



Hussein Ahmed at his store in Lewiston, Maine

Photo Amber Waterman/Sun Journal

Maine Communities Foster Immigrants' Small Businesses

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“Businesses are vital for this community,” says Hussein Ahmed, the owner of Barwaqo, a convenience store in Lewiston, Maine.¹ A native of Somalia, Ahmed arrived in town in 2003 and set up shop within the year.

Lewiston, a destination for immigrants since French-Canadian millworkers arrived in the 19th century, has in the most recent decade absorbed 8,000 Somali refugees.² Ahmed was one who quickly became active in the Lewiston community and encouraged other Somalis to do the same. Today the head of the county’s Chamber of Commerce praises Ahmed as a “leader in the community.”³

Maine is the whitest state in the country (95.4 percent, according to 2010 census data), but its minority population is growing. A combination of migrant workers and refugee settlers, who began to arrive in the 1990s, nearly doubled Maine’s black population between 2000 and 2010. Over the same period, Maine’s Latino population, largely of Mexican and Puerto Rican heritage, grew by more than 80 percent.⁴

Contributions

According to the Fiscal Policy Institute, immigrants are investing in Maine’s economy through entrepreneurship, small business ownership, and employment of other Mainers.⁵ Research by the Maine Center for Economic Policy also demonstrates that immi-

grants are making contributions.

Hispanics are Maine's largest minority group and account for a small, albeit significant, portion of entrepreneurs. In 2002, Maine's 731 Hispanic-owned businesses generated \$113 million in revenue.⁶ The number of Hispanic businesses grew to 979 in 2010. The award-winning Thistles is one, a Bangor restaurant owned by Maria and Alejandro Rave and their son. The Raves emigrated from Colombia in 1985 when Santiago was entering first grade. Like most new immigrants, they spoke little English, so they took jobs bagging groceries and making donuts.

Today, Maria is a professor of Spanish at the University of Maine at Orono and at Husson College. Alejandro is the chef at Thistles. They volunteer in the community, contribute to charities, and provide needed jobs to university students. They have contributed to Bangor's downtown renaissance, one of dozens of new restaurants bringing the city back from economic stagnation.⁷

Asian entrepreneurs have also been important. In 2007 alone, the state's 1,043 Asian-owned businesses generated receipts of \$284 million and employed 2,543 people.⁸ Moreover, because schools in Asia often emphasize math and science, many Asian immigrants offer local employers highly sought-after skills. Today Asian immigrants are valued employees in high-tech industries, government, health care, and biomedical research, among other sectors.

The education and skill of immigrants is especially crucial now that Maine has tens of thousands of residents aging out of the workforce and not enough young, trained workers coming along. Sixteen percent of Maine's population is 65 and older, compared with the national average of 13.3 percent. At the same time, the percentage of Mainers under 18 (20.3 percent) is below the national average (23.7 percent).⁹ Recent immigrants, however, are mostly working age.¹⁰ Encouraging immigration through economic development strategies can bring urgently needed skills to jobs left vacant by retiring baby boomers.

For Economic Development

Local governments and organizations are beginning to see the potential of immigrant-owned businesses.

Coastal Enterprises Inc. definitely does. CEI, a private, non-profit community development corporation and community development financial institution based in Wiscasset, specializes in rural business financing. A key tenet of its triple-bottom-line mission (economy, equity, and environment) is serving disadvantaged populations, including developing immigrant entrepreneurs. Every year, CEI works with about 150 immigrants and refugees who want to finance or develop businesses. Its StartSmart program, founded in 1997, provides free business counseling. So far it has worked with 1,000 immigrants and refugees starting 301 businesses in southern Maine.¹¹

John Scribner, StartSmart's director, says, "StartSmart empowers immigrants who want to achieve success in small business. It's like that saying: 'you can give a man a fish or you can teach him how to fish.'"

Ahmed was one of the people that StartSmart helped. It enabled him to acquire building space in Lewiston and offered him start-up advice. StartSmart also has a fee-for-service loan program for Muslim business owners whose religious beliefs preclude paying interest on loans.¹²

Maine's largest city, Portland, sees immigrants as a boon. Gregory Mitchell, the city's economic development director, says, "Our economic development plan recognizes the value of the immigrant community and fosters immigrant entrepreneurship to grow Portland's economy."¹³ The city works with CEI to foster immigrant business start-ups like Tandoor Bread, a Middle Eastern bakery, and Boda, a Thai restaurant, whose chefs were both nominated for a 2012 James Beard award.

Like CEI, Portland offers immigrant businesses commercial lending and technical assistance. It also helps them navigate permitting and licensing and hosts networking events to help local businesses tap immigrant talent and to encourage immigrants to establish business roots Maine's port city.

But although there is broadening support for immigrant entrepreneurship, challenges remain. Among them: gaining the trust of lenders, understanding licensing and permitting requirements, and for professionals like doctors and teachers, getting their credentials transferred. Immigrant businesses must also learn to appeal to a broad market since a small ethnic population alone usually cannot sustain a business.¹⁴

Investing in People and Communities

In a state known for its potatoes and blueberries, fresh food appears to be a good niche for immigrant business growth.

One group of Lewiston's Somali residents, the Bantu, comes from southern Somalia, where most were subsistence farmers. The New American Sustainable Agriculture Project (NASAP), run by Portland nonprofit Cultivating Community, helps Somali Bantu, especially women, to start small vegetable gardens, drawing on skills they already possess. NASAP trains the farmers and helps to market their products to local restaurants, farmers' markets—even Bates College.¹⁵

Hoping to exploit this niche, the Western Mountains Alliance (WMA) in Farmington has received grant money to pilot a local food-buying club in Lewiston. Tanya Swain, executive director of the WMA, says, "The easiest, most cost-effective way to support the economics of local farming is direct selling to the consumer." She sees great potential for the pilot project to expand Somali-owned farms that contribute to the region's economy and improve access to fresh food, especially for immigrants and seniors.

Immigrants also actively participate in the broader community. Ahmed is a success not only because of his business achievements, but also because of his deep involvement in Lewiston. In addition to offering Halal foods, Ahmed hires translators to work with businesses and social service agencies, provides tax services, and operates a kind of wire-transfer service. Always eager to learn, he is currently a master's degree candidate.¹⁶

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Monire Child (owner of Uno, Dos y Tres Daycare Center in Portland, Maine) with her son



Organic farmer Poonsri Sawangjaeng and family

Photos Victor Damian

Of his role reaching out to other immigrants, Ahmed says, “I encourage people to start their own businesses because it keeps the community growing, and there are single mothers and elders who are able to provide for their families.”

With immigrants bringing new ideas and new business to Maine, local leaders are beginning to take notice and to explore new ways to work with recent arrivals to take advantage of the economic opportunities.

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Endnotes

- ¹ Hussein Ahmed, interview by authors, July 6, 2012.
- ² Phillip Nadeau (panel discussion on immigration in Lewiston held by Androscoggin Chamber of Commerce at University of Southern Maine Lewiston-Auburn College, October 20, 2010).
- ³ Charles Morrison, interview by authors, July 9, 2012.
- ⁴ “2010 Census Demographic Profile for Maine,” <http://www.state.me.us/spo/economics/release.php?id=242233>, May 5, 2011; and “The Growing Latin-American Influence: Opportunities for Maine’s Economy” (report, Maine Center for Economic Policy, Augusta, 2009), <http://www.mecep.org/view.asp?news=479>.
- ⁵ “Immigrant Small Businesses: A Significant and Growing Part of the Economy” (white paper, Fiscal Policy Institute, Latham, New York, June 2012).
- ⁶ “The Growing Latin-American Influence: Opportunities for Maine’s Economy.” For comparison, see Ana Patricia Muñoz, “Small Businesses in Springfield, Massachusetts: A Look at Latino Entrepreneurship” (discussion paper, Federal

Reserve Bank of Boston, March 2011), <http://www.bostonfed.org/commdev/pcadp/2011/pcadp1102.pdf>.

- ⁷ Steve Bolduc, interview by authors, July 30, 2012.
- ⁸ “Asians in the Maine Economy: Opportunities for Growth” (report, Maine Center for Economic Policy, Augusta, 2011), <http://www.mecep.org/view.asp?news=1669>.
- ⁹ See <http://quickfacts.census.gov/qfd/states/23000.html>.
- ¹⁰ “Immigrant Small Businesses: A Significant and Growing Part of the Economy.”
- ¹¹ John Scribner, interview by authors, July 2, 2012, and August 1, 2012.
- ¹² John Scribner, interview by authors, July 24, 2012.
- ¹³ Gregory Mitchell, interview by authors, July 13, 2012. See also “Economic Development Vision and Plan” (City of Portland, August 2011), <http://www.portlandmaine.gov/citymanagers/portlandeconomicdevelopmentplan.pdf>.
- ¹⁴ John Scribner, interview by authors, July 24, 2012; Seth Koenig, “Portland to Hold Networking Event for Immigrant Professionals,” *Bangor Daily News* blog, April 11, 2012; David J. Dent, “Coming to America,” *Inc.*, November 1, 2004; and Tanya Swain, interview by authors, July 23, 2012.
- ¹⁵ See also Kirsten Walter, “Somalis in Maine: Collaborating on Gardens and Nutrition,” *Communities & Banking* (winter 2011), http://www.bostonfed.org/commdev/c&b/2011/winter/Walter_Somali_garden_Lewiston.pdf.
- ¹⁶ Andrew Cullen, “Struggle and Progress: 10 Years of Somalis in Lewiston,” *Lewiston Sun Journal*, December 18, 2011.