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Date 25 September 1986
ABSTRACT

The prevalence of ethnically bounded economic enterprises and economies in western industrial nations has encouraged scholars and planners alike to examine the particular factors that encourage minorities and immigrants to enter self-employment. Typically the resulting claims fall into two camps: the first stresses the positive attributes, both economic and socio-cultural, that immigrants bring with them that facilitate and encourage self reliant forms of economic organization, while the second emphasizes negative structural influences that coerce immigrants and minorities into engaging with exploitative capitalist methods of organization. The debate becomes highly polarized due to these opposing interpretations, and other methods and levels of analysis, such as social construction theory and issues of racialization and discrimination, are neglected.

In the case of Indo-Canadian construction related entrepreneurs, I attempt to overcome the dualistic tendencies of this debate by investigating the often subtle intersection of cultural and economic factors involved in minority enterprise through an ethnographic inquiry. This approach reveals how seemingly economic mechanisms such as; labour relations, client contact and contracting processes, are in fact culturally informed. My results suggest that co-ethnic labour, more so than co-ethnic clients, play an essential role in the operation of these enterprises, whether entrepreneurs are immigrants or native born. These connections are imbued with cultural as well as economic significance and exhibit the importance, and potential problems, of kin and co-ethnic support in economic organization. Whilst my results indicate processes of change are ongoing within immigrant/ethnic economic groupings, they also point to the resilience of ethnic connection through enterprise.
# TABLE OF CONTENTS

| Abstract | ii |
| Table of contents | iii |
| List of tables | vi |
| List of figures | vii |
| Acknowledgment | viii |

**CHAPTER ONE  ETHNICITY, ENTERPRISE, ECONOMY AND CULTURE 1**

1. Introduction 1
2. Ethnic enterprise 1
3. Two "sides" of ethnic enterprise 2
4. Factors contributing to ethnic enterprise 6
  4.1. Disadvantages in non-self-employed occupations 6
  4.2. Advantages in small business 9
  4.2.1. Class and value resources 9
  4.2.2. Ethnic resources: networks, kinship and solidarity 11
  4.3. Structure of the host society 15
  5. The other "side" of ethnic resources 17
  5.1. Network boundaries- inclusion and exclusion 18
5. Ethnicity and racialization 20
6. Culture and economy 28
7. Overview and conclusion 31


1. Introduction 33
2. The construction industry and its economic importance 33
3. Flexibility and flexible production in the residential construction industry 34
  4.1. The building site 36
  4.2. The size of firms 36
  4.2.1. Small beginnings 37
  4.2.2. The state and mass production in housing 37
  4.2.3. Contemporary organization of the construction industry 39
4. The nature of the residential construction industry 35
  4.1. The building site 36
  4.2. The size of firms 36
  4.2.1. Small beginnings 37
  4.2.2. The state and mass production in housing 37
  4.2.3. Contemporary organization of the construction industry 39
5. Labour and social relations within the residential construction industry 42
  5.1. The role of social relations in the quality of the built environment: Vancouver's leaking condominiums 43
  5.2. Subcontracting and relations between firms. Maximizing on trust, personal contact and flexibility 45
  5.3. Subcontracting relations: potential for inclusive and exclusive networks 48
  5.4. The gendered workforce 49
6. The flexibility thesis: working with it and against it 54
7. Conclusion 59

**CHAPTER THREE  THE VANCOUVER CONTEXT 61**

1. Introduction 61
<table>
<thead>
<tr>
<th>CHAPTER SIX</th>
<th>LABOUR RELATIONS AND ETHNIC COHESIVENESS IN THE ETHNIC ENTERPRISE</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Introduction</td>
<td>135</td>
</tr>
<tr>
<td>2. Explaining ethnic cohesiveness: Ethnic networks and their role in the provision of labour</td>
<td>136</td>
</tr>
<tr>
<td>2.1. Chain migration</td>
<td>138</td>
</tr>
<tr>
<td>2.2. Ethnic networks and chain migration</td>
<td>139</td>
</tr>
<tr>
<td>2.3. Methods of recruitment in Indo-Canadian owned firms</td>
<td>141</td>
</tr>
<tr>
<td>3. The benefits of continued ethnic connection</td>
<td>144</td>
</tr>
<tr>
<td>3.1. Remaining within the ethnic enterprise: Labour flexibility and advantages for employers</td>
<td>144</td>
</tr>
<tr>
<td>3.2. Advantages for employees: Expectations and entrepreneurial incubation, the recirculation of entrepreneurialism</td>
<td>147</td>
</tr>
<tr>
<td>4. Problems of limitations of the ethnic enterprise</td>
<td>148</td>
</tr>
<tr>
<td>4.1. Problems of incubating entrepreneurs</td>
<td>149</td>
</tr>
<tr>
<td>4.2. Problems of negotiating family/business relations</td>
<td>150</td>
</tr>
<tr>
<td>4.3. Disadvantages to the employee in unionized ethnic enterprises</td>
<td>154</td>
</tr>
<tr>
<td>4.4. Reverse Discrimination: stereotyping &quot;white&quot; workers</td>
<td>155</td>
</tr>
<tr>
<td>5. Overview and conclusion</td>
<td>157</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>CHAPTER SEVEN</th>
<th>CULTURE AND ECONOMY IN THE MARKET PLACE: CLIENT NETWORKS, DISCRIMINATION AND COMPETITION.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Introduction</td>
<td>158</td>
</tr>
<tr>
<td>2. Mechanisms of client contact and positive support</td>
<td>161</td>
</tr>
<tr>
<td>2.1. The &quot;other side&quot; of co-ethnic client contact</td>
<td>164</td>
</tr>
<tr>
<td>3. Cultural and social client contact</td>
<td>164</td>
</tr>
<tr>
<td>3.1. Family networks and enterprise</td>
<td>168</td>
</tr>
<tr>
<td>3.2 Religion</td>
<td>169</td>
</tr>
<tr>
<td>4. Discounts and discrimination</td>
<td>172</td>
</tr>
<tr>
<td>4.1. Competition and stereotyping within the Indo-Canadian community</td>
<td>174</td>
</tr>
<tr>
<td>5. Other ethnic connections: bypassing the mainstream</td>
<td>176</td>
</tr>
<tr>
<td>6. Conclusion</td>
<td>177</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>CHAPTER EIGHT</th>
<th>BEYOND ETHNIC ENTERPRISE: DISCUSSION AND CONCLUSION</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Poles apart</td>
<td>178</td>
</tr>
<tr>
<td>2. Categorizations</td>
<td>181</td>
</tr>
<tr>
<td>3. Multicultural capitalism</td>
<td>182</td>
</tr>
<tr>
<td>4. Conclusion</td>
<td>186</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>REFERENCES</th>
<th>APPENDIX 1</th>
<th>APPENDIX 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Initial letter of contact</td>
<td>Interview schedule</td>
<td>188</td>
</tr>
<tr>
<td>199</td>
<td>200</td>
<td></td>
</tr>
</tbody>
</table>
LIST OF TABLES

Table 1   Distribution of Punjabi mother tongue speakers, (based on 1991 census data).

Table 2   Interview sample by trade
<table>
<thead>
<tr>
<th>Figure</th>
<th>Description</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Figure 1</td>
<td>Size of single family house construction companies in B.C. by employee numbers.</td>
<td>41</td>
</tr>
<tr>
<td>Figure 2</td>
<td>Gender ratio of construction workforce in B.C., 1986 and 1991.</td>
<td>50</td>
</tr>
<tr>
<td>Figure 3</td>
<td>Map of the Greater Vancouver Regional District.</td>
<td>72</td>
</tr>
<tr>
<td>Figure 4</td>
<td>Map showing the percent of population of South Asian ethnic origin in metropolitan Vancouver. (Based on 1986 census data).</td>
<td>74</td>
</tr>
<tr>
<td>Figure 5</td>
<td>Cumulative single family housing starts; top four municipalities, Jan-Nov 1995.</td>
<td>75</td>
</tr>
<tr>
<td>Figure 6</td>
<td>Distribution of Sikhs and Hindus in Canada and B.C. as reported in the 1991 census</td>
<td>83</td>
</tr>
<tr>
<td>Figure 7</td>
<td>The location of construction related companies listed in the Indo-Canadian Business Pages.</td>
<td>94</td>
</tr>
<tr>
<td>Figure 8</td>
<td>Map showing the location of businesses interviewed.</td>
<td>96</td>
</tr>
<tr>
<td>Figure 9</td>
<td>Research sample by immigration status.</td>
<td>97</td>
</tr>
<tr>
<td>Figure 10</td>
<td>Electrician connecting an external electricity meter box to the exterior of a new single family house, (photo courtesy of Ben Roberts).</td>
<td>123</td>
</tr>
<tr>
<td>Figure 11</td>
<td>Electrician fitting an electrical grounding plate to the exterior footings of a new single family house, (photo courtesy of Ben Roberts).</td>
<td>124</td>
</tr>
<tr>
<td>Figure 12</td>
<td>Scattergram showing size of workforce in relation to percent of co-ethnic employees.</td>
<td>137</td>
</tr>
<tr>
<td>Figure 13</td>
<td>Scattergram showing percent co-ethnic clients in relation to gross revenue p.a.</td>
<td>159</td>
</tr>
<tr>
<td>Figure 14</td>
<td>Scattergram showing the relationship between co-ethnic client and employee numbers.</td>
<td>160</td>
</tr>
<tr>
<td>Figure 15</td>
<td>Methods of client contact indicated by respondents</td>
<td>163</td>
</tr>
</tbody>
</table>
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CHAPTER ONE
ETHNICITY, ENTERPRISE, ECONOMY AND CULTURE

1. Introduction

Whilst many forms of economic organization exist within urban economies, formulations along the lines of ethnicity are evident. How can these groupings be explained, and what factors affect their establishment, maintenance and survival? In this thesis I intend to consider these questions through a study of Indo-Canadian construction related companies in Vancouver. This investigation is situated within a growing base of literature on immigrant/ethnic enterprise. It is the aim of this thesis to contribute to such literature by examining the interface between culture and economy in Indo-Canadian owned and operated construction firms. In so doing I aim to highlight how cultural assumptions, demands and expectations frame business operations, and how an understanding of this and the economic demands placed on such businesses, contribute to a more comprehensive and revealing exploration of ethnic enterprise.

2. Ethnic enterprise

Ethnic enterprise, the existence of businesses operated and maintained in various ways by particular visible minority groups, has become a significant area of research since the 1960s, when it became apparent to researchers and policy makers in the United States that the level of self-employment among ethnic minorities was higher than average. Such research focuses on both ethnic enterprise and new immigrant enterprise. Ethnic entrepreneurs may be second or subsequent generation immigrants, but the ethnic networks that contribute to their business success are partly supported, recirculated and developed
through new immigrants. In several ways the categories ethnic, and immigrant entrepreneur should be seen as separate, but interlinked. Throughout this thesis, although I employ the terms ethnic and immigrant interchangeably, I am conscious of the potential for homogenization and the erasure of alternative identities and experiences that new immigrants possess. Additionally the basic concepts of visible minority and ethnic group overlook the problematic of identity ascription. What about the invisible majority and its ethnicity? Such considerations inform my thesis, as will become apparent in this and following chapters.

The increase in small businesses generally (whether perceived as "ethnic" or "non-ethnic") in industrially advanced economies has led to intense interest in the organizational elements of this sector, and "writing about small business is now very big business indeed" (Goss 1991). This interest in small business is reflected in the growth of literature on the small business sector, some of which focuses specifically on the role of the ethnic entrepreneur in industrially advanced economies. Such interest reflects the significance of the intersection of growing population diversity in western industrial countries, industrial restructuring and the resurgence of the small business sector in response to this restructuring, (see for example Ward 1991 and Waldinger et al 1990).

3. Two "sides" of ethnic enterprise

The literature on ethnic business organization is structured around two competing interpretations; while one "side" highlights the benefits of ethnic enterprise to group

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1 The problems of using ethnicity as a marker of differentiation demands some consideration of the basic issue: who has an ethnicity? Everyone belongs to an ethnic group, so to take the term to its fullest extent, all corporations could be deemed "ethnic" or indeed "multi-ethnic enterprises". Whilst I acknowledge this issue, for the purposes of my work the description outlined in the previous paragraph acts as my working definition.
members, the other focuses on the potential "traps", or limitations such ethnically organized businesses can place on their owners and co-ethnic employees. This debate can be summarized succinctly by outlining a discussion between Bonacich and Waldinger, two prominent researchers in the field of ethnic enterprise.

Bonacich (1993), invited to review a book by Waldinger and associates (1990) on ethnic enterprise, took the opportunity to identify what she felt to be a general lack in much of this type of work. Bonacich's argument is that ethnic enterprise is generally portrayed in singularly positive terms as a process allowing immigrants and minorities to become socially mobile through self reliance. She argues that this interpretation ignores major negative aspects of ethnic enterprise, and uses her field research experience to illustrate this point.

Working with the California Department of Labor, Bonacich accompanied officials to a Thai immigrant-owned garment shop where reports had been made of the owners confiscating passports of illegal Thai workers and deducting rent from their wages, encouraging them to sleep on the premises. The raid turned up evidence supporting these allegations, but the owner could not be found and the workers, wary of the officials despite the fact that they were Labor Department and not Immigration representatives, would not co-operate. For Bonacich, this highlights the immensely exploitative potential of ethnic enterprise. She argues that this type of business organization is supported by the state and large corporations because it facilitates more efficient exploitation of labour. By contracting

2 Recent reports indicate that a Thai owned garment factory in a Los Angeles suburb has been closed due to working practices similar to the ones Bonacich discusses. In this factory 72 immigrant Thai women were employed and reports suggest they were imprisoned in the factory and made to work from 7 am till 2 am for $1 an hour. The owner and her sons are facing prosecution together with the sports clothes retailers who subcontracted to the factory, although they claim it was impossible to keep track of the working conditions of the many factories they use. Julian Beltrame, "Immigrant Thai workers thrive after sweatshop lanced." Vancouver Sun June 13 1996, p D16.
work out to smaller enterprises, larger corporations (in this case the final buyer was J.C. Penny), can bypass labour regulations and union demands. Bonacich sees the ethnic entrepreneur playing the role of the "middleman" (Bonacich 1980). Bonacich identifies two types of "middleman". The first are those minorities who are employed by the dominant business class to fill a particular class position, acting as "buffers" between the dominant and subordinate classes. Effectively, the ethnic entrepreneur becomes a scapegoat, thereby protecting the dominant class from lower class militancy. Such a view can be related to contemporary Los Angeles and the tension between Korean shopkeepers and residents in black neighbourhoods, or colonial administration in Africa that encouraged the prosperity of Asian and South-Asian merchants. The second interpretation of this type of "trader minority" is to see such positions internally generated by the minorities themselves. Bonds of ethnic loyalty are used by the dominant class within an ethnic group, to mobilize the group economically:

By emphasizing ethnic bonds, the ethnic elite is able to minimize class division within the ethnic group, thereby keeping labor effectively controlled. (Bonacich 1980, 15)

For Bonacich class is a more salient category than ethnicity in understanding these relationships, and her analysis is informed by a Marxist structural-functionalist approach, giving significant weight to the overriding power of the capitalist system in the formulation of modes of production and labour relations. Bonacich argues that Waldinger etal, by presenting ethnic enterprise uncritically and not addressing these class issues, overlook the wider systematic role of ethnic enterprise within capitalism, one which encourages immigrants and minorities to "foster loyalty to capitalism as opposed to other forms of self-determination" (1994, 688). Bonacich's example of the Thai owned garment factory is used to counter the positive endorsement Waldinger etal give to ethnic enterprise and the capitalist system in general.

Waldinger is given the chance to respond to Bonacich in the same volume, and does so,
careful to recognize Bonacich's prominent position in this field. He argues that Bonacich's version of; "Marxist functionalism runs up against the nasty problem of demonstrating functional necessity" (1993, 695). He argues that ethnic enterprise does not necessarily benefit capitalism, and in some cases works against larger businesses. Waldinger argues that conflict between groups, as Bonacich theorizes in her "trader minority" argument, has the overall effect of depressing the business environment, not protecting the dominant class as she argues. Additionally, he points out that in some cases industrially advanced states, rather than promote the adoption of capitalist modes of production and organization, actually inhibit it by erecting barriers against ethnic enterprise. For Waldinger the locus of ethnic enterprise lies not with the capitalist state, but is a natural outcome of the migration process itself:

ethnic businesses emerge as a consequence of the formation of ethnic communities, with their sheltered markets and networks of mutual support. These conditions not only allow business owners to start out small - sometimes very small - they also foster informal arrangements of raising capital and business organization. Furthermore, the skills-acquisition process is so deeply embedded in networks that it does not correspond to the conventional human capital or occupational choice model. Employment in a co-ethnic's firm provides opportunities for costless and almost incidentally acquired business skills and information, the value of which the potential entrepreneur may not recognize until years later. (Waldinger et al 1990, 194)

Waldinger further argues that the state, rather than promoting the exploitation of minorities and immigrants in ethnic enterprises, may be in a position to limit negative effects through general business and employment policies.

This dispute between Waldinger and Bonacich serves to highlight some of the themes that consistently emerge throughout the debate on ethnic enterprise. Bonacich's strong structural-functionalist interpretation is placed in opposition to Waldinger's more agency-focused argument which places the locus of motivation within the individuals and communities themselves. Both exhibit weaknesses when considered in light of more recent theoretical discussions on the contextual/constructivist approach to issues of ethnicity and
identity. In the next section, I take a closer look at this debate through a consideration of the factors researchers identify as contributing to the formation of ethnic enterprise, and then offer a review of the literature in relation to more recent theoretical considerations of the "social construction" of ethnicity and identity.

4. **Factors contributing to ethnic enterprise**

Min (1987) identifies three areas of consideration when trying to understand why some ethnic groups are over-represented in small business/self-employed categories while others are not. First, some groups experience disadvantages in the formal labour market; second, they benefit from certain advantages associated with membership in the ethnic community, and third, structural factors encourage them to establish small businesses.

4.1. **Disadvantages in non-self-employed occupations**

Some individuals, particularly those who are conspicuously "different" from mainstream members of a society (whether by spoken accent, phenotypical features, religious practices, etc.), experience structural discrimination in the labour market, and in attempting to progress through formal channels of employment face blocked mobility. This is one argument for the development of ethnic enterprise, especially within visible minority groups. In the case of Britain, Goss (1991) reviews the literature supporting the argument that the establishment of small businesses enable previously marginalized groups to overcome blocked mobility. While he agrees that social marginality pushes some members of ethnic communities towards independent business, the extent of this small business creation, he argues, should not be exaggerated:

Social marginality and entrepreneurial networks may be a spur to entrepreneurship but, as with women business owners, they are not a panacea for widespread discrimination
and distrust, neither is small business an automatic or easy option for all in marginal situations. There is, it seems, more than a sprinkling of idealism in the notion that small business can somehow magically solve the problems of those who have otherwise been socially disadvantaged, an idealism which recurs in the study of small business employment relations. (68)

Whilst Goss indicates that entering a small business does not eradicate discrimination, it is interesting to note that a large amount of work on ethnic enterprise does not consider this racism or discrimination in any real depth. This is one of the major limitations of much of the writing on ethnic enterprise. Whilst Bonacich can be critiqued for going too far with her structuralist argumentation, Waldinger et al (1990) do not devote enough attention to external structural influences such as discrimination. Feagin and Imani (1994) make this observation in their work on racial barriers to African-American entrepreneurship and suggest that "(w)hile discrimination by native or dominant groups is recognized, it has so far received little in-depth attention."(562) They further this critique:

One weakness in much entrepreneur literature is the too heavy focus on the culture and organization of minority groups and the frequent neglect of discriminatory treatment of certain non-European groups by the dominant group. (563)

Focusing on the construction industry, they highlight the nuanced nature of discrimination. Their study reveals the extent to which research on ethnic entrepreneurship neglects to incorporate the enduring nature of racism, experienced by some minorities even after their enterprise has been established. Feagin and Imani find these discriminatory barriers particularly apparent for Afro-American entrepreneurs. They suggest that many forms of racism are encountered in everyday life for construction companies owned or managed by black entrepreneurs. These dimensions of institutional racism are revealed by Feagin and Imani through the existence of racially exclusive or restrictive networks. Such exclusion is mediated through informal limitations to union entry, unreasonable bonding and banking limitations and contracting and bidding processes that subtly diminish the black contractor's opportunity to compete. Feagin and Imani argue that "modern versions of these networks are rooted in historical patterns of exclusion and segregation" (581), and call for more
research on ethnic and racial discrimination in the wider study of post-migration characteristics of ethnic entrepreneurs.

Such an emphasis on discrimination is offered by Barrett (1996), in his work on African-Caribbean enterprise in Britain. He stresses the importance of contextualizing black ethnic enterprise by identifying wider societal and governmental limitations influenced by deep-seated racism and discrimination:

The lack of in-depth government support and investment in the undoubted potential of black entrepreneurs coupled with the severe disadvantage conferred by societal institutions mediated by racism has severe repercussions for the further development of an African-Caribbean business owning class. (28)

Waldinger and Bailey (1991)\(^3\) have focused on racial barriers to minorities in construction trade unions in New York. Such barriers are significant since any independent construction business requires at least one member of the enterprise to have a trade license, usually secured through completing a recognized apprenticeship, which is both difficult to enter and complete. Waldinger and Bailey echo Feagin and Imani's conclusion that "race" and associated discrimination is still significant: despite the changes regulation and education have attempted to engender, since exclusive labour practices are still in place that restrict equal access for all workers regardless of ethnicity. In the case of the United States, regulation in the form of affirmative action legislation attempted to force unions to change their approach if they wanted to secure state spending; however, such a policy has encountered resistance, particularly in promoting the entry of black workers into trade unions. Waldinger and Bailey acknowledge that construction trade unions in New York exert considerable political power, manifest through the unions' ability to activate strategies limiting the influence of state directed policies regarding their membership and operation.

\(^3\) It is interesting that Waldinger does identify the significance of racism in this specially commissioned study with Bailey on New York's construction industry, whilst his other work on ethnic enterprise, published at approximately the same time, tends to ignore the issue.
This conflict between the state and labour unions poses a challenge to Bonacich's claims that capitalist structures encourage minorities into buffer positions, because in this case the state is enforcing minority inclusion into the formal labour market, as opposed to actively channeling minorities into the role of trader minority. Despite these regulatory efforts to include minorities in the formal labour market, locating in non-self-employed occupations presents evident disadvantages to the immigrant/ethnic worker, as this section has outlined.

4.2. Advantages in small business

The blocked mobility thesis suggests there are significant restrictions to some minority groups' access to formal economic networks in industrially advanced economies. Despite these perceived disadvantages, some minority groups appear to be over represented in the creation and maintenance of small businesses. Many writers have identified cultural and psychological characteristics, in addition to material wealth, as conducive to the establishment of ethnic enterprises, and these can be considered as class and value resources.

4.2.1. Class and Value Resources

Traditionally, class resources are considered to be the material ownership of the means of production, but more recently analysts have argued that the conception of these should be broadened to include values that can motivate entrepreneurial activity. Such values consists of: "occupationally relative and supportive values, attitudes, knowledge and skills transmitted in the course of socialization" (Light & Karageorgis 1994). The existence and promotion of values and attitudes, especially those linked to the work ethic, are cited as instrumental in the over-representation of some groups in ethnic enterprise.
Researchers who have studied trading minorities such as those of Jewish, Chinese and Japanese origin, have emphasized the work ethic, frugal attitudes and future orientation on the part of these groups (Min 1989). These values play an important role for immigrant groups who become dislocated and have to reestablish themselves in a new territory. Portes and Bach (1985) documented this with their study of the early bourgeois refugees from Cuba, who, Portes and Bach argue, despite losing their economic wealth were able to reconstitute themselves as a property owning class based on the resources drawn through their values and related knowledge and skills.  

Marger (1989) in his work on "East-Indian" entrepreneurs in Toronto, suggests that the overriding explanatory factor behind the presence of this group in individual enterprise is their class position and wealth. This can be seen in his sample, where 10.5 percent were identified as petit bourgeois African twice migrants, and 45 percent were college graduates. In considering the business strategies of this group, Marger suggests that although there is a reliance on co-ethnic labour, a dominant ethnic market has not developed, and these South Asian entrepreneurs, through sustained capital accumulation, have moved into the wider economy. In this case Marger argues that class, mainly the capital and financial knowledge aligned to these individuals' class position, has been the dominant influence in their success in the wider economy.

Marger and Hoffman (1992) also attribute the success of Hong Kong entrepreneurs in Ontario to class resources. These class and value resources, therefore, are not necessarily tied to ethnic resources and the two can operate independently or in unison.

Portes and Bach's claims however are controversial, since the position of Cuban refugees in the United States of America, especially these early bourgeois groups, were supported by the state for ideological reasons. Twice migrants are considered those of Indian ethnic origin whose ancestors migrated initially to Africa or Europe, and subsequently migrated to other locations.
4.2.2. Ethnic Resources: Networks, Kinship and Solidarity

Although Marger considers class resources of greater significance in the case of "East-Indians" in Toronto and Hong Kong entrepreneurs in Ontario, he also identifies the importance of ethnic resources in securing employees. Ethnic resources are socio-cultural and demographic features of a group that co-ethnic entrepreneurs actively utilize in business or from which their businesses passively benefit (Light and Karageorgis 1994). Since the suggestion is that the ethnic group possesses these features, they are not just class based. The key resources of this type are family or kinship ties and in-group solidarity, benefiting the ethnic entrepreneur through an already existing supply of labour and demand for specific products and services. There has been a vast amount of work on this topic and kinship and family ties have been found to be significant for many groups. In addition to access to co-ethnic workers and consumers, such connections enable access to business information, business training, and start-up capital. Social networks provide an important channeling process for information dispersal and as a result business information can be effectively shared within a community.

Wellman (1990) has accomplished notable research on the role and significance of these social networks within different communities, within families and across time. Wellman champions the approach of social network analysis, and conceptualizes social structures (such as ethnic communities) as networks with ties connecting individual members and channeling resources among them. Typically social network analysis focuses on the characteristics of ties rather than on the characteristics of group members and views communities as networks of individual relations that people maintain for use in their daily

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lives (Wellman et al 1994). The characteristics of these ties, therefore, differ based on various criteria, but a general network relationship can be conceptualized in an effort to understand the operation and maintenance of certain communities such as ethnic enterprises. In the case of ethnic enterprise the salience of networks is the manner in which they become bounded by ethnic identity and represent elements of ethnic or group solidarity, providing a greater advantage to the group maintaining and exercising their social networks over those groups that do not.

Social interaction between individuals has also been studied by Granovetter (1985), a sociologist whose work on "embeddedness" and the manner in which economic action can be seen as embedded in networks of social relations, has been highly influential within his field. Such embeddedness, Granovetter suggests, is so extensive that even large-scale economic institutions can be seen as "social constructions" (Swedberg 1990). His work is widely applied, but can be particularly useful in the field of immigration and ethnic enterprise. The importance of his notion of embeddedness is that it relates economic action to social relations and recognizes the significant impact such relations have on individual interaction and mutual expectations. He argues that economists are lax in understanding the significance of social relations and the impact they have on economic action and outcomes. The concept of embeddedness highlights the significance of social networks in the economic realm, and as such emphasizes the importance of understanding the role of social networks in the operation of economic relations. This becomes especially apparent in regard to occupational training within ethnic enterprises.

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It may seem an obvious aspect to consider, but the significance of foregrounding social networks is that previous considerations of human action in economics has ignored behaviours deemed non-economic. Such an approach has recently been corrected, for example, in the work of sociologists using the notion of embeddedness in economic action; see Portes and Sensenbrenner (1993).
The role of kinship and social networks in training are essential both in the opportunities made available to co-ethnics for employment and the potential labour force accessible to the ethnic entrepreneur. Returns yielded from informal business training for co-ethnics are considered by some as highly beneficial. For example, Wilson and Portes (1980) argue that Cubans involved in the ethnic economy in Miami, even though they may earn less in the short term than Cubans involved in the non-ethnic labour market, eventually benefit from the training and experience and go on to form their own enterprises. Such mobility, Wilson and Portes maintain, allows the immigrant to make more use of past investments in human capital (more so then in the mainstream economy). The benefits are also apparent for the co-ethnic employer, since using co-ethnic workers allows the entrepreneurs access to a type of "privileged" labour market. Such privileged access is both the outcome of and, they argue, helps strengthen co-ethnic trust and solidarity, despite the potential of better working conditions in the non-ethnic economy. In addition, co-ethnic employees anticipate that they can use the experience gained in the ethnic labour force to establish their own business sometime in the future.

In addition to benefits of hiring co-ethnic labour, minority entrepreneurs may profit from a protected market. The notion of a protected market is based on the demand for ethnic goods, which may be amplified by residential segregation and social distance from other ethnic groups. These factors contribute to increased loyalty within the ethnic group and promote economic transactions within the boundary of that community (Min 1987). Such boundedness may lead to an ethnic economy:

An ethnic economy exists whenever any immigrant or ethnic minority maintains a private economic sector in which it has a controlling ownership stake (Light and Karageorgis 1994, 648)

In this way the concept of an ethnic economy distinguishes between individuals that are employed in the wider economy from those employed in the ethnically bounded economy. The ethnic economy can serve both ethnic and non-ethnic customers, but if the market is
predominantly made up of clusters of co-ethnic firms and clients, exhibiting economic interdependency and a high rate of co-ethnic employees, then it is considered an enclave economy. The enclave economy is a special case of the ethnic economy (Light and Karageorgis 1994). Geographers have the potential to make a significant contribution to understanding the spatial dynamics of ethnic enclaves, by looking beyond the internal factors contributing to such clustering. Ok Lee (1995) for example, traces the historical development of Korean neighbourhoods and business expansion in Los Angeles, and concludes that:

firm locations are much more complicated than the market potentials reflected in the ethnicity of the customers. Because the structure of urban labor markets is embedded in the ethnic and racial discourse of the broader society, including the allocation of investment capital by public and private sectors, structural forces perpetuate the reproduction of ethnic divisions of labour and ethnic identity over time and space. (194)

Ok Lee reveals an important aspect of the enclave or ethnic economy, arguing that structural factors are implicated in the establishment, growth and reproduction of ethnic economies, influencing the opportunities they have in expanding into other markets. Her work indicates that the study of ethnic economies needs to be firmly grounded and cognizant of spatial influences in order to understand and relate the mechanisms of establishment and change over time and space.

Many researchers have argued that although co-ethnic customers are important in the initial development of minority businesses, prosperity comes through serving out-group members and moving beyond the enclave economy (Min 1987, Light 1972). If prosperity depends upon moving beyond the ethnic economy, it is essential to understand both internal and structural elements of the ethnic enclave. Such an approach counters the restricted vision of internal ethnic resources as the major explanatory factor in ethnic enterprise, as identified by Waldinger et al (1990). Geographers Jones and McEvoy (1996) attempt to move beyond this internal analysis of ethnic enterprise by emphasizing the importance of
understanding the particular market distribution of South Asian firms. Their comparative study of British and Canadian South Asian entrepreneurs moves away from explanations that stress ethnic resources, in favour of a more structural interpretation based on market opportunity and demand. Indeed they chastise literature on ethnic enterprise that does not attempt a comparative analysis in order to control for "exotic cultural interpretations of Asian business" (13), that may in actuality be understood as straightforward small business traits in dealing with structural market conditions and opportunities.  

The third area where ethnic resources play an important role is in the raising of capital for business start up. Light (1972), was one of the first researchers to identify the importance of this in the establishment of businesses for Japanese and Chinese-Americans in California. They amassed capital through the use of rotating credit associations. The use of these traditional systems for business start up relied heavily on trust and solidarity, and this was maintained through ethnic identity and kinship. Kinship is also an important element in securing financing, and Marger (1989) identifies the presence of financing from kin in his study of "East-Indians" in Toronto, although he identifies it as a minor source of income compared with self-generated capital from formal employment and savings.

4.3. Structure of The Host Society

Ethnic minorities face particular advantages and disadvantages in establishing businesses, and some of these can be influenced by the structure of the host society. This may include societies where low status or stigma were historically attached to commercial activities, and where non-indigenous groups were encouraged, or had the opportunity, to

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8 Jones and McEvoy (1996) make a strong case for the need to develop comparative research on ethnic enterprise. I support some of their arguments, conscious of the shortcomings of my study in this regard.
specialize in a small business niche. Also some societies exhibit large status gaps between economic classes, and trader minorities are structurally positioned to take on the role of distributing goods and services to certain groups, for example in colonial states (Min 1987) and more recently with the rise of the service economy and the provision of personal services such as housecleaning, gardening and small-scale retailing. Other research focuses on residential segregation and the movement of white merchants and communities out of certain areas ("white flight"), leaving an opening for new immigrants and minority merchants and entrepreneurs to fill (see Min 1987, 183). An additional development (not necessarily linked to the host society) is the adoption of more flexible methods of production in manufacturing. Such a shift in manufacturing and the movement to more specialized production, especially in garment manufacturing, has changed the organization of production. This opens the way for smaller firms, relying on a cheap co-ethnic or ethnic minority labour force, to compete in the wider market. The Thai garment factory referred to by Bonacich and the manner in which it exploits co-ethnic employees is particularly useful as an illustration of this development. Additionally, government policies can promote and support minority business with financial and technical assistance and by controlling the monopolistic activities of corporations. Bonacich argues that the state in capitalist society promotes the capitalist ideology by encouraging new immigrants to support the status quo. Waldinger et al (1990) argue against that view. Their empirical investigation into industrially advanced nations' attempts at promoting minority business show that such efforts are rarely specifically aimed at minorities, and policies that are do not receive significant support. Waldinger et al relate the case of the United State's Minority Business Development Agency (MBDA) which failed to secure adequate funding from a succession of administrations. No matter which of these views is accurate, the point

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9 The debate on flexible production is wide ranging and vigorous, (see Harvey 1994, Hirst and Zeitlin 1991, for example). In the following chapter on the construction industry I discuss flexible production in more detail.
remains that the potential for small business development is high in many western economies.

5. The Other "side" of Ethnic Resources

The positive elements of ethnic enterprise are succinctly summarized by Portes and Wilson (1980):

the low-wage labor of immigrant workers is what permits survival and expansion of enclave enterprises which, in turn, open new opportunities for economic advancement

Here I turn to a more detailed explanation of the negative side of ethnic enterprise by focusing on the work of Ok Lee (1992) on Korean entrepreneurs in Los Angeles. Ok Lee's examination of the commodification of ethnicity highlights the manner in which small-scale, relatively low-profit, Korean enterprise in Los Angeles is reproduced through the exploitation of co-ethnic and other minority ethnic labour. Although Ok Lee attempts to avoid the functionalism inherent in Bonacich's analysis, she does indicate the extent to which labour, especially unpaid family labour, tolerates long hours and low pay. Ok Lee argues that the reliance on unpaid and co-ethnic labour transforms social relations within the ethnic community and "creates avenues for labour exploitation" (259). Ok Lee believes that the whole ethnic economy relies on these informal and exploitative labour relations, and that enterprises cooperate in maintaining and reproducing a co-ethnic workforce that tolerates these conditions. In addition, Ok Lee identifies the major importance of social networks for Koreans through the provision and supply of start-up capital. Korean entrepreneurs benefit from a rotating system of credit, and Ok Lee suggests this can actually add to the reproduction and commodification of ethnic enterprise, since access to this ethnically bounded mechanism for financial assistance depends upon acceptance of, and entrance into, such networks.
Sanders and Nee (1987), also counter Wilson and Portes' argument that immigrant or ethnic workers within the enclave economy benefit in the long term over those in the wider non-ethnic labour force. Their research on Chinese private-sector employees in San Francisco suggests that, "Workers in the enclave appear to receive lower returns to their human capital than do immigrant workers in the outside economy." (762). Sanders and Nee suggest that not enough research has been directed at considering the relationship between the low-wage labour pool and the low profit margins of small businesses in the enclave economy; such a focus would provide a more comprehensive study of the benefits for employees of remaining within an ethnic enclave as opposed to moving away from it.

Regardless of their stance on the benefits or limitations of social networks within the ethnic economy, all researchers identify the strength of social networks in the operation of these types of businesses. For the purposes of understanding ethnic enterprise, consideration of social networks is highly valuable, and more social scientists are relating these issues to their research. However, even when including these social aspects of behaviour, the focus is often too narrow. One major assumption is that ethnicity is assumed to be a fixed, unproblematic identifier. Issues of discrimination and racialization are often overlooked. Additionally, whilst social networks are examined in relation to the strength they bestow upon communities, there is less detail on the negative impacts of networks and embeddedness, such as those identified by Ok Lee (1992).

5.1. Network boundaries - inclusion and exclusion

Beyond the internal limitations, there is also the problem that while networks strengthen the identity of one group, other groups are excluded. Waldinger (1995) has considered this in relation to Korean, African-American, Caribbean and white construction entrepreneurs in New York City. He argues that much of the focus on social networks and
embeddedness considers the cooperative behaviour that exists between co-ethnic economic actors. His research on construction, he argues, demonstrates that "the embeddedness of economic behaviour in ongoing social relations among a myriad of social actors impedes access to outsiders" (555). He asserts that African-Americans experience the worst effect of this closure since they are highly excluded by the dominant white community and less internally unified, due to divisions and fractions within their community. This is in opposition to Koreans (who exhibit the most internal cohesion of the three groups Waldinger studied), who are able to overcome discriminatory barriers in securing business by working collectively within or around such barriers. The construction industry is relatively easy to enter, and the potential to specialize leads to competition. This provides a fertile ground for ethnic enterprise, and as Waldinger argues:

Consequently, immigrants and ethnics find themselves implicated in a segmented system, in which one group's ability to mobilize resources through social structures serve as a strategy for limiting another group's chances for advancement. Under these conditions, the embeddedness of economic life may yield a particularly negative effect, generating both pressures and motivations to exclude outsiders.(562)

Waldinger identifies construction as the "quintessential ethnic niche", and argues that "just as the niche helps identify "we-ness," so it also serves as a mechanism for defining who we are not." (578) His work identifies the differences between African-American, Caribbean and Korean "outsiders", and their adaptive strategies in the construction industry. Feagin and Imani's work, on the other hand, focuses solely on discrimination toward Afro-American construction entrepreneurs. Both these studies illustrate that social networks are not under the sole jurisdiction of minorities in business, but are significant in the exclusive actions of native and dominant populations. Whilst the networks of minority groups may be lauded as vehicles of social mobility, allowing a method of advancement despite structural barriers, networks operated by majority groups (in most cases white European descendants), enables them to exclude and restrict practices to their own ethnic
group, in spite of how seemingly invisible their own ethnic boundary may be.\footnote{On the idea of notions of "whiteness" see Ignatiev (1995) on Irish immigrants and Bonnet (1996).}

Feagin and Imani's work, based in the southern United States, identifies mechanisms of discrimination which are supported by extensive, often covert networks. Some of those mechanisms are quite blatant. During their research they unearthed a pamphlet distributed by white contractors on "strategies to avoid business with local black contractors". While there may be an economic logic behind such actions that reduce competition, Feagin and Imani consider that such resistance is more profound:

This pamphlet and our contractors' accounts of bidding/contracting problems can be viewed as a "white enforcement coalition". The problem is not just individual whites, but institutionalized practices webbed into informal networks. White contractors not only support each other in restricting black access, but work together with other whites in collusive arrangements. In these accounts discrimination varies from blatant to subtle or covert and reveals its interlocking and cumulative dimension. (575)

Feagin and Imani's work is particularly revealing since their analysis is framed by an understanding of the significance of racism and discrimination and the "dimensions of power" such cumulative and pervasive racism can have over the individual. In the context of the southern United States, there are very real issues of overbearing racism and discrimination. I would argue, however, that such an analysis would not be lost in sites where discrimination is more subtle and camouflaged. Indeed the whole area of ethnic enterprise needs to be conceptualized through a broader approach, that of racialization and the social construction of race.

\section{Ethnicity and Racialization}

Despite the pervasiveness of the terms "race" and "ethnicity" in ethnic enterprise research, there is little thought devoted to what exactly race and ethnicity mean, and how
such terms are used as markers of differentiation. I would argue that such a consideration is long overdue.

Ethnicity as opposed to "race" is seen as a less pejorative term. A Weberian argument defines ethnicity as self-definition, as opposed to "race" which can be seen as a definition imposed upon one group by another (Johnston 1994). Wallman (1979), considering ethnicity specifically in relation to work, makes three important points that serve to illustrate how ethnicity is dynamic and subject to multiple interpretations. Ethnicity, she suggests, is a dynamic boundary, where "Characteristics will stand in some meaningful contrast to characteristics of the classifier. The significance therefore happens at the boundary."(5) For example, the significance of the boundary between an Ethiopian and a Somali is probably lost to a European, who would potentially only see the difference between themselves and an "African". In this way the boundary is the significant differential, not some intrinsic aspect of the individual. Secondly, even differences that seem objective to the observer, since they can list them, will be ultimately subjective since "none of these markers have any necessary or precise significance outside the perception of the actors"(5). Wallman suggests this is true whether the identity is imposed or self-imposed - the junction is both an interface and boundary, and is dynamic:

Depending on the perceptions of the actors, and the constraints and opportunities of the context in which they act, ethnicity may be an essential resource, an utter irrelevance or a crippling liability. Nor does it necessarily have the same meaning for everybody involved. The ethnic boundary like any other, necessarily has two sides: "their" ethnicity as much as "ours" is at issue. (5)

Such consideration of ethnicity encourages reflexivity on the part of the researcher, as well as a broader approach to understanding the dynamics of ethnic enterprise.11 Many of those who have researched ethnicity through the context of ethnic enterprise have utilized a

11 I believe Wallman's comments are significant, since she is one researcher that proposed a constructivist type argument some time before this approach became widespread.
singular focus on "social capital", or ethnic resources as the overriding explanatory factor in ethnic economic segregation. Such a focus is often too narrow, as Feagin and Imani argue, and limits detailed discussion of other influencing factors such as contemporary and historical discrimination. As Wallman suggests there is much to be considered when investigating a dynamic boundary, such as ethnicity. Research needs to be sensitive to such issues instead of assuming that categories imply similarity within, and difference between, ethnic groups. Such assumptions often originate in the empirical basis of investigation.

A significant amount of work in ethnic enterprise relies heavily on statistical tools, and Hiebert (1994) warns of the problems inherent in this approach to the study of immigration (which inevitably entails issues of ethnicity). He identifies the possible negative outcomes:

these analyses will tell at best, only a portion of the complex story and, at worst, may inadvertently contribute to prejudice. Researchers reproduce ethnocentric and racist bias when they portray ethnocultural groups as "naturally" homogeneous (a pitfall difficult to avoid in the context of census data), "naturally" separate, and "naturally" antagonistic to one another. (258)

Without some attempt at problematizing the categorization and construction of "race" and ethnicity, studies of ethnic enterprise, especially those predicated on statistics and economic indicators frequently leave themselves open to the charge that Hiebert has outlined. For example, work on Korean entrepreneurs in the United States has led government organizations to promote such ethnic mobilization across all groups, without acknowledging difference within and between ethnic groups, (Barrett 1996, Ok Lee 1995).

In the case of ethnic enterprise, researchers can be criticized for building up and supporting homogeneous "natural" identities through an unproblematic manipulation of statistical data. By enclosing the research in such a manner they overlook the very dynamism of ethnicity and ethnic boundaries that Wallman identifies. To broaden the focus beyond fixed and assumed ethnic categories, social construction theory, such as that forwarded by Peter
Jackson and Jan Penrose (1993), can be useful. Under this rubric, widespread social assumptions and "taken for granted" categories are scrutinized to expose the essentializations that obscure and perpetuate one group's control and domination over another's.

Discriminatory economic actions that limit the potential material success of minority groups are rooted in racialized constructions, both on an individual and wider societal level. Widely accepted beliefs (for example, that black workers and contractors do not produce exacting work) may act to rationalize exclusivity and restriction, and hence discriminatory outcomes are not due solely to competition or capitalist manipulation of the labour market, but are also embedded in racialized discourses that have been formulated over time. Such racialized discourses may be influenced by many factors, including historical racializing discourses (see Anderson 1991), but are not collapsible to them, as writers such as Bonacich argue. Social constructionism attempts to show how these racialized categories, considered natural and immutable, can be more accurately viewed as:

the product of processes which are embedded in human actions and choices. Implicit in this argument is the idea that conceptions of "nature" are themselves borne of the human capacity to form notions, so that what we consider "natural" can and does change with corresponding transitions in human thought. As a result, the capacity for something "natural" to confer legitimacy is undermined. (Jackson and Penrose 1993, 2)

Such an approach challenges the assumed or "natural" categorizations of ethnicity often presented in general discourse and academic research. One example of the use of this approach is Kay Anderson's (1991) detailed historical investigation of Vancouver's Chinatown. She uses constructionist theory to identify the manner in which the dominant white settler community "racialized" and defined the Chinese population and how that definition became concretized in space as "Chinatown". Media and government discourses throughout the twentieth century portrayed those of ethnic Chinese origin as possessing certain characteristics or "natural" differences from those of white society. Whiteness is
rarely ever considered an ethnicity, as Anderson highlights in her study, and instead whiteness is seen as a benchmark or norm to which all "others" are compared and usually subordinated. Anderson's work attempts to show how this external definition continued, albeit through the "positive" discourse of multiculturalism, into the late twentieth century where:

multicultural rhetoric supports popular beliefs about "differences" between groups of settlers and strengthens the exclusionary concept of a mainstream (Anglo-European) society to which "others" contribute. (27)

Anderson's work effectively demonstrates the mechanisms used to instill notions of natural categorizations, and her project attempts to show how:

Racial categories can be transcended by visions that promise more creative human relations than those conducted behind capriciously conceived borders. Such borders conceal a fiction that cultural pressure can as readily dispel as defend. (252)

To dispel those borders in the case of ethnic enterprise, one needs to operationalize research. The social constructionist approach is extremely valuable, but researchers are left almost in a vacuum when attempting to deal with social "realities" such as the growth of ethnic enterprise and the role of ethnically bounded economic networks. As Anderson rightly notes, "the boundaries that researchers draw around their subjects will be as capricious as the folk values and practices out of which they are historically constructed" (17). However, in transcending capriciously conceived borders, the researcher still has initially to engage with those very same borders.12

Consideration of the social construction of "race" and ethnicity, demands a broader

12 Although Anderson's work is extremely valuable, there are some limitations. Part of the problem is the social construction approach; used in one manner it requires the researcher to expose so many of the constructions around us, that individuals' experiences and efforts to promote their own identity and purpose are exposed and de-constructed along with oppressive structures. Anderson's work suffers from this not only because she did not identify any limits to the extent of de-construction, but because she herself could not engage with the group suffering from marginalization due to linguistic limitations.
approach on the part of the researcher. Difference and the power of ethnicity to contain and influence members of a group versus non-members are social realities. Even if, as one could argue with the constructionist approach, such assumed categories and the negative exclusions that can accompany them are based on intricate and deeply embedded discourses, ethnically bounded networks exist and influence the mechanisms of certain economic units. Despite this social reality, the researcher should be prepared to critically question his or her own approach to the subject, and problematize the assumed categories at the base of much research in ethnic enterprise. Careful consideration on the part of the researcher should be reflected throughout the research process, repeatedly identifying problems and limitations connected to the categorizations employed.

These instances of identity construction and the exclusionary practices that often accompany them need to be understood on several levels. Using Anderson's work I have indicated the importance of understanding how identities are constructed over time through racialized discourses often mediated by the state and the media. Many writers on ethnic enterprise, such as Bonacich, argue that racism and discrimination are in some way functional to the development of capitalism, but Miles (1989) argues that racism is often contradictory to efficient capitalist development. The use of social constructionism helps us expose the mechanisms of racialization, and reveal that the state is not always a central actor.

13 Of course such an approach may lead to anihilistic de-construction, which leaves nothing for researchers to do but to go back to absolute first principles (what ever they may be). Such considerations are widespread, and significant in recent theoretical debates on post-modernism. Handler (1994) discusses the problems of post-modernism for critical race theorists who argue that de-constructive arguments invalidate their claims that race and racism have been an enormous social burden and continue to prevail upon people of colour. Whilst I acknowledge this concern, my approach is to widen the analysis, but to maintain some element of relevance and detail. Penrose and Jackson encourage a tempered approach to de-construction that focuses on exposing oppressive structures in order to support constructions that promote the expression and rights of other communities. Although this can be critiqued for being a biased approach, such is the academic tight rope many scholars now walk in order to make their work relevant, but not essentialist. Of course the whole social construction debate may lead us to the point of one enormous binary, that of essentialist or non-essentialist argumentation.
in the promotion and marginalization of minorities, because in some cases it is reasonable for capitalist growth to include and engage with minority groups. How and why, then, does racism and discrimination develop if not solely to promote the structuralist forces of capitalist logic? David Sibley's (1995) work on the "geographies of exclusion", presents a succinct and accessible review of insights from psychoanalysis, social anthropology and black and feminist criticism, that help explain the creation and maintenance of social boundaries that serve to exclude certain groups deemed "undesirable". He identifies the manner in which psychoanalysis assists us in understanding the "self", and the manner in which interpersonal relations are not solely influenced by external pressures, but stem from highly individual relations and connections with family, objects and home. Sibley argues that:

The social positioning of the self means that the boundary between self and other is formed through a series of cultural representations of people and things which frequently elide so that the non-human world also provides a context for selfhood. To give one example of this kind of cultural representation, in racist discourse animals represented as transgressive and therefore threatening unsullied categories of things and social groups, like rats which come out of the sewers and spread disease, have in turn been used to represent threatening minority groups, like Jews and Gypsies, who are thus constructed as bad objects to which the self relates. To animalize or de-humanize a minority group in this way, of course, legitimates persecution. (10)

Such consideration of discrimination helps us understand actions which seem illogical if we adhere to a Marxist-functionalist approach, as Bonacich does, to explain racist action. In this way the actions of those who scrawl epithets such as "East-Indians stink of Curry", can be seen as stemming from cultural representations of the self and other. Sibley suggests that relations between self and society lead us to questions about the nature of the border separating self and other as it is constructed by different cultures. In the case of

14 I have witnessed such racist graffiti in spaces where members of the Indo-Canadian community have presented personal exhibitions on their lives in Canada and their experiences of immigration. The presentation of racist discourse in this context of communities voicing their experiences and sharing information, made the encounter a particularly disturbing one. Consideration of such actions through the theory of object relations, helps us to comprehend the formulations of such discourses and to frame responses to them.
early twentieth century British Columbia, the whole culture of colonial discourse and imperialism are implicated in the cultural representation of the "Oriental other", and thus essential in understanding the boundaries erected and the exclusionary perimeters constructed between European and South Asian immigrants. Incorporating these considerations allows us to conceptualize racialized discourses as being informed, mediated and recirculated through intricate social, political, economic and historic relations, and not as just stemming from capitalist efforts to divide workers to create cheap labour.

More researchers in the field of ethnic enterprise are focusing on the role of discrimination, but not many have gone beyond the surface appearance of the phenomenon to ask why such frames of reference exist and how researchers themselves unquestionably relate to them. In attempting to insert this consideration into my own work, I have briefly addressed the importance of taking a more profound look, not only at the population under enquiry, but the very nature of research predicated on ethnicity and the understanding of different identities. One of my intentions in this study is to identify historical and contemporary racializations, and insert these relations into my broader analysis of Indo-Canadian entrepreneurs in the construction industry in Canada. In order to understand such constructions I aim to cast a wider net than just focusing on economic relations within these enterprises. Using the notion of social networks, embeddedness and the social construction of identities, both internally and externally, I hope to present a more nuanced understanding of the dynamics of the Indo-Canadian involvement in the construction industry. I have

15 Of course in relation to this the work of Said is central. Building on Said, the work of Mitchell (1989), examines the manner in which the "Orient" was represented by colonial travellers, and how this imaginary construction of place and peoples "as exhibition" informed and recirculated attitudes to the other. This representation of the other allowed a certain distance to be maintained between the observing colonial traveller and the colonized/observed subject. The development of such colonial relations continues to inform and legitimate the existence of certain attitudes and behaviours, in the face of growing alternative discourses such as multiculturalism. This argument will be developed in the following chapters.
chosen to present this through the rubric of culture and economy. By examining the interface between culture and economy, the manner in which activity (both within and between different ethnic groups) is framed by intersecting cultural and economic factors, I hope to illuminate the processes that formulate and structure the organization and activity of these entrepreneurs.

7. Culture and economy

At this stage I should clarify what I mean by culture and economy. It is quite possible to spend this whole thesis discussing the former, and considering the complexity of such an issue I will provide a brief definition by way of delimiting the term: culture relates to shared cognitions, values and norms, whereas economy relates to scarcity and choice, (the production and consumption of goods and services). This thankfully brief definition is provided by sociologist DiMaggio (1994), who offers a more detailed treatment of the intersection between economy and culture. DiMaggio suggests that generalizations about culture and economy are fruitless, since culture plays many roles in economic life and exerts many different influences on behaviour. He contends that cultural arguments complement as well as challenge economic reasoning and that it is important to understand other factors that influence the "constitution of actors and identities" (47). DiMaggio's consideration of culture stresses the need, therefore, to contextualize observations in relation to the communities studied.

The significance of framing questions through an understanding of the role of culture has impacted geographers who have embraced a wider set of critical literatures, especially from anthropology. This "cultural turn" has engendered a fuller understanding and examination of culture and its importance, through historical and present-day research. Duncan (1980) has carefully considered the place of culture in geography, and urges a reconsideration of
cultural geography, away from research based on notions of superorganic culture - where culture represents a "catch-all" approach based on generic "man's" material impact on the environment, to one based on understanding culture as contextual, not autonomous, and where empirical research focuses on "individuals and groups as they interact with their physical environment in various social and institutional contexts at a variety of scales" (198). Such contextuality collapses the distinction between social and cultural geography, strengthening the geographic tradition of examining human relations and their environment.

The influence of this "cultural turn" in geography has filtered through to other sub-fields in the discipline. Gertler (1996) has identified the increasing influence such an approach is beginning to exert in the field of economic geography:

"Culture" has re-entered the lexicon of the economic disciplines with a prominence not seen in some time. With the growing interest in the social nature of production systems, signified by the use of terms such as "industrial networks", "industrial districts", and especially the "new social economy" and "socio-economics" (Storper, 1992; Sayer and Walker, 1992), a new significance has been ascribed to socio-cultural context. Hence in emerging production systems in which the social division of labour is recognized as being of increasing importance, social and cultural characteristics are said to be exerting greater influence than they have for perhaps a century or more. The interfirm relations which have come to dominate the "new competition" (Best, 1990) are said to be based increasingly upon non-market forms of interaction bound by trust, in which cultural commonality between cooperating and transacting partners is seen as an advantage. (1)

Such shifts in focus encourage a realization and articulation with cultural factors, and the work of Mitchell (1995), for instance, focuses on the fundamental importance of deeply embedded socio-cultural relations in Hong Kong ethnic Chinese business operations. Within ethnic enterprise, the notion of embeddedness, goes some way to redress the balance between culture and economy and new directions stressing the role of social networks help to re-assert the agent in economic actions. However, the question whether culture can have any bearing on the economy, or whether it acts only as an extension, bounded first and foremost by economic criteria, still remains. Gertler's approach appears to subsume and translate cultural factors into purely economic advantage, making it difficult to differentiate between the two. Other commentators however have encouraged a
reorientation of research to factor in the power and autonomy of other motivations, especially cultural ones, in comprehending productive and organizational spatial change. Zukin (1990, 1991) is particularly notable in her call for the integration of cultural and economic analysis in the study of changing urban landscapes and capitalist systems of production. Her work is motivated by a focus on:

the mutual effects of economics, politics and culture in restructuring processes....changes in the economic system are treated equally with changes in the cultural context of economic behavior. This marks a small contribution to the convergence of the two intellectual trends: the resurgence of institutional economics and the reassertion of equity among economic, political, and cultural factors. (1991, 21)

Rather than *subsume* the cultural to the economic as Gertler (1996) appears to do, Zukin integrates the cultural with the economic. Paul Smith (1988) also argues that cultural factors have autonomy from the economic, conceptualizing the way identity and imagery are used to market clothes by the company *Banana Republic*, allowing the company to create a very particular, culturally cognizant and informed image. In the same vein Michael Smith (1996) considers the rise of culturally informed consumption practices in the north west United States and Canada, through an examination of *Starbucks* coffee houses. Both of these works spatialize and historically contextualize consumption and production practices. They identify the manner in which these companies' marketing strategies are based on utilizing cultural symbols to develop a sanitized "imagined" global production-consumption relationship with third world producers, effectively clouding the reality of oppression and exploitation embedded within such relations. Michael Smith argues that this approach reveals the manner in which the two realms of culture and economy,

have now become inseparable (and perhaps always were) so that we must grapple with the implications of recognizing that there is, as it were, production in culture and culture in production. (1996, 13)

Such research signifies the importance of identifying the particular influences of culture and economy at particular sites. Whilst the general work on ethnic enterprise provides us with
invaluable theories, decoding the interface between culture and economy is paramount if we are to understand more fully the development and economic success of ethnic entrepreneurs.

8. Overview and conclusion

The purpose of opening this section with Waldinger and Bonacich's debate was to exhibit how much of the work in this field has become polarized and subjected to binary interpretations, contained within the discourse of shelter or trap, and is unable to break away from these constructed barriers in interpretation. I would argue that many authors are now trying to avoid such categorizations by stressing a more nuanced understanding of these phenomena. One way to do this is to move away from structural interpretations which have dominated academic discourse in the social sciences in recent decades, and insert an alternative focus. These dominant structural approaches have in the past stressed the importance of economy over culture, and Marxist work on base and superstructure has been critically reviewed for its totalitarian approach to agency. The importance of culture in determining and influencing economic outcomes has been asserted in opposition to this overriding interpretation of society.

For many researchers the labour relations within ethnic enterprise are essential in understanding the relative benefits such organizations can present for minorities in business. To illustrate the factors involved in the formation and resilience of ethnic enterprise, I reviewed material from this field under three sub-headings: disadvantages in non-self employment; the advantages accrued through self employment; and the contribution structural factors have on the establishment and maintenance of ethnic entrepreneurs.
I have attempted to highlight the limitations inherent in ethnic enterprise research through discussing some of the new directions emerging within geography and the social sciences. One of my main considerations is to gain a better understanding of discrimination and the influence it has over efforts by minority firms to succeed. My argument that not only is discrimination overlooked by researchers on the whole, but that these considerations of racialization, the social construction of race and the nature of relations between self and other, are rarely considered in writings on ethnic enterprise. Research in the field of ethnic enterprise demands a more reflexive reading on the part of the researcher, exposing and questioning one's role in this process. Additionally, urging a focus on culture and economy, as I aim to, encourages the researcher to broaden their interpretation and identify these contextual factors, and incorporate them into a spectrum of analysis sensitive to subtle interrelations impacting on material outcomes, rather than to subsume such subtleties under more structurally informed modes of analysis.

With this overview in place I aim to begin the discussion of my work, and throughout return to these issues of social construction, cultural importance and the links between culture and economy. In the next chapter I contextualize my research by providing an overview of the nature of the construction industry, through which I focus my study of ethnic entrepreneurs. Even in this "economic" realm, I aim to reveal how cultural factors influence and frame the nature and organization of this industrial sector.
CHAPTER TWO

THE NATURE OF THE RESIDENTIAL CONSTRUCTION INDUSTRY:
FLEXIBILITY, SOCIAL RELATIONS AND THE INTERSECTION OF CULTURE
AND ECONOMY

1. Introduction

In the previous chapter I argued that in order to make any worthwhile observations about the relationship between economy and culture, research needs to be contextualized. This chapter explores the context of the residential construction industry and the organizational and procedural boundaries that impose and influence the development of the industry and business networks within it. I consider the industry through the economic lens of flexibility, and combine this approach with one framed by an understanding of the social relations at the site of production and the cultural assumptions that contribute to the operation, image and development of the industry as a whole.

2. The construction industry and its economic importance

Construction, although ignored within theories of economic transformation, is a major economic sector in industrially advanced nations and a major source of employment. In Canada in 1991, 6.5 percent of the total labour force was employed in construction, and the figure for British Columbia was slightly higher at 7.4 percent.¹ I intend to interpret the industry through one of the theories within economic geography, that of flexibility, in

¹ These figures are calculated from the 1991 census. The category does not include linkages to manufacturing and services, so the numerical importance of the industry is underestimated.
order to serve three purposes: to develop an understanding of the nature of the construction industry; assessing the validity of the flexibility debate itself; and to complement my wider goal of understanding the impact of cultural factors on the nature and organization of the economy, in this case the construction industry.

3. Flexibility and flexible production in the residential construction industry.

There is widespread agreement that, since approximately 1970, a significant shift has occurred in production technologies, industrial organization, markets and the policies of economic management at regional, national and international levels (Hirst and Zeitlin 1991). Despite the seeming consensus over its causes, there is debate about the degree and type of change. While the amount of literature published in this field is too prolific to attempt a comprehensive review, I offer a brief synopsis of the flexible specialization approach and subsequently turn to apply these ideas to the residential construction industry.

There are three major approaches to understanding supposed significant changes in the capitalist economy of the late twentieth century: the flexible specialization thesis; regulation theory (after the French regulationist school, see for example Lipietz 1987); and the post-Fordist approach (see for example Lash and Urry 1987). For the purposes of my analysis the flexible specialization thesis will be examined since it focuses particularly on production systems, and as this chapter will show, its dualistic framework is highly debatable when applied to the construction industry. The flexible specialization thesis, initiated by Piore and Sable (1984), posits a pervasive transformation within manufacturing and, by extension, the service sector, from mass production to craft based flexible production. As defined here by Hirst and Zeitlin (1991):

Mass production for these purposes can be defined as the manufacture of standardized
products in high volume using special-purpose machinery and predominantly unskilled labour. Craft production or flexible specialization, conversely, can be defined as the manufacture of a wide and changing array of customized products using flexible, general purpose machinery and skilled adaptable workers. (2)

Yeung (1994), provides a comparison of these two eras; mass or Fordist production and flexible or post-Fordist production, identifying the oppositions commonly presented: long life cycle of products versus product differentiation; deskilling of labour versus reskilling of labour; and scientific management with hierarchy and labour control versus decentralized management and greater degrees of team integration. An example of this idealized opposition could be the garment industry and in many cases its movement away from high volume, standard production with fixed machinery and dedicated workers, to short product runs, specialized production and decentralized management such as exhibited by the Italian company Benetton (see Amin 1989).

Hirst and Zeitlin, having identified two different paradigms, are careful to point out that both systems of production can and do exist at the same time, and that historical circumstances and political choice, rather than logical necessity, determine the transition from one dominant paradigm to another (Amin 1994). Using this notion of craft, or flexible production as opposed to mass, Fordist production, I turn to consider the construction industry through this theoretical framework.

4. The nature of the residential construction industry

In order to investigate the nature of the industry, a brief examination of the factors that differentiate it from other leading economic sectors is required. These include: the in-situ nature of production, including the exposure to the elements in outside work and the size of firms in the industry.
4.1. The building site

Houses are usually built in-situ, by teams of workers labouring in sequential order from excavation to finishing activities. Transportation of the product, unless it is prefabricated, is difficult, and as a result equipment has to be mobile. This affects the implementation of innovative machinery, since it has to be robust and capable of enduring inclement weather. On a construction site, rather than organizing the flow of products through the point of production to optimize the use of machinery, equipment, materials and labour move around the product as it is constructed. Some process innovation through mechanization did occur on site during the 1950s and 1960s with the introduction of concrete pumps, mechanical excavators and other on-site material transporters. (Other, more recent, technological developments include the use of CAD\(^2\) in the construction sector). Another peculiar aspect of the residential building process is the need for workers to endure the elements. In many Canadian urban areas the climate affects the length of time building is possible, and can lead to additional costs in the use of machinery, such as in excavation costs and protecting equipment.

4.2. The size of firms

The typical home-building firm in Canada is small, building fewer than ten houses per year. Even larger firms, building up to 2,000 units per year, are small compared to the average firm in other goods-producing industries (CMHC 1987). The number of single family home-building firms in Canada in 1987 was 8,678, with less than 20 percent of those recording value outputs of more than half a million dollars (CMCH 1987). The small size and output of residential construction companies in North America is not a recent

\(^2\) Computer Aided Design.
development, as shown in the historical analysis of the industry presented by Doucett and Weaver (1991).

4.2.1. Small beginnings

Doucett and Weaver consider the processes of North American urbanization and residential construction in three time periods. They label the first, from the beginning of colonization to 1880, the era of individualism. During this time small firms constructing small numbers of homes were the norm, due to finance problems and limited technical and organizational sophistication. The degree of corporate involvement jumped between 1880-1945, yielding much larger firms and more co-ordination in builder-contractor relationships. Doucett and Weaver suggest that real estate agents and planning considerations accompanied the emergence of larger firms and industry-wide organizations. During this time technological breakthroughs in building materials revolutionized construction through standard-size components and developments such as cheap wire nails in the 1880s coupled with the already widespread use of the balloon frame in North America. However, despite corporate involvement, throughout this period Doucett and Weaver acknowledge the dominance of numerous small builders, stating that even in 1938 the typical house builder constructed fewer than 4 houses per year.

4.2.2. The state and mass production in housing

Belec et al (1987) also consider the development of Canadian state involvement in

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3 The balloon frame consisted of light studs, joists, roof rafters and purloins jointed by simple nailing. This early nineteenth century innovation was restricted to the North American market, and seen by some as a "slapdash" way to build homes. The effect was seen by many as to convert construction in wood from a complicated craft to an industry that could employ less-skilled labour. (Doucett and Weaver 1991)
housing as well as issues of mass production. They suggest that during the 1930's government involvement in the financing of house building through acts such as the Dominion Housing Act (DHA) in 1935 and its replacement, the National Housing Act (NHA) 1938, was pivotal in the establishment of new systems of housing finance, design standards and norms of consumption in ensuing years. Belec et al suggest that from its inception, state housing policy in Canada was designed to "create" a nation of single family home owners. In order to provide shelter to the general population, a mass market for housing was encouraged through "the development of an inexpensive, standardized housing structure design and the creation of an accompanying mortgage market to provide long-term amortized credit." (213)

During the 1930s the state, together with financial institutions, home builders and the manufacturers of building materials, investigated methods of cost reduction, including attempts at design standardization and the introduction of mass production techniques:

Although most of the experiments to mass produce homes took place in the United States, they were watched with great interest in Canada. Several companies in the U.S. manufactured houses of standardized insulated steel panels....Perhaps the best example of the attempts to "Fordize" the production of housing in the United States was that of the Gunnison Housing Corporation which, under the leadership of Foster Gunnison, "...perfected prefabrication on a true mass-production, assembly line basis". (220)

Belec et al argue that the manufacture of mass-produced standardized housing never resulted in its mass consumption. They argue that houses were seen as a lifetime investment and hence not consumed like, for example, automobiles. The cost reductions of mass production were not significant either, because much of the cost was based in the foundations and finishing of a house. Fixtures had already been standardized, and as a result experiments with the mass production of homes did not result in a significant reduction of overall cost compared to traditional methods of production. Thus house

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4 Belec et al discuss the role of the construction industry as an economic regulator, and suggest that Canadian housing policy may have originated as a means of employment creation.
production remained traditional, small scale and disjointed, even though mass production techniques had been developed, and were being employed in the United States.

By 1945 however, Canadian house production had become more regulated, coordinated and integrated. Several housing organizations emerged including The National Home Builders Association of Canada (1943). Doucett and Weaver pinpoint key changes during the post-war period: the rise of vertically integrated development corporations; and the active involvement of the government in dwelling construction. Doucett and Weaver label the post 1945 period "the era of state involvement". This involvement reflected a desire to promote social justice and equity in the provision of shelter. However, as Harris (1996) argues in his work on the suburbs of Toronto, this intersection of the state and mass housing production did not bode well for Toronto's suburban residents (many of whom were recent immigrants), who previously had satisfied their shelter requirements through unplanned self building:

by the 1950s a new generation of corporate master builders was beginning to gain a grip on the whole land development process. In this they were aided by municipal governments and the Central Mortgage and Housing Corporation, a federal housing agency created in 1947 to implement the National Housing Act. Their model was the planned suburb exemplified, locally, by Don Mills. Here homes - whole neighbourhoods in fact - were packaged as products to be purchased on the installment plan. Eventually, as wages rose and the new development process was refined, suburban homes were again made more affordable, at least to better paid workers. But the terms were new and more exclusive than those that had allowed an earlier generation of unskilled immigrants to settle in unplanned suburbs. For such as them, the late 1940s were a last hurrah. (263)

4.2.3. **Contemporary organization of the construction industry**

Despite the rise of vertically integrated home building companies, Doucett and Weaver's findings in North America support the argument that traditional building
methods and organizations were resilient, even after considering the distinct periods in the history of the house building industry. They conclude that:

For the most part we agree with James McKellar when he argues that, except for the very largest firms, "the residential construction industry in Canada has evolved since 1945 with a minimum of capital investment, little standardization, varying skill levels in the labour force, an aversion to technological innovation, and a reliance on a myriad of subcontractors, suppliers and material producers. It is an industry that has a complex organizational structure, is fragmented, is subject to major cycles in the economy and is regional in nature." (133)

In Canada by 1985 only 34.2 percent of Ontario's building firms were incorporated and 76 percent had an output of less than $250,000 each. Few home builders operate in more than one market area, and even today there is no national home-building firm active across the entire country (CMHC 1987). At present in British Columbia, the total number of construction companies building single family homes is 1,838 and over 80 percent have between only 1 and 5 employees as shown in figure 1. CMHC data suggests that despite the numerical predominance of these small firms with annual revenues of less than $500,000, these small firms account for only 25 percent of single detached housing built in Canada (although a further 10 percent are built outside of the formal housing industry, i.e. self built or contracted). Despite this smaller scale of production, small firms combined with self builders/contractors surpasses the 30 percent market share held by large companies building over 100 homes annually. In regard to these small builders, CMHC admits, "they provide their owners with considerable scope for their entrepreneurial energies and serve many market niches where large firms choose not to operate" (20).

It seems, from the brief historical summary offered here, that the endemic organizational trend of the residential building industry rests with small building firms constructing fewer

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5 Data were collected from the 1996 annual business database of Contacts Influential International Corporation, Vancouver. This business research company collects information through a variety of methods including: new business listings and business license filings with the Provincial government; voluntary filings; and BC Tel new phone number records. As a result, the coverage of this data base is comprehensive.
Figure 1. Size of single family house construction companies in B.C. by employee numbers.
than ten houses per year (CMHC 1987). The contemporary situation in Britain is similar and according to Ball (1988):

Construction is an industry with thousands of firms. Most of the firms are very small, just a working proprietor or a working proprietor with one or two workers; of the 168,000 construction firms in existence in 1985, 151,000 firms employed less than eight people. (114)

The success and predominance of smaller builders within this industry is evident, and this encourages us to consider how such decentralized methods of production and organization impact on the outcome and operation of the residential construction sector, and how this intersects with the role of ethnic entrepreneurs in the production of housing.

5. Labour and social relations within the residential construction industry

Recently a vast amount of literature has examined the aesthetics of post-modern building and the related themes of meaning in a cultural and social frame (e.g. see Mills 1988, Knox 1991, Harvey 1989). This work focuses on the consumption of housing and has largely ignored the social relations embedded within the production of the built environment. The result has been the identification of buildings as objects of exchange and lifestyle, rather than products of a complex labour process. Clarke (1986) furthers this claim:

The problem with this is that buildings, though they are of course, physical objects, also represent social relations of production which are obscured by the structure imposed. These social relations are represented in the built environment in two ways: first in terms of the general level of production, associated with a definite division of labour, and the relative value of labour and its reproduction; and second, in terms of the labour process and, specifically, the building labour process, its conditions, divisions etc. (123)

Clarke's approach of viewing the residential construction industry through the lens of social relations is used here to understand labour relations as part of the wider production process in this economic sector and in urban landscapes generally. Elaborating the importance of social relations is significant to my study of ethnic entrepreneurs, because
social networks within the ethnic community act as an important resource for the establishment and maintenance of small enterprises. Within these enterprises, the relations between workers and employers are important and, as Clarke argues, they are reflected in the quality of the final built product. Debates over the quality of multi-dwelling buildings in Vancouver attest to the importance of this claim. The following example illustrates the validity of this social relations focus, and presents an image of the working conditions within the construction sector in Vancouver, British Columbia.

5.1. The role of social relations in the quality of the built environment: Vancouver's leaking condominiums

Some new condominiums and apartment blocks in Vancouver have suffered from serious structural problems, and an examination of contributory factors helps illustrate my argument that social relations at the site of production are important in a consideration of the built environment, and in the particular type of labour flexibility that has emerged in this sector of the economy. The poor state of some new residential buildings in Vancouver has become common knowledge through exchanges in local papers bemoaning the low quality of many multi-family dwellings. A number of factors have been blamed, from development regulations to inferior materials. In a local building newspaper, Wexler (1995), a local architect with experience as a contractor and building inspector, provides an explanation for what he considers to be the causes of serious water damage in new buildings. He notes that all types of exterior walls are prone to moisture leakage, but that

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6 By referring to ethnic enterprises in the construction industry and some building problems in Vancouver, I do not intend to connect the two, only to relate the importance of understanding social relations at the point of production and how this impacts on the operation of small firms in the industry, regardless of the ethnicity of its workforce and management.

7 A local free paper Build and Green 1996, 1 (2), (p 5, 6, and 19).
the problem is minimized by the proper installation of flashing. However, exterior designs that incorporate irregularities (such as frequent corners) or change in cladding materials, require special care to prevent leakage, care that is often absent in the "real world" of construction, where the stress is on getting the job done quickly. Also, with work crews performing different functions simultaneously, they often get in each other's way, and this can lead to chaotic workplace management:

If overall supervision is poor, and speed is the key to making money, one trade may disregard the needs of a following trade. The following trade may in turn disregard the previous trade's work and damage it, so they can get their own job done speedily and make a buck. (5)

Wexler relates the problem of inferior construction more widely to poorly trained workers and increasingly elaborate designs for buildings based on aesthetic, (one might argue postmodern), designs that increase the risk of water damage. Wexler suggests that building designs in Vancouver used to be fairly simple and small crews worked under direct qualified supervision, but by the early 1980's, Wexler argues, architects and developers were increasingly employing elaborate exterior designs. These complexities, rather than being drawn and planned by designers, were left to the imagination of the contractor. Wexler identifies these demands, suggesting that the industry was, "starting to design space shuttles and expecting them to be built by a workforce and a housing industry better equipped to build paper airplanes." (6)

The increasing responsibility placed upon contractors to build more complex exterior structures impacts on social relations at the site. Take for example the difficulty of sealing balconies enclosed by a stucco wall instead of metal railings; this requires careful work and several processes to ensure a water-tight envelope. Wexler gives us a vivid impression of how such designs translate in the field:

8. Flashing is sheet metal, plastic or other flexible material used to shed water to the outside of the building.
If the above (sealing balconies) seems exhausting, imagine having to do this a hundred or more times in the field, hanging off scaffold with rain coming down, and the boss is telling you you're 3 days behind schedule, interest rates are eating up the profits, and with unemployment at 10% there are lots more people out there who would gladly take your job. You might just be tempted to lap the building paper the wrong way, or not cut a new piece of flashing to fit properly. (6)

We can see that the residential construction industry is subject to certain social and economic relations at the site of production. These particularities constrain the extent and type of flexibility that can be imposed on the industry and labour relations and organization.

5.2. Subcontracting and relations between firms: Maximizing on trust, personal contact and flexibility

Another organizational factor influencing relations in the residential construction industry is subcontracting. Using Clarke's (1986) approach, the use of subcontracting has immense ramifications for the social relations inherent in the production process, and as a corollary, will affect the final product.

The use of subcontracting within the construction industry involves a number of different "specialist" firms that work on the site for a short time, often with only a few workers. Holmes (1986) provides an insight into the use of subcontracting in a non-construction context, providing four aspects of the nature and supply of labour that influence the extent to which this practice will be utilized. Firstly, subcontracting can act to minimize and control labour costs, since it operates as a mechanism ensuring wage discipline and a method of labour market segmentation, one usually based on a larger more dominant contractor over a smaller one. Secondly, subcontracting can allow the retention of flexibility in relation to variable capital, because subcontracted labour (due to its temporary nature) is not a constant fixed cost. Thirdly, subcontracting can act to maintain managerial control over the labour process through the decentralization of production, hence
encroaching on the abilities of unions to organize. Finally, subcontracting can be used to ensure an adequate supply of labour by tapping non-traditional forms of labour, such as casual part-time and seasonal workers and also ethnic minorities. This dimension is important in relation to my overall focus of ethnic enterprise in this economic sector, since the flexibility of labour organization and control allows access into the industry based on labour intensive inputs; additionally the privileged access to co-ethnic labour that ethnic entrepreneurs arguably possess, provides an advantage here. IYe (1986), offers an alternative to the notion of labour control, and suggests that increased sub-contracting is a sign of labour process flexibility. Both these views can be accommodated since they are not mutually exclusive; labour flexibility does not imply the absence of control mechanisms. Bonke et al (1986), based on their work in Denmark, suggest that subcontracting allows a particular type of control to develop:

workers employed by small subcontractors are often controlled "patriarchally", based upon a close, social, functional, and thereby ideological identification with the employer. (144)

Bonke et al therefore consider the widespread use of subcontracting in construction to function as a socio-cultural, as well as economic, control mechanism, and as such it has particular ramifications when connected with labour networks demarcated by immigration and ethnic identification. Tilly's (1990) historical insights on this intersection of migrant networks and subcontracting are still relevant today:

In the world of employment, the prevalence of subcontracting in manufacturing and construction ... epitomized the adaptation of networks initially formed by immigration. In subcontracting, the owner of a business delegates to a second party (most often a foreman or smaller entrepreneur) the responsibility both for hiring workers and for supervising production....Migrant networks articulate neatly with subcontracting because they give the subcontractor access to flexible supplies of labour about which he or she can easily get information and over which he or she can easily exert control outside the workplace. (86)

Such "patriarchal" organization intersects well with the discussion in Chapter 1 about ethnic enterprise, and Ok Lee's (1992) conclusions about the commodification of ethnicity within
Korean ethnic economies, where social pressure to remain in the ethnic enclave reproduces the exploitative social relations such enclaves depend upon for their continued existence. Sayegh (1987) notes that between 1951-1976 over 100,000 of the immigrants who entered Canada found work in seven key construction trades, and these new immigrants may have acted as nuclei to attract other members of their ethnic groups into construction through employment and later self-employment.

Employers, by using subcontracting as a method of industrial organization, can benefit from all of the above mentioned factors. However, without detailed empirical research it is difficult to make categorical claims regarding the motive forces behind subcontracting in this sector. The prevalence of subcontracting within the construction industry also suggests that the data on firm size may be obscuring the extent to which large organizations influence contractual relations (Ball 1987). Despite these questions, Ball concludes that the pattern of firm size and subcontracting indicates that; "construction is an industry in which firms are highly interlinked through subcontracting relationships, and where personal contact and trust are of considerable importance". (124)

This illustration of inter-firm relations, some of which are based on trust, seems congruent with the flexibility thesis, but it is also congruent with the significance of social networks as portrayed in the ethnic economy, and Gertler's (1996) comments on the importance of non-market or cultural influences in the wider economy. In addition, the negative aspects of low wage rates and employer control through subcontracting and flexibility reinforce

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9 However Ball does suggest that the growth in repair and maintenance work (R & M), which accounts for nearly half of all construction work, is still within the mandate of smaller firms, since larger firms are uncompetitive in this area. The growth of the R & M market is also apparent in the Canadian residential construction industry, from 28 percent of residential construction expenditure in 1976 to 43 percent in 1986 (see Rostum 1987). In British Columbia the anticipated R & M expenditure for 1995 was $2.5 billion, "Renovation in the Building Industry", Vancouver Sun 18 March 1995, E6.
Bonacich's argument that subcontracting through ethnic enterprises allows larger corporations to distance themselves from responsibilities and costs attached to labour elements of the production process.

5.3. Subcontracting relations: the potential for inclusive and exclusive networks

Whilst subcontractual relations, especially those bounded by ethnic networks, can act to promote access into the industry for some individuals, they can also exclude others. The organization of the construction industry and the subcontracting relations that permeate it depend on close, often personal linkages, and as such are vulnerable to institutionalized restrictive practices obstructing some individuals' attempts at participating in the building process. I considered this in Chapter 1 through the work of Waldinger (1995), Waldinger and Bailey (1991) and Feagin and Imani (1994), who highlighted the potential for minority and majority populations to exclude others along ethnic lines. In these cases discrimination based on ethnicity is identified as a major limiting factor in the ability of some individuals to operate successfully as entrepreneurs, or to secure the initial training needed prior to becoming self-employed. Such research reveals the influences shaping subcontractural networks within the construction industry; the historical process of racialization and the strength of ethnic networks (despite the ethnicity represented), which intersect to create a situation often conceptualized as economic, but which is also representative of the power of cultural assumptions and relations to affect economic organization. This type of exclusion in the case of Indo-Canadian construction entrepreneurs will be considered later in the thesis.
5.4. The gendered workforce

Not only is there evidence to suggest limitations for ethnic construction entrepreneurs and workers based on deep-rooted ethnic or racial cultural assumptions, but the construction workforce composition also indicates an obvious gender skew. In the Vancouver residential construction industry less than 3 percent of the workforce is female, and figure 2 shows that this disparity increased in British Columbia between 1986 and 1991. That may not come as a surprise to many, since the stereotypical view of the industry is one where men form the majority of those working in what are perceived to be physically hard and "dirty", yet skilled jobs. In Vancouver, however, the construction industry is one sector that has seen growth in employment, a 224.1 percent increase between 1961 and 1992 (Hutton 1994). The relative absence of women from this sector suggests both a loss for women entering the labour market, and for the construction industry, because a large reserve of potentially skilled personnel are neglected.

The construction industry has historically suffered from a poor, strongly stereotyped image, and its safety record reflects this, both in the image and actual data regarding industrial accidents. Notkola et al. (1993), found that in Finland, the highest mortality rates for males due to accidents and violence were found among semiskilled construction workers. In the European community the construction industry accounts for 15 percent of all industrial accidents and 30 percent of all fatal industrial accidents (Sommerville et al. 1993). Although safety practices are dependent on management's role in safety introduction and enforcement, the macho image prevalent in the industry may limit the diffusion of safety related practices. Sommerville et al. (1993) suggest that augmenting the role of

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10 Based on Statistics Canada 1991 figures. This figure includes only those working as construction workers, not clerical and administration workers, which are usually included in figures for the industry as a whole.
Figure 2. Gender ratio of construction workforce in B.C., 1986 and 1991.
women in construction through formalized training programs, with a subsequent increase in competition for training places, could improve the image and safety record of the industry through increased formal and official training and skills acquisition.\textsuperscript{11} However, introducing more women into the construction industry will not easily occur just by increasing their numbers in apprenticeship programs and expecting the cohort to move through.\textsuperscript{12} Nor will mere numerical change necessarily alter the perception of the industry, since its present nature is reinforced by historical, traditional and organizational factors:

The structure of the modern construction industry was, in many important respects, defined by the 1830s and, arguably, this 150 years of tradition and vested interest is one of the biggest barriers to change in the industry today. (Winch 1990, 209)

This statement may well apply to other sectors of the economy where flexibility has been sought without any attention to the particular organizational and gender divisions present in those industries.\textsuperscript{13} In construction this tradition is reflected in the site organization of teams motivated with the use of piece-rate payment or bonus systems. The gangs have a high degree of autonomy in designated task execution and related decision making and Bonke et al. (1986) propose that this "is also used to make the output of the gang more effective through sorting out the less fit members" (143). Such "sorting" allows specific social relations, based on masculinist images and attributions, to develop at the point of production, and the highly gendered nature of the labour group provides the grounding for

\textsuperscript{11} Taking this argument further, the increase in skills could affect the rate of mortality and death on site, but obviously several other factors are implicated in accident and mortality rates, especially the nature of organization, i.e. training and unionization. The role of greater female participation may be debatable, but in order to overcome the barriers to female entry into construction, regulated formal channels developed to promote women in construction through accredited training could potentially introduce greater safety awareness, not because of some essentialized notion of feminine talents, but due to the nature of regulated, official training.

\textsuperscript{12} Indeed Sommerville et al. considered the data regarding training of women in courses related to the construction industry in the U.K., and found that by 1989-1990 the number of women enrolled reached 30.5 percent. However such figures did not translate to professional bodies or in the number of women in construction.

\textsuperscript{13} For example the work of McDowell and Court (1994), on the merchant banking sector in the U.K., examines the sweeping changes that have occurred in the industry, but highlights the rather trenchant forms of sexism that remain.
a particular type of "macho" working practice. Over time this became accepted as the "natural" way to operate:

This intensive selection of the work force indicates that in general the trade has a high "healthy worker effect", which means that only physically and psychically strong construction workers can manage the work. (Bonke et al., 149)

However, the very relations this pattern of work creates (rather than the intrinsic nature of the work itself) are normalized and offered as reasons for the industry to be predominantly male. Willis (1977), charting the movement of British working class males from the counter culture of school into the arena of paid work, provides an insightful account into the way the gendered image of the construction industry is created:

The physical labouring comes to stand for and express, most importantly, a kind of masculinity and also an opposition to authority...It expresses aggressiveness; a degree of sharpness and wit; an irreverence that cannot be found in words; an obvious kind of solidarity. It provides the wherewithal for adult tastes, and demonstrates a potential mastery over, as well as immediate attractiveness to women, a kind of machismo. (104)

Willis suggests that the attraction of manual labour to boys and young men, "is associated with the social superiority of masculinity, and mental labour with the social inferiority of femininity" (148). Willis goes further to suggest the institutionalization of masculine styles of working and relating to co-workers and managers, may have actually stultified the progress of technological change:

The peculiarly obstinate and trenchant form of the mechanical industrial revolution as we know and still largely have, and its inability to fully give way to a more cybernetic industrial process when the technical processes are at hand, suggest that there are profound cultural gearings as well as more important structural factors keeping us to a certain kind of physical, visible, and mechanical work upon nature. (156)

For this thesis, the potency of Willis' study lies in its relevance to my attempts at unveiling the power of the highly gendered norms embedded in the current structure of the construction labour force and, incidentally, the potential for this to be exacerbated by gender relations within different ethnic communities. Later in the thesis I discuss gender issues raised by Indo-Canadian scholars, and
relation to increased flexibility through greater skilled labour, these profound cultural assumptions and practices, rooted partly in gendered categorizations, need to be considered.

Jenson (1989), focusing on gender and flexibility in other spheres of industry, accuses the proponents of the flexibility debate of being gender blind. She argues that no matter what changes occur in the production process, female competence continues to be questioned through sexual difference:

managers and workers recognize implicitly that the very process of group bonding includes reinforcement of gender identities ("she wouldn't like the language and the jokes of the lads"). Thus sexual difference, often carried by a discourse of sexual innuendo, becomes a powerful limit to the development of mixed work groups. (154)

Team work and decentralized management are heralded by proponents of flexibility as effective forms of production, but without problematizing the gender implication of this, the flexibility thesis not only promotes gender blindness, but also overlooks a significant rigidity within "flexible" systems of production. This is particularly relevant in construction where women are perceived by co-workers to be either feminine or construction workers but rarely both, and in trade suppliers' promotional material which acts as a medium to objectify women. In addition to gender bias in actual working practices, Jenson exposes the dual marginalisation women of colour potentially suffer within their own ethnic community as well as in the wider community. During my interviews comments made about the image of Sikh men as "the fighters and farmers of India" indicate a highly gendered image. Arguably, the masculine image of the construction and related industries may intersect well with their own self image, but I do not want to essentialize on this point. The extremely masculine spaces of construction and other sites of manual labour promote the exhibition of semi-pornographic material or "the wall of shame". My earlier comments that women will probably access construction trades through more regulated avenues is based on personal information that groups, such as BC Hydro, forbid the exhibition of any pornographic or demeaning images of women. Such action is of course debated by some individuals in crews employed or subcontracted to BC Hydro, but such regulations make these spaces less intimidating to women, discouraging a stereotypical view of women as sexual objects which in turn impacts on their position as trained, skilled workers. Actions such as these by large corporations will hopefully filter through to their suppliers and encourage a change in marketing attitudes and approaches.
the manner in which skills are socially constructed, and women's work is seen as a natural
talent, rather than a skill. If "new" social relations come in under the rubric of flexibility
they will continue to reproduce this situation. These are the gendering effects of work
relations which, Jenson argues, most discussions of flexible specialization ignore. In the
case of construction those socially constructed "natural feminine talents", act to preclude
women from the industry because the "natural masculine talents" of strength and endurance
are celebrated. This is ironic because those "fit worker" traits are themselves socially
constructed as "talents" of masculinism, not skills. In this case women are doubly
excluded; not only are their skills socially constructed as feminine, but their exclusion from
construction is not even corrected by attaining the necessary training, because to some they
are perceived as not having the correct gender specific "talents".

If we debate flexibility in the construction industry without engaging in a discussion of
gender, we overlook the effect this cultural assumption has on production processes. As
Willis suggests the masculinization of working practices, especially on-site, influences the
development of the industry. As such the underlying ideology (that only men can tackle the
job) becomes internalized, being seen as a necessary factor, whereas in fact its relationship
to the production of the built environment - like Feagin and Imani's (1994) example of
racial assumptions - is contingent on cultural pressures and traditional and social divisions,
not necessary ones.

6. The flexibility thesis: working with it and against it

My attempt to chart the development of the residential building industry and its
organizational characteristics, revealing the intersection of economic and cultural factors
may, upon reflection, appear somewhat of a gargantuan exercise. To endeavor to interpret
the industry in line with the flexibility thesis may seem even more wishful. The exercise is
merited, I believe, because whether or not one concurs with the flexibility thesis, its potency and influence is such that this theoretical lens frames much of the current analysis of production methods in capitalist economies. The construction industry, relatively neglected in the flexibility debate, exhibits characteristics that both conform with and challenge the basic conclusions of the flexibility thesis.

Returning to the central building block of the flexibility theory (Hirst and Zeitlin 1991), it appears a far from simple exercise to determine which technological paradigm the residential construction industry fits. Hirst and Zeitlin acknowledge that hybrid forms exist with different industries and eras, but in the case of the construction industry it appears that craft or flexible production has always been dominant, supported by the prevalence of small building companies.

To examine the current state of the industry in light of the flexibility thesis, Gertler's (1992) identification of six core elements of flexibility are useful:

* More flexible use of workers and machines.
* Flexible inter-firm relations such as subcontracting.
* Greater flexible marketing through client-based customized production, driven by competition and resulting in shorter product cycles.
* Reduction of unrealized capital tied up in inventories.
* Changes in social institutions to foster more flexible employment relations.
* The removal of previous barriers to the mobility of capital between economic sectors.

To consider first the flexible use of machines and workers, it is true that the construction industry has seen the limited application of CAD systems and improvements in the materials and techniques used in house building (see Brown 1990). However some of the major developments were made long before the supposed transition to flexible methods of
production. In the case of labour and flexible working practices, production is organized around multi-skilled workers executing tasks in small teams with great autonomy. However, as Tilly's (1990) work suggests, such flexible relations have always been exhibited by the construction industry, especially when considering the historic significance of migrant networks. It is true that in recent years the deregulation of the labour market, has led to greater "flexibility" in labour relations. Such changes, however, raise complicated questions regarding the skill and training levels of those employed (Rainbird and Syben 1991) as well as the motives behind the use of subcontracting as Holmes' (1986) work (in another context) suggests. Likewise, the continuing gendered nature of the labour force and questions of exclusion based on ethnicity, pose important questions about this aspect of rigidity. Some ethnic minorities face barriers when attempting to enter non-co-ethnic networks, and the presence of women in the construction industry is limited, partly because of the dominant belief that women cannot acquire the skills necessary, since those "skills" themselves are actually based on socially constructed masculine attributes or "talents". As Willis (1977) argues, this is based on profound cultural assumptions and the ideological nature of construction work.

The second criteria of flexible inter-firm relations, can be illustrated by exploring the use of subcontracting. The different groups involved in house building and the amount of specialization employed in the erection of a habitable home, exemplifies flexible inter-firm relations. However, it is possible to interpret these inter-firm relationships on the one hand as "flexible", and becoming increasingly so with state deregulation of the labour market, or as contingent on the historical and traditional development of social relations within the construction industry. The latter view again supports the argument that the residential construction industry has always exhibited these "flexible" inter-firm relationships.

Thirdly, the house building industry can be seen as an archetypal example of more flexible
marketing relations, leading to the shortening of product cycles and more product diversity. The personalized nature of home, together with the failed attempts to introduce mass-produced housing, demonstrates this aspect of the residential construction industry. Customized designs abound, and the residential construction industry can be interpreted as an industry able to change the final product to meet consumer demands through design and building amendments. Despite the potential for customizing the final product, the components themselves are standardized and Clarke (1986) argues that the industry can also be seen as mass production when conceptualized through the total production flow of materials used (i.e. size of wood, nails, doors, windows etc.). The range of building types within the residential construction industry makes it difficult to make categorical claims that apply universally throughout this sector. This highlights another limitation of the flexibility thesis which Hirst and Zeitlin acknowledge, that paradigms overlap and within this one industry several interpretations can be made of which paradigm is most applicable. This urges us to question the conceptual value of these alternate paradigms if they cannot be separately identified at a given point in time, and as Yeung (1994) argues, "the tendency of some post-Fordist theorists to fall back on rather abstract ideal-typical constructs is real and dangerous." (465)

Although not specifically addressed in this chapter, there is little unrealized capital tied up in inventories in the construction industry. Since the nature of the product and the building process requires the industry to respond quickly to changing market demand, it is unusual for building firms to hold onto any significant amount of stock. In Britain figures for 1984 show that the manufacturing industry had a fixed capital stock equivalent to 3.13 times its net output, compared to 0.81 for the construction industry (Ball 1988). Additionally the rise in equipment hire, as opposed to purchase, reduces fixed inventories, and in some instances large corporations have set up equipment-hire companies as separate operating units within their overall structure (Rainbird 1991). The construction industry does,
therefore, seem to exhibit flexibility in regard to inventories. Additionally, reduced inventory demands allow easy access into the industry for ethnic entrepreneurs with privileged access to labour rather than capital, especially casual labour strongly identifying and connecting with the employer, as Bonke et al. (1986) and Tilly (1990) show.

The extent to which social institutional change fosters flexible employment is a complex question to answer given the variety of examples used here. Much relies on the state's desire to increase flexibility. In the case of construction's internal organization, however, the importance of social relations and cultural assumptions at the site of production in relation to gender and ethnicity, are significant factors to consider. Although the industry does exhibit flexible working relations, a more comprehensive look exposes rigidities, problematizing the notion of distinct technological paradigms and the dualism of rigid/flexible production, since it is possible to argue that the current examples of North-American flexible employment practices rest on rigid institutional socio-cultural labour divisions.

The final point of reducing barriers to capital to facilitate movement between sectors and places is, again, complicated, and has not been examined in this chapter. What can be said is that the large amount of subcontracting, particularly of labour, acts as a means to free capital, because labour becomes a variable cost (Holmes 1986). However in the realm of residential construction the limited ability of companies to move into foreign markets, and in the case of Canada the absence of a national residential building company, suggests that movement of capital between places is limited.16

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16 Canada has, however, started to enter export markets with Pacific Rim nations keen to develop a residential housing stock based on timber framed, seismically safe housing. These connections promote the transference of building materials and skilled labour overseas through lumber and design contracts. (see Edgington 1996)
7. Conclusion

Through an examination of the residential construction industry, we can see that its development and operation challenge the dichotomous view of change in production methods, and highlights the significance of understanding the place of cultural influences in the economic realm. The residential construction industry has always exhibited flexible relations between firms and in employment practices. It is, in fact, just this dimension that makes the industry accessible to entrepreneurs, especially those from minority ethnic communities that can rely on co-ethnic supply and demand linkages. These flexible relations, exhibited in the gang system of organization and the multi-skilled requirements of both workers and machines, were evident before the perceived "shift" to flexibility in the manufacturing sector. In addition to this dichotomous view, the flexibility thesis fails to encourage an examination of relations between actors in the construction industry, especially with regard to ethnicity and gender. This echoes Hiebert's (1993) thoughts that:

accounts of the shifts between different forms of production have suffered from a pronounced lack of interest in the actual actors involved....The particular characteristics of a workforce ...help determine the labor-capital relations within an industry, and may even help determine the unfolding geography of industrial development. (250)

Yeung (1994) also stresses the need to reconstruct study in the geography of business organizations and production systems "on the basis of a "bottom-up" and network-relation approach ...and to examine the role of these network relations in understanding the landscape of the capitalist global economy." (483)

Understanding the particular characteristics of the construction labour force in this case has unveiled the social networks and profound cultural assumptions that have influenced and informed the industry's composition and image. Revealing this aspect of production methods and industrial change is not promoted in theories of flexibility. Such insights expose the manner in which grandiose theories tend to camouflage the most important
aspects of industrial development, and rather than provide a clear lens onto capitalist economic activity, refract the evidence. The construction industry offers us the chance to challenge the dominance of the flexibility thesis, because as well as overlooking issues of cultural influence, it is unable to deal with the multi-dimensional aspects of organization and production. By evaluating the flexibility thesis in terms of the residential construction industry and the interface of cultural and economic factors, we are provided with a more detailed interpretation of this economic sector; an interpretation that allows me to proceed and identify how Indo-Canadian entrepreneurs are able to enter this industry and the mechanisms, both economic and cultural, that may impede, support and encourage their entry or continued position in this sector.
CHAPTER THREE

THE VANCOUVER CONTEXT

1. Introduction

In Chapter 1, I reviewed the literature on ethnic enterprise and indicated some of the issues I felt have not been adequately addressed. Chapter 2 presented an examination of the construction industry in relation to flexibility, stressing the importance of the cultural assumptions and social relations shaping its organizational structure and daily practices. In this chapter I aim to contextualize my research further by discussing the settlement, culture and issues affecting Vancouver's Indo-Canadian population.¹

According to literature on ethnic enterprise, Indo-Canadian entrepreneurs who wish to establish and operate small businesses stand to benefit from their community networks. However, as I have stressed, inquiry into an ethnic community, one commonly envisioned through an ethnic or "racial" identity, demands engagement with the wider issues of the social construction of identities and racialization. I proposed to do this through holding the concepts of "culture and economy" in creative tension, attempting not to subvert one under the other, but to understand the interface between the two. As stated in Chapter 1, broad generalizations about the relationship between culture and economy are limited in their

¹ Indo-Canadian refers to those of South Asian ethnicity. In Vancouver the majority are Sikhs from the Punjab, and this group is composed of first and second generation as well as more recent immigrants. My focus on Indo-Canadians, more specifically Sikhs, does omit some members of the wider Indo-Canadian community and I am conscious of ignoring the importance of other groups in the region from a South-Asian background. However due to the practicalities of research I have narrowed my focus.
applicability and in order to understand the nuanced relationship between economic activity and cultural influences, one needs to contextualize research by understanding the spatial, social and economic boundaries and influences pertinent to the community in question. Additionally, to understand the broader, often subtle influences of exclusion and discrimination, as I argue we need to, one must also consider historical factors that bear upon the group and contribute to its material and cultural identity. In order to develop this type of framework for my study of Indo-Canadian construction entrepreneurs, I set out to do three things in this chapter. First, I consider the significance of immigration in urban areas generally; secondly, I identify some of the historical and contemporary processes that have contributed to the construction of racialized identities ascribed to Indo-Canadian immigrants; and thirdly I consider the residential settlement and issues influencing the status of Indo-Canadians in Vancouver in general.

2. Canada and Immigration: diversity and concentration in the urban environment

Within Canada statistics on immigrants and their chosen destination provide evidence of a preference for urban centres and more particularly the cities of Toronto, Montreal and Vancouver. In 1991 for example these cities accounted for 80.3 per cent of immigrant destinations, whereas the Atlantic and Prairie provinces attracted less than 5 per cent of immigrants (Hiebert 1994). This concentration presents some interesting questions regarding immigrant impacts and influences in these urban societies.

These urban concentrations of immigrants and ethnic groups, for the most part, are the foci for ethnic enterprise literature. However, this does not dismiss the wider geographical impacts of immigrant and ethnic enterprise outside urban cores, but simply reflects the fact that the majority settle in urban areas. It is here, therefore, that infrastructural demands,
social friction and questions of "difference" and "integration" appear most acute. These questions have become more prevalent since recent immigration to Canada consists of a greater percentage of non-charter group or "visible minority" immigrants, and questions of "difference" have been conflated with societal and urban landscape change. In 1991, for instance, 53 percent of immigrants to Canada were Asian in national origin as opposed to 18.4 percent in 1971 (Hiebert 1994). These changes have their origins in alterations to immigration policy made in the 1960s that "liberalized" immigration policy from one based on a preference toward particular origin countries (which acted as a thinly disguised form of racism), to one based on individual skills and qualifications. This has affected the population composition of Canada in regard to immigration, as Tepper (1994) points out:

Neither Charter (i.e. English and French) population ranks high in recent immigration patterns, which have shifted strongly to Asia, Latin America, and Africa. Canada is a country of minorities. It has no majority population. (101, emphasis added)

In response to these societal transformations, immigration and ethnicity have become important research issues, not only in Canada but in other western industrialized countries. This interest is not fuelled solely by the demographic changes immigration has brought, but also by a qualitative change in urban life that has been perceived by a variety of commentators. This change, many argue, can be identified through cultural, political, demographic and economic transformations perceived in the urban landscape. The writer Jonathan Raban, tackles notions of the city and identity in his novel *Soft City* (1988), where he suggests that the "hard" city of maps and statistics belies the soft city, the cities we exist in, experience everyday life in, and strive to find a place and identity in:

We live in cities badly; we have built them up in culpable innocence and now fret helplessly in a synthetic wilderness of our own construction. We need - more urgently

2 See Ley (1995) for a discussion of how debate over the aesthetics of new home construction in Vancouver represents a fundamental tension over changes in power and privilege between Euro-Canadians and, in this case, ethnic Chinese immigrants.
than architectural utopias, ingenious traffic disposal systems, or ecological programmes - to comprehend the nature of citizenship, to make a serious imaginative assessment of that special relationship between the self and the city; its unique plasticity, its privacy and freedom. (250)

Ethnicity is an important aspect of this relationship between self and the city, and Turner (1994) suggests that people have "turned to ethnic and cultural identity as a means of mobilizing themselves for the defence of their social and political/economic interests" (419). He argues this reorientation stems from the delegitimization of the state, weakening the hegemonic power of dominant cultures in advanced capitalist countries, and is part of a material *decentering* process. Such decentering of state power leaves a vacuum which, Turner argues, permits the assertion of ethnic and cultural identity. This has encouraged a revaluation of the desirability of assimilation in favour of ideas of "multi"-culturalism, which allows minority groups to protect and promote their identities even through the generations. In Canada's case this notion has been accepted as national policy, though critics such as Bissoondath (1994) and others have castigated multiculturalism for its stereotyping and marginalization of non-charter group members. He argues that multiculturalism "is the trade-off of the marketplace, an assurance of creature comforts in exchange for playing the ethnic game" (214). For the social sciences, however, the dynamism of issues of culture and multiculturalism, especially in cities, have become fecund ground for research and cross-disciplinary debate:

The idea of cultural complexity, most sharply on display in the arabesque patterns of the modern metropolis...weakens earlier schemata and paradigms, destabilises and decentres previous theories and sociologies. Here the narrow arrow of progressive time is displaced by the open spiral of heterogeneous collaborations and contaminations, and what Edward Said has recently referred to as "atonal ensembles". It is a reality that is multiform, heterotopic, diasporic. The city suggests an implosive disorder, sometimes liberating, often bewildering, that results in an interpolation in which the imagination carries you in every direction, even towards the previously unthought. (Chambers 1994, 93)

The metropolis is presented as the site of multiplicity, difference and migration. It forms a
junction where global diasporas meet and form "atonal ensembles". The complexity of these urban concentrations, and the ethnic diversity contained within them, present enticing research options for academics and state planners alike. However, I believe such research is not justified unless one goes deeper than a surfacial vision of "difference" and heterogeneity.

As discussed in Chapter 1, the social construction of ethnicity needs to be problematized. In this chapter I identify examples and sources of racialized discourse which impact on Indo-Canadians, acting to diminish the complex identities contained within this wider group. I offer this approach to demonstrate the importance of understanding the nexus of racialization and cultural identity in relation to the economic location, and operation, of ethnic enterprise in the construction industry. Just as building houses adds to the form of the urban landscape that has become so complex and multiform, so does understanding the cultural relations within and between ethnic groups add to the understanding of these multiform, heterotopic and diasporic "realities".

3. The history of South Asian immigration to British Columbia: rejection, acceptance and paradoxical boundaries

Those of South-Asian descent make their homes all over British Columbia and Canada, but it is in the Vancouver region that South-Asians, "presently one of Canada's most rapidly growing ethnocultural populations" (Buchignani 1987), maintain their most developed communities and landscapes. Before considering the contemporary situation regarding Vancouver and the Indo-Canadian population, I want to consider the history of South Asian immigration to the area, and the particular exclusionary, racializing discourses that framed their arrival. In grounding this discussion historically I aim to show how discourses impacted on the economic opportunities, social reception and identity
construction of South Asian immigrants, and the importance of understanding this process when interpreting current spatial changes and societal relations.

The history of the South Asian community in British Columbia is a story of both opportunity and oppression, and this tension has shaped the contemporary organization and economic participation of Indo-Canadians in the province. There are at least two accounts of how the first Sikh pioneers came to British Columbia. Khan (1991) suggests it was during a trip from India to Britain for Edward VII's coronation. Muthanna (1975) and Unna (1985) suggest it was during a trip to Britain for Queen Victoria's Diamond Jubilee in 1897. In both cases those travelling through were Sikh soldiers who were "well-received in Canada and admired for their exotic costumes and their military prowess for which their British medals offered evidence" (Khan 1991). It is suggested that these Sikh soldiers were impressed by their encounter with British Columbia and felt they could benefit by settling there (Unna 1985). These farmer-soldiers who migrated to British Columbia originated from diverse sites:

there were a good number of old Sikh soldiers in the Chinese towns of Canton, Shanghai, Hong Kong and other places. Those were the people who stayed on there after taking part in the Boxer Rebellion campaign. A hard core among those men journeyed from there to North America, and so also the Punjabis who attended the Jubilee celebrations in London. (Muthanna 1975, 21)

By 1900 there might have been around 100 South Asians, mostly Sikhs, in the Lower Mainland (Muthana 1975). Rather than the initial interest the Anglo community had shown in the first transient encounters, later responses became enframed in a discourse of racialization. Khan identifies the manner as the public assessment of these first settlers was formed by preconceptions, mostly channeled through Imperial and colonial discourses from Britain. In much the same manner in which the Chinese were racialized at this time (Anderson 1991), those first settlers found themselves subjected to discrimination, disenfranchisement and were excluded from certain professions. One difference, however,
between the Chinese, Japanese and Indian settlers is of particular importance: those from India were British subjects and Queen Victoria had pledged citizenship to all people of the Empire regardless of race (Khan 1991, Sempet-Mehta 1984). This posed a problem for Canada in pursuing restrictions on Indian immigration, since their legal status allowed them freedom of movement around the British Empire. To accommodate the growing public desire for exclusion, MacKenzie King, after negotiating with the British, brought in the 1908 Order-in-Council banning all immigrants who did not come on a continuous journey. The only scheduled continuous journey from India to Canada was via steamship lines owned by the Canada Pacific Railway company in India. On March 26th 1908, two months after the Order-in-Council was passed, the CPR, under instruction from the Government, issued a directive to its India offices disallowing further sales of through-tickets from India to Canada (Sampat-Mehta 1984). The Order-in-Council was tested by a group of South-Asian immigrants aboard the Komagata Maru,3 but it became apparent that the Canadian authorities refused to accept the British subject status as decreed upon all subjects of the Empire. This denial elucidates the reconstruction of nationality, entitlement, citizenship and the manner in which British subjects were selectively distinguished and disenfranchised based on a racialized discriminatory practice, and how such constructions informed and mediated the perceptions of British Columbian and Vancouver society.

The B.C. Legislature was aware of the citizenship issue, as Muthanna shows with a 1907 statement from W. MacDonald, leader of the opposition at that time:

The Hindu, as we all know is a British Subject, and the Imperial Government will look upon this kind of legislation with great care. It invites the serious consideration of both Ottawa and London. I agree in keeping foreigners out of our voters' list. A Hindu, though a British Subject, not one in one hundred among them can speak our language

3 In 1914 the Komagata Maru sailed to Vancouver bringing 376 South Asian immigrants in an attempt to break the 1908 Order-in-Council. Passengers were denied the right to land in Canada and were left anchored in Burrard inlet for two months whilst negotiations went on. After negotiations the vessel was "escorted" out of the inlet by the navy gunboat "The Rainbow". For further details see Muthanna (1975) and Dutton (1989).
nor are they familiar with our laws and customs. (51)

In a cruel irony the British colonial identity ascribed onto Indians was further re-inscribed through additional layers of localized colonial discourse. Such actions served to deny their entry to Canada through reconstructing their identities. Moreover, South Asian immigrants, together with the Chinese, were denied the franchise in 1907 and did not regain it until 1947. Such institutionalized exclusion was both informed by, and influential in, the racialization of these South-Asian migrants, especially the negative stereotyping promoted through the media and by politicians:

the Hindu is rather picturesque. When he arrives, his dress consists of an undergarment, a pair of scanty pantaloons, and probably an old military coat; but he gradually adopts the Canadian costume, retaining the turban. The effect is often decidedly grotesque, so far the Hindus have been employed only in the lowest kind of manual labour. They are very slow, and do not seem capable of hard continuous exertion. Their diet is light, and physically they are not adapted to the rigours of Canada. (Rev. J.S. Woodsworth 1900, quoted by Jarvis 1991, 7)

Such blatant stereotypes indicate how widespread and powerful such rhetoric was, and how the racialized nature of such discourse was normalized during this time.

J.S. Woodsworth is a significant political figure in Canadian history, remembered as a reformer and progressive pioneer of the political left. In this instance the power of racialized discourse erases acknowledgment of the presence of Sikh (which he refers to as Hindu) immigrants in some of the most demanding manual labour positions, such as on CPR crews, farming, logging camps and in sawmills, as Jagpal (1994) reveals. Also obscured in this type of stereotyping is an understanding of the structural constraints placed on these immigrants through institutionalized economic exclusion, and the denial of entry

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4 For examples of early 20th century racialization through the media and government discourse see Jarvis (1991). One irony of such a document illustrating the discriminatory principles of early immigration law, is that the publishers, C-Far, a right-wing group promoting current immigration reform, have constructed a laudatory review of officials' actions in this period, hoping for a contemporary return to exclusionary and restrictive practices.
into the professions that forced many Sikh pioneers into the lumber and resource industries (Jagpal 1994). Bolaria and Li (1988) also comment on the occupational channeling that limited economic options for South Asians, employing a structuralist lens to interpret colonial labour demands, rather than the exclusions South Asian immigrants endured. Khan (1991) does focus on exclusion, stressing that forces within organized labour worked to eliminate South-Asian immigrants from those industries and workplaces that afforded union pay and protection. In this manner South-Asian immigrants were economically and socially marginalized, both by the state and labour.

During this period, and in the present, assumptions and stereotypical claims about South Asian migrants were recirculated by the use of terms such as "Hindu" and "East-Indian", which were used as markers of differentiation and racialization; yet neither correctly identified the majority of immigrants religiously or geographically. Although it may seem inconsequential that a marker such as "East-Indian" is only geographically incorrect, or the term "Hindu" religiously incorrect, the power of these terms is that such wide circulation erases and subsumes the immense differences between individuals from the Indian Sub-Continent and other locations and migratory sites from which Indo-Canadians originate. Significantly, the particular class, gender, place of origin, and experience of migration all contribute to the identity of South Asian migrants. The erasure of these differences serves to homogenize individuals into a singular identity, a process that continues today regardless

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5 The denial of the franchise closed public office to Asian immigrants, and professions such as law, pharmacy and accountancy were informally closed to them (Jagpal 1994).
6 See Kobayashi and Jackson (1994) for a detailed account of relations between European and non-European settlers, and the various measures taken to marginalize, in this case, Japanese workers.
7 Regardless of the irrelevance of these terms, throughout interviews with Indo-Canadians the term "East-Indian" was employed by Asian and non-Asian Canadians. That Indo-Canadians themselves employ this term attests to the power of racialized discourse, as I indicated in Chapter 1.
of whether the migrants in question are Tamil or South Asian-origin Kenyan refugees, Punjabi farmers, or South Pacific or European twice migrants. Singular categorizations aid in the creation and circulation of negative stereotypes, and ultimately lead to the construction of identities based on "taken for granted" and assumed characteristics. This process was highlighted through a discussion of Penrose and Jackson's (1993) work on the persuasiveness of socially constructed identities, and Sibley's (1995) work on the geographies of exclusion. 8

These exclusions and oppressions have unfolded unevenly through time and across space, and the contemporary economic situation of Indo-Canadians in Vancouver needs to be seen as grounded in these earlier processes. Whilst I do not attempt to patronize contemporary Indo-Canadian male entrepreneurs by considering them "oppressed", I cannot understand their position and identity in today's society, or consider their economic location without acknowledging the legacies of their collective histories.

4. Contemporary Vancouver and the Indo-Canadian population

The present Indo-Canadian community in Vancouver has grown and developed through immigration, which has occurred in various degrees over almost a century. Within two decades after the widening of the franchise in 1947, immigration was "liberalized", allowing for greater family class and skilled immigration and British Columbia in general and the Greater Vancouver Regional District in particular, remain popular destinations for

8 The use of social construction, as I have suggested, can act as a double-edged sword. It is important to understand how socially constructed categories homogenize individuals, erasing difference, but it is also important not to dismiss the potential unity homogeneous grouping can offer and the potential instruments of resistance that can stem from such alliances.
South Asian immigrants (Singh 1994, Minhas 1994).

The Greater Vancouver region is located in the southwest corner of mainland British Columbia, Canada, covering an area of 2,930 square kilometers and supporting a growing population, currently at 1.7 million, (see figure 3). The metropolitan centre is the city of Vancouver, surrounded by over twenty municipalities, each with its own local government. Most of the region is served by a metropolitan government, the Greater Vancouver Regional District (GVRD), which although exercising little real authority, administers over an area with a large degree of economic and social integration ("Greater Vancouver Key Facts" 1995). Statistics Canada defines the twenty municipalities of the Greater Vancouver Region and surrounding rural areas as a Census Metropolitan Area (CMA), which refers to a large labour market area with an urbanized core, having a population of 100,000 or more (Vancouver Key Facts 1995).

In the Vancouver CMA, Punjabi is the third most common mother tongue language, after English and Chinese, and within Greater Vancouver just under half of the 37,730 people listed as having Punjabi as their mother tongue live in Surrey, (a municipality to the south of Vancouver), making up 6.2 percent of Surrey's population. Table 1 shows the comparative distribution of Punjabi mother tongue speakers through Canada, British Columbia, Vancouver and Surrey, indicating the extent of concentration.

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9 This does not indicate those second and third generation Indo-Canadians who do not record Punjabi as their mother tongue, but may use the language for business and social reasons, so these numbers probably err on the low side. The 1991 census recorded approximately 75,000 as single South Asian ethnicity within the Vancouver CMA.

10 Surrey is considered Canada's fastest growing city, where the population of 270,000 is expected to more than double by the year 2011 (GVRD "Key facts").
Vancouver, British Columbia.

Figure 3. Map of Greater Vancouver Regional District.
Table 1. Distribution of Punjabi mother tongue speakers, (based on 1991 census data).

<table>
<thead>
<tr>
<th>Location</th>
<th>Actual number</th>
<th>Percent of national total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Canada</td>
<td>113225</td>
<td>100%</td>
</tr>
<tr>
<td>British Columbia</td>
<td>58320</td>
<td>51.5%</td>
</tr>
<tr>
<td>Vancouver CMA</td>
<td>38225</td>
<td>33.8%</td>
</tr>
<tr>
<td>Surrey</td>
<td>15285</td>
<td>13.5%</td>
</tr>
</tbody>
</table>

It appears that current immigration guided by social networks and chain migration may be creating suburban Indo-Canadian clusters or, following on the work of Li (1996), ethnoburbs.11 Surrey presents the potential for such a settlement and 1986 census information, as represented in figure 4, suggests a significant clustering of Indo-Canadians is developing in certain sub-districts within Surrey. Census data for 1991 indicate an intensification of this trend as revealed in table 1. Additionally, Surrey boasts the second highest number of single family housing starts for 1995 throughout the Lower Mainland, (CMHC New Housing Report), and figure 5 shows how this compares with other GVRD municipalities. The potential significance of this intersection of ethnic residential clustering and housing construction is supported by reports that low income ethnic minorities and new immigrants across North America are replacing traditional middle class families as first-time home buyers.12

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11 Li's (1996) ethnoburb model is based upon the mixture of ethnic enclave and suburban characteristics, which makes these newly emerging spaces distinct from previous forms of immigrant/ethnic settlement.

12 See The Vancouver Sun, "Ethnic minorities replace traditional groups as primary home buyers", April 16 p E 14. Interestingly Harris (1996) identifies the role of immigrants in suburban developments in Toronto for the period 1900 to 1950, so current interest, such as Li's (1996) in suburban residential changes linked to ethnic minorities and immigrants, is not a completely new development.
Figure 4. Map showing the percent of population of South Asian ethnic origin, Metropolitan Vancouver. (Based on 1986 census data).

Taken from Ley, Hiebert and Pratt (1992, 251).
Figure 5. Cumulative single family housing starts; top four municipalities, Jan-Nov 1995.
The potential for a housing sub-market directed at Indo-Canadian buyers also supports the activities of Indo-Canadian construction and related companies as well as real estate agents.13

The dynamics of urban change on a suburban scale is an important issue, one which this thesis is not directly concerned with. I am, however, concerned with the related growth in enterprise bounded by ethnic attachment in residential construction, and how economic and cultural factors interface to position entrepreneurs and their families within wider Vancouver society. With regard to this, I have already considered how historical factors informed popular discourse, and now I turn to consider contemporary relations that have the potential to influence the opportunities and societal reception of Indo-Canadian entrepreneurs.

5. Contemporary exclusion and discrimination: economic exclusion

Despite the increase in Asian immigration and the reversal of institutionalized exclusion, social distancing and discrimination are still present, and these can affect the economic activities of Indo-Canadian construction companies. Robin Dowling (1995) for example, indicates the implicit distancing of the "white" families in Surrey that she interviewed, from those of Indo-Canadian background. She identifies the importance of "racial" distancing throughout the process of residential settlement and how this is reinforced in the construction industry, discussing how new developments built to house predominantly white families are contracted in such a manner to covertly deny Indo-

13 During my fieldwork I interviewed an Indo-Canadian real estate agent working in Surrey, who advised me that the Indo-Canadian population was becoming a significant political and economic force in Surrey's development. Additionally I asked about his role when showing real estate to other Indo-Canadians and I found similar evidence to Teixeira (1995) that co-ethnic real estate agents play an active role in maintaining ethnic enclaves.
Canadian builders from obtaining contracts. Informal conversations I have had with
developers and builders of non-South Asian background have indicated that newly
developed sites can surreptitiously exclude Indo-Canadian firms through restrictions such
as union-only companies and membership in certain trade groups. The majority of Indo-
Canadian construction firms are small, informal establishments with limited training and
employment structures. We see, therefore, that restrictive practices remain today and
affect the material success of Indo-Canadian construction entrepreneurs. This example
displays how various factors, in this case racial distancing through economic exclusion,
influence the opportunities available to Indo-Canadian entrepreneurs.

Other factors that must be investigated in order to make the case that explanations cognizant
of intersecting cultural and economic motivations can reveal the subtle complex manner in
which Indo-Canadians in general and entrepreneurs in particular, are positioned in
Vancouver's multi-ethnic society. In particular family structure and residential living
arrangements proves to be a contentious issue between Euro-Canadians and South-Asian
immigrants.

5.1. The Indo-Canadian family and racialization

In addition to Dowling's discussion of exclusion through economic options in the
residential building processes, the size of Indo-Canadian families and their residential
arrangements were implicitly used by white families to differentiate themselves, and thus
racialize the Indo-Canadian as "other". In one case Dowling highlights how the distancing
and racialization was explicit as one of her female respondents discusses searching for a

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14 In addition to my results and conclusions in later chapters, see Waldinger (1995)
for an elaboration on ethnic contacts in construction based on his work in New York, and
Waldinger and Bailey (1991) on the continuing significance of "race" and exclusionary
practice in the construction labour market.
new home in Surrey:

I don't want them (Indo-Canadians) as my neighbours. There was one new area we were looking at, there were two lots there and we just sat there one day and watched, and all these houses, they don't look like East-Indian houses, but they all had ten cars and in and out were all these East-Indians. I was surprised because the house didn't look, it was a three level house with a basement which you couldn't see unless you were at the back. I don't think it's fair they pay taxes when they've got three families in one house....They stuff our schools when they all live in one house. (156)

These comments could be dismissed by discussing the socially constructed idea of *family*, and identify how unstable a foundation this concept is from which to racialize the "other". However to do so would overlook the central cultural, social, political and economic role of the Indo-Canadian family in general, and Punjabi family in particular.

Ballard (1990) identifies the central role of the Punjabi family:

Each family (*ghar*)- which ideally includes a man, his sons, and his sons' sons, together with their wives and unmarried daughters - is a strongly corporate group, whose members are expected to live cooperatively together under the same roof while jointly exploiting their common assets and property. As well as being the arena within which the most personal relationships are sustained, such units also provide the basic building blocks for the local social structure. It is above all as members of their families, rather than as lone individuals, that Punjabis participate in the wider world. (229)

Ballard identifies the fundamental importance of the family, and Ramcharan (1984) discusses how these attachments remain intact during and after migration:

It would not be an exaggeration to say that the most important element in the South Asian community is the family, and both in the context of India and Canada this means the extended family....Even though the duplication of the extended family could not be literally transferred to the new society, the perception of belonging to a larger group was maintained, and in terms of friendship and social networks, links with family and village networks were maintained. The helping and assisting of newly arrived relatives in Canada is perhaps the best example of the real function of the extended family system. The strength of the family provides practical and emotional support to the family.

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15 Without entering into a neo-conservative discussion about the nuclear family, it is important to recognize that notions of the *family* and what it represents are social constructions themselves, and some governments promote the notion of the family in opposition to non-heterosexual or non-patriarchal forms of organization. Societies in less industrialized countries, often due to economic necessity, may exhibit greater dependence on social organization based around the extended family. These influences are transported in migration and are very resilient even in the face of generational change (Ramcharan 1984).
individual and, in terms of the hostility shown to them by members of the society, it provides them with the means for psychological adjustment to their new society. (38)

This discussion of the Indo-Canadian, especially Punjabi family, is really too brief to allow a in-depth consideration of societal relations mediated by constructed notions of the "family". What it does provide however, is an indication of the need to analyze popular racializing sentiments and expose the manner in which they are socially constructed. However, as Ramcharan argues, the family acts as a support for Indo-Canadians and aids new immigrants in their transition to life in Canada, as well as being central in the long term financial stability of the family as a whole. This function is key in the Indo-Canadian community, and the importance of the family, while not manipulated in racialized discourse, should be viewed with more consideration than merely dismissed as essentialized argumentation.

### 5.2. Religious symbols versus "tradition"

Another area where cultural "difference" became a vehicle for racialization was the debate in the RCMP and the Legion Halls over the turban (see Pelot 1993 and Henry et al 1995). In both cases the wearing of the turban was disputed because it went against "tradition", as argued by the "Defenders of RCMP Tradition":

> We are saddened and we are angry that so little thought is given to the history of our country; that symbols of our heritage and tradition can be so easily tampered with. We strongly protest the recent changes to the RCMP dress code allowing turbans, beards and ceremonial daggers as regulation dress for Sikh members of the RCMP.... (Letter to the editor of the Winnipeg Free press, July 31 1989, quoted in Pelot 1993, 9)

The language of tradition can be conceptualized as a legacy of European settlement, and invoking "tradition" in the face of change is based on a highly selective interpretation of "the history of our country". As Jagpal (1994) and Narider (1994) have shown, the recent history of this province's development is also a product of South Asian settlers'
contributions. In addition these protests can be seen as resistance to societal change; change that may displace the previously assumed power of Euro-Canadians. In this case the rhetoric of tradition can be employed in an attempt to exclude or force assimilation on individual Sikhs, without understanding the significance of symbols of religious attachment, as alternative voices such as Johnston and Singh Bains (1995) reveal. Again this discussion indicates the perceived differences across ethnic groups, which are often mediated and informed by stereotypical assumptions, and the potential for these assumptions to frame and influence "economic" mediations within construction.

5.3. Politics, the media and racialization

Contemporary racialization and the exclusion that results from it stem from subtle and complex processes. The media often exercise negative reporting on the Indo-Canadian community, as Siddiqui (1993) argues:

When visible minorities do appear in our newspapers and TV public affairs programming, they emerge as villains in a variety of ways - as caricatures from a colonial past; as extensions of foreign entities; or, in the Canadian context, as troubled immigrants in a dazzling array of trouble spots; hassling police, stumping immigration authorities, cheating on welfare, or battling among themselves or with their own families. (quoted in Henry et al 1995, 235)

Such media activity is commonplace, but interpreting all of those reports as singularly negative is too simplistic. As Anderson (1991) has discussed in her work on the Chinese-Canadian community, racialized discourses can be recirculated by the very community in

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16 Negative press images continue to be a reality for Vancouver's Indo-Canadian community. See The Vancouver Sun, December 9, 1995, p. A19 and A22 for three stories in one edition that identified the Indo-Canadian population with negative issues of immigration and terrorism, Unemployment Insurance fraud and gang violence. See also Ley (1983) regarding negative media portrayal of the Indo-population. Even positive individual images are enframed in violence linked to the Indo-community, i.e. "Hayer overcomes shooting to earn honor", Surrey and Delta Leader May 28, 1995 was about the journalist Tara Singh Hayer who was shot after writing a column critical of religious extremists in Canada.
question if deemed advantageous. For instance, *The Vancouver Sun*\(^\text{17}\) claimed that local liberal elections in Surrey, prior to the 1996 Provincial election, were dominated by Indo-Canadian supporters and all four of the Liberal party candidates elected had the support of this community. The article quoted one Indo-Canadian businesswomen, who said the atmosphere at the nomination meeting resembled the "cacophony and confusion of an election hall in the country from which she emigrated." She was quoted as saying "I felt like this was India, poor uneducated people are being taken advantage of and we are bringing (this type of politics) to this country." Such discourses of "third world in first world" allow for some interesting parallels with Anderson's (1991) work. Are these racializing discourses being recirculated by members of that very community, or is such a view too limited a way of interpreting this sentiment? Immigration encourages certain options or "dreams" of movement or success that motivate individuals. Is this woman articulating her vision of change? Is it too severe to dismiss such sentiments through some form of deconstruction? Should they be upheld as structures forged by individuals trying to enhance the opportunities and future goals of their ethnic community? I mention this one example since these issues and complexities infiltrate my analysis of Indo-Canadian entrepreneurs in Vancouver, and reveal the processes of transition and internal differentiation of a community perceived as homogeneous.

Politics is a contentious arena at any time, but for the Indo-Canadian community the juncture of politics and religion offers the potential for sharp internal differentiation to develop. I have considered a few of the issues that emerge within society that act to distance Indo-Canadians socially from other ethnic groups, particularly Euro-Canadians. In the arena of politics and religion though, the boundaries become more complex, because differentiation occurs within, as well as between ethnic groups.

6. The Sikh religion: identity, community and disunity

It is necessary to understand the influences of Sikhism, since initial and contemporary South-Asian immigrants to British Columbia were mostly Punjabi Sikhs (Singh 1994), and recent census data attest to the over representation of Sikhs in this province, as figure 6 shows. As Tepper argues, ethno-cultural identities are becoming the significant rallying points for groups resisting the power of the state to control their lives and Sikh Temples act as critical meeting places for adherents of Sikhism. Religion plays an important role in the maintenance of ethnic identity and community, as highlighted here:

religion provides a powerful means of shaping and preserving ethnic identity through the transmission of cultural patterns and the attribution of sacral status to elements of those patterns. The formation and preservation of ethnic identity are negotiated between the immigrant community and the host society and between the first and second generation. (Williams 1987, quoted by Park 1994, 154)

Within the Sikh community religion is an important line of differentiation. Sikhism formed in 1469, splitting from the Hindu religion, which was seen as decadent and a bastion of inequality symbolized by the caste system. Guru Nanak, the first of ten Gurus, led the movement and initiated Sikhism. The main principles of Sikhism are belief in one God, service to fellow human beings, sharing one's earnings with the needy, equality for women, equality for all and acceptance of all religions. Equality for all meant denying the caste system which was achieved by adopting the common Sikh naming convention of Singh (lion) for men and Kaur (princess) for women (Minhas 1994). To be an orthodox or Khalsa Sikh requires observance of the five K's; wearing the Kirpan, a sword to show the ability to defend oneself and the Sikh faith; wearing the Kartha, an iron bracelet representing the body's strength; wearing the Kanga a small wooden comb in the hair at all times; and maintaining the Kes, hair tied into a knot on the top of the head and covered with the turban, or dastar. Hair is considered a gift from God, so shaving is forbidden. The Kach is a pair of underwear that must be worn at all times as a reminder to observe
Figure 6. Distribution of Sikhs and Hindus in Canada and B.C. as reported in the 1991 census.
chastity, modesty and sexual restraint (Minhas 1994). The responsibility of maintaining the five K's is taken very seriously by Khalsa Sikhs.\textsuperscript{18}

Not all those of Sikh background are active in their faith. Religious analysts in British Columbia estimate that one third of Sikhs are dedicated to attending their gurdwara (temple) at least once a week, another third go twice a month or less, and one third rarely show up. Leaders of British Columbia's gurdwaras estimate that 75 percent of all Sikhs there are non-orthodox; i.e. although they may attend a temple, they do not adhere to the five K's.\textsuperscript{19}

It is debatable exactly how much internal conflict there is over these religious differences.\textsuperscript{20} Some tensions do exist, and within British Columbia wider international issues of Indian political and religious divisiveness become spatialized locally around the gurdwaras. Certain Temples and their members are renowned for the political viewpoints they hold on issues such as non-Khalsa Sikhs and the Sikh independence movement.

Ballard (1994) has undertaken extensive research on Sikhs, and identifies the paradoxical oppositions of what Sikhism strives to be, and what he perceives to be the "realities" of the Sikh communities he has researched in Britain:

As a matter of principle Sikhs are strongly committed to the idea that they \textit{ought} to form a closely knit, tightly organized and comprehensively unified community. Not only do the Guru's teachings suggest that unity and equality form the core of what Sikhism is (or should be) all about, but more pragmatically this is the best organizational strategy

\textsuperscript{18} There are many alternatives on the origins of Sikhism and the exact meanings of the five K's. See Ann Fuller, "Is this a dagger I see before me?" \textit{The Globe and Mail} 8 April 1993, and Oberoni's (1994) controversial book.


\textsuperscript{20} A sample of responses gleaned from the internet suggests that there is no consensus regarding this issue. Some correspondents denounce "Patris" (a Punjabi word which means an apostate, used to identify clean shaven Sikhs), and some admit that tension exists, but feel the differences within the Sikh community and with Hindus have declined as the emotions roused by the attack on the Golden Temple in Amritsar abate. The user group is \textit{Sikh.soc.religion}, a moderated user group for Sikhs internationally.
for achieving personal and collective security. Yet despite this commitment, few if any Sikhs begin to match this ideal: all, down to the smallest, are deeply divided by factional disputes. Nor are these disjunctions fading away; if anything their scale and significance are growing. (115)

Ballard suggests that these internal disunities are successfully "glossed over" in times of external threat (i.e. colonialism, and the post-independence threat of "Hinduization"), but once the threat recedes, internal disunity appears again. However, Ballard also wonders whether it is this very active factionalism that has contributed to the dynamism of Sikh communities, therefore adding to their success:

Despite, but also because of, their factionalism, the Sikhs' collective achievements have been both remarkable and substantial. Building rival gurdwaras within a few hundred yards of one another and installing taller and taller nishan sahinbs (flagpoles) and larger and larger langar halls, marriage halls, sports halls, car parks and so forth would seem on the face of it, to be a foolish waste of scarce resources....It is because of their vigorous pursuit of internal rivalries that Sikhs everywhere have made advances that are often the envy of other, less quarrelsome groups. (116)

Ballard has spent a long period researching Punjabi communities in India and overseas. He identifies differences within these South-Asian communities without resorting to stereotypes that exclude or deny internal difference. Yet such intricate and subtle knowledge is not widespread in state and media circles, which are often informed by, and recirculate, opinions and categorizations based on assumptions of homogeneity within specific ethnic-religious groups. Acknowledgment of these internal differences and complexities within the Indo-Canadian (and more specifically Sikh) community exposes the manner in which categorizations and the discourses they inspire simplify and deny issues of multiple identity, replacing them with homogeneous categorizations.


In addition to religious difference, international issues around separatist movements in India have local impacts on Sikhs causing significant internal disunity. The Punjab in Northern India is the home to the majority of Sikhs, and a battle led by Sikh-ethno-nationalists for independence of the region to establish Khalistan, a homeland for the Sikh
nation, has been resisted by the Indian government since independence (Singh 1995).

Understanding the foundations of arguments, such as over Khalistan and a Sikh homeland, how they are socially constructed and how they influence societal relations across space, contributes to a broader and more informed spectrum of analysis. This broader spectrum allows us at once to diminish the claims racialized discourses are based upon (i.e. that all Sikhs are separatist terrorists), and further our understanding of the dimensions of cultural difference. Once we are cognizant of cultural differences within the Vancouver Indo-Canadian community, we can begin to conceptualize how this might relate to the economic location of Indo-Canadian entrepreneurs.

The Khalistan argument has had significant impacts on the daily lives of Sikhs in British Columbia through negative media discourses. Constant investigations into financial activities linked to arms through Sikh temples and the subsequent media representation are one example:

The articles conjured images of conflict, civil unrest, violent confrontation, terrorism, and destruction of property. In turn, the repetition of these images and stereotypes reinforce prejudice against not only Sikhs but all South Asians. (Henry et al. 1995, 236)

Such stereotypes are not only recirculated by local and regional discourses, but though international ones also. Unna's (1985) journalistic investigation into Sikhs abroad, prompted by Prime Minister Rajiv Gandhi's accusation that Sikhs living outside India are responsible for creating the current difficulties for Sikhs inside India, displays the divisiveness emeshed in Indian politics.21

21 Recent reports in The Vancouver Sun have covered human rights abuses in India, especially in relation to Punjabi Sikh activists and Kashmiri resistance. For instance; "Activist not seen since his arrest in fall of '95", Vancouver Sun May 3 1996 p A13, covered a story on Akali Diwa Society member Jaswant Singh Khalra, who was abducted by Police outside his home in Amritsar, Punjab on Sept 5th 1995. My own personal observations suggest that 1996 has seen an increase in reports in The Vancouver Sun on Indian politics, and less negative reporting on Indo-Canadians. Whether such reporting is due to a more enlightened editorial board realizing the need to increase circulation in British
Opinions are as varied as perspectives but generally, the overseas Sikhs are apprehensive that the roots of their cultural heritage in India are being smothered by a Hinduized India. At the same time, authorities who have to deal with them in North America, particularly in Canada, are dismayed by the violent and intimidating demonstrations employed by small but active segments of these overseas Sikhs to express their chagrin. (1)

Such political divisiveness in India can directly affect Canadian policy. Unna argues that Indian officials have in the past complained that Canada encourages Sikh ethnic development through grants awarded under the auspices of the Multiculturalism Act. Unna also asserts that under pressure from the Indian Government the University of British Columbia Chair in "Sikh Studies", was renamed "Punjabi Language, Literature and Sikh Studies". Radical Sikhs are identified by Unna as young "new generation" immigrants, and he identifies British Columbian Sikhs as the most militant in Canada. He discusses the 1985 attack on Ujjal Dosanjh, the current Provincial Attorney General, and links it to a critical speech regarding radicals abroad, made by Dosanjh at the Ross Street Temple, "the oldest and most radical seat in Sikhdom Canada" (Unna 1985). Admittedly Unna is interested in radicals abroad, and his work is part of a special report for the Indian magazine "The Statesman", but the importance of these details is how they indicate that differences exist within the Indo-Canadian community, originating in part from the policies of the Indian Government, and how these international discourses are reconstituted on a local spatial scale.

Dusenbery (1995) discusses contested identities and constructed realities in relation to Sikh identity and the Khalistan argument. He highlights the historical presence of multiple Sikh/Punjabi identities, and argues that there was never a fixed identity for Sikhs in the Punjab. Dusenbury takes his starting point from 1880-1920, a period of exceptional international migration from the villages of central Punjab. At this time, Sikh elites were

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Columbia among non-charter immigrants, or due to journalistic change, is an interesting question, though one beyond the scope of this thesis.
attempting to construct a reified Sikh religion in response to the colonial and Christian presence in the area. This attempt by Sikh elites to construct a single religious identity belied the social reality of the time: "Far from there being a single "Sikh" identity, most Sikhs moved in and out of multiple identities" (Oberoni 1988 quoted in Dusenbury 1995). Indeed Dusenbury suggests that historical work on the census in Punjab reveals that identity ascription and categorization in the Punjab itself was not a simple operation:

how to categorize and enumerate the population in Punjab was a challenge to the British who were confused and frustrated by what they perceived to be the lack of clear-cut normative identities among Punjabis. (19)

Indeed, he argues it is only the pressures of modernizing western discourses, mediated by the British colonial presence, that have encouraged the ascription of singular identities to Sikhs through religious identity, ignoring linguistic, occupational, or territorial connections. The British actions, Dusenbury contends, made boundaries such as caste and religion more rigid and impermeable then they might otherwise have been, whilst reducing the importance of regional identities. Dusenbery concurs with Oberoni (1987), that Sikhism was never territorially restricted, (the last human Guru, Gobind Singh, declared that wherever five Sikhs gather together in the presence of their sacred scripture, there too is the eternal Guru). Such religious mobility allows Sikh migrants to fully establish themselves in new territories such as British Columbia, without necessarily being committed to securing a distant homeland, since new locations can become their homeland if a settlement of Sikhs is established. Dusenbery contents that the Khalistan argument - that Sikhs belong to the Punjab and the Punjab belongs to Sikhs - can be seen as a modern discourse of self determination that has been constructed to naturalize the people, place, culture nexus, when there is arguably nothing "natural" about it.

Concerning ourselves with the machinations of Sikhism and the Khalistan debate, its basis, outcomes and paradoxes, may seem tangential, but my argument throughout has been that economic and cultural factors intersect and contribute to an understanding of the material
position of Indo-Canadian (specifically Sikh) ethnic entrepreneurs in Vancouver. Through broaden the spectrum of analysis, we see that some of the central concerns of the Indo-Canadian community are themselves subject to alternative interpretations, and therefore do not only inform assumptions of difference between ethnic groups, but identify the differences within the Indo-Canadian community.

7. Conclusion

In this chapter I have discussed the attraction of research on immigration and ethnicity in the urban landscape. I discussed how changes in this landscape are perceived to be related to quantitative and qualitative developments, which represent both an increase in non-traditional sources of immigrants and political changes in representation based on cultural and ethnic identity. These changes, I suggested, are mediated and fuelled by the dynamics of the urban environment, the sites of "implosive disorder" (Chambers 1994) which feed into the growing interest researchers and policy makers have for the metropolis as a barometer of social and cultural change in industrially advanced economies.

Within the context of British Columbia and Vancouver, I identified some historical and contemporary instances of racialization that have served to marginalise and socially distance the growing South-Asian community from other ethnic groups, especially "mainstream" Euro-Canadians. In particular this chapter has acknowledged the significance of socially constructed identities and racialization in understanding the contemporary situation of the Indo-Canadian community. Also contained in this discussion is the realization that multiple identities circulate within a perceived homogeneous group such as Indo-Canadian. Understanding the basis and importance of the Khalistan debate contributes to such insight. From this discussion we can see that the urban environment is interlaced with social and cultural boundaries and exclusions. These influence our lives on different levels, and
impact on and within different groups in varying degrees. Acknowledging the existence of these boundaries, and their connections across time and local and international space, is essential if we are to attempt to investigate ethnic groups and the manner in which members of those groups organize, operate and engage economically and culturally in a multicultural society. Such is my aim in this study, and in the next chapter I outline my research methodology and the predicaments of "researching the other", indicating some of the many doubts that crossed my mind throughout this process.
CHAPTER FOUR

RESEARCH METHODS

1. Research Aims

The aim of my research is to deal with the claims of ethnic enterprise literature, add greater subtlety to these approaches by integrating a more sensitive awareness to internal difference and the pressures of discrimination, and examine the interface between culture and economy that frames the operation of economic enterprises owned and operated by Indo-Canadians. This wider context allows a breath of investigation and incorporation of issues that narrower approaches, centered primarily on economic organization, may overlook.

2. The problems of categorizations

As my previous three chapters indicate, my focus is on ethnic or immigrant entrepreneurs in the construction industry. In some ways these parameters indicate a rigidity I feel is not merited. Throughout Chapters 1 and 3 I have stressed the importance of recognizing difference within socially constructed categories such as Indo-Canadian. This aim is frustrating since the very parameters of the project are predicated on categorizations of difference. I hope to compensate for this by utilizing Jackson and Penrose's (1993) muted social constructionist approach, because although I define the project through the category of Indo-Canadian, throughout the research process I aim to be sensitive and open to acknowledging the presence of multiple identities, without diminishing or dismissing the social reality of ethnic affiliation, connected as it is in many ways to cultural issues such as
family, religion, national origin, community, kinship networks and political mobilization.\(^1\)

To achieve this level of awareness during my research, I elected to use a qualitative ethnographic approach to interviews. The demands of this research method will be discussed later in the chapter.

3. Interview sample

Having established the aims and parameters of the study, and using the *Lower Mainland Business Directory*\(^2\), I scanned the construction section under the standard industrial classification for single residential construction companies, electricians, and other trades and building sectors for companies owned by individuals with Indo-Canadian names. This directory provided the company name and its owner, the number of employees, and date of establishment. In some cases there was a contact number, but mostly the addresses and phone numbers of entrepreneurs were collected from the local area telephone books. In addition to collecting data from this source, during the initial interview process I was given a copy of the *Indo-Canadian Business Pages*\(^3\) by one of the respondents in my sample. The number of construction related firms advertising in this directory supports my perception of the Indo-Canadian presence in the construction industry, and reveals an over representation in certain trades (especially in wood manufacturing and lumber related industries as I claimed in the previous chapter) and

\(^1\) Debate in the 1996 B.C. Provincial election revealed the importance of securing the "ethnic" vote, and the political posturing played out by rival parties in order to court the two largest ethnic minorities, Chinese-Canadians and Indo-Canadians. See Tom Barrett "Ethnic vote in the spotlight as parties trade barbs over leaflet" in *The Vancouver Sun*, May 13, 1996 p A1 and A2. Even here the assumption should not be made that those of similar ethnicity vote for the same party as a block; see *The Vancouver Sun*, "Electioneering here and there." May 21, 1996 p A10, for a discussion of the division in political support from the Indo-Canadian community.

\(^2\) The directory is *Contacts Influential International Corporation 1995*.

\(^3\) The directory is the 1995 *Indo-Canadian Business Pages*, published by Kranti Enterprises Inc. Surrey, British Columbia.
spatial locations, particularly in the municipality of Surrey as figure 7 shows.

From these sources, I compiled a list of approximately 80 construction entrepreneurs representing various construction-related industries located in several districts in the Lower Mainland: Surrey, Delta, Port Coquitlam, Burnaby, Richmond and Vancouver. I initially contacted entrepreneurs by letter (see appendix 1) and then followed-up with a phone call. A very small percentage declined to be interviewed and some entrepreneurs could not be contacted other than via an answer phone, which in all cases did not lead to a response. Some companies had ceased operations and these were deleted from the list. A few entrepreneurs and managers were too busy at the time of contact and elected to be interviewed at another date. This list was supplemented by referrals and ultimately yielded 24 interviews representing 26 companies over a 12 month period. The activities of those interviewed are shown in table 2. These companies were concentrated in various parts of the Greater Vancouver Regional District, as shown in figure 8. The sample also presents some diversity with respect to immigration status, and the sample profile in this regard is shown in figure 9.

The manner in which potential respondents were selected from the Lower Mainland Business Directory was somewhat problematic, since I used names (such as Singh) to identify construction entrepreneurs of South Asian origin. Unfortunately, name ascription alone does not allow one to recognize or acknowledge different experiences of immigration or length of residence in Canada, even though these are some of the issues I am interested in. I felt this was not an exercise in creating "capriciously conceived borders" (Anderson 1991), because the purpose of such definition was preliminary and my ultimate aim was to allow further discussion of difference, identity and migration experience during the

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4 One of those interviewed was the owner or partner in three construction firms, and he provided responses for each of his companies.
GROUP

- Inputs, lumber & building supplies.
- Skilled, electrical plumbing, painting.
- External services & general contracting.
- Trucking, demolition & excavation.

Figure 7. The location of construction related companies listed in the Indo-Canadian Businesses Pages.

Taken from The Indo-Canadian Business Pages 1995.
Published by Kranti Publications, Surrey, B.C.
Table 2. Interview sample by trade.

<table>
<thead>
<tr>
<th>Trade</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>plumbers</td>
<td>3</td>
</tr>
<tr>
<td>electricians</td>
<td>2</td>
</tr>
<tr>
<td>demolition and excavation operators</td>
<td>3</td>
</tr>
<tr>
<td>lumber remanufacturers</td>
<td>2</td>
</tr>
<tr>
<td>lumber retailers</td>
<td>2</td>
</tr>
<tr>
<td>lumber wholesalers</td>
<td>2</td>
</tr>
<tr>
<td>general and labour contractors</td>
<td>3</td>
</tr>
<tr>
<td>roofers</td>
<td>2</td>
</tr>
<tr>
<td>truss manufacturer</td>
<td>1</td>
</tr>
<tr>
<td>cabinet manufactures</td>
<td>4</td>
</tr>
<tr>
<td>joiner/carpenter</td>
<td>1</td>
</tr>
</tbody>
</table>
Figure 8. Map showing the location of businesses interviewed.
Figure 9. Research sample by immigration status.
interview process. Using the *Indo-Canadian Business Directory* was less problematic, however, because contributors to the directory have self-identified and aligned themselves to the Indo-Canadian community by actively choosing to advertise in this source.

4. The Interview Format

Once respondents consented to an interview, I arranged a convenient time for him (all the interviewees were male) to be interviewed at his place of work. Some individuals were interviewed at home, especially those who worked on various sites around town instead of at a formal office. The interviews followed a set format, with twelve open-ended questions exploring when the individual (or their parents or grandparents) came to Canada, how and when the company was established, and the respondent's assessment of the positive and negative strengths of his culture and background with respect to the operation of the business (see appendix 2 for a copy of the interview schedule). The interviews took place over a 12 month period, although most were concentrated into the periods May to July 1995 and January to March 1996.

To investigate the networks that supported their economic success and company operation, I asked about employee numbers, the gender and ethnicity of workers, recruitment channels, and client and supplier contacts. In particular I asked respondents to consider which of these contacts were established through social and religious networks. To ascertain the respondent's satisfaction as an entrepreneur in Canada, I ended the interview with a general question about how they felt their enterprise was going. In addition to allowing the respondent to raise any issues he felt had not be adequately dealt with, it allowed me to encourage discussion about issues outside the immediate range of the interview schedule. The length of interviews ranged from 30 minutes to two hours. In the majority of cases interviews were tape recorded and later transcribed. A few individuals
declined to be recorded and so I took notes during the interview. Once I had the typed transcripts I read through them noting the quantitative details and more qualitative themes that developed, translating them onto a grid to denote recurring themes and issues, as well as more general aspects of the enterprise. This grid acted as short hand for my research data, and assisted in organizing, directing and consolidating my findings. In this way, although I had *apriori* ideas and theories to test, the responses and motifs that emerged functioned to influence and direct the study's composition.

4.1. Commonalties

My position as a foreign woman may have "endeared" me to some of the men I interviewed. They expressed an interest in what I was doing here, an English woman interviewing construction entrepreneurs. I think my gender and seeming naiveté regarding the intricacies of the Canadian residential construction industry may have allowed a more personal, less formal discussion to develop. On some occasions an informal discussion about Britain would develop (many of the interviewees had relatives and friends in the country), and it is interesting to conceptualize these discussions through a post-colonial lens.\(^5\) On some occasions we would talk about immigration, and the problems and experiences we both shared in dealing with immigration issues and requirements. I think my position as an alien and a newcomer to Canada may have inspired greater identification between me and the respondents. Often, I felt that if I had been a native born Canadian there may have been slight alterations in the responses offered to my questions. Being a non-Canadian may have encouraged respondents to be more open about their attitudes and

\(^5\) Concepts such as post-colonial linkages are very rich in their application to the relationship between India and Britain. I was intrigued by Muthanna (1975) and what some might consider an ironic foreword to his book, *People of India in North America*, where he dedicated the book: "To the Memory of The British Empire (across the world) in the Nineteenth Century, which made it possible for the peoples of distant countries to criss-cross the vast oceans and thus come nearer to one-another."
voice any doubts about British Columbian and Canadian society and government in
general, without feeling they would offend me, or more precisely my nationality. These
comments are speculative, but I was aware of these shared understandings. Western
(1992), in his study of Barbadian Londoners, discusses similar themes. He argues that
issues of identity cross universal lines, encouraging common experiences and thoughts to
transcend the appearance of difference. Western attempts to transcend difference through
acknowledging the common experiences he and his respondents possessed through their
respective international migrations, although he acknowledges that the gulf between
himself, an Oxbridge educated white British emigrant to the United States in the 1960s, and
a relatively less educated black Barbadian to London during the same era, is considerable.
The danger of suggesting common experiences and feelings in order to transcend lines of
"racial" difference, is immense. As I have argued discriminatory pressures based on visible
"difference" have the potential to be an overbearing influence in the lives of non-European
origin individuals in North America and Europe. I do not want to diminish this particular
context of disadvantage, but I do want to acknowledge that just as difference can be
socially constructed, so too can it be replaced, as Anderson (1991) argues:

Racial categories can be transcended by visions that promise more creative human
relations than those conducted behind capriciously conceived borders. Such borders
conceal a fiction that cultural pressure can as readily dispel as defend. (252)

Acknowledging common experiences is one way to dispel those borders.

4.2. Differences

Despite these seeming commonalities there were of course, enormous differences
between me and the men I interviewed. Language was one of the most obvious of these.
During some interviews language was a barrier, and I was uncomfortable with the fact that
the interview could be misconstrued and altered during the transcription phase. Also, I was
conscious of the manner in which I was marginalizing some people due to my linguistic
limitations, in that the interview was not providing them with an opportunity to comprehensively share their thoughts and opinions. This marginalization did not only extend to language.

4.3. Marginalization of women

Construction is a masculinist industry and very few women are employed in this sector. Some women were partners in the firms that I visited, but they were never present. The only women I did encounter at the place of work were receptionists, bookkeepers and secretaries. At first I accepted this as the nature of the business and the labour market in general. However, after several interviews a pattern became clear and the apparent "silencing" of women in my interview process gave way to a realization that women were playing a significant role in the financing and operation of the enterprise as well as in the initial sponsorship and chain migration of these men to Canada. While I will cover the significance of this in later chapters, I raise it here because of the importance this realization had for me in my field work, and the self doubts I faced when considering my role in such marginalization. The research focus of this study was highly gendered in that not only was I studying entrepreneurship, a masculine marker of enterprise and business applied and associated more often to men, but I was looking at construction, a highly masculine industry. The unexpected findings on the important role women were playing in this masculinist sphere, indicates how such roles are often overlooked in research on ethnic enterprise and in society in general.

Marginalization comes in many forms and South Asian women writers have explored the peculiar triple jeopardy some women face as migrants, people of colour, and women. Suresht Bald (1995), studying South Asian women migrants in Britain, discusses the way their marginalization maintains the status quo, and that those who benefit from such,
maintain their position in the centre:

In the case of South Asian women migrants, the delineation of the limits is done both by the dominant group, the white British, and the patriarchal religious and cultural practices of the migrants' homelands. For while the white British construct the boundaries between the center and the margins and decide who resides where, it is the expectations of the women's own religious and cultural reference group that define how they live within these constructed margins. (111)

This point about triple oppression needs to be carefully considered. When aligned with Chamber's (1994) celebratory concept of the metropolis and claims of "a reality that is multiform, heterotopic, diasporic", Bald's assertion unveils a "reality" for South Asian women in this instance, that is overlooked by Chambers. Yet there is also resistance to the notion of South-Asian culture contributing to women's subordination as Bald maintains. Parminder Bhachu (1986), in her study of work, dowry and marriage among East African Sikh women in the United Kingdom, indicates the importance of recognizing the strength and support cultural traits such as arranged marriages and dowries can provide to South Asian women. She cautions against an unproblematic acceptance of these double and triple subordination models of analysis:

The implication of these concepts is that the cultural values of Asian or black women are themselves oppressive to them. There is a distinct lack of understanding of the cultural construct from an ethnic viewpoint -- that is, from the perspective of the Asian or black woman herself. The double and triple subordination theses ignore the strengths of cultural forms that can be enormously liberating for Asian or black women in the West, if they do not themselves internalize the negative stereotypes and presumed conflicts emanating from the betwixt-and-between nature of existence that is projected on them by the media. (238)

Bhachu stresses the manner in which cultural traditions change with migration. Although the dowry system in India is highly oppressive to women, she is careful to identify the way it has altered in the United Kingdom, and is actively maintained by women who are independent and have the power to choose how to organize their wedding. This reflects the transformations the migration process can enable, but also stresses the manner in which internal support is maintained through the identification of cultural solidarity, unity and tradition. These attachments offer a source of identity and strength even though the actual
social grouping could arguably be seen as socially constructed.⁶

South Asian women, then, are coping with marginalization, but the extent of such marginalization cannot be merely "read off" from the origin society or from the oppression of the host society, but is seen as the interface of the two and the alterations that occur at the boundary of the two. I have not had the opportunity to interview women who are instrumental in the success of their husband's or family's business, but I do not aim to dismiss their position by highlighting an explanation revealing only the patriarchal side of community relations. I hope to show the significance of the role of women despite what may seem, on an initial reading of my research method, my erasure or marginalization of their voices.

5. Ethnography and the problems of representation

The central aim of my study is to examine the interface between culture and economy. Such an exploration, I argue, allows us to demonstrate the subtleties impacting on the "constitution of actors and identities" (Di Maggio 1994, 47). However, revealing these subtleties requires a methodology that articulates spatial and temporal influences on identity, influences that by their very intersecting nature are complex and resistant to explanation through quantitative inquiry alone. Qualitative research, on the other hand, encompasses a variety of research tools that meet the requirements of my investigation, since:

⁶ Career counseling research on Chinese immigrant women in Canada and the conflicts they face in negotiating career and family decisions, comes to a similar conclusion. To break away from seemingly oppressive patriarchal structures of family and group can actually cause a lack of self esteem and confidence. Researchers recommend a combination of approaches permitting individuals to negotiate demands of work and career whilst maintaining contact and support with the family structure. (Lee and Cochran 1988)
the common theme is a preoccupation with systems of shared meaning: the common project, one of subjective understanding rather than statistical description; the primary goal, an ability to emphasize, communicate and (in some cases) emancipate, rather than to generalize, predict and control. (Smith, S. in Johnston et al 1994, 491)

Such an approach allows me access to understanding systems of shared meaning in the context of the operation and success of ethnic enterprises run by Indo-Canadian entrepreneurs, and how these enterprises are influenced by both economic and cultural factors. In order to do this in the pages of this thesis I have to find a way not to speak for the respondents, but to have a dialogue with them and you, the reader.

5.1. Who speaks and why?

Debate and dilemma over the representation of others through academic research is by no means a new topic in geography and there has been much tension over this issue. Productive and intensely challenging debate has emerged from feminist geographers attempting to articulate new methods of ethnography and fieldwork. The emphasis of these approaches is generally aimed at overcoming oppressive structures and relations which were previously naturalized to the extent "that no one, including the researcher, has even thought to question them." (Kobayashi 1994, 79).

In the case of my research, recognizing these naturalized or "taken for granted" racialized constructions, demands the researcher take a reflexive position in relation to their research and interrogate the motivation behind their efforts, in addition to the very basic assumptions they recirculate or carry with them into the field. Kobayashi (1994) and Katz (1994) among others, have tackled this question from within feminist discourse. Outside of feminist debate similar issues have been broached, and examples can be found in the work of Rowles (1978) and Clifford (1988). Such issues drive to the heart of academic research, because if questions of misrepresentation, or exploitation of the subject are not taken seriously, academic work can no longer be seen to have social legitimacy.
My attempt to resolve these issues is to adopt an ethnographic approach. This is formulated in part because, as I have argued, my investigation aims to reveal subtleties in relationships and networks that cannot be identified solely through qualitative arguments. Secondly, as Dowling (1995) argues, the method of presenting direct quotes, occasionally long ones, contextualizes knowledge claims and legitimates the researcher's interpretation of the interview process.

This approach to field work allows a relationship of sorts, (however fleeting) to develop between the researcher and the subject, so that differences and commonalities emerge. This relationship encourages the researcher to resist erasing their influence from the project's outcome, and engenders a realization that knowledge is contextual, constructed and situated. Clifford (1988) argues that the relationship between the researcher and respondent in the field should be considered a form of active negotiation, since the voices of the respondent often direct work, in some cases even reformulate and redirect the researcher's ideas and theories:

“It becomes necessary to conceive of ethnography not as the experience and interpretation of a circumscribed "other" reality, but rather as a constructive negotiation involving at least two, and usually more, conscious, politically significant subjects. Paradigms of experience and interpretation are yielding to discursive paradigms of dialogue and polyphony....Field work is significantly composed of language events; but language, in Bakhtin's words, "lies on the borderline between oneself and the other. The word in language is half someone else's." (41)

Discussion developed between myself and the respondents: therefore, it seems justified to share some of these texts with you, the reader, since it is your perception, interpretation and acknowledgment that I seek to encounter. Some of the texts I call heavily upon, and part of the explanation for that is due to language constraints in other interviews, but part is due to the usual interest we have for stories - stories of hope, migration, success and change. I do not want to subsume the voices and stories of the respondents under my own, but I do not want to remove myself from the picture completely; therefore some of their
voices and my voice will be heard in the following chapters.

6. Conclusion

In this chapter I have elaborated on my research method and indicated some of the issues I have been faced with during the interview process. Many of my doubts stem from the seemingly oppositional position of one of my aims - to be sensitive to differences between the Indo-Canadian entrepreneurs I interviewed and the process through which I went about identifying those entrepreneurs. I feel my research framework had allowed me to do this, as I will show in the proceeding chapters. Additionally, I have voiced my concern about the erasure or silencing of women's voices in this study. The agents of the study itself, construction entrepreneurs affects that erasure, as in part have my linguistic limitations. Again I aim to amend this restrictive lens somewhat in the following chapters, which deal with my research findings. My methodology and research analysis are influenced by the demand of reflexive ethnography, one which is sensitive to the shared meaning and subjective knowledges that circulate and permeate the comprehension of our life experiences. In the following pages I endeavour to present a glimpse of the experiences and positionality of Indo-Canadian construction entrepreneurs in a manner which identifies the intersection of economy and culture in the operation and success of their enterprises.
CHAPTER FIVE
BUSINESS FORMATION

1. Introduction

In the next three chapters I consider the results of my interviews with Indo-Canadian entrepreneurs, starting with the process of business formation. In particular I explore why individuals chose to move into self-employment, whether they had a choice and if so what they cited as their motivation for initiating a business. After establishing the motives behind self employment, I turn to consider the fundamental elements of business formation: training, financing and practical assistance. Within my sample, there were key differences in the ways that those born in Canada, versus those who emigrated to Canada formed businesses and in reviewing the initial reasons given for establishing a company, I deal with these two groups separately.

2. Why become self employed? Non-immigrant Indo-Canadians

Of the 26 companies covered in my sample, five of the owners had been born in Canada. All of these respondents were in the lumber business with company gross incomes ranging from $1 million to $30 million per annum. In all these cases, the business venture was either influenced by family experience in the lumber trade or established by parents and grandparents after they emigrated from the Punjab. The oldest company was established in 1945, the most recent in 1972.
2.1. Motivations

When asked why they decided to initiate a business, those whose parents or grandparents were influential in the establishment of the enterprise followed a fairly similar pattern, and other recorded Indo-Canadian family histories reveal a consistent general pattern (see Jagpal Singh 1994). Within my sample this pattern consisted of immigration to British Columbia from the Punjab during the early and middle part of this century, and subsequent employment in the lumber industry. As a supplement to their wage, these early settlers operated their own firewood business, supplying local households with furnace wood. Often the "head" of the family would continue in employment at the lumber mill, while the children would assume responsibility for the firewood business that was started as a sideline. Ron, the owner of a retail lumber yard, told me of his grandfather who emigrated to B.C. in 1910:

matter of fact first he bought horse and a buggy they used to ride to work and take a load home. From there the odd time he would sell the load. Oh yeah he worked for the sawmill, even when my dad was driving the truck. I remember.... him working in the sawmill, so he worked there pretty well all the time. The boys took over... my dad and my uncles they took over the business. But grandfather kept on working, and I guess he guided them more or less. But he kept on working at the sawmill.

The children of these first generation immigrants often took over their father's business, and then in turn the grandchildren would move into the business later, as Rai the owner of a retail lumber yard told me:

He (my father) worked for my grandfather in the wood business for years. When wood-burning stoves became antiquated and oil-run furnaces became more predominant, he realized that he had to find another line of work. So what he noticed was that people were building houses, so he decided to get into the lumber business. And what he originally did was, he would take lumber from the mills and would go peddle it mostly in the Fraser Valley, and that's how he got his start was basically from the lumber trade.

These family-run businesses went through transitions that involved movement into different sectors of the lumber trade, including retail, wholesale and remanufacturing/value

1 Pseudonyms are used to maintain confidentiality.
added production. Aligned to firewood delivery, trucking became another course to follow.
My research framework led me to lumber producers and providers, but it also led to
trucking and excavation companies, and it would appear that these two industrial sectors
have similar legacies, as Ron indicated when describing the change his family's business
grew through:

Firewood started to die out and we sold wood, coal and sawdust. Then natural gas
came in and that finally slowly died out. Most of the family had lumber and lumber
trucking. We're mainly in the trucking business and lumber.

Even if the grandparent's or parent's business failed, the experience and familiarity with the
trade led subsequent generations down the same path as Sidhu, the owner of a lumber
remanufacturing business, informed me:

My grandfather was in the lumber business here -- he had a mill; dad had a mill but it
went out of business. And then I worked for somebody else for a couple of years, but
I just enjoyed working for myself a lot better.

In these cases it appears that the motivation to start or remain in the lumber business
originated in the previous generations' experiences and attitudes about self employment
and their assistance and encouragement, as Atwal indicated when I asked why he started
his own business:

That's a tough question,...I just started with what my father was doing. I was helping
him and he turned around one Christmas and said "here's a truck", and it started from
there.

In order to understand the real locus of influence in the creation or maintenance of
entrepreneurialism, then, we need to review the historical legacies that moulded the
previous generations' experiences. As I have previously argued, we cannot understand
the position and identity of these ethnic entrepreneurs in today's society, or consider their
economic position, without acknowledging the legacies of their individual and collective
histories. This historical grounding of our analysis allows us to reveal the intersection of
structural economic forces and the power of cultural assumption and expectation that
frames the location of contemporary Indo-Canadian entrepreneurs.
2.2. Historical antecedents: experiences of first-generation South Asian immigrants in Vancouver

The literature on ethnic enterprise suggests that immigrants face blocked mobility because of labour market disadvantages, fuelled in part by language problems and a shortage or non-equivalency of qualifications. However, disadvantages also often stem from the discriminatory stereotypes of the host society, a point insufficiently recognized and investigated by researchers. The first South Asian immigrants to Vancouver were subjected to certain exclusionary processes which were formed as a result of racialized preconceptions and assumptions (see Khan 1991, Dutton 1989, Sampat-Mehta 1984). These exclusions channeled South Asian immigrants into particular labour market locations, including self employment. These historic antecedents continue to act as a legacy for some members of the present Indo-Canadian population. The narratives native born Indo-Canadian entrepreneurs presented during these interviews supports this assertion - that the establishment and continued maintenance of these now successful enterprises needs to be understood in part by considering the forces of discrimination and racialization and the manner in which they blocked the mobility of earlier South Asian immigrants. As I already mentioned in Chapters 2 and 3, Tilly (1991), Khan (1991), Kobayashi and Jackson (1994) and Bolaria and Li (1988) have elaborated on this interface between labour-market position and discriminatory exclusion.

Individual recollections of grandparents' and parents' efforts at business establishment were, in one interview, explicitly linked to exclusionary practices. These practices were historically institutionalized through the denial of the franchise to any individuals of Asian heritage (see Anderson 1991 and Sampat-Mehta 1984). Raspahl, the owner of a wholesale lumber operation, discussed the manner in which the first Sikh
immigrants, because of disenfranchisement, were barred from certain professions, effectively denying them certain class locations:

When they got here, the local government was not at all that friendly to them, and that seems to be documented pretty well in the archives; the local archives will show you that they were excluded from certain areas of opportunity, you know;...they couldn't go into law, they couldn't become doctors, I think chartered accountancy was also censured from them....the forest industry was one avenue that was open to them.

Later in the interview a discussion around the construction industry led to the response that some trades, such as roofing, were always difficult for the union labour movement to organize. For Indo-Canadians to join this sector of the construction industry meant they did not have to overcome the often exclusionary labour movement. In this way the power of organized labour furthered and perpetuated the institutionalized restrictions placed on economic opportunities for South Asian immigrants. These Sikh pioneers were not passive in this system of discrimination however, as Rasphal again informed me:

Of course there's tons of discrimination; there has been since day one. Oh yeah...the example I gave you of the exclusion at the beginning is one. My dad himself wrote the ROTC (Royal Officers Training Corp) in '39 and Mr (....) admitted to him as an aside that he did not actually fail the ROTC exams... but he would not have been accepted into the armed forces as an officer. So's there's another one...after the war, of course, my dad and one other guy ... went to Ottawa ... and they lobbied to get the ball in progress to, get it rolling to have the Asians be able to vote, and it took place in 1947.

In some cases the recognition of discriminatory practices was not as explicit as this, and gave way to a more muted acknowledgment of the powers of exclusion, as this discussion with Atwal, the owner of a lumber operation now run by his sons, reveals:

Well our background is that, when my father came out here and worked hard and he got his own business going and he believed in his own business and believed in being self employed. And some people could not get work in those days. Some people came out here, the old timers came out here and they worked for 5 cents an hour on the railroads and CPR, and one by one they just thought that they had to go and work for themselves in some sort of a business, so a lot of them worked in the wood business. A lot of them became farmers. A lot of them built sawmills, and they employed their own people.... They were forced to because they couldn't get the jobs.

M. Because they were excluded?

Yes, yeah, I mean there was, I don't know if it was a racial problem but they couldn't get enough work, so they created themselves work from there on in they just kept
going, that's how it worked.

M. Do you think that acts as a legacy in some way?

Well, you know, I remember one of the work parties, I knew what my dad was doing and I could follow in his footsteps, but I didn't have to go to work for him. From one truck I went to two ......it just added on and added on. And then after a time I got into the lumber business.

In some cases the pressure of discrimination against ancestors was denied outright: "He dealt with all kinds of people in his life;...as far as I know, he felt no discrimination."

(Sam, owner of a wholesale remanufacturing lumber operation speaking of his father). In one instance it was represented as having positive ramifications; when Rai, the owner of a family-run lumber operation established in 1969 by his father, was asked about any negative influences stemming from his background or ethnicity, he replied:

The negative side is perhaps the subtle racism that you feel from time to time, but I think, only speaking for myself, that tends to make you more determined and as a result, it may not be a true negative because you're actually feeling more determined to succeed.

In some instances the respondent obviously hadn't thought much about the issue and my question caused him to ponder:

And who knows we might lose a few orders because of that sort of thing too. But I would say for the most part there has been a teeny weeny bit, that who knows, you never know the real factors; you don't know if you lost an order because they think, "I don't want to deal with these people", but I would say for the most part that's very, very minimal. (Sidhu, owner of a lumber remanufacturing operation).

These conversations shed an interesting light on my claims of the power of racialization. The narratives combine issues of causality and personal desire as revealed in Atwal's comments, "he believed in his own business and believed in being self employed", to acknowledgment of the potential existence of racialization; "I don't know if it was a racial problem but they couldn't get enough work". This subtlety is something that runs throughout many of the interviews. On the one hand the strength of personal fortitude, control and perseverance is essential in the self-identity of these entrepreneurs and their ancestors, but on the other, the outright dismissal of the process of discrimination is
resisted, and in its place a muted, begrudging acknowledgment of its existence is presented.

These stories of migration and the experiences of ethnic discrimination and employment restriction reveal the legacy of colonial hegemonic discourse. In the case of Rashpal for instance, his grandparents were part of the original Sikh diaspora. He is now a successful entrepreneur, but by historically contextualizing his position we can understand the impact the forces of racialization have had on his current economic location. His grandfather may have taken a totally different route if he had become a military officer, or a professional, but these were opportunities denied him. The evidence offered here is limited, but combined with my discussion in Chapter 3, provides some support to my contention that past and present racializations inform the contemporary perception and economic location of these entrepreneurs. Their involvement in the lumber business is a continuation of their parents' and grandparents' position in the labour market. In choosing to locate in the lumber business, the first immigrants were influenced by the cultural pressures of exclusion and racialization which strengthened the barriers that prevented their attempts to move to other class positions, as Rasphal's narrative shows. This institutionalized marginalisation officially continued until 1947 and the widening of the franchise. Official exclusionary barriers were also weakened by the liberalization of immigration laws in the 1960s, allowing skilled and family immigration from any location.

3. Why become self-employed: Immigrant Indo-Canadian entrepreneurs

The liberalization of immigration laws allowed a new cohort of immigrants to come to Canada, and many emigrated to British Columbia assisted by kin networks already in place. The immigrants I interviewed were located in a variety of construction related trades with varying degrees of success. The earliest of their businesses was established in 1974,
the latest in 1992; revenues ranged from $300,000 to $4 million gross per annum. What motivations did these immigrants cite as their reasons for establishing a company in the absence of previously-established family businesses in British Columbia?

3.1. Motivations

Respondents cited three broad types of factors when explaining their decision to become self-employed: economic security; economic wealth; and independence. Economics, or choice and scarcity in Di Maggio's (1994) terms, encourages an individual, regardless of their ethnicity, to make this type of decision. It is not the decision alone that is the issue for my argument, but the circumstances and influences that surround such a decision and impact upon its outcome. Few people were as blatant about their motivations as Harder, the owner of a roofing business with an annual turnover of $2.4 million:

Better opportunity. Investment is one thing....hmmm, I wanted to get rich! I think that's the main reason.

Other responses highlighted the restrictive nature of being employed and the desire to become self-employed:

When you work for somebody for what for? We are three partners. So we thinking we're gonna start our own business; it's a lot better that working for somebody else. (Resham, co-owner of a cabinet manufacturer).

These motivations, as I said, do not appear to be ethnically specific, but they do seem to intersect with other pressures and situations bounded by cultural issues. Some immigrants indicated that their families had always had a business in their pre-migration location. Therefore similar influences to the native born contribute to understanding their current economic position, except the influences have been spatially transplanted. Others indicated that the problems of working for family drove them to start their own business to escape
family pressures, and in some cases classic examples of blocked mobility were presented. In some cases the feeling of economic insecurity for the next as well as the present generation were presented as reasons to establish a business:

I used to work for a company, and I thought that my kids are growing up, you know; if I have to work for somebody, then they have to work for somebody too....So they laid off a few people, and I was among them, so I says, what the heck, I don't want to work for somebody, so I start my own in 1982. (Al, a South-Asian Ugandan refugee who came to British Columbia in 1972 and started a plumbing business in 1982).

This narrative reveals the feelings of familial duty the father feels towards his sons, and this relates to the point made earlier in the thesis concerning the significance that the family holds for Indo-Canadians, and the manner in which strongly bound family groups act as economic anchor points. In this case the expectation is that the sons will continue the family enterprise, but this expectation of family tradition is not always shared by the children themselves. My findings allow for comparison across migration eras, permitting some consideration of this generational entrepreneurial legacy. In one case Rai, a second generation Indo-Canadian, explains the reluctance he felt at taking over the family lumber business, even though he had been trained in all aspects of the trade:

by the time I was in grade 8 or 9, I kind of knew what was going on. I also didn't want anything to do with it...I used to tell my dad that. He'd say well listen this is the only business I have. He's doing it for the kids, my brother and myself....I was at University and I pledged that when I graduate, there's no way I'm coming to Broadway here (site of business).

Rai pledged that he would not continue in his father's business, but after his father's death, he and his brother took over the company and Rai never finished his degree due to this commitment. This internalized pressure to remain in the company could be construed as similar to Ok Lee's (1992) argument about the commodification of ethnicity and the reproduction of certain social relations within ethnic enterprises. In this case though, the company does not rely on the ethnic community for its success, nor does it depend on exploitative social relations since it is a unionized operation. Even Rai's expectations for his children were different. When asked if he thought his children would come into the
business, his response was non-committal; "I'm not sure,... this is a second generation
business. It's very uncommon for family businesses to get to a third generation." This
comment points to the significance of generational change and the transformations that can
occur in ethnic enterprises sustained for longer than one generation.

In some cases immigrant entrepreneurs identified similar family influences and motivations
as the non-immigrant Indo-Canadian entrepreneurs, such as Rai elaborated upon. Here
Bob, an East-African twice migrant, describes his motivations for starting a company:

I've always had a business. I came here from Kenya. Originally I'm from Zaire; my
parents have a business....I had a business in Kenya where I grew up. When I came
here I was in a different business than carpets; by qualification I'm an auto-mechanic. I
changed my line altogether, I had a business for about two and a half years and I sold
it. I was kind of in construction, because my in-laws, he was into development,
property development, but I wanted something more regular as a job.

In this case, Bob was intent upon self-employment in the first instance, and initially was
guided by the ethnic and kinship networks in place. After a period of readjustment he
sought to find the sector of the economy with the highest potential given his knowledge.
The owners of six of the companies in my sample (25 percent), including Bob, were new
immigrants who had continued a tradition of family business originally established in India
or other migratory source sites. In this way we can see a return to previous class values or
resources. Even with the disadvantages new immigrants supposedly face, these
individuals managed to secure their own businesses.

The influence of class and value resources were also evident in Gurjit's case, where his
parents' influence in the creation and tradition of a business were identified as a motive
force. Gurjit emigrated from the Punjab in 1980, and by 1991 had established three
successful companies together with his brother and father. He explained that the family
had a tradition of business in the Punjab. These resources were crucial in Gurjit's ability to
establish a company, especially when the banks he approached in British Columbia refused
to acknowledge his prior experience in India as relevant, and declined to provide any loans. The family tradition of assistance and entrepreneurial zeal are cited by respondents as highly influential in their decision to establish a business. These motivations can be conceptualized as class and value resources, and their influence in post migration immigrant/ethnic entrepreneurship is readily apparent through an examination of the literature on ethnic enterprise, as discussed earlier.

3.1.5. Blocked mobility

My findings support the idea that class and value resources can be utilized in the process of ethnic/immigrant enterprise. In addition to this, two cases seemed to lend credence to the blocked mobility thesis. When I asked Mattu why he decided to go into business in the first place, his response was direct:

I tried to get a job. I couldn't get a job. That was the main reason...after a couple of years, I got my sense back in business...at that time I was 40, 42 years old....and I didn't have much skill, an acceptable level of experience.

This idea of limited skills was raised by Ashok, the manager of a cabinet door manufacturer, when I asked about the experiences of the owner:

Basically it's being of an immigrant background, no formal education....I think the exposure to business by being part of that (earlier business) venture with other people was what basically gave him the idea.

In this case, the acknowledgment of blocked mobility is tempered by personal causation and the locus of intent is placed within the individual rather than wholly as the result of some form of systematic marginalization. This identification of both agent and structure effects stems from a complex situation where the factors that motivate these individuals into enterprise are not easily disentangled. While I see the significance of structural restraints such as discrimination and exclusion, and the problems of securing full-time, well-paid employment, I do not want to dismiss the significance of personal causation. The degrees
of influence and merging of factors is really too subtle and intertwined to be explained away by so blunt and crude a concept as blocked mobility. The polemic nature of debate within ethnic enterprise literature does not lend itself to capturing these subtleties between structure and agency. Personal motivations and structural pressures are varied and several intersect to direct ethnic and immigrant entrepreneurs to enter self-employment. For instance, in one case Harder admitted it was actually having a formal job, and being promoted that created a difficult situation with other workers, encouraging him to leave to form his own roofing business:

I worked approximately a year and a half to two years at (...) trucking. I started for them as a clean-up job and they made me...lead hand, they made me foreman, then I became dispatcher....I was a very hard working man. A lot of my fellow workers (didn't like that), they said "fuck, slow down"; and they called me all kinds of names. But the boss he did like me, (but) I just couldn't take the heat.

Rather than blocked mobility in the formal labour market forcing this individual into self-employment, it was the harassment Harder felt at the hands of his colleagues as a result of upward mobility that encouraged him to move into self-employment. Indeed, except for low pay, the blocked mobility thesis overlooks the problems minorities sometimes face when they are actually in the formal labour market. For Indo-Canadians in Vancouver, the presence of racial harassment and discrimination at their place of work has been shown by Robson and Breems (1985). Leaving the formal labour market to establish a small business, then, may offer the ethnic minority or immigrant an opportunity to escape unpleasant work relations, whilst benefiting from the essential encouragement and assistance of networks and kin relations. Such support often makes self employment the chosen or expected option, not necessarily the default that the blocked mobility thesis postulates.

In addition to the positive benefits ethnic and kinship networks provide in assisting ethnic/immigrant entrepreneurs, during my interviews the problems of family pressure and
expectations in business formation were discussed by both immigrant and non-immigrant entrepreneurs, and this is something rarely alluded to in the literature.

4. Family pressures and their role in business establishment

Some interviewees mentioned difficult experiences negotiating between kin and employment responsibilities. Jai, a plumber who established his own company in 1991, spoke of the diminished self-esteem he felt by having to rely on in-laws for employment prior to starting his own operation. During the time he was employed by his in-laws he felt coerced to arrange a marriage between his brother and one of his employer's daughters. Eventually he left the family business to set up his own, since the family relationship was deteriorating as these conflicts intensified. In this way we can see part of the motivation for self employment was informed by cultural expectations and pressures. Wallman's (1979) assertion of ethnicity being at times "an essential resource, an utter irrelevance or a crippling liability" is particularly relevant in this case, since the expectations of responsibility to his in-laws was too much for Jai to deal with. This incident also raises the issue of the negative impacts of a tight ethnic network and the mutual expectations that stem from such arrangements.

In some cases the strength of kinship and ethnic networks provided a start for new immigrants or entrepreneurs, but that does not guarantee continued satisfaction. Mattu emigrated from Britain in 1970, but after the Vancouver company he worked for relocated, he experienced difficulties finding work. He managed to go into partnership with some of his wife's family members, but became dissatisfied with the arrangement when his relatives began to work at the family business in the evenings after working their full-time job, whilst he had only the family business to provide his income:

I was the only one working here, and I started everything and then my partner took it
over...so they were getting good money over there, but I used to start it, and I was not getting much. Still, in the evening time they came and work, you know, and they wanted to work over here too. I can't work with the same money while they were working with higher money, eh? So I talked with them and said, "if you guys want to work there, then I should be getting the same pay what I'm doing here"....And..one day I said you guys keep it...I think it's better for me just to go.

It appears that Mattu's expectation of receiving the same amount of money for running the family business as his relatives amassed working a full-time job and participating in the family business, was a point of contention. Mattu eventually left and joined another partnership in the same line, wood trusses, but this time formed an association with his brother and two other non-related Indo-Canadians.

These narratives reveal the fissures that can develop within enterprises bounded by ethnic and kinship networks. This tradition of family business and entrepreneurialism often has to accommodate the conflict that arises in attempting to negotiate family and business relations. These examples point to the pressures that encourage some Indo-Canadian entrepreneurs to move on and establish other enterprises in order to escape the problems of working with their extended families. These issues of family-business conflict reappear in labour relations, which will be considered in the next chapter.

5. Establishing a business: Informal transmission through family

During interviews I asked how the company was established, what this needed in the way of training and finance, and whether any assistance was provided. In the majority of cases there was little formal training and education; instead, most training was transmitted through the family. In the case of lumber operations this was especially the case, as Rai explained while speaking about working with his father:

It's part of the Indian experience. You go to work if your father's in the business, whether it be driving a wood truck or whatever. You go with them; you learn. I've been coming down to the yard as long as I can remember, and every year you get another job, and you start getting to pile lumber; the next summer you might get to drive a fork lift; the next summer you might be able to deliver lumber.
Several of the native-born respondents elaborated on their childhood experiences of working with their fathers. Here Waldinger's (1990) interpretation of the skills acquisition process being deeply embedded in networks is germane and deserves repetition:

Furthermore the skills acquisition process is so deeply embedded in networks that it does not correspond to the conventional human capital or occupational choice model. Employment in a co-ethnic's firm provides opportunities for costless and almost incidentally acquired business skills and information, the value of which the potential entrepreneurs may not recognise until years later. (194)

Many entrepreneurs did not recognise the value of these incidentally-acquired business skills. When I asked about training few of the respondents explicitly mentioned family businesses. When I suggested to Sidhu that the experience of working with his father in the lumber business was essential training, his response was gilded with surprise:

M: Did you work with your dad for a while?

He had a mill behind our house, so I was doing things in the mill like driving the fork lift truck and that, running the machines and that kind of thing when I was 12 years old.

M: So you got training through that.

Yeah, for sure!

These everyday processes of training within Indo-Canadian families are essential to the transmission of knowledge and class and value resources. The socialization of children into the operation at a young age, and the expectation that they will eventually take over the business represents years of *costless* training that would be expensive and time consuming if delivered in a more formal manner. This taken-for-granted process is one means whereby the culture of the Indo-Canadian family intersects with and guides the economic success and survival of the family business.
5.1. **Formal training outside the ethnic community**

For the skilled construction trades, official training is required prior to establishing a company. In the 1960s and 1970s, the small Indo-Canadian community could not support those attempting to move from work in the lumber sector to skilled construction work; for instance electrical work as shown in figures 10 and 11. With few skilled journeymen from their own ethnic group to take them on, the electricians I interviewed had developed their skills by relying on European-Canadians to train them as apprentices. Sanjit, an immigrant who arrived in 1977, explained how he applied to the International Brotherhood of Electrical Workers (IBEW), but was not enrolled. He explained that in 1977 there were very few Indo-Canadians who "got in". He worked for (and was therefore indentured/apprenticed to) a European-Canadian who, after retirement, passed his contracts onto Sanjit. In this way Sanjit received both training and contracts to assist in his independent establishment. Ajit, an immigrant who arrived in Canada from the Punjab in 1954, explained how he came to find work as an electrician through an advertisement in the paper:

> I worked in the sawmills in 1974, but a lot of automation moved in so I thought I'd better move on. So I looked into electrical. I worked for a fella...he's the fella who taught me...a Hungarian or Russian.

These examples show how members of an ethnic community can move out of the specialized occupational niches established by others of the same ethnic group, and within my sample approximately 25 percent indicated initial employment was not through co-ethnic networks. Such action led Ajit out of the lumber industry that so many South Asian immigrants had come to rely on. Both Ajit and Sanjit secured their apprenticeships, and

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2 In some cases it is difficult to assess work histories since individuals may have several different jobs simultaneously or in short succession, both inside and outside of Indo-Canadian enterprises.
Figure 10. Electrician connecting an external electricity meter box to the exterior of a new single family house, (photo courtesy of Ben Roberts).
Figure 11. Electrician fitting a electrical grounding plate to the exterior footings of a new single family house, (photo courtesy of Ben Roberts).
progressed into self employment by moving outside their immediate ethnic network. This may indicate movement beyond the confines of the ethnic economy, but the strength and resilience of ethnic networks became evident when I asked about the ethnicity of their current labour force; in both enterprises the labour force composition was 100% Indo-Canadian (Ajit employed 15 men, Sanjit 1). This suggests that although it is possible to break away from the employment niches inherited from previous generations, the importance and benefit of retaining links with the ethnic economy is deep-seated.

5.2. Transmission of construction skills from abroad

Even if the skills and knowledge acquired overseas are not recognized by Canadian institutions, such as banks, unions and the educational system, construction skills are transferable. Resham emigrated from the Punjab in 1972 and started his own plumbing business in 1991. When I asked him about influences and motivations he told me his grandparents always had a construction business in the Punjab and he learnt from them. Davinder, who emigrated from the Punjab in 1987 and now has his own woodworking company, explained how he transferred his skills to Canada:

My line in India is the same business; I do woodworking in India making doors and many decoration work and I do iron work too in India. I have my own business in India... if you have experience in running your own business, you grow fast. That's why I know my business experience is ok.

The potential for transferring skills highlights the benefits of entering the construction industry, as Waldinger (1995) argues in his work on ethnic enterprise and embeddedness in the construction industry. Not only is the industry accessible and oriented towards networks and contacts based on trust, but certain elements of construction are universal. Re-training is necessary in some areas, but woodwork allows the skilled person to enter the market very quickly. Davinder was not fluent in English, but his company had already completed a contract with a non Indo-Canadian firm, an Italian construction company, to
fill 105 townhouse units with firemantels and staircases. His faith in his abilities and the nature of the construction industry to allow a business to develop through reputation and word-of-mouth came through:

People know my background; they give me a chance they know my work is good. I work honestly; I don't cheat anybody, I try my best. Some people do cheat. But if you are nice and give good service, it becomes a long term relationship.

Such sentiments may sound naive, but personal reputation is a crucial basis of any working relationship in the construction industry, whether in the Punjab or British Columbia:

construction is an industry in which firms are highly interlinked through subcontracting relationships, and where personal contact and trust are of considerable importance. (Ball 1987, 124 emphasis added).

6. Finance

I asked how individuals raised capital, and who they received assistance from. The first thing to note is that only one person in my sample used government assistance and generally the notion of state support was scorned upon by respondents. Bob, who moved from construction to owning his own floor covering company, explained why he thought state assistance was not sought out by Indo-Canadians:

I think if you come from a third-world country it's natural; you don't expect help. Everything we've done has come from our own pocket; you just keep on shifting your money from one business to another.

Without relying on the formal structures of financial assistance, how do these entrepreneurs establish and maintain their enterprises? My interviews revealed the significant role kinship and ethnic networks play in providing financial and practical support in the establishment and continued operation of businesses. In combination with this type of family assistance, entrepreneurs started out in business at the same time as they held a regular job. Spousal assistance in the form of added income and unpaid labour was also indicated by many respondents as essential.
6.1. Working two jobs.

Although my results are preliminary, they tend to add support to Marger's (1989) suggestion that working long hours and pooling incomes is common for Indo-Canadian entrepreneurs. Within my sample generally this appeared common practice for those intending to establish their own operations. Ajit (the electrician) related how he managed to get his company going without any assistance from family, friends or government:

So that time I was working for Cairns, I did tell the owner ...that I was going to operate my own company on the side, and he didn't mind. So what I did, I was working bloody hard, I'd start at 7am till 3.30 and work for myself until midnight. The money from those jobs I put into buying materials and the money from the company (full time job) went into running my home...that's how I financed it; I did not finance it with money from the bank or anything; I made the money and the same money was re-invested.

Ajit didn't consider that he relied on family or friends when he made his entry into this trade where very few Indo-Canadians were present. In some cases the income to support the house and the business came not from the entrepreneur himself, but from the incomes of other family members. Harder identified the role his wife played in allowing the cash necessary to begin his roofing company be made available:

I could afford $500 or $1000 dollars because I was working, my wife was working, and I was working two jobs and making a fair amount of money.

Joint efforts such as this became more apparent throughout several other interviews, indicating the important role female partners play in the establishment and maintenance of enterprises.

6.2. Women and ethnic enterprise

As discussed in Chapter 4, I am conscious of the manner in which the position of
women in the establishment and operation of enterprises has been marginalized both in
day-to-day life and through the interview process. The nature of the construction industry
itself is highly gendered, as is the interpretation and image of the entrepreneur. Further,
my consideration of the role of women in these establishments is interpreted second hand,
through the responses of husbands, fathers, brothers and sons. Such a context combines
to form a multiply-layered gendered analysis. However, despite such barriers, a pattern
became clear throughout the research of the significant role Indo-Canadian women play in
enterprise.

Sixteen of the twenty-four entrepreneurs represented in my sample benefited from the
assistance of female family members. Even to highlight this is problematic, because in all
likelihood women in the families of entrepreneurs are participants in financial decisions but
their contributions and positions may not have been acknowledged during the interview
process. With that in mind I emphasize those instances that were related to me. Firstly,
Harder's narrative of his and his wife's joint earnings indicates the financial responsibility
many Indo-Canadian women take on in order to support their husbands and families in an
uncertain industry like construction, subject as it is to seasonal and economic cyclical
movements. Also, as previously mentioned, the labour of women in the family contributes
directly to enterprises, although it is difficult to identify whether this is paid or unpaid.
When I asked Al whether he employed any women at his plumbing operation, he replied:

Well mostly, one of my daughter-in-laws and my wife. Sometimes they are helping so
they are also an employee...Bookkeeping and this, this secretarial job or whatever.

First generation South Asian immigrants also relied on tight family support and in the early
part of this century the role of women in the establishment of enterprises was crucial, as
Rai indicated when speaking about how his father managed to begin:

In my dad's case when he started the business, my Mom was the biggest backer. She
served as his secretary, did all the paperwork, most other things, so that's where he got
his help from.

Contemporary operations also rely on the input and backing of women in the family. Rai spoke of his mother's position in the establishment and continuation of the family lumber business:

My mother and my sister are also shareholders in the company: both are not very active in it, but in terms of making major decisions they do have some input.

Sidhu also related the important role his wife and previous girlfriends played in getting him started in addition to his immediate family. The central role of Sidhu's wife and sister were indicated in the company brochure, highlighting their positions as "key members of the management team". When I interviewed Bikar, the owner of a small excavation company, about his sources of assistance, his response was one of the only ones to refer directly to the company as his and his wife's, maintaining that he and his wife started it by working and pooling their resources. Furthermore, the company office was located in his wife's sari shop, indicating her entrepreneurial position.

These glimpses into the role of Indo-Canadian women in their families' businesses are insufficient, but they do indicate a general erasure or neglect of understanding, in the ethnic enterprise literature, of the important role woman have in these ethnic enterprises. These practical as well as financial contributions are crucial in small independent operations, especially in construction. Despite the outward appearance of construction then, with its masculinist ethos and social relations, it would appear that women have a significant role to play in the continued success of these companies, even though their direct participation is limited due to the construction and maintenance of artificial barriers both in this economic sector and as an aspect of South Asian patriarchal relations.
6.3. Ethnic and kinship networks and support

The importance of ethnic and kinship networks has been widely addressed in ethnic enterprise literature, and my findings echo many aspects of this wider literature. Immigrants commonly benefit from the assistance of an already established Indo-Canadian kinship network. They typically gain information and assistance through these networks, and some also secure capital. Brothers, sisters, cousins, uncles and friends became the support group for new immigrants as well as established co-ethnic entrepreneurs who needed financial assistance in the establishment and continued operation of their companies. Many of the respondents indicated how such assistance is part of South-Asian culture:

in our culture, the Indian culture not Canadian, it's normal to be always looking out for your mother, your brother, your sister. You always have an obligation. That is always true. (Sidhu)

This indication of the nature of South Asian family life can be construed as a social construction; the family, in this case functions to provide an important support mechanism. Extended family structures and the residential arrangements of some Indo-Canadians (although sometimes used by white Canadians to racialize the other), perform an important economic role in allowing young families to establish themselves, as Atwal discussed when I asked about the support of the family and whether some people resent that:

We're no different than people who come from Asia who build these great big monster houses and have their grandparents and their sister who's just come over, stay with them. I don't see anything wrong with that. If they can get on fine, I don't see anything wrong with that. I don't know if I'd want to live like that. But I don't see anything wrong with it. That's the support that I'm talking about. They are getting a start, they don't have to pay rent; they don't have to buy a house; it's there. And when they get all settled and they have enough money to buy a home or start a business, they'll move out and the family will support like that.

The importance of this type of help illustrates how the family forms a central bulwark to the economic and personal stress and anxiety of migration. In nearly every interview with immigrants, respondents had been sponsored by a member of their family or spouse and
had established their business through financial and practical assistance from the extended family. Bikar, who came to Canada in 1969 as a child with his parents, stressed the central importance of his family. He compared Punjabi and Canadian family life and argued that, in Canada, once people are 18 they are expected to make it on their own. Punjabi families, conversely, share things; the parents buy the house and the children stay and help with the bills and maintenance. Bikar is now married and he, his wife and family live in his parents' house and share the costs. Bikar was adamant that this is a much better way to live since welfare is not needed and the family looks after itself. He was very sure that he would never leave his parents and never "put them in a home".3 Obviously these comments are themselves based on constructed notions of "Indian" and "Canadian" family life, and could be diminished as assumption, but the centrality of the notion of the family was evident throughout the interviews, and the social reality of Indo-Canadian families sharing living space as well as combining incomes in order to maintain and improve their standard of living, was repeatedly apparent from my interviews.

Although the importance of the family was paramount, some limitations attached to ethnic and kinship support were indicated during the interviews. I consider these not to dismiss the importance of kinship and family support, but to develop a clearer, informed picture of the pressures and stresses these entrepreneurs face in the operation of their businesses, and how such pressures reflect the significance of intersecting cultural and economic influences.

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3 Gender issues again become significant as the division of tasks and caring for the family are central issues of identity, but are placed within the woman's realm. See Ballard (1990), and Bhachu (1985) for a discussion of marriage and the role of Sikh women in migrant families in the United Kingdom.
6.4. Limitations of ethnic and kinship financial support

Finance for Indo-Canadian enterprises is acquired in several ways, but kinship and ethnic networks provide especially significant assistance. But such support does on occasion entail a problem for the entrepreneur, and here again the interface between culture and economy presents hurdles. In particular, there are challenges to balancing the flow of money. When I asked Sidhu about borrowing money from his family and whether everything worked out in paying the money back, he replied:

actually I think my brother here that's the sales guy, he gave me a shot one time: I borrowed some money off him and I had to quickly round it up so I didn't have to listen to him jabbing on about it. But I would say my dad, you know my brother-in-law, I paid them back as quick as I could kind of thing.

These issues are again not specific to any one ethnic group, but on a larger scale they represent complex business situations that require the negotiation of economic and non-economic connections. Ashok, the manager of a cabinet door manufacturer, discussed at length the financial problems stemming from ethnic financial connections, whether as partners or customers:

Because of the extended family or relationship mixing business with that, sometimes where cash is a problem or payments is a problem, disputes can get a bit uncomfortable, I would say. It's not strictly like you can phone Credit-Tel and say, ok this guy, because you have to think what is going to be the impact of the future. Is it going to affect me or as far as my family is concerned. It is a sad factor or handicap.... It's hard for some of the people to separate the business and the different individuals and actually it does become a problem.

Furthermore the cultural pressures to excel at business may cause problems within the family due to long hours and business expectations. Ajit, the electrician, discussed the negative effect working long hours in the past had on his relationship with his two older children, and he expressed his desire to prevent this from reoccurring with his younger children because he felt such social distance manifests itself as a great loss. Also, cultural pressures may lead to difficulties when the business does not do well, as Ashok discussed:
people are working and a lot of them that's the way they break into the market but that doesn't mean that's the way they're going to succeed. A lot of them have gone down the drain because they didn't recognize their costs well enough. Right, I mean it's good enough to take that plunge but you cannot be undercutting the business forever. So some of the people who didn't recognize their costs have found themselves in financial trouble. Bankruptcies, suicide We've seen it all.

M. In this particular industry of cabinet making?

Yeah, and we've had several customers of East-Indian background do very badly; they were baked at a certain point in time. They undercut the market; they got all the business and then when the creditors caught up they had no place to run. Two of them filed for bankruptcy, one committed suicide, one closed the company. So it's not all success stories eh?

The pressure to do well, to break into the market, does not always lead to success or stability for entrepreneurs, regardless of their ethnicity. Whilst there are other structural constraints to success in self employment, it is possible to postulate that the same ethnic support and expectation that motivates the initiation of a business for Indo-Canadians, can also amplify the stress of failure. Although only a minor amount of data, Ashok's comments paint a decidedly dismal picture of the stresses and potential consequences of ethnic enterprise, something proponents of enterprise do not publicly consider.

7. Conclusion

The formation, training processes and financing of Indo-Canadian companies is highly dependent on co-ethnic and kinship networks, as seen in the wider literature on ethnic enterprise. However, my results have revealed the importance of the assistance of women, and considered the negative side to financial assistance tied to family and ethnic contacts and the complexity this can cause in negotiating these relationships. The expectations and pressures to enter family business and to succeed in the world of enterprise are as much cultural as economic in origin, and not enough effort is focused on comprehending this interface and its potential effects on ethnic business operations. Such evidence supports the claims of researchers who stress, as Michael Smith (1996) does, that
the two realms of culture and economy are inseparable. To overlook the relationship between these two domains is to neglect the intricate, everyday and deeply embedded networks that support, direct and share in the success or failure of ethnic enterprises.
CHAPTER SIX

LABOUR RELATIONS AND ETHNIC COHESIVENESS IN THE ETHNIC ENTERPRISE

1. Introduction

The previous chapter focused on the central role ethnic and kinship networks play in a business establishment. Securing a reliable workforce is also crucial, and networks maintained through ethnic and kinship associations play an essential role here as well. The argument forwarded by Waldinger et al (1990) and Wilson and Portes (1980) is that entrepreneurs in an ethnic enclave economy benefit from costless training. Workers, despite receiving below-average wage rates, also benefit because eventually they may advance with the assistance of these ethnic networks and launch their own businesses. Alternative arguments are forwarded by Bonacich (1993) Ok Lee (1992) and Sanders and Nee (1987), who emphasize the exploitative nature of co-ethnic labour relations, and the disadvantages ethnic employees experience by remaining within the ethnic economy. Debate on the eventual returns co-ethnic employees achieve in the ethnic economy reveals the polemical nature of ethnic enterprise literature. In this chapter I consider positive and negative elements of remaining in the ethnic economy, and why ethnic solidarity retains such importance for both workers and employers. Though I present my findings in this dualistic way, I aim to avoid polarizing the issue and perpetuating the polemic nature of debate within ethnic enterprise literature.
2. Explaining ethnic cohesiveness: Ethnic networks and their role in the provision of labour

Before considering the positive and negative aspects of the ethnic labour market in the enterprises I interviewed, we must recognize the initial role ethnic networks play in chain migration and sponsorship, and how these connections are foundational in explaining the cohesiveness of enterprises bounded by common ethnicity. Figure 12 shows the ethnic composition of labour within the interview sample, revealing that the majority of businesses interviewed employ more co-ethnic than outside (including Euro-Canadian or "white") workers. Entrepreneurs would be forced to employ outside of their ethnic community if they could not depend on a potential surplus of new labour connected to their enterprises through kin and co-ethnic networks. The strength of these networks are identified in my sample since 66 percent of the immigrant entrepreneurs I interviewed had themselves benefited from initial employment with other Indo-Canadian entrepreneurs soon after they arrived in Canada. Therefore, kinship and ethnic networks play their first role in the ethnic economy by connecting labour and ethnic enterprises through chain migration. Immigrants made up 70 percent of my total sample, and of those immigrants over 70 percent had been sponsored as family class immigrants, utilizing the process of chain migration to reach Canada.1 Eight had been sponsored by their spouses, four by their sister and one by his brother.2 Again this pattern reveals the important role women play in initial chain migration, as well as the later success of the enterprise. Since this process of

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1 Two respondents were refugees.
2 Family class migration is open only to direct family members. Spousal sponsorship in the Sikh community may account for significant immigration due to the arranged marriage alliances made through Temples located around the world. In four of the interviews I did not gain information on the immigration process, but their discussion of family assistance does support my sense that these individuals were also sponsored, although I have not counted them as such.
Businesses interviewed

Figure 12. Scattergram showing size of workforce in relation to percent of co-ethnic employees.
chain migration is so central to the creation, operation and cohesiveness of the ethnic economy, we need to consider it in more detail.

2.1. Chain migration

The original migratory location of respondents in my sample was highly concentrated. The 5 native-born Indo-Canadians were descendants of Punjabi immigrants, and 11 of the immigrants I interviewed (representing 13 companies) originally came from the Punjab. Combined these form almost 70 percent of my sample.\(^3\) The Punjabi diaspora initiated at the turn of the century resulted in the creation of a complex international migratory network, as Ballard (1990) notes in his work on Punjabi migration and kinship:

> International migration is therefore a much more complex process than is often supposed. Rarely does it entail a simple bilateral movement from one country to another, for not only do those caught up in migrant diasporas tend to have a very comprehensive knowledge of the range of opportunities available in the global labour market, but their kinship networks greatly facilitate their ability to take advantage of those opportunities. Nor is migration a one-off population transfer of a kind that might have, or be brought to, a finite and clearly delineated end. Rather, it sets in train an ongoing process, in which members of a multiplicity of geographically separated but socially interlinked communities use and indeed continually recognize all the resources - human and cultural no less than material - available to them, both to advance their interests, and to circumvent any obstacles they encounter. (246)

I would clarify Ballard's point regarding the labour market knowledge possessed by migrants, by remarking that this knowledge derives from the particular labour market locations of their kin, and is subject to selection and filtration through various kinship and ethnic networks. Therefore rather than a "comprehensive knowledge of the range of opportunities available", migrants' labour market information may be highly selective. Immigrants will possess specific information about those occupations where other Indo-

\[^3\] In 4 cases I did not determine the original migratory site, although in all of those cases the languages used at the workplace included Punjabi.
Canadians have already made in-roads. Although individuals are not explicitly bound to particular occupations before their arrival, support networks in place tend to direct new immigrants into certain occupations, in addition to the effects of discriminatory and exclusionary processes in the host society. I have discussed this concept of links between chain migration and occupational specialization by referring to the intersection between subcontracting in construction and ethnic/immigrant networks. Chain migration contributes to continued growth and development of the wider ethnic community both culturally and economically, and in so doing increases the potential co-ethnic labour force available to ethnic entrepreneurs and contributes to maintaining ethnic cohesiveness and the ethnic economy.

2.2. Ethnic networks and employment

How do immigrants move into these enterprises after arrival? Immigrants may locate work through family contacts, and it is through this process that occupational channeling often takes place. Over half of the immigrant respondents in my sample explained how the first job they secured was through an immediate or extended family member. Ajit, prior to moving into the electrical trade, found work in the sawmills through his brother who sponsored his migration. Mattu worked with his wife's relatives in the truss manufacturing business. In some cases relatives directed new immigrants into the same company that they currently worked in or had worked for in the recent past. Gurpal, who at the time of the interview was just starting his own cabinet manufacturing business, found his first job in a furniture factory, owned by a member of the Indo-Canadian community. The four cabinet manufacturers I interviewed had all come into the industry via a co-ethnic member of the community or through family members. The streaming of Indo-Canadians into this sector can be conceptualized as a continuation of the first channeling process into the lumber industry, as the historical contextualization offered in Chapter 3
proposes. Whilst networks may feed into particular occupations, occasionally the need to adjust occupational focus is forced upon particular communities by wider economic structural change, and this was identified by Rai when he discussed recent immigration and its connection to changing occupational niches and the decline in the opportunities Indo-Canadians gained through sawmill employment:

Nowadays... those opportunities and so on just aren't there; the sawmills are closing down, so they're forced to look elsewhere. But the natural evolution of that is they have relatives that had come out prior to that, that had set up businesses; it's more common for them to go work in those businesses...some of those people have set up small manufacturing plants and those type of things, so they are constantly bringing their relatives out, and they do work.... And as an offshoot of that, those people that are set up at those businesses whether it be house construction or roofing...stuff like that. And as a result, they're now exploring more opportunities to start a new business.

Here the power of immigration networks, previous labour market niches and the changing opportunities presented to new immigrants intersect to forge the processes contributing to the present labour market location of Indo-Canadian workers and entrepreneurs. Many immigrants began as employees using these networks and occupational frameworks to direct and support their efforts. Once in the labour market they may have expected to move along a certain path and eventually run their own business. This scenario, of the ethnic labour market acting as a kind of entrepreneurial incubation process, depends upon new immigrants and co-ethnic workers gaining the support and training they need to expedite their entry into self-employment. Rai's comments identify the manner in which chain migration can act as a labour provision mechanism, feeding the enterprise with workers who possess the desired skills or qualities. This discussion also emphasizes the transition, or natural evolution as Rai labels it, that occurs down the generations, as each new group has the potential to move into a new or transformed occupational area, but always connected to the previous niche through relatives and co-ethnics. Indo-Canadians' opportunities shifted from sawmills to lumber remanufacturing, roofing truss manufacturing, cabinets and house construction etc.
But shifts can also occur across occupational niches; two respondents discussed the way they transferred from farming jobs in British Columbia into their own construction related businesses. For Gurjit, this involved a rapid rise from janitor and farm worker to farm labour contractor in one year, and then onto owning three companies in excavation, building maintenance and development in less than 10 years. This is an interesting case, since Gurjit's class location as a farm labour contractor put him in opposition to the co-ethnic farm labour he once contracted. Hira Singh's (1987) discussion of migrant South Asian farm workers in British Columbia sheds an interesting light on this relationship, and he indicates that disputes in the 1970s over the introduction of a Farm Workers Union (which was eventually established in 1980), caused an alignment along class lines, rather than ethnicity within the Indo-Canadian community. This division gives some support to Bonacich's (1980) trader minority argument. Even with this potential for class difference, however, there remains a strong connection between individuals of common ethnicity and the majority of my sampled firms have hired more than 50 percent of their workers from "inside" the Indo-Canadian community. This cohesiveness reflects the strength of ethnic networks, but we need to consider in more detail the process of recruitment to identify the intricate mechanisms of association within the ethnic economy.

2.3. Methods of recruitment in Indo-Canadian owned firms

During the interviews I asked about how satisfactory employers found different recruitment methods. The sample represents a mix of employees drawn from informal and family networks as well as from formal sources. Nearly 20 per cent of the businesses interviewed employed unionized labour. Even with union membership, however,

4 In one company employees belonged to the Teamsters union, and mill and yard workers in four other companies belonged to the International Woodworkers Association.
flexibility in recruitment prevailed, and entrepreneurs exercised options in who they could employ, often using recommendations and word-of-mouth to fill vacancies from within the Indo-Canadian community. Only one establishment interviewed, a unionized wholesale lumber operation, had a minority of Indo-Canadian employees. Rai, the owner of this company, was quick to respond to my question regarding the ethnicity of his workforce and whether he was ever pressured to take on family relatives or other Indo-Canadians:

This is a very delicate subject. I personally would probably like to do that because after my dad died, my brother and I ...had an awful lot of help from uncles and um, I sort of feel like I would like to give somebody else an opportunity the way I was given an opportunity. That being said in a family business like ours there's politics involved, and it's quite difficult to implement that. I personally may not be a very good candidate for this questionnaire because in most traditional Indian families hiring ...relatives is really common....It would be very awkward to bring somebody in who's a relative and say, 'you can do this' when you've had someone working in the office for five years thinking, 'well, how come that person got to...' knowing full well that they're a relative and that's exactly why they're there.

Rai is aware of the benefits of bringing a relative into the company. He feels an obligation to, and the mutual expectations of, his extended family since they helped him and his brother in the past. His company, however, has taken a different route, and Rai reluctantly has to resist employing extended family members or co-ethnic employees because of the problems it may cause with his other employees.

Whilst the majority of firms hire informally for labouring jobs, and more formally for skilled jobs, they still maintain a majority of Indo-Canadian workers and this was reflected by the languages spoken at the site. The above company was the only one in my sample that used solely English at the workplace, while the others used a mix of Punjabi and English, even if they were operated by second-generation Indo-Canadians who themselves did not speak fluent Punjabi. This again exhibits the resilience of aspects of the ethnic economy and the reliance entrepreneurs have on ethnic labour networks.
That reliance is illustrated in the following discussion I had with Sam, showing how a large, formalized lumber company generating revenue in excess of $30 million per annum, still relied on co-ethnic employees for 75 percent of its local workforce. When I asked what mechanisms he used to recruit people, the answer shows the combination of formal and informal methods:

We use people to do searches for employees, mostly for key positions. For labouring jobs more by referral, family friends, friends of other people that work here or family members of other people that work here. We advertise in papers, we get assistance or referrals from the union of other people that were laid off at other operations and they are looking to place them elsewhere.

M. Do you find it's a satisfactory way, to have referrals?

Sometimes yes, sometimes no. Its about 50/50. Half turn out to be really good employees and half of them turn out to be the kind that you don't keep for a long period of time; you don't want to keep some of them.

On the whole the comfort of employing through referral was cited by the entrepreneurs I interviewed, and the following example from Sidhu shows the diversity of networks outside the family:

basically people that we know or somebody who works for us knows. We try to hire somebody who can speak English...we have to ensure we can communicate with everybody at a pretty high level, so good English is pretty important. We tend to hire people we know, whether through hockey, baseball or association, or that fella we know though the business. Have we hired somebody off the street? There's been a few exceptions...we had one, and we had to kick him right out again.

Sidhu's employees come through referrals but not necessarily from his extended family or co-ethnic employees. This type of social connection acts as a type of reassurance that the employee will be a suitable addition to the company. Despite the breath of the social networks he can select employees from, and despite the fact that he is a second-generation Indo-Canadian who does not speak fluent Punjabi, his workforce was 50 per cent Indo-Canadian, and 30 per cent of them spoke only broken English, using Punjabi between themselves. Sidhu identified himself as a Canadian and discussed his position in relation to the Indo-Canadian community as paradoxical, sometimes inside, sometimes out. Yet co-
ethnic labour plays a central role in his operation despite having no apparent cost advantages, since the company is unionized, and despite the problems raised by maintaining such connections, as I will consider later in this chapter.

3. The benefits of continued ethnic connection

Why does co-ethnic employment and the networks that guide and sustain it occur, even in enterprises that have been in existence for more than one generation? The answer may lie in the benefits accrued by both capital and labour.

3.1. Remaining within the ethnic enterprise: Labour flexibility and advantages for employers

When I asked respondents about competition and how they achieved success in the market, many cited themes similar to those in the literature on flexibility in regard to their workforce. When I asked Mattu how his truss manufacturing business managed to succeed, he was clear on how his co-ethnic workforce gave him an advantage in a competitive industry:

There's not many companies like this truss company, and I was sure that we could compete. The reason was there's no time limit and no money limit...I mean, if it's morning or somebody wants something tomorrow morning, we can work through the night.

M: So you mean before you started this company, there weren't many fabricators of trusses?

There were, but they were Canadian fabricators, and their prices was really high; their delivery time was not right; they would work only five days...I knew that I can work six days, even seven days, anytime somebody ask I can cater, deliver you know.

M: And that helps, having Indo-Canadian employees who work those hours?

That's right, yeah.
Mattu explains how the competitiveness of his company is built through employing Indo-Canadians, not "Canadians", which can be interpreted to be "white" Euro-Canadians, (this type of "reverse discrimination will be considered later in the chapter). Ajit echoed similar feelings on the time demands he places on his labour:

I've never employed anybody who knew anything about electrical. I take the green guy and he learns my way of doing things. I find pretty quickly how hard he can work. I work him pretty long hours. If he can last with me long hours he can work with me....They don't do the apprenticeship program, but they get their ticket. The apprenticeship is hard for some of them to do with all the math, physics etc.... and it takes time to go to school.

Unskilled individuals who are willing to put in the hours are the type of people Ajit looks for to be his employees. However, the value of the qualifications they achieve are debatable, and therefore by remaining in the ethnic enterprise the potential return for these employees is limited.\(^\text{5}\) Whilst in this case flexibility is demanded from employees in the hours worked and working procedures, whether reskilling takes place depends upon the location of this company in wider training requirements and programs, and these more official networks extend beyond the ethnic enterprise.

Notions of flexibility can be interpreted through the employee's ability, willingness and even expectation to work long hours, and as Harder indicates, extensive flexibility on wages:

nobody can beat our prices because we got our own product (roofing singles)...plus our labour is cheaper than other people. Like when I tell my guys, 'hey listen the market is slow; we're going to pay you only $8 an hour', they say 'no problem'.

Whether or not Harder's employees are quite so acquiescent in accepting pay cuts, adjusting wage rates seems to be a critical operating mechanism for Harder, since the

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\(^{5}\) As of July 1st 1996, a new Provincial government ruling under the Apprenticeship Act, states that "All people performing electrical work in the Province of British Columbia must be either a certified (Trade Qualified) journeyman, or an indentured apprentice." (IBEW letter May 14th 1996). It is difficult to estimate whether this will impact on small electrical firms, because the enforcement of such regulations will be difficult across the residential single home market due to the sheer numerousy of sites.
potential savings on labour allows the company to remain competitive throughout market fluctuations. Similar issues of wage rates and competitiveness were highlighted by Bob in relation to his method of labour recruitment in his floor covering company:

Yes, I have some family, relatives. I have no family, but this is my in-laws side. That way we have used people from the circle that I knew of, offered them a job. Plus I couldn't afford to pay them a competitive salary, in that sense I would be out of business.

Operations that rely on kin and co-ethnic networks to satisfy their labour needs can demand flexibility on hours and wages, allowing them to survive in a competitive, cyclical sector such as construction. Flexible working procedures may also be supported by patriarchal and ethnic identification with the employer, and the nature of work relations in the construction industry where small autonomous work groups are often the norm. Additionally if we conceptualize the pressures and expectations of entrepreneurialism in the Indo-Canadian community as micro-scale institutional change, we can see how this may assist in the diffusion and widespread acceptance of flexible employment relations. The migration experience, coupled with the expectation to work long hours and accept a lower than average rate of pay (or even take a pay cut if the market is weak), explains why some companies maintain significant co-ethnic labour relations. This can be a disadvantage to the employee, as will be discussed, especially since not all co-ethnic employees will move into self employment themselves. If individuals do not make a transition into self employment, the returns they experience from remaining in non-union ethnic enterprises may be severely limited in the long term. However, individuals do stay within the ethnic enterprise, even when there may be the potential of employment outside the ethnic economy. During interviews I identified some employee motivations (although admittedly through speaking to owners), and understanding these processes provides some explanation for ethnic cohesiveness in the ethnic enterprise.
3.2. **Advantages for employees: Expectations and entrepreneurial incubation, the recirculation of entrepreneurialism**

Whilst networks are essential in migration and the securing of employment, the expectations of members of the ethnic community do not end there. Both Waldinger *et al* (1990) and Wilson and Portes (1980) focus on the returns that ethnic employees can expect to gain from employment within the ethnic economy. Wilson and Portes stress the eventual return to human capital that occurs when individuals work through the ethnic economy with the potential to initiate their own business. Waldinger *et al* identify the important nature of occupational training that is transmitted through the ethnic economy, and such training is essential if would-be entrepreneurs are to succeed. Those I interviewed that had remained within co-ethnic and kinship networks as employees, moved through and formed their own companies, arguably benefiting from entrepreneurial "incubation". This incubation process should therefore be conceptualized as one of recirculation, since entrepreneurs expect some workers to move on and start their own businesses just as they themselves did. This is especially so with companies operated by the immediate and extended family, and Ron highlights how this expectation launched him into his own retail lumber business.

Like I say I worked along with my grandfather and my father and my cousins, my uncle was involved in the same. And with my cousins, because we got so many kids I was booted out, they say 'hey, get going out on your own'.... I say 'oh all right'. So what happened with the family, I came out here and bought the land, started on a small scale and day by day it goes.

Ron's narrative seems to communicate reluctance at being moved out of the family enterprise to start his own operation, but such expectations are common within the ethnic economy. In fact the "recirculation" of this expectation was revealed later in the same interview when Ron spoke of the two nephews he employed, who were themselves considering setting up their own business:
Yeah, I suppose, they're only making $12 an hour, but they are kind of on a contract basis with me here eh? And they work, oh my gosh Sundays all depends.... Last Saturday I guess they approached me. They said Uncle Ron we're thinking of doing this. So I said well think real hard about it, it's not going to be easy, and I told them I know one thing about you guys, you're not scared of work, but you need someone with the knowledge. They say well, they have a friend that's been in the same trade. Well good luck. They're thinking of starting their own, and there will be no hard feelings between us. Matter of fact I told them I would help them. They have to buy lumber somewhere, so here's another customer, they're going to buy lumber from me.

Ron is supportive of their move; he is not surprised about their decision, and actually interprets it as an opportunity to develop more custom. The important aspect here is that this process is one of recirculation. For some Indo-Canadians the category of employee is expected to be only temporarily occupied, and often the employer is cognizant of such motivations, yet still relies on Indo-Canadian labour. This resilience of ethnically bounded frameworks was also revealed in 25 percent of the immigrant and ethnic entrepreneurs I interviewed, who after initial employment with Euro-Canadian owned companies, returned to majority Indo-Canadian labour networks after establishing their own operations. Such recirculation, though identified by researchers, is rarely stressed as a dynamic process. This may explain the opposing nature of debate on the issue, since individuals are perceived as static subjects, where as in fact members of this ethnic community may well perceive their own position as dynamic, and whilst many may never actually enter self-employment, they may harbour the intention. Ron's comments indicate endorsement in the ethnic economy for budding entrepreneurs. Such support however, was not expressed in all interviews. Certainly, many employers spoke of the savings realized by hiring co-ethnic workers at less-than-average wage rates, but many also noted problems.

4. Problems or limitations of the ethnic enterprise

At the start of this chapter I stated that I wanted to avoid the polemic nature of debate in this field. Conscious of this I turn to consider the problems of the ethnic enterprise raised during interviews, not to dismiss or negate the potential of this form of
economic organization, but to reveal the problems of negotiating the interface of culture (relations, expectations and assumptions) and economy (competition, labour supply and demand).

4.1. Problems of "incubating" entrepreneurs

The ethnic incubation process alluded to earlier does not always operate smoothly. Viewed from the entrepreneur's perspective, each worker who leaves to create another business causes disruption in the firm. First, a replacement worker must be hired and trained. The consternation this can cause became apparent in an interview with Bikar, the owner of a small excavation company who in 15 years of business claimed to have trained over 100 people. Second, each ex-employee becomes a new competitor, and a knowledgeable one at that. The same owner remarked about one relative he employed, a cousin that no other family member would help. Once trained, he left the company giving 8 days notice, and set up his own rival company, which won contracts at the expense of his ex-employer. Bikar admitted he was angry at this cousin and commented on the negative effect this had on family relationships.

Some respondents had already learnt from these types of experiences and instigated mechanisms to avoid them in the future. Gurjit, who emigrated in 1980 and had already established three companies, stated that he had stopped employing family members altogether because he did not want them to add to his competition. Not only do ex-employees increase competition, but the standard of the work they perform and their reputation and success may be compromised due to the limited formal business training they can access, and this may have impacts on the image of particular industrial sectors in the wider ethnic economy. Darshan, the sales manager of a roofing company discussed this problem in relation to his company's employees, 90 percent of whom are Indo-Canadian,
and who start businesses with relatively limited experience:

I suppose he (an employee) is working with me and after 6 or 7 months he will start his company. There is such a big flaw in the Canadian government's licensing system, because anybody can manage a company and believe that's the ABC of the business and they can manage it.... They think they can do it even if they don't know anything about this. You just buy a business license, nobody cares, nobody asks, it's just bought.

Darshan's comment on the lack of business regulation, and as an extension of that the lack of protection for clients, indicates how actual business practices can dampen the popular image of entrepreneurial drive espoused by many of the entrepreneurs I interviewed. In general, then, while the progression from co-ethnic employee to successful entrepreneur is expected and supported by many, it is not without cost. These costs do not factor in the majority of literature on ethnic enterprise.

4.2. Problems of negotiating family/business relations

In addition to the problems attached to the co-ethnic employee's expectation of entrepreneurial incubation, respondents related negative factors attached to family pressures in business in general. The hiring of co-ethnic labour can generate tension, nearly 30 per cent of respondents mentioned being pressured by co-ethnics and relatives to employ kin. Some entrepreneurs found themselves forced into a position to accept relatives, and then experienced problems controlling and coordinating their labour. Harder related the negative experiences he had with employing family members:

some relatives, you call them to work and they don't want to take orders from you... you tell them something and they just ignore it, and you give them shit, they get mad. They don't like it and they talk about it in the family... and whenever we have family gatherings they're more jealous with you.

These issues of kin/business conflicts were echoed by Jai. He discussed the problems he had experienced with his wife's cousins who came to him looking for work. Once he employed one he was pressured to hire other relatives, until there were five or six in his
firm. He explained that these relatives would not co-operate with his other employees and refused to do certain jobs. Eventually they all left the company together, causing problems for Jai through a shortage of skilled labour and forcing him to cut back on work. These experiences suggest an issue rarely, if ever, considered in the literature on ethnic enterprise; the fact that co-ethnic workers, especially when connected with their employer through extended family ties, have unique opportunities to resist shopfloor control or, in many cases, can simply leave a situation they find unfavourable, since there may well be many other employment possibilities easily accessible in the ethnic enclave. This slightly differs from Ok Lee's work on the commodification of ethnicity in the Korean enclave, since 47 percent of her survey respondents relied on immediate family labour (spouses, children and siblings). In the case of Jai the relations within his enterprise are with extended family members, and they are not subject to the same kind of patriarchal power relations common in ethnic enterprises framed by immediate family employment. This example also identifies the subtleties of labour relations in Indo-Canadian owned construction companies. In the case of Jai's business, the power balance within the enterprise shifted due to the complexity of relations bounded at once by ethnicity, marriage and family, as well as the autonomous and flexible nature of work groups within construction. Similar issues were identified by Sidhu, who discussed the manner in which his company was at one time composed of nearly 100 percent Indo-Canadian labour continually re-supplying itself through family relations and co-ethnic friends. I asked him if that had worked out, bearing in mind that today his company has only 50 percent co-ethnic labour:

It didn't work out for them, in that a year after having all these people here they joined the union and after that we cut back in our work staff. We went from 60 people back down to 12 people again. Since then...for 10 years I didn't hire anybody, that if a friend, an uncle said how about hiring my nephew I said forget that, I sort of learnt my lesson on that.

M. Do you ever find the family connections difficult to deal with....Does it get difficult with people holding grudges, in social circles etc....

That's true if there's a problem, it gets extended of course, there's my direct family my sister's husband worked here and that caused a problem. My cousins when we joined
the union, they were on one side and I was on the other. For 10 years even though they worked here they didn't talk to me too much, but it all got worked out and that so, yeah it does cause problems, but on the other hand when things are going good it works out great.

The problems of family and business do intersect, adding complexities to the maintenance of the operation. Sidhu, however, normalizes these situations, and his feelings are that he would rather have his operation run along family lines than to resist their involvement, despite these previous conflicts. All the entrepreneurs who mentioned family and co-ethnic pressure normalized or trivialized the issues they raised. Indeed few actually considered it a problem, preferring instead to stress the beneficial aspects of co-ethnic and kinship assistance. In some cases the problems of such associations were quickly solved, as Sam did when I asked whether he experienced any problems in the overlap of family and business relations in his $30 million per annum lumber operation:

That's again probably a 50/50 proposition; some of them are excellent some of them are terrible.

M. Do you ever find you are compromised in your abilities when there are those considerations to bring in?

No, if they don't work out in the training period, the assessment period, we don't keep them.

I found his response intriguing, because he seemed to equate family and ethnic relationships very easily with formal economic ones, which I thought would be difficult. I restated later in the interview, that although his business was very formalized, with the majority of his customer base in export markets, he still relied on co-ethnic networks for labour provision with nearly 75 per cent of his Canadian operation composed of Indo-Canadian labour. He agreed to a certain extent, but claimed that in the last 10 years, his operation had changed to a more orthodox method of hiring. I asked if it was an easy transition to make, and Sam revealed the role subsequent generations can play in distancing the operation from family, if not from co-ethnic, employees:

It's an easy one to make, yeah. Especially since the next generation is coming into the business and they're more inclined to deal on an arms-length basis with the employees
and so it's a little bit easier to say yes and no.

M. Whereas for your father it might not have been as easy.

And for me. So it's the third generation now that's doing the recruiting and hiring and the managing and the dealing with the unions and the Workers Comp. and all the rest of it.

M. And did that include going over to a union base?

No that really had nothing to do with it. The fact that it's unionized didn't have an impact on the hiring practices. It seems to be a conduit to experienced people more than a "have to" kind of thing, because there's no obligation to take these people that are sent to you. They still have to come in and be interviewed; their past work history is checked out.

Sam's admission, "there's no obligation to take these people that are sent to you", is interesting because it indicates that utilizing union labour relieves the owner of mutual expectations that may arise out of more cultural connections through kin or co-ethnic networks. Later in the interview, after I had turned the tape recorder off, Sam was more candid about the hiring process, explaining that his union labour connection allowed him to turn down family and friends looking for work, since he can claim previously laid-off union staff have priority in the job line. In some cases he said this was the real case, but in others it just functioned as a convenient excuse. Additionally the way Sam stressed the changing role of the next generation in the relationship between co-ethnic employers and employees, points to the transformation of relationships between immigrants and native born Indo-Canadians. Despite these possible avoidance routes, his active resistance of family requests for employment, and the acknowledgement of the role of subsequent generations in resisting co-ethnic expectations, Sam's company still employed a majority of Indo-Canadian labour and the networks of family and friends still satisfied his labour requirements. I mentioned earlier the potential benefits employers can attain through maintaining majority Indo-Canadian labour, and these may partly explain Sam's dependence on co-ethnic labour. Such advantages to employers often work to the disadvantage of labour, but there are other potential disadvantages not strictly linked to the demands of capital.
4.3. Disadvantages to the employee in unionized ethnic enterprises

Labour in union operations should, presumably, be better off in terms of hours worked and wages paid. However, there is a quality to the ethnic enterprise that goes beyond the domain of economic operations and labour relations. In particular, remaining within the ethnic economy does provide a type of "bubble" where the need to assimilate linguistically is diminished, since both Punjabi and English are used at the workplace. I asked Sidhu how he felt about those of his employees who resisted learning English, even when the company brought an English teacher into the plant twice a week:

How do I feel about it? I feel sorry for them. Because these particular people are the same people who have worked for me for 22-23 years.... I couldn't speak Punjabi; they couldn't speak English. I took them there (an English language centre) to try and motivate them to speak English. I took them there 3 or 4 times. As soon as I stopped taking them they stopped going; they weren't motivated. I feel sorry for them because they are limiting themselves in the knowledge they can learn; they are limiting themselves in their personal life you know.... No, but basically I feel sorry for them in that they have a mentality where they're unwilling to learn and it applies to when they go to do different jobs and that they are happy to stay at one job.

M. Do you think that's also a problem of working with other people who speak Punjabi, it provides them with this bubble?

That's true; but it's also how you worded it; it is also a factor of where they live, just as much and who they hang out with and stuff like that. You know before the 1970's whatever, people came in at a slower rate; they would assimilate a lot better to the community. When a lot of these people here came, there was a large number that came in and they formed their own communities. You know they were divided by their clothes or where they'd go and live. Nothing changed; they can still speak their language and that, eh. And there's no rush. The children will learn the language and assimilate and play hockey and baseball whatever stuff and go and see "Showboat" and that. But as far as they are concerned they are still in India or wherever....They've got this large network of Indian speaking businesses and people and whatever, and what they can't deal with they'll get someone like me to go with them and use me as an interpreter...

Sidhu is touching on a very sensitive subject which is significant in popular immigration discourse. Sidhu, a second generation Indo-Canadian, is far enough removed from the new
immigrants to portray this as such, and yet in a position to help his workers to move beyond co-ethnic employment and broaden their opportunities. His position reflects the dynamism and change migration and generational transition can enable. I introduce Sidhu's discussion to identify issues impacting on employees in the ethnic economy because he is an Indo-Canadian. If anybody else of a different ethnic background delivered such an opinion, I would be reluctant to expose it because questions of discrimination and stereotyping would present themselves. The issue here may be diminished to one of non-assimilation harming and limiting an immigrant's options to move beyond the ethnic enterprise, as Sanders and Nee (1987) propose. I want to resist the assimilationist argumentation, but at the same time I do not want to dismiss Sidhu's argument. There are many ways Indo-Canadian immigrants, some of whom have been in Canada for more than 20 years, lose out economically, culturally and socially. The restrictive nature of their employment affects their economic position, but Sidhu is also talking about personal satisfaction and achievement. The immigration debate runs on this type of fuel and I do not want to add to the smoldering flames, but to identify the many complex debates emanating from within these communities themselves. This narrative not only reveals the limitations of non-assimilation for the individual, but also indicates the multiplicity of discourses, opinions and ideas articulated by members of a complex and internally differentiated community, not a homogenized one.

4.4. Reverse discrimination: stereotyping "white" workers

In addition to the complexity of stereotypical views within the Indo-Canadian community, comments were made about "white" workers by the entrepreneurs I interviewed, that seemed to categorize and stereotype them. Bikar, 6 made sweeping

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6 Bikar requested this interview was not taped and my comments are based on notes.
comments about white workers, saying he had employed "Canadians", but found they didn't work in a suitable manner as well as being too educated. Bikar commented more generally on Anglo-Canadians, and here I paraphrase; he suggested they were not keen to work long hours, drank excessively and had lost the work ethic because they can sit on Unemployment Insurance and collect money. This view of "white Anglo-Canadians" prioritizing socializing and recreation over work also came through in Harder's comments on his Indo-Canadian labour, when I asked him if he relied on them more:

Yes, more, because whenever I want them to work, and like anytime...they prefer the job...than some people who entertain wives and other family matters come first. But Indo-Canadians prefer the job.

Such comments pose an interesting paradox. Indo-Canadians prioritize family, yet at the same time they do not place family and socialization over work. Images of "white" workers are presented in opposition to images of Indo-Canadian workers. Difference is constructed both within and between different ethnic groups, adding to the complexity of relations. It also supports my argument that cultural assumption plays a role in seemingly pure economic arguments, in this case the expectation of greater labour flexibility with Indo-Canadian labour. From a policy argument this aspect of reverse discrimination may pose difficult questions about the potential contribution ethnic/immigrant enterprises can make in employing individuals outside of their ethnic community over the short term.

Commentators entering this discussion of reverse discrimination, however, need to tread lightly, since inflammatory debate over white "exclusion", has the potential to cause intense contestation in multi-ethnic urban centres such as Vancouver.7

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7 See "Why we all need to speak English" in The Vancouver Sun, July 8 1996, for a letter taken from the Ming Pao Daily news discussing the need to prevent all forms of discrimination, whether against Asians or "whites".
5. **Overview and conclusion**

This chapter has highlighted the benefits employees and employers receive through labour links contained within the ethnic economy. The initial role of chain migration and occupational assistance is significant in maintaining access to certain labour market niches and supporting the international links that feed the migratory process. Once individuals have migrated, they utilize networks in place that direct them into specialized occupational locations. As a result of this, some ethnic enterprises benefit from "flexible" labour relations consisting of low pay and long hours, while employees arguably benefit from the prospect of an entrepreneurial incubation process. The disadvantages can be seen on both sides, and reflect the problem of negotiating across the economic and cultural interface of intersecting family and co-ethnic demands, and the formal economic demands of running an economically viable operation. My results, however, suggest that these problems are normalized and discounted when compared to the benefits gained and mutual expectations satisfied through working with kin and other members of the Indo-Canadian community. I have also touched on the instances of reverse discrimination that inform labour recruitment and expectations, and the significance this has for understanding the complexities of labour relations in the ethnic enterprise. In the next chapter I turn to consider the character of ethnic and kinship networks in client relations, and some of these issues reappear in that domain.
CHAPTER SEVEN

CULTURE AND ECONOMY IN THE MARKET PLACE: CLIENT NETWORKS, DISCRIMINATION AND COMPETITION

1. Introduction

Just as ethnic and kinship networks work to link cultural and economic aspects in labour relations, so too do they act in the maintenance and cohesiveness of relations between ethnic enterprises and their clients. In the first chapter I outlined the definition of an ethnic economy, and noted that businesses serve both ethnic and non-ethnic customers. However, if the market is predominantly made up of clusters of co-ethnic firms and clients, exhibiting economic interdependency and a high rate of co-ethnic employees, then it is considered an enclave economy. This interdependency contributes to increased loyalty to the ethnic group and promotes economic transactions within the boundary of that community (Min 1987). My sample indicates a reliance on co-ethnic employees in varying degrees in all but one of the companies interviewed, but in the percentage of co-ethnic clients there is greater variability. Figure 13 shows the reported percent of co-ethnic clients in relation to annual gross revenue. The pattern seems to suggest that the operations with the largest gross income exhibit less, or no reliance on co-ethnic clientele, even if they have a large co-ethnic workforce. This relationship between the percent of co-ethnic clients and co-ethnic employees is shown in figure 14. This would go some way to support the assertion that moving beyond the ethnic enclave leads to greater prosperity, even if the company is still embedded in ethnic labour supply networks and therefore still part of the ethnic economy. Indeed, within the sample such differences attest to the multiple economic locations of construction-related companies represented in my sample and the amount of
Figure 13. Scattergram showing percent co-ethnic clients in relation to gross revenue p.a.
Figure 14. Scattergram showing the relationship between co-ethnic client and employee numbers.
multi-ethnic networking and competition present in this economic sector. These differences manifest themselves in the responses I received when I asked about client contacts and how these were secured and maintained, as well as their function in supporting the enterprise.

2. Mechanisms of client contact and positive support

What role do social networks play in providing co-ethnic clients? As figure 13 shows, companies interviewed with more than 50 per cent co-ethnic clients exhibit gross revenues below 2 million dollars per annum. These figures are not statistically significant and therefore partial in their ability to support statements about the limitations of remaining within the ethnic enclave, but the pattern does suggest that there is a link between a lower dependence on co-ethnic clients and a larger market base with potentially greater revenue.

Just as co-ethnic labour dependence can be conceptualized as drawing upon ethnic resources, so too can co-ethnic client relations. The opportunity to work with co-ethnic clients, bounded by ethnic and kinship links, can be a valuable connection in some enterprises. Bob, the owner of a floor covering company, related his view of client relations, especially where questions of payment and credit are concerned:

All my clients I try to have family ties with them, it's just like a family. Places like Sears need the money up front. Our builder he's reliable. He got more jobs, his money's safe so we don't want to push him for $5,000, $6,000.

In this case the ethnic and family connections with the builder act as a security function, a form of social or cultural capital similar to that proposed by Bourdieu (1984), and these issues are well addressed in the ethnic enterprise literature (see Light and Karageorgis, 1994 for an overview). Having a cultural and familiar connection with the client allows the entrepreneur to give credit, since trust through ethnic affiliation acts as a guarantee. This guarantee, or ethnic resource, gives the builder the advantage of credit and the respondent the advantage of future business. Such on-going business relations are central to this
company's operations, and assist the entrepreneur's initial market access. This kind of trust and "flexibility" can be conceptualized as flexible interfirm relations, supporting Gertler's (1996) discussion of the role of culture and trust in business. Ethnic affiliation and the advantages inherent in such membership, provide the co-ethnic entrepreneur with a competitive edge over a group not exercising these networks to the same extent. Bob's experiences and thoughts about initial business set-up reveal the extent of such benefits:

We were penetrating our own community to get business. The people we deal with sometimes we are comfortable or the clients are more comfortable dealing with us because they can speak the language .... Also because builders are comfortable dealing with us because they can talk terms ... of credit or something, which, if you are within a community sometimes ... and you know each other through somebody else or through business, and then you try to build those contacts that way .... Most of the businesses here are tied that way.

This view succinctly sums up the arguments made in the literature (as discussed by Min (1987) and Wilson and Portes (1980)) concerning ethnicity as an economic resource. Few respondents made such obvious statements about dealing with the co-ethnic community, but figure 15 represents the methods of client connection used, revealing that 70 per cent rely on word-of-mouth and more than 30 percent specifically mentioned co-ethnic and kinship support through contracts and information. Both these channels act to maintain client contact within a community bounded by common ethnicity.
Figure 15. Methods of client contact indicated by respondents.
2.1. The "other side" of co-ethnic client contact

Entrepreneurs mentioned the benefits of working with members from the same ethnic community, citing issues of trust, language similarity and the comfort such attachments provide. But at the same time complaints about the nature of client relations in the ethnic economy were voiced by over 30 percent of entrepreneurs. The most prominent of these centered around the intensity of competition and pressure to cut prices and complete work rapidly. Asked about his experience supplying cabinets to other Indo-Canadian firms, Ashok commented:

Just because they are Indo-Canadian doesn't mean they are going to pay you more money; it's probably the opposite. It's just that they sometimes pressurize you far more than you would get in a normal business environment, because they're not organized...and because they are undercutting the market sometimes and they are rushed for time, and if you went to a proper large company, like Merrit, they would give you a lead time of four weeks, because they have their designers and they have their subcontractors and things like that. Whereas if you went to one of these kitchen cabinet people they might be able to do it in a week. The only way they can do it in a week is because they come to us and say I want the doors. Then we, because we have a flexible schedule, we would drop other things and cater to their demands. So because we're having this Indo-Canadian community of 60 percent of our business, doesn't make it easy, because we have to live with the chaos that they have.

In this case the market position of this company is maintained through the ethnic clientele it relies on and the demands and pressures such connections place upon their production and cost schedule. Ashok refers to their flexible schedule, and flexibility is certainly a trait of this manufacturer. Moving out of this niche could require a change towards more standardized production with potentially greater revenue, but this move translates into losing one group of clients, with no guarantees of another to fill the order books. This issue raises the paradox of flexibility and the gusto with which economic commentators present it as the path forward, since with a flexible schedule allowing responsiveness to his customers, this manager indicates feelings of being trapped by the nature of his customers' demands. A movement towards more standardized, less flexible production is almost
envisioned by him as a goal. For Ashok the problem is the market position of his company. Being part of the ethnic economy demands a flexible approach, and such an approach also allows for pressure to be applied in relation to price.

Some 40 percent of respondents indicated that Indo-Canadian contractors were particularly hard bargainers, and several of these voiced their concern that the building industry as a whole suffered from these attempts to force suppliers to shave their profit margins. Rai, the second-generation owner of a $24 million per annum company, has dealings with local Indo-Canadian builders forming only 1-2 percent of his total business. Part of this ethnic, more specifically family disassociation he credits to his parents;

my parents — because they were born in Canada — were quite willing to adopt Canadian characteristics in terms of blending in with retaining some of the culture. Um, as a result, we've been brought up quite Westernized, and in terms of running a company, I have felt much easier to deal on a business level with people without having to have family interference.

However, despite the small percentage of business with Indo-Canadians, he discussed his feelings about the extent of bargaining that accompanied these deals:

I used to feel quite uncomfortable with it, especially if I were to see that person socially, but after the first 100 times you become immune to it.

Similarly, when I asked Mattu if he found that members of the Indo-Canadian community expected lower prices for building trusses he laughed in agreement with me; I asked him how he dealt with it:

I don't know. We try, try what we can do, but sometimes the price they ask, very low and we can't do it....It is a problem. First they ask a low low price. When the job is finished they want some kind of discount again you know (laughter).

Some of these sentiments were echoed by roofing contractors, and in the case of one interview with Darshan, the sales manager of a roofing company grossing $4 million per annum, problems of competition and price cutting seemed acute. Darshan intimated that such competition was especially prevalent within the Indo-Canadian community with his reply to my question of whether he ever advertised in the *Indo-Canadian Times*, a local
Darshan's comments, and the others I have offered, indicate the problems of remaining within the ethnic economy. A small client base and a specialized industrial niche into which companies are focused, breeds intense competitive action. One solution is to move away from dependence on the ethnic economy for clients, but even in the case where companies have significantly broadened their market base, links may be retained with local builders and co-ethnic clients. In the case of Rai, such links are not essential to his company's success, but his position as a member of the Indo-Canadian community with family as well as more general connections, does create certain expectations on his dealings with Indo-Canadian builders:

the amount of work we're doing with Indo-Canadian builders has increased but that's a result of us targeting the West-Side... of Vancouver. If you're asking me, "are we doing a lot more business with Indo-Canadians?" I would say that we do some work... it'll be some relative of a relative of a relative who phones me, and say 'I'm building a house, I want you to supply the lumber'. I find that does happen fairly often; I personally don't get involved; I give it to one of the other guys that looks after that. But I've seen that quite often, quite often. Again, I want to qualify this by saying, I don't solicit the business; I initially used to do it as a favour; I now find it is easier to give it to somebody else to deal with.

In much the same way Rai felt it unfortunate that he could not give family members an opportunity in his business due to the problems it might cause with established staff (see Chapter 6), he still feels the pressure of mutual expectation and acts to satisfy it, even though his business does not need to serve this sector of the community in order to survive. This example particularly underscores the intersection of cultural and economic factors. For Rai, dealing with business and social relations with builders from the co-ethnic community can pose a problem, but he accommodates it by personally distancing himself from the actual negotiations, but not ignoring or resisting the expectations that are attached to his position in his extended family in particular, and in the Indo-Canadian community in
general. Again this rootedness within ethnic and kinship networks indicates the resilience of these connections.

3. Cultural and social client contact

For Indo-Canadian enterprises, social and cultural connections exercised within the ethnic community are meaningful since they identify the manner in which economic relations have been permeated by and rely on the social and the cultural. Ashok indicates the importance of maintaining social connections with the 60 percent Indo-Canadian clients the cabinet door manufacturing company he manages deals with:

Of the 60 percent from the Indo-Canadian community, we would probably lose 30 percent if we were not socially active. Without using the old social connections we could possibly lose it. You've got to realize that social connection replaces the salesman in the field. It is a trade off. Bigger companies survive by having salesmen in the field, taking people out to lunch and being there every second day making sure that people don't go and don't look at anybody else. So that's an expense; that's a function and we don't do that so we have to socialize to keep that business.

This importance of social networks is framed by Ashok as being an aspect of small business. But in this company's case, networks are integrated into the Indo-Canadian community since 60 percent of their customers are Indo-Canadian. The company he works for supplies doors to cabinet manufacturers, and I previously identified the over-representation of Indo-Canadians in this sector, with over half the number of cabinet manufacturers advertising in the *Indo-Canadian Business Pages* as in the Vancouver area telephone book. The connections throughout this industry have the potential to be significantly bound by ethnic attachment, and as such certainly suggest that a cabinet manufacturing ethnic enclave exists within the local Vancouver economy. Such networks

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1 Of course the alternative is how far has the economic permeated the cultural and social? This question frames the whole debate, and in some ways can be seen as an instance of "the glass is half empty or half full" maxim. Although my thesis is that the cultural impacts on, or interfaces with, the economic, I am aware of the possible alternative readings that can be made.
represent the interface of culture and economy, since multiple processes of business establishment, labour relations, client contact and price negotiation are influenced by factors other than classical economic ones. I now consider in more detail how these business networks interface with aspects of Indo-Canadian culture and community.

3.1. Family networks and enterprise

Some of the companies I interviewed were related through family connections. In the lumber business many of the entrepreneurs knew other people I had interviewed. Their parents and grandparents were part of the original Sikh diaspora that reached British Columbia in the early part of this century. Many mentioned the way family helped out in the early stages of business formation and one aspect of these family links is exposed through client connections in the early stages of business initiation, as Sidhu discussed in relation to the Indo-Canadian community which accounted for 50 percent of his initial clientele:

I mean in any community, it isn't just Indo-Canadian community, British are the same way, Russians are the same way, Chinese are the same way; you're Canadian but you are also a sub-set of another community and that, and that community people help you and they hinder you, whatever. For the most part they help you and that as well. When I first started I went to people that we knew, our family knew, they happened to be Singh, that's my last name, and so that was a benefit. (pseudonym in italics)

Sidhu's comments encapsulate the notion of family assistance functioning as a resource, but also identify the breadth of such benefits by connecting them with other ethnic/national communities that could call on the same networks to support members of their respective groups. Within my sample, however, the family was often cited as a critical support when I asked about benefits originating from their culture and background, and the comments made earlier in regard to Indo-Canadian prioritizing of the family are relevant here. Also centered on family relations, the connections through marriage are often carefully
considered and planned, often through international temple connections. Such unions reveal the important linkages between Sikh families and religion and this brings me to consider whether religion plays a role in the economic organization and location of Indo-Canadian entrepreneurs.

### 3.2. Religion

I asked respondents whether they attended a temple, and whether such connections assisted them in their business. Responses to this question covered a whole spectrum, the majority (65 percent) were surprised at the question, and stated that yes they attended temples but such connections did not function in their business affairs. Others, such as Ashok, indicated temple connections play a role for some entrepreneurs:

> That I know does exist for businesses of this class and nature. I don't do it personally, because I don't go to temples, but I know friends, relatives and people who do go. Their business associates one-to-one are also there. I would not say it is essential but it does compliment the business.

A few admitted such places functioned just as any other social meeting place would in making business transactions. As Sidhu suggests,

> I make business connections wherever I go, so yeah sure. If it's the temple or a wedding reception and it's predominantly all Indian people there and that...yeah, I make a connection, but I would also make a connection if I were going to a business meeting and I was the only Indian there. I just make it my business to make connections wherever I go.

In this way the temple is used just as any other meeting place, and therefore in this case it would appear that the cultural significance of the temple and Sikhism has been infiltrated with an economic rationale. In other cases, however, where the response also indicates the importance of the temple in business, the influence is in the other direction, as Mattu, an

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2 The weekly Indo-Canadian paper *The Link*, carries a matrimonials section which contains a number of advertisements placed by the families of young men and women often seeking well educated, but more interestingly particular class or caste Sikhs, in many cases Jat Sikhs or in one case from the Sikh Tank-Kashatry family.
orthodox Sikh explains in this extract when I asked if he attended a temple:

I do, I do, I do. I'm an executive member of the (.....) temple, so if you ask people who know me, they do come, anybody who builds a house asks me, they see if the price is right you know.

M: So there's a security, a trust element there, do you think?

Could be...that's right

M: Do you think that plays an important role in your business.

Yes, I'm a business man and that's an important role.

Although Mattu stipulates he is a businessman, my impression from this interview was that Mattu felt his position as an executive member of the temple engendered trust in those that know him. His religious and cultural position and standing permeate his economic role, giving him the benefit of wider networks, but also influencing those networks because of his standing in the temple community. Similar sentiments were related by the electrician Sanjit, not necessarily in making connections, but the manner in which he conducted himself in business;

M: Does it (religion) play a role in your business life?

Yeah...in moral ways.

M. To keep you moral in your business life?

Yeah, because if you're honest, you know, it tests your morals...So, if you do good work, people trust you.

Again the intimation is that the personal and cultural significance of religion infiltrates Sanjit's economic location, rather than the religious connections becoming subsumed and used only as an economic channel to connect to a potential market. These responses are interesting in relation to conceptualizing the often unnoticed importance of religion in the economic realm and vice versa; however the significance of this dimension of my research is limited, since most of those interviewed denied the widespread use of religion as a business conduit, or that their religious beliefs inform and frame their economic actions.
However, many times during my interviews, often with the security of the tape recorder off and in more irreverent language, respondents initiated a discussion regarding the tensions that exist between different gurdwaras or temples. Even orthodox Sikhs described their reluctance to attend temples where strong political positions had been taken in relation to issues such as Khalistan. When I asked Harder about whether he attended a temple, his response exposed the extent of factionalism present in Sikh temples.

We hardly go to the temple. We got a temple in our house and we try to stay home from the politics; there's too much politics involved in the temple and our children don't want to go there; we don't want to go there.... And the temple has totally changed...into politics.... They don't preach no religion there at all; its just formalities.

Harder's response is significant, he is an orthodox Sikh, yet he does not attend a temple. This internal conflict over the political aims of groups linked to separatist political action impacts on Harder, forcing him and his family to practice their faith at home, denying them the benefit of community supported religious and cultural identity. Internal pressures may also come from older immigrants or native born Indo-Canadians, as a discussion with Sam, (after the tape recorder had been turned off) revealed; he made it plain that orthodox Sikhs pressurizing their children to wear turbans was a very negative element for the children and the Indo-Canadian community in general. Within this contestation the turban becomes a potent symbol, as discussed here by Rasphal:

the original Sikhs that came over here... the culture was hostile to them. And I think they quickly discarded their robes and turbans and tried to fit into the culture as opposed to hanging on to their identity. I mean it's not to say that they didn't hang on to their identity, but certainly not as overtly in the culture as they do now ...It's funny now because the new temple that's been built on No. 5 Road, you're finding that the orthodox Sikhs or some of the older families have cut their hair, and these people are now covering their hair when they go into church, so it looks to me, it appears it could have been the result, years ago that never did get resolved.

In this narrative issues of migration and culture intersect. The turban can be seen as a sign of fragmentation and contestation within the Sikh community, used to exploit lines of
cultural, political and religious differences. The turban's symbolism has become increasingly complex as the meanings become enmeshed within two discourses; that of Sikh ethno-nationalism in India and issues of multiculturalism, immigration, identity and equality in Canada. These issues inform discourses emanating from outside of the Indo-Canadian community, contributing to external perceptions and stereotypes of Sikhs in particular and the Indo-Canadian community in general. Such stereotyping can influence wider societal perceptions and impact on the economic opportunities and potential client connections open to Indo-Canadians, especially orthodox Sikhs.

On the basis of my results, I would have to conclude that though religious meeting places do not seem to provide a significant space for business interaction or apparently inform the economic relations between members of the Indo-Canadian community, such results belie a reluctance on the part of respondents to discuss any relationship between economic networks and religious connections due to the very contestation embedded in religious attachment in this society. Not only do individuals who adhere to orthodox Sikhism have to deal with mainstream society's ignorance and dismissal of the centrality of Sikh symbols to them and their position in society, but they have to deal with internal conflict and divisions affecting their location in the Indo-Canadian community. The small sample of positive responses within my sample does indicate an awareness of the potential for this realm of religion to figure in business operation, and that business behaviour and culture can be influenced by elements of the Sikh faith.

4. Discounts and discrimination

I have discussed the importance of understanding the pressures and exclusionary processes that emanate from discriminatory action and the manner in which religious affiliation may contribute to this behaviour by non-Indo-Canadians, but other assumptions
and racialized stereotypes form the seeds of discriminatory actions, and these are embedded into the very nature of construction industry relations and operations.

Even when entrepreneurs move away from a significant co-ethnic client base, (thereby facing potentially less competitive pressure to meet price and service expectations), they may encounter similar expectations from their non-ethnic or "mainstream" client base. In this wider market the image of Indo-Canadian sub-contractors as "cheaper" than others may have become entrenched, and bids tendered by Indo-Canadian firms are therefore expected to be significantly less than those from other firms. This expectation can be seen as a kind of "price gap" discrimination. Harder highlights this in relation to his established roofing company, a business particularly exposed to severe competition through its seasonality and casualization. He mentioned a typical incident that occurred when submitting a quote to a Canadian of European heritage:

When they don't find a white guy, then they give the job to us. Even sometime we give them a bid, say if the job is $10,000 then my bid is, say $10,000. And even if the white guy goes, and he's a Canadian and gives $11,500 or $10,500 and he's $500 more than me, he will get the job. They prefer to have him to get the job unless he says $15,000...more and so it's too much money, and otherwise you know, we have to be cheaper than anybody else and they expect, want us, to do the best than anybody else.

M. So, do you see that happen often?

Oh yes, it's standard in construction, all the time yes... like one time I go back to quote a job...and the guy said 'no you're too much'. He said 'you're only a thousand dollars cheaper than the other guy...I can get Hank's roofing, you know, for six thousand dollars, and you're only five'.

This type of "price-gap" discrimination was also highlighted by Darshan, the sales manager of a roofing company, in direct response to my question regarding discrimination:

Only one thing, there is a problem with some attitudes, people, they see somebody East-Indian and try and work on them to lower the price. Say, I say I do a job for $4,000 and they say ... do it for $3,500. They have that kind of feelings to overcome.

M: So you think that has a bad knock-on effect on everybody else if certain members of the group try to take the lowest price?

That's right; this kind of thing results in effecting the customers too. If I go out these days, because I've done most of the 90 percent of my business is with the white people
not the Chinese. I don't deal with them because they always go down, down, down, right. They don't think, they don't believe that this guy's telling the truth, you know that's my costs. But now in these days, the white and other peoples they are saying, that, 'oh ok we get a good price, good deal, from these small people', and no doubt they get it.

Darshan's comments provide an insight into the complex nature of client relations bounded by different ethnicities, and culturally informed assumptions about business practices. Darshan's observations especially indicate the shifting expectations of lower prices from within the Indo-Canadian community into other ethnic communities, for example Chinese-Canadians and Anglo-Canadians, allowing them to assume and come to expect and demand lower prices. Approximately 50 percent of respondents mentioned competition and the impossibility of making a profit on jobs if they quoted lower than the competition. This expectation of lower prices feeds into a vicious cycle where intense competition can lead to bankruptcies, poor work and payment delays. It also traps Indo-Canadian entrepreneurs, and their workers, into low-profit ventures.

4.1. Competition and stereotyping within the Indo-Canadian community

Revealing this "price gap" discrimination indicates how this aspect of multi-ethnic societal relations can be complex and subtle, and some respondents seem to both deny and admit that such potential for marginalization exists. This paradoxical acceptance and rejection of discrimination is even more complex when issues of internal stereotyping are considered.

Whilst interviewing Indo-Canadian entrepreneurs, I noticed some respondents made comments about newer immigrants that could be considered discriminatory or stereotypical. In some cases the intent of such sentiments was striking, in others they were merely tacit. For example the problems of intense competition were sometimes attributed to newer immigrants. Bikar (who also made sweeping comments about white workers mentioned in
the previous chapter), argued that his excavation company was suffering due to serious undercutting. He stressed that "Indians are bringing prices down so far they are destroying the markets". He implied that "Indians" were newer immigrants coming out of Surrey and taking his work, recalling an excavation job he quoted for $62,000 and was incredulous that "this Indian guy quoted $38,000! Let him have the job; he won't make any money on it." The irony though was that this competitor had worked for Bikar in the past. Bikar made several comments about Indo-Canadians who had set up excavation and demolition companies, but were slack in terms of vehicle maintenance, forcing the image of poor driving and the reality of increased insurance costs onto the industry in general. Bikar also commented on some of the Indo-Canadians he employed who weren't interested in learning English, arguing that all they were interested in was work and "grabbing the money" at the expense of any social and family life. These comments echo those made earlier about the "bubble" of work, home, and community all bounded by ethnicity and the process by which these act as both a support and a handicap. Rather than merely supporting an assimilationist argument, these comments indicate how complex notions of discrimination and stereotyping are, and how they inform the perceptions of individuals within, as well as across ethnic boundaries.

This example of stereotyping and what could be termed reverse discrimination in this account between native born and older immigrants (and others raised in the discussion regarding internal religious conflicts), could be construed as socially constructed. Rather than dismiss these comments, I prefer to consider these examples as reflective of the difference within a community and the need to be aware of the complexities and subtleties of relations within a singularly perceived ethnic group. This may seem to argue that everything is so complex we cannot truly hope to understand it, but in terms of societal relations it is important to encourage the realization that ethnic communities are not necessarily internally homogenous.
5. Other ethnic connections: bypassing the mainstream

Approximately 25 percent of respondents indicated they obtain work from Chinese-Canadian clients, ranging from 2 to 90 percent of their total business, and at least 2 respondents indicated they had developed social links with these clients. Some discussed the amount of work and bargaining attached to those contracts, and I was surprised at the similar arguments made to those about bargaining with Indo-Canadian entrepreneurs, and the stereotypical edge to this reference Darshan made about Chinese-Canadian contractors and home builders:

But in these days the owners, especially the Chinese people they don't believe in the quotes and they start to take the quotes themselves, and then they compare it. Because they have kind of mentality back in Hong Kong something, the deal, the deal, they don't care about quality or something like that.

Darshan found that fairly well-established relations with Chinese-Canadian contractors were being lost due to greater competition:

I spoke to this Chinese lady which she been here a long time. I've been dealing with her since last two or three years and yesterday I put in a quote and give her a price. She asks 'is the price according to the market?' I said: 'I assess that myself it's a good price.' She said 'I do rely on you because I'm used to you, but the owner he got a 30 percent price quote lower than me.' She said don't you want me to recommend you, but I said 'no way... I don't want to put money in from my own pocket.'

The implications of these cross-cultural relationships are intriguing and the potential for whole economic networks to bypass the "mainstream" Anglo-Canadian community is notable. Yet I am aware of the Eurocentric potential of my interpretations, where the assumption is that European-Canadians should occupy the centre of economic organizations. The existence of these non-mainstream business networks, however, indicates the changes that are occurring in urban society, and the potential for interpreting these "multicultural" economic links as bypassing certain previously dominant groups. It is possible to consider these connections as a form of assertion on the part of immigrant and
minority sections of the population, who have in the past been economically, socially and politically excluded by the "mainstream" majority.

6. Conclusion

For the entrepreneurs I interviewed, client connections are framed by kinship and ethnic networks in varying degrees. These networks are imbued by cultural and social connections that lie outside the purely rational economic formulas that are commonly applied in research on business and commerce. My focus on the role of religion and discrimination in these business networks, and the identification of internal differentiation within the Indo-Canadian community, are approaches rarely championed by those currently researching the nature and extent of ethnic economic affiliation. Additionally the potential for multi-ethnic entrepreneurial connections and the discriminatory assumptions that accompany them, pose questions that move beyond the narrow topic of ethnic enterprise. This encourages us to ask questions of the wider issues linked to ethnic communities in regard to the success of immigrants and minorities in urban centres in Canada such as Vancouver. I consider such issues in the next chapter.
CHAPTER EIGHT

BEYOND ETHNIC ENTERPRISE: DISCUSSION AND CONCLUSION

1. Poles apart

I began this thesis by considering a debate between Bonacich and Waldinger (1993) over the ideological assumptions attached to research on ethnic enterprise. Essentially the major debate in this field comes down to whether such forms of organization, dependent as they are on associations and expectations framed by common ethnicity, provide positive or negative mechanisms of economic organization. Bonacich provides empirical evidence of labour exploitation evident in some ethnic enterprises, where owners have economic and non-economic advantages over their employees, showing that socio-cultural migratory networks and associated issues of trust have a potentially sinister downside, that of multiple exploitation. Waldinger et al discuss the positive potential of ethnic enterprises as effective forms of economic survival. Options of self employment and enterprise (generally, but also specifically within immigrant/ethnic groups) are commonly being envisioned as viable economic alternatives in industrially advanced nations, where increasing economic change and uncertainty are used to legitimate a decentralization of social provision from the state to the individual.¹ Just as the resultant economic options can be presented with efficient, virtuous sounding phrases like "flexible", "entrepreneurship", and "network based", so too can they be presented as excessively demanding, exploitative, and examples of the abuse of cultural, political and economic power. Whilst not all ethnic enterprises are reflective of oppressive labour relations and

modes of operation, the emotive power of such exploitation is potent, and results in intense dispute. It is exactly this type of opposition that contributes to creating polemic debate in research on ethnic enterprise, as exemplified by Waldinger and Bonacich's exchange. Without denying the potential for labour exploitation, it is important to refrain from interpreting all ethnically organized economic units as either wholly emancipatory or wholly exploitative. I have attempted to resist falling into either of these camps by investigating both the cultural and economic factors contributing to Indo-Canadian construction related enterprises. Such an approach demands a context specific, ground up analysis that resists essentializing on singular characteristics, but posits a multiple explanatory frame, allowing for the intersection of issues which are industry, place, time and community specific. This resists the power of *a priori* theorizing, whilst allowing broader connections and discussions to be made in a more comprehensive yet subtle way. By becoming aware of the intricacies and subtleties of economic organization in ethnically linked companies, we can connect the two poles of structure and agency, economy and culture, without allowing one to take over or subsume the other, and as such we avoid the narrow approach of explaining organizations in purely singular terms. This applies to economic organization in the ethnic economy, but also to economic sectors in general, as we saw in the discussion of the residential construction industry. This analysis revealed how cultural divisions and assumptions, especially in relation to gender, ethnicity and the division of labour, impact on economic production in this sector.

The role of culture, through assumption, expectation and behaviour, plays a central role in economic production as I have shown in this study of Indo-Canadian construction entrepreneurs. From the initial stereotypical, racialized discourses and practices that served to exclude and channel South Asian settlers into often marginal labour market positions, to present day racialization informed by elements such as Indo-Canadian family organization, political and religious associations, and economic expectations in the market
resulting in "price-gap" discrimination. I have attempted to show the importance of kin and ethnic networks by considering the particular context, both in ethnic enterprises and in the construction industry, to elaborate on how cultural and economic factors intersect. The importance of personal trust, the labour-intensive nature of work and the flexibility possible with co-ethnic labour relations, allows for entrepreneurs to access this sector of the economy. Social networks also carry new immigrants to Canada, linking them into particular labour markets, providing forms of "costless" training and support networks to facilitate self-employment. Once in the realm of the self employed, kin and co-ethnic networks support business endeavours through financial aid, and later the same networks provide access to labour and clients. There are rational economic reasons for maintaining co-ethnic labour, but this merges with more culturally embedded motivations, such as tradition, support, kin and wider community expectations. The intersection of culture and economy can be seen in the role of ethically-informed mutual expectation. Whilst these expectations may be accompanied by demands, such pressure is never interpreted solely as a limitation by the entrepreneurs. Whilst workers certainly face disadvantages, some manage to use the ethnic enterprise as a training incubator, and entrepreneurship becomes recirculated through the generations. Recognizing the impact of religion and the outcomes of internal and external differentiation and discrimination also contributes to our understanding of the interface between culture and economy and why Indo-Canadian entrepreneurs are located in particular economic sectors.

Revealing the intersection of culture and economy places us firmly at the junction of structure and agency. It encourages the researcher to resist categorizing economic operations in plainly negative or positive terms, and thus acts to limit the problem of constructing categories that are then superimposed on the actual operation, concealing the subtle intertwining of cultural and economic factors.
2. Categorizations

Not only does the majority of ethnic enterprise literature categorize operations as overly positive or negative, but categorizations based on ethnic or racial assumptions are also prevalent. I argued that researchers should avoid essentializing or categorizing along the socially constructed lines of ethnicity. I could have easily resisted such action myself by researching a sample based on industry or size of firm specifics, not by the ethnicity of the owner. Such results might present very interesting differences from those studies focused primarily on the ethnicity of the owner. Indeed, within my sample the immense differences in size, market linkages and so on, could be attributed to a lack of methodological sophistication. Such claims support the arguments of Jones and McEvoy (1996) that pressures on these ethnic enterprises should be interpreted as aspects of small businesses generally. These considerations infiltrate my work, and of course influence my thoughts in regard to future work. That said, the approach from the perspective of ethnicity is valuable, as my results have shown, particularly in understanding the role of discrimination and exclusion. Also, it is important to note that in Canadian cities the social reality is that ethnic clusters do form, and systems of economic, cultural and political organization do develop along lines of ethnicity. Even when alternatives outside of the ethnic economy exist and have been explored by individuals, the strength of ethnic relations endures, drawing individuals back to ethnically-linked economic and socio-cultural forms of operation. To dilute the importance of such networks in the urban environment through a form of rampant de-construction, is to render oneself blind. Ethnicity, in the material world, is a form of perceived difference that is constituted through differing historical and contemporary economic, social and cultural experiences of opportunity and exclusion. My partial employment of the constructivist approach is intended to try and support alternative visions that allow for respect, mutual understanding, and potentially to assist in creating relations based on commonalities, not perpetuating ones based on difference. This approach
resists essentialism, but does not discard the issues of identity and attachment that form the core of people's self identity. We need to mediate between issues of social and constructed realities, and recognize the importance of ethnic support and identity, in addition to acknowledging the presence of multiple positions within these singularly perceived communities. This allows us to resist the pressures and tendencies of assumption and stereotyping, which are not bad per se, but can allow negative and homogenizing arguments to flourish.

The above "tempered" constructivist approach is problematic, but the demands of theoretically informed academic discourses have to be translated into empirical results to be of societal value. My approach may seem eclectic, but disciplinary boundaries are themselves constructed, and the world is not neatly divided into sections of economics, sociology, politics etc. (although in the past it certainly has been presented as such). There are geographers in different spaces (conference rooms, universities, reading groups) talking about ethnic enterprise or the construction of race and cultural geography, and at some point they need to meet. Research that integrates culture and economy in its analysis is one very promising start.

3. **Multicultural capitalism**

   Beyond the question of ethnic enterprise itself, there lies a much greater and profound issue involving the present and future structure of economy and society. Throughout this thesis I have mainly referred to *entrepreneurs* unproblematically. I have discussed the gendered emphasis of this term, but I have not yet fully commented on the highly ideological nature of entrepreneurship and its links into the wider system of capitalism.
Some academics have urged a critical understanding of the ramifications of entrepreneurial success associated with certain immigrant ethnic groups, especially relatively wealthy ethnic Chinese who emigrate to Canada as business investor immigrants. Mitchell (1993) considers the manner in which issues of race and accusations of racism are used to undermine valid public protests directed at the mobilization and free movement of capital, especially in relation to real estate, into Vancouver landscapes. Mitchell argues that:

As racism hinders the social networks necessary for the integration of international capitalisms, it has been targeted for eradication. Multiculturalism has become linked with the attempt to smooth racial friction and reduce resistance to the recent changes in the urban environment and experiences of daily life in Vancouver. (265)

Mitchell argues that the rhetoric of multiculturalism has been reoriented to facilitate the advancement of a political agenda, that of international capitalism. Mitchell (1996) also identifies the mechanisms by which notions of hybridity, are manipulated by wealthy ethnic Chinese-Canadians, in a similar manner as the rhetoric of multiculturalism is used, to remove friction and give support to the unencumbered flow of capital through international spaces.

Mitchell's discussion of the way ethnicity intersects with capitalism encourages us to reconsider Bonacich's (1993) arguments made in Chapter 1. Bonacich claims that by presenting ethnic enterprise uncritically, we overlook its wider systematic role within capitalism, one which encourages immigrants and minorities to "foster loyalty to capitalism as opposed to other forms of self-determination" (688). I presented Waldinger et al's

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Hybridity is a concept that identifies the changing positionality of the subject in relation to ethnic origin and location. Movements and change over time and space create hybrid forms that add alternative dimensions to space and place. Homi Bhabha's (1994) "third space" relates to this dimension of change, and postcolonial theorists have engaged with notions of hybridity to comprehend the transformations wrought by colonialism. However, there are limitations to this concept, since if something is hybrid, that requires the authentic to stand in opposition. How do you find an "authentic" ethnic Chinese in opposition to a hybrid? Change is ongoing and as Sahlins (1991) argues, to comprehend it as only occurring with the coming of colonialism is a Eurocentric and extremely limited spatial and temporal perception.
argument that governments do not actively promote entrepreneurship, but that the locus of action comes from the ethnic community itself. My argument in regard to Indo-Canadian entrepreneurs is that both structure and agency direct and guide members of this ethnic community into business. The issue is significant, because during these transitional times, the effectiveness of western governments to provide economic opportunities for their populations has been limited; and debate on the future role of western industrial states in relation to economic provision gives voice to neo-liberal groups strongly discouraging such macro-economic roles. In light of these issues, entrepreneurialism, under the guise of self reliance, is being championed as the way forward. In South Africa street entrepreneurs are being heralded by state think tanks as the best source of job creation. In Canada ethnic entrepreneurs are heralded by the *Globe and Mail* as successful models for native-born Canadians to mimic, and in British Columbia the provincial government has set up the Youth Business and Entrepreneurship Training Program which trains young people to create their own jobs. These initiatives seem to support Bonacich's contention that the state is encouraging new immigrants (and other non-immigrants by following their example) to engage in entrepreneurship, and thereby become enclosed in and perpetuate the capitalist system.

One issue that emerges in this debate, however, is how to interpret *capitalism* itself. In the case of Bonacich, capitalism is interpreted as a western construct that sucks new immigrants into self employment and entrepreneurialism by limiting access and restricting success in other arenas such as well paid employment. I believe such a view of capitalism

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is limited. The system of capitalism, in Bonacich's interpretation, is placed in a spatial and temporal vacuum. Capitalism is not solely derived from western societies and inflicted on immigrants from Asia, for example. Mitchell (1993, 1995) highlights this in the case of wealthy Chinese-Canadians referring to international *capitalisms*; there are capitalist forms and agendas in place originating outside of the traditional core of industrial economies, and she has identified how these powerful non-western systems of capitalism do not operate along purely neoclassical economic lines, but retain very particular socio-cultural infrastructural operating mechanisms.

As I discussed in Chapter 5, business formation for many Indo-Canadians was not a matter of adopting or assimilating to a western version of capitalism, but entailed transplanting very traditional family experiences of business and economic self reliance. The Indo-Canadians I interviewed rejected state directives and encouragement, preferring instead to remain with the basis of organization they relied on in India or other migratory sites, that of the family. This transplanting of traditional forms of South Asian, "third world" economic organization into the Canadian "first world", suggests a larger issue of macro economic change and organization, and the manner in which concepts of global economic division and hierarchy are merging into each other and increasingly presenting a very messy, distinctly un-clear-cut international world economic order. It may seem contradictory for me to stress these influences, whilst maintaining that the economic position of Indo-Canadians in Vancouver is a factor of both structure and agency forces, but to investigate

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6 Lipietz (1995), has referred to the increasing similarities between "first" and "third" world capital/labour relations, as countries such as the United States and Britain move towards more "flexibility" in the economy, which entails increasing polarization between skilled and unskilled, well paid and poorly paid employment. Lipietz considers the resulting social relations are not dissimilar to those found in countries like Brazil. Lipietz provides a macro economic view, but the international migration of immigrants who successfully maintain forms of economic organization highly dependent on internal or family structures, indicates the many scales though which this merging of global forms of economic organization can be transmitted.
the basis of capitalism and its geographical roots is to query the whole dichotomous nature of debate around notions of immigrant and ethnic entrepreneurship. The complexity of defining how much influence originates internally or externally is extremely difficult, but framing capitalism as a western construct that is used to coerce new immigrants and their descendants into this political agenda, is itself Eurocentric. The relationship between Indo-Canadian entrepreneurs and the capitalist ventures they enter, and in some cases excel at, is not a relationship based solely on coercion; but is reflective of significant internal motivations and the larger structural changes that facilitate their effective transplantation. That is not to say that capitalism is the process by which minority, immigrant and similarly marginalized groups are going to succeed, and the larger issue of the future role of government agencies in providing structures for the self actualization of their populations remains.

For policy makers this poses a challenge; pre-migration business cultures and ethnic networks allow immigrants to enter Canada "and start running as soon as their feet hit the ground", yet, over the short term, this precludes the extension of economic benefits through employment to those outside of particular ethnic communities. As my results show, however, this is usually adjusted somewhat through generational change, and this suggests that comprehending the impact of immigration policy is bound to long-term analysis and consideration.

4. Conclusion

For the purpose of this thesis, I have worked with the ethnic enterprise literature, but I have found that focus is really too narrow, and throughout my research much larger questions have emerged. Discrimination and its complexities and prevalence within and between different ethnic groups in differing degrees, frames social relations in urban
centres that are becoming increasingly multi-ethnic. Capitalist systems of organization are changing and adapting, and the common western construction of capitalism is too limited to be applied in a world where international mobility of capital and groups of international capitalists and migrants are blurring the old distinctions between first and third world. Such complexities add to my argument that between issues of structure and agent there lies a wealth of information, that only inquiry open to the interface of culture and economy can extract. In identifying the issues that revolve around ethnic enterprise, we enter into a labyrinth of detail - details which cannot be explained through a singular interpretation of shelter or trap, or structure or agent. Alternative frameworks of analysis have to break free from these constructed interpretations of global relations and systems of economic organization, because the impact of such inquiry goes beyond the realm of ethnic enterprise, demanding that we consider the larger role of the state and future directions for political institutions, economic organizations, and societal relations.
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APPENDIX 2

INTERVIEW SCHEDULE

Preamble.

This interview is about enterprise within the Vancouver construction industry. I am interested in your experiences of the networks and relations that exist between firms and sub-trades. I have a series of questions to ask, but really I am interested in your views, opinions and experiences. Please feel free to contribute anything you feel is relevant, and to ask questions about my project. If at any time you wish to stop the interview, please do so. This interview process is entirely voluntary, and I am very grateful for your co-operation.

I would prefer to tape the interview to enable transcription later. This means I can concentrate on the topics discussed and benefit from a clearer more precise record of our conversation. However, if you prefer that I do not tape the interview, or require me to stop taping at any time, please feel free to request this. All material will remain confidential, and sections used in subsequent work will be subject to anonymity.

Before I begin, can you tell me something about yourself and your company?

1) When did you come to B.C. and when did you establish this company?

2) How many people do you employ:
   What is the gender ratio?
   Predominately what ethnicity are they? (Would you say they are all of common ethnicity)
   Do they all speak the same language?

3) Do you experience regular slow periods; when are these and for how long do they last?

4) Why did you decide to set up your own business?
   How did you start-up this enterprise?
   a Is there anything about your culture and background that you think has been a positive influence in developing your own business in British Columbia?
   b Is there anything about your culture and background that you think has been a negative influence in developing your own business?

5) What did establishing your business involve in terms of;
   a equipment
   b financing
   c training

6) Who, if anyone, provided assistance? Please describe this assistance, i.e. friends, family, government programs.
7) What channels do you use to recruit people? 
Newspapers (which ones), word of mouth, recommendations from your employees.

   a Have you found this a satisfactory way to find good employees?

8) Please describe your approximate workload for the last month (e.g. how many contracts/sales did you secure). How did you come by these contracts; advertising, word of mouth, past clients or contractors?

9) Do you often work with the same contractors on different jobs? Predominately what ethnicity are they, and how would you describe your relationship with them.

   a Do you have any social connections with them outside of work, i.e. religious institutions, family relations?

   b Do you regularly attend a religious institution, if so which one? Does it play an important role in your business life?

10) Who are your suppliers? Do you have established accounts or do you "shop around"? How did you secure these relationships; were they recommended by others or did they approach you?

11) Do you belong to any trade group (B.C. Contractors Associations, Trade Union groups or Chambers of Commerce, for example)?

12) Do you feel this enterprise is meeting with your expectations?