Call for Ideas for
White House Task Force on New Americans for an
Immigrant Integration Plan

Overview of the WE (Welcoming Economies) Global Network

WE (Welcoming Economies) Global Network is a regional Network of immigrant economic
development organizations working in cities and regions across the Rust Belt. The Network
is designed to strengthen the work, maximize the impact, and sustain the efforts of
individual local initiatives across the region that welcome, retain, and empower immigrant
communities as valued contributors to local economies. The Network, a project of
Welcoming America in partnership with Global Detroit, is comprised of over a dozen
regional economic development initiatives from across the Rust Belt working to tap into
the economic development opportunities created by immigrants. Immigrant communities,
when welcomed in their new home, can generate greater economic growth, job creation,
and prosperity for an entire city or region.

WE Global Network focuses on state and local immigrant economic development initiatives
in the following states:

⇒ Illinois
⇒ Indiana
⇒ Iowa
⇒ Michigan
⇒ Minnesota
⇒ Missouri
⇒ New York
⇒ Ohio
⇒ Pennsylvania
⇒ Wisconsin

Immigrant economic development initiatives outside those states are allowed to join
the Network provided their work shares a number of similarities (slow growth and
rapidly aging population, lower than the national average foreign-born population,
sluggish economic growth, etc.).

WE GLOBAL NETWORK MISSION

The mission of WE Global Network is to engage in activities that strengthen the work,
maximize the impact, and sustain the efforts of individual local initiatives across the
region that welcome, retain, and empower immigrant communities as valued
contributors to local economic development initiatives.
RECOMMENDATION: Frame economic integration as an opportunity for America, local communities, and all Americans, in addition to the self-sufficiency goals in the President’s Memorandum

Economic Integration Is a Critical Opportunity for Revitalizing Our National Economy and Rust Belt Communities

The WE Global Network passionately thanks and congratulates the Obama Administration for convening a White House Task Force on New Americans that is developing an immigrant integration plan. Unlike many other Western democracies, immigrant and refugee integration in the U.S. remains predominantly a local matter. The federal government has traditionally offered comparatively few resources to support the integration of New Americans.

For over a century, nonprofit institutions in the U.S. (including many international institutes) have been built to help immigrants and refugees integrate into the fabric of the nation by teaching English, offering job training and placement services, providing legal services, preparing residents for the citizenship exam, and performing a myriad of other integration tasks. The federal government has provided funding for some of these organizations through the Office of Refugee Resettlement and its programs, as well as adult education funding for English classes, and a limited number of other initiatives. But these supports have been fairly modest in scope compared to the level of support and direct involvement of the federal governments of other industrialized nations. Integration in the U.S. remains largely a local and private endeavor.

CORE VALUES

1. Immigrant communities are assets to be nurtured and grown as a means of producing economic opportunity for the entire region.

2. Welcoming immigrants into the economic and social fabric of a region helps to make that region more economically competitive and more attractive socially.

3. Regional economic development initiatives can play a role not just in attracting immigrants, but also in retaining them and in enhancing their role in the community’s economic and social fabric.
Yet, as the nation has experienced incredible growth in the number of foreign-born over the past half century, a White House Task Force on New Americans takes on new relevancy. Moreover, an increasing awareness of the positive impacts that immigrants have had on all sectors and aspects of the U.S. economy has brought new energy, ideas, and partners to local integration efforts, especially those centered on economic integration, across the nation. The creation of the WE Global Network (more than half of whose members are less than five years old) across a 10 state region reflects this growth.

Economic integration of our immigrant and refugee communities is not only a matter of social justice and a reflection of our national compassion to newcomers, but it is a key pillar of economic prosperity for all Americans. America’s economic future and the prosperity of American families are significantly improved by the presence and contributions of immigrants and refugees and the successful integration of their contributions.

Over the last half decade there has been an onslaught of research highlighting the positive economic contributions that immigrants are making and their potential for revitalizing Rust Belt cities, as well as rural economies across the Midwest. We expect that the Task Force is well aware of these various studies, but their conclusions include the following:

- Immigrants helped launch approximately one-fourth of all the high-tech firms in the U.S. from 1995-2005, including over half the firms in Silicon Valley and more than a quarter in many Midwestern states, like Michigan and Ohio, who possess smaller immigrant populations;¹
- Immigrants are roughly twice as likely to be self-employed than U.S.-born residents;²
- Immigrants and the children of immigrants to the U.S. started 41 percent of the Fortune 500 firms, employing more than 10 million people worldwide and producing annual gross revenues of $4.2 trillion (a figure larger than the GDP of every nation except the U.S., China, and Japan);³
- Immigrants own more than one-quarter of all “Main Street” businesses (including 58 percent of all dry cleaners, 53 percent of all grocery stores, and 38

percent of all restaurants) and represent 48 percent of the growth of the number of all business owners in the U.S. from 2000 to 2013;\(^4\)
- International students are more likely to major in the critical Science, Technology, Engineering, and Mathematics (STEM) fields and business than domestic college and university students;\(^5\)
- Foreign students make up the majority of enrollments in U.S. graduate programs in many STEM fields, accounting for 70.3 percent of all full-time graduate students in electrical engineering, 63.2 percent in computer science, 60.4 percent in industrial engineering, and more than 50 percent in chemical, materials and mechanical engineering, as well as in economics (a non-STEM field);\(^6\)
- In 2009 and 2013, foreign-born Americans won more Nobel Prizes in science than any recipients from any other nation; and
- Immigrants are more likely to be younger and of working-age than U.S.-born Americans and represent a crucial portion of the labor force, particularly for rapidly aging regions of the country that are losing population.\(^7\)

Armed with these insights, a number of Rust Belt cities and regions have begun to research the impacts that immigrants and refugees have on their local economies and communities and have developed new ideas and initiatives based upon their own local findings. In addition to the economic data summarized above, immigration has been a critical element for stabilizing the population loss facing American cities and rural areas in the WE Global Network region. In fact, between 2000 and 2010, the population of U.S.-born residents of Midwestern metros grew by only 3.3 percent, while the population of foreign-born residents in these metros grew 27 percent, making immigrants responsible for 38.4 percent of all Midwest metro growth.

Two clear examples of how the economic and demographic research has shaped comprehensive immigrant economic development strategies can be found in two regional efforts (both of whom participate in the WE Global Network):

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1. Global Detroit – a “a key innovator in the revitalization of Southeast Michigan’s economy and [sic] national leader in an emerging economic development field centered on welcoming, retaining, and empowering immigrant communities as valued contributors to regional growth” was launched out of the findings of the Global Detroit Study in 2010.  

2. St. Louis Mosaic Project - The St. Louis Mosaic Project’s goal is to transform St. Louis into the fastest growing metropolitan area for immigration by 2020 and promote regional prosperity through immigration and innovation. The Mosaic Project was launched in 2012 in response to an economic impact report, outlining St. Louis to be lagging in immigrant growth as well as highlighting the economic benefits of increasing its foreign-born population.

While other cities and metros with immigrant economic development initiatives who participate in the WE Global Network may not have undertaken a formal economic impact analysis of the role immigrants play in their local economies, they share the insights that in most Rust Belt cities, immigrants represent a tremendous asset that produces economic benefits not only to the regional economy, but to U.S.-born workers and families, as well for the reasons identified above.

**RECOMMENDATION: Work with National and Local Partners like Welcoming America, WE Global Network, IMPRINT, and Others to Implement Final Actions**

The suggestions made in this Call for Ideas submission by WE Global Network focuses on best practices in economic integration. This reflects the expertise of WE Global Network and its local organizations. Yet, we support the comments of a variety of other national partners—both in terms of specific federal actions on integration programs and topics, but in terms of implementing a national integration plan.

Specifically, WE Global Network and its local organizations support the comments of Welcoming America recommending that the federal government encourage comprehensive integration planning on the local level and reward/incentivize communities that develop and invest in such plans and their implementation. We also

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support Welcoming America’s comments suggesting a communications and engagement campaign. We believe the messages and communications that WE Global Network and its local organizations have developed is of particular appeal to the general population. Finally, we support the creation of a federal Office of New Americans to carry out these efforts, as well as to help follow through on many of the recommendations made within this document.

RECOMMENDATION: Support and Replicate the Best Practices from the Field of Economic Integration

In the following sections, the WE Global Network highlights a number of best practices in the field of economic integration, particularly from the Rust Belt. In each section, we highlight some best practices and then make some recommendations about federal actions that could be taken to replicate, support, and/or expand on these best practices. In the coming weeks, Welcoming America is set to release an Immigration Economic Development Planning Guide that covers these topics in more detail, as well as a handful of additional areas. We hope that this Planning Guide (written for local economic development actors and others supporting immigrant economic development) will be used by the White House Task Force on Immigrant Integration to guide your planning efforts.

INTERNATIONAL STUDENT RETENTION

The United States is experiencing a record number of international students studying at its colleges and universities. The current immigration system can make it challenging to retain this international talent that is paying top dollar for their education. Therefore, many local communities are looking to widen the existing pathways to help navigate the legal hurdles to retaining international student talent.

These international students have a significant positive economic impact on the local communities where they study. Their tuition, fees and living expenses meet the technical definition of an export product and collectively account for more than $24 billion of consumption on an annual basis, supporting 313,000 jobs as a result of their spending. More importantly, the retention of these international students into the U.S. economy generates additional employment by enabling those firms hiring these talented workers to expand their activities. In fact, a recent study from the American Enterprise Institute and the Partnership for a New American Economy suggested that
each international student retained in the STEM fields is associated with more than 2.62 additional jobs for U.S. natives.\(^{10}\)

**Best Practices in International Student Retention**

**Michigan Global Talent Retention Initiative (State of Michigan)**

Programs that focus on retaining international students after graduation by connecting them to unmet workforce needs, especially in science, technology, engineering and math (STEM) fields are emerging. These programs do not answer all the challenges that international students or companies eager to hire this talent pool face, but they can create on-ramps to help navigate those obstacles. These students can create long-term global trade relationships and loyalties, serving as bridges between origin and destination communities. They can also help attract more international talent to universities by fostering a more robust and welcoming experience for other international students.

The Michigan Global Talent Retention Initiative (GTRI), is arguably the first international student retention program in the nation with full-time staff. Borne out of the Global Detroit study, GTRI focuses on strengthening and diversifying the state’s economy through the retention of top international talent. GTRI provides international students at 32 colleges and universities in Michigan, as well as local employers with training and resources on relevant immigration regulations (including promoting the awareness of the OPT program), information on finding a job in Michigan, and helps with cross-cultural issues that both employers and international applicants may experience during the hiring process. Its Global Opportunity Employer (GO Employer) program allows Michigan employers (over 80 companies have signed on to date) to signal their willingness to hire international talent. GTRI provides guidance and assistance in hiring international talent, distributing job postings to its networks, and maximizing company talent searches by making it easily recognizable to international students as a GOemployer.

GTRI also is in the process of creating a Global Opportunity (GO) Ambassador program at its partner schools. GO Ambassadors will be student-led and student-run organizations on campus who will assist GTRI in reaching out to international students,

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marketing the program, participating in surveys/research conducted by GTRI, assisting with career conferences and connecting the students with the international community and assets off campus.

**Ohio Board of Regents Report on International Student Retention (State of Ohio)**

In December 2014, Ohio Board of Regents Chancellor John Carey issued a report entitled “Ohio’s Postsecondary Globalization Initiative.” The report was the work of a 30-person stakeholder group created out of a boilerplate to the state’s higher education budget requiring a report that investigated (1) promoting Ohio as a postsecondary destination globally; (2) encouraging international postsecondary students to remain in the state beyond their study; and, (3) enhancing the global economic competitiveness of native Ohio students. The report indicates that Ohio is the first state to approach and codify into law the opportunity that international students bring to provide a positive impact on the state’s economic development and its global economic competitiveness.

Noting that international students comprise 4.1 percent of the current share of postsecondary students in Ohio (a rate that approximates the national average) the report suggests “setting a target to increase the number of international students at postsecondary institutions in Ohio to a total of 6 percent within the next two years.”\(^\text{11}\)

This would require attracting 15,000 additional international students and is estimated to produce 5,751 additional jobs and $420 million in additional economic investment from the enhanced tuition and fees paid by international students, as well as the cost of living expenditures from these additional international students.\(^\text{12}\)

Citing data from the Brookings Institution’s 2014 Foreign Student study\(^\text{13}\), the Ohio Board of Regents’ report notes that 45 percent of international students in the 120 largest international student geographic centers around the country remained in those metro areas after graduation on Optional Practical Training (OPT) visas,\(^\text{14}\) while only 31.3 percent of Ohio’s international students did so. The report recommends setting a

\(^{11}\) Ohio Board of Regents, “Ohio’s Postsecondary Globalization Initiative,” (December 2014), page 16.

\(^{12}\) Ibid at 16.


\(^{14}\) Optional Practical Training (OPT) visas are available to international students studying on an F-visa, by far the most prevalent visa for international students. An F-1 student is generally entitled up to one year of post-completion OPT training. Authorization for this type of practical training may be granted for a maximum of 12 months and only starts once you have graduated or completed your course of study. Graduates of STEM fields can extend their OPT authorization for up to 17 months (29 months total), provided their employers use the federal E-Verify system.
goal of a 50 percent retention rate, which would require 5,514 additional international students to remain in the state after graduation. According to the Board of Regents’ report, these workers would “generate almost a $100 million in the state’s economy and support more than 1,000 new jobs.”\textsuperscript{15}

Finally, in addition to providing “a vital opportunity for native-Ohio students to expand their scope of knowledge and be more prepared to succeed in global environments,”\textsuperscript{16} the report estimates that increasing the number of international students by six to eight percent “would result in a 56.9 percent increase in the number of patents awarded at universities statewide.”\textsuperscript{17}

**Global Entrepreneur in Residence Program from Massachusetts**

In July 2014, Massachusetts Governor Deval Patrick proposed an ambitious answer to the visa challenges faced by international students wishing to launch businesses after graduation from Massachusetts’ colleges and universities. The program proposes to allow qualified, high-skilled, international students currently in Massachusetts to stay after graduation if they are starting or growing a business. Administered by the Mass Tech Collaborative, the program will place selected students – who are eligible for H-1B visas but unable to get them due to the federal cap – as “entrepreneurs in residence” at public and private institutions and will ensure that they continue to contribute to the Massachusetts economy.

The initial program, approved by the State Legislature in July 2014, restricts the program to the University of Massachusetts. International student entrepreneurs will work for the University one day per week and build their company the rest of the week. In this fashion, the programs hope that USCIS will view it as if entrepreneurs work at the University lab, whereby they could utilize an H-1B exemption for individuals working toward a university mission. This would allow the university to apply as a company and not be subject to the cap.

**Recommendation for Possible Federal Actions to Support International Student Retention**

- Expand the opportunities for practical training after graduation

\textsuperscript{15} Ohio Board of Regents, “Ohio’s Postsecondary Globalization Initiative,” (December 2014), page 5-6.
\textsuperscript{16} Board of Regents report at 3.
\textsuperscript{17} Ibid at 5.
Clearly U.S. economic interests are served by retaining international students after graduation, especially in fields where there are significant labor shortages (most notably, the STEM fields). Under Executive Authority, President Bush extended the Optional Practical Training (OPT) opportunities for international students in the STEM fields from 12 months to 29 months, provided they worked for employers utilizing the E-verify system. This has been a significant help in lowering the barriers for the American economy to benefit from international students’ talents.

While the details of President Obama’s November Executive Order as they related to international students are not known as of this writing, we are hopeful that (1) there will be additional extensions for STEM graduates; (2) other fields with demonstrated labor shortages might also be considered for extended OPT; and (3) that the E-verify requirement be decoupled from the extension.

- **Improve the data collection about international students and their participation in the U.S. economy**

Given the important contributions that international students and graduates have on the U.S. economy, the federal government should address the paucity of data about the percent of international students that stay and contribute to the U.S. economy as OPT workers, as well as H-1B and other work visa holders. The federal government is in a unique position to track the matriculation of international students into the workforce. By capturing more data and/or better analysis of existing data, we believe much can be learned about how our colleges and universities are contributing to connecting international talent to our economy.

- **Develop viable means for international student entrepreneurs to start and grow their business enterprises in the U.S.**

The new economy is connecting academic thought and invention more quickly to the global marketplace. Universities are increasingly hotbeds for patents and commercialization of technological innovation. The enormous contributions that international students are having on the patent production of universities is well documented. The use of EB-5, E-2 and other existing legal pathways should be investigated for potential expansion.

- **Approve international student entrepreneurship visas**

As noted above, the Global Entrepreneurship in Residence proposed by Massachusetts reflects an innovative attempt to navigate current immigration laws to enable aspiring and promising international student entrepreneurs to launch and grow their businesses in the U.S. by utilizing the H-1B program via universities. We encourage USCIS to
develop reasonable and progressive policies to allow this and similar programs for student entrepreneurs. Moreover, we encourage USCIS to look at other visa categories (e.g., E-2 treaty investor visas) to find legal pathways to enable international student entrepreneurs to stay in the U.S. to launch and grow their businesses.

ENTREPRENEURSHIP

Research indicates that immigrants in the U.S. start businesses and/or are self-employed at significantly higher rates than the U.S.-born. Immigrant entrepreneurship appears to be strongest in the high-technology sector, as well as “Main Street” businesses—such as grocery stores, restaurants, and retail shops—that are considered important to the revitalization or stabilization of urban commercial districts and communities.

Despite the overwhelming success of many immigrant entrepreneurs, immigrant-owned businesses are not immune from pitfalls and hurdles common to any startup. In fact, immigrant entrepreneurs starting a business may face additional obstacles, including the absence of personal or professional relationships to help navigate issues that inevitably arise in start-up and growth phases of business development; limited access to capital—often because of a lack of credit history in the U.S.; a less than full understanding of local laws and regulations for small businesses; and, possibly, a distrust of government. Moreover, language and cultural barriers can further exacerbate these obstacles, making it less likely for immigrants to seek help from many nonprofit or government programs.

Conventional business development programs—nonprofit, for-profit, and government—often falter when attempting to provide support to immigrant entrepreneurs. Cultural differences and language barriers can draw an invisible, yet very real, line between U.S.-born and immigrant communities. Conventional business development programs can maximize their impact with immigrant entrepreneurs by

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18 Robert Fairlie, “Immigrant Entrepreneurs and Small Business Owners, and their Access to Financial Capital,” U.S. Small Business Administration, May 2012. The report finds that the monthly rate of business formation among immigrants (0.62 percent, or 620 out of 100,000) is much higher than the non-immigrant rate (0.28 percent, or 280 of 100,000).
19 Vivek Wadhwa, AnnaLee Saxenian, Ben Rissing, and Gary Gereffi “America’s New Immigrant Entrepreneurs” Duke University and University of California-Berkeley, January 4, 2007. This research suggests that immigrants are responsible for approximately one-quarter of all of the high-tech startups, and nearly half of the high-tech startups in Silicon Valley.
20 David Kallick, “Bringing Vitality to Main Street: How Immigrant Small Businesses Help Local Economies Grow,” Fiscal Policy Institute and the Americas Society/Council of the Americas January 2015. This research uses Census data to conclude that 28 percent of all Main Street businesses in America are owned by immigrants, including 58 percent of dry cleaners, 53 percent of grocery stores, 38 percent of restaurants, and 32 percent of clothing stores.
developing customer-centric strategies and leveraging new partnerships to increase their success. This can include partnering with institutions that have existing resources, relationships, and cultural/linguistic competency with immigrants that can be leveraged. Like any business owner, immigrants are more likely to seek assistance from a trusted source.

Attracting immigrants to business development programs is often best achieved when orientations, trainings, and seminars are taught in foreign languages; classes and programming are hosted in an immigrant community and/or by people who share customs and culture; and delivered by organizations that have established credibility and trust with the immigrants they serve. Additionally, leading business development programs that serve immigrants establish trust and credibility in immigrant communities by getting to know community leaders, hiring multi-lingual staff, offering seminars and programs in languages other than English, marketing programs in ethnic newspapers and ethnic media, and partnering with community-based entities that have credibility among immigrants.

Our research indicates that successful entrepreneurship programs working with immigrants possess a strong cultural awareness and competency. Many of these model programs are run directly by immigrants. Others are run by non-immigrants that, either by origin stories within their own family, or simply a strong passion to support and foster diversity and economic growth, have developed strong cultural sensitivities. This sensitivity helps them find a way of establishing credibility in immigrant neighborhoods.

**Best Practices in Entrepreneurship Support**

**Neighborhood Development Center (Minneapolis/St. Paul)**

Neighborhood Development Center (NDC) in Minneapolis, MN has been assisting aspiring entrepreneurs and activating commercial corridors in low-income, immigrant, and minority neighborhoods in Minneapolis/St. Paul since 1993. NDC works in target neighborhoods and relies heavily on community partners within those neighborhoods (e.g. a community development corporations, schools, faith-based organizations, social service agencies, etc.) to attract local residents with the vision and enthusiasm to launch a business within their neighborhood. The community partner markets the NDC training as if it were its own training and hosts classes in the neighborhood. With the community partner as the “face” of the training program, NDC can connect naturally with residents already in community partners’ networks. NDC selects community partners who are known and trusted operators in their communities. They need not have expertise in entrepreneurship, business support, real estate development, or any other aspect of the program, but must be able to connect with local residents and identify good candidates.
The NDC model is designed to help overcome barriers that low-income, immigrant and minority entrepreneurs face. NDC’s microenterprise development programs are offered in six languages (English, Spanish, Arabic, Hmong, Vietnamese, and Somali) and are working in African-American, as well as Native American, communities.

NDC runs a fully integrated, one-stop shop for entrepreneur training, small business consulting, microfinance, and business incubation. Since 1993, NDC has trained over 4,500 entrepreneurs and counts close to 500 businesses as still being open today. Seventy-seven (77) percent of these are owned by people of color and 43 percent are immigrant-owned. Collectively, they employ 2,300 workers with an average hourly wage of $12 per hour. More than 60 percent of NDC-assisted businesses occupy formerly vacant spaces and 82 percent of report hiring neighborhood residents.

**Welcoming Center for New Pennsylvanians, Global Enterprise Hub (Philadelphia)**

The hallmark of the Welcoming Center's Global Enterprise Hub is its ability to recognize and decipher the “invisible capital” that immigrants, internationals, and refugees bring with them from their home country. It boils down to understanding the unique assets that each immigrant entrepreneur brings based on their skills, knowledge, passions, and experiences and understanding how these unique assets translate to new and viable opportunities in domestic markets. The Welcoming Center for New Pennsylvanians prides itself on focusing on, discovering, cultivating, and serving these unique assets, rather than trying to teach new skillsets.

The Global Enterprise Hub provides case management to immigrant entrepreneurs by making referrals to a number of technical assistance partners, including micro-lenders, entrepreneur trainers, workshop providers, and other resources after careful intake and review of the immigrant entrepreneur’s needs. The Global Enterprise Hub not only focuses on its own efforts to discover an immigrant entrepreneur's invisible capital, but on coaching service provider partners about the value of invisible capital to improve the quality of the region’s support services for immigrant entrepreneurs. More importantly, the Welcoming Center is helping launch new businesses and growing existing businesses often in underserved areas.

As part of its efforts to help immigrant entrepreneurs, the Welcoming Center offers a unique “English for Entrepreneurs” program. This 18 to 30-hour course is designed to help entrepreneurs with limited English proficiency improve their language and intercultural communication skills while covering topics such as customer service skills, developing marketing and business plans, basic accounting and bookkeeping, financial planning, obtaining funding and building credit, and other business technology skills. Participants learn English vocabulary, pronunciation, customer-service skills and cultural competence skills, as well as skills to de-escalate potential conflicts and build a
customer base, and developing skills for understanding and connecting with fellow merchants, neighborhood residents, and law enforcement officials.

Since 2004, the Welcoming Center, with growing capacity and a staff of two-dozen, has directly assisted more than 800 individual entrepreneurs and business groups throughout the Philadelphia region.

**Mayor’s Office of New Americans (Chicago)**

In July 2011, Chicago Mayor Rahm Emanuel launched the city’s first Office of New Americans. Just months later, the Mayor convened an advisory committee comprised of 50 leaders representing Chicago’s business, academic, civic and philanthropic communities to recommend initiatives to be implemented over the next three years, and develop detailed implementation plans for the Office of New Americans and its partners. A pillar of the Office and the plan include expanding opportunities for immigrant business owners and entrepreneurs.

Specifically, the plan includes a number of ambitious ideas to help immigrant business owners, including:

- **Increasing exports from immigrant-owned businesses:** The City will work with World Business Chicago to increase exports from immigrant-owned businesses. They will develop forums and networking opportunities for immigrant business-owners, and provide access to a catalog of resources for export assistance.

- **Creating a small business incubator:** The City will create a specialized small business incubator that provides technical assistance, mentorship, and access to an affordable shared commercial kitchen space.

- **Creating a “Chamber University”:** The City will create a “Chamber University” to train leaders in chambers of commerce so they are better able to support immigrants in starting and growing their businesses.

- **Creating pop-up City services:** A team of City departments will provide City services to immigrant business-owners through periodic visits to immigrant neighborhoods. These workshops will provide resources and services in the communities’ languages, including licensing, permitting, and inspections.

- **Promoting tourism in immigrant neighborhoods:** Choose Chicago will actively promote immigrant neighborhoods to tourists through rotating neighborhood spotlights. Choose Chicago will also work with chambers of commerce and other organizations to help business-owners advertise their businesses to visitors.
In addition to these ideas, the City of Chicago launched the Chicago Microlending Institute (CMI) in May 2012 by providing $1,000,000 in loan capital to train and develop microlenders to expand small business financing in Chicago. CMI is headed by Accion Chicago with additional support from Citibank and the Searle Funds of The Chicago Community Trust. To date, over $1 million in loans have been made to nearly 150 businesses.

**Recommendations for Possible Federal Actions to Support Immigrant Entrepreneurship**

- **Partner U.S. Small Business Administration entrepreneurship programs and funding with existing immigrant entrepreneurship programs, as well as other nonprofit, faith-based, cultural, and educational organizations well established in the immigrant community**

WE Global Network's experience and research suggests that language accessibility, strong cultural competency and awareness, and utilizing known and trusted partners (even those who have no additional involvement in entrepreneurship) are critical elements of successful immigrant entrepreneurship programs. While SBA offices and Small Business Development and Technology Development Centers (SBTDCs) have occasionally partnered with local immigrant economic development programs or nonprofit organizations, there is no systematic priority or targeted initiative to utilize these assets.

The SBA should develop a formal policy, goals, and resources to tap into the immigrant entrepreneurship opportunities throughout the country so that SBA programs have maximum impact in this unique population.

- **Utilize federal resources, including Department of Commerce Economic Development Administration grants, Office of Refugee Resettlement funds, and U.S. Small Business Administration funds, to support immigrant entrepreneurship programs, as well as microloan and other lending pools**

Similar to the City of Chicago’s utilization of City funds to seed fund nonprofit organizations that are running successful micro-enterprise lending programs through the Chicago Microlending Institute, the federal government should provide resources to enhance the capital pools in the field with proven track records of growing immigrant businesses, as well as expanding access to such loans and lenders where they don’t exist. There are several sources of existing federal resources that support entrepreneurship that could be strategically leveraged for greater impact in American communities by connecting these resources to successful grassroots efforts. We
suggest looking at Commerce’s EDA grants, SBA grants, and ORR entrepreneurship funds, as well as other existing funding streams or new appropriations for this purpose.

The cost-benefit analysis or Return on Investment (ROI) calculations on programs like the Neighborhood Development Center in Minneapolis/St. Paul suggest that they are effective investments for job creation, economic growth, and community revitalization.

HIGH SKILLED WORKER INTEGRATION INITIATIVES

The pending retirement of many baby boomers, low U.S. birth rates, and the shift toward the knowledge economy are combining to leave many regional economies without the high-skilled workforce they need to grow and attract business. The talent equation that is challenging American communities concerns high-skilled labor, specifically in the STEM fields. According to the 2014 Skills Gap study, the majority of employers have trouble finding the qualified talent they need. By 2018, the postsecondary system will have produced 3 million fewer college graduates than demanded by the labor market.\(^\text{21}\)

Yet, there are approximately 1.8 million skilled immigrants and refugees who are both work-authorized and either under-employed or unemployed who, through better integration efforts, could close more than half of the nation’s skilled labor gap.\(^\text{22}\) Recognizing and utilizing the talent of the skilled immigrant workforce who are permanently authorized to work in the United States but who are underemployed/unemployed can have significant benefits. According to a recent study, each international student retained in the STEM fields can create approximately 2.5 jobs for U.S. nationals.\(^\text{23}\)


Additionally, independent research of more than 500 skilled immigrant clients served by Upwardly Global suggests that the full employment of these workers created nearly 1.4 additional jobs for each job skilled immigrants fill in their full, professional capacity. Moreover, the increase in wages by fully-employing these skilled immigrant professionals will also have a positive impact on local economies.

More than half of the 7 million high-skilled immigrants in the U.S. were trained abroad and can face common barriers to their integration into the U.S. economy, including non-recognition of foreign academic credentials, limited English proficiency, and lacking cultural workplace and job search skills necessary to obtain employment. Therefore, it’s important to look at what programs are working in the U.S. that relate to skilled immigrant integration.

**Best Practices in High-Skilled Immigrant Integration**

**Upwardly Global (New York, San Francisco, Chicago, Michigan, Maryland, and nationally)**

Upwardly Global (UpGlo) is a national nonprofit that works with skilled immigrant job seekers who are permanently work-authorized, but who are either unemployed or underemployed, due to their inability to resume their professional careers in the U.S. UpGlo provides training and acculturation on the professional job search process, supporting job seekers with soft job skills in the areas of (i.e., resume development, developing a professional network, and interview skills) and actively connecting them with employers in our state and national networks. UpGlo’s mission is to eliminate employment barriers for skilled immigrants and works toward a vision where skilled immigrants are seamlessly integrated into the professional workforce and the fabric of American life and for the value they add to both.

Since 2001, UpGlo has developed best practices and resources that can be used by both job seekers and employers to help reduce/eliminate the employment barriers that skilled immigrants face. Local and national data bears out that the impact of employing skilled immigrant job seekers within their professional fields results in direct positive economic benefit for the job seekers, employers, and local and national economies.

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24 Note some of the workers assisted by Upwardly Global may have been underemployed and may not have been in STEM fields, suggesting that these findings may indeed be consistent with the findings of the Partnership for a New American Economy on H-1B and international student impact in the economy. “A Look at Skilled Immigrant Workers in the U.S.: Tapping into Global Talent Already Here Results in Clear Economic Benefit for Immigrants and for Nation,” upwardlyglobal.org. Upwardly Global, April 2013, http://www.upwardlyglobal.org/UpwardlyGlobalEconomicImpactReportApril2013.pdf.
Skilled immigrants who return to their professional careers in the U.S. typically see increased income, increased benefits for their families, and higher participation rates in civic engagement. In 2014, UpGlo job seekers experienced a gain of more than $42,000 one year after placement into professional employment. Employers benefit from an experienced, educated talent pool, access to cross-cultural and multilingual candidates, a flexible and adaptable workforce, and increased employee engagement. Skilled immigrants are some of the most loyal employees, with UpGlo job seekers averaging nearly 90 percent retention rates over the first 12 months of employment. Finally, the local and national economies also experience growth through the creation of a larger tax base, increased opportunities for entrepreneurship, poverty alleviation, and job creation. Additionally, as skilled immigrants move out of unskilled or semi-skilled position, these are made available for unemployed workers for whom this is meaningful work.

**Global Engineers in Residence**

Upwardly Global has piloted their Global Engineers in Residence (GEIR) program in the State of Michigan. GEIR expands on the traditional paid internship model to connect foreign educated, trained and experienced engineers with interested employers in a collaborative, low-risk workplace immersion program. GEIR demonstrates that skilled immigrants can make marked improvements in their employability with more targeted workforce interventions. Through the Michigan Department of Licensing and Regulatory Affairs, the Michigan Economic Development Corporation (MEDC) and the Michigan Office for New Americans (MONA), resources were raised to help cover the cost of an Upwardly Global staff person for two years to be located in Detroit and to launch the Global Engineers in Residence (GEIR) Program, which is currently uniquely available to Michigan employers. Additionally, MONA and the MEDC work to connect UpGlo staff with Michigan employers to place the GEIR candidates.

**State Credentialing and Professional Licensing Guides (Philadelphia, New York, Illinois, California, Michigan, New Hampshire, Massachusetts, and Maryland)**

Immigrants want to rebuild their careers and employers are often looking for experienced global talent. Currently, there are no nationally established standards for assessing educational credentials obtained abroad. That responsibility generally lies with state and local government, along with private groups and professional associations. Internationally trained job candidates must find their own ways to prove that their coursework or skills are valid, and there is a lack of information on services available to help immigrant professionals.

There are a number of organizations working to address this issue. With 40 years of experience, **World Education Services (WES)** is the premier evaluator of foreign
credentials, verifying the authenticity of documents, and providing a U.S.-equivalency for foreign degrees, diplomas or studies. Additionally, WES’s Global Talent Bridge provides a number of online resources, webinars and other tools to service individual immigrants, refugees and internationals, as well as community partners, such as those designing and implementing local immigrant economic development initiatives.

For licensing, Upwardly Global provides a series of online professional licensing guides to help job seekers understand the legal steps required to earn a state professional license or credential to return to the full practice of their regulated profession. The licensing guides are written to make the statutes and regulations more easily understood to help job seekers understand the steps required to secure a state professional license.

As an example of the usage of the guides, in 2013, UpGlo was funded as part of the Global Detroit strategy to create licensing guides for skilled immigrants and refugees living in Michigan. The State of Michigan, and specifically the Department of Licensing and Regulatory Affairs (LARA), began working with UpGlo to create an online resource for skilled immigrants to provide them with the information needed on how to become licensed in eleven common professional areas. The State of Michigan has provided additional funding to expand the number of licensing guides on LARA’s website. LARA has, so far, published 15 skilled immigrant licensing guides and is committed to adding five new guides every six months. These guides provide a step-by-step overview of how to complete the licensing process in the State of Michigan for those who received professional education, training, or experience outside the U.S.

Additionally, the Welcoming Center for New Pennsylvanians (Welcoming Center) has developed detailed career guides for four high-growth industries in Pennsylvania (accountant, mechanical engineer, systems analyst, and teacher). Each guide outlines the process for becoming a certified professional and provides information about various types of jobs within each field, regional employers who hire these professionals, salary ranges, and employment resources.

Network Building and Job Connecting

Networking is an important skill in building a career and finding professional employment in the U.S. Immigrants, refugees, international students, and other international workers lack the networks that those born and/or raised in the U.S. Vibrant Pittsburgh, Global Detroit, St. Louis Mosaic, the Welcoming Center for New Pennsylvanians, and Upwardly Global all provide professional connector or networking programs for skilled immigrant professionals looking to develop such networks. The Welcoming Center provides networking and business skills workshops designed to give immigrants the opportunity to practice their “small talk” skills and
meet new people. It is also a chance to learn and practice their networking skills and their professional English.

**St. Louis Mosaic’s Professional Connector** efforts are based on a program initiated in Halifax, Nova Scotia. These volunteer initiatives designed for well-connected and globally minded professionals (Professional Connectors) in the local regions to share industry and job-seeking advice to foreign-born, degreed professionals (participants).

It is worth mentioning, however, in this chapter that both the St. Louis Mosaic and Global Detroit programs encourage participants to complete the free online program from Upwardly Global to improve resume and networking skills in order to help them make the best use of their time with Professional Connectors.

**Global Cleveland and the Michigan Economic Development Corporation** have each launched innovative online job recruitment initiatives, which provide great opportunities to attract job-seeking immigrants and others from outside the region. Global Cleveland’s Virtual Job Fairs allow the area’s employers to engage directly with out-of-market talent. Employers are able to chat online, browse job-seeker profiles, and receive direct matches to open positions. Global Cleveland also provides videos and slideshows with information to help employers understand the process of hiring immigrants. Topics include: *Global Cleveland: Immigration Basics for employers; Immigration Basics: What Strategic HR Professionals Should Know*; and information on the website also includes information on Employment Documents, Visa, Green Card, and Employee Rights Tool Kit. Most of the materials are available in English and Spanish.

Since Michigan Economic Development Corporation’s (MEDC) first virtual job fair in 2012 – MiVirtualCareerFair – more than 90 employers and more than 11,000 job seekers have been connected without the inconvenience and expense of traditional job fairs. MEDC’s 2013 DREAM Job fair worked with UpGlo and the Michigan Global Talent Retention Initiative to reach out to skilled immigrants and refugees, as well as international students. The event attracted over 25 international applicants, including some who flew from as far as Venezuela. At least one UpGlo client landed an IT computer support technician job from the event.

**Community Colleges: Building Skills and Re-Credentialing**

Some skilled immigrants and refugees will need more than simply licensing and credentialing services to integrate into the U.S. workforce. Some may need more intensive English language skills or employment-based English skills. And others may need additional education or have to retool their education and experiences to integrate into a related field or profession if their primary career paths are foreclosed. Community colleges can play a critical role in assisting skilled immigrants in pursuing
more lucrative and meaningful career paths based upon their skills, education, and experience. Increasingly, America’s community colleges are playing an important role in preparing a workforce to address the STEM skills gap and developing their own STEM development skill programs.

One critical resource for immigrant economic development initiatives seeking to tap into community colleges is the **Community College Consortium for Immigrant Education (CCCIE)**, a national network of 23 community colleges and other professional and research organizations that have joined forces to increase educational and workforce opportunities for immigrant students. Its key activities include raising national visibility of immigrant education challenges and opportunities, sharing promising practices, and providing advocacy and outreach on critical education and career issues that impact immigrants at all skill levels.

CCCIE is developing a database of best practices in immigrant education to provide community colleges an opportunity to learn from one another, share new ideas, and expand and improve their programs to serve immigrant students. The database organizes promising practices of community colleges across the country according to five major types of programs or initiatives:

- Comprehensive Support Services
- ESL Programs
- Workforce Training/Career Development
- Community/Employer Partnerships
- Citizenship/Civics Preparation
- Inclusive Practices for Undocumented Students

**Recommendations for Possible Federal Actions to Support Skilled Immigrant Integration Initiatives**

- **Create Incentives for Expanded Services**

Use policy guidance, regulatory authority, and/or discretionary funding to support exemplary models that effectively serve immigrant professionals. One example would be to insure that federal Requests for Proposals encourage the inclusion of skilled immigrants. Five of the 34 grants under the Department of Labor’s Jobs Driven-National Emergency Grants were awarded to partnerships that plan to provide training and job-placement to foreign-trained immigrants and refugees.

- **Amplify the Success of Innovative Programs**
Utilize existing federal avenues for dissemination and technical assistance to showcase and replicate successful program models such as Upwardly Global, Welcome Back Initiative, and Welcoming Center for New Pennsylvanians. The federal government could extend technical assistance like that provided to member networks of the Office of Career, Technical, and Adult Education’s (OCTAE) Networks for Integrating New Americans (NINA) project to additional partners through presentations at agency-sponsored conferences, webinars, etc.

- **Support Alignment Between Education and Employment**

The federal government could leverage the Workforce Investment and Opportunity Act’s (WIOA) emphasis on career pathways and workforce preparation to highlight integrated programs that facilitate quick re-entry into professional careers for skilled immigrants. This could include championing community college programs offering integrated programs and advisement for LEP immigrants with training and education in high-demand professions in fields including healthcare and engineering.

- **Support Federal Workforce Funding for Expansion of the GEIR Program**

The federal government could leverage the Workforce Investment and Opportunity Act’s (WIOA) funding to assist in expanding Upwardly Global’s GEIR program on a national scale. It could also partner with state economic development/talent development agencies to possibly provide joint funding to employers who participate in the GEIR program.

**URBAN FARMING INTEGRATION INITIATIVES**

The urban farming and food movement offers unique opportunities and benefits for immigrants and refugees who often come from diverse agriculture traditions and who may possess skillsets and work experience of great value to this movement. Immigrant and refugee programs in urban farming and food production have the potential to combine workforce development, entrepreneurship training, and welcoming efforts, and can leverage the unique skills of immigrant communities. These initiatives help immigrants and refugees to both share their unique knowledge and talents and learn new food-ways and cultures from their receiving community.

With an increasing domestic market for specialty agriculture goods, urban farming and food production initiatives can leverage immigrant and refugee skills and experience to create economic opportunities in these communities and to expand the diversity within the local food economy. In addition, the community at large gains better access to locally grown produce. Farmers’ markets and urban gardens can provide a venue for
cultural exchange. Finally, urban agriculture can be an important physical asset in reclaiming or repurposing vacant property in decaying or blighted neighborhoods.

Best Practices in Urban Farming Integration

Building Immigrant Business and Entrepreneurship Skills

Urban agriculture programs have been used across the country as tools to increase immigrant business and entrepreneurship skills. Nuestros Raíces Farms in Holyoke, Massachusetts offers an eight-week training to write a business plan, after which graduates have the opportunity to begin their own production on a small plot of land. Nuestros Raíces Farms is credited with having helped some two-dozen food and agriculture businesses and adding some $2 million of economic activity to the community. Other programs enable immigrant and refugee farmers to sell their product at local farmers markets, using the opportunity to teach basic business and accounting skills. Still other programs, like the Latino Farmers Cooperative of Louisiana (LFCL), based in New Orleans, provide education and training assistance in Spanish to address the needs of emerging Latino farmers, so that they can ultimately run their own sustainable urban agriculture micro enterprises.

Similarly, the Minnesota Food Association (MFA) runs a farmer training program to help immigrants adjust to the work of growing food in U.S. conditions and to navigate the details of running a successful business. The MFA program runs from January through the end of the growing season and includes intensive classroom sessions on production, marketing, and scale, as well as in-field trainings on production and processing techniques. Immigrants graduate the program with the skills and certifications necessary for organic vegetable production.

Vacant Property/Blight Elimination

Immigrants and refugees are making a sizeable difference in transforming vacant land into active urban farming in Providence, Rhode Island. The Southside Community Land Trust (SCLT) holds title to five acres of inner-city land in trust for community farmers to use. Its initial holdings were both purchased for a low price and received as donations from individuals. SCLT has supported the development of a network of community gardens, farmers’ markets, and school gardens that serve some 750 low-income families who grow food in 37 community gardens. The growers include large numbers of immigrants from Southeast Asia, Africa, the Caribbean, and Central and South America, as well as residents of the low-income neighborhoods surrounding the gardens and farms.

Diversifying the Food Product
A final potential benefit of an immigrant-centered urban food program is that it can add exciting diversity to the food culture of a region—enhancing the quality of life and building a destination retail opportunity. Sometimes host communities benefit from learning new growing techniques as can happen in Chicago’s Albany Park Global Gardens Refugee Training Farm, which abuts a community garden. More common, however, are programs that highlight the diversity of ethnic food and vegetables as a means of enhancing farm markets, restaurant districts, food trucks, and food courts.

The Midtown Global Market in Minneapolis is a wonderful example of how immigrant, refugee, and ethnic food vendors can develop a food enclave that attracts as many as 4,000 shoppers and visitors a day from near and far while revitalizing an urban neighborhood. The Midtown Global Market is an internationally themed public market featuring fresh and prepared foods, restaurants, and a selection of arts and crafts from around the world.

Other examples do not require as much capital investment. For example, a number of farmers’ markets focus more simply on recruiting immigrant, refugee, and ethnic growers and vendors to make the market more interesting and exciting to market patrons. Webb City Farmers Market in Missouri, Philadelphia’s Reading Terminal, Seattle’s Pike Place, La Marqueta in Spanish Harlem in New York, and Mercado Central in Minneapolis (down Lake Street from the Midtown Global Market) are all examples of how diverse vendor mix have added to the appeal and success of farmers’ markets.

**Recommendations for Possible Federal Actions to Support Urban Farming**

- **Work with federal agencies (Department of Agriculture, Department of Health and Human Services, etc.) to target more resources to support urban farming initiatives that help integrate immigrant and refugees.**

Farming initiatives targeting refugees are eligible to apply for funding through the Refugee Agricultural Partnership Program (RAPP), a joint venture of the U.S. Department of Agriculture (USDA) and the Department of Health and Human Services (HHS) Office of Refugee Resettlement. With help from RAPP grants, initiatives like New Roots Community Farm and the Intervale Center in Vermont have been able to use urban farming as a component of refugee resettlement, and to help create sustainable economic opportunities for refugees from agrarian backgrounds. These programs should be expanded to offer other communities the opportunity to develop similar programs.
RURAL ECONOMIC DEVELOPMENT INTEGRATION INITIATIVES

For most of the 20th Century, immigration to the U.S. was primarily directed towards urban centers. Rural areas, however, are increasingly the destination for immigrants in the U.S. Starting in the 1980s and accelerating since, the rural US has seen great leaps in both primary and secondary migrants.\(^{25}\) The new arrivals to these areas tend to have lower levels of formal education than the national average among foreign-born, but they often possess unique agricultural and manufacturing skills,\(^{26}\) and are more prominently Latino than the national average.\(^{27}\) While they face different challenges than their urban counterparts, there are clear opportunities for leveraging rural immigrant communities to boost local economic development.

Given the tradition lower immigration rates, most rural areas are largely unprepared to deal with influxes of immigrants and refugees. While the absolute numbers of immigrants may be smaller, the impacts of immigration can be larger in rural communities. Even small numbers of newcomers can represent a large increase in the population of these areas. Moreover, these newcomers can have significant impacts to the social cohesion of these communities, which are often unaccustomed to significant ethnic diversity.\(^{28}\) Social and economic infrastructures may not be well-prepared to handle even small increases in the number of immigrants, and large inflows can easily overwhelm local rural integration and economic development systems.\(^{29}\) Moreover, migration to rural America is unevenly distributed. One small town may experience a large influx of immigrants, while a neighboring community none. This distribution means that some communities have had to rapidly adapt to accommodate the influx of newcomers, while others have been left relatively unchanged.\(^ {30}\)


\(^{28}\) Jensen, “New immigrant settlements in rural America: problems, prospects, and policies.”

\(^{29}\) Ibid.

\(^{30}\) Mary Laeger-Hagemeister, “Social Capital Networking and Immigrant Populations in Rural Minnesota: A Qualitative Research Project,” *umn.edu. Graduate School of the University of Minnesota*, February 2011,
An added benefit of immigrant workers settling in rural areas is that they often are the only answer to stabilizing declining populations and reinvigorating flagging business districts in rural towns across the country. In addition to providing much-needed customers (and tax base) to shrinking rural towns, immigrant communities can provide their own business enterprises that may not only cater to their ethnic communities, but also provide services to the community at large. Several rural communities have embraced new immigrant entrepreneurs as a solution to the crisis of retiring family-owned businesses that have been closing due to a lack of leadership succession, as rural children are drawn to cities and more populous metros in their adult years.

Best Practices in Rural Economic Development Integration

Some of the most successful rural immigrant-focused economic development outcomes come from communities where leaders proactively embraced new residents and sought to build a more integrated community. These can include efforts by town leaders to meet with local immigrant leaders and to arrange visits to immigrants’ home countries and regions. Faith leaders and educators can be important resources in helping to build cross-cultural relationships, as church and school often represent a natural place where immigrants and receiving communities come together.

Pro-Active Immigrant Integration - Marshalltown, Iowa

Marshalltown is a small town in Central, Iowa. Between 2000 and 2010, the foreign-born population of Marshalltown more than doubled, and now makes up over 26 percent of the town’s population. In 1990, Marshall County had a mere 292 Hispanic residents, 20 years later, that figure had grown to over 7,000. Today, around 30 percent of the town’s businesses are foreign-owned, and immigrants have played an especially important role in revitalizing the downtown area. What was once a

http://conservancy.umn.edu/bitstream/handle/11299/104521/LaegerHagemeister_umn_0130E_11775.pdf?sequence=1&isAllowed=y.

http://www.dailyyonder.com/hispanic-growth-higher-rural-incomes/2013/02/12/5652.
32 U.S. Census Bureau.
33 See Pew Research, Hispanic Trends Project,
downtown with little economic activity is now filled with bustling stores and restaurants, many of them immigrant-owned.34

All of the positive immigrant-driven development led former Iowa Governor Tom Vilsack to name Marshalltown a model city for its efforts in welcoming new Americans.35 Town leaders recognized growing tensions between the incumbent population and their new neighbors and took pro-active steps to integrate them into the community. The mayor, police chief, faith leaders, local schools, local community college, and chamber of commerce all undertook specific initiatives to facilitate this integration.

This combination of welcoming efforts from the public and private sectors has led to better cohesion among the Marshalltown community and to better economic results for its downtown. Marshalltown can serve as a model for other rural towns to capitalize on new demographic shifts as a catalyst to economic development.

**Utilizing Immigrants to Address Rural Business Succession Challenges - Ontario (Canada) Immigrant Network**

Across rural Ontario in Canada, there are numerous small-town businesses with aging owners. While profitable, these successful businesses often face closing when their owners want to retire, simply because of a lack of someone willing to take it over. The Ontario Immigrant Network works to solve this problem by connecting these business owners with immigrant-entrepreneurs looking for a business opportunity. The initiative first analyzes businesses for sale and assembles a list and the requirements for ownership. It then screens for candidates by working with community stakeholders to pre-screen ideal candidates based on their entrepreneurial skills. After connecting the entrepreneurs with the opportunities, they provide technical support for the immigrants by connecting the newcomers to mentors, business, settlement, and other social services. The program benefits rural communities by finding new entrepreneurs to invest in businesses that would likely close otherwise, thus creating continuity of services and improving the local economy.

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Entrepreneurship Programs

In addition to pro-active integration efforts, communities have developed entrepreneurship efforts to target immigrant communities in rural areas. These have included replicating fairly traditional entrepreneurship programs, as well as more innovative approaches that specifically seek to address language and cultural barriers, as well as take advantage of the unique assets of immigrant entrepreneurs and unique challenges of rural communities, including its aging challenges that are leaving numerous rural businesses without leadership succession.

The Iowa Center for Immigrant Leadership and Integration at the University of Northern Iowa and the U.S. Small Business Administration has developed a useful guide to assist economic development practitioners working with immigrants in rural areas. The guide provides a great starting point to establishing a rural entrepreneurship initiative to serve immigrants or even to expand an existing rural entrepreneurship program so that it can include immigrant participants. The guide is well laid out by chapters covering how to prepare community organizations for such programs, developing effective business coaching and entrepreneurial training efforts that reach immigrant entrepreneurs (who may have limited English proficiency and cultural barriers to accessing traditional entrepreneurship programs), and offering appropriate lending programs, as well as building a network with immigrant entrepreneurs in rural areas. Each chapter concludes with simple actions steps and best practices.

Recommendations for Possible Federal Actions to Support Rural Economic Development Integration

- Work with federal agencies (U.S. Small Business Administration, Department of Agriculture) to further support immigrant welcoming, integration and entrepreneurship programs and to pilot best practices

IMMIGRATION-FOCUSED FOREIGN DIRECT INVESTMENT PROGRAMS

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37 Collins-Williams and Grey “A Rural Service Provider’s Guide to Immigrant Entrepreneurship.”
Immigration not only brings new talent, labor, and diversity of skills to a region but also a deeper global connection, which facilitates trade and investment. In fact, immigration growth has been found to be positively associated with increased foreign investment at the metropolitan level. Immigration often bolsters foreign investment through the role that local immigrants play in bringing foreign firms and investors to a regional economy. Programs that seek to utilize immigrants and local networks of internationals to greet foreign companies considering investment have long existed and often include international business councils at local chambers of commerce, local councils on global affairs, local international visitors councils, local corps of foreign consulate offices, ethnic chambers, and other business groups.

**Best Practices in Foreign Direct Investment**

While developing local networks of varied international interests has been an economic development strategy for decades, immigrant economic development initiatives (and the global economy) have begun to pay more attention and energy into capitalizing on various investor visa opportunities, including the EB-5 Investor Visa and E-2 Treaty Investors. Investor visas allow individual foreign investors seeking an opportunity to migrate to the region or to utilize U.S. immigration law to establish U.S. residency and citizenship, and growing immigrant populations can foster home country relations with wealthier individuals seeking to utilize this tool.

**Connecting EB-5 Strategies with Local Economic Development Plans**

The 2014 Brookings report highlights the opportunities for local economic development agencies (EDAs) to work more closely with EB-5 regional centers. Local EDA staff have the best access to high-quality economic development projects and have well-established and researched economic development plans that target growth and impact industries. They also know which economic sectors and investments need low-cost capital to grow.

The Brookings report highlights the work of EB-5 regional centers and local EDAs in **Dallas, Philadelphia, and Riverside-San Bernardino, California**. Each provides a specific example of how local economic development agencies and local government might take advantage of the EB-5 program in a manner that will maximize long-term economic growth and job creation.

**Use of Local Immigrant Networks**

Each region has a unique mix of international assets—immigrants, refugees, global industry ties, trading partners, international students, etc. These familial, cultural, and commercial links suggest that a metropolitan area and local regional center may attract
potential EB-5 and E-2 investors from areas of the world that have not been as solicited as certain Asian communities. As competition increases for investors in Asia, local relationships with Africa, Mexico, Brazil, and other Latin American nations, Europe, and the Middle East present ripe opportunities for securing new EB-5 investors.

Regional centers and local EDAs should utilize skilled intermediaries and partners who can help secure international investors, a new regional center’s biggest challenge. Efforts should be made to capitalize on existing global trading relations enjoyed by the local region, including unique relationships with businesses and investors stemming from local industries’ global presence as well as the region’s largest immigrant populations.

**Recommendations for Possible Federal Actions to Support Foreign Direct Investment**

The following suggestions for a reconsidered EB-5 regional center program can help federal policymakers strengthen the utility of this tool and better accomplish the central goal of the program, which is to aid regional economic development, especially in distressed areas:

- **Designate an oversight role for the Department of Commerce to supervise the adjudication of regional centers, standardize data and methodology, and better monitor program impact.**

- **Create incentives for partnerships between regional centers and EDAs, thus aligning similar goals in mutually beneficial arrangements. Regional centers and EDAs often possess complementary resources and can leverage more funding and reduce risk for investors.**

- **Generate high-quality, multi-variable public data on regional centers to facilitate better evaluation of the program.**

**IMMIGRATION-FOCUSED EXPORT PROGRAMS**

One specific economic benefit of growing immigrant populations—a benefit that has scarcely been recognized and is largely untapped by economic development work—centers on export growth potential, which has the potential to generate significant economic benefit for communities. The presence of new immigrants lowers transaction costs; breaks down language access, cultural, and other informal barriers to trade; and provides local insight into new markets. It is estimated that for each additional immigrant, exports to their country of origin increase by between $11,458 and $22,999
for immigrants from developed countries and between $1,468 and $4,139 for immigrants from developing countries.\(^{38}\) This effect is not dependent on the skill level of the immigrants,\(^ {39}\) and it generally outpaces increases in demand for imports from their countries of origin.\(^ {40}\)

Immigrant communities can help bolster exports through their knowledge of the business and social norms in their countries of origin as well as through leveraging their networks. Immigrants also have a high level of knowledge on host-country trading opportunities including information about available products suitable for export and contact with agencies that know of opportunities for trade. Through their high levels of cultural competence and agility, immigrants help to lower the costs of bilateral trade.

But it is not just the value that immigrants provide to local businesses that help bolster exports. Often immigrants create their own businesses that become a significant part of a region’s export economy. In fact, immigrant-owned businesses are more than 60 percent more likely to export than non-immigrant owned businesses. Immigrant-owned businesses are almost three times more likely to be “high-exporting companies,” defined as deriving more than half of the firm’s sales from exporting. According to the 2007 Survey of Business Owners, immigrant-owned firms comprised 13 percent of the sample of 1,120 firms randomly sampled but over 35 percent of high-export firms.\(^ {41}\)

**Best Practices in Immigration-Focused Export**

Unfortunately, few, if any, formal efforts to specifically focus on leveraging immigrant talent and relationships to increase exports. While the existence of these networks is well-known and often a much-discussed asset of ethnic Chambers of Commerce and other business groups, our research has failed to uncover a formal local program

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\(^ {39}\) Although other studies suggest that the more highly skilled the immigrant, the greater the impact on export growth and job creation, the studies suggest that working-class immigrants impact export growth positively. There are other factors that impact the magnitude by which immigration fosters foreign investment and export growth that depend on the size of the local immigrant population, the nature of the U.S. trading relationship with the immigrant’s home country, the nature of their home country economy, and other factors. While these factors can determine the degree and nature of the impact, there appears to be widespread agreement that immigrants of any skill level from any country have positive impacts on trade and investment.

\(^ {40}\) Ibid.

seeking to better organize a U.S. metropolitan area’s export economy to take advantage of a local international community. Instead, local trade missions have occasionally been organized to include local immigrants and ethnic business associations but more often, however, have not thought to tap into these networks.

**Recommendations for Possible Federal Actions to Support Immigration-Focused Export Programs**

- **Target federal resources supporting U.S. export growth on pilot programs that seek to connect local metropolitan immigrant networks with export opportunities**

Utilizing the networks of immigrant communities can increase profits and lead to new opportunities in emerging export markets. It is a smart business decision and has been promoted by the SBA and Export-Import Bank in their training materials. However, most of the attention of export promotion programs has been focused on the mechanics of preparing companies to export rather than on developing or leveraging immigrants’ ability to facilitate increased exports.

Ethnic Chambers of Commerce and foreign consulates have intuitively sought to leverage their global relationships into facilitating international trade and investment. For regions seeking to build a formal program to tap into its immigrant networks to facilitate export growth, ethnic Chambers of Commerce and foreign consulates may be a good starting point. Many such organizations have hosted business conferences focused on networking and export skills, and because of the large presence of immigrants and those with ancestral ties to a foreign trading partner, these events have likely helped to increase local exports. Other programs have sought to teach immigrant entrepreneurs the legal and business mechanics of U.S. export. Such programs seek to speed the learning process for immigrant entrepreneurs and shorten the lag time between their arrival and their positive effect on export promotion.

While programs to educate immigrant entrepreneurs on U.S. export regulations may contribute to growing exports, our research suggests there are numerous unexplored opportunities to connect immigrants and ethnic business actors with home relationships to existing exporters and those with strong domestic product that might have export potential. Immigrant export promotion programs do not need to be full-blown initiatives to make an impact.

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