

January 2014

#### **ALASKA:**

#### Immigrant Entrepreneurs, Innovation, and Welcoming Initiatives in the Frontier State

In Alaska, there is no doubt that immigrant entrepreneurs and innovators play an important role. Immigrant entrepreneurs bring in additional revenue, create jobs, and contribute to the state's economy. Highly skilled immigrants are vital to the state's innovation industries and to the metropolitan areas within the state, helping to boost local economies. Furthermore, local government, business, and non-profit leaders recognize the importance of immigrants in their communities and support immigration through local "welcoming" and integration initiatives.

#### Immigrant entrepreneurs contribute to Alaska's economy.

- From 2006 to 2010, there were 3,394 new immigrant business <u>owners</u> in Alaska<sup>1</sup> and in 2010, <u>10.1 percent</u> of all business owners in Alaska were foreign-born.<sup>2</sup>
- In 2010, new immigrant business owners<sup>3</sup> had a total net business <u>income</u> of \$160 million, which is 7.8 percent of all net business income in the state.<sup>4</sup>

## Highly skilled immigrants are vital to Alaska's innovation industries, which in turn helps lead American innovation and creates jobs.

- Immigrants contribute to Alaska's economic growth and competitiveness by earning degrees in science, technology, engineering, and mathematics (STEM) fields from the state's research universities. In 2009, <u>33 percent</u> of STEM graduates earning masters or PhD degrees from these universities were foreign-born.<sup>5</sup>
- In 2011, the U.S. Department of Labor certified 141 H-1B high-skilled visa labor certification applications in Alaska, with an average annual wage of \$65,098,6 which is higher than Alaska's per capita income of \$31,944.7
- An <u>expansion</u> of the high-skilled visa program would create an estimated 480 new jobs in Alaska by 2020. By 2045, this expansion would <u>add</u> around \$257 million to Gross State Product and increase personal income by more than \$240 million. 9

#### While the numbers are compelling, they don't tell the whole story.

Immigrant entrepreneurs not only contribute to large innovative companies, but also to small businesses in local communities. In cities across Alaska, immigrant family-owned small businesses contribute to the vitality of their local communities. Although initially aimed at other immigrant customers, many businesses quickly see an expansion of their

clientele to include a diverse array of immigrant and native-born customers alike.

- In Anchorage, the state's largest city, immigrant-owned businesses are found along and around Fireweed Lane, Arctic Boulevard, and Tudor Road in the city's Midtown neighborhood. In "Immigrant-owned small businesses stud strip malls, offering ethnic groceries, acupuncture, shoe repair, manicures and a dizzying array of restaurant food," reports the *Anchorage Daily News*.
  - O In this neighborhood, which has become known as the hub of Anchorage's Korean community, and one of the city's most visible ethnic business districts, customers find a variety of Korean-owned restaurants, markets, retail, and other services. The *Anchorage Daily News* noted in 2013 that "a directory of local Korean-owned businesses lists more than 400."
  - O According to Julia O'Malley of the *Anchorage Daily News*, the Fireweed neighborhood "functions at once as a launching pad for first-generation Korean entrepreneurs," and as a "magnet for new generations of Koreans, as well as non-Koreans, seeking ethnic goods and services of all kinds. In that way, it has become a center of exchange between generations and cultures." <sup>14</sup>
  - o Min Ju Kim, from Seoul, South Korea, is the <u>owner and publisher</u> of *Korean News*, one of the weekly newspapers focusing on Anchorage's Korean community. He distributes around 2,000 to 3,000 copies during an average week.<sup>15</sup>
- Joe Samaniego, an immigrant from Mexico, owns ACE Building and Maintenance in Anchorage. Samaniego said "a lot of people believe, it being a new state and the last frontier, there are a lot more opportunities to start a business to work for themselves." <sup>16</sup>
- Maureen Swartwood, from Fiji, co-owns M.J. Heenna, a grocery store on Northern Lights Boulevard catering to South Asian diets in Anchorage. Swartwood said she always wanted a shop for herself. "We have so many dreams, but this one has come true," she said.<sup>17</sup>
- Delphine Atu-Tetuh, an immigrant from the West African country of Cameroon, owns a shop in Northway Mall called My Motherland and Me, selling movies and clothing for special occasions popular in West Africa. In addition to running her store, Atu-Tetuh organized the first Miss Africa Alaska pageant, and also works as a nurse. 19

## In Alaska, localities have begun recognizing and supporting immigration through "welcoming" and integration initiatives.

■ Based in Anchorage, the Alaska Immigration Justice Project (AIJP) is "<u>dedicated</u> to protecting the human rights of immigrants and refugees."<sup>20</sup>

- o AIJP Staff <u>provide</u> comprehensive immigration legal services, language interpretative services, training, and educational programs throughout Alaska.<sup>21</sup>
- o AIJP operates the statewide <u>Language Interpreter Center</u>, which partners with public and private sector organizations to provide statewide interpreter training and referral services for agencies and business that need interpreter services.<sup>22</sup>

#### **Endnotes**

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<sup>&</sup>lt;sup>1</sup> Robert W. Fairlie, *Open for Business: How Immigrants are Driving Small Business Success in the United States* (New York: Partnership for a New American Economy, 2012).

 $<sup>^2</sup>$  Ibid

<sup>&</sup>lt;sup>3</sup> The sample of new immigrant business owners during this time period includes individuals who do not own a business in the first survey month and report starting a business in the second survey month with 15 or more hours worked per week.

<sup>&</sup>lt;sup>4</sup> Robert W. Fairlie, <u>Open for Business: How Immigrants are Driving Small Business Success in the United States</u> (New York: Partnership for a New American Economy, 2012).

<sup>&</sup>lt;sup>5</sup> Partnership for a New American Economy, "Map the Impact of Immigrants Across America: Alaska" (New York: Partnership for a New American Economy, 2013).

 <sup>&</sup>lt;sup>6</sup> Office of Foreign Labor Certification, <u>Annual Report: October 1, 2010 – September 30, 2011</u> (Washington, DC: U.S. Department of Labor, 2012).
<sup>7</sup> U.S. Census Bureau, "<u>State & County Quick Facts: Alaska</u>" (Washington, DC: U.S. Department of Commerce,

<sup>&</sup>lt;sup>7</sup> U.S. Census Bureau, "<u>State & County Quick Facts: Alaska</u>" (Washington, DC: U.S. Department of Commerce, 2011).

<sup>&</sup>lt;sup>8</sup> Frederick R. Treyz, Corey Stottlemyer, and Rod Motamedi, "<u>Key Components of Immigration Reform</u>: An Analysis of the Economic Effects of Creating a Pathway to Legal Status, Expanding High-Skilled Visas, and Reforming Lesser-Skilled Visas" (Amherst, MA: Regional Economic Models, Inc., 2013).

<sup>&</sup>lt;sup>10</sup> Julia O'Malley, "New faces, new city: The pull of work – service economy and business ownership have drawn array of immigrant groups" (Anchorage, AK: *Anchorage Daily News*, July 30, 2006).

<sup>&</sup>lt;sup>12</sup> Julia O'Malley, "<u>In tightly knit Korean hub, families have begun anew</u>" (Anchorage, AK: *Anchorage Daily News*, September 3, 2006).

<sup>&</sup>lt;sup>13</sup> Michelle Theriault Boots, "<u>A reminder of home and a link to Anchorage, in Korean</u>" (Anchorage, AK: *Anchorage Daily News*, November 23, 2013).

<sup>&</sup>lt;sup>14</sup> Julia O'Malley, "In tightly knit Korean hub, families have begun anew" (Anchorage, AK: *Anchorage Daily News*, September 3, 2006).

<sup>&</sup>lt;sup>15</sup> Michelle Theriault Boots, "<u>A reminder of home and a link to Anchorage, in Korean</u>" (Anchorage, AK: *Anchorage Daily News*, November 23, 2013).

<sup>&</sup>lt;sup>16</sup> Julia O'Malley, "New faces, new city: The pull of work – service economy and business ownership have drawn array of immigrant groups" (Anchorage, AK: *Anchorage Daily News*, July 30, 2006).

<sup>&</sup>lt;sup>18</sup> Michelle Theriault Boots, "<u>More African immigrants call Alaska their permanent home</u>" (Anchorage, AK: *Anchorage Daily News*, August 19, 2012).

<sup>&</sup>lt;sup>19</sup> University Advancement, "<u>Alumni Spotlight: Delphine Atu-Tetuh</u>" (Anchorage, AK: The University of Alaska Anchorage, March 5, 2013).

<sup>&</sup>lt;sup>20</sup> Alaska Immigrant Justice Project, "About Us" (Anchorage, AK: Alaska Immigrant Justice Project, 2007).

<sup>21</sup> Ibid

<sup>&</sup>lt;sup>22</sup> Alaska Immigrant Justice Project, "<u>The Language Interpreter Center</u>" (Anchorage, AK: Alaska Immigrant Justice Project, 2007).

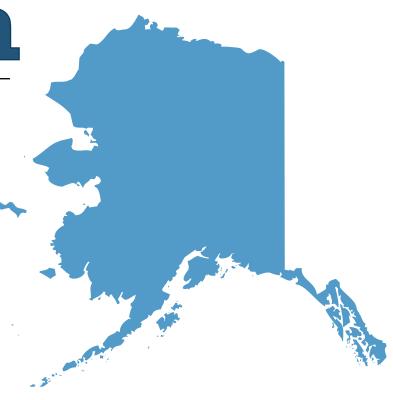
### Immigrant Entrepreneurs in:

Alaska

In 2010, new immigrant business owners generated

# \$160 million

in total net business income





3,394

immigrants became new business owners in Alaska between 2006-2010

10.1%

of business owners in Alaska are immigrants

Read more at ImmigrationPolicy.org

