The Contribution of Outsiders to Entrepreneurship and Innovation in Cities: The UK Case

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Introduction

At the beginning of the new millennium, the nation-state, the driving force of economic, social, political and cultural development for the past two or three centuries, appears to be dissolving under the pressure of cross-national integration. This dynamic, however is not uniform across the board, for we often see that the liberalisation of trade in goods and services, and the increasingly unrestricted flow of capital across borders (the key features of globalisation) run counter to numerous examples of interest groups successfully pushing for policies that restrict trade and depress national incomes. Globalisation may be positive for some and unsettling for others, but it is surely set to bring change in the way we perceive immigration and the movement of peoples from one country to another.

Looking back at history, the last time that a similar scenario occurred was at end of the nineteen century, when the world became highly integrated economically through the mobility of capital, goods and people. Above all, people moved from country to country in a quest for freedom, security and prosperity. Undaunted by long journeys across continents and oceans, these newcomers brought substantial economic growth to the countries that welcomed them, while the countries they left experienced substantial productivity gains as their populations shrank. Without the free flow of capital, it would have been impossible to develop the infrastructure needed to welcome the new migrants; migration, in turn, created large overseas markets for European engineering products as well as for textiles, clothing, and other consumer goods. From the beginning, however, growing integration triggered demands for control and, from the late 1870s, more and more countries imposed protective tariffs. As a result, during the last decade of the century, attitudes to migrant newcomers became increasingly hostile and policies more restrictive.

The integrated world of the late-nineteenth century bears a close resemblance to today's world in which globalisation, identity and citizenship take equal place at the top of the political agenda. In particular, today's states are subject to opposing pressures: on the one hand, pressures to reduce taxes because tax cuts enhance the mobility of labour and capital, and, on the other, pressures to raise additional revenues to finance

traditional expenditures. As a result, this economically integrated world is likely to see more generalised financial and political anxiety which, in turn, may bring in fresh demands for a halt to liberalisation and the free movement of people and capital. This usually means rethinking (among many other things) immigration policies. The risk is that of turning the clock back, and the extent to which the response to economic crises will actually turn back the clock depends on how states and cities are prepared to think about this issue.

There is increased evidence, for example, that advanced economies are driven by the creativity and innovation that newcomers bring to a place through immigration. In particular, Richard Florida's theory (2002) that diverse, tolerant and cool cities will outperform other places, is increasingly attracting the attention of policy-makers and politicians alike. Building on the work of Jane Jacobs (1961), Florida argues that diversity influences economic competitiveness indirectly by fostering creativity (Florida, 2002). His argument is that places with diverse mixes of creative people are more likely to generate new combinations of ideas and resources which, in turn, lead to greater innovation, start-up creation, job generation and, ultimately, economic growth. Creative people, Florida says, prefer places that are tolerant in terms of openness to new ideas and different kinds of people, and they move to them because they provide opportunities to validate their creative input. These tolerant places exhibit high levels of innovation, growth and the formation of new firms.

This tradition of creativity and enterprise among minorities and newcomers is deeply rooted in, to take one obvious example, London's economic history. The existence of a silk trade in the later Middle Ages and early modern period attests to the longevity of outsiders' creative enterprises – in this case specialist workers from Flanders and France – and although the silks, tapestries and other arts or crafts traded were predominantly produced elsewhere, greater prosperity and growing demand inevitably stimulated local production too. Similarly, the Chinese spurred the growth of the porcelain industry during the seventeenth century in Bow, Chelsea and Limehouse, and the Scots, Jews and Eastern Europeans were especially important in the early years of the advertising, industrial design, film, music, publishing, television and radio industries in the nineteenth and twentieth centuries. More recently, two innovative global advertising agencies – Ogilvy and Mather and Saatchi and Saatchi – were both founded by newcomers: David Ogilvy's family migrated from Scotland and Maurice Saatchi's from Iraq. In terms of the music industry, Britain's own Tin Pan Alley, centred on Denmark Street, London WC2, was a microcosm of a diverse and open community that welcomed strangers and newcomers of talent.

However, these enclaves of tolerance survived often against the intolerance and mistrust of politicians, legislators and the general public. In Elizabethan England, as early as 1573, an official who surveyed the mass of French people and Lowlanders who crossed the Channel made a clear distinction between those who come *'for conscience's sake'* (as religious asylum seekers) and those who 'come *onlie to seeke worke'* (and these economic competitors for local jobs were promptly sent back). No one was welcomed, but those who managed to stay and 'behaved themselves' earned if not the respect, then at least the tolerance of the hosts. Thus, Huguenots (in the sixteenth century) – like the Jews (more than a hundred years later) – first laid the

ground for what soon developed into the biggest wool weaving industry in Europe. Within a generation or so, the same kind of people were acquiring coats of arms, marrying into the aristocracy and becoming bankers to the Crown.

As the artist Ford Madox Ford (half German himself) remarked about a hundred years ago in the shadow of the first legislation designed to curb immigration into Britain: "In the case of a people descended from Romans, from Britons, from Danes, from Normans, from Poitevins, from Scotch, from Huguenots, from Irish, from Gaels, from modern Germans and from Jews, it seems almost absurd to use the obsolescent word race". Yet, the meanness of spirit with which some German Jews, fleeing from the racist policies of Adolf Hitler, were refused entry to Britain in the 1930s and the questions surrounding the way in which 'illegal immigrants' are currently shipped around the country, and more often than not, ejected, all seem to conspire against the idea of an open and creative society making the most of newcomers' contribution.

In the film *Monty Python's Life of Brian*, set in first-century Judea, a group of rebels complain about the Roman invasion: "What have the Romans ever done for us?" Of course, the same question could be asked of any migrants, including the waves of newcomers who have created modern Britain. And, as in the film, the answer to the question would clearly be: "Quite a lot, actually." History challenges our ancient prejudices. As Robert Winder, author of *Bloody Foreigners* (2004), writes: "We do not always think of Britain as a country settled at a deep level by immigrants. We prefer to construct mythologies of national character as something stable, as a still and virtuous point in an often unruly world." But, the truth is that, in Eddie Izzard's words, we are a "mongrel nation". "We should be proud to be English because we are so cosmopolitan. It's the mongrel dog that's really wily and clever and steals all your biscuits. The pedigree dog is pretty, but thick as two short planks – and chokes on the biscuit."

In 1948 the Nationality Act gave British imperial subjects the right of free entry and in the same year the *Empire Windrush* arrived from the West Indies. Since then, despite the continuing problems of racism and anti-immigrant hysteria, the contribution made by new Britons from the former Empire colonies has been outstanding. In terms of food, the West Indies gave us bananas, pineapples, yams, sweet potatoes and chillies. Bengalis from Sylhet set up Indian restaurants, and Chinese eateries spread in the 1970s. Ugandan Asians such as Rashmi Thakrar made millions from industries, in his case the Tilda Rice empire. Gulam Kaderbhoy Noon invented Bombay Mix. The Notting Hill carnival, now a British institution, comes from the Caribbean, and today's youth – of whatever origin – are ardent followers of black street culture, with its Blinglish slang and black music styles. Joe Bloggs Jeans were created not by Joe Bloggs but by Shami Ahmed. In 2005, the man topping the rich list in Britain was the Indian-born Lachmal Mittal, worth some £15billion.

By 2000, you were seven times more likely to be a millionaire if your name was Patel than if it was Smith – though there are 10 Smiths to every Patel. Despite the myths about asylum-seekers – that they are "health tourists" and "welfare scroungers" – 30% of them have professional jobs compared to 25% of British natives. The Treasury reckons that migrants contribute more in tax (£31.2 billion) than they get in benefits. Today, newcomers are mixing more rapidly than ever. Government statistics show that

the mixed-race population grew by more than 75% during the 1990s to about 415,000, 10% of UK ethnic minorities. And mixed-race youth is the fastest growing section of the population. So instead of a multicultural society – a salad of distinct cultures – we are moving towards a polycultural society, a mix of different ingredients, with the whole greater than the parts. In this context, the intercultural city is fast becoming a reality. As Robert Winder says, "If anything defines modern Britain, it is variety, the sense of often clashing flavours."

Throughout its history, Britain's population has been enriched by successive inflows of migrants, and each flow has made a substantial contribution to the economic, social, political and cultural development of the country. This paper is an attempt to chart the positive effects that cultural and ethnic diversity brings to economic growth and innovation. In particular, it seeks to provide first-hand evidence of the transformative power of the 'diverse' backgrounds of newcomers on entrepreneurial and business activity.

The focus of this paper is, on the one hand, on second generation immigrants from both white European and ethnic minority backgrounds who are owners of large or global businesses which originated in the UK (mostly from London), and, on the other, on smaller scale ethnic-minority enterprises, mostly operating at local level (usually at city level). The analysis of these two types of entrepreneurs – the 'global' and the 'local' – is dictated in the first instance by the need to provide evidence of what happens when people from different cultures interact and how this leads to new business ideas.

In particular, the hypothesis here is that 'global' entrepreneurs tend to operate from capital (or large) cities, use elements of their cultural background and apply it successfully to the development of new business ideas. The intercultural element in this case is successfully achieved through a 'natural' blending of entrepreneurial ability, personal ambition, networking and access to contacts and funding. These entrepreneurs, in addition, tend to gravitate to places that provide the right mix of big business contacts along with like-minded business partners and operators, seeking a cultural environment in which innovative ideas from outsiders can easily be integrated into mainstream business. In this case, ethnicity is not the sole factor of success (if anything, it is underplayed), and the economic and institutional context in which such enterprises operate (i.e. sector, locality, access to labour markets) are key factors instead.

However, the reason for selecting examples from a second set of entrepreneurs – at the 'local' level – is related to the need to look more specifically into the conditions needed to make intercultural exchange more productive in terms of business development for ethnic minority businesses in general. The hypothesis here is that those ethnic minority enterprises that are successful (and innovative) in the 'small and local' sector are so because it is here that they find the *niche* markets that can accommodate them. In other words, the particular forms that these enterprises take are dictated by a need to move away from saturated 'traditional ethnic business' sectors (i.e. food, or retail) in order to provide services or products for the more 'discerning' and 'distinctive' markets. Here too elements from individual original cultures are mobilised and combined with the local culture, with the result of generating interesting business hybrids.

However, contrary to the 'global' entrepreneurs, mainstreaming in the 'local' case can be a problem. This is because success for this type of entrepreneur greatly depends on the presence of the right local support. In particular, while the 'global' entrepreneurs mentioned earlier can 'bend the system' to their needs, 'local' and niche ethnic businesses depend a great deal on the cultural openness, risk-taking and understanding of their local policy, business and regulatory structures. Thus, through the analysis of such diverse business experiences, this paper will highlight the lessons to be learned and make recommendations as to what cities should be doing to encourage and support those innovative and culturally mixed businesses with the potential of contributing to their overall economic success.

Migration and Competitiveness

'Migration is the oldest action against poverty,' the American economist J K Galbraith once remarked and his reasoning was that migration is good for the country to which people move to and that it helps to break the equilibrium of poverty in the country from which they come. In an increasingly global economy, highly skilled and entrepreneurial immigrants provide the necessary bridge to the talent, business and capital in their adopted homeland. The risk-taking factor among the immigrant community, coupled with educational accomplishments, internal networks providing capital, and access to inexpensive overseas labour markets, all contribute to local economic development.

In particular, ethnic minority businesses (EMBs) may extend the range of goods and services available to customers in general. Porter (1995) shows that the demand for ethnically-specific products and services tends to create business opportunities for local inner-city providers, thus setting in motion a virtuous chain reaction of business spin offs. Historically, special ethnic food and drink products have been part of this dynamic. A more recent example may be that of creative industries' businesses (Henry et al. 2002). In London, for example, EMBs play a leading role in music, the performing arts, fashion and software design. These businesses are more likely to be owned by second and third generation Asians who have abandoned the 'traditional' Asian industries of retail and clothing for more contemporary forms of production. (CEEDR 2003)

EMBs also contribute to city/region competitiveness in other ways. One way is the provision of goods and services already available in the marketplace. This, argue Smallbone et al. (LDA 2005), creates pressure on existing firms to lower prices, or improve efficiency in order to retain market share. Thus, market entry may lead to the displacement of existing businesses. This dynamic is what spurs competitiveness.

In addition, EMBs may increase their competitiveness by exploiting their 'diaspora networks'. In a city containing concentrations of BMEs where exploitation of such links is enabled (or tolerated), competitiveness benefits become immediately visible in, for example, the number of small firms prospering and generating business for others. The impact of the Chinese diaspora, for example, has had a wide influence on companies throughout South-East Asia. Cheung (2004), for example, describes how the *cluster* of Chinese diasporas in South-East Asia drives both production and the pace and direction of innovation. These diaspora links tend to be social capital networks, connected by ethnicity, language and association, and, as such, often transcend business relations

and geographical boundaries. In the UK, there are examples of such networks among the Asian, Indian, Chinese and Pakistani businesses. In all these networks, trust is important, and, as Allen Scott argues, high density communities characterised by high levels of social capital tend to generate more successful firms (1998).

In her study of Silicon Valley new immigrant entrepreneurs, Annalee Saxenian (1999) found that many foreign-born scientists and engineers in Silicon Valley acted as entrepreneurs and as middlemen who facilitate trade and investment links with their countries of origin. In 2000, Indian and Chinese entrepreneurs alone headed 29% of Silicon Valley's technology businesses. Together, these companies accounted for $19.5 billion in sales and more than 77,000 jobs in Silicon Valley. Singer (2004) argues that the most successful entrepreneurs in Silicon Valley tend to be those who, as well as integrating into mainstream technology and business networks, have also drawn on their ethnic resources. In the same way, and through the exchange of in-depth knowledge and information about market opportunities and local production capabilities, networks of Indian engineers enabled successful outsourcing of software development from Silicon Valley to Bangalore to occur.

Supplier diversity is a further aspect of ethnic minority business competitiveness. By allowing both EMBs and public sector bodies to access high-quality, diverse inputs that would otherwise be more expensive, or difficult to acquire from other sources, ethnic and linguistic diversity can contribute to economic competitiveness. Evidence from the US shows an increase in awareness by corporations about the importance of adopting more 'diverse' sources of supplies. This may be due to the fact that minorities now represent the largest sales growth markets for some products. Also, suppliers can be better matched to consumers through feedback about products and services, and by being alerted to new markets. (Rauch 2001)

Building on this, and in relation to endogenous growth theories, particularly externalities associated with knowledge spillovers, Pinelli et al. (2003) argue that, provided that there is enough communication between individuals, the cultural specificities of the skills and knowledge of individuals (with different cultural backgrounds) can generate an environment in which the gains from complementarities are quite significant. In this scenario, diversity positively affects knowledge spillovers and innovation, and in so doing becomes a key element of growth.

This may be the case in the US where a recent study shows that newcomers to that country are much more likely to be entrepreneurs than native-born Americans. In fact, for some immigrant groups, the entrepreneurship rate is two to three times greater than that of the American-born population (The Brookings Institution 2004). In studying regions around the US, the Brookings research finds that the leading edge of population and economic growth in the country is related to immigration, particularly from Asia and Latin America. This may be why, in an effort to reverse economic decline and post-industrial depopulation, cities such as Baltimore, Indianapolis, Louisville, Philadelphia, Minneapolis and the state of Iowa have recently devised ways to work in partnership with their existing immigrant communities in order to pro-actively attract more people from the outside to relocate to an immigrant-friendly destination for starting or expanding business operations, attending college, or, raising a family.

In Britain too some cities are taking stock of the evidence coming from the US, and are beginning to put in place policies for attracting diversity. In 2005 the One North East and the Tyne and Wear City Region Agencies commissioned Comedia to carry out a study to show the 'attraction' benefits provided by foreign-born entrepreneurs, and in 2003 the Scottish Executive launched a new policy framework for the attraction of new talent to meet the challenge of growth in the new Scottish nation (The New Scots). Promoting Scotland as a place to live and work and encouraging students at Scottish universities to stay in Scotland are the priorities of this new Scottish strategy. In 2005, these policy priorities became reality through an agreement between the Executive and the Home Office to allow overseas graduates from Scottish universities, who express the intention of living and working in Scotland, to stay on for two years beyond their graduation date, in order to seek employment. After two years or earlier, graduates can switch into work permit employment or other legal migration routes for which they qualify. The programme also makes available a number of scholarships in the area of entrepreneurship.

In London, the LDA launched in 2004 the Competitive Advantage of Diversity initiative to explore the relationship between ethnic and linguistic diversity and urban competitiveness. The resulting report (LDA 2005) draws on a number of sources, including national statistics obtained from the Census of Population 2001, as well as local sources, such as the London Annual Business Survey. In addition, a range of reports on specific topics (for example the report on Ethnic Business by The Small Business Research Centre, Kingston University) concerned with black employment in the public services, and economic development in Chinatown, were consulted to provide more detailed analysis of the economic activities of ethnic minority groups in London.

In the report, ethnic minority entrepreneurship is dealt with in some detail and, in particular, the report shows that involvement of ethnic minorities in entrepreneurship varies considerably between ethnic minority groups. The Chinese, Pakistani, Indian and White Irish groups, for example, have the highest rates of self-employment in London at over 20% of those in work in each group. This contrasts with Black Caribbean, Black African and Black Other groups, which have among the lowest rates at between 10% and 13%. In each ethnic minority group male self-employment is considerably higher than female, but Chinese women have the highest self-employment rate among women. Almost one in four businesses in London (22.6%) can be categorised as BMEs. Collectively, it is estimated that they employ some 504,700 people or 19% of total private sector employment in London. Asian owners comprised 10.7 per cent of the total, while Black owners represented 4.6%. The remaining businesses are made up of Mixed-Race (4.3%) and Other (3.0%) ethnic groupings. The same report also highlights that in London there are around 10,000 Indian-owned businesses turning over £20 billion; 4,000 Pakistani-owned businesses and 900 Bangladeshi-owned businesses. In addition, there are approximately 16,000 Black Caribbean and Black African business owners, turning over around £10 billion (LDA 2005).

What is clear from the US evidence discussed earlier is that successful cities (and regions) are those that are 'proactively' seeking to create partnerships with their immigrant, bilingual and minority communities in order to build the necessary bridges to

reach the global and multicultural marketplace. Evidence from the British experience, however, shows that despite widespread belief that diversity is a major urban asset, the evidence base is anecdotal or under explored. Some questions remain unanswered, such as: how can economic development mechanisms make the most of the competitive advantages of diversity? What different and new policy tools are required at the city (or region) level to support and boost these diverse resources? By presenting first-hand evidence of both the advantages and the obstacles foreign-born entrepreneurs experience when coming to Britain, this paper wishes to contribute to the debate about future policies for innovation and competitiveness.

Case Studies

Part One: Mainstreaming the Intercultural

The subject of the three case studies presented in this section are Stelios Haji-Ioannou, the founder of the low cost airline easy-Jet, Alan Yau, the creator of the noodle bar chain Wagamama, and Chai Patel, the mind behind the mental health and neuro rehabilitation centres The Priory. These global entrepreneurs have chosen London as the starting point for their careers, and in different ways and to different degrees, have used elements of their cultural background and applied it to the development of new business ideas. In addition, the case studies also show how the commercial success of these newcomers is often accompanied by both a personal ambition to succeed and a marked propensity to seek a business environment in which innovative ideas from outsiders can easily be integrated into the mainstream. These are, in a sense, 'natural' intercultural business models with a global appeal which are deeply embedded in the chosen economic and institutional contexts and are influenced by a range of factors such as sector, locality, labour markets and institutional support (Ram and Smallbone, 2001).

The case studies are presented under a series of headings, each highlighting a particular aspect of the interplay between the personal and the socio-economic environment in which diversity is the currency used to develop new and radical business ideas.

Origins

Stelios, prefers to be called by just his first name. He was born in Greece, to a family of wealthy industrialists, and was educated in Athens, and then attended the London School of Economics and City University Business School, where he gained an MSC in Shipping Trade and Economics. He set up Stelmar Shipping at the age of 25, and the low-cost airline easyJet at the age of 28. Since then he has rolled out the 'easy' brand, which offers value for money and no frills products, to many other areas, from travel to leisure, telecoms and personal finance. Using his private investment vehicle, the easyGroup, he owns the 'easy' brand and licenses it to a variety of other entrepreneurs.

Stelios has revolutionised air travel, making it much more democratic and classless, and has, into the bargain, helped the regeneration of those cities whose airports accept his airline. As well as uniquely offering access to everybody, his airlines have also appealed to business people who claim that this way of travelling not only allows them to save on business trips, but also gives them more flexibility and faster access to their clients and markets.

Chai Patel, was born in Uganda from a poor Indian family. When life in Uganda became difficult for the Patels, they left for India before Idi Amin expelled the country's Asians.

Patel lived in India until 1969 when his family came to Britain in search of work (his father was a postmaster and his mother a shop assistant). In London, he was educated in a comprehensive school and later gained a place at university to study medicine. After qualifying as a doctor, and following a brief period working in the National Health Service, he embarked on a career in merchant banking. This brought him into contact with some of the wealthy individuals who backed his venture into private health care. Patel created The Priory Group by merging Priory Healthcare with the Specialist Healthcare Services Division of Westminster Health Care in 2000. Some of its services are free at the point of use but supplied by private companies. At present, The Priory Group consists of 15 psychiatric hospitals, seven schools, two therapeutic community assessment services, five brain-injury rehab units and five secure and step-down units.

\Patel's original approach to medicine draws on a holistic philosophy about the mind and body, and in its treatment emphasises self-reliance and personal construct. The Priory Group is an innovative mental health service, whose services appeal not only to celebrities with drug and alcohol problems, but also to the parents of autistic children who find Patel's educational methods (based on the use of the arts and creative activities) more effective than mainstream treatments.

Alan Yau, was born in the New Territories outside Hong Kong. When he was 12, his family moved to King's Lynn in Norfolk. His father, a tailor, was attracted to Norfolk because friends from the same community had already settled there. As economic migrants, the Yaus were determined to build a better life in Britain and soon set up in the Chinese restaurant business. The eldest of six children, Alan Yau attended college in Norfolk, and then Thames Valley School, North London. Here he did business studies, but dropped out after two years and instead got a degree in Politics and Philosophy at London's City Polytechnic (now City University). In the late-1980s, after opening a Chinese takeway in Peterborough, with his father, he raised enough funding (through his family) to create his first 'fast-food' new idea, the Japanese-style noodle restaurant Wagamama, which opened in London's Bloomsbury in 1992. Since then, he has diversified into several other London restaurants, including Yauatcha, Hakkasan and Busaba Eathai, and has expanded internationally.

Yau's innovative approach to catering was in creating a 'popular' market for good-quality Japanese-style noodle bar food in stylish surroundings. Wagamama's success comes down to its trendy décor – the restaurants are 'cool' – and its fast-food philosophy: no booking, no smoking and no lingering. Back in the 1990s Wagamama did for food what IKEA did for furniture. A mix of high-quality design and good food was a radical departure from the traditional idea of ethnic eateries, and his new flagship restaurants show that he can compete at the highest gourmet level too.

Cultural Diversity into Business

All three global entrepreneurs are happy to talk about their origins and why they think Britain provides the best environment for their business. Stelios says: "I am an economic immigrant myself, albeit one who is a graduate of the London School of

Economics and who has a rich father. I found British society much more open than even some Brits would admit, accepting someone with an unpronounceable surname and a Greek accent to launch an airline which they are happy to trust with their lives. More than 70 million passengers later, easyJet, now a PLC run by professional management (of a mixed cultural and ethnic background), is still struggling to be perceived as a local airline (as opposed to a British one) in both France and Germany, despite our significant investment in those markets." As opposed to Continental Europe, he sees Britain as a much more newcomer-friendly place.

To this is also adds: "I chose Britain, not Greece, for the launch and my father, also a Greek who lent me the money, agreed. I believed then and am even more convinced now that Britain has the best legal system in Europe, one that you can trust to sue the so-called flag-carrier airline and still get a fair hearing. I do not think this would have been the case in Greece, or even France or Germany." That is why he chose Britain ten years ago to launch his first 'easy' branded venture, easyJet, the low-cost airline.

The relatively open (and deregulated) environment of the British business system is one of the key elements that made Stelios decide to locate easyJet headquarters in Britain and not in Greece. He explains it in the following way: "The French invented the term entrepreneur but their economy, with a nanny state and heavy social and legal penalties for failure, has created a nation of risk-averse people whose dream as youngsters is more often to work for the government than to start a business. In countries with a strong socialist background, like my own birthplace, Greece, one sees a preponderance of another type of entrepreneur: the type that excels at servicing one customer only, the government. The problem with these people, in the eyes of the public at least, is that they profit at the expense of the taxpayer, thanks to unscrupulous politicians; rightly or wrongly, they tend to be seen as the bad guys, exploiting the system. The real problem for the economy is that fewer young people have the desire to risk any of their own money to become true entrepreneurs."

For Chai Patel, commerce and caring have a high status as business values, and The Priory Group is the embodiment of such values. In reply to the question of how he managed to place these values at the heart of the British health sector (notoriously under pressure to meet targets and outcomes), he replies: "I increasingly bring it back to my cultural origins. In Indian culture, caring plays quite a critical part. It is a very important part of your spiritual life. In Hindu culture, caring is a very good thing to do. There is a special word for it for which there is no translation into English – that notion of caring which is seen as almost devotional. You do this for anybody who is elderly, frail, disabled, in other words anybody who cannot care for themselves. Healing and helping is seen spiritually as a very important part of being a human being." This is why he has a natural empathy for what is going on around him. Patel says, "There are things in society that you simply don't allow to happen and I can trace this back to my culture where we have a saying: 'If it is not good enough for your mother then it is not good enough for me'."

With his Mandala symbol, Patel says that the vision of The Priory is "enabling people to take control of their lives". "We are here to do good and we are a business second. The business feeds what we do but we don't get up in the morning to do business – money

is a means and not an end. I get up and think how can I provide better services, health care and education, and in the process be profitable, because profit is a measure of having done it well, efficiently and profitable."

He believes he is more of a hybrid than in other cases because he went to school here and his family did not pursue any particular isolationist approach. As newcomers, they were not afraid of assimilating into the local culture. What he preserved is what he chose to preserve, rather than what he has been forced to preserve. "We draw from where we come from but that's not where we are living. We are living here, we live here in a modern fusion world, but it is a world which draws certain values that can be traced back to our origins." As so often in the intercultural world, fusion is the key.

For Alan Yau, what so puzzled his parents is the fact that Yau has become so successful merely by delivering what is so basic to their culture of origin: standard well-cooked everyday food. Yau's vision is that there are "only four different food styles that can easily traverse the globe: Japanese sushi, Middle Eastern mezze, Spanish tapas and Chinese dim sum". To these he added noodles and a well design 'atmosphere'.

Yau's background plays a key role in the development of his business. Being the eldest of six children, says Yau, "carries certain responsibilities in Chinese culture." But although he worked for his father from the age of 16, he says he "detested the whole [Chinese take-away] industry. They way they operated, family businesses with no level of professionalism and very limited reward, and the racial abuse. I couldn't stand the whole package." This is what made him want to start something that was unique and different from what his parents (and the members of his community) had already done.

"When I began in the early 1990s," he says, "there was the infrastructure to make Asian food successful – after all, sushi and dim sum have been around for centuries – but not the individuals to glamorise them. Then in the 1990s along came Nobu Matsuhisa in Los Angeles, David Thompson in Sydney who elevated Thai cooking to a new level and Su-Sur Lee who did the same for Chinese food in Toronto."

He also says: "My parents, who bought me up running their Chinese take-away in Peterborough and King's Lynn, used to get up every morning, go to the market to buy food for the rest of the day, and then go and meet their friends in a teahouse to share breakfast. It is what I hope will happen at my new Yauatcha teahouse and dim sum restaurant."

Barriers to Intercultural Business

None of the global entrepreneurs can afford to underwrite complacency. "Any British complacency would be misguided," says Stelios. "The country still lags far behind America in entrepreneurial spirit. The main reason: attitudes to risk. If you are not failing occasionally, you are not taking enough risk and there is no reward without risk. In America a past business failure is almost a badge of honour (Donald Trump's status as a star of reality TV's *The Apprentice* soars even as one of his listed companies announces impending bankruptcy). In Britain it is a lasting handicap." He sees this as

the main barrier in Britain to the creation of a truly open society where the contribution of newcomers is accepted, and where outsiders can bring in new ideas and be free to develop them.

On the barriers newcomers encounter to the development of their businesses, Chai Patel also mentions money, in his case fund for starting up. His family often says that when the first generation Asian migrants came here from Uganda, a lot of them found it difficult to raise money because banks did not understand how this community worked. He quotes an example of a Nat West bank manager who decided to build a relationship with Indians and Gujarati shopkeepers and built up one of the biggest books in London because they never had bad debt and always paid back. But originally there was a suspicion of these newcomers. He also adds: "So there are certain traits which need to be talked about when new people come into society. Is my idea of honesty the same idea of honesty as yours? These are cultural issues which need to be negotiated which come from not knowing about newcomers. Also they come from having preconceived ideas about people lying, and so on. When you are different in a society, people ask how trustworthy are you?"

Another issue is role models. Patel says, "The Asian role model in business is now quite big so they don't need to look hard for it – there are many successful models there. But when I speak about Afro-Caribbean role models, the question is 'Where are they?' Their role models are in music, culture and sport. But there aren't any in business, or in banking. So if the government are going to do anything, it needs to think about finding ways of celebrating what is there, because there are some good Afro-Caribbean business people, but they haven't yet got the profile they deserve."

As well as role models, a factor which helps overcome barriers is the competitive spirit. Patel says, "For every first or second generation immigrant in any country there is also the notion that you want to prove yourself. You want to be part of the solution and not part of the problem. Be seen as contributing. And you always will work that much harder, than you normally would because you feel you have come here and been given an opportunity. Because what was somebody else's land has become my land. Therefore you always try to achieve more, you are always trying to prove that you're also putting something back."

Competitiveness is part of this. "People often talk about Asian culture being very competitive, very similar to Jewish culture, and very high achievers. Gujaraties – and my father comes from [the Indian state of] Gujarat – are seen as very high achievers, very academic and business oriented. If you look worldwide, Gujaraties are bankers, or accountants, as opposed to soldiers, engineers. In my family, people would always be talking about business. They would be trading or building businesses. Doctors also is a profession often chosen by people from this origin."

Alan Yau agrees that the determination of newcomers can help overcome barriers. "I think that what has really shaped my life and my upbringing is being an immigrant," he says. "It makes you much more determined, and much more focused about where you want to be. And also, in a bad way, it forces you to compromise much more. You have to sacrifice your lifestyle preferences, and maybe quality of life – operating on the

philosophy that the end justifies the means. I wish that I could write a book similar to Machiavelli's The Prince. Except that mine would be called The Immigrant and tell newcomers how to survive in an alien country."

Such survival tactics include responding to culture shock in general and racism in particular. Yau talks about the culture shock of moving from urban Hong Kong to the green fields of King's Lynn. He remembers seeing snow for the first time, and "the culture shock of coming from a very urban city, that shops don't open [in Norfolk] on Sunday and shut very early. Everywhere seemed so much quieter." He also had to cope with racism, a barrier to any newcomer: "Hong Kong was quite a homogeneous society and I didn't even know what racism meant. But it didn't make me feel bad about myself; it forced me to work harder. To be honest, I might not have done as well if I'd stayed in Hong Kong." Yau's one failure was trying to turn around Anda, an Italian restaurant, at the request of one of his shareholders. "But without the experience of failure, you think you can do anything you want." So failure is not necessarily a barrier to the global entrepreneur. It can mean that you get a good dose of reality, which can be turned into an advantage.

Lessons Learned

These global entrepreneurs have learned lessons from their experience of doing business the intercultural way. Stelios, for example, is well aware that not everything is rosy in Britain and that certain negative attitudes persist: "Gordon Brown, the chancellor, has said he might change the law to destigmatise non-fraudulent business failure, and I applaud that. But it will take more than that to alter the nation's attitude to business failure. The problem lies deep in the British psyche: what will always stand in the way of entrepreneurship is that Brits all love the underdog until he or she succeeds and then they love to shoot them down. This will not change." But, having created a dozen companies in 12 years in industries that trade in as many countries, he remains convinced that Britain is still the best place to do business in Europe because, as he puts it: "there is nobody out there that is more receptive to foreign entrepreneurs than the British."

Immigrants tend to be dynamic people, argues Stelios, "willing to take the risk of leaving their homeland for a better future. In 2005, thanks partly to the enlargement of the European Union, more and more successful entrepreneurs in Britain will not have been born there. And more people will start real businesses in less than glamorous sectors (as opposed to ventures comprising little more than a dotcom after a trendy name)."

Patel's experience has taught him the importance of raising capital. On this subject he says: "The biggest problem for entrepreneurs is finding money when they've got ideas. In a multicultural society, if you cannot access money because you don't look like anybody else, or you don't sound like anybody else, that does hinder your ability to grow. This may not be an issue just for ethnic business but it is an issue full stop. And it is an even bigger issue if you are from a multi-ethnic background."

Finally, he also stresses the importance of adversity in spurring newcomers into greater achievement. "I lived in India and Uganda so I know what poverty does and how damaging it is. So hard work at any cost is not a problem. We don't give up, we keep working hard because at the end of the day we have no choice – the alternative is failure and failure is not an option. This is the motivating drive because you have never seen security, you have to keep going. This is why new cultures are always striving."

Yau has learned that whatever local success he has enjoyed, there is always a wider market out there to reach. So, once started, there is no turning back and the stakes get higher and higher. He has been approached by big property owners in Hong Kong, his spiritual home, to look at various sites for possible restaurants. "Personally," he says, "it is a huge compliment to be invited back into the heart of the dragon, as it were, to see whether I can set up my kind of Chinese restaurant over there."

Part Two: Intercultural – the Local Way

The subject of the final three case studies are the Hussein brothers, owners of Bar dos Hermanos and restaurant Barceloneta in Leicester; Rudi Page, the London-based director of Statecraft Consulting, and Parvin Ali, founder of the Leicester based FATIMA Women's Network. As mentioned earlier, the reason for selecting examples from a second set of intercultural entrepreneurs embedded in the 'local' is linked to the need to look more specifically into the conditions needed to make intercultural exchange more productive in terms of business development for ethnic minority businesses.

The case studies show that those entrepreneurs that are successful (and innovative) in the 'small and local' are so because it is there that they identify niche, and alternative markets where they can flourish. The particular forms that these enterprises take are dictated by a need to move away from saturated 'traditional ethnic business' sectors (i.e. food, retail, or the provision of services to minorities) in order to create distinctive 'transcultural' products, or more cross cultural, bespoke services to diverse communities. Here too elements from individual original cultures are mobilised and combined with the local culture, with the result of generating interesting new hybrids. The case studies also show that the success of 'local' and niche businesses depend greatly on the ability of each entrepreneur to transcend both their original culture and local stereotypes and institutional constraints.

Origins

Andy and John Hussein were born in Pakistan. Their father worked in the Pakistani air force, qualified as an engineer and moved to Nigeria in the early 1960s. His Irish wife worked for BOAC. After their father was killed in a car crash, the mother moved to Britain where she met her second husband, who was working for Uniliver (Lever Brothers) as a key business advisor in the UK and abroad. The Hussein brothers were educated at boarding schools in Britain, then Andy got a degree in Economics at Leicester and John took a biochemistry degree. Andy worked for a while in London as a volunteer for a third world development organisation, International Coalition for Development Action, while John started out in the brewery industry. By the late 1980s, the brothers moved to Leicester, purchasing antiques and buying and selling properties. Then they set up in the restaurant business, the Rum Runner, a New Orleans Creole restaurant, then Que Pasa, the first Mexican restaurant in Leicester, which became very successful, and finally Barceloneta, which is twinned with Bar dos Hermanos.

The Hussein brothers have taken an innovative approach to setting up restaurants, eschewing Asian cuisine and introducing authentically styled, high quality, Mexican, Spanish and Cuban eateries. Their hallmark has been to bring to Leicester a taste for the 'Latino' lifestyle and atmosphere in an environment in which most Asian food entrepreneurs play safe by setting up Indian restaurants. Their commitment to the provision of 'unique cultural experiences' through food has allowed them to play a key role in resisting the sameness of the big catering chains in Leicester.

Rudi Page was born in London of a Jamaican father and a Monserrat mother, who'd migrated in the 1950s. After leaving school he went on to gain a marketing qualification and worked in advertising in his early twenties. From then he went on to work for a hair product company, selling black beauty products and becoming the firm's top salesman. He was so successful in the marketing department that he won a trip to Atlanta, USA. In 1982, he created the trend-setting Afro Hair and Beauty annual show, still the biggest show of its type in Europe; then the first Black TV series on cable in the UK; initiated the first British Trade Mission to Montserrat and established the International Domino Federation World Dominoes Championships, using corporate sponsors. Page then launched domino festivals in Singapore, USA, Cuba, Jamaica and London. In the late 90s he moved into the economic regeneration sector with TEC and Business Links, devising the Synergy project, pioneered by the North London Training and Enterprise Council (NLTEC) and Business Link London North (BLLN) in 2001. He is also a regular columnist for newspapers and a regular speaker at conferences and seminars. His awards include the Marketing Guild Award for Marketing Excellence (1995) and Award for Contribution to the Black Community from the Voice newspaper (1997).

With his company, Statecraft Consulting, Page works as a cultural intermediary, bringing together people from different backgrounds and walks of life. His approach (the Synergy model) is based on a strategic communication and development tool now widely used by government agencies, academia, private, public and not-for-profit organisations. The Synergy Model provides institutions with a cultural insight into the needs and aspirations of diverse communities, whilst at the same time building the capacity of ethnic communities to understand the wider political and strategic context within which they operate. In this way, Page uses his expertise at integrating commerce with culture, education, technology, health and community development to reach disadvantaged communities.

Parvin Ali was born in Malaysia and came to Britain at the age of two. Her father was an entrepreneur who worked in textile manufacture, distribution, as well as travel agencies and social clubs. Her family also founded the first private bus company in Malaysia. She attended grammar school in Leicester, and initially wanted to be a teacher but changed her mind and early on decided to join her father in running a company in the textile sector. At the age of 20, she set up her own company to make and sell textile trimmings, and then married a man who also worked in the textile business. As her father retired, she took over his business and ran it for 10 years. In 2002, did an MBA at De Montfort University, Leicester. Then she founded the British-based FATIMA Women's Network in Leicester, in 2003.

Ali's FATIMA network works for the economic empowerment of women, particularly those from disadvantaged backgrounds. Its distinctive feature is that it provides education, training and employment across communities to make women financially independent. To raise funds, FATIMA undertakes research work on gender and diversity for the national and regional governments in Britain and provides training for the Learning and Skills Council.

Cultural Diversity into Business

All three local entrepreneurs are aware of how their cultural backgrounds have helped their business. Andy Hussein says that his and his twin brother's willingness to take risks is the result of both their cultural background and of simply having no choice. "We never had any resources so we had to make our own luck – and take business risks." But he does acknowledge that "how you organise your business depends very much on your social and cultural background." He points out that immigrants to Britain from Uganda in the early 1970s ran successful corner shops in the same way as they had in East Africa, and had contacts in the professions, where their friends worked as accountants or solicitors. However, for people coming directly from India or Pakistan to Bradford or Leeds, it was more common to work in textile factories on the shop floor. The business skills that Pakistani newcomers had acquired in East Africa were transferable to Britain, even though the cultures of the two countries were different.

But locating a niche market is more important that entering a sector already crowded with newcomers. In Leicester, there is a lot of competition for the same market: Indian restaurants. To innovate, the Husseins had to create a new niche: their Barceloneta restaurant and Dos Hermanos bar for example, fill a gap in the market by drawing on other ethnicities -- Spanish, Mexican and Cuban -- rather than their own. He and his brother got the idea for these restaurants by travelling to Spain and to Cuba. Hussein says, "In Leicester, there is a huge variety of businesses, from the traditional corner shop to major textile operations, and some people have recently gone into manufacturing ethnic food, and then expanded out of ethnic food into other food." There are not many connections between these business networks and his business, however. "We always looked very much at the niche sector market. You have to look at the environment, find where it is underdeveloped, and fill that gap: we never wanted to fit in, but we always wanted to innovate."

The role model of business for the Hussein brothers is their step-father. "He was a model of mobility because he travelled a lot and both of us as children also moved every two or three years because we were forced to go to different countries (even though we were at boarding school) so when we were growing up, we never worked for more than a couple of years for the same company." Their step-father "was sent by Lever Brothers to Bangladesh, for example, to deal with the reconstruction, and in Zambia he was brought in to restructure the business." So, from an early age, they were used to the idea that a mobile outsider could perceive what was needed in a quicker and more perceptive way than someone who was too close to the problem.

Hussein says that he was also inspired by his step-father's experience of travel. The Barceloneta restaurant has been praised as a unique venue in Leicester, and commentators have lauded its stylish mix of Spanish music, décor -- tiles imported from Spain – and the Spanish garden that has been created in the back. Both brothers have worked abroad, thus picking up valuable intercultural skills and gaining the experience of working in diverse cultural contexts. Experience of travelling around Spain and to Cuba, where John was struck by the style of the architecture and the general environment (although he soon found out that it was not a place where private entrepreneurs were welcomed) also fuelled their business vision. From Spain and

Cuba, they imported original furnishings, just as they had once exported original antique furnishings that they has stripped out of the new properties they had acquired. Hussein says, "We've become very flexible and become attached to the idea that we just want to do our own thing."

Rudi Page also benefited from travelling to the US. What opened his eyes to business was a trip to Atlanta, which he won for being a top salesman. Here he saw "the sophistication of the Americans in their marketing and promotion; their trade shows were really exciting. The way they mixed music, design, hair styles. At the time, this combination did not exist in the UK. That kind of confidence about selling black beauty products was absent in this country." He then created his Afro Hair and Beauty show, which "combined all those things people would learn to sell because what the Americans were doing they were learning about these products and configuring their market. Learning by doing; learning by seeing; learning to buy for the consumer."

Page's view is that in the global economy the term "minority" is a social, cultural and economic misnomer. "In a competitive market," he says, "commerce and culture are inseparable, because culture is the unseen strand that binds people together. Bonds, which have been inherited within diverse communities, are a source of economic strength and competitive advantage and should be utilised as such." He applies this philosophy to his work as a consultant and cultural intermediary.

Once again, Page's success comes from targeting niche markets: "By directing resources towards the target market's area of economic, cultural and leisure interests, marketers can position against competitors by signalling through chosen medium, that their particular brand is interested in these groups as consumers." In the end, it is an intercultural perspective that is a vital key. He says, "It is not about your race, or your culture. I have travelled widely, mixed with different people and because of that delivered tangible services because of having that broad perspective. This gives you the confidence to continue with your entrepreneurial activity."

One of his recent projects has been the facilitation of the LOJO, or London Joburg Initiative, a good example of intercultural exchange. This is the first ever business-led London Joburg Initiative & Trade mission, supported by UK Trade & Investment and Business Link for London. The main purpose was to begin engaging with a market that has great potential for UK BME entrepreneurs. Working within South Africa's Black Economic Empowerment (BEE) agenda, the mission has been to allowed a number of UK BME enterprises to export their skills. There is a strong intercultural element since the BMEs coming from the UK are from a broader ethnic and cultural background and are selling skills in the field of human resource development. Their skills, acquired through working as members of "minorities", and their understanding of "minority" issues, can now be applied to different social fields in South Africa to empower people there.

Parvin Ali's experience of the textile industry emphasises the importance of her family. "It was built on trust because me and my father trusted each other we transmitted this to our customers." Although the overall British textile market was slowly declining during her time in this sector, Ali was able to succeed because "while my father always criss-

crossing the country I got the goods sent out by carrier. So I ended up with a good customer base right across the UK. While my father was 80% thread and 20% elastic, I changed the business to 80% elastic and 20% thread – and kept it small." Once again, the secret of her success was finding a niche. "We were covering a niche market; when you have declining markets there is always a niche that can flourish and this is what happened with us. At a time when people complained about the textile trade, we are making good margins."

Ali traces her entrepreneurial spirit to her teens. "At the age of 14, I already wanted to work -- as an Avon representative -- and in fact my mother took this part-time job to allow me to help her and to keep some of her earnings as pocket money." This incident underlines the importance of family to her development of business skills. Her grandfather was always involved in business, and the family founded the first private bus company in Malaysia." It is something that is really in your genes," she says. "Business and investment was one of those things that you live and breath in the household and this makes a difference to your outlook on life". Being able to use her own initiative was also a key to success.

Her family also influenced her attitude to risk. "We often talked about enterprise as if it was an everyday thing," says Ali. "The culture in which enterprise is absorbed in the psyche is influenced by the people with whom you are involved with and if it is your family then you think risk is the norm and risk does not seem so risky, but something you just do."

At the same time, being a newcomer was also a spur to action." There is also the point that being an outsider you always expect obstacles and you always think that you have to be that much better and that's what you do, you work much faster and think quicker." Overcoming this meant concentrating on soft qualities such as trust: "The main thing is building relationships of trust, which means really building sustainable relationships: when it comes to business at our level everything has to do with trust (with suppliers and customers)."

Her success in setting up FATIMA was also a question of identifying a niche, or more specifically, a gap, this time in the provision of support services to women entrepreneurs: "I encountered at the beginning some scepticism from colleagues in the city council because they were saying there are many organisations that do this and that, but I pointed out the gaps their narrow remit when it comes to the communities of interest they are serving." FATIMA Women's Network provides personal development, education, training and employment opportunities for women of all backgrounds, in particular, those from the excluded communities, in order to encourage their integration into mainstream society and employment or self-employment, in public, private or social enterprise. To achieve these aims, Ali is convinced that: "You cannot help anybody fully unless you help them to be economically empowered and only then you can begin to talk about inter-racial and interfaith harmony and cohesion."

Barriers to Intercultural Business

Local businesses have local problems. The Hussein Brothers have exploited their knowledge of different cultural environments, from Asian to Spanish and Cuban, to create innovative and successful business ideas. In doing so, they have sometimes had run-ins with local authority officials. "It is difficult for officials to understand that what we do is not for the mass market and that we don't fit into the picture of the typical Asian business," says Andy Hussein. "The erroneous impression given is that developments such as ours might attract large crowds of binge drinkers, yet this is not our aim. In fact we actively tried to stop the spread of pub chains coming into the city centre and we've struggled against the clone town syndrome." But their biggest problem remains getting planning permissions for renovating the properties which are then turned into bars or restaurants.

With his Synergy project, Rudi Page had to fight against local complacency. "You had all these disparate bodies in North London, all with their own agendas and my driving theme was: it is not who provides those services but why services are provided, what is the ultimate aim of those services? When you take that approach you are bound to come into conflict with some people. Their agenda may be to resist anything happening. Within ethnic communities you may have people who say we don't want to mix, it is hostile out there, stay with me and that is a way of keeping power over a group of people. So you get people within communities who continue to say that those communities have special needs or different needs than anybody else but what you really got is a vested interest. So I often find myself clashing against this." The problem with some members of an ethnic community is that it's easier to remain in their own cultural ghetto than to work in a more intercultural way.

For Parvin Ali, the main obstacle was that she never fitted into any dominant community, but that barrier could also be a strength. "My father used to go to any mosque, wherever it was convenient, to say his prayers and in that respect he was given a lot of respect from the community because he never took sides with anyone and, up to a point, that worked in our favour."

Ali's cultural background was both a problem and an opportunity. "The textile business environment tends to be very Indian-dominated and they don't see us as belonging to the community: we are Malaysians and we are outsiders. They also they look quite resentfully at a female coming in because they belong to an old-style Asian work culture. They are quite happy to have women behind the scenes but not in positions of power. But, ironically, every single one of them were our customers because when they needed something no one else could supply them." In this way, business can help overcome prejudice.

Lessons learned

Some of the lessons learned by local entrepreneurs were painful. When the Hussein Brothers bought Barceloneta, there was a carriage entrance between the two buildings that they wanted to alter. They asked for planning permission but got nowhere. A lot of

local people were against them and, despite recommendation from planners, they got voted down by the Council.

The area had originally been, says Andy Hussein, "a respectable working class area and had then been gentrified during the 1980s with a lot of academics and middle class relocating here. Hussein suggests that there could be an element of envy among this community of what they consider to be the Husseins' "new money", without knowing that "we come from a professional background. It is a bit as if these people are saying we got a little world here and you are stepping into our little world. It is as if they are saying we love going to Europe and it is the romance of the Continent (or the Mediterranean) but we actually don't trust these (Pakistani) people to create a Spanish restaurant here." Yet, now that the restaurant is thriving and attracting a young and hip new clientele from all over town and outside, these suspicions are beginning to subside.

Rudi Page has also learnt valuable lessons from working in an intercultural way. "What I learned from marketing is that marketing to economically active consumers within diverse communities is not necessarily a challenge to traditional marketing theory. It's about installing new ideas, creating innovation without precedents -- changing the paradigms to satisfy customers. The language of communication may be different but the needs are the same." His motto is to be comfortable in working in different environments and to be capable of making things happen. "Understand the wider environment, but understand your position in that environment, and then how do I move forward in that in that environment?" Page believes education also has a role. "Because business enterprise skills have not been added to the curriculum at primary school level, and they are only partially introduced at secondary school level, because they don't have anybody with entrepreneurial skills to motivate people to learn." Access to finance is another issue. "Access to funding is linked to the culture of the society and access to networks and the difficulty of penetrating existing networks."

Lack of recognition is another problem, in particular lack of recognition of the contribution some communities or individuals make to society, or business. For example, the UK Trade and Investment produced a policy paper last year in which for the first time they mention (in six words) the contribution of Caribbean business people. "Why is it that recognition comes to Afro-Caribbean people if they succeed in the creative industries and not if they try to succeed in any other 'normal' sector of commerce or business? It is this kind of recognition of 'ordinariness' that we need in order to get to the intercultural city."

Page says, "One of the main tangential areas in terms of business support where research attention has been increasingly focused in recent years concerns the delivery of business support to Britain's immigrant communities. However, there seems to be a consensus amongst observers that the problem may be less to do with the availability of support initiatives per se and more to do with their appropriateness for the various immigrant communities either in terms of targeting, design, or the actual delivery mechanisms."

Page sums up. "The four pillars of success are determination, discipline, character, and courage. These are the driving forces that will allow you to achieve your objectives. It

doesn't matter if there is prejudice out there from your own community or from others -- that cannot be an excuse to wreck the society in which you live because you have not been given the chance to succeed."

Parvin Ali takes a holistic view of FATIMA's support and advice provision. "Which is why I don't like people to call us a business support organisation because that is not our primary role – our main mission is to empower women. If a woman comes to us, what we do is that in addition to supporting her other needs, we also support her with her business if necessary. This is part of the package because women don't separate their family and personal need from their businesses. And this is what mainstream providers just don't understand."

This holistic approach comes from her personal life story. The business support she encountered in the past was so narrow. Ali also suggest that community organisations need to up their game. "Because you have people with few skills and a poor understanding of the cultural and human dynamics of such organisations. People duplicating resources and being very ineffective is another problem." For example, Ali's experience of being chair of the local Chamber of Commerce committee is that they have the same mentality in reverse, which was all about how much they were earning and nothing to do with their obligation to the local community. So the idea behind FATIMA was to create something that marries the two – an organisation that was effective and self-sufficient financially.

Conclusions

The case studies presented in this paper raise a series of questions relevant to the whole of the intercultural project.

First of all, these entrepreneurs do not fit into categories such as, for example, ethnic business, but a better way of understanding these enterprises might be that of reading them through the lense of a 'mixed embeddedness' (Ram and Smallbone, 2001). In this way, the entrepreneurial trajectory of such businesses can be assessed in the light of the cultural, economic, social and institutional contexts in which they operate.

Each individual story is about 'transcending' traditional business categories and cultural backgrounds and wanting to become role models for new hybrid businesses. This state of individual 'in-betweeness' leads these entrepreneurs to innovate while staying true to the values of their original cultures. This is where the 'intercultural' becomes a productive force for the society (or the city) that 'receives' such entrepreneurs.

Each of these entrepreneurs borrows some aspects from their original culture and applies it to the identification of new niches where they can innovate and leave their mark. Each builds on the social, economic and cultural strengths of their original community, but then departs from it and creates something that at times is alien, or in conflict with their community. However, it is precisely this tension and this need to break with tradition that gives them strength and the impetus to expand into new ventures. It is usually at this stage that they seek like-minded people to work with. And this is also why

they prefer to employ people from diverse backgrounds, rather than from their own. It is the talent, the flexibility and the capacity to adapt that they seek in colleagues and employees from other backgrounds and not the security of family ties, or the cultural understanding of the ethnic group.

However, there are some questions that remain unanswered. The three 'big' entrepreneurs all gravitate to the metropolis (in this case London), because that's where the opportunities are, that's where the potential for raising investment is, and where contacts and networks are readily accessible. These entrepreneurs have also stayed true to their founding principles and have developed their alternative business ideas very successfully. The question is: have they been successful because they started in a capital city where both the 'hard' infrastructure for success and the cultural understanding exist 'organically', due to the history of openness that large cities usually have? Is this proof that London is already an intercultural city? And, if so, what factors make it one? Would these businesses have been successful if they had started the same economic activity in a smaller city, where perhaps only some of the conditions for intercultural success are present?

On the other hand, the experience of the smaller and the 'local' entrepreneurs shows that even in a non-capital city it is possible for new business ventures to flourish. This is where the 'niche' argument appears to be more relevant. For example, in the case of Parvin Ali, in Leicester, is her successful track record due to the fact that the city had such a strong (textile) tradition among the Asian community that it was able to accommodate innovation even at the end of the sector's cycle, near saturation point? Or is it that the local ethnic businesses had become so complacent that they did not expect such a move from an insider/outsider? (See the introduction by Ali of the distribution by courier rather than through the traditional face-to-face distribution channels and the fact that a woman was running a successful company). In this case the city was merely a stage (and sometimes an obstacle, as when Ali talks about the local Chamber of Commerce ethos at the time) for her 'intercultural' move.

Similarly with the Hussein brothers, it is difficult to separate their experience with the planning permission obstacles from the sector in which they operate. In other words, is the restaurant sector problematic anyway in Leicester, or is it that the niche product offered by the Hussein brothers was (at the time) too 'intercultural' to be understood by the local planners and by extension the city at large? The question is not trivial if we look at it from the perspective of a hypothetical intercultural city. How should a city that intends to adopt a more open policy towards entrepreneurs in general act? Should it, for example, offer a 'talent scouting' initiative whereby the city willingly sets out to systematically assess new entrepreneurial ideas coming from the ground? Who would run such office, or initiative?

This question leads to another set of questions. All the 'small' and local entrepreneurs mention the fact that current business support mechanisms are generally not geared towards an understanding of the needs of those entrepreneurs that want to implement new business ideas across sectors, or across cultures. Ali, Page and Hussein's experience of both working with, or using, such organisations has shown that these tend to be partial to a certain ethnic group or community. They are inefficient in the delivery

of service and are staffed by people who are often prejudiced against businesses that don't fit into the ethnic business stereotype. Page and Ali's work shows that there is a holistic way of dealing with intercultural entrepreneurs (or with the needs of *diverse* businesses), but such mechanisms are rare and not yet mainstream. The question here is, could the 'intercultural city' be also the city where such mechanisms are pioneered at different levels of the local economy and society? Could such mechanisms also extend to the creation of an 'intercultural entrepreneurs' fund?

Finally, there is one last issue, which is that of role models and generally of the visibility of these new forms of entrepreneurship. All six entrepreneurs in the case studies have raised the question of how to raise the profile of young, cross-cultural, hybrid types of business. Both Page and Patel, for example, mention the question of recognition in relation to the work done by entrepreneurs from the Afro-Caribbean communities, and Stelios and Yau also mention the importance of the spread of entrepreneurial role models among young people of different communities. Page even suggests that primary schools should have entrepreneurship classes. These, he says, would generate self-confidence in children from an early age. Self-confidence is a key factor in entrepreneurial success but self-confidence comes from recognition by peers or society. So, the 'intercultural city' will also be the city that has in place mechanisms aimed at rewarding entrepreneurial ideas and ventures, be it through special prizes or social celebrations across diverse communities.

This suggests that the intercultural city can have small beginnings and be formed through micro-projects at first. Could it be that medium-sized cities have an advantage over larger cities?

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