

ILLINOIS:

Immigrant Entrepreneurs, Innovation, and Welcoming Initiatives in the Prairie State

In Illinois, there is no doubt that immigrant entrepreneurs and innovators play an important role. Immigrant entrepreneurs bring in additional revenue, create jobs, and contribute significantly 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 significantly to Illinois' economy.

- From 2006 to 2010, there were 99,810 new immigrant business [owners](#) in Illinois,¹ and in 2010, [20.3 percent](#) of all business owners in Illinois were foreign-born.²
- In 2010, new immigrant business owners³ had total net business [income](#) of \$5.4 billion, which is 16.5 percent of all net business income in the state.⁴
- Illinois is home to many successful companies with at least one founder who was an immigrant or child of an immigrant, [including](#) well-known companies such as Sara Lee, Kraft Foods, McDonald's, The Boeing Company, and Baxter International, which all began in Illinois.⁵ Those five companies together employ almost 685,000 people and bring in \$140 billion in revenue each year.
- In 2010, the foreign-born share of business owners was [27 percent](#) in the Chicago metropolitan area.⁶ In the case of Chicago, the immigrant business ownership rate was higher than the foreign-born share of the total population.

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

- Immigrants contribute to Illinois' economic growth and competitiveness by earning degrees in science, technology, engineering, and mathematics (STEM) fields from the state's research universities. In 2009, almost [53 percent](#) of STEM graduates from the state's research-intensive universities were foreign-born, and almost 70 percent of graduates earning PhDs in engineering in Illinois were not born in the U.S.⁷
- Immigrants in Illinois also contribute to the state's innovation economy by earning patents on new research, products, and ideas. In fact, around [90 percent](#) of patents within the University of Illinois System in 2011 had at least one foreign-born inventor. These

patents often lead to licensing through existing companies or creation of new companies, leading to revenue and job creation.⁸

- In 2011, the U.S. Department of Labor certified 16,700 H-1B high-skilled visa labor certification [applications](#) in Illinois, with an average annual wage of \$66,854,⁹ which is higher than Illinois' median household [income](#) of \$56,576 or per capita income of \$29,376.¹⁰
- An [expansion](#) of the high-skilled visa program would create an estimated 19,000 new jobs in Illinois by 2020.¹¹ By 2045, this expansion would [add](#) around \$7.2 billion to Gross State Product and increase personal income by more than \$6.9 billion.¹² The following is an [example](#) of a metropolitan area's demand for high-skilled foreign-born workers.
 - The Chicago-Joliet-Naperville metropolitan area had 14,011 H-1B visa [requests](#) in 2010-2011, with 65.8 percent of H-1B visa-holders working in STEM occupations.¹³ Major employers with a need for H-1B high-skilled workers include Northwestern University, Verinon Technology Solutions, and the University of Chicago.

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

- Immigrant entrepreneurs not only contribute to large innovative companies, but to small business formation in local communities. In cities across Illinois, 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 Chicago suburbs such as Villa Park, Lombard, Naperville, and Schaumburg, [South Asian](#) immigrants have become an integral dynamic of the cultural fabric, with restaurants, markets, shops, and other goods and services representing many South Asian points of origin, particularly India and Pakistan.¹⁴
 - Mohammed Anwar Gazi, originally from Pakistan, is the CEO of Shahi Nihari, a [restaurant](#) that caters to a diverse crowd by offering South Asian and American cuisine. Today, Shahi Nihari has three locations in Chicago's suburbs with plans to open two more in Morton Grove and Naperville.¹⁵ Speaking of his business plan, Gazi stated, "My dream? Like a McDonald's, a franchise."¹⁶
 - Zahra Syed, originally from Pakistan, along with her family, [operates](#) Delicacy beauty salon in Lombard, which caters to a diverse crowd of customers. Describing the growth of immigrant businesses in the area, Syed stated, "We had very few Indian grocery shops here; actually it was just one down the street. Now, you can go down the street you're going to find so many Indian stores, so many Indian restaurants."¹⁷

- o Chicago's North Shore [suburbs](#) also attract immigrant entrepreneurs and small business owners, including Freddy Sanchez, from Mexico, who owns Taco Nano in Northfield, and Josef Puehringer, a glass engraver from Austria, who runs The Crystal Cave in Glenview.¹⁸

In Illinois, localities have begun recognizing and supporting immigration through “welcoming” and integration initiatives.

- Across Illinois and the broader Midwest, local places recognize the importance of immigrant entrepreneurs in their communities. According to the [Chicago Council of Global Affairs](#), “Public and private-sector groups across the region have launched business incubators for immigrant entrepreneurs, sponsored networking opportunities with local employers, and helped skilled immigrants translate their foreign credentials to maximize their economic potential in the United States.”¹⁹
 - o Specifically, the Council [states](#) that “the Midwest cannot hope to keep up with other regions or international competitors without a vital entrepreneurial sector...Immigrants, risk takers by nature, are unusually successful entrepreneurs, more than twice as likely as native-born Americans to start their own firms.”²⁰
 - o They go on to [suggest that](#) “the Midwest needs this kind of entrepreneurial energy, but historically the region has had some trouble attracting and retaining this talent. Business incubators in immigrant communities, microloan programs, and other initiatives to make credit available can make a difference.”²¹
- In 2010, the Illinois Governor signed an order to reestablish the **Office of New Americans Policy and Advocacy**. Specifically, the [policies](#) of the Office aim to “help immigrants enter the mainstream more quickly – whether that means learning English, buying a home, encouraging their children to succeed in schools, or supporting their communities in other ways.”²²
- The **Illinois Welcoming Center**, in North Riverside, has a [mission](#) to “provide immigrant and refugee individuals and families with an array of service, information, programs, and classes to assist in their path towards successful integration to the state. Therefore, creating self-sustaining and thriving communities.”²³
- The City of Chicago's **Office of New Americans**, a member of Welcoming America's [Welcoming Cities and Counties Initiative](#),²⁴ was created in 2011 and is [dedicated](#) to “improving services and engaging Chicago's global immigrant communities through enhanced collaboration with community organizations, academic institutions, and the private sector.”²⁵
 - o The Office was created in 2011 and set the aspiration for Chicago to become “the world's most immigrant-friendly city.”²⁶ As such, the Chicago New Americans Plan [outlines](#) a set of initiatives to “welcome immigrants and maximize the contribution they make” to Chicago.²⁷

- o Specifically, the plan “recommends a broad array of new programs and initiatives, which are designed to improve the day-to-day lives of immigrants while promoting Chicago’s economic growth and cultural vitality.”²⁸
- The **Illinois Coalition for Immigrant and Refugee Rights**, a member of [Welcoming America](#),²⁹ seeks to [promote](#) the “rights of immigrants and refugees to full and equal participation in the civic, cultural, social, and political life of our diverse society.”³⁰
 - o The Coalition partners with member organizations to educate and organize immigrants and refugee communities about their rights and resources; promote citizenship and civic participation; monitor, analyze, and advocate on immigrant-related issues; and inform the broader public about the contributions of immigrants and refugees.³¹
 - o The Coalition maintains a non-profit partnership with the State of Illinois on the [New Americans Initiative](#) to help newcomers navigate the U.S. citizenship process.³²
- In Skokie, a suburb north of Chicago, the **Human Services Department** [plans](#) various programs, outreach services, and community partnerships that seek to value and support its culturally diverse immigrant community.³³
 - o In 2008, for [example](#), Skokie hosted an “International Leadership Academy”³⁴ for immigrant residents interested to learn about becoming more involved in a community leadership role through volunteerism, service on a commission or board, or as an elected official.³⁵
 - o The community also prints an [Immigrant Services Directory](#) that contains information on area programs and services for the international community.³⁶ For example, in an effort to acquaint the international community with community policing, the Skokie Police Department hosts an International Youth Police Academy each summer and an International Citizen Academy during the year.³⁷
 - o Additionally, Skokie partners with a variety of community organizations on different programs for the area’s international community, including the annual [Skokie Festival of Cultures](#)³⁸ that celebrates the city’s diversity.³⁹

Endnotes

¹ 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).

² Ibid.

³ 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.

⁴ 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).

⁵ Partnership for a New American Economy, “[Map the Impact of Immigrants Across America: Illinois](#)” (New York: Partnership for a New American Economy, 2013).

⁶ David Dyssegaard Kallick, *[Immigrant Small Business Owners: A Significant and Growing Part of the Economy](#)* (Washington, DC: Fiscal Policy Institute, 2012).

⁷ Partnership for a New American Economy, “[Map the Impact of Immigrants Across America: Illinois](#)” (New York: Partnership for a New American Economy, 2013).

⁸ Ibid.

⁹ Office of Foreign Labor Certification, *[Annual Report: October 1, 2010 – September 30, 2011](#)* (Washington, DC: U.S. Department of Labor, 2012).

¹⁰ U.S. Census Bureau, “[State & County Quick Facts: Illinois](#)” (Washington, DC: U.S. Department of Commerce, 2011).

¹¹ Frederick R. Treyz, Corey Stottlemeyer, and Rod Motamedi, “[Key Components of Immigration Reform: 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).

¹² Ibid.

¹³ Neil G. Ruiz, Jill H. Wilson, and Shyamali Choudhury, *[The Search for Skills: Demand for H-1B Immigrant Workers in U.S. Metropolitan Areas](#)* (Washington, DC: The Brookings Institution, 2012).

¹⁴ Antonio Olivo, “[South Asia in the suburbs](#)” (Chicago: *Chicago Tribune*, August 4, 2013).

¹⁵ Ibid.

¹⁶ Ibid.

¹⁷ Ibid.

¹⁸ Jackie Pilossoph, “[Small business owners have heart](#)” (Chicago: *The Post-Tribune*, May 30, 2013).

¹⁹ Tamar Jacoby, *[US Economic Competitiveness at Risk: A Midwest Call to Action on Immigration Reform](#)* (Chicago: The Chicago Council on Global Affairs, 2013).

²⁰ Ibid.

²¹ Ibid.

²² State of Illinois, “[Office of New Americans](#)” (Springfield, IL: State of Illinois, 2012).

²³ State of Illinois, “[Illinois Welcoming Center](#)” (North Riverside, IL: State of Illinois, 2013).

²⁴ Welcoming America, “[Welcoming Cities and Counties](#)” (Decatur, Georgia: Welcoming America, 2013).

²⁵ City of Chicago, “[Office of New Americans](#)” (Chicago: City of Chicago, 2013).

²⁶ Ibid.

²⁷ City of Chicago, *[The Chicago New Americans Plan: Building a Thriving and Welcoming City](#)* (Chicago: City of Chicago, 2012).

²⁸ Ibid.

²⁹ Welcoming America, “[Welcoming America](#)” (Decatur, Georgia: Welcoming America, 2013).

³⁰ Illinois Coalition for Immigrant and Refugee Rights, “[About ICIRR](#)” (Chicago: The Illinois Coalition for Immigrant and Refugee Rights, 2013).

³¹ Ibid.

³² Illinois Coalition for Immigrant and Refugee Rights, “[New Americans Initiative: Becoming a Citizen](#)” (Chicago: The Illinois Coalition for Immigrant and Refugee Rights, 2013).

³³ Village of Skokie, “[Human Services – Immigrant Services](#)” (Skokie, IL: Village of Skokie, 2013).

³⁴ Village of Skokie, “[International Leadership Academy](#)” (Skokie, IL: Village of Skokie, 2013).

³⁵ Ricardo Gambetta and Zivile Gedrimaite, *[Municipal Innovations in Immigrant Integration: 20 Cities, 20 Good Practices](#)* (Washington, DC: National League of Cities, 2010).

³⁶ Village of Skokie, *[Directory of Immigrant Services](#)* (Skokie, IL: Village of Skokie, 2008).

³⁷ Village of Skokie, “[Human Services – Immigrant Services](#)” (Skokie, IL: Village of Skokie, 2013).

³⁸ Skokie Festival of Cultures, “[Skokie Festival of Cultures](#)” (Skokie, IL: Skokie Festival of Cultures, 2013).

³⁹ Village of Skokie, “[Human Services – Immigrant Services](#)” (Skokie, IL: Village of Skokie, 2013).

Immigrant Entrepreneurs in:

Illinois

*In 2010, new immigrant
business owners generated*

**\$5.4
billion**

*in total net business
income*



20.3%

*of business owners in
Illinois are immigrants*

99,810

*immigrants became new business
owners in Illinois between
2006-2010*

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