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## Places

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# Places of Ethnic Commerce across the Transect

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Within the range of human ecologies encompassed by the rural-urban transect there have always been places where immigrant cultures could concentrate and create centers of ethnic commerce. In the United States these have ranged from dense urban neighborhoods such as New York's Little Italy to the more rural Vietnamese fishing "villages" that sprang up along the Gulf Coast in the 1970s.

Traditionally, within such communities, the home has served a variety of income-producing roles. It provided rental income from extra rooms and accessory spaces, and it offered a setting for small businesses, particularly craft and service enterprises, to supplement the pay of low-wage workers.<sup>1</sup> The failure of suburban and modernist planning

to support such places of ethnic commerce today is another argument for the development of alternative models of community design.

In Europe, this failure became particularly apparent during last year's Paris riots. Commentary on the riots focused correctly on the need to provide economic opportunity for alienated immigrant youth. However, it missed the critical role that town planning and place making play in creating or constraining all-important opportunities among immigrants for self-employment, home ownership, and social integration.

One of Europe's greatest problems today is that we lack the type of urban environment that can promote these opportunities. Immigrants are stuck in large-scale, isolated suburbs that frustrate small-scale commerce. And in Sweden the problem is made worse by the fact that many

Above: Stockholm produce market. Photo by Charles C. Bohl.

such areas are owned by public agencies—large organizations of bureaucrats who do not wish to relinquish ownership to residents or allow changes to settlement patterns.

### Cities: Cradles of Opportunity

More than four decades ago, Jane Jacobs observed in *The Death and Life of Great American Cities* that there was a connection between entrepreneurship, healthy communities, and urban form.<sup>2</sup> Among other things, she distinguished between the primary and secondary functions of a city. Primary functions are things that have to be in a city such as large residential buildings, offices for private and public use, cultural institutions, and hospitals. Secondary functions exist as a result of the street life generated by the primary functions: a complex web of markets, shops, cafés, restaurants, services and other activities sustained by the flow of pedestrians. As Jacobs pointed out, a prerequisite for this secondary market is that people associated with the primary functions move along the same streets where it is located.

When Jacobs' book appeared, it wasn't criticized for its analysis, per se; rather, its ideas were seen as anachronistic. In the 1960s the industrial logic was that small, individually owned and operated businesses would eventually be replaced by larger businesses or chains of small and moderate-sized businesses that were part of a larger, more economically efficient corporate operation.

To reinforce such notions of “progress,” modernist town planning since World War II has separated formerly integrated activities and connected them by specialized routes. As a result, in Europe for the last half century we have neglected the old knowledge that the shape of the city itself influences economic life. We have stopped building on historical webs of streets and squares. Instead, we have laid out new residential neighborhoods, shopping centers, and industrial areas as isolated enclaves around historic cities.

The historical move to such planned “new towns” has been elegantly criticized by Henri LeFebvre.

*The city was a prerequisite for industry. Without the density with its various opportunities, the first capitalists would never have been able to carry out their grandiose schemes. But now, when the whole of society has been industrialized and urbanized, the real city has been annihilated. Segregation, separation and simplification of functions have impoverished the urban life that was once characterized by variety, mobility, encounters, festivals and play. Meeting places become parking lots. Now the struggle is about the right to the city.*<sup>3</sup>

As the Paris riots indicated, the injustice of such planning may be nowhere more apparent than in our immigrant communities. What more essential right is there in a city than to start a small business? And without such a right, what grounds exist for social integration?

### The Swedish Example

Among European countries, Sweden was one of the most radical in carrying out modernist town planning. Since the 1950s most small Swedish towns have seen their historic centers demolished to make way for large department stores and big car parks. Bypasses have allowed new business development at the edges of cities. And as commerce has become increasingly car dependent and large scale, it has become increasingly difficult to sustain small business enterprise.

The problem is compounded for immigrants, who mostly live in our “million program areas” (areas built as a result of a policy to build a million dwellings between 1965 and 1974), where commercial space and urban streets are few. Is it any wonder, then, that unemployment is high among immigrants in Sweden? One only has to compare our situation to that of Britain, where most immigrants live in historic areas of major cities and where a strong ethnic economy has developed.

Emerging research is revealing the importance of the relationship between urban structure and immigrant enterprise. For example, Pyong Gap Min and Mehdi Bozorgmehr have found “significant differences between different cities as regards immigrant business activity, partly caused by differences in the industrial and urban structure.”<sup>4</sup> Ans Rekers and Ronald van Kempen have also been explicit about the connection:

*The spatial structure of a city is important with respect to business premises. In many Western European countries an enormous difference exists between pre-war and post-war neighbourhoods. In older neighbourhoods, shops and other enterprises grew up more or less spontaneously around daily markets and in several streets through out the area. These premises are now being occupied by new users, including ethnic entrepreneurs. Newer neighbourhoods, however, are often more deliberately planned, in many cases very strictly. Sometimes rules exist about who is and who is not allowed to establish an enterprise.... At least formally it is much more difficult to set up a business in these areas.*<sup>5</sup>



Such a situation is clear in Stockholm. Inside the old city gates there is a small historic core with a grid street pattern and buildings that have a relationship to the street. Outside the gates is the modernist, dispersed city, composed of enclaves largely lacking a traditional fabric of blocks and streets. In this environment of shop-less pedestrian paths, cycle tracks, roads, car parks, and local shopping centers, a pedestrian-oriented economy is simply not supported.

As one might expect, there are *four times* as many small businesses in the inner city relative to population than in the outlying areas. There are also clear cluster formations along important shopping streets and around

squares. For immigrants, however, the inner city is increasingly gentrified and expensive. Meanwhile, the satellite suburbs where they live and work not only lack a concentration of commercial space along pedestrian streets and squares, but also access to a diverse population with potentially higher incomes.

Such a problem of access carries over to suburban districts that attempt to create city-like densities. Rinkeby, with its high proportion of immigrants, has a rudimentary street grid and shops both on a square and along its streets. But connections between Rinkeby and its immediate surroundings are poor, and it is remote from the city center. If Rinkeby's immigrant residents instead occupied a few districts in a city with a continuous street network, they might coalesce into an ethnic neighborhood with culturally unique shops, services, and dining and drinking establishments.

**Above:** The disconnect between Rinkeby and its surroundings is clear in aerial photos. Photo courtesy of Peter Elmund.

The beginnings of such a neighborhood may be seen in Möllevången, in central Malmö, where immigrant businesses are thriving and immigrants interact with the majority (Swedish) population. Such neighborhoods indicate that immigrant segregation is not in itself a problem; indeed, it can foster group solidarity. What is devastating is the combination of segregation and spatial isolation.

The role of planning in creating the necessary conditions for small business development may also be seen in the example of Rosengård, another immigrant neighborhood in Malmö. Rosengård's commercial area is located along one of Malmö's central thoroughfares. But one of Sweden's largest food supermarkets has also been established there, and the 25 low-paid checkout jobs it offers hardly compensate for the functional shadow it casts over the area. Even if there were a nearby retail district for small businesses—which there is not—the location of the market severely limits the possibility of local entrepreneurial activity.

Rosengård illustrates the effects of modernist town planning: an all-embracing dreariness, broken here and there by great concentration. It is exactly this type of spatial structure a supportive planning program based on the rural-urban transect would seek to deter.

### A New Ecology of Small Business

Perhaps the most interesting aspect of small businesses, including immigrant enterprises, is their rapid renewal. Ideas are tested, refined, and either succeed or are rejected. Considerable research has shown that small businesses foster radical innovations.<sup>6</sup> However, in Sweden commentators are more likely to point derogatorily to the great number of small businesses that fail. Peter Drucker has warned about this perspective: “Only having hi-tech businesses, which are not integrated into a broad enterprise economy of no-tech, low-tech and middle-tech is like having a mountain top without a mountain.”<sup>7</sup>

Above all, small businesses, which form the soil in which economic development thrives, are dependent on access to an urban environment. In return, entrepreneurship, especially among immigrants, often contributes to the improvement of once run-down areas. Today, however, economists and sociologists tend to see the city as a result of macroeconomic forces, globalization, and technological development.<sup>8</sup> As a result, where the vitality of immigrant businesses once attracted people from other parts of the city, promoting social and cultural interaction, today's renaissance in urban life has led only to increased homogeneity and gentrification.

Policies aimed at addressing the economic struggles and

social isolation of immigrant groups must come to terms with the location and physical character of the places where they live and (attempt to) work and start small businesses. The problems are complex: part social and economic isolation; part dysfunctional planning and design at the local level; part restrictions on the type of messy, mixed-use urban neighborhoods and streetlife that have long been the bedrock of immigrant commerce.

The creation of new walkable, mixed-use neighborhoods integrated within a larger urban community must be part of the solution. But this will require a better understanding of the ecology of pedestrian-oriented economies and streetlife, and the way the network of streets, squares, and buildings in the traditional city once provided opportunities for ethnic enterprise.

### Notes

1. C.C. Bohl, “Affordable Housing Design for Place Making and Community Building,” in W. Rohe and H. Watson, eds., “This House is Home: Interdisciplinary Perspectives on Affordable Homeownership” (Philadelphia: Temple University Press, 2006).
2. J. Jacobs, *The Death and Life of Great American Cities* (New York: Random House, 1961).
3. H. Lefebvre, *Staden som rättighet* (Häftad: Bokomotiv, 1983), p. 37.
4. P.G. Min and M. Bozorgmehr, “USA: The Entrepreneurial Cutting Edge,” in Robert Kloosterman and Jan Rath, eds., *Immigrant Entrepreneurs: Venturing Abroad in the Age of Globalization* (Oxford: Berg, 2003).
5. A. Rekers and R.V. Kempen, “Location Matters: Ethnic Entrepreneurs and the Spatial Context,” in Jan Rath, ed., *Immigrant Business* (London: MacMillan Press Ltd., 2000), p. 137.
6. See, for example, Rath, ed., *Immigrant Business*; and Kloosterman and Rath, eds., *Immigrant Entrepreneurs*.
7. P.F. Drucker, *Innovation and Entrepreneurship: Practice and Principles* (New York: Harper & Row, 1985), p. 256.
8. Among those who have described the city in these terms, however, Saskia Sassen has written persuasively about how immigrant entrepreneurs establish themselves in the metropolises of the world and contribute to the growth of the service economy. Indeed, she has argued it is not just important for existing immigrants to start businesses, but for cities to serve as poles of opportunity for new immigrants. S. Sassen, “Immigration in a Global Era,” *New Politics*, Vol. 9, No. 4 (2004), pp. 35-42.