



# ***ETHNIC MINORITY BUSINESSES IN THE WEST MIDLANDS***

**Trevor Jones, David McEvoy and Monder Ram**  
**Minority Ethnic Enterprise Centre of Expertise**

**October 2009**



## **Table of Contents**

<b>Executive summary</b>	1
<b>Introduction</b>	4
<b>Demographic background</b>	5
<b>Economic activity</b>	8
<b>Self-employment</b>	12
<b>Diversification</b>	22
<b>Conclusions</b>	32
<b>Implications</b>	35
<b>References</b>	37
<b>About MEECOE</b>	40

## **EXECUTIVE SUMMARY**

### ***Background***

- This report provides an overview of ethnic minority businesses in the West Midlands. It interprets data drawn mainly from the 2001 Census and from the Annual Population Surveys for 2005, 2006 and 2007.
- Overall growth in the regional population between 2001 and 2006, from 5.27 million to 5.37 million resulted from stability in the White British population and growth in the combined minority ethnic groups. The latter constituted 13.8 per cent of the regional total in 2001 and 16.4 per cent in 2006.

### ***Traditional activities***

- Ethnic minority business (EMB) has been an increasingly prominent part of the West Midlands economy since the 1970s.
- The earliest EMBs, mainly established by South Asians, tended to be “traditional”, based on low value labour intensive activities supported mainly by informal social capital from within family and community.
- Traditional sectors include corner shop retailing and restaurants.
- Early businesses often focussed on the ethnic community as a market.

### ***Entrepreneurial transition***

- In recent years several communities have experienced an *entrepreneurial transition* in which human capital, including education, acculturation, and expertise is used to move from traditional sectors into less labour-intensive mainstream markets with higher returns.
- These non-traditional sectors include financial services, IT and consultancy.
- Much of this transition is associated with the British born generations of minority ethnic groups.

### ***Group experiences***

- In the Indian community the entrepreneurial transition is associated with falling levels of self-employment as the immigrant generation, constrained into self-employment by limited opportunities in the labour market, is succeeded by those born and educated in the UK, for whom self-employment is just one of a range of possible career paths. In 2001 Indian self-employment of 13.2 per cent exceeded the regional average of 11.2 per cent, but by 2005-07 Indian self-employment had, at 11.1 per cent, fallen below the regional average of 11.6 per cent.
- The Chinese, proportionally the most self-employed of all minority ethnic groups in the region, also have a falling level of self-employment nationally, but this is not yet fully apparent in the figures for the West Midlands where 2001 self-employment of 23.5 per cent had fallen only to 23.3 per cent by 2005-07. The group’s association with the restaurant

trade is falling, but remains very high: 70.4 per cent of self-employed Chinese in the West Midlands were in the hospitality sector in 2001, and 65.5 per cent in 2005-07.

- Pakistanis and Bangladeshis still have high and growing levels of self-employment in the region, and this is strongly associated with increasing involvement in taxi-driving, an expanding niche involving long hours and low rewards. Pakistani self-employment in the region increased from 15.8 per cent in 2001 to 20.8 per cent in 2005-07, while Bangladeshi self-employment went from 11.6 per cent to 19.5 per cent in the same period.
- More positively the UK born members of both communities display lower levels of self-employment, very similar to that of UK born Indians. For Indians 13.4 per cent of those born overseas were self-employed in 2005-7, but only 8.0 per cent of the British born. For Pakistanis the equivalent figures were 30.5 per cent and 9.0 per cent, and for Bangladeshis 25.5 per cent and 7.7 per cent. This may be a leading indicator of an emerging entrepreneurial transition for Pakistanis and Bangladeshis.
- Black Caribbean self-employment, traditionally very low, has been slowly increasing towards the regional average. It increased from 4.9 per cent in 2001 to 6.3 per cent in 2005-07. The self-employed in this group have greater involvement in non-traditional sectors than any of the other groups reviewed, including the White British.
- A number of small but rapidly growing ethnic groups still display low levels of self-employment. These include groups growing rapidly by immigration, such as Black Africans, and the still youthful populations of ethnically mixed ancestry, mostly born in Britain.

### ***Economic and social roles of EMB***

- Most EMB is geared to tolerable survival rather than high growth and its associated risks. Despite flouting orthodox economic commitment to growth many such firms make a valuable contribution to employment and service provision in problematic social and economic locations.
- A minority of high growth minority ethnic firms may contribute strongly to regional economic growth. These include a number of Indian and Chinese businesses developing trade and investment with their ancestral countries.

### ***Policy considerations***

- In the light of recent and forthcoming legislation all agencies providing business support need to ensure that EMBs from all ethnic communities, new and old, are aware of the available support.
- Key agencies need to develop coherent, consistent and comprehensive data on regional EMBs in order to fill in the broad picture available from national statistical sources.
- It is not appropriate to deliver business support to EMBs solely through segregated 'community-based' agencies.
- Public sector bodies, especially RDAs, can encourage good practice in procurement policies. It needs to be recognised however that many characteristics of typical EMBs make it difficult for them to engage with supplying either other businesses or government.

- Active steps therefore need to be taken to involve the minority of EMBs capable of accessing such opportunities.
- EMBs should be valued for their social potential even if they do not conform to the conventional rules of capitalist success

## INTRODUCTION

Until quite recently, systematic research into ethnic minority business (EMB) at national and regional levels has been hampered by a lack of official data. Prior to the 1991 census, there were no full breakdowns of ethnic group self-employment, so that most knowledge in the field was derived from selected mostly local surveys (See Ram and Jones 2008 for summary).

In the present report, we benefit from vastly improved data coverage in the 2001 Census, supplemented by the 2001 Census Sample of Anonymised Records (SARs); and the 2005, 2006 and 2007 *Annual Population Survey* for up-dating. By way of caution, we note that the percentages derive from the sample surveys are sometimes based on rather small numbers and indicate approximate orders of magnitude rather than strict accuracy. Even with these limitations, this new data is a marked improvement, especially with regard to the distribution of EMB between economic sectors.

Following brief background demographic and labour market material, this report presents the principal features of and trends in EMB in the West Midlands region. For our purposes, “ethnic minority” – in itself an intensely contested label - is taken to mean any individual not included in the “White British” category as defined by the UK Census 2001, our main data source for the bulk of the report’s material. Accordingly “EMB” denotes firms owned by a member or members of the fourteen groups defined as other than White British. In this report however we concentrate on the experience of the minorities who are not white, although some of the tables and figures relate to the White Irish and to Other Whites.

Throughout the report, each ethnic community’s level of business ownership is measured by the self-employment rate – the number of self-employed people in the group given as a percentage of its economically active population. From the outset, it is acknowledged that self-employment is a somewhat imperfect measure, in that a small minority of the self-employed may own more than one firm; while at the other extreme, there are some individuals officially classed as self-employed who do not actually own a business in the full sense.

Using the 2001 Census, with updates to 2006/7 and, where appropriate, flash-backs to 1991, we are able to present an account of trends in EMB, comparing the West Midlands with the national picture for England as a whole. As well as straightforwardly setting out information, we also seek to be interpretative, wherever possible drawing upon a large and expanding body of research to infer causes and effects.

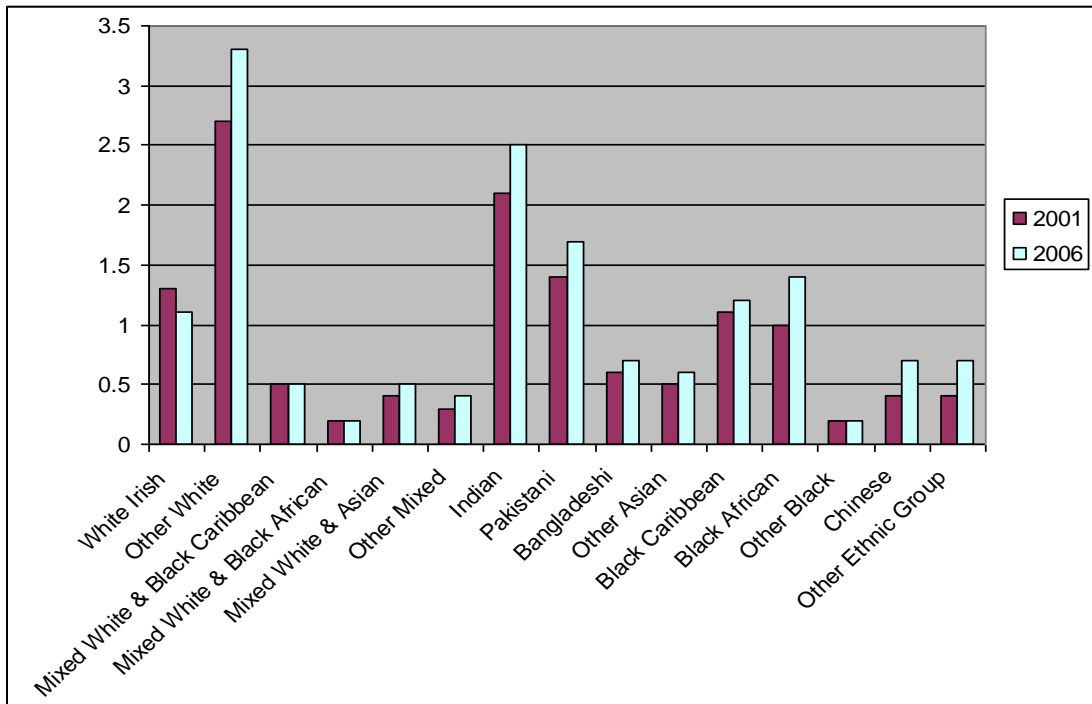
Springing from this, a high priority will be given to implications for policy-makers and practitioners in the field. To this end, we pay consistent attention to the growing need to promote quality over quantity in EMB development. In the early stages of enterprise support, emphasis was very naturally on the need simply to help people into business but now this must give way to a drive for diversification away from the narrow and restrictive traditional base which has hitherto limited the rewards of EMB and stifled much of its potential. For some groups like South Asians, the problem could be seen as too much business per se but too little in properly remunerated mainstream enterprise.

## **DEMOGRAPHIC BACKGROUND**

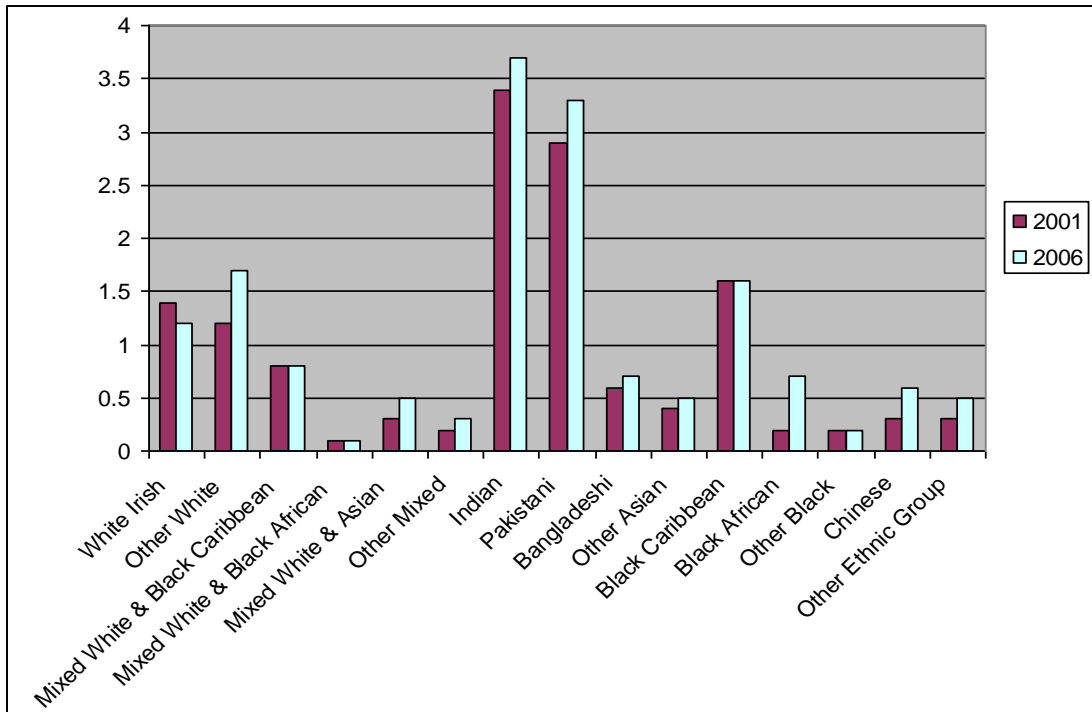
Any examination of size and trends in ethnic minority business (EMB) in the West Midlands must first briefly establish the principal features of the ethnic minority population itself. At the outset, we confirm the widespread perception that the region is home to a large and diverse immigrant-origin population, making up 16.4 per cent of a total population of almost 5.37 millions in 2006. Up from 13.8 per cent of the region's population of 5.27 million in 2001, it is the growth of the combined ethnic minority population which entirely accounts for the population rise in a region lagging behind national growth and with a static White population. The percentage each of the minority groups contributes to the total population is shown in figures 1a and 1b. The White British majority are not shown in these charts because their dominant share of the population would require a major compression of the vertical scale, rendering differences between minorities less easy to discern.

In itself an expression of multi-cultural diversity, the rising ethnic minority proportion is in excess of the national figure, a regional concentration exceeded only by London. Partly this reflects the heritage of heavy post-war labour migration (mostly 1950-70) to the region from the New Commonwealth. This is demonstrated by the continuing predominance of Indians, Pakistanis and Black Caribbeans, the three largest non-white categories recorded in figure 1b. In all three cases, their proportion in the regional population is notably in excess of their share of the national population. Since 2001, this share has continued to rise for the South Asian groups, while Black Caribbeans have maintained a static proportion in a gradually rising regional total. While smaller in absolute and relative terms, the Chinese population broadly resembles the growth trends recorded by the South Asians.

**Figure 1a** England by minority ethnic group 2001-2006 (Percent of total population)



**Figure 1b** West Midlands by minority ethnic group 2001-2006 (Percent of total population)



More recently, the ethnic mix has been accentuated both by the arrival of migrants from previously under-represented geographical origins; and by the increase in mixed-origin people, for the most part the children of unions between white and

ethnic minority parents. The first of these trends is apparent in figures 1a and 1b, where the census categories Bangladeshi, Black African and Other Ethnic are seen to be growing substantially.

Despite this increasing numerical importance, we should qualify by noting that this demographic growth is coming from very low base levels. Moreover, except in the Bangladeshi case, the new minority share of the total falls noticeably short of the national level. Even so, the data is a strong reminder of increasing diversity. Particularly telling is the emergence of the category Black African, which partly expresses the increasing presence of new communities like the Somalis. Interesting too is the rise of Other Whites, almost certainly a record of an important new presence of East Europeans.

Also indicative of growing diversity is the rise of Mixed Groups. Of these the Mixed White-Black Caribbean category is the largest but the White-Asian category shows most signs of expansion. Perhaps the most direct and explicit reflection of integration, this trend can be confidently predicted to continue and indeed gather momentum. At the same time, as we shall see, it is still problematic as to how far these essentially hybrid entities ought to be treated as communities in their own right. This question of distinctiveness of identity is an unresolved issue for EMB researchers and is likely to recur throughout the report.

Almost inevitably, regional demographic figures conceal enormous internal geographical variations. Such is certainly the case in the West Midlands, encompassing as it does the two poles of extreme cosmopolitan urbanism as in central Birmingham and the remote rurality of the Welsh borderlands and Pennine fringes.

Since one of the most frequently cited defining features of recent immigrants is their urban bias, it comes as no surprise that West Midlands County accounts for over 80 per cent of the regional ethnic minority population. Staffordshire and its embedded unitary authorities make up about another 8 per cent.

## **ECONOMIC ACTIVITY**

The principal focus of this report is on the entrepreneurial activity of ethnic minorities. To measure this we use the standard self-employment rate, which gives self-employment as a proportion not of the total group population but of its economically active population. In effect this allows for inter-group variations in levels of retired people, children below working age, students, full time family home-makers/carers and others essentially outside the formal labour market. Such variations reflect demographic factors like differences in age structure and cultural factors like preferred family structures and attitudes towards working women.

Particularly influential here is age structure (figure 2), where both at the regional and national levels ethnic minority populations as a whole are shown to have significantly greater proportions of under 16s and lesser proportions of over 60/65s than the White British. Comparing the ethnic minorities themselves, there is a palpable contrast between the more recently arrived immigrant groups and the longer settled communities. As in the cases of Black Africans and Other Black, more recent immigrants tend to have a younger profile with less retired people than longer settled communities. Notable here also are the various “mixed” groups, where the relative recentness of unions between people of different origins has also produced a youthful bias, with very few individuals of retirement age.

In sharp contrast is the way the demographic structures of the longest established groups are visibly converging with that of the white British. Most advanced here is the Black Caribbean population in the West Midlands, whose over 60/65 sub-group has risen by two percentage points since 2001 to 17.3 per cent. This is now approaching the virtually static 20.8 per cent figure for White British.

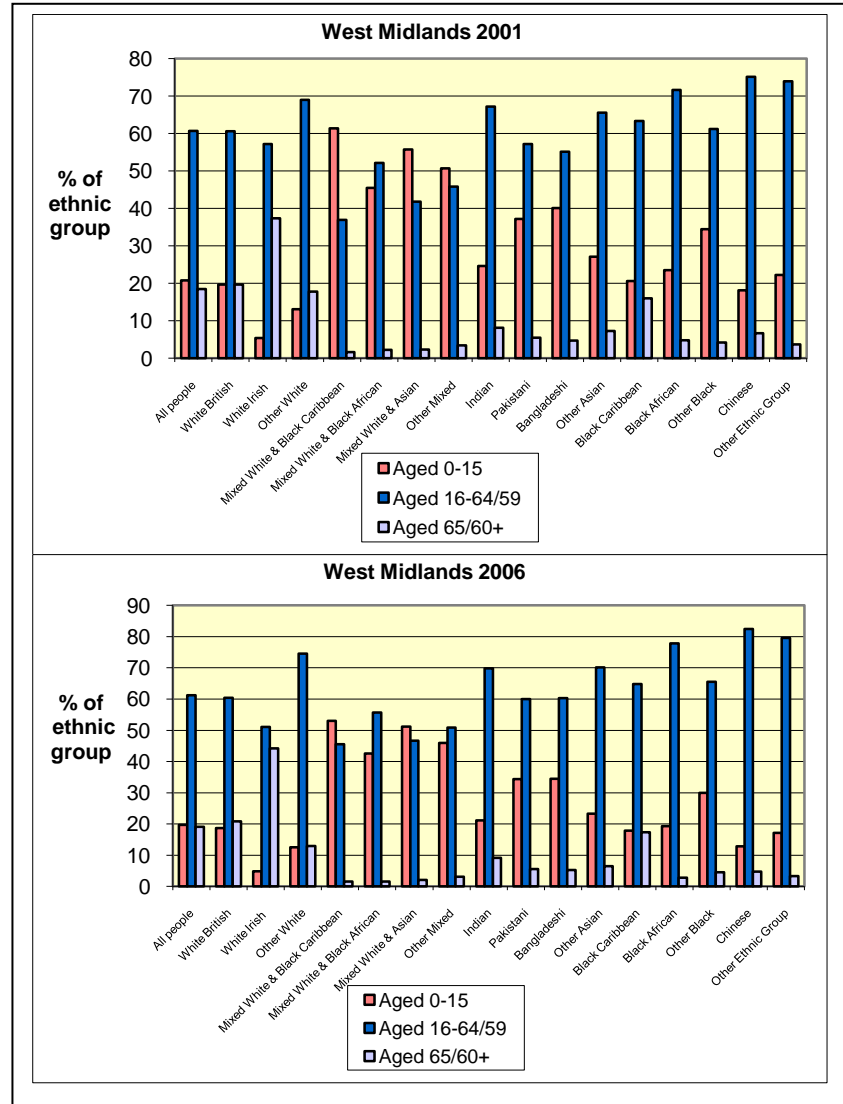
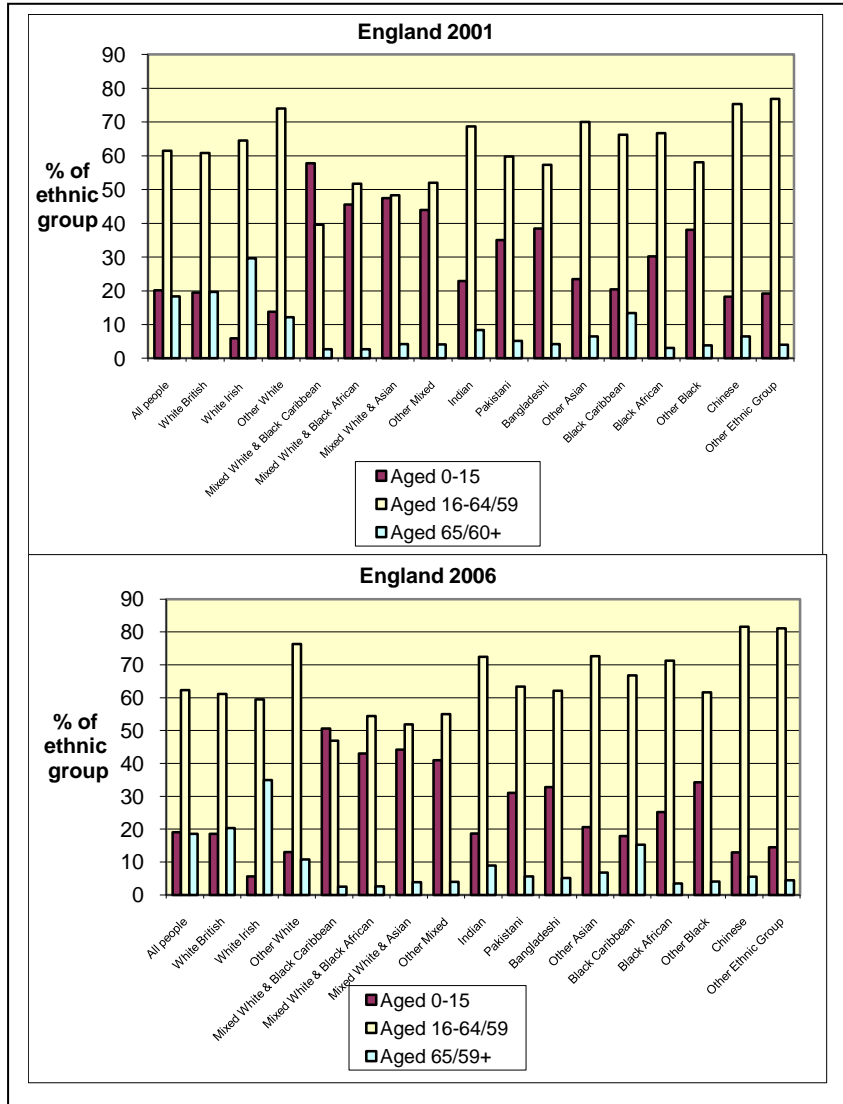
When ethnic group economic activity rates are plotted in figures 3a and 3b, a decidedly mixed pattern emerges. Somewhat unexpectedly, the region is shown to have experienced a slump in its total rate, from a higher than national figure of 71.4 per cent in 2001 to one of 65.7 per cent in 2006-7. Affecting all groups including the White British majority, these figures run completely counter to the national trend and are not immediately explicable within the present brief. Note that in figures 3a and 3b the White Irish and Other Whites have been combined for technical reasons.

For our purposes, the main interest lies in the inter-group contrasts, a long-running theme in the UK literature on EMB (See Ram and Jones 2008 for summary). Despite a continuing tendency to highlight differences and exceptions, a salient feature of figure 3b is close conformity with the average. Here the economic activity rates of two of the largest and longest settled ethnic minorities, Indians and Black Caribbeans, are seen to replicate closely the average level of All People, a conformity also shown by Black Africans and Chinese.

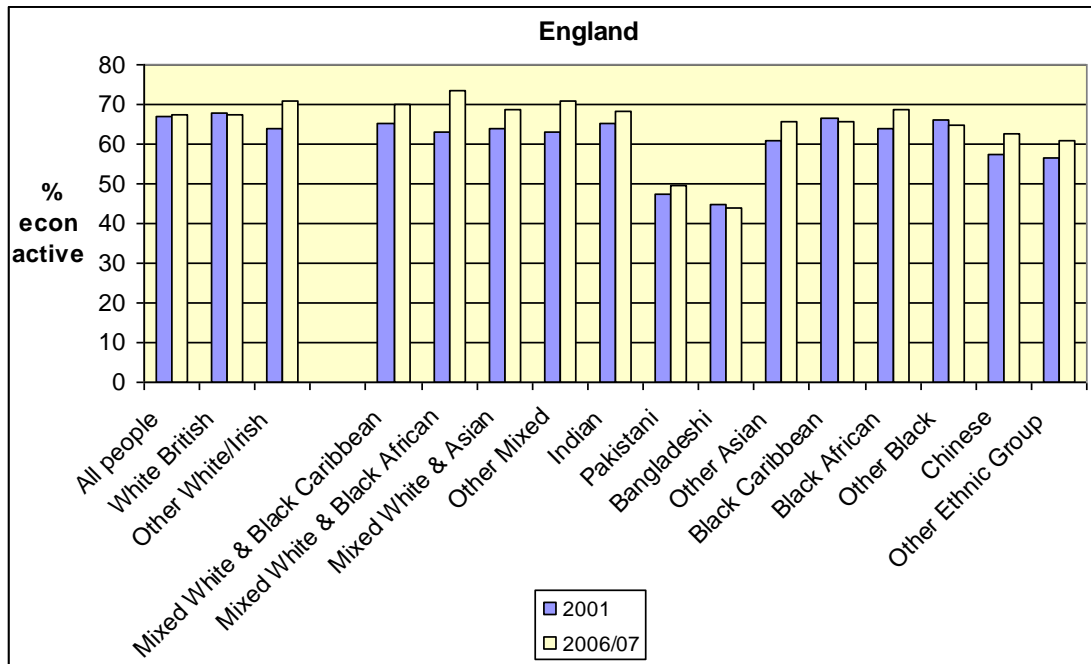
Deviation from this norm is most conspicuous for Bangladeshis and Pakistanis, a frequently recorded tendency towards low activity rates for these groups (Jones *et al.* 1989, Ram and Jones 2008). As well as high rates of staying on in education by younger members of these communities, cultural preferences also tend to ensure high rates of labour market abstention among married women. In practical terms, however, the greatest single influence on labour market participation is demographic, with over one in three of both these populations being under 16 and thus not yet eligible for formal labour market participation. Even so, we note that the economic activity of Pakistani and Bangladeshi persons aged 16-74 falls short of all others in the region.

The above average activity rates of the mixed origin groups are notable, most outstandingly White-Black Caribbean. In these cases it is impossible to exaggerate the causal effect of demography, since all four mixed groups contain a truly minuscule minority of retirement age, with no real signs of increasing at this stage (figure 2). Even within the economically active population these groups have a younger age profile than most others, and have not yet lost large numbers to domesticity, premature retirement or work-related disability.

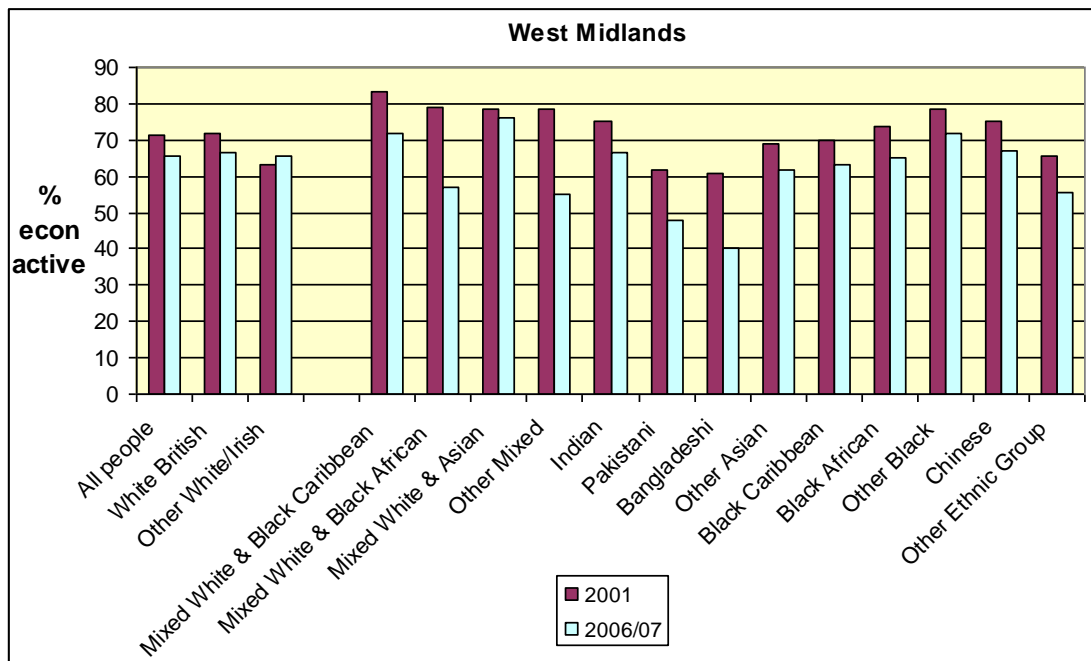
**Figure 2 Age structure of ethnic groups 2001 and 2006: England and West Midlands**



**Figure 3a Economically active as percentage of total population aged 16-74 by ethnic group England 2001 and 2006/7**



**Figure 3b Economically active as percentage of total population aged 16-74 by ethnic group West Midlands 2001 and 2006/7**



## SELF-EMPLOYMENT

One of the most outstanding and frequently noted attributes of immigrant-origin minorities in advanced western society is their propensity for entrepreneurial self-employment (Barrett *et al.* 1996, Light 2007). In both North America and Western Europe, there is now a lengthy history of over-representation in self-employment for such communities (Light 1980, Ram and Jones 2008). In Britain since the 1970s, Indians and Pakistanis have customarily been promoted as the chief exemplars of this expanding ethnic minority business (EMB) role (Barrett and McEvoy 2007, Metcalf *et al.* 1996). More recently, the Bangladeshi and Chinese communities have also become noted, above all for their extremely prominent role in the national catering industry (Ram and Jones 2008).

Reflecting national trends, ethnic self-employment in the socially diverse West Midlands region emphatically confirms many of these patterns. At the same time, however, it suggests that several of the conventional assumptions about EMB are in need of qualification in the light of changes both in thought and in the real world itself. By way of illustration, we provide self-employment data for all census ethnic categories, comparing 2001 with 2005/07 for both West Midlands Region and England. For enhanced coverage, this is presented in both tabular (table 1) and graphic forms (figure 4a and 4b), since this material is vital in underpinning most of what follows. In 2005-07 the White Irish and Other White figures are combined for technical reasons.

**Table 1 Self-employed as percentage of economically active by ethnic group England and West Midlands**

	2001		2005-07	
	England	West Midlands	England	West Midlands
<b>All people</b>	12.4	11.2	12.4	11.6
<b>White British</b>	12.4	11.1	12.4	11.7
<b>White Irish</b>	14.2	12.8		
<b>Other White</b>	14.1	13.6	13.9	10.0
<b>Mixed White &amp; Black Caribbean</b>	6.9	4.9	6.6	2.4
<b>Mixed White &amp; Black African</b>	8.6	6.6	6.7	0.0
<b>Mixed White &amp; Asian</b>	10.6	8.4	11.4	4.3
<b>Other Mixed</b>	10.2	7.3	10.1	6.9
<b>Indian</b>	14.8	13.2	11.6	11.1
<b>Pakistani</b>	17.0	15.8	21.5	20.8
<b>Bangladeshi</b>	10.9	11.6	13.4	19.5
<b>Other Asian</b>	13.9	14.9	12.5	9.4
<b>Black Caribbean</b>	6.5	4.9	8.6	6.3
<b>Black African</b>	6.8	5.9	5.8	3.2
<b>Other Black</b>	5.2	4.1	6.8	3.3
<b>Chinese</b>	21.3	23.5	16.2	23.3
<b>Other Ethnic Group</b>	10.2	7.8	12.2	9.2

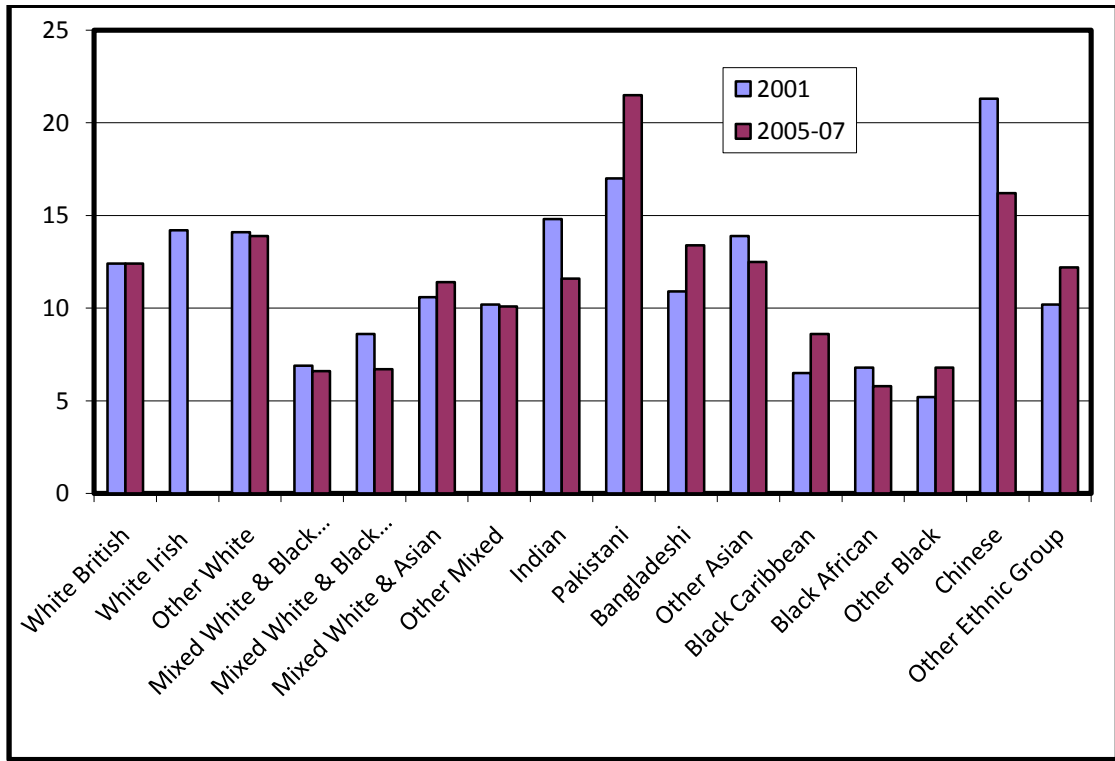
For us, the starting point must be contrasts and similarities between ethnic minority self-employment and that of the historically incumbent White British majority, who might be thought to offer some kind of standard yardstick. Immediately it becomes apparent that any expectations about a general ethnic minority (i.e. all non-White

British groups combined) over-representation in self-employment are not met. Both in the West Midlands and England as a whole, the White British figure is so close to that of “All People” as to be virtually indistinguishable; the figures for England have remained stationary during the present century, but those for the West Midlands have increased slightly. .

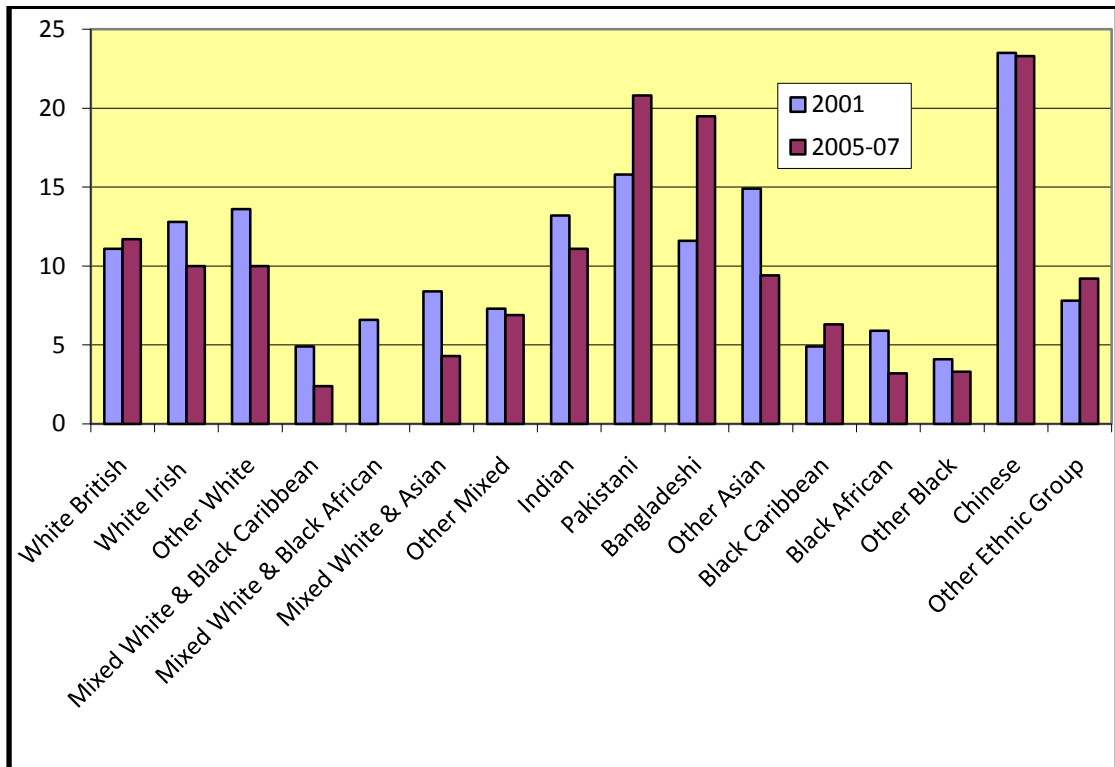
By implication this means that ethnic minorities as a whole do not make up a disproportionately large number of self-employed. Slightly more noteworthy is that the West Midlands region appears somewhat less entrepreneurial than the nation, although the gap has decreased since 2001. This probably stems mostly from historical industrial traditions in the region and cannot be related to its ethnic demography in any obvious way.

Much more telling are the self-employment levels for individual ethnic communities. While there are several important regional instances of emphatic over-representation –Chinese, Pakistanis, and in 2005-07 Bangladeshis – the overall picture painted by these figures suggests that prior expectations generated by the EMB literature may be exaggerated. In the event, the other eleven officially designated ethnic minority groups fall short of the White British self-employment level in the region, in some cases by very wide margins. The national picture is similar, but the Other Asian group marginally exceeds the overall self-employment level.

**Figure 4a Self-employed as percentage of economically active by ethnic group England 2001 and 2006/7**



**Figure 4a Self-employed as percentage of economically active by ethnic group West Midlands 2001 and 2005/7**



## **The Indian Case**

Of these eleven, the Indian community offers perhaps the most instructive lessons about the kinds of labour market adjustment likely to affect a long-settled immigrant-origin population. It is important to note that many of the principles derived here from the Indian example are widely applicable to other entrepreneurial minorities, with obvious variations depending on cultural and historical circumstances. Apart from any other consideration, they point to the need to avoid the kind of easy stereotypes to which students in this field are prone (Jones and McEvoy 1986, Jones *et al.* 1992).

Ever since the 1970s, Indians have been presented as a major entrepreneurial presence in regions like the West Midlands (Jones *et al.* 1992, Ram 1994, Ram and Jones 2008). Arriving for the most part in the post-war period as replacement workers for low level employment in labour starved sections of the national economy (Miles 1982), their subsequent displacement by deindustrialisation brought about a notable shift into self-employment. In the West Midlands, this shift graphically maps the decline of traditional metal working and the 1980s rise of new sectors like service industries (notably dining out) and clothing manufacture, with Indians now mostly owners rather than workers.

Almost inevitably there has been intense dispute about the motives underlying this mass entry into business ownership. Existing research tends to emphasise the importance of supposedly ethnic 'culture' (Basu and Altinay 2002, Werbner 1984); or view self-employment as a response to labour market disadvantage (Jones *et al.* 1992, Barrett and McEvoy 2007). Whatever the merits of these arguments, it is indisputable that the historical coincidence of the rise of Indian business ownership in the West Midlands and the decline of the region's industrial economy is too close to be causally unconnected. It is also too close to be rationalised simply as a matter of individual business entry decisions, strategically thought out though many of these may have been. Structural change provides the indispensable context for such decision-making and it was precisely at this juncture that Indian enterprise took off and elevated Indian self-employment to pre-eminent heights during the 1980s.

2

As table 2 confirms, this was more than three percentage points above White British self-employment in 1991. Significantly, however, this figure has been falling ever since its 1980s heights, first converging on the White British level and then actually dropping below it by 2005/07. With a self-employment rate standing at more than half a percent below that of the "majority" population, the Indian community in the West Midlands can no longer be seen as "entrepreneurial" – in crude numerical terms at any rate. Note here that this apparent disengagement from self-employment follows a national trend for Indians throughout the UK.

There are reasons for welcoming this trend. Here we underline the vital point that much of the initial wave of the first wave Indian business development was problematic in itself, less a release from exploitative work than a move into exploitative self-employment (Virdee 2006). For the most part, a lack of financial and human capital restricted Indian business entrants to the easiest to enter sectors in some of the least rewarded sectors of the economy.

**Table 2 West Midlands: Trends in Indian and White British Self-Employment**

	1991	2001	2005-07	2005-07	
				Overseas born	UK born
<b>Indian</b>	14.0	13.2	11.1	13.4	8.0
<b>White British</b>	10.4	11.1	11.7	11.5	11.7

There are reasons for welcoming this trend. Here we underline the vital point that much of the initial wave of the first wave Indian business development was problematic in itself, less a release from exploitative work than a move into exploitative self-employment (Virdee 2006). For the most part, a lack of financial and human capital restricted Indian business entrants to the easiest to enter sectors in some of the least rewarded sectors of the economy.

The struggle to survive in activities like retailing and catering was accentuated by intense competition driven by the sheer number of entrants, so that the entire rationale of business became one of extreme labour-intensiveness requiring grindingly long hours for under-rewarded entrepreneurs and their family members (Jones *et al.* 1994).

Such a mismatch between inputs and returns forcibly reminds us of the distinction between quality and quantity, making the point that an impressively high self-employment rate often hides a mass of struggling marginal enterprises. It may be anything but a positive economic indicator.

Seen in this light, the self-employment rate seems more a negative than a positive economic indicator, with the declining rate announced by table 2 looking more like liberation than failure. This sense is heightened by the strong contrast shown between the immigrant and native-born generations, with the self-employment level of the latter less than two-thirds that of the former. This reinforces the view that inordinately heavy dependence on independent business ownership is an *immigrant* rather than an ethnic phenomenon per se (Ram and Jones 2008). Dislocation coupled with discrimination acts to exclude new incomers from mainstream labour markets, so that self-employment functions as often the only alternative career.

For native-born descendants of immigrants, these pressures are weakened and fresh opportunities present themselves. In the case of UK-born Indians, it is now well known that their educational qualifications exceed those of the general population, a stock of human capital providing them with a wider choice of careers outside enterprise, notably professional and white collar employment (Mascarenhas-Keyes 2008). Within self-employment itself, they are now increasingly using their human capital to move away from traditional low-level sectors into less labour intensive mainstream markets with higher returns.

Describing this general tendency for settled migrant groups to shift away from a narrow low-level entrepreneurial over-dependency, Ram and Jones (2008) have used the term *entrepreneurial transition*. While clearly recognising this shift as essentially progressive, this model rejects any suggestion of smooth inevitability. On the contrary, the opening up of new opportunities within and beyond self-employment is an intensely contested process (Virdee 2006). Accordingly, there can be no complacent assumption that EMB problems are somehow self-correcting and policy-makers must continue to address the continuing and even aggravated barriers faced by would-be high-flying entrants into novel markets and sectors.

## **The Chinese Case**

In many respects, the Chinese community nationally embody a version of this entrepreneurial transition, their experience broadly parallel to that of Indians but occurring more rapidly (Table 1). Immediately apparent from table 3, one salient contrast with Indians in the West Midlands is the continuing Chinese over-representation in self employment, over eleven percentage points above White British in 2005/07. They are proportionately the most self-employed of all the ethnic communities in the region.

Rather than simply expressing straightforward occupational choice, however, this high level actually reflects a reduction from the even higher earlier figures. A recurrent theme in research on Chinese business is the motivations of the first wave of immigrants, many of whom entered Britain specifically as recruits to the catering industry (Ram and Jones 2008). This inordinate concentration in the restaurant trade is evident in the 1991 figure in table 3, when over one quarter of the community was self-employed, almost three times the White British level.

Since then, this figure has fallen. Even during the 1990s period of general entrepreneurial growth, when White British self-employment took a noticeable rise, the Chinese level took a noticeable dive. In the present century however it remains conspicuously high.

**Table 3 West Midlands: Trends in Chinese and White British Self-Employment**

	1991	2001	2005-07	2005-07	
				Overseas born	UK born
<b>Chinese</b>	28.7	23.5	23.3	23.3	23.1
<b>White British</b>	10.4	11.1	11.7	11.5	11.7

Perhaps the most surprising feature of table 3 is the small difference in self-employment rates between the overseas born and UK born segments of the Chinese population. According to Mascarenhas-Keyes (2008), both Chinese and Indian graduate entrepreneurs are attaining prominence in various cutting-edge industries demanding high intellectual capital. This reflects extremely high educational profiles, and could be expected to lead to a substantial fall in self-employment in the British born Chinese, as with their Indian equivalents. It may be that the figure for the British born Chinese is simply reflects the unreliability of small samples.

## **The Pakistani Case.**

Much like Indians, the Pakistani community traces its origins in the West Midlands to early post-war economic migration. Yet in some respects, Pakistani trends appear as the obverse of Indian (table 4). Not only is self-employment shown as consistently in excess of the White British level but in line with national Pakistani trends, it has actually increased. Indeed the most recent figure indicates more than one in five self-employed, an unexpectedly high degree of dependency, suggesting that this community is still far less integrated into the mainstream labour market than Indians.

At the same time, table 4 also records a contrast between immigrants and British-born in 2001, with the latter less than a third as self-employed as the former. While

some caution may be in order in interpreting this, it almost certainly results from better qualifications, rising expectations and wider career choice for Pakistani youth. In this sense, Pakistanis also show signs of following the entrepreneurial transition but more slowly and at an earlier stage than Indians.

**Table 4 West Midlands Trends in Pakistani and White British Self-Employment**

	1991	2001	2005-07	2005-07	
				Overseas born	UK born
<b>Pakistani</b>	11.5	15.8	20.8	30.5	9.0
<b>White British</b>	10.4	11.1	11.7	11.5	11.7

Evidently, however, the Pakistani case is less straightforward than the Indian case. Particular attention needs to be paid to the persistently high self-employment rate of Pakistanis to ensure that we do not exaggerate their entrepreneurial propensities. In practice, their self-employment rate is inflated by their comparatively low activity rate (figures 3a and 3b), meaning that it is calculated on a lower base level than for White British. Consequently, as well as recording high proportions of business owners, it also reflects relatively low proportions in the labour market.

As far as the self-employed themselves are concerned, there are further grey areas connected with the nature of some the most statistically important occupations. As we shall see later when we examine sectoral diversification in greater detail, one of the fastest growing recent forms of Pakistani self-employment is taxi-driving. Though taxi-drivers are technically self-employed, they are not usually considered business-owners in the full sense and their inclusion in the statistics tends to inflate the importance of entrepreneurship within the group. Moreover, as Kalra (2000) has pointed out, the insecurity, dangers and unsocial hours of this activity can hardly recommend it as a form of occupational advancement.

Over the years, considerable attention has been paid to discrepancies between Pakistanis and Indians, with commentators like Metcalf *et al.* (1996) and Peach (1996) suggesting that the latter are better resourced both for enterprise and for advancement in the labour market generally. At the same time, Jones *et al.* (1997) show that this is far from clear-cut and Ram *et al.*'s (2002) studies of fast track high growth EMB identify several Pakistani businesses as among the most outstandingly successful performers. Here again is a timely reminder of the importance of distinguishing quality from quantity in a business community embracing a huge range from stellar high-flyers to struggling borderline failures.

Related to this, there have also been attempts to pin down the possible effects of religious faith on Pakistani entrepreneurship. Once again, such investigation sends out conflicting and sometimes confusing signals, with some writers seeing the Islamic faith as a positive support for independent business activity (Werbner 1984) and others finding that non-Muslim south Asians perform rather better than Muslims, who may be constrained by religious constraints on such taken-for-granted commercial practices as borrowing at interest and selling alcohol (Rafiq 1991). Our own rule of thumb would be that the data portrayed in table 4 is probably better interpreted in tangible economic and statistical terms rather than more speculatively as some kind of cultural outcome.

## The Bangladeshi Case

Many of these observations apply to Bangladeshis, also predominantly Muslim by faith. Among the parallels between Bangladeshis and Pakistanis in the region is a higher than average and growing self-employment rate, placing them among the three ethnic minorities in excess of the White British rate. At the same time, there are many vital differences, among them the relative recency of much Bangladeshi immigration.

**Table 5 West Midlands Trends in Bangladeshi and White British Self-Employment.**

	1991	2001	2005-07	2005-07	
				Overseas born	UK born
<b>Bangladeshi</b>	10.6	11.6	19.5	25.5	7.7
<b>White British</b>	10.4	11.1	11.7	11.5	11.7

Most striking in table 5 is the rapid upsurge in self-employment. From a low base level virtually on a par with White British in 1991, Bangladeshi self-employment began to open a gap in the 1990s and surged away in the present century. It is now one of the highest ethnic group rates in the region.

In some respects, this pattern is not unexpected, reflecting as it does many of the characteristics of early stage ethnic minority enterprise development. Almost certainly, sheer quantity predominates over quality, with a host of Bangladeshi firms concentrated at the more marginal end of the performance spectrum. Representative here will be many catering enterprises, the smallest restaurants and take-away outlets in particular, where survival is often contingent on painful cost-cutting and labour-intensiveness.

Nevertheless, while all of the above certainly captures some of the essence of Bangladeshi business in the region, the rather negative picture needs to be qualified in certain respects. In the first instance, we note that as in the Pakistani case, the self-employment figure is artificially inflated, both by the low economic activity rate and by the presence of many people in sectors like taxi driving, where their self-employed status is more technically than actually entrepreneurial.

An even more telling underlying factor is the inter-generational contrast shown in the final two columns of table 5. As now seems to be a normal pattern, the UK-born are far less likely to be self-employed than their immigrant parents and grandparents. For Bangladeshis, the British-born are half as self-employed as immigrants, a discrepancy suggesting that the entrepreneurial transition is as active in this community as among other ethnic minorities.

In the Bangladeshi version of this seemingly universal trend, the shift is partly driven by a rejection of that staple group livelihood, the catering trade. According to interviews with Bangladeshi restaurateurs in the West Midlands, their children are wherever feasible rejecting toil and unsocial hours in favour of better careers elsewhere (Jones *et al.* 2004, 2006).

Significantly, this is seen as a welcome rather than a regrettable move, with parents often celebrating and even facilitating their children's superior prospects in professional and white collar occupations. With or without parental approval,

changing career choice has to be seen as part of an acculturation process in which work is now evaluated against modern British rather than traditional immigrant norms. Needless to say this applies universally to all the ethnic groups surveyed here but it seems especially graphic in the case of Bangladeshi catering.

In addition to upward mobility in employment, research findings also suggest some up-grading within self-employment itself. Studies of growth-oriented ethnic minority firms find many businesses run by UK-born Bangladeshis now operating in high value added sectors of the economy (Ram *et al.* 2002). As yet, information on this is limited and requires further research.

### **The Black Caribbean Case**

Despite the urgings of the famous Scarman Report (Scarman 1986), entrepreneurialism as a major career option has never fully materialised for Black Caribbeans in Britain, whose self-employment rates since the 1970s have consistently fallen short both of all the Asian groups and of the population at large. Seen in this light, the profile sketched in table 6 comes as no surprise. Broadly tracking their national performance, Black Caribbeans in the West Midlands maintain a persistently low self-employment level compared to others.

Furthermore, low levels may be set to continue into the future. In contrast with the four preceding groups the British born component of the Black Caribbean population has a higher self-employment rate than the immigrant generation. It could be argued therefore that each of these groups is converging on the British average. Ethnic groups with above average self-employment among the overseas born experience lower levels among those born in the UK, while those with low self-employment among the overseas born experience an higher self-employment among those born in Britain. The very small increase above the overseas born figure among British born Black Caribbeans suggests however that any such convergence may be long delayed.

Among EMB researchers, low self-employment levels have long tended to be presented in a negative light, a lamentation about missed opportunities to use business as an escape from disadvantage. Fairly representative of a widespread feeling that Black Caribbeans are entrepreneurial under-performers and thus unique among immigrant groups is Ward (1987). Much of this low business involvement is ascribed to an absence of the communal, familial and cultural support for business enjoyed by South Asians and Chinese.

**Table 6 West Midlands Trends in Black Caribbean and White British Self-Employment**

	1991	2001	2005-07	2005-07 Overseas born	UK born
<b>Black Caribbean</b>	3.5	4.9	6.3	5.8	6.1
<b>White British</b>	10.4	11.1	11.7	11.5	11.7

There are, however, other ways of viewing the Black Caribbean situation in less pathological terms. Rather than expressing some kind of malaise, low business entry rates may simply remind us that low level self-employment is not some kind of inevitable destiny for all immigrant communities in advanced society. Indeed there

may even be awareness among group members of alternative career paths in employment.

While it is true that Black Caribbean unemployment rates have tended to persist far above those of entrepreneurial groups like Indians, this might be seen less as a failure to mop up unemployment through self-employment and more a failure on the part of a de-industrialised labour market. It is difficult to avoid the thought that standard verdicts on Black Caribbean self-employment have been ideologically driven, a product of the prevailing 1980s fashion for self-help.

Moreover, bearing in mind our vital distinction between quality and quantity in business, it is significant that Black Caribbeans have frequently been noted for their presence in less standard activities away from the traditional ethnic minority lines. While there certainly are considerable numbers in corner shop retailing, as far back as the 1970s their involvement was also noted in such trades as construction, hair-dressing and music retailing (Reeves and Ward 1980). Subsequent research has similarly dwelt on their proclivity for unusual and novel sectors (Jones *et al.* 1989), with Ram *et al.* (2002) noting their conspicuous presence among EMBs breaking into hitherto un-penetrated markets.

Even though it is necessary to counter prevailing stereotypes about Black Caribbean business as problematic, there nevertheless persists one paramount problem – the serious difficulties encountered by these entrepreneurs in accessing external finance (Barrett 1999). A series of studies (see Ram and Jones 2008 for summary) attests to major barriers in the credit market, many stemming from discriminatory practices (conscious or otherwise); and bearing more heavily on Black Caribbeans than on other EMB.

Once again, the fault lies not within the community itself but with external processes. Even so, whatever its origins, its effects can be crippling and an acute shortage of financial capital goes far to explain any inhibitions to business entry. For enterprise support, the clear emphasis must be on increasing the availability of funding to this group's entrepreneurs, while simultaneously encouraging and building upon the innovative potential outlined above.

### **Other Groups.**

Beyond the long settled communities covered above, the evidence so far shows relatively low levels of self-employment, with little sign of business ownership as a major livelihood or career choice. Both Black Africans and Other Blacks, though growing in numbers, are well below the general level of self-employment (5.9% and 4.1% respectively in 2001) and showing a tendency to decline. Possibly a consequence of newness, these figures might increase with length of settlement.

This air of speculative uncertainty is further heightened in the case of the category "Other Ethnic Group", an enigmatic amalgamation of small recently arrived peoples which conceals more than it reveals at this stage. More will certainly come to light with the publication of our ongoing research on new migrant enterprise.

Similarly inconclusive are the "mixed" groups, whose labour market profiles are strongly influenced by their relatively recent emergence and their consequent youthful age structures. Not unexpectedly, self employment in 2005-07 stood at only 4.3% for White/Asian and 2.4% for White/Black Caribbean. Here the task of interpretation is face with entirely new hybrid social categories, which do not fit into any of the conventional notions of what is "ethnic".

## **DIVERSIFICATION**

For many years now, researchers in the field have identified the narrow concentration of EMB in a very few activities and markets as a sign of major structural weakness (Jones *et al.* 1992). As described in the previous section, EMB business initially emerged out of a highly disadvantageous combination of immigration followed by deindustrialisation and job loss, in effect a double displacement. For immigrant refugees from the declining job market, lacking both financial capital and human capital (formally recognised qualifications and expertise), the range of business entry options was, hardly surprisingly, strictly limited.

In itself, this goes far to explain the tight clustering of entrepreneurs in the two lines of low order retailing and catering, which still accounted for as much as one half of South Asian entrepreneurs in Britain right up to the 1990s. Essentially these are low entry threshold markets, demanding relatively little capital and expertise, either technical or managerial. Much the same applies to a third stereotypically “ethnic” sector, clothing manufacture, which enjoyed a surge in the West Midlands from the 1980s onwards, mainly under South Asian ownership.

To emphasise the problematic nature of this sectoral over-crowding is not to belittle the efforts of those whose ingenuity and hard work enabled them to stay afloat in problematic areas now abandoned by native white business as too challenging (Werbner 1990). Nor is it to ignore those individuals who used these opportunities to achieve great success and personal enrichment (Gidoomal 1997,). In the interests of fairness, we ought perhaps to celebrate the mere existence of EMB as a considerable achievement against the odds.

However, easy-to-enter sectors attract excessively large numbers of competitors so that, from the very outset, EMB has been plagued ferocious competition and a surfeit of suppliers in relation to potential customers. Locally, a graphic instance of this is given by the Birmingham Balti Quarter, where an initially profitable curry house rebranding project was subsequently swamped by an influx of imitators creating excess supply and driving down prices (Ram *et al.* 2002). As a result, firms can survive only by painful cost-cutting and onerous workloads, a principle which applies right across the low order sectors in which all EMB is confined.

Furthermore, many of these sectors are acutely vulnerable to external market changes. In particular this applies to small food retailers and CTN (confectioner, tobacconist and newsagent) outlets, who for two decades or more have been engaged in a one-sided battle with the giant retailers (Ram and Jones 2008). Parallel to this, overseas competition has had similar destructive effects on Indian clothing manufacture, struggling in the face of low cost Chinese and East European rivals (Jones *et al.* 2006).

### **Break-out**

Evidently, then, confinement within poorly remunerated externally threatened trades is one of the overriding questions to be addressed by enterprise support. Yet again the stress is switched to qualitative criteria, with more importance attached to the type of business supported rather than the number of start-ups achieved. For more than two decades, researchers have called for breakout from this trap; and for diversification into higher yielding sectors of the economy (Jones *et al.* 1988, 2000, Ram and Hillin 1994). In effect, entrepreneurs need to be steered away from traditional sectors and encouraged into higher value-added activities, where rewards

are earned through the application of management, expertise and technology rather than brute labour power. .

As outlined in the previous section, inter-generational changes already afoot within the region's ethnic minority communities mean that their entrepreneurs are increasingly well equipped to undertake this modernising transformation. Undoubtedly the most important development here is the accumulation of *human capital*, the term customarily used to describe educational qualifications and credentials (Ram and Jones 2008).

Historically, of course, poor educational standards stood as a major obstacle to entrepreneurial advancement by ethnic minorities. To be strictly accurate, this was often a matter of *recognised* rather than actual qualifications, since in the early post-war era many South Asian immigrants found their degrees acquired in foreign institutions rejected in the UK (Virdee 2006).

Subsequently, however, British-born generations armed with UK-acquired credentials have avoided the career mismatches suffered by their parents. Consequently they have eliminated much of the initial educational gap, with some ethnic groups' qualifications actually forging ahead of the general standard. Outstanding here are Chinese and Indian school-leavers, shown by Mascarenhas-Keyes (2008) to be now higher than average in A-level results and university graduation rates.

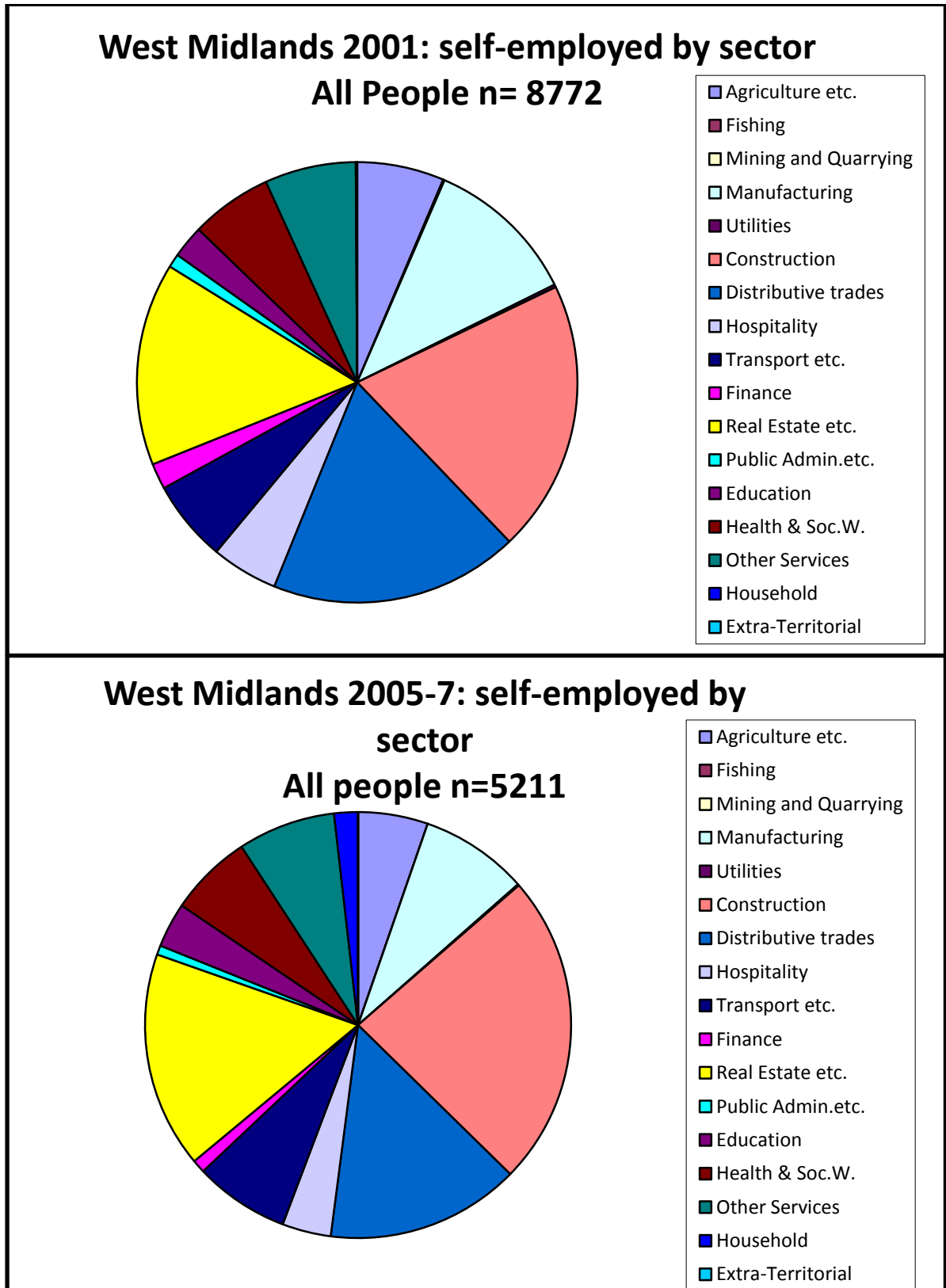
While we have already highlighted the widening opportunities thus created for careers outside business ownership, it is vital to note that enhanced human capital is also driving a transformation in enterprise itself. In the first instance, the key inter-generational difference is one of choice, with well resourced young people no longer driven into self-employment through lack of feasible alternatives. By and large, those who continue to enter business are much more likely than before to be positively motivated, a new attitude reflected in the diversity and quality of EMB.

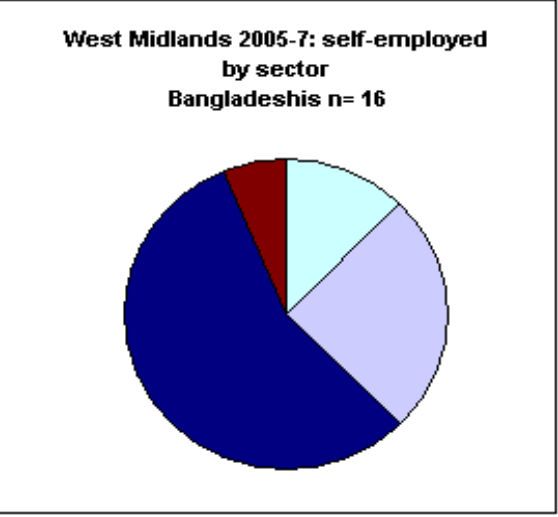
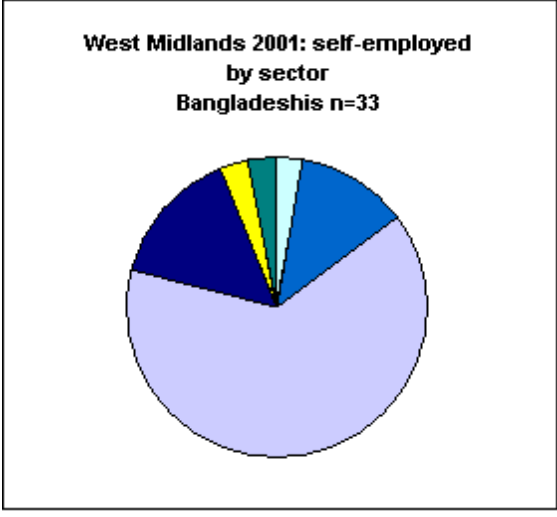
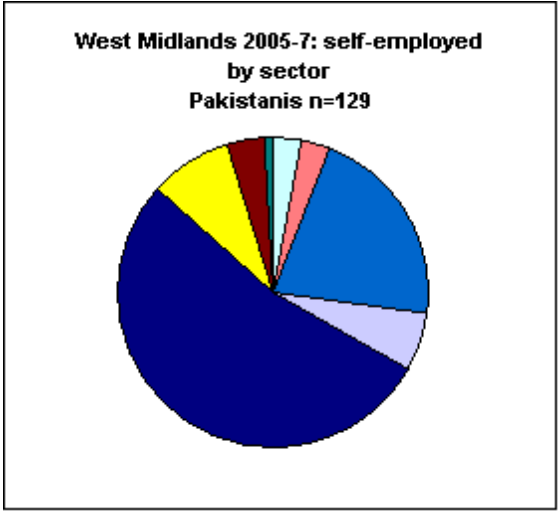
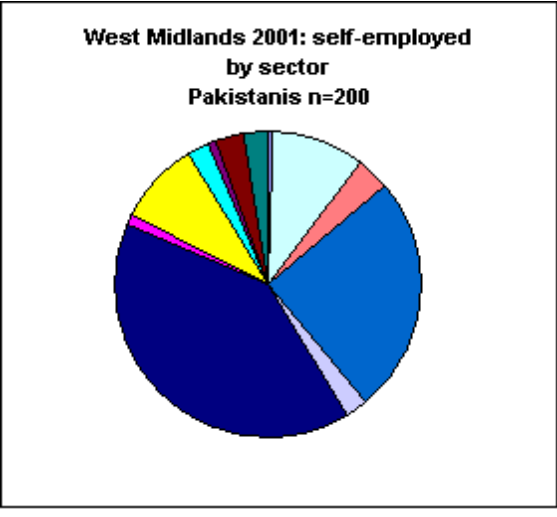
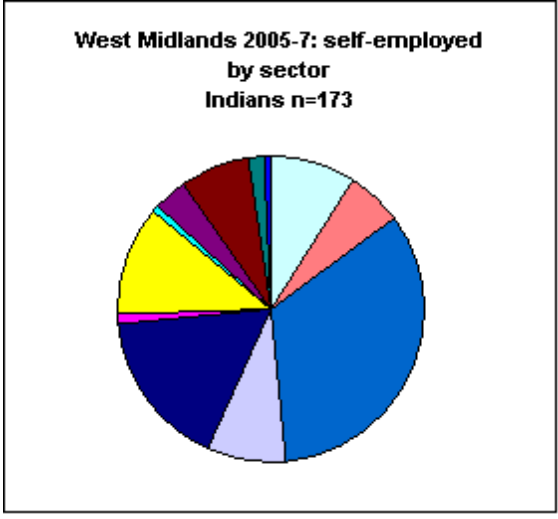
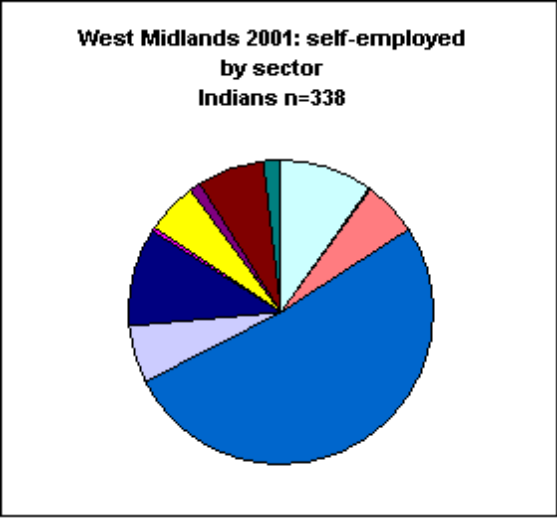
At the same time of course, the new generation is also better resourced to take on the demands of new markets and activities depending on working smart rather than simply working long (Jones *et al.* 1994). Most graphically illustrating this principle is Mascarenhas-Keyes' (2008) survey of Indian and Chinese graduate entrepreneurs, whose often cutting edge hi-tech ventures have to be seen as no less than the fruit of highly sophisticated intellectual capital. Essentially these are the high end of a range of human capital-intense activities, with many non-graduates also beginning to penetrate such fields as financial services, health care, ITC, business consultancy, property development, high order retailing, fashion and graphic design (Deakins *et al.* 1997, Ram *et al.* 2002).

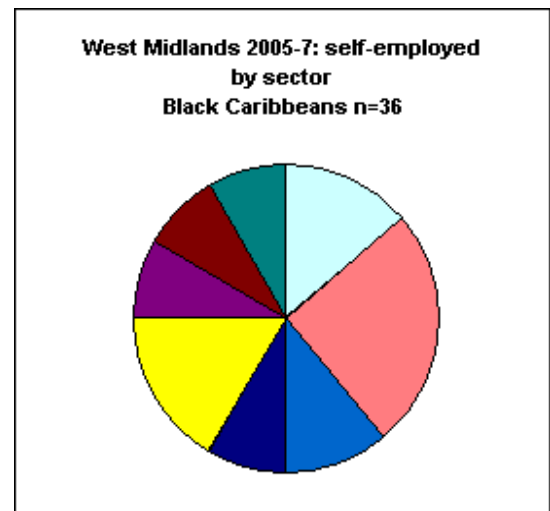
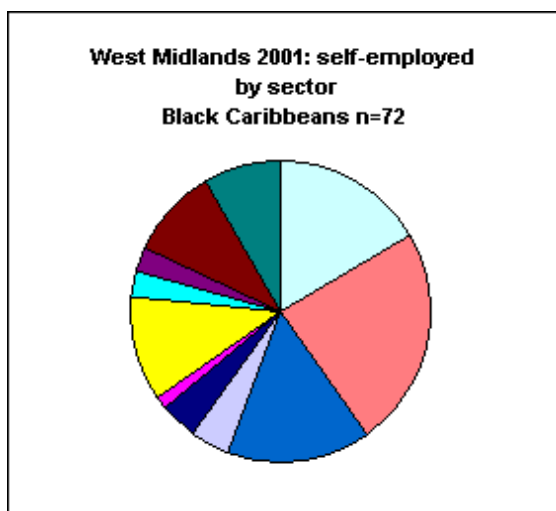
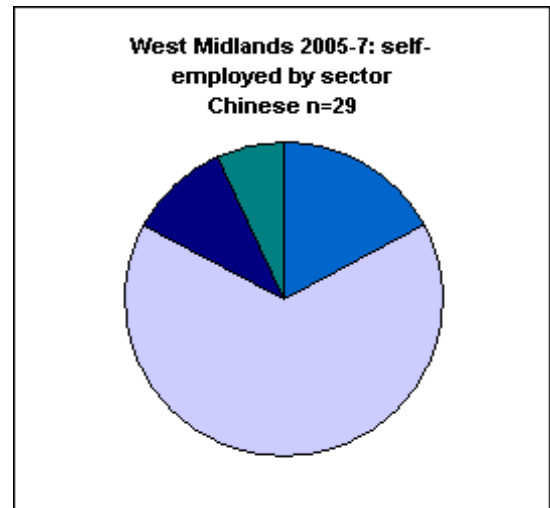
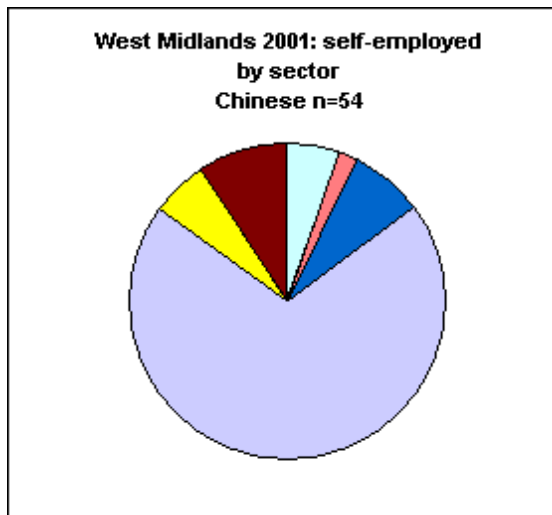
At the same time as these are evidently advanced sectors, they are also novel in the sense that previously there was little or no EMB presence in them. This is worth underlining, because it signals an escape from traditional niche markets, an entrance into the mainstream. In effect, the distribution of EMB is gradually beginning to resemble that of enterprise in general, a welcome sign of economic integration and inclusion. Nevertheless, when we come in the next section to examine the sectoral patterns of self-employment in the West Midlands, we realise that there is far to go; and that there are still huge disparities between individual ethnic minority groups.

Figure 5 attempts to assess sectoral trends over the recent period from 2001 to 2005-07. It begins with two larger pie charts, describing the situation for the overall population at the two dates. The legend for these charts applies also to the smaller charts for particular ethnic groups which follow.

Figure 5 Sectors of self-employment in the West Midlands







These graphics allow us to identify dominant features of the sectoral concentration of the case study groups., Indians have a strong concentration in the distributive trades, but this may be falling. Pakistanis also have a significant presence in this sector, but they are increasingly focussed in the transportation sector, in which taxi driving is the dominant sub-sector. Bangladeshis are strong in the hospitality sector, most particularly in ‘Indian’ restaurants, but transportation is of increasing significance. (Note however possible random effects of small sample size.) The Chinese remain heavily concentrated in hospitality. Only the ‘non-entrepreneurial’ Black Caribbean community display anything like the diversity of self-employment in the overall population, with strongest representation in construction..

The sheer detail makes it hard however to distinguish wood from trees at a glance. Accordingly, a digest is presented in table 7 to bring out salient points about the distribution of the five major long established ethnic minorities in five “traditional” sectors. Figures are also given for White British self-employment as a standard indicator of what might be thought of as the “normal” sectoral pattern for the self-employed in the region.

**Table 7 Percentage Self-employment in “Traditional” Sectors.**

		<b>Manufacturing</b>	<b>Construction</b>	<b>Distribution</b>	<b>Hospitality</b>	<b>Transport</b>
<b>Indian</b>	<b>2001</b>	10.1	5.6	51.2	6.2	10.7
	<b>2005-07</b>	9.2	5.8	33.5	8.1	16.8
<b>Pakistani</b>	<b>2001</b>	10.0	3.5	25.0	2.5	40.0
	<b>2005-07</b>	3.1	3.1	20.0	6.2	53.5
<b>Bangladeshi</b>	<b>2001</b>	3.0	0.0	12.1	63.6	15.2
	<b>2005-07</b>	12.5	0.0	0.0	25.0	56.3
<b>Chinese</b>	<b>2001</b>	5.6	1.9	7.4	70.4	0.0
	<b>2005-07</b>	0.0	0.0	17.2	65.5	10.3
<b>Black Caribbean</b>	<b>2001</b>	16.7	23.6	15.3	4.2	4.2
	<b>2005-07</b>	13.9	25.0	11.1	0.0	8.3
<b>White British</b>	<b>2001</b>	11.3	21.3	17.0	4.1	4.9
	<b>2005-07</b>	8.3	25.4	13.8	2.8	5.4

The data presented in table 7 must be taken with a certain caution owing to their derivation from two separate sources for 2001 and 2005-7. Even so, despite a lack of strict statistical comparability, the approximate orders of magnitude are usually sufficient to enable us to pinpoint broad trends.

In table7, the focus is on sectors which contain a fairly high proportion of labour intensive low-tech activities of a kind which have customarily offered fairly easy access to EMB. Included here is “Distribution”, a category dominated by small retailing; and “Hospitality”, embracing restaurants and takeaway outlets. According to the rationale so far developed in this report, we would hope for a reduction of ethnic minority self-employment reliance on these activities, together with a closing of the gap on the White British. Significantly, for example, in 2005-7 only about one in six of the White British self-employed are accommodated within distribution and hospitality, in itself a reflection of the limited attraction of these specialisms for entrepreneurs of choice.

Though there are positive signs, it must be acknowledged at the outset that the hoped-for exodus from over-dependency is far from clear-cut. Among the optimistic signs, the item that springs out most immediately is the emphatic decline in Indian retail self-employment, a trend almost certainly confirming our earlier observations about the switch in of this community’s emphasis towards both employment and higher level self-employment.

Moreover, with the exception of Chinese self-employment, there seems to be a retailing decline right across the board. This includes the most numerous group, White British, whose apparent exodus from retailing undoubtedly expresses a continuing culling of small shops as a whole. Indeed, the increasingly threatened status of the small shop is all the more reason to encourage a voluntary rather than a forced exodus of EMB.

As noted, the one group swimming against this tide is the Chinese, who appear to have slightly reduced some of their truly massive reliance on catering by shifting it, not to new fields but to the very retailing sector being vacated by others. Considering that we have bracketed Chinese with Indians as a high human capital population shifting to more advanced activities, this confounds expectations. This anomaly is likely to reflect two factors: first a major shift of the highly educated British born out of self-employment altogether; second a growth of specialised shops responding to a demand for ethnic Chinese products. Purely speculative as they are, these suggestions demand further more direct research to ascertain the precise occupational preferences of community members.

Elsewhere in table 7, we see other groups reducing their unwelcome reliance on traditional stock-in-trades. Most eye-catching here is a truly spectacular plummeting of the Bangladeshi self-employed in hospitality, which now apparently accounts for only one-quarter from its former three in five. Once again, because of the sample size issue, this is suggestive of hidden trends rather than definitive in itself. The considerable over-supply of curry houses in Birmingham and district is now well-known, suggesting business failure and forced exit are playing at least as great a part as the lure of greener pastures for better equipped entrepreneurs.

We also note that this reduction in catering self-employment coincides with a rapid rise in the “transport” category. As this reflects an increase in taxi-driving, it does not immediately recommend itself as a form of entrepreneurial advancement. Transport self-employment has also burgeoned among Black Caribbeans and Pakistanis, to whom the same verdict applies. Furthermore, Black Caribbeans are most prominent in the construction sector, where it would be instructive to know how many are true entrepreneurs and how many are workers technically self-employed as ‘labour-only’ subcontractors.

As a final measuring rod, we note that White British self-employment has shrunk in all categories except construction. If confirmation were needed of the disadvantages of these sectors, this is it. This White British decline includes manufacturing, an activity subject to a general downward trend but one which remains important for Black Caribbeans, Indians and Bangladeshis.

Again we wonder about the possibly problematic implications of this, especially since much South Asian manufacturing self-employment is known to be in the precarious clothing branch, subject to harsh world competition and the whims of the large retail buyers. While it is of course possible that the continuing presence of EMB in manufacturing hides a shift away from making clothes to producing such items as computer software, the absence of any statistical breakdown prevents verification.

### ***Penetration of non-traditional sectors.***

In table 8, we examine the changing distribution of self-employment in the five sectors of real estate, public administration, education, health and “other services”. Accounting for over a third of all self-employment, this range of activities might be taken as fairly representative of the opportunities open to the general population of small and medium size businesses.

By way of caution we should note that many of the cell sizes are much too small for total accuracy, based as they are on total sample sizes as small as 29 Chinese individuals, for example, in 2005-07, and only 16 Bangladeshis. As noted in the introduction, official data has improved vastly since the inception of EMB research but at the regional level of detail it still falls short of the desired standards.

As a partial compensation, the five categories are amalgamated to give a single reading in table 8. Even so, it must be frankly admitted that the data given cannot be accepted as absolute and we are particularly concerned about the picture painted for Bangladeshis and Chinese. Even so, it can still serve as a tentative guide to broad patterns and trends in these sectors. If indeed EMB in the West Midlands is achieving breakout, this should be confirmed by a rising trend in self-employment here.

**Table 8 Self-employment in five non-traditional sectors**

	<b>2001</b>	<b>2007</b>
<b>Indian</b>	15.7	26.1
<b>Pakistani</b>	17.5	13.2
<b>Bangladeshi</b>	6.0	6.3
<b>Chinese</b>	14.9	6.9
<b>Black Caribbean</b>	34.7	41.6
<b>White British</b>	31.6	36.4

Undoubtedly the most eye-catching item in the above table is the Black Caribbean profile, apparently endorsing our earlier observation of this group as more entrepreneurially diverse than other ethnic minorities. They are better represented in these areas than even the White British. While the usual caveats about small samples continue to apply, their sectoral spread is worthy of note. Moreover, their presence in these non-traditional markets also appears to be growing.

Elsewhere, we find the Indian performance seemingly broadly in line with expectations. Quite evidently, their self-employment decline in traditional sectors is being accompanied by penetration of new areas of the economy. Unhappily similar trends are not presented by Pakistanis, Bangladeshis and Chinese. Though may result in part from the statistical quirks discussed above, it also suggests continuing barriers to entry, a problem that continues to dog even the ostensibly more successful groups.

### ***Persisting Barriers to Break-out***

Overall, the above findings are a mixed bag, with unmistakable signs of progressive diversification but a lingering over-reliance on the same constricted band of traditional labour intensive sectors. Once again, this reminds us that EMB development is no smooth automatic advancement, in which (as implied by writers like Nee and Sanders 2002) the acquisition of better resources must pay off in the shape of better jobs and businesses. On the contrary, entry into the entrepreneurial mainstream is an essentially contested process, in which the stringent conditions laid down by market forces are often exacerbated for EMB by discriminatory processes (Ram and Jones 2008).

Consequently, enterprise support must continue to be not solely a matter of resourcing EMB itself but even more of addressing the *external* obstacles standing in its path. Of these, there seems little doubt that continuing under-capitalisation stands as the greatest single blockage to break-out and expansion (Ram *et al.* 2002). For all the impressive human capital gains achieved by some ethnic minority groups, these can never be fully exploited without adequate funding. Since technology, equipment, premises and prime sites are all rationed by price, even the most highly

qualified fast trackers can find their demanding strategic objectives cheated for want of substantial and prompt finance (Mascarenhas-Keyes 2008).

From the viewpoint of enterprise support, there are attractive pay-offs to be derived from interventions to remove barriers to growth-oriented EMB in order to fully release its potential. In the first instance, the income and job creation benefits derived by the assisted firms themselves need no spelling out and stand as concrete testimony to the efficacy of enterprise support. At the same time, too, the local economy stands to gain advantages from the promotion of its EMBs, some of which may be quite exceptional.

Most obvious of the benefits conferred by encouraging break-out expansion of EMB is job generation. Here it is worth stressing that the kind of job creation achieved by such firms is likely to be an across-the-board process open to all communities rather than simply co-ethnics. As shown by researchers like Mascarenhas-Keyes (2008), mainstream firms run by UK-born ethnic minorities tend to recruit according to formal credentials rather than family or community preferences. Clearly, this holds out welcome possibilities for the provision of high-level jobs throughout the regional labour market.

Beyond this, EMB can be evaluated according to its role in helping the West Midlands in its efforts to reposition itself in a restructured globalised economy (Webster 2000). Insofar as many of the new break-out EMB firms are part of the new knowledge economy, they can play a vital part in the necessary industrial transformation of Birmingham itself and the other de-industrialised town and cities of the region.

Going further still, commentators like McEwan *et al.* (2005) argue that EMB could actually take the lead in promoting the region as an exporter to the gigantic new markets of China and India. It goes without saying that to secure a foothold in markets with such formidable potential would be a major coup and these authors show how several Birmingham-based Indian and Chinese firms are already exploiting cultural links with their heritage countries. Their competitive edge can hardly be overstated, since language and cultural obstacles pose the greatest barriers to market penetration by ethnic outsiders.

### ***The Mass of EMB***

When the patterns and trends discussed above are put in their true overall perspective, it must be said that the break-out fast trackers are essentially a minority that is not representative of the great majority of EMB. Moreover, despite the need to encourage the former's economic potential, there can be no question of writing off the latter as somehow insignificant.

Indeed, it would be entirely unhelpful to reduce EMB development simply to economic progress, a kind of linear advance from traditional to modern, especially when seminal authors like Granovetter (1985) have convincingly shown the distinction between the "economic" and the "social" to be a largely artificial one. In a world where consciousness of environmental goals has also risen high on the policy agenda, the case for evaluating business goals against a host of interrelated criteria, not all of them purely economic, is further strengthened.

Accordingly we would urge that the rank and file of EMBs, conventionally regarded as laggards in the great game of economic development, should be valued for their

social contribution. Prominent here in the West Midlands as elsewhere is the provision of services and livelihoods in some of the most deprived urban areas.

At present this is a thankless and under-rewarded task and it should not be beyond the scope of policy makers to devise measures to properly recompense them for what ought to be seen as an essential and legitimate contribution. In the long run, this might be more beneficial than urging them to grow, modernise and become more “productive”.

To argue thus is not to deny their economic contribution also. Studies of catering and clothing in the region have revealed a contribution to job creation far beyond what might be expected (Jones *et al.* 2007). Furthermore their very presence creates the kind of multi-cultural environment which now acts as a powerful attractive force for shopper, tourists and even inward investment.

Our own study of the Birmingham Balti Quarter highlights its potential for the multi-cultural re-imaging of Birmingham, a vital weapon in the inter-urban competition process (Ram and Jones 2007). Almost unavoidably, however, we found ourselves unable to overlook that this kind of urban and regional regeneration is carried on the backs of disadvantaged entrepreneurs and workers and would once again urge that, built into any policy of ethnic regeneration, are ethical safeguards for those who actually do the work.

## CONCLUSIONS

When Census data for the West Midlands Region is analysed in the light of the general research on EMB, there emerges a number of distinctive patterns and trends forming the basis for a strategic policy agenda and offering guidelines for practical implementation. In outline, the report offers the following salient findings:

- 1) **Transition** In the West Midlands, ethnic minority entrepreneurial activity has been an increasingly prominent part of the local economy since the 1970s, with great numbers of businesses established by individuals from the great post war migrations from Asia and the Caribbean. As elsewhere, the character of EMB has shown marked changes over this now lengthy period. In the initial stages, EMB tends to be “traditional”, based on low value labour intensive activities supported mainly by informal social capital from within family and community. Often goods and services are addressed primarily to ethnic minority markets, a further limiting factor.

Over time and with the rise of UK-born and educated generations, a gradual shift takes place, a move into higher value mainstream markets. This reflects significant improvement in the resource base, with human capital – educational qualifications, acculturation, skills, expertise – replacing a reliance on rudimentary labour power and long-hours working as a means of competitive advantage.

- 2) **Quality** For those who can achieve it, this shift away from the traditional ethnic niches is to be welcomed as an escape from inordinately competitive and poorly remunerated trades like corner shop retailing and catering to which much EMB was formerly confined. With increasing penetration of sectors like IT, business consultancy, financial services and high order retailing, opportunities for enrichment, better working conditions and self-fulfilment are unquestionably enhanced.
- 3) **Choice** Bound up with all this is the increasing range of career opportunities enjoyed by young ethnic minority people on the basis of their educational qualifications. Along with labour market disadvantage, lack of accredited human capital was a principal reason for the vulnerable labour market position of the immigrant generation, a lack of job choice which in effect forced many into self-employment as the only available choice of livelihood. Essentially, the very high rates of ethnic minority self-employment of the 1980s are not to be seen as a positive celebration of entrepreneurialism since they often arose out necessity rather than opportunity. One of the features of the current shift is a palpable decline in self-employment among Indians, at first sight a cause for concern but in fact a confirmation that business ownership is becoming merely one of a range of career options instead of a last resort compulsion. This trend is apparent in several other groups among the UK-born. Consequently, EMB is increasingly a consciously chosen occupation run by positively motivated people, a further indication of its improved quality and success.
- 4) **Uneven Progress** More a cause for concern is that not all ethnic minority communities have shared equally in this advancement. Most prominent in their diversification away from traditional sectors are Indians, who are showing both a fall in self-employment as qualified British-born generations

increasingly take advantage of desirable alternative occupations; and an entrepreneurial shift to new high value markets

By contrast, these shifts are not occurring as rapidly for Bangladeshis and Pakistanis, who remain over-concentrated in low order retailing, restaurants/takeaways and taxi-driving. While some of this lag could be due to cultural constraints operating within these mainly Islamic communities, enterprise support needs to look at ways of easing external obstacles, in particular problems of obtaining credit from mainstream finance markets.

Different principles apply to other ethnic minorities. In the case of Black Caribbeans, we find that in practice this group is considerably more diversified than most EMB, with much of its business activity spread over non-traditional sectors. Even so, it is well established that Black Caribbean entrepreneurs struggle with unusually acute difficulties in borrowing capital from banks, an issue which needs to be given continuing high priority by enterprise support.

Among other ethnic minorities – Black Africans and other relatively recent migrants, “mixed origin” groups - entrepreneurial profiles tend to reflect relative newness, a prime consideration for any policy directed at them. Our on-going research into new minorities to be published in 2010 will shed further light on this. In the case of “mixed” groups, who are mostly under-represented in self-employment it is too early for definitive interpretation and it may be that the very existence of such multiple identities raises fundamental questions about the conventional practice of categorising business firms as “ethnic”.

- 5) **Local Economic Development.** As well as seeking ways to help EMB realise its full potential for the benefit of its owners, regional policy-makers need also to recognise the benefits EMB can return to the local economy. Encouragement of the new generation of fast growth innovative enterprises brings potential rewards in terms of regional wealth, productivity and job generation. Moreover many high-flying Indian and Chinese firms are cultivating export and investment links with their homelands, an exciting move giving the West Midlands region access to two of the world’s most prodigious markets. It is also important to acknowledge the role of multiculturalism as an attractive force for inward investment and tourism for cities like Birmingham, with EMB playing a prominent symbolic and practical role.
- 6) **Survivalists** For all the importance of fostering high-level success, we should not overlook that most studies of entrepreneurial motivation stress that the majority of small business owners are not primarily driven by profits and growth but by non-materialist motives like independence. Accordingly it is almost certainly the case that the bulk of EMB in the West Midlands consists of firms geared to tolerable survival on their own terms. Yet, despite what orthodox economics would see as their lack of dynamism, such firms should not be written off. Indeed they should be cherished for their social role, their provision of jobs and low cost goods and services often in problematic locations shunned by larger more “rational” companies. At present, they tend to be seriously under-remunerated for these contributions and we would argue for some form of intervention to ensure they receive decent compensation for their efforts. In effect there needs to be some kind of two-track policy approach, where standard economic aims can apply to the high-flyers, while mainly social criteria are applied to the rest.

- 7) **Gender and Age** All the above conclusions are generalised for ethnic minority populations as a whole. However there is much evidence that women in almost every ethnic community are statistically under-represented among business owners, acutely so for Pakistanis and Bangladeshis. The exceptions to this are the Chinese, whose level of female self-employment is comparable with the highest figures for men in any other group. Self-employment also varies clearly by age group, with the youngest and oldest extremes of the working age population falling below average levels.
- 8) **Overall Picture** As might be expected, the overall verdict on EMB in the West Midlands is highly mixed, one of essentially progressive trends towards diversification, penetration of new market sectors and advancement up the value added chain; but one which still has far to go before EMB is established as an unproblematic part of the mainstream local economy. Moreover progress is extremely uneven, with lags evident among groups like Pakistanis and Bangladeshis, far too many of whose entrepreneurs are still stuck in unrewarded traditional sectors. As well as ethnic inequalities, there are also demographic groups who are not fully participating in business ownership of any kind. From this, we infer that the classic barriers of labour market disadvantage and lack of access to vital business resources are still in place and will continue to dominate the policy and business support agendas for a long time to come.

## **IMPLICATIONS**

### ***Acknowledging the Diversity of EMBs in the Region***

At least three forms of diversity are evident from this review: between ethnic groups (particularly in respect of participation in self-employment and small business ownership); between first and second-generation business owners; and between ethnic minority business owners operating in different sectors. The arrival of new migrant communities adds to this complexity. An appreciation of diversity, or 'superdiversity' should be at the heart of any strategy towards EMBs in the West Midlands region. Efforts should be made to ensure that all communities are made aware of the support that is available to them. Critically, **all** agencies involved in the provision of business support should ensure that they have coherent approaches to engaging with EMBs, and that proactive steps at outreach are undertaken. This should be viewed as a matter of good practice<sup>1</sup>; but it is also important in light of recent and forthcoming legislation (notably, the Race Relations Amendment Act and the Equalities Bill).

### ***Improving Data Capture***

The present report has captured key elements of the nature of ethnic minority enterprise in the West Midlands. However, in the light of the widening differences by ethnicity, generation, sector and developmental stage, it is imperative that key agencies, notably Business Link West Midlands and the West Midlands Regional Observatory, develop a coherent, consistent and comprehensive approach to recording data on EMBs in the region.

### ***'Mainstreaming' Ethnic Minority Enterprise***

The analysis of the characteristics and context of ethnic minority enterprise has revealed and highlighted widely varying experiences. A variety of factors shape the fortunes of such business, not just ethnicity. For policy makers and practitioners, this presents the challenge of redefining the mainstream 'market' for business support around this principle of diversity.

### ***'Diversity-proofing' Business Support***

It is clear that EMBs in the West Midlands are: becoming increasingly diverse in relation to a variety of dimensions; operate in a number of sectors, increasingly encompassed knowledge-intensive activities; face a variety of challenges; and require a wide range of business support solutions. In the light of this heterogeneity, it is no longer tenable to deliver support to ethnic minority firms solely through segregated 'community-based' agencies. The entire business support offer of key agencies needs to be 'diversity-proofed' in order to ensure that a full range of interventions is accessible to ethnic minority entrepreneurs.

---

<sup>1</sup> See Ram and Smallbone, 2001, for discussion of good practice in relation to EMB support

### ***Promoting Quality and Developing Resources***

This report has documented a decline in overall rates of ethnic minority entrepreneurship, with a lower proportion in the second generation and lower proportion among graduates within the ethnic minority communities. However there are qualitative shifts towards diversification, towards opportunity entrepreneurship and towards high value added businesses. This means that many ethnic minority entrepreneurs could benefit from 'business solutions' that are designed to support growth businesses, for example access to finance initiatives, training and workforce development, and 'transformational' business support. Business support agencies should ensure that such measures are actively promoted amongst ethnic minority communities; ethnic minority participation in such schemes should also be monitored.

### ***Responding to the Challenge of Supplier Diversity***

Despite the changing nature of ethnic minority entrepreneurship, the profile of the sample suggests that there are major challenges if the widely advocated process of business diversification, or 'break-out', is to be encouraged. The small size of firms, their largely retail orientation, and the apparent neglect of human resource development issues suggests that they may not be well placed to take advantage of potentially more rewarding opportunities in the business to business segment of the market. This is particularly important in light of the current interest in supplier diversity initiatives evident in EMB policy debates. In essence, public and private sector procurement opportunities might not be readily available in the types of sectors and for the types of firms that ethnic minorities tend to run.

A careful assessment should be undertaken on the extent to which supplier diversity initiatives will be of benefit EMBs in the West Midlands region. At the same time, active steps should be taken to engage with EMBs that are potentially 'qualified, willing and able' to take advantage of opportunities that may flow from supplier diversity initiatives.

Regional Development Agencies and other public sector bodies are in a good position to take a lead in encouraging the use of good practice procurement policies in regeneration projects. Such agencies could be in a strong position to encourage their main contractors and suppliers to extend sub-contracting opportunities to EMBs. By sending strong signals down the supply chain, large corporations can influence their suppliers in their choice of 'second-tier' sub-contractors

### ***Acknowledging the Social Contribution of EMBs***

The variety of roles that ethnic minority enterprise plays in local, and indeed international, communities is little understood, particularly in a UK context. In addition to notions of 'economic' contribution, research points to the 'cultural' importance of ethnic minority entrepreneurship, its capacity to serve as a role model for aspiring entrepreneurs, and an informal training system for co-ethnic (and often socially excluded) workers. EMBs (and perhaps small firms *per se*) should be scrutinised, not in terms of their failure to conform to the conventional rules of capitalist success but more positively in terms of their social potential. The move to promote 'Social Return on Investment' (SROI) is potentially important in this process.

## REFERENCES

- Barrett, G. (1999) Overcoming the obstacles: access to bank finance for African-Caribbean enterprise, *Journal of Ethnic and Migration Studies* 25, 2, 303-22.
- Barrett G, T. Jones and D. McEvoy (1996) Ethnic minority business: theoretical discourse in Britain and North America, *Urban Studies* 33, 4-5, 783-809.
- Barrett, G. and D. McEvoy, (2007) Temporal and geographical variations in South Asian business: thirty years of research in the United Kingdom, in L. Dana, (ed) *Handbook of Research on Ethnic Minority Entrepreneurship*, Edward Elgar, 337-359.
- Basu, A. and E. Altinay (2002) The interaction between culture and entrepreneurship in London's immigrant business, *International Small Business Journal* 20, 4, 371-94.
- Deakins, D., M. Majmudar, M. and A. Paddison (1997) Developing success strategies for ethnic minorities in business: evidence from Scotland, *New Community* 23, 3, 325-342.
- Gidoomal, R. (1997) *The UK Maharajahs: Inside the Asian Success Story*, London, Nicholas Brealey.
- Granovetter, M. (1985) Economic action and social structures: the problem of embeddedness, *American Journal of Sociology* 91, 3, 481-510.
- Jones, T. and D. McEvoy (1986) Ethnic business, the popular image, in J. Curran, J. Stanworth and D. Watkins (eds), *The Survival of the Small Firm, Vol. 1*, Aldershot, Gower.
- Jones, T., J. Cater, P. de Silva and D. McEvoy (1989) *Ethnic Minority Business and Community Needs*, Report to the Commission for Racial Equality, Liverpool, Liverpool Polytechnic.
- Jones, T., D. McEvoy and G. Barrett (1992) *Small Business Initiative: Ethnic Minority Component*, report to Economic and Social Research Council, Liverpool, Liverpool John Moores University.
- Jones, T., D. McEvoy and G. Barrett (1994) Labour intensive practices in the ethnic minority firm, in J. Atkinson and D. Storey (eds) *Employment, the Small Firm and the Labour Market*, London, Routledge.
- Jones, T., D. McEvoy and G. Barrett. (1997) Univesalism versus particularism in ethnic minority business studies, Conference on South Asian Entepreship, University of Reading, September.
- Jones, T., M. Ram and P. Edwards (2004) Illegal immigrants and the Asian underground economy in the West Midlands, *International Journal of Economic Development* 6, 2, 92-113.
- Jones, T., M. Ram and P. Edwards (2006) Shades of grey in the informal economy, *International Journal of Sociology and Social Policy* 26, 9-10, 357-73.

Jones, T., M. Ram and P. Edwards P (2007) Ethnic minority business and the employment of illegal immigrants in Birmingham, in L. Dana (ed) *Handbook of Research on Ethnic Minority Entrepreneurship*, Cheltenham, Edward Elgar, 405-424.

Kalra, V. (2000) *From Textile Mills to Taxi Ranks*, Aldershot, Ashgate.

Light, I. (1980) Asian enterprise in America, in S. Cummings (ed) *Self-help in Urban America*, Port Washington, NY, Kennikat Press, 33-57.

Light, I. (2007) Global entrepreneurship and transnationalism, in L. Dana (ed) *Handbook of Research on Ethnic Minority Entrepreneurship*, Cheltenham, Edward Elgar, 3-15.

Mascarenhas-Keyes S (2008), *British Indian and Chinese Student, Graduate and Academic International Entrepreneurship*, London, Department for Innovation, Universities and Skills

McEwan, C., J. Pollard and N. Henry (2005) The “global” in the city economy: multicultural economic development in Birmingham, *International Journal of Urban and Regional Research* 29, 4, 916-33.

Metcalf H, T. Modood and S. Virdee (1996) *Asian Self-Employment: The Interaction of Culture and Economics in England*, London, Policy Studies Institute.

Miles, R. (1982) *Racism and migrant labour*, London, Routledge and Kegan Paul.

Nee, V. and J. Sanders (2001) Understanding the diversity of immigrant incorporation: a forms-of-capital model, *Ethnic and Racial Studies* 24, 3, 386-411.

Peach, C. (1996) A question of collar, *Times Higher Educational Supplement*, 23 August.

Rafiq, M. (1992) Ethnicity and Enterprise: a comparison of Muslim and non-Muslim-owned Asian businesses in Britain, *New Community* 19, 1, 43-60.

Ram, M. (1994) *Managing to Survive: Working Lives in Small Firms*. Oxford: Blackwell.

Ram, M. and G. Hillin (1994) Achieving “breakout”: developing mainstream ethnic minority business, *Small Business Enterprise and Development* 1, 15-21.

Ram, M. and T. Jones (2007) Urban boosterism, tourism and ethnic minority enterprise in Birmingham, in J. Rath (ed), *Tourism, Ethnic Diversity and the City*, New York, Routledge, 50-66

Ram, M. and T. Jones (2008) *Ethnic Minorities in Business*, 2<sup>nd</sup> edition, Milton Keynes, Small Business Research Trust.

Ram M, B. Sanghera, T. Abbas, G. Barlow and T. Jones (2000) Ethnic minority business in comparative perspective: the case of the independent restaurant sector, *Journal of Ethnic and Migration Studies* 26, 3, 495-510.

Ram, M., T. Jones, T. Abbas and B. Sanghera (2002) Ethnic minority business in its urban context: South Asian restaurants in Birmingham, *International Journal of Urban and Regional Research* 26, 24-40.

Ram, M., T. Jones and D. Patton (2006) Ethnic managerialism and its discontents: policy implementation and "ethnic minority businesses", *Policy Studies* 27, 4, 295-309.

Ram, M. and D. Smallbone (2001) *Ethnic minority enterprise: policy in practice, report to the Small Business Service, Research Report RR001/01*, Small Business Service, Sheffield.

Scarman, Lord (1986) *The Brixton Disorders 10-12 April 1981*, Cmnd. 8427, London, HMSO.

Virdee, S. (2006) "Race", Employment and social change: a critique of current orthodoxies, *Ethnic and Racial Studies* 29, 4, 605 -28.

Ward, R. (1987) Ethnic entrepreneurs in Britain and Europe, in R. Goffee R and R. Scase (eds) *Entrepreneurs in Europe*, Beckenham, Croom Helm.

Ward, R and F. Reeves (1980) *West Indians in Business in Britain*, London, HMSO.

Webster, F. (2001) Re-inventing place: Birmingham as an information city? *City* 5, 1, 27-46.

Werbner, P. (1984) Business on trust: Manchester Pakistanis in the garment trade, in R. Ward and R. Jenkins (eds) *Ethnic Communities in Business*, Cambridge, Cambridge University Press.

Werbner, P. (1990) Renewing an industrial past: British Pakistani entrepreneurship in Manchester, *Migration* 8, 7-41.

## About MEECOE...

Funded by Advantage West Midlands, the Minority Ethnic Enterprise Centre of Expertise is an exciting two-year<sup>2</sup> project that will promote a strategic and innovative approach to supporting ethnic minority businesses in the West Midlands. A consortium led by De Montfort University's Centre for Research in Ethnic Minority Entrepreneurship (CREME) will work with public and private sector stakeholders to enhance policy and practice for ethnic minority enterprise in the region. MEECOE will work closely with AWM's other Centres for Expertise<sup>3</sup> to develop an integrated approach to diversity and enterprise activity.

### MEECOE's role

MEECOE will deliver a coherent set of activities that relate to four core areas: market intelligence; stakeholder engagement; policy and scrutiny; and piloting.

*Market intelligence.* MEECOE will develop an authoritative assessment of ethnic minority enterprise in the region, and work with relevant stakeholders to communicate the implications of this analysis for policy and practice. MEECOE will focus upon the **use** of appropriate knowledge rather than just data generation.

*Stakeholder Engagement.* A key objective for MEECOE is to promote change amongst agencies and organisations that interact with ethnic minority businesses. An engagement strategy will be devised to facilitate change, and establish valued added relationships that will have lasting impact beyond the lifetime of the project. In addition to agencies that operate within the public sector business support system, MEECOE will develop links with the corporate sector, private sector intermediaries, HEIs and policy actors operating at a national level.

*Policy and Scrutiny.* MEECOE will act as a *critical friend* to Business Link West Midlands and provide support and input into the development of enterprise policy within Advantage West Midlands and other key stakeholders, working together through an evidence-based approach to continually improve the effectiveness of interventions for ethnic minority businesses.

*Piloting.* MEECOE will be active in developing new approaches to ethnic minority enterprise development. It will respond innovatively to opportunities for experimentation.

### MEECOE's activities

An exciting programme of activities is planned to promote innovation and knowledge transfer in the field of ethnic minority entrepreneurship. This includes:

- Best practice seminars of effective community engagement and enterprise support for ethnic minority businesses

---

<sup>2</sup> The project runs from December 1<sup>st</sup> 2008 to November 30<sup>th</sup> 2010

<sup>3</sup> There are three other Centres of Expertise: Social Enterprise, Women and Young People

- A cross-cutting initiative involving specialist providers working with different strands of diversity
- Information exchange with financial intermediaries, including the Association of Chartered Certified Accountants and Barclays Bank
- An initiative to map and promote new migrant business activity in the region.

### ***MEECOE's partners***

As a matter of strategic intent, MEECOE will collaborate with stakeholders from a wide variety of domains with the aim of ensuring that ethnic minority enterprise becomes ***everyone's business***. Accordingly, MEECOE will work closely with corporations, financial intermediaries and professional bodies; this will add value to existing and new links with regional partnerships, local networks, consortia, voluntary and community groups. The Association of Chartered Certified Accountants, Barclays Bank, the Chartered Institute of Purchasing and Supply (CIPS), the Equality and Human Rights Commission (EHRC), Supplier Diversity Europe (SDE) and the Economic and Social Research Council (ESRC) have agreed to play an active role in the work of MEECOE.

### ***The MEECOE team***

Professor Monder Ram (CREME, De Montfort University) leads a core team comprising Dr. Kiran Trehan (Lancaster University) and Chris Khamis (CSK Strategies Ltd). Liz Frost (CREME) administers the project.

The core team is supported by a highly experienced team of experts: Kiki Maurey (KMC Ltd), Professor Paul Edwards (University of Warwick), Professor Trevor Jones (CREME) and Professor David McEvoy (Bradford University).

### **Contact**

Liz Frost  
 Minority Ethnic Enterprise Centre of Expertise  
 c/o CREME at De Montfort University

**Tel:** 0116 250 6428  
**E-mail:** efrost@dmu.ac.uk