & Guba, 1985), which assumes that multiple realities exist and researchers will acknowledge and report them. The choice of the approach is closely linked with the fact that South Asian ethnic economy in Hong Kong is so far a scantily investigated area, and qualitative exploratory study could help make the less unexplored parts of our world visible (Lincoln & Guba, 1985; Denzin & Lincoln, 2008).

2.1 Interviewees

This study targets at South Asian petit entrepreneurs, namely Pakistani and Nepalese self-employed people. The reasons of focusing on these two groups but not the others are twofold. Firstly, in both economic and social sense, they are among the most deprived groups of migrants. Official statistics reveal that their monthly median income in 2011 was below that of the whole population (Census and Statistic Department, 2012) (see *Appendix 1*). Besides, it is clearly shown in a survey that they are socially less accepted in the mainstream society (Equal Opportunities Commission, 2009). Secondly, their daily practices and cultures appear to be very different from those of the local Chinese, thus easily creating misunderstanding. Therefore, there is a more urgent need to include them socially and economically in order to create a better environment for overall social integration of ethnic minorities.

Interviewees were accessed through convenience sampling from NGOs and fieldwork in the ethnic clusters, while some others were recruited through snowball sampling. Special attention was paid to ensure the diversity of interviewees in order to avoid over-concentration in one district and in one sector of business. Selection of interviewees was made on the basis of the entrepreneurs' self-identification with a specific ethnic minority group, but not the passports they were holding. Besides, he or she had to have self-employment experiences either at the time of interview or previously.

A total of 22 South Asian petit entrepreneurs were interviewed (details see *Appendix 2*). Their profile is listed below.

- Among them, 12 were self-identified Nepalese and 10 were Pakistani in ethnicity. Most of the interviewees were male (n=17), with only a small proportion of female (n=5).
- While access to female interviewees was difficult in the Nepalese community, no single female entrepreneur in the Pakistani community could be identified.
- Seven of our interviewees were in the age range 30-39 (n=7), 8 interviewees were in the age range 40-49 (n=8), and the others were either below 30 (n=2) or above 50 (n=5).
- Five of them received university education (n=5), while 10 received junior secondary education (n=10) and 7 completed higher secondary education (n=7).
- Besides two interviewees who were born in Hong Kong (n=2), all other were born in their respective country of origin (n=20).
- Except one interviewee (n=1) who was born and educated in Hong Kong, all others (n=21) migrated or re-migrated to Hong Kong in their teenage or adulthood.

- While three of them (n=3) migrated to Hong Kong after 2000, all others (n=18) came to Hong Kong around the time of handover.
- Regarding their business branches, they were in food & grocery retail and whole sale (n=6), catering business (n=5), tourist industry (n=2), hair salon business (n=2), textile retail (n=2), cultural industry (n=2), finance (n=1), mobile phone business (n=1) and vehicle repair service (n=1).
- Since South Asian populations are concentrated in some particular districts or ethnic clusters rather than scattering around Hong Kong, our interviewees were selected from these districts/clusters: Jordan & Yau Ma Tei (n=8), Kwai Chung (n=5), Yuen Long & Kam Tin (n=3), Tsuen Wan (n=2), Tsim Sha Tsui (n=2), Sham Shui Po (n=1) and Central (n=1).

2.2 Data Collection and Analysis

Eight key informant interviews were conducted, including those with NGO community workers (n=3), the manager of a social enterprise for ethnic products (n=1), and community leaders (n=4). These interviews helped clarifying the general developments of the ethnic economy and some specific situations of the ethnic community. Besides, some key informants referred interviewees to our research team at the beginning, and some helped with cross-checking the findings of the study at the later stage. Repeated conversations were held with some of these key informants.

Field investigation including field visits and participant observations were conducted in ethnic clusters of South Asian migrants. These are enclave-like areas, where co-ethnic fellows gather for their economic and social activities such as shopping, entertainment and job information. Altogether 15 field visits were conducted in the ethnic clusters in Yuen Long, Kwai Chung, To Kwa Wan, Tsim Sha Tsui (mainly Chung King Mansion), Jordan, Yau Ma Tei, Tsuen Wan and Central, including some participant observations in community cultural tours, festival celebrations and one meeting of an ethnic association. The research team was sometimes assisted by interpreters during these field visits.

Twenty-two face-to-face semi-structured individual interviews were conducted in order to understand the life and entrepreneurial experiences of interviewees. Questions on their migration backgrounds, business start-up, business characteristics and strategies, challenges and resources, and intra-group relations were raised (see *Appendix 3*). Each interview lasted for 1-2 hours. Some interviews were conducted in Cantonese or English, while some others in Nepali or Urdu with assistance from community interpreters. Most of these interviews (n=17) were recorded and transcribed, with the exception for 5 interviews, which interviewees preferred our conversations not to be recorded. The research team held a second conversation with some of the interviewees for the purpose of clarifying their experiences.

One focus group discussion was carried out with three NGO community workers. One of them was a local Chinese, while two of them were South Asian in ethnicity. Initial findings of the study were shared with the focus group discussants for cross-checking information and analyses. Their suggestions were incorporated into the final report writing.

All data collected including interview transcripts, interview notes, field observation notes and key informant interview notes were analyzed based on the qualitative content analysis methods and procedures (Miles & Huberman, 1994; Mayring, 2000; Berg, 2009). Materials were organized,

summarized and coded with recurrently emerged themes, while categories and typologies were developed during the process. An overview of all research activities is provided in *Appendix 4*. In order to establish trustworthiness of the study, a group of community workers and individual interviewees were invited to engage in focus group discussion and individual conversations to validate the findings and emerged themes.

2.3 Limitations of the Study

There are limitations for this study. First, this research is qualitative and exploratory in nature, with the objective to have empathetic understandings of South Asian petit entrepreneurs' business experiences. It does not intend to offer any causal explanation of the phenomenon being studied or attempt to generalize findings to other ethnic minority groups or contexts. Therefore, generalizations concerning other ethnic minority populations and transferability of the findings are limited.

Second, the number of female interviewees is small, and they are limited to the Nepalese community. This is mainly due to the living patterns and beliefs practised by most of the Pakistani Muslim families in Hong Kong, in which women seldom work outside their households. Therefore, no single Pakistani female entrepreneur could be identified as interviewee. While this is obviously a gender-related issue, this study falls short of addressing it in the analyses because of the lack of a comprehensive picture.

Lastly, while encounters of racial discrimination were claimed by the interviewees, the research team had not conducted any investigation to prove the validity of those claims. Yet, views from community workers and participant observations during field visits will provide additional information to backup the findings.

Chapter 3 Economic Upward Mobility and Marginality

3.1 Introduction

Does business venturing offer an opportunity for achieving economic goals and hence earning and social mobility, or is it merely for survival and a disguised unemployment? In order to answer this question, this chapter looks into the experiences of three groups of South Asian entrepreneurs, namely *successful business*, *stable business* and *survival business* (see Appendix 2). These three groups of entrepreneurs are categorized based on their experiences, present income as well as self-perception of earning mobility. It is revealed that, while some ethnic minority business owners have achieved significant upward mobility in earning through self-employment, some others have stuck in difficult situations with stagnation or even decline in earnings.

3.2 Successful Business

3.2.1 *Infa: If you work hard, you have money*

Infa (IT9)² was born in Hong Kong when his father was working for the British Army. He was sent back to Nepal to be taken care of and to receive education when he was four. In 1994, he re-migrated to Hong Kong as a 19-year-old young man, although parents were back in Nepal already. At first, he found jobs as a security guard. In the period 1996-1998, Infa went to Japan to try his luck, where he stayed in the Nepalese community and made many friends and acquaintances, including some Japanese ones. Before he began his own business in 2001, he worked in the Soho bar area as shop assistant and manager for a French boss.

In 2001, Infa started to offer catering services for gallery visitors and members in a storage-like hall. He ran this closed-circle business with neither much starting capital, nor a business license for the first two years. This was made possible because of some connections referred by his previous French boss as well as some Japanese friends. All Infa had at the very beginning were his own hard labor and assistance of some close friends. That was the hardest time: *“And then a year no holidays, and then nothing. In the first two years even the cleaning, I do it by myself....one or two friends would help me on weekends.”* He obtained the business license in the third year when there was progress in the business. After 5 years, he saved up sufficient money to move to a better place.

Now Infa is the owner of four bars, which are all located in the Soho area. When the author of this report visited one of his bars in a late afternoon, it was congested by English-speaking Caucasian and local Chinese customers. From these mixed international clientele, its international menu as well as Western modern decorations, the bar did not suggest any Nepalese connection unless one paid attention to the staff working there. Infa employs a total of 18 full-time and 30 plus part-time staff. Although for Western-style bars, Infa prefers to hire Nepalese and Filipino than American staff. For him, Nepalese and Filipinos are more diligent and flexible. *“You don’t have to tell them. It’s automatic [that they know how to adapt]”*. Infa is well established in the business, and is active in the Soho business community (e.g. the PMQ night market).

² All names used in this report are pseudonyms.

While many of Infa's friends and relatives have gone to the UK and some back to Nepal, Infa prefers to stay in Hong Kong, firstly because of business, and secondly because of its closeness to Nepal. *"I think Hong Kong is a paradise for working place [business] ... My parents can come any time, for them is good enough ... For business, tax, many things, doing that from Nepal or from some other places, it may not be as convenient as from HK"*. When asked about the role of government, Infa expressed his profound belief in the free economy: *"it's an open market in Hong Kong, right? Everything is easy ... If you are clever enough and you work hard, you have money. Government cannot work for you, right?"*

3.2.2 Upward Earning Mobility

Infa is an exemplary case of success. He started from scratch and has become a boss of four popular bars with about 50 staff, earning a stable monthly income of over HK\$100,000. Ali (IT1) is another example who went from rags to riches within a short period of time. Born and grown up in a humble Pakistani family in Hong Kong, Ali had a stormy teenage. He had been dropped out from school after Form 3. Ali then worked in a mobile phone company, earning about HK\$8000 monthly. This work experience provided him not only with accumulated economic capital, but also business networks and knowledge, which helped him to start his own company specializing in second hand mobile phone after some years. After 4 years of hard work in his own business, Ali has been able to make a monthly profit up to HK\$100,000, and has become the owner of a luxurious Mercedes-Benz cabriolet. Because of their own successful stories, both Infa and Ali were deeply convinced that good money will definitely come for people who work hard in Hong Kong.

Besides material rewards, it is the social status achieved that provides business owners a sense of satisfaction - the good feeling that they are socially upgraded and recognized. For example, when talked about discrimination and racist experiences, Infa, a Nepalese with darker skin, described how it was different for himself: *"Few years back, being Asian, I understand ... But now, it's quite different that I know a lot of people ... they find it OK to talk to me. I don't feel uncomfortable now"*. It is this feeling of not being uncomfortable anymore that draws him closer to the mainstream society, at least the mainstream of the Soho business community.

3.3 Stable Business

3.3.1 Sarah: I would like to do my job

Born in Hong Kong in a Gurkha family, Sarah (IT6) was sent back to Nepal for schooling. She came again in 1995 as a 19-year old young woman, and started her working life in Hong Kong in various places including elderly home, Macdonald cafe, Korean restaurants as well as construction sites. Determined to change her life in Hong Kong, Sarah went to India to attend a diploma course in hairdressing and cosmetology for two years. She came back in 2003 to open her own beauty salon. Her sister was her business partner, and they had collected start-up capital from different family members.

The beauty salon is located in Shanghai Street in Jordan, an area concentrated with Nepalese residents and Nepalese small businesses. Sarah's family has been living in the area since the very beginning. The salon offers hair cut service on the ground floor, and facial service on the second floor. Business was satisfactory in the first ten years. Sarah and her sister expanded their business three years ago, and opened a new salon in Yau Ma Tei, which has been operated by the daughter-in-law of her sister.

Nepalese is their main customer group, with few local Chinese, Pakistani, Filipinos and Indonesians and international tourists as the rest of their clientele. Sarah has always wanted to attract more local Chinese. For this purpose, she put advertisements in some Chinese newspapers and employed Chinese hair stylists. However, working with Chinese hair stylists was more difficult than she could imagine, because they usually did not stay long. Sarah tried to understand the situation: *“I can’t hire Chinese stylist ... I don’t know why, ... communication, language problem. They didn’t understand what we say. I cannot pay high salary... We think we are Nepalese and they don’t like to work for us”*. Without Chinese full-time stylists, their customer profile remains largely limited to Nepalese, as the Chinese customers prefer to have Chinese stylists. At present, while Sarah can earn a monthly income between HK\$20,000 and HK\$30,000 as her share of profit, the monthly rent of the salon premises amounts to already HK\$40,000, which was one of her complaints during interviews.

She had different jobs and had never felt the difficulty to find one. Nevertheless, working for others was uncomfortable as she had to follow unreasonable orders: *“you have to do this and do that. I didn’t like it. I would like to do my job ... I have my own job. I spent two years to learn the job”*. This was how Sarah revealed her will to work for her own.

3.3.2 Job Opportunity & Improvement: We earn enough to spend

For the majority of our South Asian interviewees, being one’s own boss is a better job opportunity, an alternative to being employed by others. As seen in the case of Sarah, she mentioned that she could now do her own job rather than having to follow unreasonable orders. Another interviewee Nina (IT20) illustrated more on the reason for and effects of her self-employment. Now running a small corner grocery shop in Jordan, Nina wants to earn more and to save up more for her retirement. Besides, her previous humiliating experiences in a Korean restaurant added to her determination: *“It was a hell, I said to myself, what am I doing? ... I felt I was a slave”*. With self-employed work, she feels being more flexible and has more freedom.

Due to language barrier and lack of local educational attainment, most ethnic minority migrants from Pakistan and Nepal are automatically channeled into the low-end service sector of the mainstream job market. They usually pick up cleaning jobs, kitchen help, duties on construction site and delivery, etc. These are physically strenuous jobs with little payment and harsh working conditions. As it is difficult for our interviewees to enter the middle to high-end sectors of the mainstream job market, becoming self-employed seems to be their only option if one wants to have improvements in earnings and working conditions.

Improvement in earnings does not necessarily mean a progressive change from rags to riches. Very often, it means merely a stable income sufficient to feed the family. Babu (IT5), a Nepali running a grocery shop in Tsuen Wan reflected that, his family business attained an average monthly net income of around HK\$20,000. His humble comment on this income is quite representative of our interviewees in this category: *“We earn enough to spend”*. He added proudly that the earnings from business have enabled his family to live independently from public assistance: *“They [other people] like to apply for social welfare from the government ... we do not have to”*.

Improvement in working condition can be understood as having more flexibility and freedom in work. As seen in the cases of Sarah and Nina in the above paragraphs, self-employment allows them to be free from merely following others’ orders and being “slave”. They can have more

autonomy in managing time and tasks. It is also observed that petit entrepreneurship offers a kind of living condition that could better accommodate their family and religious needs. For example, when Sarah's two daughters were small, they stayed in her beauty salon after school for doing homework and for dinner. For Sarah, this was the best arrangement for a working mother to take care of both her children as well as her career. Some Pakistani shop owners regulate their daily working schedule according to their praying schedule, and one of our interviewees even closed the shop during the Ramadan month. All these arrangements would not have been made possible if our interviewees were not their own boss.

3.4 Survival Business

3.4.1 Farid: If I am forced to have no alternative, then apply for CSSA

Farid (IT17) was supported by a hometown fellow from Pakistan to work for his restaurant in Hong Kong. That was 1993. For the next 8 years, Farid worked for this fellow-boss in a Pakistani restaurant in Tsim Sha Tsui as chef. However, he was seriously underpaid and enjoyed no single rest day. It was not until 7 years later – when Farid's residence was secured by the right of abode - that Farid complained to the Labour Department and made it a case in the High Court. His boss finally lost and Farid was compensated with a large amount of money. In 2002, Farid used this money as his start-up capital to open a fast-food store in the same area, selling curry and chicken. Unfortunately, the 2003 SARS hit the business badly. He then closed the business and returned to Pakistan to take a rest.

When Farid came again to Hong Kong in 2005, he moved to live in Kwai Chung and worked for another Pakistani restaurant in the district. In 2009, with the money saved from work and that left from before, namely a total amount of HK\$45,000, Farid started his present business, a Pakistani take-away shop. Customers of the shop used to be Pakistani residents in the neighborhood and people working in the nearby industrial and business areas. Although mainly selling take-away food, Farid's shop offers some simple tables for people to eat in. These are mainly Pakistani neighbours, who like to spend the afternoon and evening drinking tea, watching TV and chatting in the shop.

For the first three years, business was not spectacular, but was sufficient to support the family. The monthly turnover of HK\$30,000-35,000 covered not merely the running cost of the shop, but also living expenses of the whole family. There seems to be no clear boundary between business and private expenses. Business has turned worse in these two years, as his monthly turnover has decreased to HK\$20,000-25,000. Farid attributed this change to the ruthless increase of rent, which forced many companies to move away from the district. Some people working for these companies and warehouses were Pakistanis, and they used to be one important part of his clientele. Farid has not considered expanding his clientele to include more local Chinese. He is afraid that he cannot serve them well for his lack of Chinese language skills.

When Farid started the business, he made the shop premises – previously a wastepaper warehouse – into a take-away shop on the ground floor, and the middle-storage floor his home, accommodating his whole family of 7 members. Farid's wife, 4 daughters and 1 son came to Hong Kong to join him in 2010. They are Farid's staff who help with the daily operation. The living area of the family in the middle-storage floor is a windowless space, under-furnished with poor cooking and showering facilities. While the two youngest daughters are going to school, the eldest daughter and son are working. Very often, the family rent, which has been increased from HK\$7000 to HK\$9000, has to be balanced with the help of the children's earnings.

Farid wants to improve his living condition by applying for public housing. However, the application has been blocked for two main reasons. Firstly Farid cannot provide necessary documents to prove his family income. Secondly, the family's living address is a commercial one, which will not be accepted by the authority for the application of public housing. For years, Farid has been stuck in this frustrating situation. If he moves away from the present place, he can neither afford to rent a "real" flat, nor can he have anymore income from his own business. But if he stays, the business turnover will remain so marginal that would probably become insufficient to pay the operational cost.

Farid expressed his preference for a free economy: *"I do not find it good to ask for help from the government ... best is to run the business freely, to be able to afford all our own expenses"*. Nevertheless, when it comes to his own situation, he said, *"If I am forced to have no alternative, if I really cannot solve the problem on my own, I will close the business, and go and rent a subdivided room, and then apply for Comprehensive Social Security Assistance."* Rent is a main concern, which was repeatedly mentioned by Farid during our conversation, *"If Hong Kong government really cares about the small-sized businesses, or local people, there should be rental control ... rich and poor disparity has become more serious, those people who own shops or properties, they do not care about others' life, they only know how to increase rent."* But when asked whether he and family preferred to return to Pakistan, Farid said, *"Life is better here in Hong Kong."*

3.4.2 Self-employment as survival strategy

A few interviewees have enjoyed neither upward earning mobility nor stable economic life through ethnic minority business. Instead, they have been struggling at the edge of subsistence. For the little amount of money they earn, it is often incomprehensible for outsiders why these marginal proprietors have to sustain the business. Farid's story is precisely such a case. Twice affected by the general economic situation (soaring rent) and constrained by his limited economic capital and language ability to expand clientele, Farid and his family have become economically very precarious. However, for him, to close or to continue the business is not a clear-cut if-then logic. If he gives up the business and goes for a paid job, he would lose both the living area as well as income from the business. Money earned from paid employment would not guarantee a decent flat for a family of seven. But if he continues, business future appears to be gloomy and he cannot proceed his application for public housing. He is stuck in a dilemma, in which business and family matters are intermingled. Both Farid's business and household share not only the same account, but also the same shop premises and an unknown future. As such, the decision to close or to continue is not merely a business calculation, but a strategy for family survival.

Barun (IT2), a 28-year-old Pakistani, has been running a grocery shop in Kwai Chung for about 6 years. Assisted by his brother who drives the van for delivering ordered goods, Barun makes a monthly turnover of about HK\$15,000. Deducting the HK\$9000 rent he has to pay, he has about HK\$6000 left monthly as net profit. Without knowing what else he can do to earn a living in Hong Kong, Barun would rather stay with the present business, for which he is provided with support from family members, and in which he has established networks of customers in the Pakistani community. Alina (IT22) is another case of such marginal proprietors. Having worked for over a decade as construction worker and pizza baker, Alina was diagnosed cancer a few years ago. Without the ability to continue the physically demanding job, she borrowed money from friends in order to take over the present grocery shop with her business partner, who is also "old and sick". While the borrowed money has not been fully paid back, marginal net profit,

about HK\$4000 monthly for each, is left for both business partners. For Alina, what is more important is that she and her business partner “need a place to meet people, to talk to people”. For all three, Farid, Barun and Alina, constrained by so many factors including their personal limitations, sustaining their small business seems to be the only option to keep life going on without having to depend on government assistance, although profit made has been minimal.

Chapter 4 Business Strategies

4.1 Introduction

According to the literature, in particular the concept of *mixed embeddedness* (Kloosterman et al., 1999; Klooserman, 2010), ethnic economy is shaped by forces both in the opportunity structure as well as ethno-cultural context, and more specifically, the interplay of these two. How has the South Asian ethnic economy been shaped by the opportunity structure and ethno-cultural forces? This chapter presents some findings on common business features and strategies of South Asian petit entrepreneurs, and shows how their business strategies have been developed out of the interaction of opportunity structure (institutional difficulties, market competition, discrimination) and internal ethno-cultural forces (religious consideration, intra-ethnic mutual support, norm on in-group solidarity, supply of co-ethnic workers and similar work ethos).

4.2 Start-up Capital

It is a common practice that start-up capital is collected from family, relatives or close friends. Ranging from entrepreneurs in the *successful business* to those in the *survival business*, none of our interviewees mentioned that they borrowed money from the local bank. Only one (IT21) borrowed money from a finance company for start-up capital. Reasons for this common practice are multiple.

4.2.1 Institutional difficulties

In Hong Kong, many South Asians are encountered with difficulties when dealing with local commercial banks. They have often been denied opening a bank account and obtaining credit card without legitimate reasons (Equal Opportunities Commission, 2012; Burrige, 2013). With these experiences perceived as racial discrimination, many South Asian migrants avoid applying for loans from the banks.

Besides, the mainstream society and the ethnic minority communities have different expectations of business skills and financial management. These have created difficulties for ethnic minority entrepreneurs to obtain loan from formal money lenders. Formal procedures and papers such as financial records, business plan or business balances are usually required by the mainstream banks. However, these paper requirements shun potential borrowers away. For example, when Manna (IT21) planned to launch her salon business in 2005, she went to different banks for loan but was rejected. “*The bank needs to see the salary. If no income, they do not give the money. They ask me to produce a salary sheet*”, said Manna who could not provide the document. She therefore turned to a finance company, which charged higher interest rates.

It is observed by a community social worker that a Microfinance Scheme launched by the Hong Kong Mortgage Corporation Limited (HKMC) has not been well received by the ethnic minority entrepreneurs in her district, mainly for the reasons that many of them could not provide sufficient documents including clear balance, and the interest rate was not attractive for them.

4.2.2 Religious consideration

While the aforementioned represent the “push” factors in the opportunity structure, some forces within the ethnic minority communities represent the “pull” factors, pulling the ethnic minority

entrepreneurs to seek solutions in their own communities. Firstly, it is the religious consideration. Some Pakistani Muslims find it not appropriate to borrow money from interest-bearing institutions because this does not comply with the Sharia law. Studies from other countries report similar considerations of Muslim ethnic minority entrepreneurs (OECD, 2014, p.115). As revealed by one Pakistani community worker, it is a norm in the Pakistani community in Hong Kong that people do not borrow money from the bank or finance company. Even though some younger generation Pakistanis take this rule less seriously and do borrow money from some finance companies, they usually dare not make it known, as this will be considered as misconduct in their community.

4.2.3 Intra-ethnic mutual support

There are strong mutual support and informal financial networks within the ethnic minority communities. In both the Nepalese and Pakistani groups, it is a common practice that when someone needs money for launching a business, family members, relatives and close friends will try to help. Although money lending within the community are without formal legal binding, there are some informal social rules. Borrowers are enforced to pay back, or else they will be punished informally by disgrace. Lenders are willing to help as this is a graceful act and will help winning good name in the community. The Pakistani community worker revealed: *“The one who borrows will think, I shall pay back as soon as possible, because I have little say in my circle when I owe money, this is the question of reputation ... when they lend people money, they will feel being respected by people in their own circle”*. This is the enforceable trust (Portes, 1998) between the co-ethnic lenders and borrowers, which has the sanctioning effect on deviant behaviors from group norms.

4.3 Late Payment

Allowing late payment by customers is another business strategy of our South Asian petit entrepreneurs. For example, running a grocery shop in their respective district, namely Tsuen Wan and Kwai Chung, both Babu (IT5) and Barun (IT2) offer home delivery service and late payment option. Customers buy groceries for their household in large or small amount, and pay only after they have received their monthly wage, usually at the beginning of the next month.

While this practice of buying and paying has been widely accepted, and in Barun’s words, “become culture” of the ethnic minority communities, it is not without problem. Both grocery shop owners suffer from arrears cases with unsettled bills accumulated over months or even years. Barun said, *“Some of the clients, he bought same things each month, like about HK\$3000 groceries each month for the home, after one month he needs to pay HK\$3000, but he pays less ... for a long time, it becomes a large amount”*.

4.3.1 Market competition

Most of them operate businesses in co-ethnic concentrated areas, targeting at their co-ethnic customers and filling up the market niche not easily made by local Chinese business people. However, as the overall number of South Asian migrants in Hong Kong is relatively small, and ethnic minority business owners have been concentrated in the traditional grocery retail shops offering very similar goods, competition has become fierce. This is particularly the case when operational costs of business have risen due to the rapid rental increase in the last couple of years. In order to attract and maintain customers for their business, tolerating late payment turns to be one significant strategy. Babu and Barun have no particularly effective way to handle cases of

unsettled bills. *“If you force them [to pay back] they would find other shops. The customer would disappear and never pay the loan”*, revealed Barun helplessly.

4.3.2 Norm on in-group solidarity

Unpaid bills have been the most difficult challenge for business operated respectively by Babu and Barun. When asked if they would consider stopping this practice, both were hesitant as they believed if they would stop this option, not only would they lose customers, but also receive negative comments from their co-ethnic fellows. Our Nepalese translator explained, *“There are not many Nepalese people in Hong Kong, we want to take care of our own people”*. This is the expectation on mutual support and co-ethnic solidarity. As reminded by scholars (Portes, 1998; Smith, 2007), while in-group bonds and solidarity facilitate migrant groups’ social and economic activities, they exert social control and norm enforcement that constrain individual autonomy in tackling problems and life issues.

4.4 Hiring Co-ethnic Workers

All of our interviewees hire primarily their co-ethnic fellows as employees. This is mainly because of discrimination from the mainstream society, difficulty to communicate with non-co-ethnic workers, sufficient supply of workers in the co-ethnic communities and similar work ethos.

4.4.1 Discrimination and communication barrier

Some Interviewees intended to employ people outside their respective ethnic community for the good of the business. However, they were encountered with difficulties. For her beauty salon business, Sarah (IT6) always wanted to attract more local Chinese customers. For this purpose, she employed Chinese hair stylists. However, it was always a frustration for her, because Chinese stylists usually did not stay long. She grumbled: *“I can’t hire Chinese stylists ... I don’t know why, I can’t say why ... communication, language problem. They don’t understand what we say. I cannot pay high salary... We think we are Nepalese and they don’t like to work for us”*. Without Chinese full-time stylists, Sarah could not expand her customer profile to mainstream local people. Her customers remain mainly Nepalese.

4.4.2 Similar work ethos and sufficient supply of co-ethnic workers

Infa (IT9), the present owner of four Western bars, employed some Caucasian staff at the beginning for the purpose of matching the general ambience of his bars. *“However, it didn’t work ... First, salary, second thing was insurance. Too many demands ... the worst thing was about the working hours”*, Infa expressed his frustration about having Caucasian staff. On the contrary, he praised his Nepalese and Filipino staff, who were more hard-working and flexible. *“You don’t have to tell them. It’s automatic [that they know how to adapt]”*. Even though Infa is not selling ethnic products, he prefers to hire co-ethnic staff or non-white migrants for their similar work ethos, which is beneficial to his business. Besides, Infa mentioned that he could always help to arrange workers even on a short notice, as he is well-connected in his community and there are enough people who want to work for him.

Chapter 5 Empowerment and Disempowerment

5.1 Introduction

Is ethnic economy empowering or disempowering? What have the South Asian petit entrepreneurs experienced during the process of self-employment? This chapter presents firstly, the empowering and disempowering effects of ethnic economy at both the community level and individual level, and secondly, some common difficulties and issues encountered that work as structural forces behind the South Asian ethnic economy in Hong Kong.

Empowerment is a contested concept with no unified definition. Some authors argue that empowerment denotes matters of collective mobilization of marginalized groups and requires structural transformation (Rubin & Rubin, 1992; Zimmerman, 1995). Some others adopt a more capacity-building view, which understands empowerment as enhancing an individual's or group's capacity to make choices and transform choices into desired actions and outcomes (e.g. Bandura, 1982; Perkins, 1995; Alsop & Heinsohn, 2005). This study employs a multi-dimensional view of empowerment (Rappaport, 1987), seeing it as the process as well as the outcome of increasing personal, interpersonal and political power to improve situations (Gutierrez, 1994). While empowerment can take place at all three levels, this study focuses on the individual and group's capacity to make improvements.

5.2 Empowerment at Community Level

At the community level, it is revealed that ethnic economy suggests great potential for empowerment of the South Asian ethnic communities.

5.2.1 *Creating ethnic social space for networking and bonding*

Ethnic shops and their physical locations have created an ethnic social space not only for tangible goods, but also intangibles, namely rest, information, mutual assistance, emotional release, and social contacts both among co-ethnics and between different ethno-cultural groups of people. Many ethnic shops have become a point of meeting between our interviewees and their co-ethnic friends and acquaintances. In a field visit to a mixed ethnic quarter on an early evening, the research team saw some after-work Nepali men standing in front of a Nepali grocery shop, drinking and chatting, while some after-prayer Pakistani men gathered not far away in front of a Pakistani grocery shop.

At the same time, two elder Nepali ladies were sitting next to two mid-aged local Chinese women on the benches in the nearby sitting-out area, exchanging smiles, and sometimes one or two words with each other. Conversations could involve matters as private as one's family finance, and as public as political developments in Nepal and Pakistan. More often, they are about job information, tips for healing minor illness, children's schooling, grievances and worries in work and family, news of the community, and even home-sickness. This is a naturally developed social space that cannot easily be created somewhere else, and its functions not simply be replaced. All these can be understood as the non-economic functions and effects of ethnic economy, which have been long obscured in the study of ethnic economy (Zhou & Cho, 2010; Liu et al., 2013; Kwok, forthcoming).

5.2.2 *Enhancement of local tourism and social project*

It is observed that with the initiatives of some NGOs³, ethnic clusters have gradually become a focal point of attraction and for promoting ethnic harmony. Community maps have been produced for pinpointing the locations of ethnic shops in the respective clusters, and for guiding participants of community cultural tours (see *Appendix 5*). The research team joined such cultural tours for several times. Usually these tours target at local Chinese population, providing them with a better understanding of the South Asian migrants' life styles, religions and communities. Purposes are to reduce stigma and ethnic discrimination towards South Asian minorities in Hong Kong. Participants usually find it appealing to visit the ethnic shops during such cultural tours because they are introduced to very different and "exotic" food and products, which they would otherwise not pay attention to. Ethnic shops benefit from such cultural tours as they bring in more local Chinese customers.

Our interviewees Ibrahim (IT3) and Farid (IT17) appreciated very much the opportunity to reach more Chinese customers through such cultural tours. In one of our field sites, there was a cross-cultural neighborhood project sponsored by a public funding body in order to promote the multi-cultural uniqueness and identity of a historically mixed community. Apart from community cultural tours, cross-cultural markets, cultural heritage programs such as music shows, exhibitions and workshops have been and will be organized⁴. Cultural tours organized in this particular neighborhood have become popular, and about 50-60 cultural tours were held annually in the last two years, each catering roughly 20 participants.⁵

Such community cultural tours and neighborhood project have implications for the social integration of South Asian ethnic minorities. Appreciation of cultural diversity and cross-cultural understanding could be better nurtured at the local neighborhood level, where ethnic shops exist and other ethnic activities take place. Promotion of multicultural neighborhood as places of leisure and consumption can benefit not only ethnic minority residents and their ethnic economy, local Chinese residents and their businesses, but also the overall image of Hong Kong as a multicultural society. Experiences of many other advanced immigration cities with Chinatown or Little Italy add to our insight that ethnic neighborhoods could offer valuable resources for both local and international tourism (Henderson, 2003; Rath, 2007; Yang, 2011).

5.3 **Empowerment and Disempowerment at Individual Level**

At the individual level, ethnic economy appears to offer very different experiences for individual South Asian ethnic minority entrepreneurs and their families. While it is empowering for it offers chances for upward earning mobility, enhancement of social status, job opportunity, life improvement, and independence from government welfare aid, it is at the same time disempowering for it creates a sense of helplessness and deprived marginal proprietors.

5.3.1 *Upward earning mobility*

Ethnic minority entrepreneurship is empowering for *successful entrepreneurs*, as it has enabled their upward earning mobility and enhanced their social status as illustrated in the cases of Infa

³ In this project, the Shine Centre of Christian Action in Jordan, and HKSCH Lady Macle hose Centre in Kwai Chung were visited.

⁴ Details of the project can be obtained from: www.kungyungkoon.org

⁵ Information obtained from a social worker from HKSCH Lady Macle hose Centre in Kwai Chung on 15.04.2015.

(IT9) and Ali (IT1) in Chapter 3. These two started from scratch, and are now constantly earning a monthly income of over HK\$100,000. With successful experiences, ethnic minority entrepreneurs are given the self-confidence and assurance that they can be active players of their own lives, and that they can take control of their environments. Infa revealed his strong sense of control of life by saying, *“If you are clever enough and you work hard, you have money. Government cannot work for you, right?”*

5.3.2 Enhancement of social status

With an established economic position, *successful entrepreneurs* are being more accepted socially among other people, just as Infa said, *“But now, it’s quite different that I know a lot of people ... they find it OK to talk to me. I don’t feel uncomfortable now”*. Even among entrepreneurs who do not achieve progressive earning mobility, being one’s own boss is much appreciated among co-ethnic people. One Pakistani community worker confirmed, *“People in the circle respect you ... and back home [in Pakistan] they find it very impressive”*.

5.3.3 Job opportunity and life improvement

For most of our interviewees, it was unlikely that they could not find employment in the mainstream job markets, but they could not find something better than the 3-D (dirty, dangerous and demeaning) jobs due to their language barriers and lack of local educational attainments. By sustaining a *stable business* with sufficient earnings seems to be a better option than taking up low-end 3-D jobs such as kitchen help or construction site worker. At least they can be their own boss, having more flexibility, freedom and autonomy. *“It was a hell, I said to myself. What am I doing? ... I felt I was a slave”* - this was how one interviewee made up her mind to be her own boss after some very negative experiences as employee. Besides, self-employment could offer space to better accommodate their family and religious life style.

5.3.4 Independence from government welfare aid

Some of our interviewees are proud of the fact that their earnings from business have enabled their families to live independently, without having to rely on government social assistance. For example, Babu (IT5), earning just enough to spend, said, *“They [other people] like to apply for social welfare from the government ... we do not have to”*.

5.3.5 Sense of helplessness

For *survival business*, ethnic economy can be disempowering when self-employed have developed a sense of helplessness because their personal efforts fail to overcome environmental barriers. For example, Farid (IT17) settled down in a Pakistani neighborhood with a fast-food take-away shop years ago. After three years of satisfactory business, situation has turned to be frustrating. Rental cost has been increasing. Many customers left the community because of relocation of neighboring offices. Business cannot be expanded to serve more local Chinese due to the lack of money and language skills. Application for government public housing cannot be proceeded as he was not able to provide clear book-keeping documents. Constrained in such a plight, Farid has a strong sense of helplessness: *“I do not find it good to ask for help from the government ... If I am forced to have no alternative, if I really cannot solve the problem on my own ... then apply for CSSA”*.

5.3.6 *Marginal proprietor*

Self-employed migrants in survival business are marginal proprietors, who earn very little for living. Findings from this study show that their monthly profit can be as low as HK\$4000 – HK\$6000. Sometimes, where there is blurred boundary between business and other income sources, business has to be supported by private income in order to ensure its operation. Despite being constrained in such a plight, it is not easy for them to give up their business, for this would imply unemployment and the loss of a last resort for family survival.

5.4 Common Difficulties and Issues

All our interviewees encounter some common difficulties and issues, no matter which experiences (empowering or disempowering) they are undergoing or/and have undergone. These can be understood as structural forces working behind the South Asian ethnic economy in Hong Kong.

5.4.1 *Language barriers*

Our interviewees are mostly young ethnic minority entrepreneurs between 30 and 50. With two exceptions, most of them received their basic education in their home countries, and then migrated to Hong Kong in their teenage or early adulthood around the time of 1997. With such migration backgrounds, they are all confronted by the Hong Kong bilingual environment, in which colloquial Cantonese constitutes the major part of one's daily life. While some of our interviewees are well-educated and fluent in English, most of them lack Chinese language skills. Initiatives by the government and social service NGOs to help ethnic minority migrants to become familiarized with the official and colloquial language environments had been minimal before the enactment of the Race Discrimination Ordinance (RDO) in 2009. Most of our interviewees were not offered the chance to train their Chinese language skills at the beginning of their stay in Hong Kong.

Nearly all of our interviewees mentioned language as one critical issue. Even *successful entrepreneurs* such as Sam (IT10) said that if he or his wife could be fluent in Cantonese, they would have at least 50% more business. Sarah (IT6) and Farid (IT17) suffer from having no knowledge of Chinese or no Chinese-speaking staff to help with the expansion of customer profile. It seems that the more other resources one is endowed with, the better one can override the negative effects caused by the lack of Chinese language skills. For example, although Infa (IT9) cannot speak fluent Cantonese, he can manage his four bars very well with his English skills in an international business environment. It is his cultural capital and bridging social capital that help to offset the disadvantages of his Chinese language deficiency in Hong Kong.

5.4.2 *Soaring rentals*

In recent years, Hong Kong has been experiencing an increasing rise in property prices and rentals. According to the official figures, overall flat rentals rose by 54% between 2009 and 2013, and that specifically for commercial retail rentals rose by 39% in the same period (Legislative Council, 2014). Whether to reintroduce rental control measures has been an issue of public discussion for some time (Tse, 2014; Legislative Council, 2014). As high rentals are a concern for many people in Hong Kong, our South Asian interviewees are likewise affected.

Many of our interviewees mentioned how rising rentals have affected them. Resourceful entrepreneurs like Infa (IT9), Sam (IT10) and Sunny (IT13) have managed to find a way to diversify their income sources, and have found the rising rentals not particularly harmful. Some interviewees were flexible enough to move their shops to a less expensive location or to a smaller place in order to reduce rental costs (e.g. Sam and Tahir IT14). However, for entrepreneurs who are less resourceful such as Barun and Farid, soaring rentals are very damaging for their businesses.

5.4.3 Self-reliance mentality

No matter they are *successful* or *survival* entrepreneurs, most of our interviewees appreciate Hong Kong's free economy and appear to have internalized a self-reliance mentality, which converges with the neoliberal socio-economic context of Hong Kong. The neoliberal Hong Kong is characterized by its business-dominated regime and low social intervention (Chan, 2004; Ma, 2011), coupled with its citizens' firm belief in hard work, personal industry and self-reliance. The loss of personal independence is usually considered shameful. Government assistance such as the CSSA (Comprehensive Social Security Assistance) embodies strong social stigma, and is often seen as the last resort (Wong, 2008). The belief in self-reliance can be reflected by:

"It's an open market in Hong Kong, right? Everything is easy ... If you are clever enough and you work hard, you have money. Government cannot work for you, right?" (IT9, Infa)

"I do not find it good to ask for help from the government ... best is to run the business freely, to be able to afford all our own expenses". (IT17, Farid)

As members of minority groups who are trying to survive in the business world, they particularly want to be economically self-reliant in order to fit into the mainstream expectation. However, this is endeavored sometimes at the expense of pushing oneself into a very precarious situation.

5.4.4 Business people do not need help

It is unfolded that some co-ethnic fellows and NGO practitioners have developed a general belief that self-employed people are business people, and business people do not need help. This is found to be consistent with the aforementioned self-reliance mentality. During our fieldwork, the research team received feedback in this way: *"They can manage it. They are business people and do not need us"*.

Most of the NGOs that offer services for ethnic minorities focus on job seeking, language acquisition and community building, areas that have been strongly underlined in the government policy addresses. When the research team first visited some NGOs, a worker questioned if there was a need for this study: *"Entrepreneurs? I doubt if they are entrepreneurs. ... They are just small shops, selling small things, nothing special. Why do you study them?"* How ethnic minority migrants live their life in the business world and what their struggles are as petit entrepreneurs have not yet become an area of concern. Therefore, survival difficulties encountered by ethnic minority entrepreneurs have been overseen and easily neglected.

Chapter 6 Mobilization of Resources

6.1 Introduction

This chapter presents the findings on how resources are distributed among and mobilized by the three groups of South Asian ethnic minority entrepreneurs. Resources are divided into two categories in this study: group and individual. While group resources include bonding social capital and group cultural capital, the individual resources encompass bridging social capital, individual cultural capital and economic capital. *Table 1* below summarizes the distribution and mobilization of various individual and group resources.

Table 1 Distribution and Mobilization of Resources in South Asian Ethnic Economy

Business Category	Group Resources		Individual Resources		
	Bonding Social Capital	Cultural Capital (collective cultural goods)	Bridging Social Capital	Cultural Capital (qualification, knowledge & language skills)	Economic Capital
Successful Business	strong	weak to moderate	moderate to high	moderate to high	weak beginning; strong now
Stable Business	strong	moderate to strong	weak to moderate	weak to moderate	weak beginning; moderate now
Survival Business	strong	moderate to strong	weak	weak	weak beginning; weak now

Social capital can be broadly conceived as social relations that enable people to act in favour of their own life advancement or of a community's development. These are resources, which may include economic tangibles such as interest-free loans, or intangibles like information about business conditions and employment (Bourdieu, 1986; Coleman, 1988; Portes, 1998). Robert Putnam (2000) makes a distinction between bonding social capital and bridging social capital. While bonding social capital denotes relationships that are built among in-group members, bridging social capital refers to social connectedness established beyond the ethnic boundaries. Bridging capital does not necessarily require group belonging, but relies rather on individual competence.

According to Bourdieu (1986), cultural capital refers to formal and informal cultural competences. It signifies resources deriving from knowledge, education and one's family background and can be embodied as dispositions of mind, in books, academic credentials and qualifications, etc. With time, cultural capital can be transferred into material profits. While Bourdieu's concept of cultural capital tends to underline individual's class belonging, other scholars point out that possession of collective cultural goods derives from one's belonging to an ethno-cultural group. (Light & Gold, 2000).

6.2 Successful Business

As summarized in Table 1, for all three categories of entrepreneurs, command was weak over economic resources that can directly be changed into monetary form at the beginning, including those of *successful business*. However, with time, situations have changed to become very different: other resources have been explored by the entrepreneurs.

6.2.1 Strong bonding social capital

As illustrated in the cases of *successful business entrepreneurs*, Infa (IT9) and Ali (IT1), both of them depend very much on their co-ethnic networks for recruiting suitable staff. Infa's reliance on his co-ethnic staff can be reflected in his appreciation of their work attitude and adaptation ability: "You don't have to tell them. It's automatic [that they know how to adapt]". Other successful cases such as IT10 and IT11 mentioned similar experiences. Besides, all interviewees in this category have obtained intensive support from co-ethnic friends or kins at the beginning of their business, in the form of start-up capital, useful information or help in down-to-earth daily operation.

6.2.2 "Breaking out" business depending on bridging social capital

While this is the case, entrepreneurs of *successful business* do not rely on co-ethnics as being their major group of clientele as much as other two categories of business do. They are usually "breaking out" businesses (Engelen, 2001) that have crossed over the ethnic boundary to reach out to other mainstream customers. For example, both Infa (IT9) and Ali (IT1) target largely at local Chinese and international clientele with non-traditional products. This is to a certain extent attributed by their capability to establish connections beyond their own ethnic group - mobilization of bridging capital.

Although without particularly high qualifications and educational credentials, they are well-equipped with multiple language skills, which have given them the competitive edge over their co-ethnics in business. While Infa can communicate fluently with his customers and business partners in English, Ali is in good command of both spoken Cantonese and English. Ali was persuaded by his business friends to become his own boss when he was still an employee, "My friends all said to me, why not being your own boss, you can manage Chinese and English, why not? We do not speak Chinese and do not know Chinese, we are all doing this [mobile business]...". Ali and Infa's cases suggest that their ability to establish cross-ethnic connections is closely associated with their endowment with multiple language skills. In other words, their individual cultural capital facilitates their deployment of bridging social capital.

6.2.3 Less dependence on collective cultural capital

Successful business entrepreneurs do not largely or solely depend on collective cultural goods such as ethnic food and ethnic clothes for the purpose of earning money. As they have a broader customer profile, their products usually fit the tastes and needs of the general public, such as Western drinks, mobile phone and vehicle repair.

6.3 Stable Business

6.3.1 Strong bonding social capital

Ethnic minority entrepreneurs of *stable business* depend largely on co-ethnic networks for staffing, assistance in start-up capital, useful business information and attracting the main source of customers. As illustrated in the cases of Sarah (IT6) and Babu (IT5) in Chapter 3, although serving non co-ethnic customers in parallel, most *stable business* owners have their co-ethnics as their main customer group. Unlike *successful businesses* that usually employ over 5 co-ethnic staff, *stable businesses* employ only 1-2 staff or no staff. In order to reduce cost, they often have their family member(s) or business partner(s) as their only staff.

6.3.2 Less individual cultural capital, economic capital and bridging social capital

Most *stable business entrepreneurs* seldom go beyond ethnic boundary to establish cross-ethnic connections favorable for expanding business. Sarah could not expand her customer profile to attract more Chinese because she has not managed to employ a long-term Chinese stylist. Her case suggests that lack of appropriate language skill - spoken Cantonese in this concrete case - is one key reason. Babu's case suggests that lack of sufficient economic capital to expand can be another reason. He said, "*To extend the business [to other group of customers] is OK, but then you have to consider the rent, which is now getting higher and higher. I do not even want to think about it*".

6.3.3 Mobilization of collective cultural capital to "break out"

A variety of collectively recognized cultural goods such as ethnic food (IT4, 5, 7), ethnic clothes (IT14, 18), ethnic music and ethnic media (IT15, 16) are their main products. By making use of these cultural goods, sometimes there is an opportunity to "break out" of their in-group ethnic minority business circle. For example, Tahir (IT14) ran a textile shop selling Muslim garments and accessories to his Pakistani co-ethnic fellows in a shopping mall in Yuen Long for years. Due to rental rise and increasing competition, Tahir moved his shop to another location two years ago. This is a place very popular with Indonesian domestic workers on Sundays. Tahir engages an Indonesian woman on Sundays to help with his business: "*Sometimes I have more business on one Sunday than the whole week ... usually half-half [half Pakistani and half Indonesian customers]*". Although without the necessary language skills, Tahir manages to find a way to be connected to his important customer group. This is done by appealing them with the common cultural good, Muslim garments, and by employing part-time helpers of the targeted ethnic clientele (e.g. Indonesians) on Sundays.

6.3.4 Mismatch of individual cultural assets and business type

It is worth noting that for *stable business entrepreneurs*, their less beneficial use of individual cultural resources shall not simply be attributed to their low education credential or poor language skills. There are entrepreneurs who possess higher secondary education or even university degree, and are very fluent in English. It appears that it is the mismatch of their individual cultural assets and their business that counts. For example in Sarah's case, she is a well-trained hair stylist and is good in spoken English. While her professional training enables her to develop her beauty salon business, her English language skills do not help her to either expand business to local Chinese or to English-speaking clientele. This is mainly due to the fact that the location (Jordan) of her beauty salon is not well visited by English-speaking international

population in Hong Kong. The district is a popular shopping and entertainment area for local Chinese residents. Therefore, Sarah would have more opportunity in business if she or her business partner would have been well-versed in Cantonese. In contrast to Infa (IT9) of *successful business*, Sarah has not obtained the chance to rightly and timely utilize her English language skills for business. As a result, mobilization of individual cultural capital has been moderate.

6.4 Survival Business

6.4.1 Strong bonding social capital and collective cultural capital

In the cases of Farid (IT17), Barun (IT2) and Alina (IT22) as illustrated in Chapter 3, all three of them rely largely on co-ethnic networks for running their business, from start-up capital, assistance in handling official papers to sustaining co-ethnic fellows as their customers. Most of them do not employ helping staff, with mainly family members or business partners assisting them in the daily operation of business. Besides, all of them sell ethnic products, but with less variety compared to those in *stable businesses*, limiting mainly to ethnic food and groceries. These belong to the traditional ethnic minority business sector with low entry thresholds. *Survival business entrepreneurs* depend strongly on co-ethnic networks, so much that they have to sustain the practice of late payment even though they have suffered from unsettled bills. Barun said, “*If you force them [to pay back], they would find other shops. The customer would disappear and never pay the loan*”. In short, *survival business entrepreneurs* have strongly mobilized bonding social capital as well as collective cultural capital. They have a tendency to depend heavily on group resources, like their counterparts in *stable business*.

6.4.2 Weak individual cultural capital, economic capital and bridging social capital

Similar to *stable business*, *survival business entrepreneurs* have little opportunity to build cross-boundary connections in order to develop their business. The two possible reasons observed in *stable business* – lack of appropriate language skills and lack of available economic capital – also appear to be applied to *survival business*. Farid expressed his wish to have Chinese customers. However, he has been very much impeded by the budget needed for expansion: “*For expanding the business, I need a lot of money ... Chinese like fresh food, I do not have the cooking facilities*”. What is slightly different is that all of our interviewees in *survival business* are equipped with even less qualification and language skills when compared to *stable business entrepreneurs*. All of them have difficulty to communicate both in English and Cantonese. In sum, it is discernible that *survival business entrepreneurs* are poorly endowed with individual resources. They have weak mobilization of bridging social capital and utilization of cultural capital.

Chapter 7 Recommendations and Conclusion

The findings and analyses in the preceding chapters suggest that, in order to better understand South Asian ethnic economy and to ensure their equal opportunities in economic integration through self-employment, there are areas of concern and for improvement. However, so far in Hong Kong, there has been no support policies and measures targeting at ethnic minority entrepreneurship. Before making some concrete recommendations, this study proposes to enhance the overall awareness of the importance of ethnic economy, and to take an active approach to engage ethnic minority communities in business.

7.1 Recommendations

Policy Level

7.1.1 Improve access to finance

Access to formal sources of finance is one common barrier to business creation and further developments. There is a notable reluctance to approach banks for formal sources of finance due to institutional barrier and perceived racial discrimination. It is therefore recommended that actions and efforts should be made in order to improve the access to financial resources.

- **Address institutional barriers by directly reducing the institutional burden:** Public bodies (e.g. Hong Kong Monetary Authority and Equal Opportunities Commission) should tackle the issue of racial discrimination in banking services in order to reduce reluctance of ethnic minority migrants to access formal bank services. Regulatory burden for obtaining bank loan such as requirement of a lengthy bank and credit history can be reduced so as to make it more accessible for ethnic minority populations.
- **Tailor-made public loan scheme and/or microcredit scheme for ethnic minority entrepreneurs** can be established to particularly cater for their financial needs. These schemes can be piloted at district level, and should be combined with sufficient business advice and coaching. Successful examples of such tailor-made microcredit schemes for migrant/ethnic minority populations in some European countries can be taken as references (OECD, 2014).
- **Incorporate ethnic minority populations into existing funding schemes.** There are numerous existing funding schemes for start-up, such as Social Innovation and Entrepreneurship Development Fund and SME Funding Schemes. In recent years, emphasis has been put on promoting creative industries and youth entrepreneurship such as the newly announced Youth Development Fund (Cheung et al., 2015). Although these schemes do not exclude ethnic minority populations, they do not appear to be explicitly inviting, or they are not made known to the ethnic minority communities. Support services should be provided to promote these schemes to ethnic minority populations and to coach them in the application process.

7.1.2 Improve access to business advice and support

Support service and business advice for ethnic minority populations (especially for existing ethnic minority entrepreneurs) should be provided in order to reduce barriers in business operation, and to enhance their inclusion in the mainstream business schemes and services. This can be done by either setting up a specific section/service team in one of the existing establishments such as Support and Consultation Centre for SMEs (SUCCESS), or cooperating with non-governmental organizations at community level.

Community Service Level

7.1.3 Community-based business advice and support

Community business advisor scheme can be set up through partnership of the government and NGOs at community level. They should work in conjunction with representatives of ethnic minority communities in order to offer bridges to build trust. The scheme aims to fill the gap in support delivery because many difficult-to-reach members of the ethnic minority communities lack information of existing services and support. In Hong Kong, these difficult-to-reach members are mainly the newly arrived migrants, women and deprived proprietors. Support and advices should be made relevant to the ethnic minority communities. A successful example can be drawn as reference from the UK (OECD, 2014, p.127).

7.1.4 Community-based business training

To enhance entrepreneurial and language skills of existing ethnic minority entrepreneurs and potential ones: These should include not only planning and management skills such as business goal setting, finance management, book-keeping, strategic thinking and customer relations, but also personal language skills. Although there are sufficient English and Chinese language classes provided by government-subsidized service centers, they do not particularly appeal to the ethnic minority entrepreneurs. We suggest to incorporate Cantonese and English language skills training (both written and oral communication) into business training programs, making it relevant and specific for business setting in Hong Kong.

To share good practices: As there is a lack of knowledge on good practices, knowledge dissemination and sharing experiences, business representatives of ethnic minority communities and successful ethnic minority entrepreneurs should be mobilized to showcase role models in sharing sessions. These can be organized on district-based or business sector-based.

7.1.5 Promotion of multicultural neighborhoods

Developing multicultural neighborhoods in the context of promoting Hong Kong as a multicultural society with equal opportunities should be considered. These are usually disadvantaged urban areas with a higher share of migrant/ ethnic groups, such as specific clusters in Yuen Long, Kwai Chung, Jordan and Yau Ma Tei. Appreciation of cultural diversity and cross-cultural understanding could be better nurtured at the local neighborhood level, where ethnic shops exist and other ethnic activities take place. Promotion of multicultural neighborhood as places of leisure and consumption can benefit not only ethnic minority residents and their ethnic economy, local Chinese residents and their businesses, but also the overall image of Hong Kong as a multicultural society. Many experiences in advanced immigration cities with

Chinatown or Little Italy inspire us that ethnic neighborhoods could offer valuable resources of local and international tourism (Henderson, 2003; Rath, 2007; Yang, 2011).

Further Researches

7.1.6 Baseline study of ethnic economy in Hong Kong

Quantitative baseline data in terms of sectoral distribution, locality, entry motive, business size and development should be collected in order to obtain a general profile of all ethnic economies in Hong Kong. This is for the overall purposes to have a better understanding of how ethnic minorities (e.g. South Asians) pursue their economic integration through self-employment. These data can help to provide richer content for comprehensive and deeper analyses. It is noted that combination of baseline study and qualitative analyses can be found in studying ethnic economy in different parts of the world (Deakins et al., 2009; Rahman & Lian, 2011; Knight, 2014).

7.1.7 Reception and contribution of South Asian ethnic economy

Within the context of building an inclusive multicultural society, further studies can be dedicated to understand how the South Asian ethnic minority businesses are received by the mainstream population and how they have contributed to the local Hong Kong society, in terms of economic and cultural changes.

7.1.8 Migrant women in ethnic economy in Hong Kong

There are discussions on female ethnic minority entrepreneurs and their roles in ethnic economy (Baycan Levent et al., 2003; Bhachu & Westwood, 2004; Essers & Benschop, 2009; Collins & Low, 2010). However, this is still an unexplored area in the Hong Kong context. Further studies can be dedicated to this area, and findings can help to generate more academic dialogues as well as implications for practical use.

7.2 Conclusion

This study addresses one less explored dimension of social integration of ethnic minority migrants, namely their entrepreneurial activities. It aims to enhance the overall awareness of policy makers and practitioners of the potential significance of ethnic economy in immigrants' social integration process in Hong Kong.

In Hong Kong, ethnic economy offers some South Asian petit entrepreneurs opportunities for significant upward mobility in earnings, while at the same time constrains some others in marginalized socio-economic position. It is revealed that there are roughly three categories of ethnic minority business: *successful*, *stable* and *survival*. *Successful business* owners enjoy progressive earning mobility; *stable businesses* offer humble but stable income just sufficient for living; *survival business* ethnic minority entrepreneurs are stuck in highly competitive and precarious retailing niches. They lack sufficient capital and utilize intensively kin and co-ethnic labor for the struggle of survival.

Some common business strategies of South Asian petit entrepreneurs are identified in this study: collecting start-up capital with no formal bank service, late payment practice and hiring co-ethnic workers. Based on the analytical framework of *mixed embeddedness*, this study demonstrates

how these strategies have been shaped by forces of the opportunity structure (institutional difficulties, market competition, racial discrimination) as well as those of the internal ethno-cultural context (religious consideration, intra-ethnic mutual support, norm on in-group solidarity, supply of co-ethnic workers and similar work ethos).

As there are divergent trajectories of ethnic minority entrepreneurship, both forces of empowerment and disempowerment can be noticed. At the community level, empowerment forces are more at work. Ethnic economy creates ethnic social space for networking and bonding, and has the potential to enhance local tourism and social project on racial harmony. At the individual level, ethnic economy is empowering in that it offers upward earning mobility, job opportunity, life improvement, social status enhancement, and ensures independence from government welfare aid. However, it can be disempowering in that it creates marginal proprietors and sense of helplessness when personal and group resources fail to overcome structural barriers. Given that all South Asian ethnic minority entrepreneurs face some common difficulties and issues such as language barriers, souring rentals and self-reliance mentality, findings on distribution and mobilization of resources suggest some explanations to their divergent experiences.

Successful business entrepreneurs are endowed with richer individual class assets, namely personal cultural capital and bridging social capital. Comparing to them, *stable business entrepreneurs* are weaker in personal cultural capital and bridging social capital, while *survival business entrepreneurs* are the weakest in these aspects. Although all ethnic minority entrepreneurs rely on ethno-cultural group resources, it appears that the less one is endowed with individual class assets, the stronger is the dependence on ethno-cultural resources in sustaining business. This prompts us not to overemphasize the ethno-cultural forces behind ethnic economy, as class and material factors also play an important role in accounting for the success of ethnic minority business (Ram & Jones, 1998). Different trajectories and experiences appear to be contingent upon a variety of factors including structural contexts and personal class resources (i.e. not merely ethnicity), an argument echoing what *mixed embeddedness* proposes.

Having said that, structural barriers identified in this study such as blocked access to finance should be tackled, and tailor-made support measures as recommended should be taken. These are to ensure equal opportunities for ethnic minority migrants in performing economic activities in Hong Kong, particularly for those disadvantaged ones. Last but not least, although we are aware that ethnic economy is not a panacea for solving all problems of economic disadvantages, we assure its function in enhancing the social integration process of ethnic minorities in Hong Kong. This study therefore calls for more attention to be paid to South Asian ethnic economy from policy makers, practitioners and scholars, and recommend concrete steps for improvements to be taken.

References

- Aldrich, H., Jones, T. & McEvoy, D. (1984). Ethnic advantage and minority business development. In W. Robin & R. Jenkins (Eds.), *Ethnic Communities in Business* (pp.189-210). Cambridge: Cambridge University Press.
- Alsop, R., & Heinsohn, N. (2005). Measuring empowerment in practice: structuring analysis and framing indicators. World Bank policy research working paper, (3510).
- Bandura, A. (1982). Self-efficacy mechanism in human agency. *American psychologist*, 37(2), 122-147.
- Bauboeck, R. (1994). Changing the Boundaries of Citizenship. The Inclusion of Immigrants in Democratic Polities. In R. Bauboeck (Ed.), *From Aliens to Citizens Redefining the Status of Immigrants in Europe* (pp.199-232). Vienna: European Centre Vienna.
- Baycan Levent, T., Masurel, E., & Nijkamp, P. (2003). Diversity in entrepreneurship: ethnic and female roles in urban economic life. *International Journal of Social Economics*, 30(11), 1131-1161.
- Berg, B. (2009). *Qualitative Research Methods for the Social Sciences*. Boston: Allyn & Bacon.
- Bhachu, P., & Westwood, S. (2004). *Enterprising women: ethnicity, economy and gender relations*. Routledge.
- Bonacich, E. (1993). The other side of ethnic minority entrepreneurship: A dialogue with Waldinger, Aldrich, Ward and associates. *International Migration Review*, 27(3), 685-692.
- Bosswick, W. & Heckmann, F. (2006). *Social integration of immigrants: Contribution of local and regional authorities*. Bamberg: University of Bamberg.
- Bourdieu, P. (1986). The forms of capital. In J. G. Richardson (Ed.), *Handbook of theory and research for the sociology of education* (pp. 241-258). New York: Greenwood Press.
- Brubaker, R. (Ed.) (1989). *Immigration and the Politics of Citizenship in Europe and North America*. Lanham, Md.: German Marshall Fund and University Press of America.
- Burridge, N. (2013, February 18). HK banks refuse accounts to poor and ethnic minorities. SCMP. Retrieved from <http://www.scmp.com/business/money/article/1150993/local-banks-refuse-accounts-poor-and-ethnic-minorities>
- Castles, S., de Haas, H. & Miller, M. J. (2014). *The Age of Migration: International Population Movements in the Modern World*. Basingstoke: Palgrave Macmillan.
- Census and Statistics Department. (2012). *Summary of Hong Kong 2011 Population Census Thematic Report: Ethnic Minorities*.
- Chan, R. K. (2004). Globalisation, unemployment and the welfare regime in Hong Kong. *Social Policy and Society*, 3(03), 273-282.
- Cheung, T., Ng, K.C., Lai, Y. K., Fung, F. & Kao, E. (2015, January 14). 2015 policy address: as it happened. SCMP. Retrieved from <http://www.scmp.com/news/hong-kong/article/1679533/live-cy-leungs-2015-policy-address>

- Chiang, N. & Kuo, L. (2000). An examination of employment structure of Taiwanese immigrants in Australia. *Asian and Pacific Migration Journal*, 9(4), 459-481.
- Collins, J. (2003). Cultural diversity and entrepreneurship: Policy responses to immigrant entrepreneurs in Australia. *Entrepreneurship & Regional Development*, 15(2), 137-149.
- Collins, J., & Low, A. (2010). Asian female immigrant entrepreneurs in small and medium-sized businesses in Australia. *Entrepreneurship and Regional Development*, 22(1), 97-111.
- Coleman, J. S. (1988). Social capital in the creation of human capital. *American journal of sociology*, 94 (Supplement), 95-120.
- Crabtree, S. A. & Wong, H. (2012). 'Ah Cha'! The racial discrimination of Pakistani minority communities in Hong Kong: An analysis of multiple, intersecting oppressions. *British Journal of Social Work* 1: 1-19.
- Essers, C., & Benschop, Y. (2009). Muslim businesswomen doing boundary work: The negotiation of Islam, gender and ethnicity within entrepreneurial contexts. *Human Relations*, 62(3), 403-423.
- Deakins, D., Smallbone, D., Ishaq, M., Whittam, G., & Wyper, J. (2009). Minority ethnic enterprise in Scotland. *Journal of Ethnic and Migration Studies*, 35(2), 309-330.
- Denzin, N., & Lincoln, Y. (2008). *Collecting and Interpreting Qualitative Materials*. Thousand Oaks, CA: Sage.
- Engelen, E. (2001). 'Breaking in' and 'breaking out': A Weberian approach to entrepreneurial opportunities. *Journal of ethnic and migration studies*, 27(2), 203-223.
- Equal Opportunities Commission, HKSAR. (2009). *Thematic Household Survey on Racial Acceptance Report*. Hong Kong: Equal Opportunities Commission.
- Equal Opportunities Commission, HKSAR. (2012). *Study on Racial Encounters and Discrimination Experienced by South Asians*. Hong Kong: Equal Opportunities Commission.
- Erni, J. N., & Leung, L. Y. M. (2014). *Understanding South Asian Minorities in Hong Kong*. Hong Kong: Hong Kong University Press.
- Frost, S. (2004). Building Hong Kong: Nepalese Labour in the Construction Sector. *Journal of Contemporary Asia* 34(3), 364-76.
- Gutierrez, L. M. (1994). Beyond coping: An empowerment perspective on stressful life events. *Journal of Sociology and Social Welfare*, 21(3), 201-219.
- Henderson, J. (2003). Ethnic heritage as a tourist attraction: The Peranakans of Singapore. *International Journal of Heritage Studies*, 9(1), 27-44.
- Hewison, K. (2004). Thai Migrant Workers in Hong Kong. *Journal of Contemporary Asia*, 34(3), 318-35.
- Huang, D. S., Tsay, C. L. & Hsiao, H. H. (2012) *Ethnic Economy of Vietnamese Spouses in Taiwan*. Taiwan: Centre for Asia-Pacific Area Studies, Academia Sinica.

- Huddleston, T., Niessen, J., & Tjaden, J. D. (2013). Using EU indicators of immigrant integration European Commission. Retrieved from:
<http://www.migpolgroup.com/portfolio/using-eu-indicators-of-immigrant-integration>.
- Information Services Department. (2010). This is Hong Kong. Hong Kong: HKSAR Government.
- Kloosterman, R. C. (2010). Matching opportunities with resources: A framework for analysing (migrant) entrepreneurship from a mixed embeddedness perspective. *Entrepreneurship and Regional Development*, 22(1), 25-45.
- Kloosterman, R., Van der Leun, J. & Rath, J. (1999). Mixed Embeddedness, Migrant Entrepreneurship and Informal Economic Activities. *International Journal of Urban and Regional Research* 23 (2), 253-267.
- Knight, J. (2014). Migrant employment in the ethnic economy: Why do some migrants become ethnic minority entrepreneurs and co-ethnic workers? *Journal of International Migration and Integration*, 1-18.
- Kogan, I. (2011). New Immigrants – Old Disadvantage Patterns? Labour Market Integration of Recent Immigrants into Germany. *International Migration* 49(1), 91-117.
- Ku, H.B., Chan, K. W., Chan, W. L. & Lee, W. Y. (2003). A Research Report on the Life Experiences of Pakistanis in Hong Kong. Centre for Social Policy Studies. Hong Kong: The Hong Kong Polytechnic University.
- Kwok, K. (forthcoming). The Noticeables of the Unnoticed: Indonesian Ethnic Economy in Hong Kong and Its Non-Economic Effects. In Law, K.Y. (Eds.) *Policy and Ethnic Minorities in Greater China*. London: Routledge.
- Kymlicka, W. (1995). *Multicultural citizenship: A liberal theory of minority rights*. Oxford: Clarendon
- Law, K. Y. & Lee, K. M.(2013). Socio-political Embeddings of South Asian Ethnic Minorities' Economic Situations in Hong Kong. *Journal of Contemporary China*, 22 (84), 984-1005.
- Law, K. Y. & Lee, K. M. (2012).The myth of multiculturalism in 'Asia's world city': incomprehensive policies for ethnic minorities in Hong Kong. *Journal of Asian Public Policy* 5(1), 117-134.
- Legislative Council, HKSAR. (2014). Tenancy Control CB(1)1709/13-14(01). Legislative Council Panel on Housing. Retrieved from <http://www.legco.gov.hk/yr13-14/english/panels/hg/papers/hg0707cb1-1709-1-e.pdf>
- Light, I. (1972). *Ethnic enterprise in America*. Los Angeles: University of California Press.
- Light, I. & Gold, S. (2000). *Ethnic economies*. San Diego, CA: Academic Press.
- Lincoln, Y. & Guba, E. (1985). *Naturalistic inquiry*. Beverly Hills, CA: Sage.
- Liu, C. Y., Miller, J., & Wang, Q. (2013). Ethnic enterprises and community development. *Geo Journal*, 1-12.

- Loper, K. (2004). *Race and Equality: A Study of Ethnic Minorities in Hong Kong's Education System*. The Centre for Comparative and Public Law, University of Hong Kong.
- Ma, N. (2011). Value changes and legitimacy crisis in post-industrial Hong Kong. *Asian Survey* 51(4), 683-712.
- Mayring, P. (2000). Qualitative content analysis. *Forum: Qualitative Social Research*, 1(2). Retrieved from <http://217.160.35.246/fqs-texte/2-00/2-00mayring-e.pdf>.
- Miles, M. B., & Huberman, A. M. (1994). *Qualitative data analysis: An expanded source book* (2nd ed.). Thousand Oaks, CA: Sage.
- Organisation for Economic Co-operation and Development (OECD) (2014). *The Missing Entrepreneurs 2014. Policies for Inclusive Entrepreneurship in Europe*. (Chapter 7). OECD Publishing.
- Pécoud, A. (2010). What is ethnic in an ethnic economy? *International Review of Sociology–Revue Internationale de Sociologie*, 20(1), 59-76.
- Penninx, R. (2005). Integration of migrants: Economic, social, cultural and political dimensions. In M. Macura, A. MacDonald & W. Haug (Eds.) *The new demographic regime: Population challenges and policy responses* (pp. 137-152). Retrieved from: http://www.unece.org/fileadmin/DAM/pau/docs/pau/PAU_2005_Publ_NDR.pdf
- Perkins, D. D. (1995). Speaking truth to power: Empowerment ideology as social intervention and policy. *American Journal of Community Psychology*, 23(5), 765-794.
- Phizaclea, A. & Ram, M. 1996. “Being Your Own Boss: Ethnic Minority Entrepreneurs in Comparative Perspective”. *Work, Employment & Society* 10(2): 319-339.
- Pieterse, J. (2003). Social Capital & Migration: Beyond Ethnic Economies. *Ethnicities* 3(1), 29-58.
- Piperopoulos, P. (2010). Ethnic minority businesses and immigrant entrepreneurship in Greece. *Journal of Small Business and Enterprise Development*, 17(1), 139-158.
- Portes, A. (1998). Social capital: its origins and applications in modern sociology. *Annual Review of Sociology* 24, 1-24.
- Portes, A. (2010). *Economic Sociology: A Systematic Inquiry*. Princeton: Princeton University Press.
- Portes, A., & Shafer, S. (2007). Revisiting the enclave hypothesis: Miami twenty-five years later. *Research in the Sociology of Organizations*, 25, 157-190.
- Putnam, R. (2000). *Bowling alone: the collapse and revival of American community*. Simon & Schuster.
- Rahman, M. M. & Lian, K. F. (2011). The development of migrant entrepreneurship in Japan: Case of Bangladeshis. *Journal of International Migration and Integration*, 12(3), 253-274.

- Ram, M., & Jones, T. (1998). *Ethnic minorities in business*. Milton Keynes, UK: Small Business Research
- Rappaport, J. (1987). Terms of empowerment/exemplars of prevention: Toward a theory for community psychology. *American journal of community psychology*, 15(2), 121-148.
- Rath, J. (2007). The transformation of ethnic neighborhoods into places of leisure and consumption. Center for Comparative Immigration Studies, University of California, San Diego.
- Rath, J. (2010). Ethnic minority entrepreneurship. Concept Paper for Eurofound. Retrieved from: http://eurofound.europa.eu/sites/default/files/ef_publication/field_ef_document/ef1039en.pdf
- Rubin, H.J. & Rubin, I.S. (2008). *Community Organizing and Development*. Boston, Ma: Pearson/Allyn & Bacon.
- Sandhu, K. (2005). *Becoming Hong Kong-Punjabi: A Case Study of Racial Exclusion and Ethnicity Construction*. MPhil These, Hong Kong Baptist University.
- Smith, D. (2007). Social Exclusion, the Third Way and the Reserve Army. *Sociology* 41(1): 365–72.
- Tse, B. (2014, December 5). Should Hong Kong reintroduce rent control? EJ Insight News. Retrieved from <http://www.ejinsight.com/20141205-should-hong-kong-reintroduce-rent-control/>
- Waldinger, R. (1986). Immigrant Enterprise A Critique and Reformulation. *Theory and Society* 15:249-285.
- White, B.(1994). *Turbans and traders : Hong Kong's Indian communities*. Hong Kong: Oxford University Press.
- Wong, L. (2008). Hong Kong's welfare model reconsidered—What model? What traits? And what functions. Conference paper at the Fifth East Asia Social Policy Conference, Taipei.
- Yang, L. (2011). Ethnic tourism and cultural representation. *Annals of Tourism Research*, 38(2), 561-585.
- Zimmerman, M. A. (1995). Psychological empowerment: Issues and illustrations. *American journal of community psychology*, 23(5), 581-599.
- Zhou, M. (1992). *Chinatown: The Socioeconomic Potential of an Urban Enclave*. Philadelphia: Temple University Press.
- Zhou, M. (2004). Revisiting Ethnic minority entrepreneurship: Convergencies, Controversies, and Conceptual Advancements. *International Migration Review* 38 (3), 1040-1074.
- Zhou, M., & Cho, M. (2010). Noneconomic effects of ethnic minority entrepreneurship: A focused look at the Chinese and Korean enclave economies in Los Angeles. *Thunderbird International Business Review*, 52(2), 83-96.

Appendix 1 Population, Median Monthly Income and Distribution of ethnic minority business of Ethnic Minority Groups in Hong Kong (2011)

Ethnic group	Population of ethnic minorities	Median monthly income from main economic activity in HK\$ (including employment & self-employment; excluding FDH)	Number of employers & self-employed (Percentage of all economically active population in the ethnic group)
Indonesian	133,377	8,000	122 (0.1)
Filipino	133,018	10,000	522 (0.4)
Indian	28,616	22,500	2,755 (18.7)
Pakistani	18,042	10,000	611 (13.7)
Nepalese	16,518	10,000	510 (5.3)
Thai	11,213	8,500	363 (5.7)
Other Asian	7,038	20,000	564 (15.5)
Mixed	29,001	12,000	1,018 (9.7)
Others (including Africans, Latin Americans and Arabians)	1,335	25,000	131 (19.7)
Japanese	12,580	36,000	1,234 (17.4)
Korean	5,209	30,000	535 (21.0)
White	55,236	46,000	5,043 (15.4)
Total non-Chinese population	451,183	20,000	13,408 (3.9)
Total population in Hong Kong	7,071,576	12,000	398,370 (11.3)

Source: Hong Kong 2011 Population Census Thematic Report: Ethnic Minorities

Appendix 2 Profile of Interviewees (IT) and Distribution of Business Categories

Interviewee (Sex)	Ethnicity/ Passport	Education	Migration/ Remigration to HK	Business Branch	Number of Staff	Monthly Profit (in HK\$)	Business Category
IT 1 (M)	Pakistan/ BNO	Form 3	Born in HK	Second-hand mobile phone	6 FT	100,000	Successful
IT 2 (M)	Pakistan/ British	Vocational training in pharmacy	Born in HK	Grocery retail	No/ brother as business partner	6,000	Survival
IT 3 (M)	Pakistan/ Pakistan	Junior secondary school	1997	Restaurant	1-2 FT	10,000-15,000	Survival
IT 4 (F)	Nepal/ Nepal	Junior secondary school	1996	Restaurant (2000-2010)	1-2 PT	15,000	Stable
IT 5 (M)	Nepal/ Nepal	Junior secondary school	1997	Grocery retail	No/ wife	20,000	Stable
IT 6 (F)	Nepal/ British	Secondary school + diploma in hairstyle and beauty training	1995	Hair and beauty salon	1 FT+ some PT/sister as business partner	30,000	Stable
IT 7 (M)	Pakistan/ HKSAR	Higher secondary school	1994	Restaurant	1 FT + 1 business partner	20,000-30,000	Stable
IT 8 (M)	Nepal/ Nepal	University	1992	Travel Agency	1 FT + 1 business partner	20,000-30,000	Stable
IT 9 (M)	Nepal/ BNO	Higher secondary school	1994	Bar	18 FT + 30 PT	100,000	Successful
IT 10 (M)	Nepal/ Nepal	University (Master in Business)	2006	Food grocery wholesale and retail trading + money lending business	10 FT + wife	2 million as total turnover	Successful
IT 11 (M)	Nepal/ Nepal	Junior secondary school	1996	Guest house	1 FT + 1 PT	70,000-80,000	Successful
IT 12 (M)	Pakistan/ HKSAR	Junior secondary school + religious education	1997 2007 (come back again)	Money remittance	1 FT + 1 business partner	20,000-30,000	Stable
IT 13 (M)	Pakistan/ Pakistan	Secondary school	1990	Second hand vehicle and repair	7 FT	80,000	Successful

Interviewee (Sex)	Ethnicity/ Passport	Education	Migration/ Remigration to HK	Business Branch	Number of Staff	Monthly Profit (in HK\$)	Business Category
IT 14 (M)	Pakistan/HH KSAR	Secondary school	1998	Textile & clothes	1 PT	20,000	Stable
IT 15 (M)	Nepal/ Nepal	University (Master in Music)	1996	Music studio	No	20,000-30,000	Stable
IT 16 (M)	Nepal/ Nepal	University	1999	Newspaper	No	20,000-25,000	Stable
IT 17 (M)	Pakistan/ Pakistan	Junior secondary school	1993	Take-away restaurant	No / wife	20,000-25,000 (turnover)	Survival
IT 18 (M)	Pakistan/ Pakistan	Secondary school	1992	Textile shop	2 FT + wife	40,000	Stable
IT 19 (M)	Pakistan/ HKSAR	Junior Secondary school	2003	Halal meat shop	No / father + two brothers	70,000-80,000	Successful
IT 20 (F)	Nepal/ Nepal	University	2008	Take-away + grocery shop	No	30,000	Stable
IT 21 (F)	Nepal/ Nepal	Secondary school	1995	Hair salon	2 PT	30,000	Stable
IT 22 (F)	Nepal/ Nepal	Junior secondary school	1997	Grocery shop	1 business partner	4,000	Survival

Notes:

FT = full-time employed staff; PT = part-time employed staff

Monthly profit is the approximate amount of earned income reported by the interviewee.

Appendix 3 Semi-Structured Interview Guide

1	一般以及移民背景	General Information and Backgrounds of Migration
	<ul style="list-style-type: none"> • 你什麼時候來香港？怎麼來的？ • 以前在巴基斯坦/尼泊爾做過什麼？讀書多久？ • 你的家人和親戚在香港嗎？ 	<ul style="list-style-type: none"> • When and how did you come to HK? • What did you do in your home country/education? • Do you have family members and relatives here?
2	為何以及怎樣開始經營	Motivation and Start-up of Business
	<ul style="list-style-type: none"> • 什麼時候開始經營這門生意？ • 為什麼選擇經營這門生意？ • 當時候有沒有想過做其他行業/事情？ • 開這店之前你做過什麼？ • 開業資金是多少？ • 你怎樣解決經費問題？ • 開始的時候最困難的是什麼？你這時候怎樣解決？ 	<ul style="list-style-type: none"> • Could you tell me when and why did you start the business? • Have you thought of doing something else at that time? • What did you do before you started this business? • What is the start-up capital? • How did you collect your start-up capital? • Any difficulties in starting up the business? How to solve?
3	手法與策略：挑戰，限制與資源	Strategies: Challenge, Constraints and Resources
	<ul style="list-style-type: none"> • 你賣的主要是什麼？ • 你怎樣推廣你的產品？你店的特色是什麼 / 最吸引人的地方是什麼？ • 誰是你的顧客群？ • 有什麼挑戰/困難的地方以及怎樣保持競爭力？(怎樣減低經營成本) • 有多少工人？怎樣找工人/ 有什麼要求/ 會不會特別找同鄉的幫忙？ • 有需要幫忙的時候你會去哪裡，找什麼人？怎樣獲得消息的？ • 你的家人以及親戚朋友的網絡有沒有幫上一些忙/ 怎樣幫？你在這有很多親戚朋友嗎？ • 誰是你的生意伙伴？工作上跟什麼人接觸來往？ • 你認為還有什麼其他的因素影響這生意的運作？ 	<ul style="list-style-type: none"> • What are your products? • How do promote your products/ what are the most attractive things in your shop/of your business? • Who are your customers? • What are the challenges/difficulties in the business and how to keep competitive (cost-reducing strategies)? • How many employees do you have and how do you recruit them? What are the criteria? • Where do you go to when you need help? • How do you keep yourself informed of the latest news? • How do your family/relatives/co-ethnic networks help in your business? • Who are your business partners? • What are the other factors affecting the operation of your business?

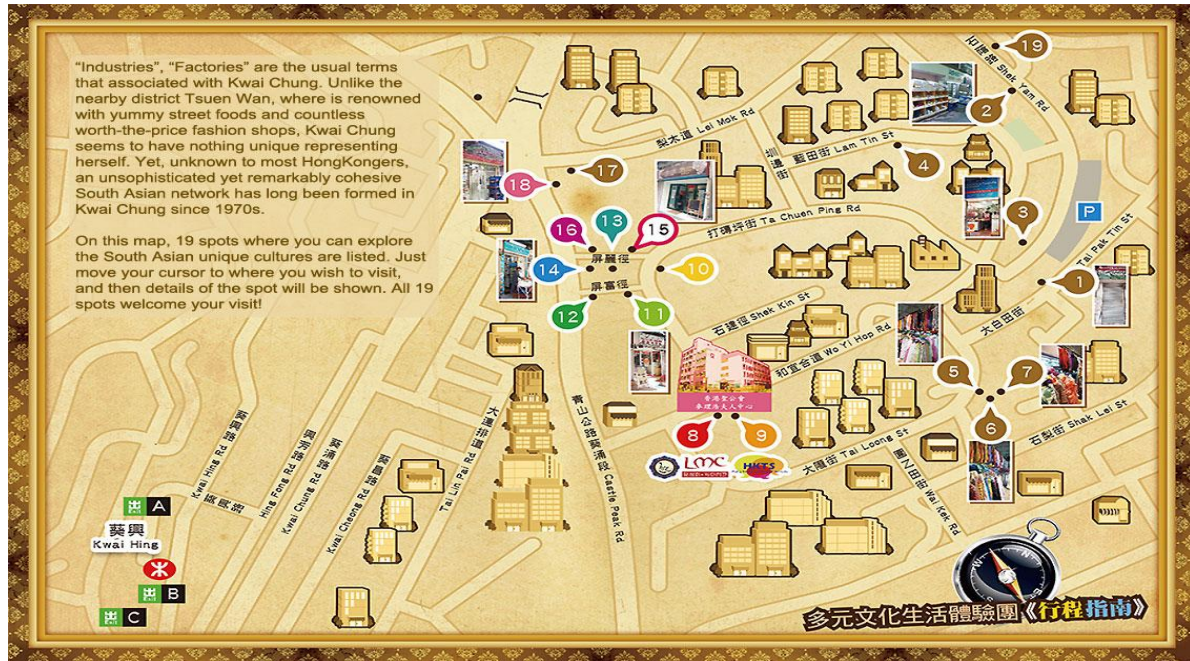
4	香港的生意環境	Business Environment
	<ul style="list-style-type: none"> • 香港各方面的條件對於你的工作/生意有利嗎？(法律規定，市場) • 當中最有利與最困難的是什麼？ 	<ul style="list-style-type: none"> • Do you find HK/ your district a favourable place for your business? • What are the most difficult and the most favourable things in running a business like this?
5	融入香港本地社會	Integration in the HK Society
	<ul style="list-style-type: none"> • 你認為你適應香港嗎？在這裡生活開心嗎？ • 目前的工作對於你在香港的生活有幫助嗎？ 	<ul style="list-style-type: none"> • Do you find yourself fit/happy here in HK? Why? • Does your business help you to be happy and satisfied here?
6	移民社群內的聯系	Inter-group Connections
	<ul style="list-style-type: none"> • 你跟其他同鄉，或是同鄉辦的協會或商會聯系怎麼樣？ 	<ul style="list-style-type: none"> • How is your contact with your co-ethnic associations or other co-ethnics living in HK?
7	未來計劃	Future Plan
	<ul style="list-style-type: none"> • 你未來有什麼計劃 • 有沒有想過以後改行去做其他事？ 	<ul style="list-style-type: none"> • What do you plan in the future? • How do you see the chance of doing something else in future?

Appendix 4 Summary of Research Activities

Research activities	Content	Number of visits / meetings	Hours
Field investigation	Field visits and participant observations including joining cultural tours, festival celebrations and gathering of ethnic association	15	42
Individual semi-structured interviews	Experiences of self-employment in Hong Kong	22	45
Interviews with key informants	General situations of the ethnic communities as well as the ethnic economies; Cross-checking some initial findings	8	18
Focus group discussion with NGO community workers	Cross-checking information obtained and initial analyses	1	2
Research team meetings	Discussion of research process, emerged themes, and possible misunderstandings	5	9
Total:			116 hours

Appendix 5 Community Cultural Tour Walking Guides

(1) Kwai Chung Cultural Map



(2) South Asian Community - Map of Jordan

